



Ethiopian News

September 2016 Issue



Ethiopia: Linking up Africa

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Ethiopia at the 71st UN Assembly, New York

The annual debate of the UN General Assembly opened on 21st September under the theme **The Sustainable Development Goals: A Universal Push to Transform our World**. Focus also centred on other major global issues of common concern, including the Paris Agreement on climate change, security threats ranging from armed conflict to radicalisation, UN reform, human rights, and migration and refugees.



PM Hailemariam re-commits Ethiopia to SDGs

Ethiopia's Prime Minister Hailemariam Dessalegn, addressing the general debate, said "Ethiopia stands committed to continuing to contribute positively in close partnership with others in our region and

beyond in tackling global challenges and the risks facing the human family. Ethiopia has aligned the UN's Sustainable Development Goals (SDGs) with its national development vision and policies and is determined to achieve the SDGs. Similarly, valuing the Paris Climate Agreement as a national priority, Ethiopia would stay fully committed to the agreement, orienting its development path along the model of low-carbon development.

Global Compact on Responsibility Sharing for Refugees

The UN General Assembly on refugees, adopted the New York Declaration on Refugees and Migrants. On 19th September, President Obama hosted a Leaders' Summit on Refugees where he reminded participants from 52 countries and international organizations, that "More than 65 million people have been driven from their homes, more than any time since the Second World War."

Canada, Ethiopia, Germany, Jordan, Mexico, Sweden and the United States co-hosted the summit and issued a joint statement in which they said "this crisis is truly global in nature, and demands a global response and political solutions. So it is incumbent upon the international community to act". The Summit Leaders committed themselves to working together in support of the development of the **Global Compact on**

Responsibility Sharing for Refugees, to develop tools and institutional structures and lay a foundation for addressing both the immediate and long-term challenges of managing refugee flows effectively and comprehensively.

It noted the importance of increasing the pool of countries that provide significant levels of humanitarian assistance beyond the current largest donors, and reaffirmed the obligation of states to respect international law. At least 18 countries committed themselves to starting or significantly expanding UNHCR-facilitated third-country resettlement programs, or announced plans to increase admission of refugees based on family reunification, scholarships, or humanitarian visas.



President Obama at the UN Refugee Summit

Ethiopia offers a plan to ease the migrant crisis

East African countries are keen to help challenge human trafficking and reduce the number of migrants fleeing to Europe. Nowhere is this clearer than in Ethiopia's offer, not only to host and educate migrants, which it has been doing for some years, some to university level, but to offer them work opportunities as well.

As the BBC and others have reported, at the UN General Assembly, Ethiopia proposed building industrial parks in Ethiopia which will offer 100,000 job opportunities to migrants who would otherwise make their way to Europe.

Two new industrial parks will initially be built in the country at a cost of \$500m (£385m). Ethiopia will grant employment rights to 30,000 refugees, mainly from South Sudan, Eritrea and Somalia, as a first step but a total of 100,000 jobs will eventually be created.

UK Prime Minister Theresa May said "the project would be a model for how to support poorer countries housing large numbers of migrants." But it will also, of course, slow down migration to Europe.

The deal will be funded by loans from the European Investment Bank which has pledged \$299 million. The World Bank, Britain, and other EU nations will provide the rest of the financing. Ethiopia currently hosts more than 743,000 refugees and asylum seekers from neighbouring countries.

PM Hailemariam decries misuse of social media

PM Hailemariam spoke at the UN Assembly of both the **benefits and dangers that social media offers**. "A digital platform can improve exchange of information and enhance popular participation" but "its attendant negative impacts simply cannot be ignored."

But this issue "is usually given short shrift, both by the media and others. It is simply hypocritical to deny that some of our countries have been targets for destabilisation activities, carried out with no accountability, by people and groups who have been given shelter by States with whom we have absolutely no problems. The impact is much more pronounced for least developed countries."

"We believe our vision is right and we are determined to get there. Whatever challenges and shortcomings we may have, we don't have difficulty owning up to them and we will make every possible effort to deal with them in close consultation, cooperation and participation of our people," the PM added.

Ethiopia showed resolve in the way it handled this past year's devastating El-Nino. But Ethiopia cannot simply "wish away" the challenges it is facing, they need collective and coordinated responses."

He said international peace and stability is facing greater risks "with the rise of geo-political tensions" and the growing threats posed by "all shades" of terrorist groups.

LINKING UP AFRICA

Launch of the Addis Djibouti railway

The new standard-gauge electrified line linking Addis Ababa with Djibouti was connected to the main grid in September. It has since opened and services now run throughout the 759km line.



“The railway will drastically cut Ethiopia’s costs for accessing world markets by drastically reducing the port service expenses the country is incurring, It will reduce transport time and help to build a stronger economy”, said a spokesperson for the Railway Authority. It runs on hydro-electricity. Ninety percent of exports and imports from Ethiopia go through Djibouti’s ports.

Running on a 140-millimeter gauge, double-track line the railway offers both cargo and passenger services. The passenger train has 41 locomotives in total, and each can pull 30 passenger cars, with a 118-seat capacity in each car. The cargo train can carry 3,000 tons.

The project cost \$3.4 billion, 70% of which was covered by China’s EX-IM bank, with the balance being paid by the Ethiopian government.

Foreign Minister Dr Tedros Adhanom commented: "Through regional integration and despite being landlocked, Ethiopia has managed to sustain high economic growth over the last decade, expanded infrastructure, reducing costs and boosting competitiveness."

The Ethiopian Railways Corporation (ERC) has set up a new corporation to enable Ethiopia and Djibouti to jointly administer the new railway. ERC will launch an international tender to find a foreign

company to operate the new line for six years, after which the ERC will take over the operation of the railway.

The ERC is currently also conducting feasibility studies for the construction of 2,400 km of railway across Ethiopia. The construction is scheduled to start in the coming 3 years with funds to be secured from financiers. They include the second phase of the Addis Ababa Light Railway, the Modjo–Konso–Shashemene–Hawassa line (950km), Finoteselam–Bahir Dar–Werota–Woldia (454km) and Jima–Gurafera–Dima.

Additional railway lines planned for the coming decade, include Sodo-Arbaminch-Weyto, Hawassa-Moyale-Iteya-Endeto-Ginir and Addis Ababa-Dessie-Humera-Decho-Galafi.

Grand Ethiopian Dam Treaty signed

Production of 800mw begins

A tri-partite treaty agreement between Ethiopia, Sudan and Egypt was signed in Khartoum on 20th September and launched the study of water resources modelling and a hydro-power simulation assessment on how long it will take to fill the Dam. It will also assess the Dam’s trans-boundary environmental and socioeconomic impact. The study will cost 4.45 million Euros, payment of which will be shared among the tripartite signatories. The study will begin in November and take 11 months to complete.



Minister Motuma Mekassa

Briefing local and foreign correspondents on 21st September, Water, Irrigation and Electricity

Minister Motuma Mekassa said that the newly signed tripartite agreement launched the study of the construction of the Grand Ethiopian Renaissance Dam (GERD), which will run in parallel with the continuing construction of the Dam.

Construction of the Grand Ethiopian Renaissance Dam (GERD) is more than 70% complete and it has already begun production, which will amount to 800mw of electricity by 2017. Once complete, it will be Africa's largest dam.

Motuma stressed that Ethiopia is constructing the Dam "to harm no one" but to utilize its natural resources for the common benefit of the upper and lower riparian countries. "The findings of the study are expected to be final, legal and binding upon all parties. This study is about "restoring confidence between the three countries," he noted.

In addition to its economic advantage, the GERD will create regional integration among the East African countries and beyond, he said. Ethiopia is cooperating with Kenya, Tanzania and Rwanda to further expand power line supplies.

Rwanda will import 400mw from Ethiopia by 2018. Sudan and Djibouti already import Ethiopian electricity generated from previous hydro-dams, but there is also a plan to extend more power lines to Sudan, Djibouti and also to Somalia through the **Eastern African Power Pool**, which is working in 11 countries.

The study is being conducted under the supervision of the Tripartite National Committee (TNC). "We are keen to have everyone satisfied with what we are doing... we are for regional integration and prosperity," said Mohamed Abdel Aati, Egypt's water resources minister.

"We need to make sure that the outcome of these studies will strengthen our cooperation and ensure that the three countries benefit from the dam," concluded Minister Motuma.

In 2015, Ethiopia, Sudan and Egypt signed a declaration of principles on the dam project that tacitly approved the dam construction but called for technical studies. The French engineering consultancy Artelia and BRL groups have been selected to undertake the dam impact studies. The

U.K.-based law firm Corbett & Co has been selected to manage the legal affairs of the tripartite committee.

The multi-billion-dollar dam is being constructed on the Blue Nile, about 20km from the Sudanese border, with a capacity of 74 billion cubic metres, and will generate up to 6,000 megawatts of electricity once complete.



Construction of the GERD (Ethiopian Herald)

Other energy news

Ethiopia wins East African Power Awards

Ethiopia triumphed at this year's East African Power Industry Convention Awards for Excellence in Power Generation, held in September.

Ethiopian Electric Power (EEP) won the **Award for Excellence in Power Generation**. EEP operates and maintains more than 12 hydro-power and three wind-power plants in different regions of the country with installed capacity of more than 4,290mw. Two major hydropower projects are under construction, the GERD (6,000mw) and GenaleDawa 3 (254mw).

"EEP has a track record of managing and administration more than seven mega generation and transmission projects at a time over the last 10 years, the organisers said."

Azeb Asnake, CEO of EEP, won the **Outstanding Woman in Power, Regional Award, East Africa**. She has been CEO since 2013 and joined EEP in 2006, to lead the 1,875mw Gibe III Hydro-Power Project. Azeb was the first woman at Project Manager level.

Completed Gibe III to boost power supply

Ethiopia has finalised installation of transmission lines that will transfer power generated from the Gibe III dam to the national grid in a landmark move that is set to boost electricity generation.

The project can generate 1,870mw and has already supplied 800 megawatts with six turbines running. The project has the biggest Roller Compacted Concrete (RCC) dams so far constructed by Ethiopia.

State Minister Eng. Wondimu Tekle, said the dam helped the country to address power shortages last year. As the dam is a big project that holds excess water it can boost the fishing and transport industries and will help support tourism development, while keeping the environment clean. Ethiopia will soon provide a further 100mw and 75mw to Sudan and Djibouti respectively.

Ethiopia, UK to Strengthen Peace, Security Cooperation

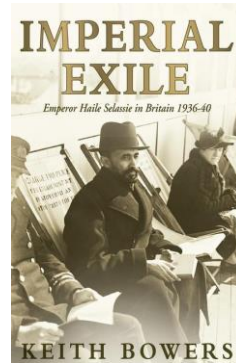
On 15th September, Foreign Affairs State Minister Taye Atskesilassie and Sir Simon McDonald, Permanent Under Secretary and Head of the Diplomatic Service at the UK Foreign and Commonwealth Office, discussed strengthening bilateral cooperation in peace and security issues in East Africa.

Ethio-UK relations are set to be further enhanced when Ethiopia's **UNSC membership** takes effect in January next year. State Minister Taye told journalists that Ethiopia and the UK have similar interests, especially in sustaining peace and security in the region as the historical relations progress. "We have discussed the issues of Somalia and South Sudan."

As part of improving and strengthening policies, he said they discussed issues of investment. Issues of migration were also a focus of the discussion. Ethiopia is currently hosting over 740,000 migrants. "Apart from providing temporary support, we have discussed ways of broadening cooperation to improve migrants' lives, offering them more support."

Sir Simon McDonald said Ethiopia and the UK would continue working together to ensure peace and stability in the region. He said: " We are developing a compact together to improve the economic chances of young people."

Imperial Exile, by Keith Bowers



This new publication tells the story of the exile of the Ethiopian Emperor Haile Selassie in Britain, where he took refuge in Bath in the 1930s after fleeing his country to escape the invading armies of the Italian fascist leader Benito Mussolini. It reveals the depth of the Emperor's debilitating struggles, of how

he is nearly crushed by a myriad of financial, political and personal pressures. But then a sudden twist of good fortune intervenes. The book includes eyewitness anecdotes, supported by a range of rare photographs of both Britain and Ethiopia.

Uber-style taxi app RIDE to re-launch in 2017

Local taxi hailing company RIDE is to launch an internet-based, Uber-style taxi service for Addis Ababa. In 2017, the company will switch from the SMS-based set up that it currently offers.



RIDE wants to make traveling in Addis Ababa hassle-free by utilizing available technologies. The company will transition to a

more advanced platform through a joint deal between their Hybrid Designs and Ze-Lucy Meter Taxi. Earlier this year, the Ethiopian Parliament announced that it was considering plans to replace the traditional city cabs in the country with more technologically equipped ones. In Ethiopia, a union of taxi companies is allowed to import taxis duty-free.

EDITORIAL – We sail together

Ethiopia has strong historical ties across the Horn and the greater North-East African region and beyond. We and our neighbours have much in common and have so much to gain through cooperation. For many centuries the Ethiopian people have enjoyed and encouraged fraternal relations with all countries. Our religious groups have lived together in peace for centuries. It is a brilliant example of coexistence in diversity, including religious diversity.

Railways, roads and energy development is already transforming Ethiopia. When infrastructure like this is built, with a very heavy emphasis on joining up our continent, it benefits all of us, which is why we encourage regional cooperation and development. With it, we will sail together towards a brighter future.

Trust is based on practical areas of cooperation that are underway such as the GERD, which will bring mutual benefits such as access to exceptionally clean, very low-cost energy. As a result of our success in building a range of hydro-dams, Ethiopia is already exporting power to Djibouti and Sudan and power lines are currently being extended to Kenya and soon to Tanzania and Rwanda. In the future, Ethiopia will export to other countries in Africa and perhaps beyond. This is a shining example of regional cooperation that leads to economic integration and the realisation of Africa’s vision 2063.

Cooperating with each other is also imperative to enhancing the regional and global environment. Vegetation is an important factor in rainfall management so forestry must be encouraged in all countries but particularly those that suffer most from climate change. The more we cooperate, the more we can achieve for the mutual benefit of us all.

Innovative Reform to tackle unrest

On our road to full development, we have sometimes encountered setbacks in the midst of progress. This is true of the recent disturbances that took place in Ethiopia’s Oromia and Amhara regions, including those that marred the Irecha festival, an important annual cultural event, on 2nd October. They were mainly a result of widespread

youth unemployment and there is an urgent need to increase the rate of development so that a greater number of people can benefit from the country’s ongoing progress.

However, initially peaceful demands were hijacked by anti-peace elements, who, it is now abundantly clear, are being financed, trained and materially supported by foreign countries.

On 10th October, Ethiopia’s Houses of Parliament announced large-scale reforms which will broaden the political landscape. Consultations have been held with groups and communities with a view to making political power more accountable to all. There will be more widespread consultation with opposition political parties within Parliament itself. We will cover this more fully in the next newsletter.

To tackle the problem of high unemployment, the government has put together a 10-billion-Birr revolving fund to increase training and create jobs, particularly for young people. The mobile finance fund is being set up in all *woredas* and will work on a rolling basis, so it will always be replenished. Political and socio-economic change is possible if we all pull together. *Yichelal*, as we say in Amharic (“we can do it”).

LINKING UP AFRICA - LAPSETT update

Isiolo-Moyale road boosts Kenya, Ethiopia investment



The near completed Isiolo-Moyale road

The tarmacking of the 505-km Isiolo-Marsabit-Moyale A2 highway, under the Lamu-Port-South

Sudan-Ethiopia Transport (Lapsset) corridor, is near completion, a development that has improved the bilateral trade outlook. The road cost 46 Billion Kenyan Shillings and was funded jointly by the African Development Bank, the European Union and the Government of Kenya.

The Isiolo-Moyale highway has had a massive positive impact on the region's security, opening up an area that was previously viewed as "marginalised" said Kenya's Transport secretary James Macharia. According to the LAPSETT website "Kenyans and Ethiopians will soon be able to enjoy improved transport and logistics services and transact business between Addis Ababa, Lamu and Nairobi."

The Isiolo-Merille River Road constitutes the first section of the 505km road from Isiolo to Moyale which is part of the road linking Tunduma in Southern Tanzania with Addis Ababa in Ethiopia. The project construction works are complete. This project was funded by the African Development Bank at a cost of 6.3 billion Kenyan Shillings.

The livestock sector has emerged as an early beneficiary of Kenya's renewed efforts to open up the transport corridor with Ethiopia. Kenya's Marsabit county enjoys a 500 kilometre-border with Ethiopia and its governor Ukur Yattani said more than 30,000 sheep from the county have been sold in Ethiopia over the past three years alone, boosting the economy of residents who rely mainly on pastoralism.

Kenya is spearheading the development of Lapsset to strengthen its position as a regional transport and logistics hub. Ethiopia is building the road from the Moyale border to Addis Ababa.

Under Lapsset, a crude oil pipeline will run from Lamu to South Sudan and Addis Ababa. An international airport is to be opened in neighbouring Isiolo in January 2017, and will further boost exports.

INDUSTRY

Kia Motors to assemble cars in Ethiopia

South Korea's Kia Motors Corp has signed a deal with local company Belayab Motors PLC – who are based in Adama town, south of Addis Ababa - to

start assembling its cars in Ethiopia. The new plant will produce its first vehicle in January 2017. Kia already has one plant in Nigeria and said the move would enable it to establish a foothold in east Africa. The company plans to produce 3,000 vehicles of three models every year. This could rise to 9,000 with the addition of shifts.



PM Hailemariam Dessalegn with South Korea's President Park Geun-hye, in Addis Ababa, Ethiopia earlier this year (AP)

The new plant will assemble the Rio subcompact model and the Sportage sports utility vehicle among others. It will be expanded through a \$6.83 million (150 million birr) investment from Belayab Motors. Kia is not the first car manufacturer to expand into Ethiopia, where labour is relatively low-cost. Chinese firms Lifan and Geely and Japanese Toyota are already there. The government is keen to turn the industry into one of the biggest on the continent through incentives such as tax breaks.

Ethiopia to be self-sufficient in sugar

Ethiopia plans to be self-sufficient in sugar, the Ethiopia Sugar Corporation has announced. To achieve this, the company plans to produce over 7 million quintals of sugar this budget year.

Corporation Deputy Chief Executive Officer, Abraham Demise, said that preparations have been made to attain the target and meet local demand by the Ethiopian new year (Sep 2017).

The Omo-Kuraz I and II sugar factories will enter into production in January 2017. "Once at full capacity, the two factories will produce 12,000 quintals by crushing 12,000 tonnes of sugarcane a day," he said. The sugar produced from these two new factories, together with production from the

existing ones, will help the country meet local demand and export a surplus. In addition to increasing production capacity, the two factories will create more than 30,000 jobs. The two facilities, Omo Kuraz I and Omo Kuraz II, have a total sugar cane crushing capacity of 24,000 tonnes.

Ethiopia has six sugar factories which will rise to 10 once the construction of all sugar projects is completed. The Omo Kuraz sugar project, which has four factories, is located in South Omo, Maji and Keffa Zones of the Southern Nations, Nationalities & People State.

Factories which began trial production last budget year, including Tendaho (in the Afar region), will enter into regular and full production phases this budget year. The Corporation is building seven new sugar factories in addition to the existing six factories to export sugar, after meeting local demand.

India gains land for pharma development

Shares in Indian company Kilitch Drugs rose by 20% when it was announced on 26th September that it had been allotted land for setting up a pharma unit in Ethiopia. A total of 4,317.5sq metres was allocated in the Oromia special zone, with a lease period of 45 years. The company said that this will help strengthen the presence of Kilitch in East Africa especially as Ethiopia is the second most populous nation in Africa.

EDUCATION AND HEALTH

Mother and child death rates improving in most parts of the world

Child death rates are plummeting and child health overall is improving, according to a study published in *The Lancet* of 21st September. Sean McKee, wrote "The Global Burden of Diseases study recent results show substantial improvements in health in many countries from all over the development spectrum."

"Ethiopia's under-5 mortality rate dropped from 202 to 60 per 1,000 between 1990 and 2015 (see Figure 1). Its funding for child health rose from \$13 million in 2000 to \$190 million in 2013. The country improved access to care, too: in 1990, 14% of

Ethiopians who needed a health intervention received it, while in 2015, 47% did. The prevalence of childhood stunting in Ethiopia decreased from 59% in 1990 to 41% in 2015. Changes like these drove broad improvements in Ethiopia's overall health-related SDG performance leading up to 2015."

New Roadmap to transform education/work

The Ministry of Education is preparing a Higher Education Road map that will enable qualified graduates to meet the needs of the growing economy.

The Ethiopian Education Ministry said : "The whole idea of having a long-term plan in the education sector is to produce competent graduates for our economy." As the economy has been growing at a remarkable pace over the past 13 years, it needs to be sustained with the support of highly qualified graduates that universities produce. The 15-year roadmap will help reform the structure, governance and managerial systems in higher education and human resource development and enable Ethiopia to have effective resource and quality assurance management and will facilitate universities becoming centres of excellence by producing demand driven manpower in the country. Local and foreign experts including Germans, were involved in drawing up the first draft.

Ministry to Finalize Construction of 11 New Universities



Eleven new universities, under construction in five states, will be completed next year, the Ministry of Education (MoE) has announced.

Ministry Project Office director general, Samuel Kifle, said the construction of all universities should be completed by June 2017 and they will begin enrolling students in September 2017.

Works are underway to furnish the universities with laboratories, dining and other equipment, including internet, electricity, water and other related infrastructure. Nine of the 11 universities will enrol a total of 16,500 students by late 2017.

Ethiopian Airlines (EAL) news

Manchester-made training simulators fitted at Aviation Academy

On 21st September, Ethiopian Airlines announced that their new \$100 million Aviation Academy is now fitted out with a range of EDM cabin crew training simulators, built in Manchester.

The state-of-the-art Aviation Academy was officially opened at Bole International Airport earlier this year by PM Hailemariam, before some of the country's leading business and aviation dignitaries. Widely regarded as Africa's finest airline training facility, the Academy will enable 4,000 aviation students to be trained annually. The equipment includes a range of cabin crew training simulators including Cabin Emergency Evacuation Trainers.



B737/B757 Cabin Emergency Evacuation Trainer

EDM was selected by Ethiopian Airlines, Africa's fastest growing airline, after an international tender in 2014. EDM also provided support to Ethiopian Airlines regarding the design and specification of the new Aviation Academy.

Last month, the shipping of the CEET to Ethiopia featured in TV documentary series, Mega Shippers, on Quest TV. The programme followed the journey of the CEET from EDM's manufacturing facility in Manchester to Addis Ababa via Southampton Port.

"Ethiopian Airlines' new Aviation Academy is one of the best airline training facilities in the world and we were privileged to play a part in this fine accomplishment by Ethiopian Airlines." said Tony Bermingham, Managing Director of EDM.

Ethiopia tops continent aviation figures

Data compiled from airline industry reports indicate that Ethiopia has overtaken Kenya as the regional aviation hub, as it continues to capitalise on its thriving national airline and airport infrastructure and is set to overtake Johannesburg next year in the overall volume of international travellers.

In the period between January and August this year, Addis Ababa's Bole International Airport recorded a 17% increase with the airport's capacity sitting at almost 6.2 million absolute airline seats. "With a scheduled growth of 15% for the next four quarters, Addis Ababa will enjoy a similar volume of international seats, or may even surpass Johannesburg in international capacity," reports aviation industry think tank, Forward Keys.

Ethiopian Airlines Picks Reward Employer of Choice Award

Ethiopian Airlines, the fastest growing and most profitable African airline, has won two coveted awards in the first **East Africa Careers in Africa Choice Awards**, at a top tier event held in Nairobi, Kenya in September.

Ethiopian was nominated in three categories out of 10, and was crowned in two: **Reward Employer of Choice**, as the leader in terms of compensation and benefits offered to employees and **Local Attractiveness Employer of Choice**, as the leading company in hiring a majority of locally based talent. The Airline also took the runner-up award in the East African Employer of Choice.

EAL spokesperson Mr Wasihun Asres, said "I am honored to receive these awards on behalf of the Ethiopian family." He said the regional award was a testament of Ethiopian commitment and great investment in its Human Capital, "one of the four pillars in our strategic road map, Vision 2025. Ethiopian is an Equal Opportunity Employer committed to diversity and fairness."

Ethiopian is a multi-award winning airline, including Best Airline Staff in Africa by SkyTrax World Airline Award, African Airline of the Year Award for 2016, Best Airline to Africa - for the

second year in a row and Best Airline in Africa by one of the most prominent travel magazines in the United States – Premier Traveler. The rest are APEX Passenger Choice Award, the most extensive survey of passengers in the industry, CAPA Airline of the Year Award and AFRAA Airline of the year award – for the fourth year in a row.

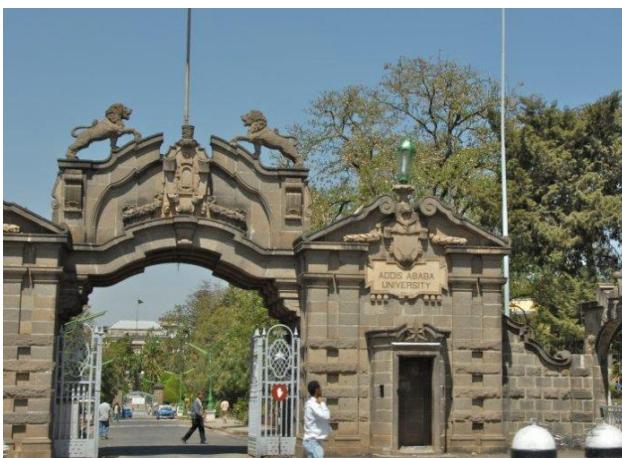
Ethiopian Sign MoU with Guangdong Airport Authorities

Ethiopian Airlines have signed a Cooperative Memorandum of Understanding with Guangdong Airport Authorities in areas of increasing passenger flight frequency, launching new routes and joint promotion of Ethiopia cargo for additional frequency to Guangzhou.

Ethiopian Airlines signs MoU with Addis Ababa University

Ethiopian Airlines has signed a Memorandum of Understanding with Addis Ababa University, to initiate a strategic partnership in the areas of Information and Communication Technology (ICT).

The MoU will explore and promote cooperation between the two institutions with the view of conducting industrial projects, research and consulting on issues of mutual benefit. Areas for research include Internet Booking, Big Data Analytics, Customer Data Hub, Distributed Data Storage, Adaptive Crew Solution and Intelligent Warehouse.



Addis Ababa University

Mr Tewolde GebreMariam, Group Chief Executive Officer (CEO) Ethiopian Airlines, said in today's era

of digital revolution and Artificial Intelligence, ICT plays a pivotal role in the success of any organisation. He said Systems Development is one of the pillars of its 15-year strategic road map and Vision 2025.

The Airline is incorporating the latest Information Technology systems in Aviation Technology and it is heading towards a totally paperless operational environment. "I believe this agreement for collaboration with Addis Ababa University, Ethiopia's largest and oldest academic institution, is a step forward towards ensuring concerted research and projects," he said.

Authority Policy to Encourage Private Operators

The Ethiopian Civil Aviation Authority is soon to implement an aviation policy that encourages investors engaged in the private air transport sector. The sector, exclusive to Ethiopian Citizens, is dominated by the government owned national airline, but the number of private airlines has been on the increase.

Authority Air Navigation Deputy Director General, Shimelis Kiberab, said the policy balances the competition in the sector and plays a significant role in ensuring safety. It will also help tackle a shortage of equipment, build airfields and provide qualifications and operating licences to pilots and airplanes. It will also facilitate conditions for airlines that work with states and will offer incentives for private operators.

The Authority has been working closely with the Ethiopian Investment Commission, the Ethiopian Revenues and Customs Authority and others, since the sector needs huge capital investment and support from the government.

Other transport news

Ethiopian Shipping Lines nets 1.3 Bn Birr Profit

The Ethiopian Shipping & Logistics Services Enterprise earned over a billion birr in net profit in the last fiscal year. Iron and metal, consumer goods, such as sugar and wheat made up the bulk of what was shipped. ESL served 260 destinations, from less than 230 a year before. The Enterprise has 400 cars,

which transport cargo from Djibouti to the country's eight dry ports.

The Enterprise provides coastal and international marine and internal water transport services from/to Djibouti port through the ports of the Gulf and the Indian Sub-Continent, China, Korea, Japan, Singapore, South Africa and Indonesia. It was founded in 1964 and is based in Addis Ababa with agents around the world, such as Cory Brothers Shipping Agency in the UK. In 2016/17, the Enterprise plans to strengthen its technical and operational management.

INVESTMENT

Bureau Issues 4,542 Investment Licences



Addis Ababa

Addis Ababa's City Government Industry Development Bureau in September issued investment licences to 4,542 local and diaspora investors. At a half-day discussion Bureau Research, Planning and Budget Support Process Leader, Tesfaye Chaka, said the licences were given to investors engaged in ICT, manufacturing, textiles, leather and leather products, chemicals, services, and agro-processing. He said that infrastructural development such as roads, energy supply and water access installed in the industry zones in Addis are an investment incentive.

Investors praised the Bureau but cited some shortcomings such power outages and sluggish service delivery within the sectoral offices and a shortage of foreign currency. Bureau Head Jemal Redi said to address the problem of power supply the Bureau has recently paid 13 million Birr for an upgrade. Regarding foreign currency, he said that the Development Bank of Ethiopia has a special package to assist the industry sector, if all the

requirements are fulfilled. He said his Bureau is highly committed to working closely with investors and addressing their complaints.

NEWS IN BRIEF

Somalia hosts heads of state summit for 1st time in 30 years

Somalia hosted its first regional summit of African heads of state in 30 years on 13th September. Heads of State present included Ethiopian Prime Minister Hailemariam Dessalegn, Kenyan President Uhuru Kenyatta and Ugandan President Yoweri Museveni. The summit is a sign of confidence in a return to normal life in Somalia, which was plunged into decades of conflict in 1991 when warlords overthrew the regime of dictator Siad Barre.



Ethiopia's PM Hailemariam Dessalegn, left, and Somalia's President Hassan Sheikh Mohamud, right, walk together during the IGAD summit at the Peace Hotel in Mogadishu (AP)

IMF Appoints Ethiopian to African Department

Christine Lagarde, Managing Director of the International Monetary Fund (IMF), has appointed Ethiopian national Abebe Aemro Selassie as Director of the IMF's African Department. He began his new job on 19th September and brings extensive operational and policy experience from his assignments in various IMF departments. Mr Selassie joined the Fund in 1994.

Innovation is Transforming Africa - says Mastercard

At the US-Africa Business Forum held in New York in September, President Barack Obama cited the latest example of Mastercard helping to improve the

remittance corridor in Africa with the expansion of HomeSend into Ethiopia. Working with the Commercial Bank of Ethiopia, this Mastercard partnership brings remittance services to more than 100 million Ethiopians and allows people to easily send funds directly to any mobile number in Ethiopia. It also provides access to a safe and convenient financial solution, bridging the gap for the 78% of adults in Ethiopia excluded from the formal financial sector.

Ethiopia tops Global Green Economy Index

This year's Global Green Economy Index (GGEI 2016) ranks Ethiopia as one of the top 15 countries in overall climate change performance. Ethiopia's performance results have shown significant progress since 2014 and are "a step up, driven mostly by maintaining a top position on the Leadership and Climate Change dimension while simultaneously improving its result on the Environment dimension considerably."

The Global Green Economy Index is a data-driven evaluation of how 80 countries and 50 cities perform in the global green economy, and how experts evaluate that performance. The Index offers an integrated view of national green performances, measuring emissions, the environment, investment, green innovation and efficiency sectors like buildings, transport and energy through one unified framework.

Ethiopia's Orthodox Christians mark Meskel festival

Orthodox Christians in Addis Ababa marked the Meskel festival, a unique religious event where huge crowds gather around a large bonfire on 27th September. Those present included the Ethiopian Orthodox Church Patriarch Abune Mathias, government officials, guests and expatriates. The Abune said the occasion symbolises a spirit of devotion, humility and redemption.

Meskel, meaning a cross, is founded on the belief that Ethiopia's 16th century Queen Eleni once had a revelation in a dream, in which she was told to make a large bonfire, or 'Demera', whose smoke would then show her where the cross of Jesus was buried. The Christian community believes the right wing of the cross on which Jesus was crucified was brought

to Ethiopia and buried at the Gishen Mariam Monastery in Amhara Region, some 483 kilometers (c300 miles) north of Addis Ababa.



Meskel, Addis Ababa

ETHIOPIA IN THE NEWS

First African WHO Boss? Dr Tedros speaks of his vision for global health

Kenya's *The Star* online carried an interview with H.E. Dr Tedros Adhanom, Ethiopia's Foreign Minister, and former health minister, who is standing for election as the Director General of the World Health Organisation (WHO).



Foreign Minister Dr Tedros Adhanom has the full backing of the AU

Fifteen years ago, Ethiopia had less than 600 poorly-staffed health centres. But in 2005, Ethiopia embarked on a programme to improve the health of its citizens. By end of last year, the country had constructed more than 3,500 health centres and 16,000 dispensaries. In one of the world's most dramatic medical turnarounds, the country just finished training a record 3,000 doctors this year. It

now has one doctor per 1,000 population—the World Health Organisation standard. In Kenya, we have one doctor for every 17,000 people.

Close to 40,000 people have also been trained as health-care workers spread across the country. Ethiopia has achieved its target of reducing child mortality by two-thirds between 1990 and 2015 when the number of new HIV infections fell by 90%, malaria-related mortality fell by 75% and mortality from tuberculosis fell by 64%. Ethiopia is now a global case study on how to transform a country's health system with little resources.

How did this come to be? The man who revolutionised Ethiopia's health-care system is the current Foreign Minister Dr Tedros Adhanom, who served as health minister between 2005 and 2012. The 51-year-old is a globally recognised malaria researcher. He was also the first non-American to receive the Jimmy and Rosalynn Carter Humanitarian Award in 2011 for significant achievements in improving human health. For his achievements, US President George Bush famously declared him the “best health minister in the world”.

Dr Tedros is now campaigning to be the WHO's next director-general. He would be the first African to get the coveted job and has been endorsed by the AU. UN members will choose a new WHO leader in May 2017.

Dr Tedros visited Kenya recently and spoke to the Star Newspaper's John Muchangi. You can read it here <https://goo.gl/o09Iu3><https://goo.gl/o09Iu3>

BUSINESS

ETHIOPIA IS NOW THE LARGEST COFFEE MARKET IN AFRICA

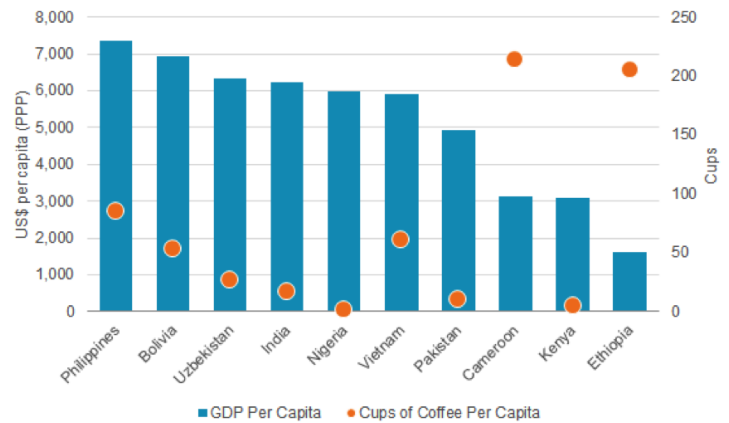
The *venturesafrica.com* website posted that according to a report by Euromonitor, Ethiopia is now one of the largest coffee markets in Africa with a rough estimate of 127,000 tonnes sold in 2015, which is a quarter of the total volume of coffee sold in the Middle East and Africa. The figure is comparable to those of much wealthier countries like South Korea and Russia.



Photo www.flickr.com

“Africa is the next frontier” for coffee, says Robério Oliveira Silva, Executive Director of the International Coffee Organization.

In countries such as Kenya and Uganda where it is grown, the consumption has remained low due to the preference for tea which, they say, has traditionally been much cheaper. Even though Ethiopia is the poorest of the world's major coffee-consuming nations, with GDP per capita of just US\$599 in 2015, Ethiopians still drink around 200 cups a year. No other country in that income group drinks as much as that.



Ethiopian consumption is well above that of most other low-income markets

The question then arises: if Ethiopians drink this much coffee on less than US\$600 a year, how much would they drink if they weren't one of the world's poorest countries?

“With Ethiopian economic growth steaming ahead (GDP increased by 10.2% in 2015), the question is no longer as speculative as it once was,” said Matthew Barry, Beverage Analyst, Euromonitor International.

You can read more here <https://goo.gl/71ngZQ>

Ecotextile published the following in September

African land clearances and organic cotton

Written by Brett Mathews

Following the release of the recent Textile Exchange organic cotton report, one statistic included in the figures immediately jumped out to our team of journalists. That was the **brand new production figures for organic cotton in Ethiopia** where previously no organic cotton fibres have been documented. [though they have been grown in Ethiopia for many years without certification! Ed.]



Since then we've been in touch with the certifiers concerned – ICEA – which has confirmed that 145 mt of organic cotton was grown on 900 hectares of a 4,600 ha project in the Korcha area of the lower Omo Valley Ethiopia by Turkish company Else Group.

Read more here <https://goo.gl/eCgnjn>

How Ethiopian prince scuppered Germany's WW1 plans

- BBC, 25 September 2016



A hundred years ago, the Ethiopian prince Lij Iyasu was deposed after the Orthodox church feared he had converted to Islam. But it also scuppered Germany's plans to draw Ethiopia into World War One, writes Martin Plaut.

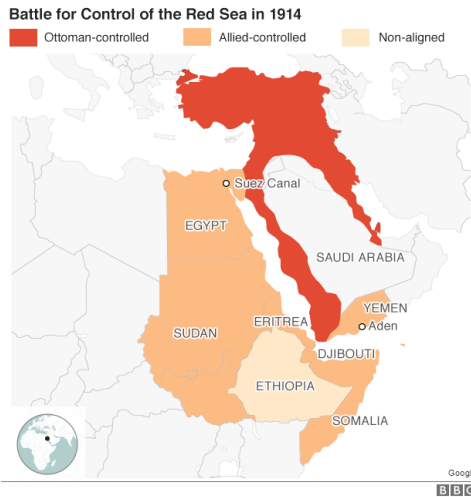
In January 1915 a dhow slipped quietly out of the Arabian port of Al-Wajh. On board were a group of Germans and Turks, under the guise of the Fourth German Inner-Africa Research Expedition.

Led by Leo Frobenius, adventurer, archaeologist and personal friend of the German Emperor, Kaiser Wilhelm II, its aim was nothing less than to encourage Ethiopia to enter World War One.

Germany believed that the Suez canal was Britain's "jugular vein" allowing troops and supplies to be brought from Australia, New Zealand and India.

Read more here

<http://www.bbc.co.uk/news/world-37428682>



Chirico noted that eastern Africa especially has been identified as a clothing production destination. The company has recently set up a factory in Ethiopia's **Hawassa Industrial Park**, a mega facility located 275km southeast of Addis Ababa, the capital.

"East Africa for us really shows great promise – for a number of reasons. One is the partnership that has been built between the industry, government and also the donor base to really invest behind the training of workers and to make sure the facilities are set up in the appropriate way, from a corporate social responsibility point of view."

Read more here <https://goo.gl/4M4sc7>

Calvin Klein to source in Africa

On the **How I made it in Africa** website, Kate Douglas on '26 September 2016' wrote:



Ethiopia is distinguishing itself as a clothing manufacturing hub, with companies like PVH Corp, H&M and Tesco sourcing garments from the country.

American clothing giant Phillips-Van Heusen Corporation (PVH Corp), which owns the Calvin Klein and Tommy Hilfiger brands, could potentially source over a quarter of its garment production from Africa within five years, according to the company's CEO Emanuel Chirico.

"We have been involved in Africa for over 10 years; it represents today a little over 5-6% of our global production. We believe that production could grow... over the next five years to something that would approach over 25%," he said during a panel discussion at last week's US-Africa Business Forum in New York.

Ethiopia soil map arms farmers with new fertilisers in climate fight

The Daily Mail published an online piece by Pius Sawa (Reuters) on 29th September about a new comprehensive digital map charting soil fertility in Ethiopia which "is proving an important tool in tackling the country's low farm productivity, a challenge made more acute by climate change."

"The nationwide mapping effort was launched by the Ethiopian Soil Information System (EthioSIS) in 2012, and is due to be finished this year. The project is already achieving results, with new fertiliser combinations boosting wheat yields from around 1 tonne to 3 tonnes per hectare on more than 40% of its agricultural land last year.

Tekalign Mamo, programme leader for EthioSIS, said fertility and other soil characteristics are dynamic processes that must be well understood for a country to be able to feed its population. "Through the years, the soil fertility status of Ethiopia - similar to other African countries - has deteriorated, and (it) has faced severe nutrient depletion and land degradation," he explained. "Due to human activities like deforestation, we have experienced changing rain patterns, resulting in effects like flooding and soil erosion." To help combat this, EthioSIS proposed the soil survey to the government, to enable fertilisers to be matched with local soil conditions and crop requirements, he said. The resulting state-of-the-



art digital mapping project combines satellite imagery with data from the ground and historical information, to analyse soils and rainfall in different areas and recommend suitable fertilisers and crops, Mamo said.

Read more here: <https://goo.gl/E2aXQj>

CREATING A COFFEE HUSK MARKET IN ETHIOPIA

Using a market-based approach, TechnoServe is helping coffee farmers and cooperatives in Jimma, Ethiopia, turn coffee husk into a thriving market.

Hulling station employees in Goma, Ethiopia, stand on a pile of coffee husks which will be repurposed as mulch on local coffee farms.



Historically, coffee husks have presented coffee hulling stations in Jimma, Ethiopia, with a serious challenge.

After harvesting and drying the coffee cherries, hulling stations use hulling machines to remove the outer layers of the cherries to extract the coffee beans from the fruit.

After testing the viability of a variety of business models for disposing of the coffee husk, it was determined that the husk waste was most economically and environmentally sustainable when used as mulch on coffee farms.

Coffee farmers like Amin Aba Sambu were eager to use the coffee husks as mulch to help grow healthy, productive coffee trees, but the cost of transportation to apply the husks to their farms was prohibitively high.

TechnoServe worked with the hulling stations to deliver the husks to coffee cooperatives' collection points, reducing the transportation costs for farmers to nearly zero.

"Now we are able to receive coffee husks on our farms because half of the costs are covered by our cooperatives through TechnoServe's facilitation," said Amin Aba.

The mulch conserves soil moisture, suppresses weeds and enhances soil fertility, boosting tree productivity and farmer incomes.

Hulling stations also benefit as they are now able to better manage their coffee waste.

SPORT

Ayenew, Mengistu Beijing Marathon Victories

Ethiopia's Mekuant Ayenew and Meseret Mengistu triumphed in the men's and women's title at the 36th edition of Beijing IAAF Marathon on 17th September.



26-year-old Mengistu beat compatriot Melkam Gizaw to win in 2:25:56, the third year running that Ethiopia has won in Beijing. Last year she

shattered her personal best by nearly six minutes to win the 2015 Paris Marathon in 2:23:26.

24-year-old Ayenew won in 2:11:09, his first marathon victory. Ayenew's winning time is 64 seconds shy of his PB set in 2013 when he finished as the runner-up at the Hannover Marathon and nearly four minutes slower than the course record of 2:07:16 registered by Ethiopia's world bronze medalist Tadesse Tola in 2013.

Bekele storms to victory in Berlin marathon

Ethiopian Kenenisa Bekele stormed to victory in the Berlin marathon on 25th Sep, out-sprinting his main rival Wilson Kipsang of Kenya to finish just outside the world record in the second fastest race of all time. Bekele, a triple Olympic champion and world record holder over 5,000 and 10,000m, crossed the line in a time of two hours, three minutes and four seconds, seven seconds off Dennis Kimetto's record.