



ECONOMIC



DIGEST



EMBASSY OF ETHIOPIA , LONDON

ECONOMIC DIGEST

is a monthly newsletter prepared by the Embassy of the Federal Democratic Republic of Ethiopia to the United Kingdom. The newsletter aims to inform the UK public about the Economic situation of Ethiopia .

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President Sahle-Work Launches E-Commerce Of Ethiopian Coffee Via Alibaba Platform



President Sahle-Work has today virtually launched electronic commerce of the Ethiopian Coffee to Chinese consumers via Alibaba Global Platform.

"Dear Chinese friends, Ethiopia and Alibaba entered in to partnership in late 2019 to promote trade and the electronic world trade platform initiative." the president said, while launching the platform.

Despite the challenges of 2020, Ethiopia have been working closely together with Alibaba, said the president, expressing delight saying "Now, I am very happy to announce official launch of Ethiopian Coffee on the global platform of Alibaba which is one success of our cooperation. " Ethiopia is the birthplace of Coffee which is a very important part of our culture and heritage. Millions of people around the world have Ethiopian Coffee every day. And Millions of Ethiopian farmers work diligently to produce the world's best coffee, she stressed.

"At this special moment, I would like to invite our Chinese friends to enjoy the flavor and quality of Ethiopian Coffee and to strengthen the bonds of friendship between our two Countries.", President Sahle-Work noted.

November 6, 2020 (FBC) –

Foreign Banks Won't Be Allowed Anytime Soon: Central Bank

Governor of the National Bank of Ethiopia, Yinager Dessie, declared the East

African nation will not open up the banking sector for foreign investors anytime soon despite its government's recent reformist moves.

"We have not [got fully operating] international banks here; they are not allowed here because we want to make our local banks strong," Yinager said in an interview with Financial Times

Despite having nearly 20 commercial banks, the state-owned Commercial Bank of Ethiopia (CBE) covers almost 60 percent of the country's banking activities.

A September research note by credit rating agency Moody's warned the lack of commercial foreign banks had resulted in a "dominance of state-owned banks", which account for about three-quarters of Ethiopia's total banking assets.



Yinager said that although "it will take some time" before foreign banks are permitted to fully operate in Ethiopia, the country's banking sector "will not be closed all the time".

He adds that more than a dozen commercial banks are seeking approval to set up shop in Ethiopia where, according to the World Bank, 35 percent of adult Ethiopians held bank accounts in 2017, below the 43 per cent average in sub-Saharan Africa.

"We are encouraging the private sector to [buy into] digital fintech operators. We have recently introduced a directive that allows non-financial institutions to operate," he continues. "Anyone who fulfils the criteria can be engaged and it is not

expected to be a financial institution."

"Now we are trying to expand this mobile banking, internet banking," Yinager adds. Last month, the

National Bank gave a greenlight to the national telecom company, Ethio telecom, to start mobile money services after a series of negotiations.

Foreign firms can't engage in mobile money services, which a recent study conducted by Ethio telecom projects that the country can generate USD 13 billion from mobile money by 2025. (Ethiopian Monitor)

Ethiopia partners with UK & Germany to help save jobs in country's textile industry

With the 6.5 million USD financed by UK and Germany program Ethiopia, the partnership aims to help safeguard a critical industry and protect the livelihoods of those working within the government and textile industries in Ethiopia.

Through the fund projected, textile factories in Ethiopia's industrial parks can apply for wage subsidies, similar to the absence schemes operating in many countries including the UK and Germany, and incentives to reward businesses that are able to familiarize themselves in response to the COVID-19 pandemic in Ethiopia.



The funding will kick surprise the facility and the partnership may further expand its reach through additional support in

the next future early period. Ethiopia's textile and garment industry is a leading provider of jobs in the country's manufacturing sector by employing a huge amount of job seekers in Ethiopia. However, the breakdown of domestic and international demand in the sector is predictable to market leader the sector solid. Ethiopia's Jobs Creation Commission estimates that between 1.4 and 2.5 million jobs could go over the next three months at a country level. (The Ethiopian Herald November 10, 2020)

Some 12 Investors Obtain Licenses To Engage in Mining Development, Exploration

Ministry of Mines and Petroleum disclosed today that it has issued licenses to 12 local and foreign investors in mining sector in Ethiopia during the first quarter of current fiscal year. State Minister, Simegn Wube presented her ministry's first quarter report to the Natural Resource, Irrigation and Energy Affairs Standing Committee of the House of Peoples' Representative (HPR).



During the occasion the state minister disclosed that 12 local and foreign investors have been licensed during the first quarter to invest in mining sector. The investors are licensed to engage in the exploration and development of mining in various parts of the country, according to her. Ethiopia has also secured 170 million USD from the mining sector export trade over the past three months; Simegn said.

Indonesian pharmaceutical and food processing companies to invest in Ethiopia

At least two pharmaceuticals and one food processing Indonesian company have finalized their business assessment to invest in Ethiopia, the Indonesian Ambassador to Ethiopia Al Busyra Basnur told The Reporter on November 5, 2020. Already in the process of venturing into the Ethiopian economy when the Coronavirus pandemic struck, the companies are said to be waiting for the pandemic to subside. The Indonesian Ambassador further stated that one of the pharmaceutical companies has leased land

near Dukem to build a factory, while the food processing company is discussing with local partners to form a joint venture. "Indonesian businesses consider Ethiopia as one of the fast-growing countries in Africa," said the ambassador, indicating that Ethiopia is the second largest Indonesian investment destination in Africa next to Nigeria. Five Indonesian companies currently operate in Ethiopia, producing garment, instant noodles, and detergent products.



© Can Stock Photo - csp2531037

The Ambassador underscored that the potential for further economic collaboration is huge between the two countries that have half a century of diplomatic relations between them.. (The Reporter)

Multinational Telcom giants jostle for full-service licence

Twelve multinational telecom giants will soon find out which among them wins one of two new full-service telecommunication licences to operate in Ethiopia.

The Ethiopian government is expected to request for proposals before the end of November. The Ethiopia Communications Authority (ECA) has completed the evaluation of expressions of interest submitted in June by the 12 companies.



Kenya's telco giant Safaricom, whose interests are through a consortium dubbed Global Partnership for

Ethiopia in partnership with Vodafone and Vodacom, is hopeful of being among the two companies that will be invited to submit a request for proposal.

Ethiopia offers a huge market for voice and data, the M-Pesa service could be the biggest beneficiary by riding on Ethiopia's nascent financial market. (The East African)

Chinese Firm Starts Building 3 Factory Sheds Inside Bole Lemi Industrial Park With \$50m

Shangtext Garment, the second largest apparel firm in China, has begun construction of 3 factory sheds inside the Bole Lemi Industrial Park at a cost of \$50 million.

Each shed is being erected on 10,000 square meters of land and they are scheduled to be completed within one year, said the Ethiopian Industrial Parks Development Corporation.

According to the Corporation, the firm will build two more sheds in the second phase. (FBC)

Ethiopia's Silicon Valley Adds Four Data Centres

Four new data centre companies have secured land to make their home at Ethio ICT Park, Ethiopia's Silicon Valley. Raxio Data Plc, RedFox Web Solution, ScutiX and Wingu.africa have signed a memorandum of understanding (MoU) with the Ethiopian Investment Commission and have initiated preliminary steps to commence construction at the Park.



The biggest lot has been allotted to Wingu.africa at 15,000Sqm, while RedFox, ScutiX and Raxio have been granted 4,000Sqm, 6,386Sqm, and 1,000Sqm of land, respectively. The companies will be providing storage, infrastructure solutions for cloud computing, webspace and domain hosting, virtual private centres and collocation services.

The data centres, which are expected to create employment opportunities for over 250 people, will also avail customised applications to industries like telecom, banking and insurance, among others. The construction of these data centres is in line with the country's ambition

toward nurturing a digital economy, according to Mekonnen Hailu, public relations director at the Ethiopian Investment Commission. "This will be especially beneficial for industrial parks, which are now increasing in number," he said. "By the time this becomes operational, it'll be very relevant."

American-based Raxio Data Plc has already constructed its first data centre investment in Africa, Raxio Data Centre Ltd in Uganda, and plans to open over 10 additional similar facilities, likely in Mozambique and the Democratic Republic of Congo. Upon final phase completion, Raxio will be able to house around 400 racks and offer 1.5MW of IT capacity. The company expects to finalise the construction of its Tier III carrier-neutral facility in the Park within nine months, according to Welela Haileselassie, country manager for Raxio. Drawing on the best practice models from Uganda, it will be using a modular design that enables it to expand as demand grows. In Uganda, the company had used a brick and mortar design, which doesn't offer as much flexibility. "Cooling, power and connectivity are the elements that Raxio will ensure in its services," said Welela. "We remove that headache for users."

(Fortune)

Ministry Secures 6.8m Euros to Enhance Agricultural Investments

The Ministry of Agriculture and the German Agency for International Cooperation (GIZ) have signed a 6.8-million-euro joint project agreement to assist agricultural investments.

The joint project, termed Support Responsible Agricultural Investments, is funded by the German Federal Ministry for Economic Cooperation & Development and the European Union. With this project, local government bodies, private sector players, and communities will receive assistance in managing land resources and 511 commercial agricultural investments with greater efficiency, transparency and inclusiveness, according to the German Embassy in Addis Abeba.

(Fortune)

Authority Relaxes Coffee Export Restrictions

Coffee traders can now send all grades of coffee beans to the global market, in contrast to the previous law that allowed them only to export the top four grades of Coffee, according to the new directive issued by the Ethiopian Coffee & Tea Authority.

Farmers and exporters can also directly ship the beans without going through the trading floors of the Ethiopian Commodity Exchange (ECX).

Ethiopia secures USD 1.1bn in FDI inflows: UNCTAD

Half year receipts show 12 pc decline

The United Nations Conference on Trade and Development (UNCTAD), in its Investment Trends Monitor Report released this week, indicated that Ethiopia

remains relatively stable drawing USD 1.1 billion in Foreign Direct Investment inflows during the first half of 2020. The report highlighted that while Sub-Saharan Africa has experienced a 21 percent decline, estimated at USD 12 billion in value, Ethiopia has seen only a 12 percent decline securing USD 1.1 billion inflow. UNCTAD asserted that China was an instrumental source of foreign investment.

In her recent presser, Commissioner of Ethiopian Investment Commission (EIC), Lelise Neme told reporters that during the first quarter of the current Ethiopian Fiscal year, some 36 FDI projects were registered raising USD 500million in FDI. The commissioner underscored that the stated value represents a 20 percent decline from the targeted USD 700 million for the reported fiscal year.

Furthermore, the foreign projects have added 3,800 new jobs. Some 10,864 jobs as well have been secured from foreign firms operating within industrial parks. However, the targeted number of jobs was set at 20,500 indicating a 72 percent achievement.

From Sub-Saharan Africa region, Nigeria sustained a 29 percent decline in FDI, valued at USD 1.2 billion, while the whole world has seen a 49 percent decline in FDI inflows. According to UNCTAD, the biggest decline registered is in Europe and the US, where the outlook still remains negative. New projects have declined by 37 percent.

In related news, Prime Minister Abiy Ahmed (PhD) has inaugurated the Dire Dawa Industrial Park. The Park, built at a cost of USD 150million, is expected to create 20,000 jobs in addition to the existing 1,000 jobs. So far, Semera Industrial Park in the Afar Region is the only project left. The government has invested USD 1.5 billion to create industrial parks solely to enhance and expand the export of manufactured goods. Anticipating it will eventually exit from industrial park developments, the government still considers Public Private Partnership (PPP) as an alternative viable option to participate in industrial park projects. (The Ethiopian Reporter)

A New Delivery and Local Businesses App Released

eBiz Online Solutions PLC announced the release of its new app named Megbia (megbia.com). This app helps users find local businesses and order food take-out and delivery from anywhere in Addis Ababa. De-

veloped in house by the parent company of 2merkato.com, Megbia has the Ethiopian audience in mind since its inception.

eBiz disclosed that hundreds of restaurants and thousands of local businesses are listed on the app. Users can get takeout and delivery service from dozens of restaurants.

Addis Assefa, editor and coordinator at eBiz, said, "The project has taken nearly two years to come to fruition. The first year was spent in developing the business concept and data collection, and the second year was spent in developing the app and refining the concept."

Addis added that a lot of thought and action went into making the app as user friendly as possible. The app can be used in English and Amharic and switching between languages can easily be done by shaking one's phone. In addition, users can search for businesses by typing names of businesses, and also names of neighbourhoods. According to Addis, this is invaluable in a place like Addis Ababa where people hardly use street names but instead use names of neighbourhoods. One can also use the location service on one's phone and search for local businesses. Addis added, "Ordering food and drinks takes only a couple of clicks. We have dozens of restaurants listed and many more restaurants are joining every day. You'll definitely find one of your favourite restaurants on the app which can be downloaded from the Google Play Store." eBiz is also working to make the app available on App Store for customers who use Apple phones.



(Ethiopian Monitor) 17 November 2020

US-based PepsiCo eyes Ethiopia investment

PepsiCo Inc., an American multinational food, snack, and beverage corporation, has expressed its interest to invest in Ethiopia.

Ambassador of Ethiopia to South Africa, Dr. Shiferaw Teklemariam, held a discussion with the senior management staff of the African branch of the NewYork headquartered corporation.

PepsiCo considers Ethiopia as a strategic nation for its investment and products, they said, further expressing interest to invest in edible oil as well as food and juice processing plant.

Ambassador Dr Shiferaw for his part said Ethiopia attaches due attention to the agro-processing industry, adding the Government of Ethiopia would give full support for the planned projects of PepsiCo.

The ambassador extended an invitation to heads of the companies to visit Ethiopia to assess the conducive investment climate, meet with government officials and the private sector.



Heads of the corporation accepted the invitation and pledged to visit Ethiopia and meet with stakeholders soon, Africa Business Networking reported citing FBC.

Trade white pigeon pea only through Ethiopia Commodity Exchange

The white pigeon pea has entered to Ethiopian Commodity Exchange market recently following that the contract exchange scenario underway.

The white pigeon pea has five quality assurance stages grade 1,2,3,4 and under grade. According to the direction given by the Ministry of Trade & Industry, the commodity will be traded only at ECX as of the present fiscal year. To trade the white pigeon pea at Ethiopian Commodity Exchange (ECX), suppliers should supply the commodity with maximum moisture level is 13, maintain the natural colour, free from bad odour, broken, fractured, as well as free from pieces of metals and dangerous weeds.

Africa Coffee Sector to Get A €800 Million Boost

The Inter-African Coffee Organisation (IACO), with the support of



The African Export-Import Bank (Afreximbank), is launching a €800 million fund to support the coffee sector in Africa. According to local media reports, the facility aims to support various projects, including research and development as well as promote coffee consumption across the continent. Other part-

ners included in the initiative include the Centre for Agriculture and Biosciences International (CABI) and the International Coffee Organization (ICO). A recent study by the audit firm McKinsey predicted that demand disruption in the coffee market due to coronavirus could affect between €85 million and €170 million of African export value by the end of 2020 (European Supermarket Magazine)

Nigeria ratifies its membership of AfCFTA

Nigeria has ratified the country's membership of the African Continental Free Trade Area just ahead of the deadline. Nigeria, Africa's largest economy and



most populous nation, becomes the latest country to ratify membership of the free trade agreement. The agreement has so far been ratified by at least 30 African Union member states. African Continental Free Trade Area (AfCFTA) has the potential to unite a market of 1.3 billion people and a combined GDP of \$2.6 trillion.

The AfCFTA aims to reduce tariffs on 90% of all goods and facilitate free movement of goods, services, capital, and people.

It will enable Africa's regional economic communities to become more integrated and easier to access, including the ability for start-ups to scale across Africa seamlessly. (CGTN)

Ethiopian Has Expanded Cargo Operations In Atlanta And Alaska



The ongoing coronavirus pandemic has caused passenger demand levels to experience a sharp drop this year. This has had a significant impact on the airline industry. However, carriers with a dedicated cargo division have been able to profit from a growing freight market.

One such operator is Ethiopian Airlines, which launched a new transpacific cargo route earlier this month. Ethiopian Airlines announced on Twitter that its freight division, officially known as Ethiopian Cargo & Logistics Services, launched Trans-Pacific route earlier this month. As of November 9th, the carrier has been plying the transpacific corridor between South Korea and the USA.

The new route begins at the South Korean capital's Incheon International Airport. This was the world's fourth-busiest airport in terms of cargo traffic in 2017. It first makes a stop at Ted Stevens Anchorage International Airport, in Alaska's largest and most populous city. It then continues onward to its destination of Hartsfield-Jackson Atlanta International Airport, in the state of Georgia.

Ecommerce and Social Media Market in Ethiopia



Ethiopia registered significant growth of internet users in 2020 within 10 years' time.

Statistics of the year 2000 shows that there used to be 10,000 internet users but in just 10 years it reached 20,507,255 users showing a significant growth of 204.97%. But out of the whole population of Ethiopia

only 17.8% use the internet. Out of the people who are using the internet, the number of facebook users is 6,007,000.

Out of approximately 115 Million people in Ethiopia there are only about 21.14 Million registered users on the online platform.

Currently the websites mostly used to shop online are Deliver Addis, Jumia, Qefira.com, Sheger.net, Sheba Shopping, Hello Market, and Delala, all of which operate as marketplaces.

Megado Gold sets a fast pace for exploration at its Ethiopian gold projects

Megado Gold (ASX:MEG) successfully raised \$6m from its IPO to develop gold projects in Ethiopia. The company has five high-quality gold exploration projects in southern and western Ethiopia, covering 511sqkm of world-class greenstone terrain in the Western Ethiopian Shield.

The company has initiated extensive trenching at its Babicho gold project, as well as collecting rock chip samples which are undergoing analysis.

"We are extremely excited to have commenced our trenching program at the Babicho gold project as well as the sampling undertaken at Chakata," managing director and chief executive, Michael Gumbley, said.

At the Babicho project in the south of the African country, Megado Gold is targeting a 2km-long gold anomaly in outcropping quartz veins.

Megado Gold's Chakata project is located 5km along strike from the 3 million-ounce Lega Dembi and 600,000oz Sakaro gold mines in Ethiopia.

The trenching will enhance the company's understanding of the terrane and structural setting of the mineralisation evident in the company's gold projects and identify future targets for drilling.

Historical soil sampling at Babicho delineated a coherent and highly significant

Ethiopia: Positive Stride for Revamping Local Tourism

Endegen Desalegn, Acting Communication Director with the Ministry of Culture and Tourism (MoCT) has elucidated the overall activities that have been put



into practice to stimulate the tourism sector. Of all the major economic sectors, tourism is one of the sectors massively hit by spread of Coronavirus in Ethiopia and across the world as well

Noting that Hotels, Tour operators and Transport service providers have been the worst affected by the pandemic, he mentioned that the government has been taking necessary measures to minimize the impact of coronavirus.

MoCT, Tourism Ethiopia as well as other Hotels and Travel Operators' Associations have been putting efforts to minimize the impact of the pandemic and lessen the burden being put on highly affected areas.

In addition to this, preparation has also been made to help Hotels resist the impact of the pandemic and start their business in no time keeping the necessary precautions. To this effect, recovery strategies have been devised to reopen the tourism sector. (The Ethiopian Herald)

World Responsible Tourism Awards 2020

This year, the World Responsible Tourism Awards, which took place on 4th November, were dedicated to recognising those working across tourism who have done something extraordinary to address the many challenges of the pandemic.

The ambition of the awards remains as it always has been to recognise businesses and destinations which are making tourism better to educate, inspire and challenge others to do likewise or do more.

However, this year the categories reflect the challenging situation the travel industry is facing, and the judges have awarded either Highly Commended or Commended to a far wider range of businesses and destinations than in other years.

For Ethiopia, Capital Hotel and Spa, Addis Ababa, and Limalimo Lodge, won in the Neighbours and Employees: Commended category.

Lonely Planet's Best in Travel Picks for 2021

Global travel authority Lonely Planet has today unveiled a radical reimagining of



its much-awaited Best in Travel picks for 2021, reflecting an unprecedented year of disruption in the travel industry. For the first time, this year's list spotlights not only

places but also people and communities who are transforming the travel industry. In 2021, Lonely Planet is looking ahead to the important changes taking place globally, from sustainability to diversity, and shining a light on the future of travel.

Discover the remarkable people and places transforming travel and making the world a better place - for now and future generations

Tesfa Tours of Ethiopia is among winners of Lonely Planet's Best in Travel Award - Community Category. Lonely Planet selected 10 of the best community tourism projects around the world and Tesfa Tours managed to make the cut .

Ethiopia Invites Chinese Steel Companies to Explore Investment Opportunities

ADDIS ABEBA – The Ethiopian government has invited Chinese steel companies to explore investment opportunities in Ethiopia amid the East African country's booming construction sector.

This came as Ethiopia's Consul General in Chongqing, China, Anteneh Tariku, held "a fruitful discussion" with Zhang Yong, Vice President of Chongqing Iron and Steel Design Institute (CISDI Group) in Chongqing, the Ethiopian Ministry of Foreign Affairs said in a statement issued over the weekend.

Consul General, who briefed the Chinese side about Ethiopian current steel production capacity and the potential of iron ore resources, stressed that "both sides would reap a mutual benefit through coupling Ethiopian natural resources with the company's technology and know-how," according to the ministry.

"The government of Ethiopia encourages companies like CISDI Group, considering the potential of the construction sector in advancing the country's economy," Tariku added.



Zhang Young, on his part, stressed that the CISDI Group "is looking for possibilities to invest outside of China, confident of its abundant experience, technology, and know-how in the field," the statement from the Ethiopian Ministry of Foreign Affairs quoted Zhang as saying.

Anteneh has also called upon the company to look into the possibility of investment in Ethiopia on Iron and steel projects and real estate development projects, for which the CISDI leaders replied positively.

According to the Ethiopian Investment Commission (EIC), Chinese companies, with close to 1,564 projects that were either operational or under implementation during the past two decades, are the top players in Ethiopia's investment landscape both in terms of the number of projects and the financial capital. (Ethiopian Monitor)

Gheralta Mountains and its vicinity





East Africa advances discussions to develop Harvest Project, Ethiopia

VANCOUVER, BC, Nov. 25, 2020 /CNW/ – **East Africa Metals Inc.** (TSX-V: EAM – “**East Africa**” or the “**Company**”) is pleased to announce Company management is advancing discussions with potential mining partners for the development and operation of the Harvest Copper-Gold VMS Project in Ethiopia. The Company currently owns 70% of Harvest Mining PLC (“**Harvest**”) through its wholly-owned subsidiary,

Tigray Ethiopia Holdings Inc. (“**TEHI**”). Harvest holds the Terakimti Mining License (the “**Harvest Property**” or “**Harvest Project**”) including the Terakimti Oxide deposit and the Terakimti Sulphide resources in Ethiopia. The Company is in discussions with an arm’s length party (the “**Purchaser**”) for the acquisition of up to 55% interest in the Harvest Project.

Negotiations for the Harvest Project (including the Terakimti Oxide and Terakimti Sulphide deposits) are active and ongoing and are using previously disclosed terms as a framework for discussions (see press release February 11, 2019) that, in exchange for 55% interest of Harvest, EAM will receive: a cash payment of US\$500K; and commitment from the Purchaser to finance, develop and operate the Terakimti Oxide and Terakimti Sulphide projects.

Transaction advisors wanted for sugar privatization

The Ethiopian Public Enterprises Holding and Administration Agency (PEHAA) called for expression of interest from potential firms to advise the government on the transaction for the privatization of eight sugar factories.

Part of the government’s wave of privatization plans, the eight sugar factories that will be placed for sale are Welkayit, Tendaho, Kesem, Omo Kuraz-1, Omo Kuraz- 2, Omo Kuraz-3, Arjo-Dedesa, and Tana-Belese sugar factories.

The announcement made on November 26, 2020 came just a day before the telecom sector liberalization license bid which is also part of the government’s grand plan to incorporate private sector money into the economy.

According to the announcement, potential transaction advisors are expected to “prepare a comprehensive plan and recommendations for a successful privatization transaction for the above sugar estates, undertake the necessary market research and carry out a detailed analysis of alternative transaction approaches.”

The expression of interest requires the transaction advisor firms to have “thorough knowledge of the sugar sector from commercial, legal, technical, economic, environmental, and public-policy perspective; extensive previous transac-

tion advisory experience in the agriculture and manufacturing sectors and capital markets; Expertise in carrying out legal, technical, financial due diligence and accounting expertise necessary to carry out successful transaction; at least two experiences in the past five years in developing, assessing and advising on privatization activities, either as an advisor or as an agent, and broad experience in the sugar sector, including legal, regulatory, operational, industry and technical experience; experience in undertaking business review, expertise in business and fixed assets valuations.”

When Ethiopia launched its investment for 10 sugar factories in 2005 during GTP I, its plan was to avail surplus production for the export market. But, because of huge inefficiency in project execution, many of these projects were not successful. Again, because of failure of the sugar factories to enter into operation, sugarcane plantations intended to feed the mills were frequently cleared.

The plan for the sugar sector is to privatize 13 state-owned sugar factories. Last year, the Ministry of Finance released initial documentation for the purpose of inviting local and international investors to express their interests to invest in the state-owned sugar factories. The Ministry and the Ethiopian Sugar Corporation have conducted asset valuations and due diligence in the same year.

The Ethiopian Sugar Corporation, the investor and industry regulator, has been hugely criticized for failure to effectively manage the investments and it had defaulted on its 77-billion-birr loan. (: The Ethiopian Reporter)

Communications Authority Releases RFP for Telecom Licenses

The Ethiopian Communications Authority, the telecom and radio frequency regulator, launched a request for proposal (RFP) to issue full telecommunications licenses to two operators.

Issued today, the RFP will remain open for 90 days. For the expression of interest, the Authority announced last May, a total of 12 companies have expressed their intent to join the industry. Of the 12, one firm submitted incomplete documents.



The RFP includes investment considerations, bidder regulations and licenses to be awarded. The Authority plans to finalise the process and issue the licenses this coming March or April.

Companies that are interested in receiving the request for proposal are expected to make a written request to the Authority before December 10, 2020 and pay the RFP fee of 15,000 dollars.. (Fortune) November 27, 2020

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