



Ethiopian News

Dec '09 – Jan '10 Issue

The Monthly Publication from the Ethiopian Embassy in London

Happy New Year

From Everyone at the Ethiopian Embassy



Copenhagen climate deal to benefit Africa

PM Meles Zenawi says Africa has benefited most from the Copenhagen Global Climate deal.



The premier said Africa was promised a significant amount of financial support from the developed nations to cope with the impact of climate change despite the global financial crisis.

Meles said the discussion he held with French President Nicholas Sarkozy, British Prime Minister, Gordon Brown and European Commission President, Jose Manuel Barroso, before the summit, helped consolidate Africa's achievement. The summit reached an agreement and included the commitment that that the world temperature would not rise above 2⁰ Celsius.

Upon his homecoming from the summit, PM Meles held a press conference at his office on 25th December where he shed light on matters ranging from decisions the African leaders had arrived at, to the dynamics of the summit proceedings and how he led the delegation to see this mission through.

With regards to monetary goals, Meles said that they have attained what they set out for – that being \$100 billion a year from the year 2020 and \$10 billion a year from 2010 for three years.

Meles, who was the spokesperson for Africa and African Union's chief negotiator, said the African Union had proposed the compensation amount for Africa with an upper limit of \$60-70 billion and for a lower limit of \$18-23 billion.

He said the agreement in Copenhagen was not an empty promise. An additional mechanism was put forward at the summit so that the agreement would not just amount to another promise. This was placement of the collected funds into an international reserve, which was partially accepted by the "promise givers". The second was the decision to establish an institution that assesses all financial aspects of the agreement.

To receive the PM's full speech from Copenhagen and interview from Addis Fortune, please contact the Press Office on info@ethioembassy.org.uk

WFP - Ethiopia conservation efforts a success

The World Food Programme's (WFP) Executive Director, Josette Sheeran, has described the natural resource conservation efforts of the

government and people of Ethiopia as very successful.

A film showing the outstanding natural resource conservation work was screened at the Climate Change summit in Copenhagen.

Sheeran said the Managing Environmental Resources to Enable Transition (MERET) project was home-grown, focused on expansion of best practices and made use of natural resources for land development.

The project will be expanded to more than 70 *woredas* (districts) in Amhara, Tigray, Oromia, Somali, South Ethiopia's People's States and the Dire Dawa City Administration.

More than a million hectares will be rehabilitated, more than 600,000 hectares of land covered by trees and more than 26km of terraces constructed through the project, which is supported by the WFP.

African Union Commission Chairman, Jean Ping, said that the project demonstrated that Africa can achieve outstanding works and added that Ethiopia is in a state of change in all spheres.

PM Meles Zenawi stated that environmental protection and conservation of natural resources did not need advanced technology. He noted that if farmers were provided with proper support they could really show something tangible.

UN approves sanctions on Eritrea



The United Nations (UN) Security Council has approved an arms embargo and other sanctions against Eritrea for supplying weapons to Al

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Shabaab and other terrorist groups who work closely with Al Qaeda to undermine peace in Somalia, and for refusing to resolve a border dispute with Djibouti.

The UN's most powerful body adopted a resolution imposing measures by a vote of 13-1, with Libya voting "NO" and China abstaining. The resolution bans the import and export of weapons to Eritrea and calls on UN Member States to inspect all suspect air and sea cargo between Eritrea and Somalia.

The resolution also imposes a travel ban on individuals – including Eritrea's political and military leadership – who violate the arms embargo and obstruct the border settlement with Djibouti. A draft of the resolution demands that Eritrea "cease arming, training and equipping armed groups and their members including Al-Shabab".

In a press conference held at his office, this is what Prime Minister Meles said the sanctions placed on Eritrea are being levied because of its problems with Somalia and Djibouti and not on Ethiopia. The Prime Minister said the sanctions on Eritrea have two implications – it reveals the international community's realisation of the provoking strategy, illegality and destructiveness of the Eritrean government. Secondly, provided that the measures are affected to the full, they may impose restrictions to prevent Eritrea from carrying out its destructive aims.

The Ethiopian government's belief is that Eritrea's strategies of causing perpetual unrest in Ethiopia are not of international magnitude and that Ethiopia can deal with the situation by

itself. That was why the issue was not pursued in the international arena.

Ethiopia launches children's parliament

Ethiopia launched a children's parliament on 27th December, part of a global initiative aimed at promoting both children's rights and children's role in society.

The Addis Ababa Children's Parliament was launched in order for children to be able to participate in the environmental and economic affairs of the country. The children elected a president and vice president as well as a secretary to the parliament. Drawn from various schools and institutes, they will meet twice a year.

So far, similar parliaments have been established in nine regional states of Ethiopia as well as in Dire Dawa city administration. Ethiopia is among the few African countries to establish a children's parliament as part of the global initiative. Around 15% of Ethiopia's estimated 77 million people are estimated to be children.

Food shortages managed, British Ambassador

The British Ambassador to Ethiopia, Norman Ling, has said that the current food shortages are manageable owing to the prevalence of good governance and effective administration in Ethiopia. Ambassador Ling said that the problem cannot be compared to the great famine that occurred 25 years ago when the Derg regime was in power. "Nowadays, we see Ethiopia with a population that has more than doubled but with most of the population able to provide for itself. I would not draw any parallel between the situation now and the

situation 25 years ago." He said that there are some people in need of food aid, but that he sees effective cooperation between the government, bilateral donors and international agencies in trying to provide the necessary assistance for these people.

Commenting on the tendency for some international organisations to exaggerate the number of people who need urgent food aid, the ambassador said that "Only 4.5-5 million people are in need of food aid and this figure may change during the course of the year."

"We have seen very substantial growth in the economy and we have also seen effective use of donors' money. Remarkable progress has been made in all areas in the last five to six years, particularly in the areas of education and health provision."

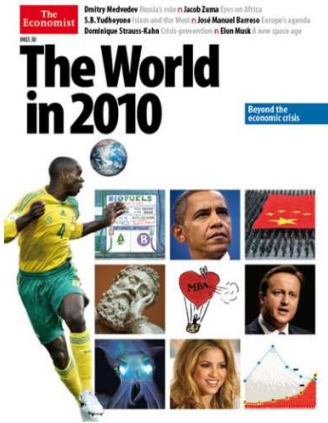
The Ambassador added that the government's policies and strategies have played a significant role both in the double digit economic growth registered over the past six years and in sustaining the economy during the current global financial and economic recession.

Ethiopia 5th fastest growing economy, Economist

A new global economic forecast released by *The Economist* magazine has placed Ethiopia 5th fastest growing country for the year 2010, predicting that its economy will grow by 7%. The leading country is Qatar followed by China, Congo and Turkmenistan.

The magazine said the IMF has rewarded the government's economic management with financial support. A strong performance in

agriculture will make Ethiopia one of the fastest-growing economies, it said.



Ethiopia's GDP is expected to reach \$35 billion in 2010 and inflation is estimated at 12%. Kenya, which is the biggest economy in East Africa, is predicted to achieve GDP of \$38 billion in 2010. If Ethiopia's GDP growth forecast is accurate, Ethiopia could soon surpass Kenya, to become East Africa's biggest economy.

Ethiopia expects double-digit growth in 2010 for the seventh year running. The government has a mission to ensure that the country joins the ranks of middle income countries in the coming two decades.

Irrigation to enhance 2.5 million hectares

The Ministry of Agriculture and Rural Development (MoARD) has said that plans have been launched to develop 2.5 million hectares of arable land through irrigation.

200 million quintals of agricultural outputs will be reaped from the irrigation development, carried out in all states across the nation, including Benishangul Gumuz and Somali states this budget year. 300,000 tonnes of fertilizer and select seed have already been readied. Various fruits, vegetables, maize and cereals will be grown.

The government has given prime attention to irrigation development to both ensure food

security and to enhance foreign currency earnings from the agriculture sector.

Midroc Gold may generate half billion dollars

Midroc Gold, one of Sheik Mohammed Hussein Ali Al-Amoudi's many investments in Ethiopia, has announced that it hopes to generate \$564 million from a new gold mine.

The Sakaro Mine, in Oromia Regional State, is the second gold mine operated by Midroc Gold, which started operation back in 1998 after the company acquired Legedembi open gold mine pit and its processing plant through a privatisation deal at a cost of \$172 million.

The Sakaro Mine exploration and feasibility studies undertaken since 2004 have revealed 20.4 tonnes of gold. At a price of \$1,000 per ounce, the mine will generate \$564 million in revenue and \$189 million net profit. The revenues are also expected to generate a total of 130 million birr in tax and royalty payments to the national treasury and an increase in the workforce of about 10% from the current 1,400 employees until 2021.

Minister of Mines and Energy (MoME), Alemayehu Tegenu, said that the revenues from the mining sector, particularly from gold exports, has been growing and he expects Midroc to further boost them.

Last year, Ethiopia earned 105 million Birr from gold exports and in the first quarter of this year it received \$50 million. According to official estimations, Ethiopia is endowed with 500 tonnes of gold reserves. Including two firms that recently announced the discovery of 40 tonnes of gold, estimated to be worth \$1.7 billion, forty-four companies have been

exploring the reserves, but so far only Midroc Gold is actually producing.

Over \$460m earned from oil seeds and pulses

Ethiopia secured \$466 million from the export of oil seeds and pulses during the 2008/2009 fiscal year, 20% more than the 2007/2008 fiscal year earnings.

China and Europe are the main importers of Ethiopia's oil seeds and pulses. It is the first time that such a huge sum has been secured from the export of these products, which are becoming the main agricultural export earners, after coffee and flowers. Meanwhile Ethiopia, the birthplace of coffee, is expecting to secure around \$600 million from coffee exports in the just ended year of 2009.

Jatropha to be grown on 15,000 hectares

Ardent Energy Group, Ethiopia (AEG) and Praj Industries, have agreed to produce biofuel from jatropha planted on 15,000 hectares of land in the Benishangul Gumuz Regional State.



The programme would supply alternative energy solutions. Jatropha, a non-edible oil seed, is the major source of biofuel.

AEG specialises in biodiesel with a focus on the cultivation and refining of quality-based biodiesel from non-edible feed stocks. The programme is set to produce commercially qualified biodiesel which will not compete with food crop cultivation.



Serious consideration has been given to the plantation and production of jatropha. Barren land will be used along with inter-cropping and rotation techniques.

The biodiesel production programme is a 2-to-3 year programme planned to absorb \$25 million at the initial stage. The programme will meet European and international standards and will provide jobs for about 8,400 people. The project is scheduled to start operation in April or May 2010 and in January, a team of experts are scheduled to come and conduct studies on water share and related issues.

Solar now Duty-Free!

The Ministry of Finance and Economic Development (MoFED) lifted duty fees from the importation of solar energy equipment, from 14th December 2009. This was an unprecedented, positive step in support of clean solar energy. The duty-free items include solar panels, and certain types of batteries, lamps, invertors, and regulators used in solar set-ups. The duty was dropped so that importers can offer the products to buyers at more affordable prices. This measure could most benefit rural communities who do not have access to the national grid.

Ethiopia to build 2,100MW dam

The Ethiopian government is to build what could become the largest ever hydroelectric dam, on the Blue Nile River near Bure town on the road to Nekemt at Bako-Ambo area in the Oromia Regional State.

The dam, which is expected to serve the three basin countries, Ethiopia, Sudan and Egypt, was proposed by the Nile Basin Initiative (NBI). The construction of the dam will be financed by the World Bank based on the prior agreement of the three countries. Details of how the dam will be put to use is yet to be agreed.

The dam was proposed by NBI based on a preliminary visibility study conducted by the Eastern Nile Technical Regional Office based in Addis Ababa. The Ministry of Water Resources (MoWR) of Ethiopia will invite tenders for the feasibility study and design of the dam, whereas the construction will be undertaken by the Ethiopian Electric Power Corporation.

After completion, the project will generate 2,100MW of power. Ethiopia will generate and sell power to Sudan and Egypt. The Nile Basin Initiative was established twelve years ago to create an equitable use of the Nile Basin among the basin countries. It is in the process of evolving into a commission with a permanent status in basin issues.

Power production to rise 900% in ten years

Ethiopia will start exporting power to neighbouring Sudan and Djibouti in 2010 and plans to produce 15,000MW of power within 10 years.

Mines and Energy Minister, Alemayehu Tegenu, said the government has identified the potential for specific hydro, wind, geothermal and solar projects over the next ten years.



Ethiopia now generates about 1,500MW and that will rise to almost 2,000MW when a new hydropower dam opens in 2010. Ethiopia is mainly powered by seven hydropower dams, two of which opened this year. Once all resources – hydro, wind, geothermal and solar – are exploited, Ethiopia will become a major power exporter. The Minister said foreign companies are welcome to explore this investment potential.

Ethiopia to become net power exporter

Ethiopia will become a net power exporter within ten years, exporting to Kenya, Sudan and Djibouti.

A further six hydropower dam projects, funded by bilateral government agreements and other financial institutions, are under construction in Ethiopia. Once completed, Ethiopia will begin to export power to neighbouring countries.

The recently inaugurated Tekeze Dam (pictured) has already started producing 80MW and that will rise to 300MW. At 185 metres,

Tekeze is the tallest hydroelectric dam in Africa. It lies on the Tekeze River and its \$356 million cost was fully funded by the government.

In September 2009, Ethiopia agreed deals with a further two Chinese firms to build two huge hydropower projects. Ethiopian Electric Power Corporation (EEPCo) has also signed a preliminary agreement with another Chinese firm for the construction of two wind farms to be reserved for emergency power shortages.

Ethiopia is a country with a highly mountainous landscape which provides vast hydroelectric potential, up to an estimated 40,000MW. Ethiopia will spend \$12 billion over 25 years to improve its power supply.

Ethiopian Airlines wins Airline of the Year and NEPAD awards

Ethiopian Airlines won the “Airline of the Year” award from the African Airlines Association (AFRAA) at their 41st annual general assembly held from 22nd to 24th November 2009, in Maputo, Mozambique.

This latest honour was in recognition of its distinctive customer service and of its exemplary provision of airline services to the African aviation industry.



In a ceremony held on 25th November in South Africa, Ethiopian won the NEPAD Transport Infrastructure Excellence Awards 2009.

According to NEPAD, Ethiopian was honoured as an African institution that has contributed to the development of transport infrastructure in the continent, in line with the aims and objectives of NEPAD and the African Union. The development of transport infrastructure is seen as an important component and a prelude to regional integration. The contribution of Ethiopian Airlines in facilitating regional integration under its long standing motto “*Bringing Africa Together*” and its continuous effort to build modern infrastructure has helped it stand out amongst its African compatriots.

Ethiopian Airlines is one of the largest and fastest growing airlines and provides service to 34 cities in Africa and a total of 55 destinations across the world and has frequently been chosen as the best airliner in Africa.

The Airline has embarked on a rapid growth strategy to support the fast growing passenger and cargo business. In the last five years, the airline has made huge infrastructural investments including the construction of the state-of-the-art Cargo Terminal and Maintenance Hangar as well as the purchase of B737-7/800 New Generation Simulator.

Pittards buy Ethiopian Tannery

British tanner and leather goods manufacturer, Pittards, has bought the Ethiopia Tannery Share Company (ETSC) for a total of £3.8 million. The group also announced a plan to raise £2.8 million at 1.5p per share. The funds will pay for half the cost of the acquisition, payable on completion, with the balance providing additional working capital. ETSC, Ethiopia’s largest tannery, has been operated under

Pittards' supervision since August 2005 in return for a monthly management fee and royalty payments.



Pittards says Ethiopia is operating profitably and that it intends to transfer more volume production there from its UK site in Yeovil, Somerset, freeing up resources for more technologically advanced, higher value-added leathers.



The Princess Royal pictured with the Ambassador H.E. Mr Berhanu Kebede and Reg Hankey - Chief Executive (right)

On 7th December, Pittards welcomed HRH the Princess Royal to their HQ. The Princess Royal, as President of the UK Fashion and Textile Association, met with local dignitaries and special guests who included Pittards' major customers, bankers and the Ethiopian Ambassador to the UK, H.E. Berhanu Kebede.

The Princess Royal enjoyed a tour of the factory with presentations from the Research and Development team on Pittards' latest technologies, incorporated into their world-renowned leathers.

Dec '09 – Jan '10 Issue

Ethiopian eco-friendly shoe maker goes online

The maker of eco-friendly shoes in Ethiopia – SoleRebels – has launched a new website to promote its stunning sustainable footwear worldwide.



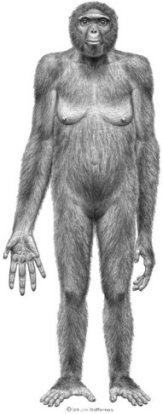
Started by Bethlehem Tilahun Alemu several years ago, SoleRebels has grown from a small operation to a major employer in Addis Ababa. Their range of eco-shoes are handmade using organic cotton and recycled tires. Their b*kind label is for vegans, veggies and everyone who enjoys a cruelty-free, good-looking shoe.

The first fully World-Fairtrade-Organisation-accredited company in Ethiopia, SoleRebels adheres to the Fairtrade tenets of gender equity, healthy working conditions, fair wages, and sustainable production practices.

SoleRebels can be purchased directly on their website <http://solerebelsfootwear.weebly.com/products.html> or other online stores such as Amazon (US), Endless, Veganline, etc. SoleRebels will also go on sale online in the UK and Japan on Amazon's new footwear website www.javari.co.uk from next month (February).

Ardi voted 'Scientific Breakthrough of 2009'

Ardi, the missing link to humans, has been voted the 'Scientific Breakthrough of 2009'. Ardi is the oldest member of the human family tree found so far, who roamed African forests



4.4 million years ago. Scientists found her skeleton in Ethiopia. The October 2009 issue of the *Science Journal* said it may throw light on how we became human and evolved from apes. This was revealed in Ardi's discovery topped a list of ten major milestones including finding

water on the moon, developments in gene therapy, repair of the Hubble telescope and the detection of pulsar gamma ray emissions from outer space.

Events

All-African Leather Fair 2010

The Ethiopian Leather Industries Association (ELIA) has organised the 3rd All-African Leather Fair (AALF) 2010 which will take place in Addis Ababa from 20th to 22nd January 2010.



It will bring together tanners, footwear and other leather goods manufacturers, equipment and technology suppliers, chemical and inputs suppliers, manpower training institutions, trade promotion organisations, etc. from all over the world. African companies and organisations are expected to constitute the largest attendance.

The project's aim is to improve the image of Africa and develop Intra-African trade and also

to increase the global trade share of African countries in leather and leather products.

2010 Euro-Africa Cooperation Forum in ICT Research

The 2010 Euro-Africa Cooperation Forum on Information and Communication Technology (ICT) research will take place in Addis Ababa, Ethiopia on 3rd February 2010.

The event is being organised by the Seventh Framework Programme (FP7) funded EUROAFRICA-ICT project and is supported by the African Union Commission Human Resources and Science and Technology (AUC-HRST) department and the European Commission.

The forum will bring together sub-Saharan Africa and European organisations for an interactive and participative event whose objectives include:

- Reflecting on progress made and lessons learnt on ICT research and development in Africa and its contribution to economic growth, improved quality of life and efficient service delivery;
- Enhancing the development of Euro-Africa collaborative ICT research projects and identifying potential partners;
- Networking with key stakeholders in the field (private/public);
- Highlighting opportunities for African participation in FP7 projects and results from successful EU-African FP7 cooperation projects and EU-African public-private partnerships

For further information, please visit: <http://www.euroafrica-ict.org/forum2.php>

Sport

Teklemariam to represent Ethiopia at Winter Olympics again

Ethiopian cross-country skier, Robel Teklemariam, will compete once again in the 2010 Winter Olympics to be held in Vancouver, Canada.



In 2006, Robel made history by becoming the first athlete to represent Ethiopia in any event at the Winter Olympics.

Robel was born in Ethiopia in 1974 but moved to the United States at age 9, where he learned to ski. In 2006, Ethiopia did not have a National Ski Federation and Robel founded the federation in order to compete in the Olympics.

Robel is currently in Ethiopia and will travel to France for training. Panasonic, the official sponsor of Vancouver 2010, features Robel Teklemariam in *One Dream Five Athletes*.

Bekele targets 3,000m World Indoor Record

Twice Olympic 10,000m champion, Kenenisa Bekele, has his sights set on a fourth world indoor record in Birmingham where he will race over 3,000m at the National Indoor Arena (NIA)

on 20th February 2010. He has run three of his five personal best times on the indoor circuit.

The three indoor world records he set in Birmingham all still stand and his familiarity with the track gives him good reason to believe he can claim another mark.

Bekele is also scheduled to compete at the BUPA Great Edinburgh International Cross Country, where he will be bidding to clinch a fourth successive victory.



In related news, Kenenisa was also voted one of 2009 “Heroes of Running”. *Runner’s World Magazine*, the worldwide authority on running information, announced the recipients of its sixth annual “Heroes of Running” – an editorial and online package highlighting six inspirational individuals who use running to improve the lives of others, redefine the limits of human potential and make the world a better place.

World champion distance runner, Kenenisa Bekele, has five world track titles, three Olympic gold medals, 10 world cross-country championships and five world records. With all the titles, he is now putting his winnings to good use for his hometown of Addis Ababa. He plans to fund an athletics centre to help aspiring young athletes to train, motivate and persevere.

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