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Ethiopia, Sudan and Egypt Reach Agreement on GERD



Ministers of water and foreign affairs of Ethiopia, Sudan and Egypt on December 29, 2015 have reached agreements pertaining to the Grand Ethiopian Renaissance Dam (GERD) following 3-day talks in Khartoum. The Agreement was one step forward towards finalizing and reaching agreement on the nomination of the two consultancy firms (French Artelia and BRL groups) tasked with carrying out technical studies on the potential impact of Ethiopia's Grand Renaissance Dam on the flow of the Nile. The three countries had initially picked French firm BRL and Dutch firm Deltares in April but Deltares later withdrew leading them to replace it with French firm Artelia on December 29. The three countries have "reached a consensus over the next steps" and have agreed to hold the regular

meetings to enhance cooperation among them. They have also agreed to convene their next meeting in Ethiopia.

Canada Grants 30 million USD to Ethiopia for the Efforts of Mitigating the El-Nino Induced Drought



Canada grants 30 million USD to Ethiopia for the efforts of mitigating the El-Nino induced drought. The announcement came following Dr. Tedros's bilateral talks with Hon. Marie-Claude Bibeau, Canada's Minister of International Development and La Francophonie, held on December 17, 2015 at the sidelines of the International Conference on Universal Health Coverage in Tokyo, Japan. During the meeting, Hon. Marie-Claude Bibeau announced her government's decision to grant Ethiopia a 30 million USD in addition to the 20 million USD that the Government of Canada previously disbursed. She also assured that

Canada remains committed to continued engagement and support. Briefing Hon. Bibeau on the recent El-Nino induced phenomenon and the concomitant drought in Ethiopia, Dr. Tedros noted that the Government of Ethiopia is exerting every effort to mitigate the current crisis and make sure that the drought does not lead to loss of human lives, adding that the government has started intervening immediately with its own resources. Asked about Ethiopia's track record in the health sector, Dr. Tedros said "Ethiopia has achieved nearly all the MDGs" noting that the country has managed a 69% cutback in maternal mortality; a two-third decline in under-five child mortality, a 90% decline in HIV/AIDS and other infectious diseases. In addition, the Minister said that there have been no generalized malaria epidemics. The two sides also discussed on ways to further bolster trade and investment ties, under which Dr. Tedros said Canada's companies and investors are most welcome to engage in mining, agro-processing sectors, including in areas of infrastructure development, such as wind, hydropower, geothermal and railway development.

10th Nations, Nationalities and Peoples Day Celebrated in Ottawa

Ethiopians and Ethio-Canadians residing in Ottawa colorfully celebrated the 10th Nations and Nationalities Day holding a town hall meeting on 13 December 2015 in Ottawa.

In a speech delivered on the occasion, H. E. Birtukan Ayano, Ambassador Extraordinary and Plenipotentiary of the Federal Democratic Republic of Ethiopia to Canada, noted that the Ethiopian constitution granted the nations, nationalities and peoples of Ethiopia their political right to self-administration and to equitable share of economic and social benefits. H.E. called upon

the members of the Ethiopian community to contribute their part towards Ethiopia's current economic development.



Representatives of different nations and nationalities have expressed their support and have vowed to contribute towards the effort to create a middle income country by 2025.

JETRO to Open an Office in Addis Ababa

The Federal Democratic Republic of Ethiopia and the Japan External Trade Organization (JETRO) signed a Memorandum of Understanding on December 18 for establishing JETRO's Office in Addis Ababa. The Memorandum was signed by Ethiopia's Minister of Foreign Affairs, Dr. Tedros Adhanom and Mr. Hiroyuki Ishige, Chairman and CEO of JETRO, at JETRO's Headquarters on the sidelines of the International Conference on Universal Health Coverage held in Tokyo.

During the signing of the Memorandum of Understanding, Dr. Tedros hailed the decision to open JETRO Addis Ababa Office as a historic episode showcasing Japan's genuine commitment and a demonstration of its determination to have a collaborative engagement with Ethiopia. He added that the presence of JETRO in Ethiopia would

boost the investment flow and trade volume between the two countries. Expressing his appreciation on behalf of the Government of the Federal Democratic Republic of Ethiopia to the Government of Japan and to JETRO for their support for such cooperation, Dr. Tedros said, “Ethiopia wishes to attract more Foreign Direct Investment from Japan and it is my hope that the signing of the Memorandum of Understanding for establishing JETRO’s Office in Addis Ababa will encourage many more Japan’s companies to invest in Ethiopia and further strengthen the investment relations between our two countries.”

Mr. Hiroyuki Ishige, the Chairman and CEO of JETRO noted that the opening of a JETRO Addis Ababa Office, following a series of joint consultations and substantial progress, had reached such a critical juncture. He stressed that the signing of the Memorandum of Understanding made it clear that the Government of Japan is committed to enhancing the existing relations between the two countries. He also said that he believed that “the establishment of our office in your country will further contribute to boosting the bilateral investment and trade ties, particularly in terms of attracting Japanese companies and investors into Ethiopia.” He said improving the investment situation and the business environment in Ethiopia is indispensable for attracting Foreign Direct Investment. Mr. Ishige said, “I believe that the JETRO Office in Addis Ababa, Ethiopia will contribute to your plans for the industrialization of Ethiopia. We will make further coordinated efforts to scale up our business dealings with Ethiopia.” He also noted that JETRO, while making all necessary preparations for the establishment of the JETRO Addis Ababa Office, was already making efforts to attract Japanese

companies into Ethiopia and to promote Ethiopian exports.

More KOICA Support Expected in GTP2

Ethiopia will enjoy continued development cooperation with the Korea International Cooperation Agency (KOICA) in GTP2 as the agency looks for increased development cooperation.

KOICA revealed its interest for more development cooperation with Ethiopia during 20th anniversary celebration of Ethiopia-KOICA cooperation held at the Hilton Hotel in Addis Ababa.

KOICA Ethiopia Country Director, Doh Young Ah said at the event that there is a high need to increase development cooperation with Ethiopia as the country is among its most priority countries in Africa.

Accordingly, KOICA will be committed to assisting activities in Sustainable Development Goal (SDGs) and the GTP2 of the country by extending more aid and cooperation, the director added.

Currently, the Korean government has prepared its second Country Partnership Strategy (CPS) for the coming five years (2016-2020) to support the government and people of Ethiopia in four priority areas. These are water management, health, rural development, transportation and energy, the director indicated.

“We strongly believe that our cooperation over the last 20 years has been strong and we have witnessed that Ethiopia is in the right track to be a middle income country by 2025” she said.

Professor Eyasu Makonnen, Department of Pharmacology School of Medicine at Addis Ababa University on his part said KOICA Ethiopia office has contributed a lot in the development of Ethiopia in different sectors including agriculture, rural development education, and health, among others, as a key development partner.

Eyasu, who is currently serving as Chairperson of KOICA Club Ethiopia, also said Korea is sharing its reach experience to Ethiopia through offering trainings.

So far KOICA has trained over 1000 Ethiopians in different disciplines from short term on job trainings to Masters Degree levels.

He expressed his belief that KOICA Ethiopia will continue to be the key development partner of Ethiopia.

Established in 1995, the KOICA Ethiopia Office is the first Korean overseas office in Africa.

Ethiopia, Nigeria See New Partnership in Commodities Marketing

Nigeria and Ethiopia are in the process of entering into a technical partnership for joint trading of commodities for the two regions of East and West Africa and the two countries.

According to The Nation, the deal, when operational, will see the Ethiopian Commodities Exchange (ECX) training workers of the Nigeria Commodity Exchange (NCX), on technical operations including internship.

Zaheera Baba-Ari, Managing Director and Chief Executive Officer of NCX confirmed that both countries are planning to “enter into market information services whereby they (ECX) will be listing commercially viable Nigerian agricultural commodities such as maize, sesame, cowpea, cashew nuts and cotton.”

The two Commodities Exchanges will be adding more commodities as time goes on, she said.

The NCX official told The Nation that NCX and ECX are in the process of drawing up a Memorandum of Understanding (MoU) to give legal backing for the planned commodities marketing collaboration.

Baba-Ari said the benefits of the partnership include “opening up business opportunities for Nigerian farmers to attract buyers from African countries and abroad”.

Apart from improving marketing opportunities which will lead to improved revenue for Nigerian farmers, the arrangement will also boost production by farmers who have been exposed to new market frontiers, the official further noted.

NCX has established commodities trading relations with Commodities Export Associations in Sudan to help Nigerian farmers make the best of the occupation, Baba-Ari added.

Business and Economy

Ethiopia Said to Be Second Largest Flower Exporter in Africa



Ethiopia is reportedly the second largest flower exporter in Africa next only to Kenya with over 100 flower growers that planted 1,700 hectares of land.

Promotion and Information Service Head of Ethiopian Horticulture Producers Exporters Association Berhanu Ludamo told Anadolu Agency that Ethiopia would soon overtake Kenya and become the leading African flower exporter.

According to the head, Ethiopia has earned 250 million USD from horticulture exports in 2014 and plans to increase the revenue to 550 million USD and the area to 3,000 hectares in the coming five years.

A researcher and agricultural marketing consultant in Addis Ababa, Shiferaw Mitiku, stated on his part that Ethiopia's conducive climate condition and the good policies of the

government are the factors for the success registered in the sector.

“The export-oriented agricultural policy, attractive incentives, macro-economic stability and cheap labor constitute the competitive edge for the Ethiopian flower industry,” he said.

The privileges that flower growers are entitled to, including five-year tax holiday, duty free imports and access to bank loans are among the factors he mentioned that have attracted investors to Ethiopia.

Currently, investors from various countries, including Netherlands, Kenya, Tanzania and Uganda are investing in local flower farms, according to Shiferaw.

Manager of one of the biggest farms, Gallica Flowers, which moved in 2008 from Ecuador, Gizachew Wondimu said the availability of adequate water and human labor encouraged the farm to move to Ethiopia.

“The farm is located at 2,600 meters above sea level, which is suitable for growing best quality flowers. We grow 82 premium quality flower stems per hectare annually on average and export to Italy, France, Germany, Middle East, Korea, Japan, Russia, Cameroon, Nigeria and South Africa,” he explained.

“Ethiopian brand” is not yet established in the world flower industry due to the fact that some countries are engaged in re-exporting Ethiopia's cut flowers without their brand name, Shiferaw pointed out.

The Path from Aid to Trade: Ethiopian Leather Attracts Canadian Business



Brook Debebe is not your average businessman. A career diplomat who has served as Ethiopia's Ambassador to Belgium, Brook is supporting his country in a new way these days: as General Manager of Ethio-Leather Industry (ELICO). Established in 1997, ELICO is a leather goods company that operates three manufacturing units in Ethiopia's capital city Addis Ababa. ELICO was founded with the goal of improving living standards of the people of Ethiopia. The company provides sustainable livelihoods to over 30 local suppliers, producing leather hides, shoes, belts, bags and jackets of world class quality.

Ethiopia has a long history of leather production. The country boasts the largest population of cattle in Africa and is recognized as the 10th largest in the world. Like many developing countries, Ethiopia is pursuing a growth strategy that focuses on diversifying its export base and increasing the production of value-added goods. Despite the high potential for leather products within this strategy, finding foreign buyers is no easy task. With the economic downturn in Europe, Brook knew he needed to expand ELICO's sales to new markets. Already exporting to the U.S., the company quickly turned its sights to Canada.

As part of its Canadian Market Access and Capacity Building Program, TFO Canada in partnership with the Ethiopian Embassy organized a Leather Products and Footwear Trade Mission to Toronto in the fall of 2014. ELICO was among a group of exporters selected to participate in this trade mission. The two-day mission began with a retail tour to better understand market conditions and competition for leather goods in Canada. Supported by TFO Canada Associate Phil Zwibel, Brook showcased ELICO's products at the Canada-Africa Business Summit 2014 and attended B2B meetings with potential buyers.

The results? ELICO secured an order for \$100,000 worth of shoes from a Canadian company specializing in comfort footwear. Brook is also pursuing two other leads to bring ELICO's leather jackets and handbags to Canada. "I have attended the B2B meetings and am very satisfied by the outcome," said Brook at the end of the mission.

In addition to contacts, Brook also returned from the mission with new insight on how to target his products for the Canadian market. Recommendations from Canadian buyers met during the mission have spurred ELICO's plans to add more designs for the middle market segment and expand its offering of leather boots to accommodate Canada's famously long winter. "Getting into the Canadian market would allow us to hire more workers," says Brook. His company is looking to open two new plants in the coming years to increase production capacity for its leather shoes and gloves. (Reporting by TFO Canada)

Ethiopian Investment Seminar Held in Tokyo

An Ethiopian investment Seminar was held in Tokyo on December 17, 2015. Co-organized by the Embassy of Ethiopia in Tokyo and the Japan Institute for Overseas Investment, the Seminar was held under the theme: "Manufacturing

Investment and Development of Industrial Zone in Ethiopia”.

Dr. Tedros Adhanom, Minister of Foreign Affairs, gave keynote address underlining that since the establishment of formal diplomatic relations in 1955, Ethiopia and Japan have maintained very close and cordial relations. Taking note of Japan’s support to Ethiopia in the alleviation of poverty and enhancement of productivity, Dr. Tedros also emphasized the way Ethiopia had benefited from the Japan’s Kaizen Philosophy and from a policy of industrial dialogue. He said the support of the Japanese government in agriculture, water supplies, education, and infrastructure development had positively impacted on the lives of millions of Ethiopians. The Minister commended the people and Government of Japan for their support to allow Ethiopian Airlines fly to Japan which had, he said, proved an important milestone in boosting bilateral ties and creating an enabling environment for expanding trade, investment, tourism and above all people-to-

people relations with Ethiopia in particular and Africa in general.

Over and above the overall conducive business environment and political stability, the Minister pointed out that Ethiopia offered significant advantages to investors, including macro-economic stability, abundant natural resources and a trainable work force. Other factors included low-cost energy, a sizable and captive market, a clean business climate and most of all a committed government bent on transforming the economy from a largely agricultural basis into an industrialized manufacturing economy. Accordingly, the Minister said, building and developing industrial parks had now become the country’s top priority. In this connection, the Minister said, “I’m particularly pleased to see the growing interest on the part of Japanese investors to engage in these developments.” Dr. Tedros added that, “I’d like to assure you of the continuous support and facilitation by the relevant agencies in Ethiopia to extend support to those interested to invest in our industrial parks

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**Wishing you a Happy
Holiday Season & a
Wonderful New Year**

Tourism and Culture

UNESCO Registers Sidama New Year as World Heritage

This was disclosed at the tenth UNESCO meeting held in Namibia on December 2, 2015.



Representative of the Director-General of Ethiopian Authority for Research and Conservation of Cultural Heritages, Ephrem Amare said *Fiche Chamballala* festival is the second Ethiopian intangible world heritage to be registered by UNESCO, following *Mesquel* festival registered earlier.

Ephrem said more efforts will be exerted to get registered the nation's intangible and tangible heritages to get their protection and treatment at international level.

He added that Ethiopia has submitted all the necessary documents that will help the *Geda* system, *Irrecha*, *Ashenda* and other intangible and three tangible heritages to get registered by UNESCO.

Ethiopia Earns \$800 million from Tourism Sector in First Quarter



Tourism sector has generated 880 million US dollars revenue in the first quarter of this Ethiopian fiscal year alone, according to the Ministry of Culture and Tourism (MoCT).

The three month performance is an indication for the possibility to attain the 3 billion US dollars projected target in the budget year, Gezahegn Abate, Public and International Relation Director at MoCT said.

Owing to the establishment of tourism organization, the prevailing peace, expansion of infrastructures and promotional works, the revenue generated in the first quarter increased by 500 million US dollars compared to the 380 million US dollars obtained in the same period the previous year, he said.

More than 235,000 foreign tourists have visited Ethiopia during the past three months. Some 734,000 tourist have visited Ethiopia last year and the number of visitors in this year is expected to hit 1 million. (Ethiosports)