



Ethiopian News

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The Grand Renaissance Dam...One Year On (back cover)

NEPAD's 10th Anniversary

A New Partnership for African Development (NEPAD) Colloquium was held in Ethiopia on 28th March to commemorate the 10th Anniversary of the organization under the theme ***“Africa’s Decade of Change: Accelerating NEPAD Implementation through Domestic Financing”***.

Present were a number of NEPAD's founders and supporters including former Presidents of Nigeria and South Africa, Olusegun Obasanjo and Thabo Mbeki, the former President of Ghana Jerry Rawlings, the Chairperson of the African Union Commission, Dr Jean Ping, and other key stakeholders.

In a keynote speech on “Unlocking Africa’s Growth Potential”, Ethiopia’s Prime Minister Meles Zenawi, who is the Chairperson of the NEPAD Heads of State and Government Orientation Committee, said Africa’s renewal had been achieved through the shared vision that NEPAD provides.



“The NEPAD agenda has retained its significance and relevance 10 years on,” he said, adding that it represents the hallmark of Africa’s desire to build a lasting development platform fully owned and led by Africans.

The year 2012 signals the beginning of the second decade for NEPAD. “The journey so far has been a learning experience since its establishment in 2001”, the PM said, adding that in the process of reviewing NEPAD’s accomplishments some good lessons have been

learnt with regard to sustainable development on the continent.

The PM said NEPAD has contributed immensely to the transformation of the policy design and implementation of Africa's development objectives, and that Africa needed to adapt to the most innovative mechanisms and methods to finance major programmes in the future.

The PM is a leading advocate of the developmental state in promoting effective inclusive growth in Africa. As Chairperson of the African Union Heads of State and Government on Climate Change (CAHOSCC), PM Meles has championed Africa's positions on global climate change and development effectiveness.

The launch of a commemorative book entitled: "A Decade of NEPAD: Deepening African Private Sector and Civil Society Ownership and Partnership", crowned the event at the new African Union Commission building.

The PM's speech and a press release are available on demand from info@ethioembassy.org.uk

Meeting of AU and ECA Finance Ministers

Ministers of Economy, Planning and Finance met in the African Union (AU) headquarters for the 5th Joint AU Conference of Ministers of Economy and Finance (CAMEF) and African Ministers of Finance, Planning and Economic Development (CAMFED) that kicked off on 26th March under the theme "**Unleashing Africa's Potential as a Pole of Global Growth**".

In a keynote address, Prime Minister Meles Zenawi highlighted the enormous natural resources and the continent's demographic advantages. He emphasized three important global developments that have matured in recent years which have transformed Africa's growth environment. They are: mineral and agricultural resources - as a result of investments Africa economies have markedly improved; industrialization and relocation of labour-

intensive manufacturing; and massive global savings that **cannot be productively used in the emerging countries or in the developed world**, but could be effectively invested in Africa.

During the opening ceremony, PM Meles strongly urged all ministers present to endorse the nomination of Dr Ngozi Okonjo Iweala, Minister of Finance of the Federal Republic of Nigeria, as Africa's sole candidate for the Presidency of the World Bank.

The Conference ended on 27th March and was preceded by four days of discussions among the committee of experts, when the AU Commissioner for Economic Affairs, Maxwell Mkwezalamba, urged the meeting to furnish ideas on how best to position Africa in the existing global environment, marred as it was by low growth rates, high rates of unemployment and a near collapse of the economic systems.

The PM's speech is available on demand from info@ethioembassy.org.uk. Coverage also available in A Week in the Horn (30th March 2012)

Safety-Net Programme to benefit 8.3 million

The World Bank has provided additional funding of \$370 million to the Productive Safety-Net Programme, which improves food security for the poor, increasing their resilience in the face of economic and climate-related crises.

The now 7-year-old PSNP reaches 7.6 million chronically food insecure people, about 8% of Ethiopia's population. The programme will support 8.3 million people by 2015. The funding includes \$70 million in crisis response resources intended to help address the consequences of drought in the Horn of Africa.

Serving 319 *woredas* (districts) in Ethiopia's Afar, Amhara, Dire Dawa, Harar, Oromiya, Somali, Southern Nations and Nationalities (SNNP) and Tigray Regions, the programme pays the poorest and most vulnerable people for working on public works projects for six months a year,

giving direct grants to those who are unable to work, and to pregnant or breastfeeding women. The programme will now also enable households to build more assets and improve their access to financial services.

It has registered strong results, improving food security by an average of 32 days for households participating in public works projects and enabling them to increase their livestock significantly, by an average of 10 sheep or goats per family. Importantly, the 40,000 public works projects undertaken every year have helped address the root causes of food insecurity by rehabilitating degraded land and creating productive community assets such as terraced fields, feeder roads, and small-scale irrigation systems.

Launched in 2005, the PSNP is now in its third phase of implementation with a total budget of approximately \$2.3 billion from 10 development partners: the United Kingdom, Ireland, the EU, Canada, Sweden, the Netherlands, Denmark, the United States, the World Food Programme and the World Bank.

In related news, the 2011 Millennium Development Goals (MDGs) report gave six African countries top ranking in reducing poverty and infant mortality rates.

Cameroon, Ethiopia, Gambia, Ghana, Senegal and Morocco were the best nations at reducing poverty by registering remarkable economic growth. They were also commended for their efforts in achieving the MDGs ahead of schedule.

Jointly produced by the AU Commission, the UN Economic Commission for Africa, the African Development Bank and the UN Development Programme, the report assessing the progress in Africa towards the MDGs was launched in Addis Ababa on 7th March.

Ethiopia's Productive Safety-Net Programme stands as an enviable success as its

implementation of public works led to the construction of more than 4,400 school classrooms creating enormous access to education in rural communities.

Ethiopia was the second best performing country in Africa after Algeria in registering remarkable economic growth and creating job opportunities for its youth.

The report places Ethiopia third after Liberia and Malawi in halving the infant mortality over the past decade.

The World Bank also said Ethiopia is likely to achieve the MDGs in poverty reduction as the government-designed poverty reduction strategy and policy is registering impressive results.

Lead economist with World Bank Ethiopia, Chorching Goh, said Ethiopia will join the list of middle-income countries through ensuring sustainability of the results so far registered.

He stressed the need to give prime attention to ensuring food security in rural areas, where most of the population lives, as this helps grow productivity.

Mr Goh was speaking at the launch of an Interim Report of the Household Income Consumption and Expenditure Surveys (HICES) on 16th March, which covered almost all rural and urban areas of the country and was based on a sample size of 27,830 households.

Results of the 2010/2011 HICES data analysis show that the proportion of poor people (poverty head count index) in the country is 29.6 percent, a marked decline in poverty from its level in 2004/05, which stood at 38.7 percent.

Poverty has also declined in both rural and urban areas. The food poverty head count index has decreased by five percent from 38 percent in 2004/05. Registering substantial poverty reduction in times of such domestic and global

crisis demonstrates the effectiveness of the policies and the commitment of the Ethiopian government.

The significant decline in rural and urban poverty is an indication that Ethiopia is now in a position to achieve the MDG target of halving poverty.

Bill Gates praises health sector improvements

Bill Gates, Founder and Manager of the Bill and Melinda Gates Foundation said Ethiopia has registered marked improvements in many areas, especially the health sector.

Mr Gates, who was in Ethiopia for the first time to discuss with government officials and stakeholders the Foundation's activities in the health and agriculture sectors, said at a news conference that the health extension programme which Ethiopia has embarked upon is an exciting one and has created impressive access to health services for the public.

A lot of positive things are happening in Ethiopia, Gates said, citing the decrease in the child mortality rate, the increase in vaccination coverage and the case of malaria.

There are a number of successes in Ethiopia, he said and the success has to be measured in terms of health, nutrition and income benefits.

He said the health centres and posts he visited made him optimistic about the general direction.

The Bill and Melinda Gates Foundation's focus is helping those most in need in the health and food security sectors. It is helping Ethiopia evaluate and monitor performance in this regard and making sure the training of the health extension workers is provided in a rigorous way.

Gates said "I am optimistic that Ethiopia will continue to make progress" and that "Ethiopia's plan to achieve food security by 2015 is a very important goal that can be achieved."

Gates said making improvement requires donors and the government working together and he was pleased to see that government and donors are making agriculture and health their priorities.

The Ethiopian government's priority is to help its people in health and food security, he said, "that is the goal we have in common."

The Foundation is the largest transparency operated private foundation in the world.

The primary aims of the Foundation are, globally, to enhance healthcare and reduce extreme poverty, and in America, to expand educational opportunities and access to information technology.

The Foundation currently provides over \$400 million funding for partner organizations that are operating in health and development programmes across Ethiopia.

This includes funding to small-holder farmers to increase food production, grants to expand access to childhood vaccines, maternal and child health programmes, financial services for the poor and safe water and sanitation programmes.

Ethiopia to Set Up Children's Parliament

Preparations are underway to establish a National Children's Parliament, according to Ethiopia's Ministry of Women, Children and Youth Affairs. A draft law for the establishment of the parliament is being drawn up.

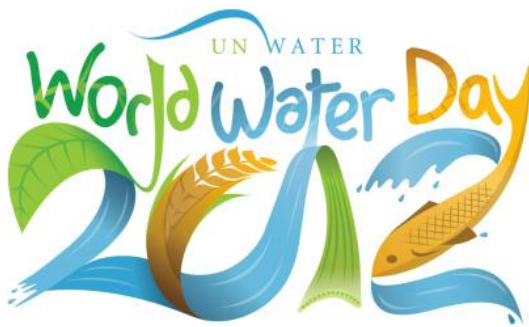
The Children's Parliament will be organized in line with the International Convention on the Rights of Children, ratified by Ethiopia.

The parliament will help strengthen the physical and mental enrichment of children, foster their development of a sense of responsibility and help them learn to contribute to national affairs.

The Parliament will also help prevent exploitation of child labour and violations of children's rights.

Ethiopia celebrates World Water Day

Ethiopia celebrated International World Water Day, held annually on 22nd March, by focusing attention on the importance of freshwater and advocating the sustainable management of freshwater resources, under the theme **“Water and Food Security.”**



Minister of Water and Energy, Alemayehu Tegenu, said various activities are underway in the water sector, including construction of irrigation dams and power plants.

The Minister said Ethiopia has become a lead country in achieving the MDGs through its water resource infrastructure development, enabling it to speed up its overall growth.

Significant change has been registered in the water sector compared to twenty years ago, and the sector contributes towards development of the agriculture, health and industry sectors.

Electric power supply was 361MW alone for household consumption before 1991, and it increased to 2,112 MW by 2010 for household consumption and also for industrial development. The supply will grow five-fold after three years, Alemayehu said.

Safe water service coverage reached 73 percent in 2010 from only 20% twenty years before.

Concerning irrigation, the area of land developed through irrigation has increased to 160,000 hectares from 62,000 hectares twenty years ago. Activities are also underway to increase the area five-fold within three years.

Agriculture State Minister, Sileshi Getahun, said soil and water conservation and protection of natural resources by farmers and pastoralists had brought 9.5% growth in agriculture.

Access to sanitation and water continues to grow at a steady pace, and the Government of Ethiopia's Water, Sanitation and Hygiene (WASH) programme and policies are regarded as among the most progressive and effective in the world.

The Ethiopian Government has laid out ambitious plans for water, sanitation and hygiene through its “Universal Access Plan II” which seeks to reach 98.5 percent access to safe water and 100 percent access to sanitation by 2015.

An international day to celebrate freshwater was recommended at the 1992 UN Conference on Environment and Development (UNCED). The UN General Assembly responded by designating 22nd March 1993 as the first World Water Day.

Adama Wind Farm near completion

The Adama wind power project, being developed at a cost of \$117 million, is nearing completion.

On completion, the wind farm will have a potential capacity of 51 MW with a total of 34 wind turbines generating 1.5MW each.

The project was launched in June last year and is expected to be finalised by June according to Miskir Negash, Head of Public Relations with the Ethiopian Electric Power Corporation.



The project is being connected by a 33KV transmission line with a further 132KV line under construction. The substation has also been completed.

EEPCo is also establishing another wind farm, Ashegoda, in the Tigray Regional State which will generate 120MW of electricity, with the first phase generating 30MW and the second and third phases 45MW each. The Farm project will become fully operational next year.

British trade mission visits Ethiopia

A British trade delegation from the London Chamber of Commerce and Industry (LCCI) visited Ethiopia from 26th to 28th March 2012. This is the second time the LCCI is visiting Addis Ababa following a successful visit in 2011.

The delegation met with more than 30 members of the Ethiopian business community to explore opportunities for partnership between the two countries.

The delegation was made up of 17 business people, promoting a wide range of products and services, including specialist lighting, security, promotional products and corporate gifts, agricultural machinery, laboratory supplies and photographic film. Services represented includes: property advisory and asset management, project finance and venture development, management consultancy, accountancy, product and packaging design, power protection and generator solutions.

Speaking at the opening of the discussions, Teferi

Asfaw, deputy secretary general of the Addis Ababa Chamber of Commerce and Sectoral Associations, said the delegates represented useful firms based on the prime focus of Ethiopia's Growth and Transformation Plan.

"The discussion promotes the development of knowledge, information flow, skills and transfer of technology; strengthening bargaining confidence; removing business barriers and safeguarding the win-win situation between the two countries," Teferi said.

Ruma Deb, World Trade Executive of the LCCI, said the discussion would help both parties exchange ideas on business opportunities in the two countries.

"As Ethiopia is an important business partner for Britain, there is a lot of opportunity the two countries may cherish," Ms Deb said.

The foreign direct investment flow from Britain has shown remarkable growth and companies are already investing in Ethiopia.

Prior to the visit, Greg Dorey, HM Ambassador to Ethiopia said, "the continuous visit by British trade delegates to Ethiopia is a clear sign of the increased interest in the Ethiopian market from British companies. As one of Africa's fastest-growing economies, there is enormous potential for trade and investment in Ethiopia. I'm confident that this mission will help to further develop co-operation between our two countries."

The mission was organised by Nyota Minerals Limited, with UK Trade & Investment and the European Regional Development Fund.

New leather investments expected in Ethiopia

The leather sector in Ethiopia is anticipating 27 new investments from international companies from Germany, China, India, Sudan, Italy, Israel, Turkey and the UK.

British, Chinese, German, Indian and Italian companies are expected to launch 2.5 billion birr projects to produce shoes, finished leather and garments.

The new factories will be located in Addis Ababa, Modjo, Gonder and Sendafa according to the Leather Industry Development Institute.

Ethiopia earned \$71.1 million from the export of leather and leather products in the last seven months of the Ethiopian budget year according to the Ethiopian Leather Industries Association (ELIA), from the export of finished and semi-processed leather products. This figure is \$25 million more than the \$46 million earned in the same period last year.

The increase in revenue is primarily due to an increased demand in the global market and the development from low- to higher-value export products in the sector.

Plans for 46 new textile projects revealed

Plans to develop 46 additional projects in the textile industry were revealed as Ethiopia envisages increasing revenue from the sector to \$2.5 billion by the end of 2015.

Six of the projects will become operational during the next financial year with a further 18 being launched the following year; the remaining 22 will be operational before the end of the Growth and Transformation Plan period, 2015.

Two of the anticipated projects are expected to be cotton ginning factories, four spinning factories, a knitting factory, seven weaving and one finished woven textile factory.

The plan set out for the textile sector also includes increasing revenue through capacity building and through making use of existing factories to attract new investments.

The projects are expected to make use of the significant human resources which can easily be trained and put to work at a relatively low cost, especially in comparison with other textile producing countries in Africa and Asia.

The plan also takes into account projections of bilateral and multilateral trade agreements with the region and outside, the African Growth and Opportunity Act established by the United States and agreements with a range of countries including Russia, the Arabian Gulf and Yemen.

Castle Winery Begins Production

The winery built by Castel Winery Plc, a sister company of BGI Ethiopia, at a cost of 300 million Birr has begun production.

Winery Manager, Fetehanegest Aynalem said the factory will export over a million bottles of wine.

The vineyard covers 350 hectares of land within the environs of Batu Town, in the Oromia State, 163km south of Addis Ababa. The winery and the vineyard created more than 900 new jobs.

Castel has been cultivating varieties of grapes such as Syrah, Merlot, Cabernet Sauvignon and Chardonnay since May 2008.



Castel Group was founded in 1949 by nine brothers and sisters. Under a decade later, the Castel family began establishing bottling plants.

Ethiopia to be in top 5 tourist destinations

The Ministry of Culture and Tourism announced that it is engaged in extensive promotional activities aimed at realizing the vision of “making Ethiopia one of the top five tourist destinations in Africa by 2020.”

The Ministry is currently actively promoting the country’s rich and precious heritage and natural tourist attractions in nine countries around the world to enable Ethiopia to attain its vision.

Through the involvement of regional tourist offices and private tour operators, the Ministry has been advertising Ethiopia’s nine heritage sites and other famous sites in trade fairs and other events held in different countries.

Germany, Japan, the Netherlands, Italy and Russia are among the countries where the nation’s spectacular tourist sites are being advertised.

Both the government and private sector have been heavily engaged in the development of tourism with the government constructing new infrastructure and expanding existing ones within tourist sites around the country.

Some gravel roads linking highways with tourist sites have been upgraded to asphalt and airport terminals have been built near major tourist sites.

The private sector has constructed high standard hotels, lounges, restaurants and other facilities. The number of quality hotels in the country now exceeds 425.

The construction and expansion of infrastructure in most tourist sites, the rise in the number of tourist facilities, the existence of abundant

heritage and of spectacular natural sites and the prevalence of peace and security are the major factors for the rise in the number of foreign tourists coming to the country.

The amount of foreign currency the country secures from visiting foreign tourists rose from only \$169m in 2006 to over \$333.35m in 2010.

Foreign tourist arrivals which were only 330,000 in 2006 have showed a marked growth in 2010 reaching 468,300.



Ethiopia has a widely diverse heritage including the Rock-Hewn Churches of Lalibela, Fasil Ghebbi, Axum obelisks, Tiya monolithic grave marks, the walled City of Harar and exceptional natural resources.

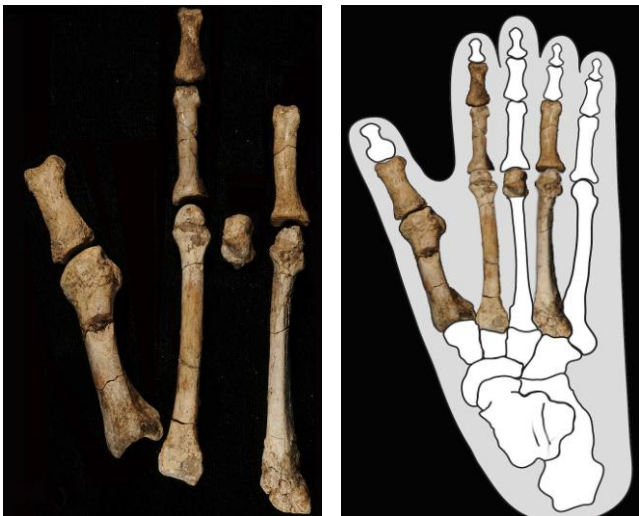
Scientists discover 3.4m-year-old foot in Afar

The Authority for Research and Conservation of Cultural Heritage (ARCCCH) and the Woranso-Mille Paleontological project announced that an international team of Ethiopian and American scientists conducting paleontological field research in the Woranso-Mille area of Afar regional state discovered a 3.4 million year old partial foot skeleton, the first fossil evidence to show the presence of more than one pre-human species in eastern Africa at the beginning of the Late Pliocene epoch.

The new specimen did not belong to a member of Lucy's species, *Australopithecus Afarensis*, the famous and most researched early human ancestor.

The partial foot was found in an area locally known as Burtele, located in Mille District of Zone of the Afar regional state.

Lead author and Woranso-Mille Project team leader, Dr Yohannes Haile-Selassie, said the Burtele partial foot clearly shows that 3.4 million years ago, Lucy's species, which walked upright on two legs, was not the only hominine species living in what is now the Afar regional state.



The Burtele partial foot left, and right, the foot, embedded in an outline of a gorilla foot. (Photos courtesy of Yohannes Haile-Selassie/Cleveland Museum of Natural History)

Dr Yohannes, who is also Curator and Head of Physical Anthropology at the Cleveland Museum of Natural History, said her species co-existed with close relatives who were more adept at climbing trees like Ardi's species, *Ardipithecus Ramidus*, which lived 4.4 million years ago. Lucy's species lived from 2.9 million years ago to 3.8 million years ago.

Culture and Tourism Minister, Amin Abdulkadir said the new discovery will open a new page for scientists and humankind.

"We Ethiopians are proud once again to be the cradle of humankind," Amin said.

Authority Director-General, Yonas Desta, said the Afar region continues its leading position in the world as the home of the mysterious past of humankind.

He expressed the Authority's commitment to supporting scientists working for the benefit of human development.

The Burtele partial foot is the first incontrovertible fossil evidence showing the presence of more than one adaptively separated pre-human species between 3 and 4 million years ago.

The Woranso-Mille Paleontological project conducts field and laboratory work in Ethiopia every year.

Lucy, (Dinknesh), was discovered in 1974 at Hadar in the Awash Valley of Ethiopia's Afar Depression.

Bekele becomes longest record holder

Ethiopian-born Kenenisa Bekele has retained the 5,000 and 1,000-metre records for the longest time in history.

On 28th March, Bekele had retained the records for 2,850 days, beating Finnish athlete Paavo Nurmi's record of 2,849 days.

The three-time Olympic gold medallist is 29 and said he wishes to remain at the highest levels for at least seven years.

A model for improving climate services in Africa

Ethiopia's National Meteorology Agency launched a new online climate service based on 30 years of rainfall and temperature data for the entire country, available at the click of a button. This is unprecedented in terms of scale and accessibility anywhere in Africa.

In the latest issue of the World Meteorological Organization's WMO Bulletin, scientists who worked on the project write that the Ethiopian experience is a template for providing customizable data for agriculture, water, health and other sectors across the continent.



Without readily available, reliable data, the ability for policy makers to make smart, well-informed decisions is hobbled, says Tufa Dinku, a scientist at the International Research Institute for Climate and Society and lead author.

“It used to be that in order to get data for a given place, you’d have to submit a written request to the meteorological agency and then pay according to how much you needed. The process would take at least three days. Now it takes three seconds.”

Read the full story on The International Research Institute for Climate and Society website.

GRAND RENAISSANCE DAM

EXPRESSION OF ETHIOPIA'S COMMITMENT TO THE BENEFIT OF ALL THE COUNTRIES OF THE NILE BASIN



The Grand Renaissance Dam – One Year On

On 2nd April 2011, Ethiopia officially launched one of the biggest development projects in its history – The Grand Renaissance Dam. The first anniversary of the ceremonial laying of the foundation stone was celebrated at a special event in the Addis Ababa Stadium on 1st April 2012, where thousands of citizens took part.

The Deputy Prime Minister and Foreign Minister, Hailemariam Dessalegn, who is also President of the National Coordination Council for Renaissance Dam, urged Ethiopians and friends of Ethiopia to continue their support and commitment for the construction of the Dam.

He said the support pouring in from Ethiopians residing here and abroad shows their unwavering dedication to fund and support the construction of the dam with our own resources.

Inaugurating the project on 2nd April last year, on the Abay River in the Benishangul Gumuz Regional State, Prime Minister Meles Zenawi had this to say about financing the mega project:

“As we will be financing several other projects in our plan [GTP], the expense will be an additional and heavy burden on us. All our efforts to lighten this have been unsuccessful, leaving us with only two options. Either to abandon the project or do whatever we must to raise the required funds. I have no doubt which of these difficult choices the Ethiopian people will make. No matter how poor we are, in the Ethiopian traditions of resolve, the Ethiopian people will pay any sacrifice. I have no doubt they will, with one voice, say: “Build the Dam!”

That was what exactly happened. Millions of Ethiopians both at home and abroad began pitching-in by purchasing government saving bonds, with a five percent interest rate. The project provided a platform for Ethiopians to put aside their differences and come together for a single development endeavour.

When it was officially launched last year the Dam was reported to have a power generation capacity of 5,250MW. A recent revised design means the Dam could generate 6,000MW.

The design work will help to save more than \$200m from the initially estimated \$5 billion. The dam is now 6 per cent complete and will be the largest hydropower plant in Africa and the 7th largest in the world when it is complete. 13% of the construction of the Dam is expected to be completed at the end of this Ethiopian fiscal year [June].

The project will see its first phase completed and start generating power in the next two years. Upon completion of the first phase, two of its units will start generating an initial 700 MW.

Ethiopia hopes to boost energy exports to neighbouring states including Kenya, Sudan and South Sudan. Djibouti started importing power from Ethiopia four months ago, while Kenya recently signed a power deal to import 400MW of power.

The Dam is expected to play a major role in realizing the five-year Growth and Transformation Plan and Ethiopia’s consequent advance towards the eradication of poverty.

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