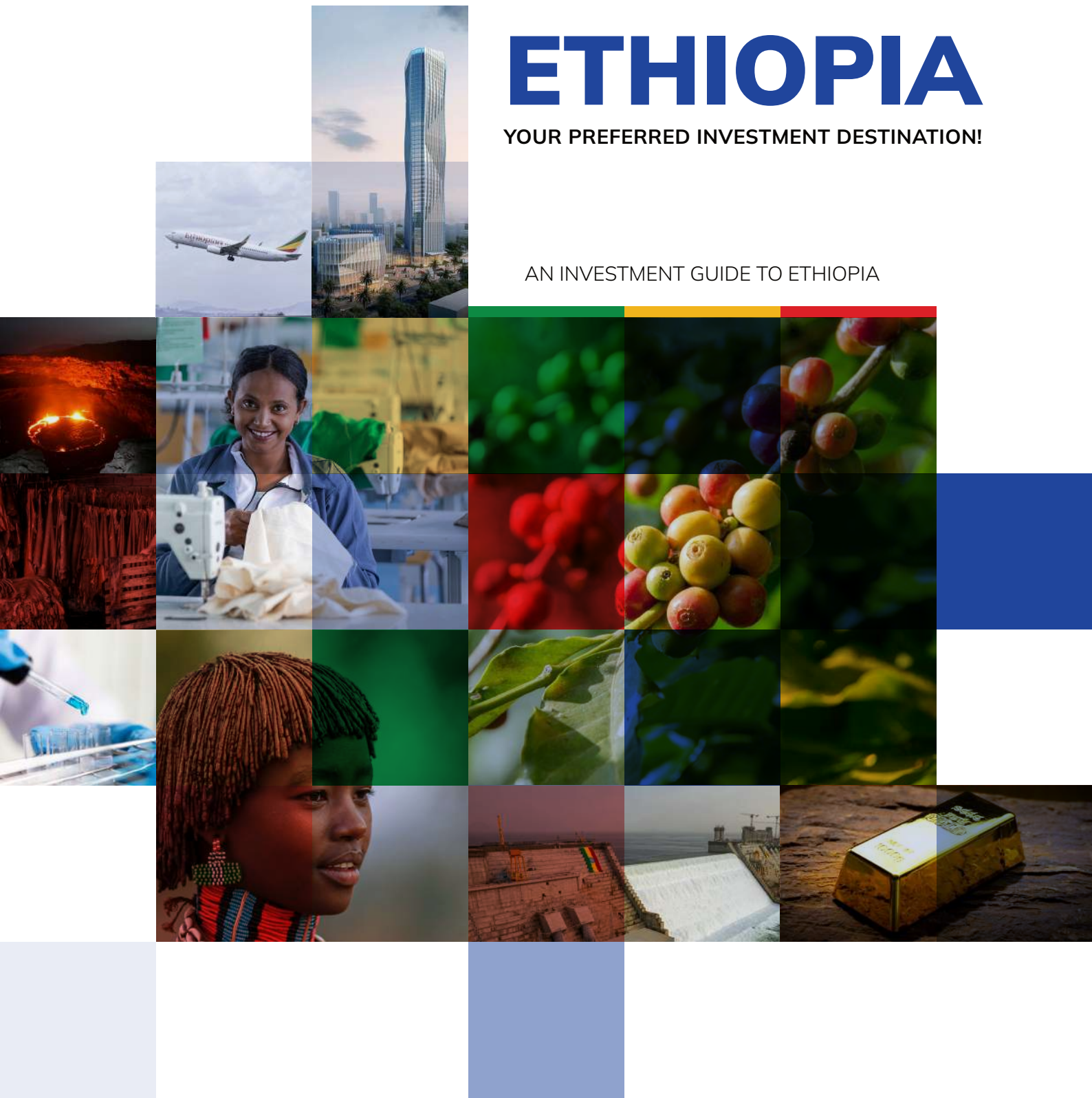


ETHIOPIA

YOUR PREFERRED INVESTMENT DESTINATION!

AN INVESTMENT GUIDE TO ETHIOPIA





COMMISSIONER'S MESSAGE



Esteemed Investors,

Ethiopia has experienced significant economic growth in the past decades and has proven resilient in the face of global disruptions. We have been one of the top destinations for foreign direct investment in Africa – a track record we are working to solidify and expand on.

The government of Ethiopia has also built a favorable business environment by implementing solid economic strategies and continuous regulatory reforms. These have positively impacted the investment and business climate in Ethiopia. Our investment priorities are aligned with the Homegrown Economic Reform agenda, which focuses on five key sectors: Agriculture, Manufacturing, Mining, Tourism, and ICT. We also promote emerging sectors such as Energy, Transport, Financial Services, and Healthcare. Investors in priority sectors benefit from extensive fiscal and non-fiscal incentives including duty free import, income tax exemptions, guaranteed fund repatriation, and bonded export facilities.

The Ethiopian Investment Commission (EIC) serves as a one-stop-service center for all your investment-related needs. We offer a hands-on support for foreign investors throughout the investment cycle. We will support your journey from the outset – providing the information you need to make an informed decision; assisting you with setting up your business here; and offering continued support once you are on the ground.

This Investment Guide offers an overview of the potential Ethiopia offers and the opportunities in various sectors. I invite you to explore these and reach out to us for further discussion. My team and I are committed to providing you quality service and help you navigate through the process.

We look forward to welcome you to one of the fastest-growing nations in Africa!

H.E. Zeleke Temesgen(PhD)
Commissioner, Ethiopian Investment Commission



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ETHIOPIA

AT GLANCE



OFFICIAL NAME

FEDERAL DEMOCRATIC
REPUBLIC OF
ETHIOPIA



CAPITAL CITY
**ADDIS
ABABA**



POLITICAL SYSTEM
**FEDERAL
PARLIAMENTARY
REPUBLIC**

GOVERNANCE SYSTEM
12 REGIONAL STATE AND 2 CITY ADMINISTRATIONS



LOCATION

**HORN OF AFRICA AT THE CROSSROADS
BETWEEN EAST AFRICA, THE MIDDLE EAST
AND ASIA**

BORDERS ERITREA, DJIBOUTI, SOMALIA, KENYA, SOUTH SUDAN AND SUDAN



TOTAL AREA

**1.1 MILLION
SQ. KM**



CLIMATE

(MEAN ANNUAL TEMPERATURES)

IN THE HIGH-ALTITUDE REGIONS

15 - 20°C

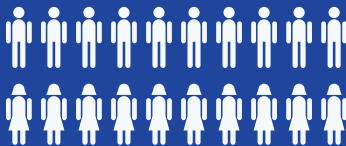
IN THE LOWLANDS

25 - 30°C

RAINFALL RANGE

200 - 2000 MM

POPULATION



123 MILLION

SECOND MOST POPULOUS COUNTRY
IN AFRICA

LANGUAGES SPOKEN

AMHARIC

WORKING FEDERAL LANGUAGE

ENGLISH

WIDELY SPOKEN
& MAJOR FOREIGN
LANGUAGE TAUGHT
IN SCHOOLS

REGIONAL STATES
HAVE THEIR OFFICIAL
WORKING LANGUAGES



EXPORTS¹

COFFEE, GOLD, OLSEEDS, VEGETABLES,
CUT FLOWERS, LIVE ANIMALS, TEXTILE AND
APPAREL, LEATHER, AND LEATHER PRODUCTS

**BIGGEST
EXPORT
PARTNERS**

UNITED ARAB
EMIRATES **23.8%** UNITED
STATES **11.2%** SOMALIA
8.18%

SAUDI
ARABIA **6%** GERMANY
5.62% CHINA
3.36%

SINGAPORE **3.28%** JAPAN
2.27% INDIA
2.2% ISRAEL
1.99%



IMPORTS²

AIRCRAFT, GAS TURBINES, PACKAGED
MEDICINES, CARS, MANUFACTURED GOODS,
CONSTRUCTION MATERIAL

**BIGGEST
IMPORT
PARTNERS**

CHINA **23.7%** INDIA **9.21%** UNITED STATES
6.76%

UNITED ARAB
EMIRATES **6.73%** UKRAINE
5.04% UNITED
KINGDOM **5%** FRANCE
4.18%

KUWAIT **3.90%** TÜRKİYE
3.02% BELGIUM
2.33%

GDP

126.78

BILLION USD (2022)

TIME ZONE

GMT+3

CURRENCY

ETHIOPIAN BIRR (ETB)

COUNTRY CODE

+251

¹<https://oec.world/en/profile/country/eth>

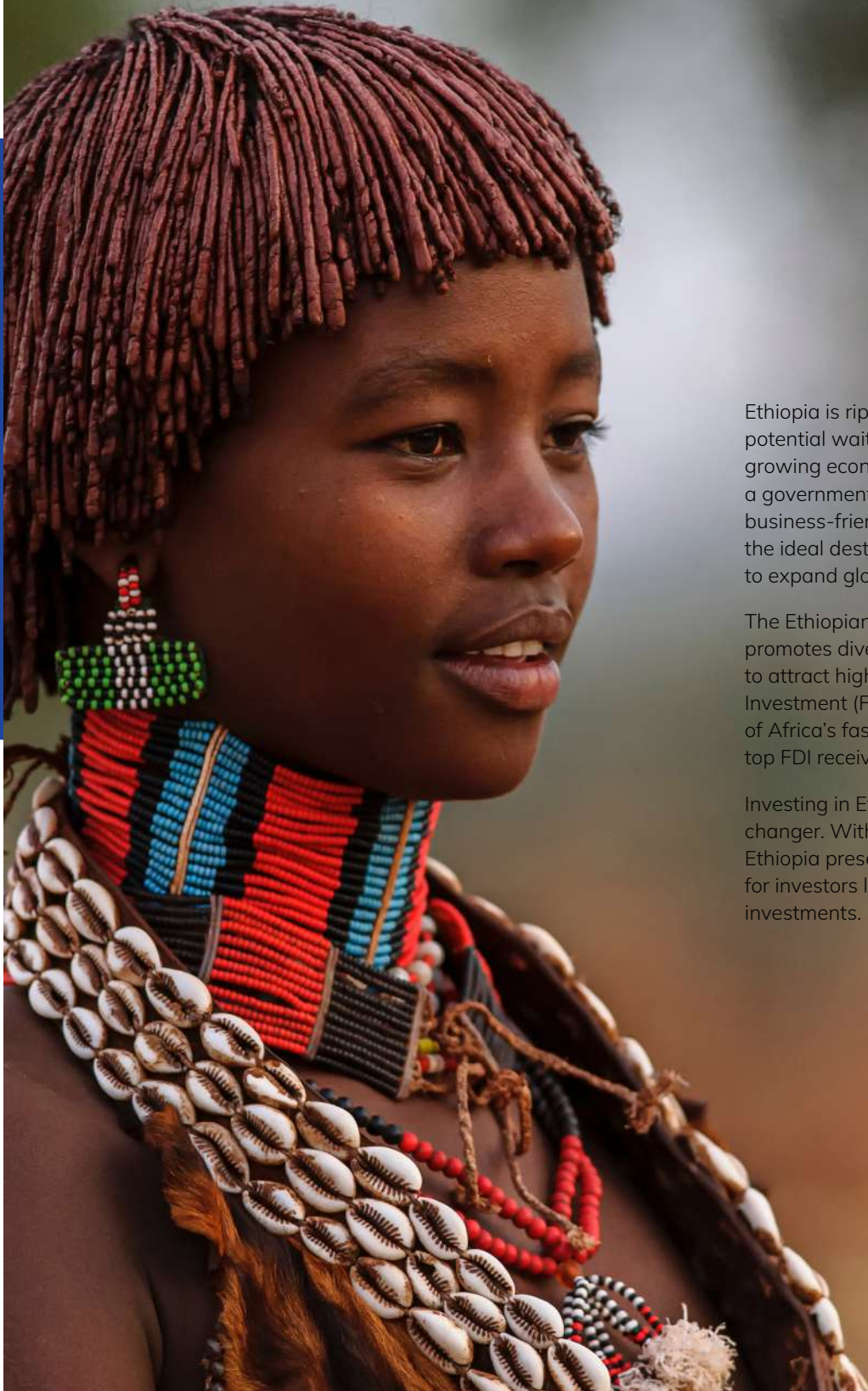
²<https://oec.world/en/profile/country/eth?yearlyTradeFlowSelector=flow1>

WHY INVEST IN ETHIOPIA

Ethiopia is ripe with untapped investment potential waiting to be explored. With its growing economy, strategic location, and a government committed to promoting a business-friendly environment, Ethiopia is the ideal destination for businesses seeking to expand globally.

The Ethiopian government vigorously promotes diverse opportunities for investors to attract high-quality Foreign Direct Investment (FDI), leveraging its status as one of Africa's fastest-growing economies and a top FDI receiver in East Africa.

Investing in Ethiopia can be a game-changer. With its exceptional advantages, Ethiopia presents a lucrative opportunity for investors looking to diversify their investments.



SUSTAINED AND RESILIENT ECONOMY

Over the past two decades, Ethiopia has sustained an average annual GDP growth rate of 10%. Despite the COVID-19 pandemic and global value chain disruption, Ethiopia remains one of Africa's fastest-growing economies, with a 6.5% GDP growth rate since 2020.

Ethiopia recorded the **highest FDI inflow in East Africa**, with an average of US \$3.26 billion in 2023, making it the third largest FDI destination in the continent.

Ethiopia's Home-Grown Economic Reform has implemented major macroeconomic and sectoral reforms, including privatization and **liberalization of key sectors** like telecom, transport, and financial services. These reforms aim to make Ethiopia a global investment destination.

FAVORABLE MARKET CONDITIONS

Ethiopia's **strategic location** provides access to over 120 million domestic customer markets and regional trade agreements such as AfCFTA and COMESA, offering investors trade opportunities and access to more than 1.4 billion potential consumers.

Ethiopia's **proximity to the Middle East, Europe, and Asia** gives investors a unique advantage in accessing diverse countries through preferential market access schemes.

Duty and quota-free to EU market: Under the Everything But Arms (EBA) initiative, Ethiopian companies can export manufactured goods to the European Union without paying duties or quotas.

Zero-tariff access to the Chinese market: Over 8800 products manufactured in Ethiopia are eligible for zero-tariff access to the large and fast-growing market of 1.4 billion consumers.

Zero-tariff access to the UK's market: Ethiopian products can be traded with the UK market under the Developing Countries Trading Scheme (DCTS), which aims to increase trade with developing countries and open new opportunities for Ethiopian companies.

The Ethiopian government has identified specific sectors with significant potential for private investment and growth. In the next pages, we will take a closer look at each priority sector, providing detailed insight for investors who wish to begin their investment journey in Ethiopia today and take advantage of the many opportunities available.

WELL-DEVELOPED INFRASTRUCTURE

A worldwide logistics hub: Ethiopian Airlines operates over 133 international and 23 domestic routes and 60+ cargo-only destinations served by the Star Alliance Ethiopian Airlines from its central hub in Addis Ababa.

In recent years, Ethiopia has made **significant investments to expand its power infrastructure** in the hydro, solar, wind, and geothermal sectors, making it an energy powerhouse on the African continent.

Ethiopia has **developed 29 modern Special Economic Zones (SEZs)** with quality infrastructure, including an electric railway that connects major economic corridors to the Djibouti port.

The emergence of Safaricom and innovative fintech solutions is **transforming the telecommunications industry** in Ethiopia.

Ethiopia's road network spans over 144,328km, including 301km of motorways and toll roads. This network connects Special Economic Zones and facilitates regional and national trade.

DYNAMIC POLICY AND COMMITTED GOVERNMENT

Ethiopia has **opened multiple sectors to foreign investors**, making it increasingly attractive for quality foreign direct investment (FDI) due to the recent easing of regulations, as evidenced by Investment Proclamation No. 1180/2020 and Regulation No. 474/2020.

Ethiopia introduced **policy changes to improve the investment climate**. Such as revising the applicable commercial code, introducing flexible investment policies, and multi-year investment visas, expanding a one-stop-shop service, improving investment protection, fast-tracking investor grievance handling mechanisms, developing the financial sector and capital market, and revising the applicable commercial code. Visit the EIC website for further information: www.investethiopia.gov.et

Ethiopia offers wide-ranging incentives for priority sectors, encouraging investments in agriculture, manufacturing, tourism, ICT, mining, logistics, telecom, energy and financial services.

The Ethiopian Investment Board, chaired by the Prime Minister, oversees investment policy, and ensures continued high-level political commitment. The government is committed to bolstering FDI and improving the socio-economic environment, governance, peace, and security.

STRATEGIC INVESTMENT SECTORS





AGRICULTURE

A LAND OF UNTAPPED POTENTIAL AND RICH DIVERSITY

Agriculture is a crucial sector of Ethiopia's economy, contributing 32.4% to its GDP and employing approximately 75% of the workforce. The industry is also responsible for 80% of the nation's exports, making it a critical pillar for economic growth. Currently, Ethiopia has 75 million hectares of land suitable for agriculture, with over 4.3 million hectares of land suitable for irrigation. Various regions have allocated 476,821 hectares of land for crop production, which are available for investment.

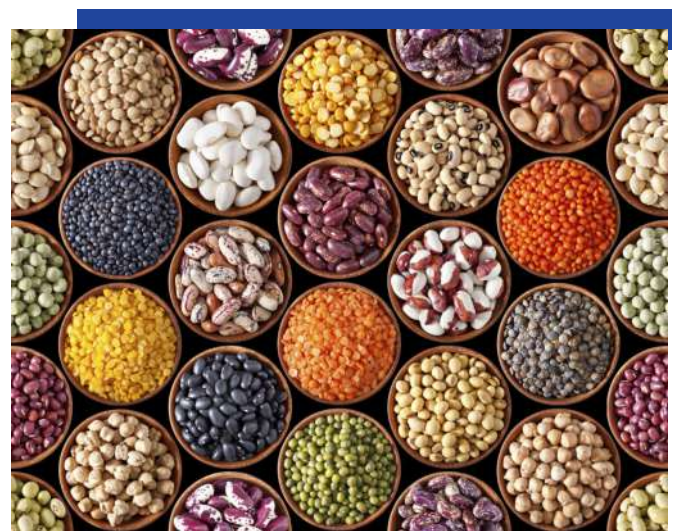
Ethiopia's agriculture sector is unparalleled in Africa, boasting exceptional agro-biodiversity with immense untapped potential. Its vast water and land resources and favorable climate make it an ideal destination for those keen on investing in agriculture. Take advantage of the opportunity to join Ethiopia's thriving agricultural industry.

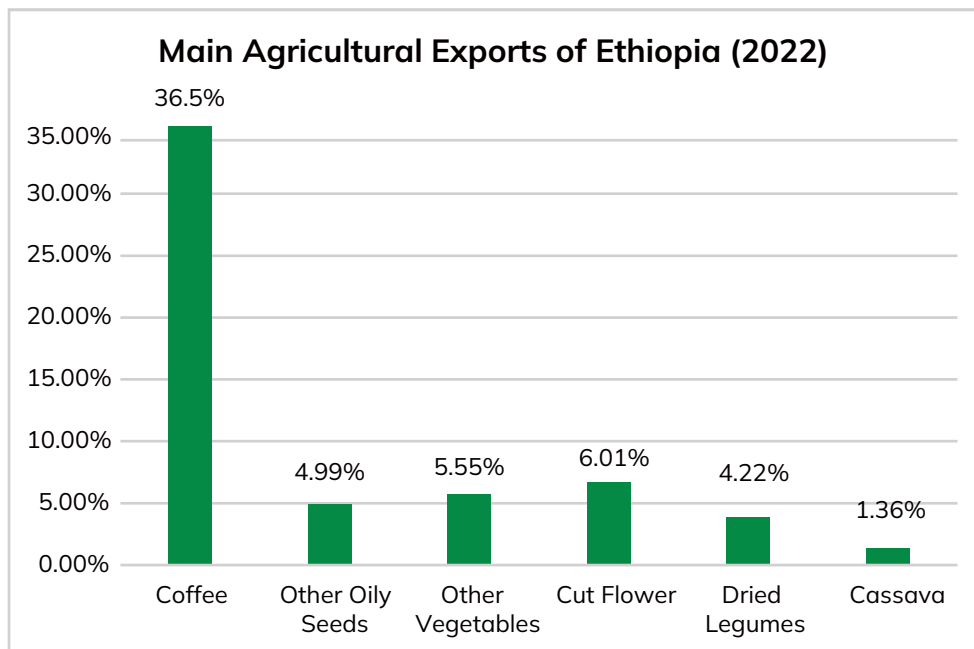
- Ethiopia is well-known for its premium organic arabica coffee, widely exported and enjoyed globally.
- Investing in commercial farming in Ethiopia is an intelligent choice. The country has established itself as a top player in the flower export industry, ranking second in Africa and fourth globally. Additionally, it is the leading non-EU exporter of cut flowers to the EU market. Take advantage of the opportunity to tap into Ethiopia's thriving agricultural sector.
- Did you know that Ethiopia is the region's leading honey producer? The country has earned the nickname "land of liquid gold" due to its exceptional honey production.

Ethiopia's agricultural potential is vast and diverse. With its varied topography, agro-ecological zones, and climate, the country can produce a wide range

of highly sought-after crops, such as cereals, pulses, oilseeds, fruits, vegetables, coffee, tobacco, sugarcane, tea, spices, and cotton. These impressive statistics are just the beginning of what Ethiopia's agricultural industry offers.

Ethiopia has outstanding potential to cater to a flourishing local food market and gain entry to regional and global export markets. Its strategic position and proximity to significant markets in Africa, the Middle East, and Europe create an ideal environment to supply major international markets with Ethiopia's agricultural products, such as coffee, oilseeds, fruits and vegetables, and floriculture.





Source: <https://bec.world/en/profile/country/eth?deltaTimeSelector1=deltaTime1&yearlyTradeFlowSelector=flow0>

PROMISING AGRICULTURAL SUB-SECTORS



Did you know that Ethiopia is the birthplace of coffee? Apart from that, Ethiopia is blessed with a perfect coffee-growing environment thanks to its diverse climatic zones, fertile soils, and abundant water resources. It's no wonder that Ethiopia is considered a haven for coffee cultivation.

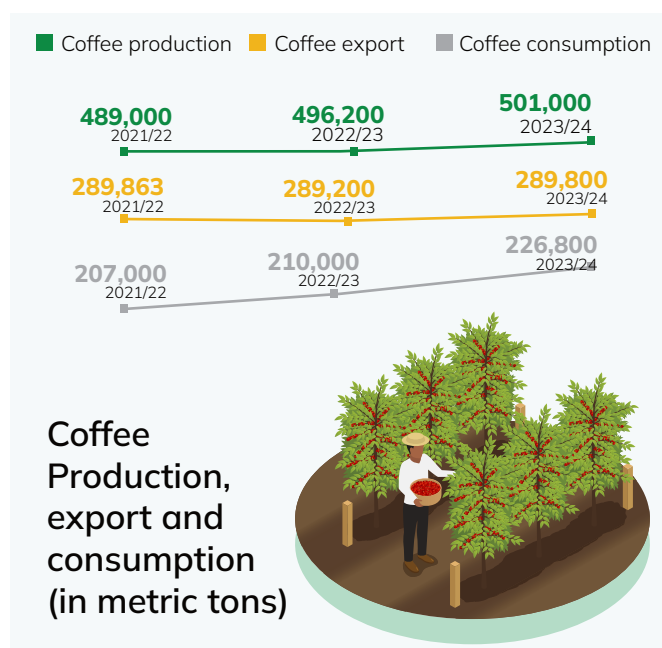
In Ethiopia, coffee is not just an ordinary commodity; it is significant in its cultural heritage. Ethiopia is currently the biggest coffee producer in Africa and the fifth largest globally. Experts predict that in the next five years, the country will outdo Indonesia to become the fourth-largest coffee grower in the world. Ethiopia has plans to increase the country's annual coffee revenue four times over and elevate farmer incomes more than fivefold within a decade.

Ethiopian coffee is in high demand for its unique, organic flavors, with major markets including the European Union, East Asia, and North America.

Investment opportunities in the coffee sub-sector:

In the coffee sub-sector, various substantial investment opportunities can be explored, such as:

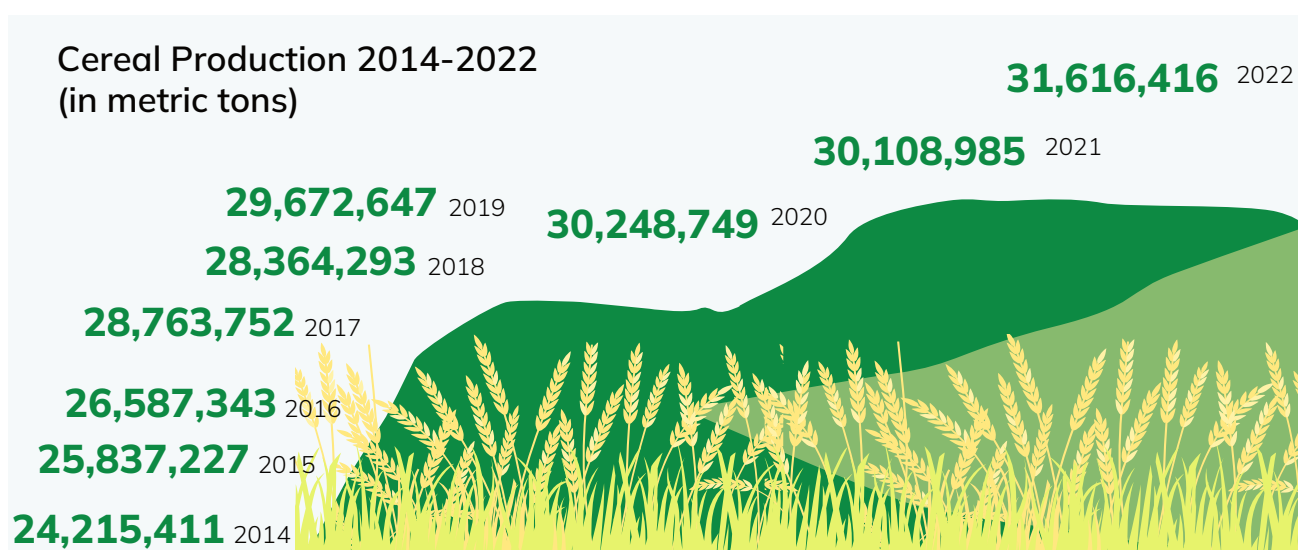
- The cultivation of coffee plantations and the implementation of advanced coffee processing techniques. Investing in these efforts ensures that coffee lovers worldwide can enjoy a rich and flavorful cup of coffee every time.
- Manufacturing of high-quality roasted, ground, and instant coffee sought-after in local markets and trusted by international coffee connoisseurs.
- Coffee packaging and direct export of finished coffee products



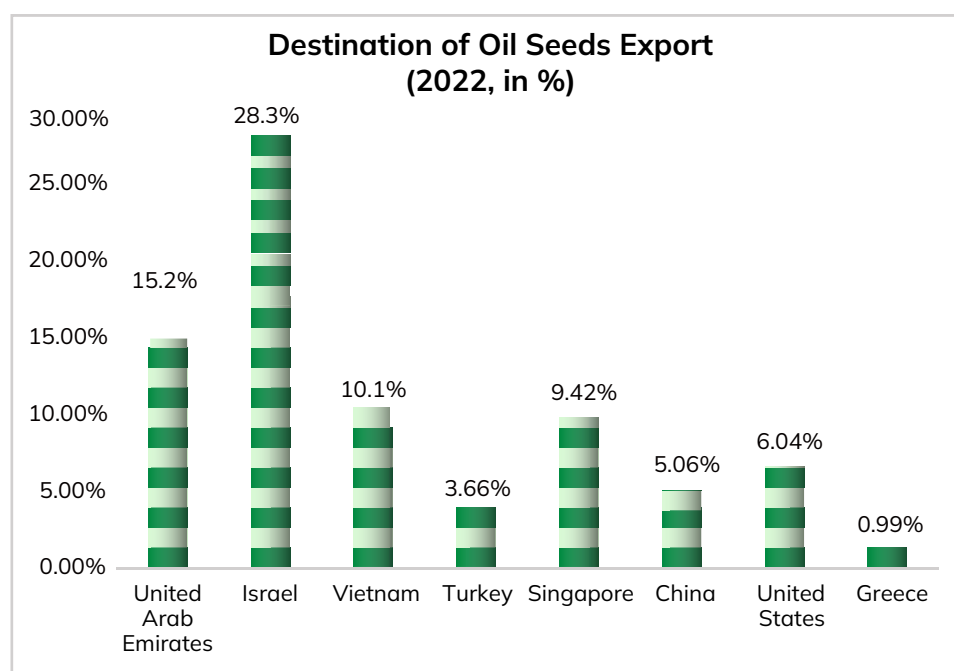
Source: [Ethiopian coffee industry](https://ethiopiancoffeeindustry.com/)



Ethiopia is a significant producer of cereals and oilseeds, with an estimated market value of over US \$4.1 billion for cereals alone, making it a potential hub for exports. Ethiopia produces a variety of grains, pulses, and oilseeds, including staple crops like wheat, rice, maize, and sorghum. Ethiopia is Africa's third-largest wheat producer. The Ethiopian government aims to meet the rising demand for processed goods like cookies, pasta, macaroni, and pastries by emphasizing import substitution.



Ethiopia is the 9th largest global producer of sesame. The country also prominently produces other oilseeds such as Niger Seeds, groundnuts, linseed, and soybeans. An expansive area of over 204,000 hectares of land is specifically well-suited for large-scale sesame production. The three main oilseed crops of the nation generate substantial foreign exchange revenues, second only to coffee. In 2021, the export revenue of these crops amounted to US \$337 million.



Source: <https://oec.world/en/profile/country/eth>

Investment opportunities in the cereal and oilseeds sector:

Cereal

In the cereal sector, there is a promising opportunity to set up agro-processing and grain milling facilities for wheat and maize. These facilities can produce wheat flour, pasta, macaroni, and biscuits. The Ethiopian Government considers developing the country's wheat value chains strategically essential to meet the growing domestic and regional demand for flour and other processed grains. In 2021/22, Ethiopia produced 9.4 million metric tons of maize, which were used as food and feed sources for processing.

Oilseeds

The oilseeds sector in Ethiopia offers ample opportunities for investment in oilseed cultivation and processing using the country's abundant agricultural resources. In recent years, the industry has seen a significant increase in investment and output due to the rising demand and price of the commodities on the global market. Sesame is Ethiopia's most prominent oilseed crop, grown in regions such as Amhara, Tigray, Oromia, Sidama, Southern Nations, Benishangul-Gumuz, and Somali. This high-return commodity is often called "white gold" and is the second most exported crop after coffee.

- The processing and value addition of sesame presents a promising opportunity. There is a high demand for hulled and roasted sesame in international export markets and for ground sesame (tahini) in domestic and regional markets. Being near key Middle Eastern export markets is advantageous and offers a growing sales opportunity.
- Sesame oil has great potential in the local market, primarily due to the suitability of the local variety for oil extraction.
- Production of sesame paste specifically for use in the confectionery industry.
- Production of edible oils.
- Ethiopia's favorable climate and soil conditions make it ideal for cultivating sesame, sunflower, and rapeseed oilseeds. The increasing demand for edible oils in the local market indicates a strong potential for growth.
- Despite being one of Africa's top 20 oilseed producers, Ethiopia imports a staggering 95% of its edible oils. Domestic processing only accounts for about 4% of the supply, leading to a large gap between demand and production. This gap represents a lucrative market that is waiting to be tapped by visionary investors. Hence, investors can invest in the following markets and capitalize on the opportunity:
 - Oilseed crushing facilities to extract edible oils.
 - Oil refining to produce higher-value products like cooking oils, margarine, and specialty fats.
 - Packaging and distribution of edible oil to localize the value chain
 - Oil-based consumer products like soaps and beauty products.





Ethiopia has Africa's most extensive livestock inventory, with over 70 million cattle. This impressive figure ranks it 6th globally. With such a rich and diverse livestock sector, there is enormous potential for investors to tap into this market.

Equally, red meat demand is increasing at a rate of 7% yearly. Ethiopian meat is in high demand in international markets, presenting excellent export opportunities to the Middle East and Asia.

Ethiopia is the perfect place for milk (dairy) and poultry farming. With its ideal climate and vast land availability, the country offers the perfect conditions for these industries to thrive. Investing in Ethiopia's dairy and poultry farming sectors and capitalizing on this opportunity for growth and success is lucrative.

Milk

Over the last two decades, in response to increasing population, urbanization, and rising income, Ethiopia's milk production volume has increased four times, resulting in a per capita consumption of 20-25 liters per year, one of the lowest in sub-Saharan Africa. In comparison, annual per capita milk consumption in Kenya is 120 liters. In 2021, the total milk production was around 4.6 billion liters. Despite the rapid growth of the milk processing capacity in the last few years, from one to 30 production facilities, the formal milk market is minimal. Ethiopia is a net importer of dairy products. The Ethiopian government has identified the dairy sector as a crucial area to meet the needs of a vast local market with untapped potential to supply neighboring countries.

Poultry

Urbanization, rising incomes, and a growing number of nutrition-conscious middle-class communities in Ethiopia significantly increase the demand for protein-rich products, including poultry. This trend is common in Ethiopia, as the world demand for these products is also growing. As a result, there is a significant potential for investment in the livestock and poultry sector, as the demand-supply gap is widening and presents an opportunity for a rapid return on investment.

Ethiopia ranks 9th in Africa for chicken population but lags in per capita chicken meat and egg consumption, which is 2 to 10 times lower than other African countries.

It is worth noting that the country's per capita consumption of chicken meat is relatively low, standing at 0.63 kg per person. This contrasts with countries such as the USA, where the per capita consumption is over 40 kg. In addition, there has been a steady increase in chicken meat imports, indicating a significant demand-supply gap that presents attractive investment opportunities for investors. As of the end of 2020, the estimated local poultry production of chicken meat was 68,000 MT, while the retail price of imported chicken meat ranges between US \$9-10 per kilogram.

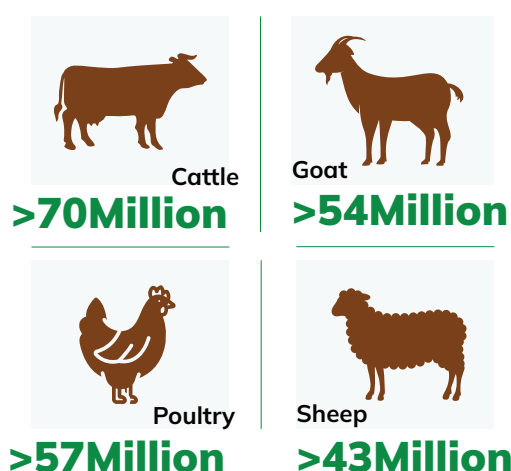
Investment opportunities in the Livestock, Dairy, and Poultry Sectors:

Opportunities in these sectors are plentiful and diverse.

Investing in Ethiopia's UHT processing plant for long-life milk production is a promising opportunity for dairy-related investors. UHT products have a significant advantage over fresh milk products in Ethiopia, where cold-chain infrastructure is weak, minimizing the need for refrigeration and addressing the issue of spoilage.

Investors in Ethiopia can establish commercial-scale broiler and layer units to address the increasing demand for poultry products as a substitute for red meat consumption. They can also develop processed poultry products to cater to local and export markets, utilizing the sizable chicken population for meat and egg production.

Ethiopia has a high demand for animal feed, with a gap of over 160,000 tons annually valued at over \$200 million. The country's strategic location makes it competitive in the \$2.9 billion animal feed market in East and North Africa. Investors can use Ethiopia's proximity to these markets to become low-cost suppliers globally. In 2022, the government removed import duties and value-added tax on animal feed products, lowering the cost of animal feed by a third and dairy products by an average of 17%.





Horticulture, Floriculture, and High-Value Crops

Investors who are interested in exploring opportunities in specialty agriculture should consider Ethiopia. This country offers vast untapped land resources, efficient irrigation systems, trainable and cost-effective workforce access, and preferential trade agreements, making it an ideal investment destination for horticulture, floriculture, and high-value crops.

Global Leader in Floriculture: Ethiopia is Africa's second-largest producer of cut flowers and the fourth largest globally. It specializes in growing diverse flowers, such as gypsophila, hypericum, chrysanthemum, and carnations. In 2021, Ethiopia exported cut flowers worth US \$235 million to various countries across the globe. The Netherlands, Norway, Saudi Arabia, Seychelles, and the United Kingdom were the primary destination countries for these exports.

Diverse Horticultural Offerings: The country's diverse agro-climatic conditions suit cultivating various fruits, vegetables, and herbs, including snow peas, broccoli, citrus fruits, and spices.

Strategic Market Access: Exporting high-value crops is made more competitive by proximity to European

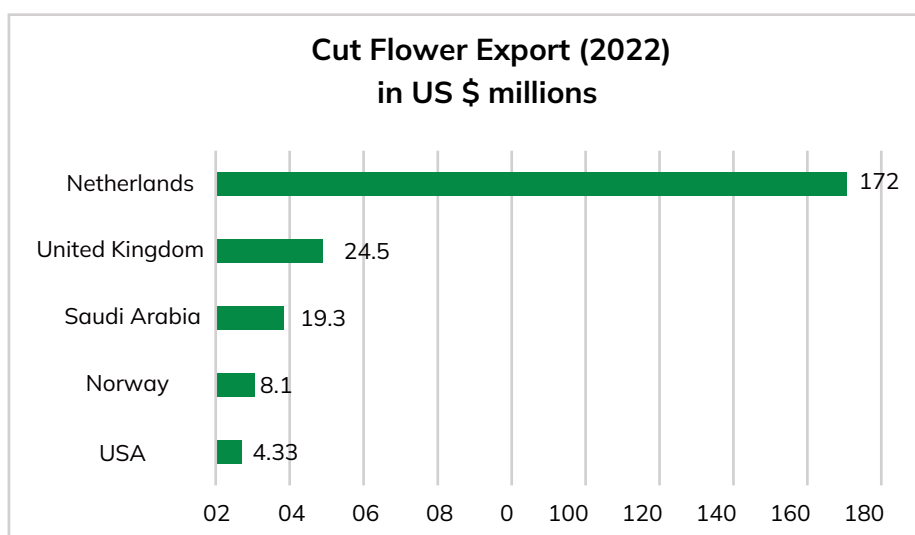
and Middle Eastern markets and duty-free access to various global markets.

Investment opportunities in the Specialty Agriculture Sectors

The global market for fresh fruits and vegetables is expected to grow from US\$ 144 billion in 2020 to US\$ 211 billion in 2028. Due to its favorable climate conditions, Ethiopia is an excellent location for investment in this sub-sector. The country can cultivate various fruits and vegetables, including fresh beans, strawberries, bananas, avocados, mangoes, potatoes, and tomatoes.

The investment potential in the specialty agricultural sectors is vast. It includes:

- Development of advanced cultivation methods for fruits and vegetables.
- By using the country's diverse fruit production, establishing fruit and juice processing facilities will create added-value products like juice, jams, and other items with longer shelf lives.
- Potato production has recently seen a significant boost, with almost 1.14 million MT in Ethiopia in 2021. The demand for processed potatoes is expected to keep growing in the foreseeable future.
- Development of new markets: Increased consumer awareness about the benefits of fresh fruits and vegetables has led to the development of new markets for horticultural, floricultural, and high-value crops based on the growing emphasis on health and wellness.
- Expansion of product variety: The local market's production and distribution of pulses are estimated to be worth over \$831 million and are growing by 5% annually. The land suitable for producing pulses, including fava beans, field peas, chickpeas, grass peas, and soya, covers an area of 94,503 hectares.



Source: <https://oec.world/en/profile/bilateral-product/cut-flowers/reporter/eth>



BAMBOO

Bamboo is a fast-growing and renewable material that offers a sustainable and cost-effective option for various industries, including construction, energy, and eco-tourism. It is a superior and affordable substitute to wood and can be used for pulp and paper, boards, veneers, and plywood. The global bamboo market is valued at US\$ 70.59 billion in 2023 and is expected to reach US\$ 97.7 billion by 2028.

Ethiopia has 1.47 million hectares of native bamboo forest, making it Africa's bamboo powerhouse.

Resource Abundance: Ethiopia has the most extensive bamboo reserves in Africa, but still needs to be fully utilized for development and economic growth. Bamboo presents a valuable opportunity for industrial-scale use, which could bring significant prosperity to the country.

Versatility in Applications: bamboo is a sustainable construction material and a highly versatile component in manufacturing timber substitute products like parquet flooring, MDF, and OSB boards. Bamboo is also a game-changer in the pulp & paper industry with its strength, durability, and eco-friendliness.

Sustainability: Bamboo is crucial in carbon sequestration, making it a valuable investment from both commercial and environmental perspectives.

Investment opportunities in the Bamboo Sector

Despite the abundance of bamboo in Ethiopia, the bamboo industry still needs to be developed. However, there are various investment opportunities to change this situation.

- Setting up enterprises to produce bamboo-based construction materials such as bamboo flooring, decking, and wall coverings.
- Establishment of bio-energy production, such as bamboo charcoal and carbon credit plantations.
- Production of bamboo-derived products like mat ply and plastic composite materials.
- Production of next-generation solutions, such as bamboo fibers used in clothing, home décor, and furniture.
- Establishing bamboo-based eco-tourism.



COTTON

In 2017, the Ethiopian Government created a National Cotton Strategy to boost cotton production and establish Ethiopia as a leading cotton producer in Africa. Despite having a long history of cotton cultivation, Ethiopia currently only utilizes 3% of its potential land for this purpose. In 2020, cotton was cultivated on only 80,000 ha of land, producing 190,000 tons of cotton, far below the country's existing demand. This presents an excellent opportunity for potential investors because cotton is a vital industrial input for textile firms in Ethiopia, and most of it is imported. As existing textile firms grow and new

domestic and foreign investors join the sector, the demand for raw cotton and fabrics is expected to expand.

Investment opportunities in the Cotton Sector

- Investment in the expansion of the cotton supply chain (picking, ginning, spinning, fabric knitting, and weaving) has a bright future to support the growing textile manufacturing sector in Ethiopia, with import substitution taking center stage for the government.
- There is an investment opportunity in the supply of quality cotton seeds and fertilizer and the country's establishment of irrigation-based cotton cultivation.
- Production of organic cotton: Global brands are interested in promoting sustainability throughout their supply chain, and as a result, there has been an increase in organic cotton production.
- Cottonseed oil is produced for cooking and input for soaps, margarine, emulsifiers, cosmetics, pharmaceuticals, rubber, and plastics.
- Using cotton seed and cotton seed hulls to produce stock feed is a great way to provide protein-rich cotton seed meal to animals and people.



MANUFACTURING

THE ENGINE OF ETHIOPIA'S ECONOMIC GROWTH

Ethiopia aims to become a manufacturing hub in Africa, with increased manufacturing activity and strong private sector involvement expected to fuel the country's economic transformation in the years to come. Despite significant progress in the textile, apparel, IT, and leather sectors, manufacturing still accounts for only 4% of Ethiopia's GDP. Around 20,000 small and micro-enterprises are engaged in manufacturing activities, indicating ample room for growth.

However, Ethiopia offers a favorable policy environment and competitive advantages. It is a promising destination for manufacturing investments that can exploit the growing international, domestic, and AfCFTA opportunities. There are several reasons why investing in Ethiopia's manufacturing sector is a promising undertaking.

Ready Infrastructure: The government offers "plug-and-play" Special Economic Zones (SEZs) that simplify the investment process, boost operational efficiency, and maintain international standards. Investors can easily access a streamlined support system provided by EIC and other institutions, enabling them to start manufacturing in Ethiopia in a record time.

Human Capital: Ethiopia is proud to have a large, young, and trainable workforce at competitive wage rates. The country has a workforce of 60 million young

people who are fast learners and highly productive. This workforce grows by two million annually, making it a driving force behind the fast-growing economy. To build up the country's human capital, the government invests heavily in expanding access to high-quality technical and vocational education.

Cost Efficiency: Ethiopia is known for having some of the most affordable energy rates worldwide, which can help reduce operational costs. The country offers electricity at one of the lowest utility rates globally, ranging between \$0.3-0.4/kWh, significantly lower than China's \$0.9/kWh. The Great Ethiopian Renaissance Dam (GERD), Africa's largest hydroelectric generation dam, is currently under construction and will help improve the power supply to local industries. It also offers energy-exporting opportunities in the future.

Strategic Location: Ethiopia is in a strategic position that enables it to serve the African continent through the Common Market for Eastern and Southern Africa (COMESA), which includes 21 member countries and over 583 million consumers. It is also a member of the African Continental Free Trade Area (AfCFTA), which can reach up to 1.4 billion consumers.

Rich Raw Material Base: Ethiopia has vast potential for industrial development with its rich natural resources, including tantalum, potash, gemstones, gold, iron ore, and many others.



Valorizing Ethiopian Agriculture

The agro-processing sector is a vital part of Ethiopia's economy and has been identified as a priority sector for investment. Food and beverage manufacturing currently makes up 50% of the country's total manufacturing production. However, agro-industries only contribute 5% to Ethiopia's GDP, indicating significant untapped potential in this sector.

To increase exports and trade, the Ethiopian government invests in agro-processing industrial parks to make the country a leading agro-manufacturing hub in Africa.

There are currently four Integrated Agro-Industrial Parks (IAIP) in advanced stages of development, with three already operational (see also the section on Integrated Agro-industrial Parks). These parks are expected to create 400 business opportunities and generate 400,000 jobs. The IAIPs offer various services to companies and attract foreign investment to increase agricultural output, meeting the country's growing demand for food and industrial inputs. Additionally, recognizing the potential for growth in this sector, the government is implementing policies and incentives to encourage further investment.

The agro-processing sector in Ethiopia shows substantial indications of increasingly attracting investment.

Vast arable land: Ethiopia's extensive arable land and favorable climate offer diverse opportunities for agro-processing activities.

Government Support: Initiatives supporting sustainable practices enhance the appeal for investors and encourage partnership development with the government and utilization of innovative agro-processing technologies.

Technology Adoption: widespread technology adoption in the agro-processing sector is transforming the entire agricultural sector in Ethiopia, offering smallholder farmers increased productivity, efficient resource use, and resilience to climate-related challenges.

Growing Demand: With forecasted growth for fruits and vegetables, investors show high interest in fruit and juice processing activities due to Ethiopia's comparative advantage, such as productive land and low energy cost.

Entrepreneurial Ecosystem: Ethiopia's agro-processing sector is increasingly becoming a hot spot for entrepreneurs with support mechanisms like innovation hubs providing mentorship, professional support, and start-up accelerator programs.

Investment opportunities in agro-processing

Investors can tap into Ethiopia's potential to advance the country's agro-processing sector.

- Establishing agro-food processing plants, including fruit juice, pulp, fruit slices, fruit concentrate production, tomato paste, tomato puree, and starch.
- Spice powder production, including grading and packing. Vegetable pickling and vegetable oil production.
- Production of oil and oleoresin, including essential oils from herbs and floral concentrates.
- Bakery and confectionary, energy foods, value addition for coffee and tea.
- Setting up agro-input production facilities, such as agrochemicals, fertilizers, and pesticides.
- Provision of services for farm irrigation, precision agriculture, soil conservation, and seed banks.
- Introducing new food technology and engineering processes into the Ethiopian market, including hi-tech and biotechnology-based agriculture.
- Setting up functioning agro-logistics for perishable and non-perishable commodities, cold storage, transport and warehousing solutions, and bulk commodities handling.



Exhibit 1: Grain-processing success



Soufflet Malt Ethiopia, a subsidiary of Soufflet Groupe, has sourced all its barley needs domestically, thanks to its investments and farmer support program called 'Barley Organization of Supply and Training (BOOST).' About 80% of the barley is sourced from smallholder farmers. The program has significantly impacted the country's agricultural process, connecting small-scale farmers to the malt supply chain and enabling them to increase their income by 150% in just four years.

Source: <https://www.ifc.org/en/stories/2023/harvesting-better-future-ethiopias-barley-farmers>

Exhibit 2: Livestock processing success



Luna Livestock is a reputable Ethiopian company that has been operating since 2003. The company exports chilled and frozen sheep, goat, beef, and veal products. Luna Livestock has modern meat processing plant in Ethiopia, which enables them to produce and export high-quality meat products. The company also supplies the local market through its eleven Fresh Corner supermarkets.

Source: <https://lunafarmexport.com/livestock/>

Exhibit 3: Wine production success



Castel Winery Ethiopia grows grapevines on 162 hectares of land and produces 1.1 million bottled wines annually for local and export markets. Its products, Acacia and Rift Valley wines, are being exported to African markets, the US, Australia, and its biggest market, China.

Source: <https://castelwinery.com/about>

Exhibit 4: Potato chips production success



Sunselet has been producing the well-known snack, Sun Chips, since 2017. Their contribution has significantly im Ethiopia's potato value chain's growth. Recently, Sunselet became a part of the PepsiCo group, and they are now utilizing PepsiCo's vast global knowledge in potato cultivation, manufacturing, and go-to-market strategies.



TEXTILE AND APPAREL

The Fabric of Ethiopia's Manufacturing Success

In Ethiopia has recently become a significant source of textiles and apparel in the region. There are currently about 3,700 textile and garment companies in the country. The sector offers many benefits, such as abundant raw materials, cost-effective production, and favorable energy rates. With its advantageous location, Ethiopia presents an unparalleled opportunity for investors. Many large producers, including H&M, The Children's Place, Decathlon, Wuxi, Sunshine Textile, Kingdom, Kanoria, Antex Textile, JP Textiles, Indochine, Silver Spark, TAL Group, Shirts Garment, Jay Jay Textile, Shangtex, and many others, have already made Ethiopia their preferred investment destination. As of 2022, Ethiopian industrial parks have created around 83,000 jobs, primarily for textile and garment companies.

Ethiopia has a robust competitive advantage in producing fabrics, bags, suits, linens, t-shirts, and undergarments supplied to world-renowned brands. The sector is a top priority for the government, offering strong support and investment incentives. The country

has industrial parks focused on the textile and apparel sector, providing investors a 'plug-and-play' opportunity, making producing and supplying finished products to world markets easier. Additionally, preferential trade agreements such as Everything But Arms (EBA) have helped catalyze the sector's growth.

Investment opportunities in the Textile and Apparel Sector

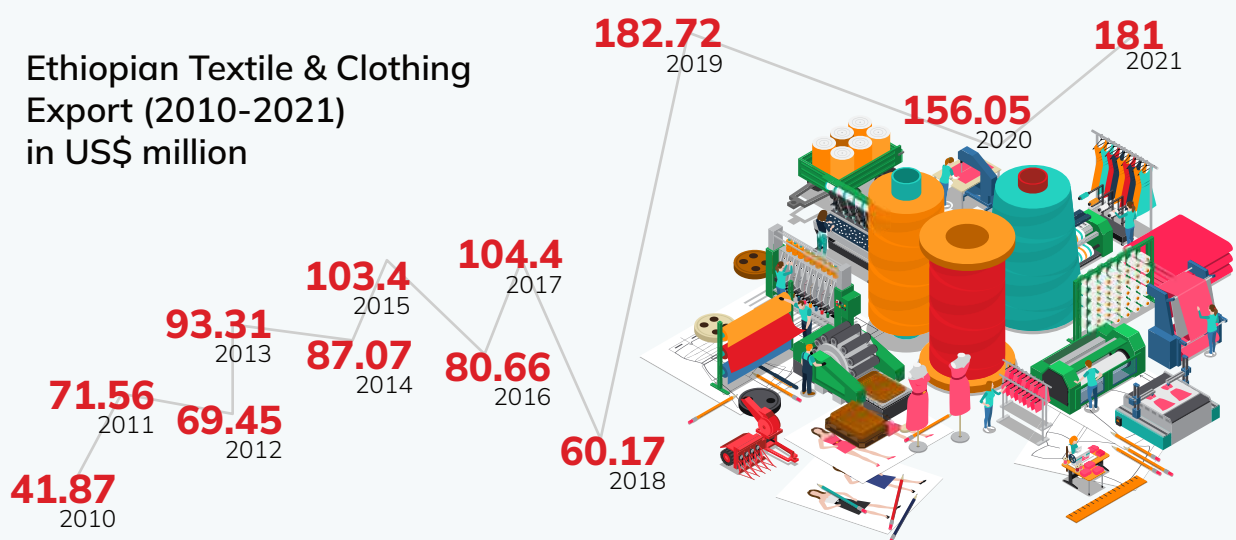
Investors can explore a broad spectrum of possibilities, including:

- **Textile Manufacturing:** Whether it's weaving, knitting, or felting, Ethiopia's rich cotton reserves and skill sets offer an expansive playground for textile manufacturers.
- **Garment Production:** From casual wear to formal attire, the country is primed for the large-scale production of diverse clothing items.
- **Components & Trims:** The sector also includes the manufacturing of garment accessories like zippers, buttons, threads, and packaging materials, among others.



The Ethiopian manufacturing sector is more than just a business opportunity; it's a gateway to sustainable development and economic diversification.

Ethiopian Textile & Clothing Export (2010-2021) in US\$ million



250
2022



LEATHER & LEATHER PRODUCTS

Ethiopia's Untapped Goldmine

Ethiopia enjoys a unique leather industry advantage, boasting Africa's largest livestock population and ranking 6th globally. The nation's annual output exceeds 5.2 million tons of hides, 8.3 million tons of sheepskins, and 7.7 million tons of goatskins. This extraordinary resource base places Ethiopia strategically positioned to become a global leader in leather and leather products, with easy access to major markets, including the EU and beyond.

Ethiopia's value proposition has attracted many investors in producing footwear, leather gloves, bags, garments, and other leather products. Despite recent setbacks due to declining world demand, the sector is poised to be one of the primary export earners for the country.

Ethiopia's leather industry can produce over 500 million square feet of finished leather annually. Further, Ethiopian highland sheepskins are known for their superior quality globally and are preferred for high-quality leather garments worldwide.

Ethiopia offers two unique advantages for the leather sector.

Immense Raw Material Base: A wide range of hides and skins is available owing to the country's abundant livestock population.

Global Reach: Proximity and preferential trade agreements with major international markets.

Investment opportunities in the Leather Sector

- **Tanneries:** Investment in the tanning of hides and skins to produce high-quality leather. Only 50% of the existing hides & skins are being utilized as industrial input, highlighting the untapped potential and the Government of Ethiopia's interest in setting up tanning-manufacturing activities.
- **Chemical Manufacturing:** Production of essential chemical inputs for tanning processes. Currently, nearly all chemical inputs for the leather sector are imported. Import substitution and local production open a big local market for potential investors. The lack of chemicals needed in every value-addition process in the leather sector is a critical challenge.
- **Leather Goods:** Opportunities to produce diverse products, including footwear, gloves, and luxury accessories. Due to its high quality, Ethiopian leather products have a good opportunity in local and international markets.
- **Accessory Manufacturing:** Investment in producing essential accessories such as soles, synthetic sewing thread, plastic linen, shoelaces, zippers, and buckles.

Ethiopia's leather sector represents a largely untapped goldmine for investors seeking sustainable and profitable ventures. This attractive investment sector has a positive economic impact with significant employment opportunities and could make Ethiopia a major global supplier of leather products.

Ethiopian Footwear Export (2010-2021) in US\$ million

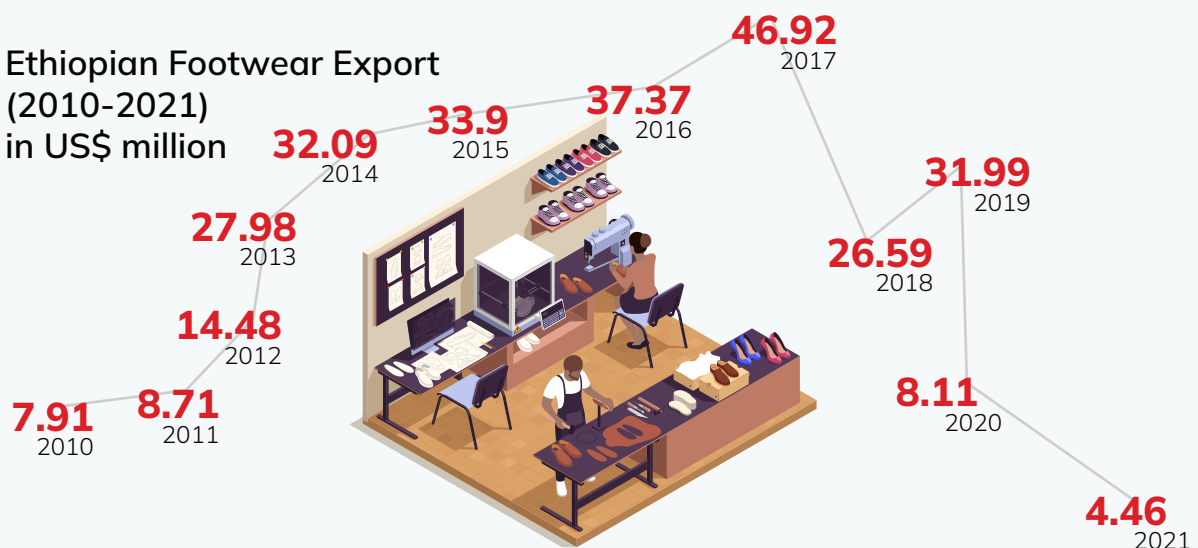


Exhibit 1: Leather production

Huajian Group is one of the biggest shoe exporters in China and has established a factory in Ethiopia. They supply world-renowned brands such as Guess and Calvin Klein. Since 2011, Huajian has created 12,000 jobs for the local population and has primarily exported to Europe and North America. Before the COVID-19 pandemic, Huajian had invested US \$150 million in Ethiopia, generating US \$200 million in revenues. Currently, the group is constructing the Huajian International Light Industry City near Addis Ababa, which is expected to produce footwear and apparel in large volumes and create between 30,000 and 50,000 jobs by 2030. The project is also expected to earn 1.5 billion USD in foreign exchange.



Pittards, a UK-based company, has been sourcing rawhide and skin from Ethiopia for over a century, since 1909. 2009, the company established leather manufacturing facilities in Ethiopia to cater to the global market. Pittards Ethiopia mainly produces sheep leather and exports gloves, shoes, and other products. The company has approximately 900 employees working in its factories in Ethiopia.

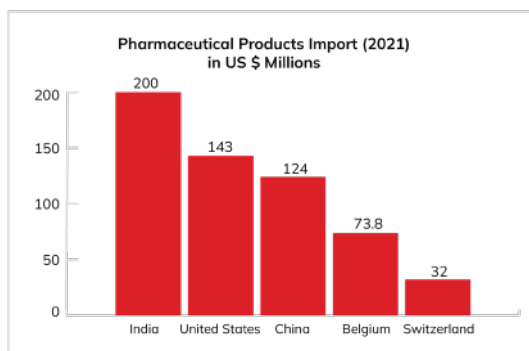




The Frontier of Health Innovation in Ethiopia

Ethiopia has a population of 122 million, and its domestic market for pharmaceutical products is valued at approximately \$1 billion. Ethiopia's pharmaceutical sector is a priority investment area, with an impressive annual growth rate of 15% annually. It is expected to reach a market value of \$4 billion by 2030. Despite the sector's estimated market value of \$1 billion, 64% of the demand is currently met through imports, primarily government procured. To promote the development of the sector, Ethiopia has formulated a dedicated strategy for the pharmaceutical industry⁴, including establishing local production capacity to close the significant gap existing in the local market- making the pharmaceutical sector of Ethiopia potentially very lucrative for investors.

In addition to addressing import substitution prospects in Ethiopia, there is a considerable chance to produce and supply other African nations with pharmaceutical



products manufactured in Ethiopia. This can be made possible by taking advantage of the comprehensive air connectivity offered by Ethiopian Airlines across the continent. The African pharmaceutical market is valued at more than \$20 billion annually.



Unique advantages of the pharmaceuticals sector:

Special Economic Zone: Ethiopia's government is firmly committed to strategically supporting the country's pharmaceutical sector. The Kilinto SEZ is exclusively designed for pharmaceutical manufacturing and is equipped with cutting-edge infrastructure. The SEZ ensures compliance with international Good Manufacturing Practices (GMP) and has the requisite infrastructure, including a state-of-the-art wastewater treatment plant, reliable water supply, a dedicated power substation, and segregation/zoning of products to remove contamination. Another advantage is the proximity to Bole International Airport, reachable in 20 minutes by car.

Attractive Incentives: To encourage local production, the Ethiopian Pharmaceutical Supply Agency (EPSA) provides 25% price protection when local pharmaceutical manufacturers compete with foreign suppliers and extend 30% advance payment with long-term agreements.

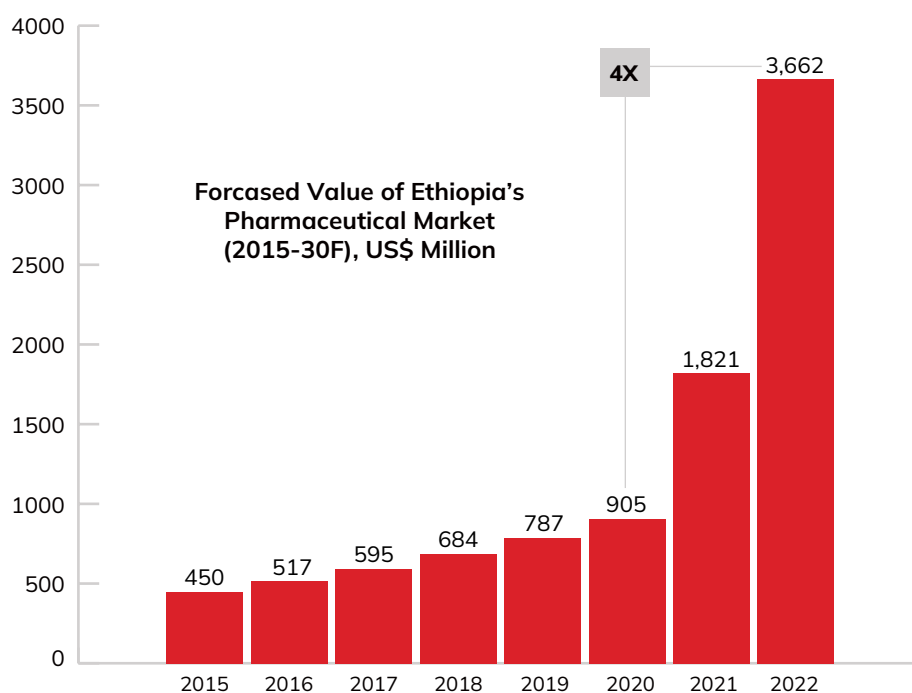
Talented Workforce: Ethiopia has multiple pharmacy schools in the country, ensuring the availability of a skilled and trainable workforce to support pharmaceutical production.

Ethiopia's pharmaceutical industry offers a ground-breaking platform for investors looking to pioneer health solutions in one of Africa's rising health innovation hubs. Investors have the unique opportunity to service the growing African health market from their production in Ethiopia.

⁴<https://www.who.int/publications/m/item/ethiopia-strategy-local-production>

Investment opportunities in the Pharmaceuticals Sector:

- **Drug Manufacturing:** Investors have a great opportunity to establish production facilities for both generic and patented medicines in Ethiopia, as there is an expected growth in the demand for medicine. The Ethiopian market is projected to reach US\$1 billion by 2025, while the East African generic drug market is valued at US\$2.2 billion in 2023. The African pharmaceutical market size was valued at US\$46.8 billion in 2022 and is projected to grow to a market value of US\$110.9 billion by 2033.
- **Biopharmaceuticals:** Investing in the research and development of biological medicines using Ethiopia's unique flora and fauna presents promising opportunities, like expanding traditional medicine markets in countries like China and India.
- **Vaccine Production:** During high vaccine demand, this solution can address local and regional needs, helping avoid supply chain distribution shocks.
- **Medical Supplies and Equipment:** The Government of Ethiopia has prioritized the manufacture of essential medical supplies and hardware to encourage import substitution. Joint ventures between Ethiopian companies and foreign investors receive exceptional support in this sub-sector.



Source: Frost & Sullivan and World Bank, "National Strategy and Plan of Action for Pharmaceutical Manufacturing," PowerPoint presentation (2019), AGI analysis.



INFORMATION COMMUNICATION TECHNOLOGY (ICT)

DRIVER OF ETHIOPIA'S TECHNOLOGICAL MODERNIZATION

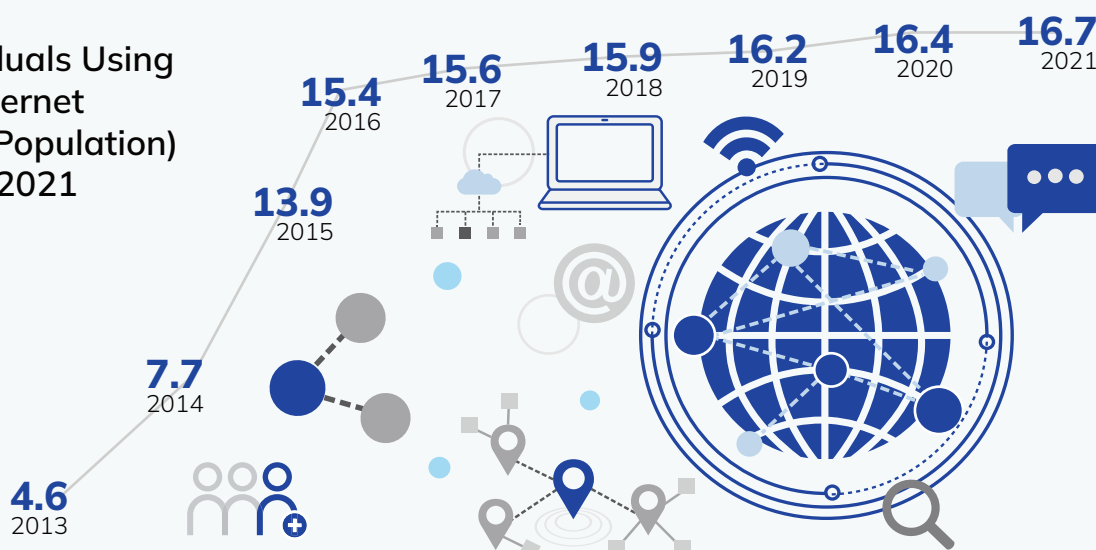
Ethiopia's Information and Communication Technology (ICT) sector is a promising field that can create many job opportunities while serving the global IT outsourcing market. The Ethiopian government has set ambitious plans to enhance the ICT manufacturing industry, modernize infrastructure, and encourage private sector involvement in the ICT sector.

Today, digitization is crucial in Ethiopia's development across various sectors, including agriculture, manufacturing, tourism, and services. With the Digital Ethiopia 2025 strategy, the country is taking steps towards establishing an all-inclusive digital economy, which includes setting up a state-of-the-art Special

Economic Zone devoted to ICT. The SEZ offers investors the necessary infrastructure and services, making it a "plug-and-play" opportunity. Additionally, Ethiopia has recently liberalized the telecom sector and welcomed Safaricom as the second operator, promoting market competition and expanding digital services throughout the country. Ethiopia is an excellent place for ICT-based businesses with a talented and competitive workforce proficient in English.

Investors are taking advantage of the opportunity presented by Ethiopia's different ICT sectors by investing heavily in them. Ethiopia is also preparing to expand its 4G and 5G networks to meet the increasing demands of end-users and to improve service quality.

Individuals Using the Internet (% of Population) 2013-2021



Source: World Bank

Investment opportunities in the ICT sector

The opening of Ethiopia's internet and telecom sector presents excellent investment opportunities for innovative investors. The ICT sector provides future-proof investments serving Ethiopia's highly mobile and underserved populations.

- **Fintech Services:** If you are an investor in the Fintech industry and have experience supporting mobile financial services, Ethiopia could be an opportunity for you. The country has set a target under the Digital 2025 strategy to move towards digital payment systems and increase e-government services. Safaricom's M-Pesa has been granted a license to operate in Ethiopia, a well-known digital payment system.
- **IT infrastructure:** Companies now have more opportunities to develop Ethiopia's IT infrastructure, especially with the recent opening of the telecom market. Currently, there are approximately 7,300 cell phone towers in the country, and by 2030, the demand for towers is expected to exceed 9,000.
- **Data Centers:** Data center management and system integration companies are eyeing significant opportunities in Ethiopia as the demand for data storage increases rapidly. Several notable data center operators, such as Raxio, Red Fox, Wingu, and Safaricom Ethiopia, have recently built state-of-the-art data centers in Ethiopia. The Data Center market in Ethiopia is projected to be worth US\$ 226 million by 2028.
- **ICT equipment manufacturing:** Companies that focus on local production of ICT equipment will see more opportunities as the need for hardware and e-commerce infrastructure grows.
- **Software development,** this sub-sector of ICT, is drawing interest in Ethiopia as a potential destination for business outsourcing and related technologies.

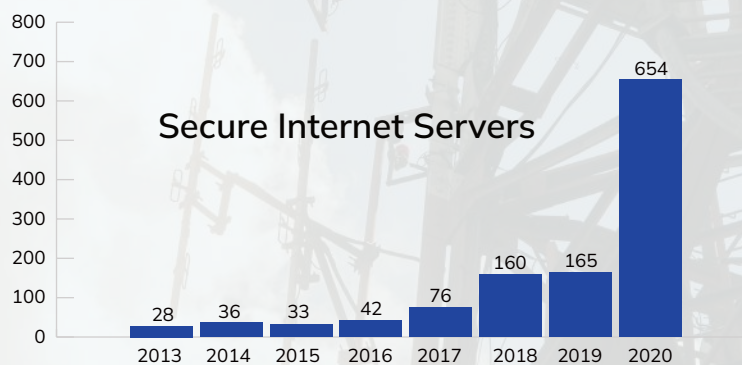




Exhibit 1: Increased digital transactions



In 2022/23 the Commercial Bank of Ethiopia processed 750 million transactions valued at ETB 3 trillion through digital channels:

ETB 2.4 trillion via mobile banking

ETB 19 billion via the CBE Birr app

ETB 308 billion via ATM operation

ETB 17 billion via POS transactions

ETB 260 billion via internet banking



1.2 million total customer base of Safaricom Ethiopia

22,700 M-Pesa agents who have facilitated transactions of **US\$ 43,368** by the end of 2023

Exhibit 2: Major Telecom Equipment Vendors in Ethiopia



Telebirr, developed and operated by Ethio Telecom, is a super app that digitizes mobile money transactions, enabling customers to deposit, receive, transfer, pay, and receive international remittances.

ETB 1.4 trillion payment transaction value (status Nov. 2023)

39.3 million subscribers

122 thousand local Telebirr agents

39 thousand Telebirr merchants

25 banks with Telebirr wallet integration

Source: <https://www.ethiotelecom.et/telebirr>

Exhibit 3: Data center infrastructure



Raxio Ethiopia is a carrier-neutral Tier III data center on Addis Ababa's outskirts. It is one of the leading data hosting services providers that meet Ethiopia's fast-growing demands for colocation. Ethiopia is home to some of East Africa's largest software companies and a dynamic SME ecosystem.



MINING

FASTEST GROWING ECONOMIC SECTOR IN ETHIOPIA

Ethiopia has significant untapped mineral resources, creating opportunities for investment in upstream and downstream mining activities. The country has substantial deposits of rare earth metals, such as Lithium, Tantalum, Cobalt, and nickel. Ethiopia is the sixth most significant producer of tantalum, with a world-class tantalite ore reserve containing niobium, cesium, rubidium, beryllium, and many more. The country has known reserves of over 30 metallic, industrial, agro-processing, construction minerals, rare gemstones, oil, and gas.

Ethiopia is a gemstone paradise, a famous source of opal, and a significant producer of sapphire and emerald. Ethiopia is a substantial exporter of gold and well-positioned to benefit from its mining sector in the future. In 2021, Ethiopia exported gold worth \$860 million. The country plans to increase gold production to 30 tonnes per annum by 2026. To date, Ethiopia has granted 14 large-scale mining licenses to domestic and international companies, with a total known gold deposit of over 500 tons in the licensed areas.

Ethiopia has a significant amount of iron ore reserves. It plans to produce two million tons of sponge iron to fulfill local demand and substitute imports, amounting to one billion US dollars annually. Ethiopia spends over \$8 billion annually importing products such as coal, iron, fertilizer, marble, granite, chloralkaline, ceramics, and petroleum.

Due to its potential and recent policy reforms, Ethiopia's mining industry is now the fastest-growing economic sector, with a growth rate of 115% in 2021. The reforms aim to promote investment in Ethiopia's mining sector by simplifying the process, encouraging exploration and mining, and unlocking the sector's full potential and value. They include improvements in geodata management, transparency in the licensing process, and access to the artisanal mining sector, among other measures.

2030

14%

Projected contribution of the mining sector to GDP - **up from 2%**

16.5 million

Estimated number of jobs in mining - **up from seven million**

37%

The mining sector's projected share of export earnings - **up from 20%**

\$8 billion

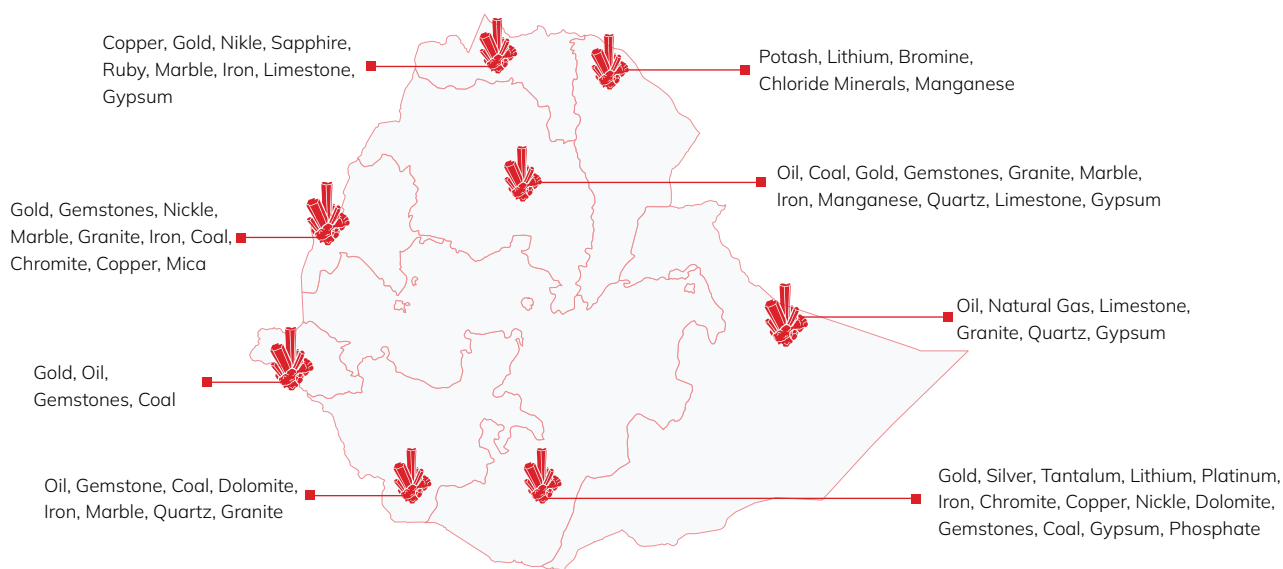
Current import substitution opportunity in mining

Investing in the mining sector is a top priority for Ethiopia. As per the country's 10-year Development Plan, the mining industry is regarded as one of the key strategic pillars for Ethiopia's economic growth in the next decade. It is anticipated to expand by 33% annually, driving industrial development, employment generation, and export revenue. There are opportunities for import substitution, which could give investors access to a rapidly growing market for locally mined resources with strong export potential.



Investment opportunities in the mining sector

- Invest in the production of fertilizers: In 2021, Ethiopia spent US \$688 million on importing fertilizers, which accounted for 5% of the country's total imports. However, despite this significant expenditure, the use of fertilizers in Ethiopia remains low due to high prices and the limited number of fertilizer types available. This suggests a considerable potential for the Ethiopian market to produce fertilizers locally. Fortunately, Ethiopia has natural resources such as untapped reserves of 350 billion metric tons of potash, 1.85 billion tons of phosphate, and over 2.54 billion tons of Sulphur, which can be utilized for fertilizer production. Additionally, natural gas reserves have also been discovered in Ethiopia.
- Invest in iron and steel production: Ethiopia has a vast iron ore reserve, estimated to be more than 1.1 billion tons. Most of the iron and steel used in the country is imported. However, the Ethiopian government plans to produce 3 million tons of iron and steel annually and reduce the dependence on imports. This presents an excellent opportunity for investors who are interested in the industry.
- Supply the construction sector: The construction sector in Ethiopia is the largest in the industry, accounting for more than 70% of the industry. The sector has been growing at 10-20% annually since 2017. The increasing construction of roads, railways, dams, and residential houses drives this growth. However, the supply of raw materials depends on imports, and there is a widening demand-supply gap. For instance, while the national demand for cement is estimated to be 17 million tons annually, local production is only 8.8 million tons, covering just 52% of the market. In the next decade, the demand for cement is projected to increase to 100 million tons per year. The production of construction chemicals, ceramics, marble and granite, gypsum, and limestone represent a few of the many opportunities in the sector.
- Setting up mineral processing plant: Ethiopia has the potential to become a leading supplier of industrial minerals to support infrastructure development domestically and around the world.



The Ministry of Mines (MoM) assists investors interested in Ethiopia's mining or petroleum sectors. They provide the most up-to-date geodata available and help investors apply for licenses required by the applicable legislation and regulations.



TOURISM

ETHIOPIA, THE UNDISCOVERED GEM

As the “Land of Origins,” Ethiopia boasts an abundance of natural wonders and **13** UNESCO World Heritage sites, making it Africa’s leading tourist destination. Over 800,000 visitors flock to Ethiopia annually to experience the country’s best offerings, creating a ripe opportunity for tourism projects to flourish.

Ethiopia is known as the birthplace of humanity, coffee, and the Blue Nile. It offers diverse landscapes, flora, and fauna, from Africa’s most enormous mountains to the Danakil Depression (the third-lowest place in the world) and a live volcano at Erta Ale. For tourists, Ethiopia has much to offer, whether you’re an adventure-seeker or someone who enjoys nature and history. The country boasts a unique cultural heritage and is home to several UNESCO-listed heritage sites, including the iconic Lalibela Rock-Hewn Churches and Aksum Obelisk.

Ethiopia’s natural wonders are showcased in 14 wildlife reserves, volcanic lakes, and scenic vistas, making it a must-see destination for nature enthusiasts and bird watchers.

Investment opportunities in the tourism sector

- **Hospitality:** The tourism sector in Ethiopia is seeing a rise in demand for various types of accommodations, convention centers, duty-free outlets, and cultural and thematic villages. To encourage investments, the government provides different incentives.
- **Set-up of tourism infrastructure:** Developing adequate digital infrastructure for payment, booking, and rental services would create significant opportunities to service Ethiopia’s tourism industry.
- **Training centers for the hospitality sector:** There is a need for more trained professionals in the hospitality industry with ample opportunity to establish internationally recognized training centers.
- **Professional Marketing and Promotion:** Opportunities exist to enhance Ethiopia’s tourism through targeted campaigns.
- **Adventure & Transport:** Potential investors can consider investing in one-of-a-kind experiences such as hot-air ballooning, boat rentals, and sky-cable cars.

Investors have an excellent opportunity to tap into the untapped potential of Ethiopia’s tourism sector, which is projected to experience exponential growth. The Prime Minister of Ethiopia has taken the initiative to launch tourism development projects in the Gorgora, Wonchi, and Koisha regions to unlock the rich potential of the sector.

EMERGING SECTORS

Ethiopia has identified key sectors for investment, including energy, transportation and logistics, financial services, healthcare, and housing development. Each industry sector presents unique investment opportunities for investors.





ENERGY

Energy is a crucial aspect of industrial development, and in Ethiopia, public investment has been directed toward developing the energy sector. As a resource hub for renewable energy, Ethiopia provides several opportunities for hydro, solar, wind, and geothermal power generation. The country's potential to offer electricity, particularly from renewable sources, to a large, growing, and underserved population presents a compelling business case for investors.

Approximately 55% of Ethiopia's 123 million people live without electricity and rely on traditional energy sources (charcoal, fuel wood, dung cakes, and agricultural residues), which are hazardous to health and the environment. Per capita electricity consumption remains low at less than 100 kWh annually, far below the average 500 kWh per capita energy consumption across African countries. The most significant sources of energy consumption (about 87%) in Ethiopia remain traditional fuels.

Electricity demand is rapidly increasing in Ethiopia—by 30–35% annually. The most significant expected increase is projected from the industrial sector, with an estimated average annual growth of 11.6% to 31.4 billion kWh in 2030. The Grand Ethiopian Renaissance Dam (GERD), which is expected to generate 5,150 megawatts of electricity, will contribute to powering the industrialization of Ethiopia and benefit neighboring countries in the greater Horn of Africa.

POTENTIAL

60,000
megawatts

Total capacity of
electric power
generation in Ethiopia



19,900
megawatts

Planned capacity
of electric power
generation by 2030



5,257
megawatts

Installed capacity of
electric power
generation (2022)



To address this large and growing demand, the government plans to expand installed capacity significantly. According to the 10-year Development Plan, the government, in close collaboration with the private sector, plans to grow the installed power generation capacity from 4,500 megawatts to 19,900 megawatts by 2030—while diversifying the power generation mix and building a more climate-resilient power system.

To achieve its goal of increasing Ethiopia's power generation capacity four-fold by 2030, the government has called for the participation of the private sector. New power-generation projects are being developed through public-private partnerships (PPPs) and independent power producers (IPPs), while the state-owned Ethiopian Electric Power (EEP) is focusing on the management of 14 hydropower and three wind power plants, substations, and transmission lines in the country.

The Government of Ethiopia is also working with the private sector to implement geothermal projects in the country. In 2020, the government signed power purchase agreements (PPAs) and implementation agreements (IAs) with Corbetti and Tulu Moya Geothermal projects, representing an investment of approximately \$1.2 billion. New geothermal projects are in the pipeline to be developed.

Attractive investment opportunities in the energy sector

- Invest in hydropower generation: Ethiopia is called the water tower of Africa and is home to the biggest hydropower dam project on the African continent. The country has 11 major river basins, eight of which are recognized to have hydroelectric power generation potential. Over 300 large and small hydropower plants (40–60 megawatts) can be installed across these basins.
- Invest in solar energy development: Of the estimated 1,350-gigawatt potential of solar energy in Ethiopia, less than 1% is currently being developed. This offers a significant opportunity for investors to cover off-grid areas with electricity.
- Invest in wind energy: Ethiopia has a vast amount of wind energy potential— an estimated 5.2 kWh/m² and already boasts two wind energy production sites in the country (Adama and Ashegoda) with opportunities for more wind projects.
- Invest in geothermal energy: Ethiopia has a significant potential for geothermal energy— with more than 16 locations identified for investment across the East African Rift Valley.





TRANSPORT AND LOGISTICS

THE NEW FRONTIER FOR GLOBAL INVESTMENT

Ethiopia's transport and logistics sector has historically been closed to foreign direct investment (FDI). However, the industry has recently opened its doors to the global investment community. This has been made possible by the groundbreaking investment legislation passed in 2020. The industry is now well-prepared for a transformative wave of capital and expertise. In the next decade, Ethiopia plans to invest over USD 70 billion in building transport and logistics infrastructure and services. Additionally, six key investment areas and 29 specific investment opportunities have been identified to achieve this ambitious goal.

Ethiopia has advantages for participating in the global value chain. It's located at the heart of the worldwide economy, with proximity to major regions. This presents opportunities for investors to participate in a sector ripe for growth. Ethiopia aims to become a regional trade hub, with a burgeoning annual import-export trade exceeding \$20 billion. The country invests heavily in its transport and logistics infrastructure to unlock its economic potential.

The Ethiopian Government is dedicated to supporting investors interested in exploring the lucrative opportunities in the transport and logistics sector. The government offers various modes of engagement, such as public-private partnerships, joint ventures, and concessions. Ethiopia's commitment is evident from signing an MoU with DP World, worth US \$1 billion, for developing the Ethiopian side of the Berbera Corridor.



Investment opportunities in the transport and logistics sector

Investors can participate in developing logistics infrastructure, such as logistics cities, dry ports, cargo terminals, and services.

- Expanding the Modjo Green Logistics Cities,
- building a logistics hub in Indode across the Addis-Djibouti railway line,
- developing dry ports to service the import and export of cargo in Semera, Dire Dawa, Woreta, Mekelle, Kombolcha, or Jijiga.
- Building and operating dry bulk terminals.

Providing logistics services: By leveraging existing infrastructure or developing their own, investors can engage in providing logistics services—including:

- dry/fluid cargo road transport,
- agile supply chain services,
- cold-chain services for fresh produce transportation and storage,

- rail-freight cargo handling in the Addis-Djibouti railway route (including Indode, Modjo, Adama, and Dire Dawa),
- freight forwarding and shipping, and maritime training institution and manning services.

Build port-connecting transport infrastructure to connect inland dry ports to seaports via transport infrastructure. Investors can explore the potential for building port-connecting railway lines; among them are:

- the 310-kilometer Ayisha-Berbera Railway Connection,
- the 976-kilometer LAPSET project connecting Modjo to Moyale or
- the 1,400-kilometer railway line connecting Ethiopia with Sudan.

In addition to building rail connectivity, there are emerging opportunities in constructing pipelines for oil and gas supply.





HEALTHCARE


AN UNDERSERVED HEALTHCARE SECTOR WITH ENORMOUS GROWTH POTENTIAL

Ethiopia represents an attractive investment opportunity for investors in the healthcare sector. While significant public and private investment has recently flowed into the health sector, a significant unserved market for specialized medical services remains.

The government has a solid commitment to improve healthcare in Ethiopia. The Government of Ethiopia is implementing the second to enhance private investment in strategic areas. The Ethiopian Ministry of Health is looking to partner with investors and ensure the successful implementation of projects. The Ethiopian Investment Commission also provides all necessary services to investors during their pre-implementation, establishment, and operation journeys.

 **28,000**
healthcare service providers

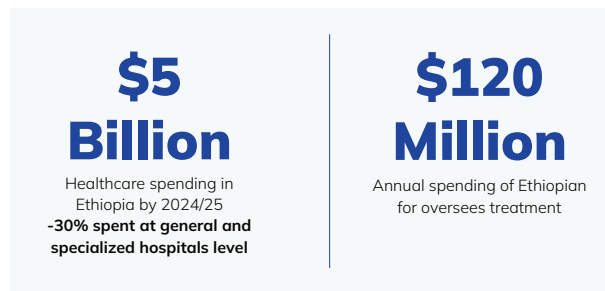
0.3
hospital beds per
1000 people
(one of the lowest in the world)



 **364**
general and specialized hospitals

Only **17%** are private, of which **85%** are in Addis Ababa—a significant opportunity for healthcare providers in the rest of the country.

A ripening market offering quick-win opportunities



Ethiopia has a large and growing unserved market. The need for more specific healthcare services forces many Ethiopians to seek care in India, Thailand, Europe, or the United States. More than 6,000 patients travel overseas annually for treatments, including orthopedics, cancer, cardiovascular procedures, renal transplant, neurosurgery, and ophthalmology—spending more than \$120 million annually. Many advanced laboratory and pathology tests are currently unavailable in Ethiopia.

Ethiopia has the potential to become a regional healthcare hub in Africa. The lack of advanced healthcare and diagnostics does not affect only Ethiopia. The citizens of many African countries spend millions of dollars for overseas treatment. Ethiopia is well positioned to cater to this growing market due to its strategic location in Africa and the network created by Ethiopian Airlines, which connects Addis Ababa to more than 120 countries and the whole of Africa.

Investment opportunity in the Health Sector

The Ethiopian market offers various attractive investment opportunities in the healthcare space. Investors can choose single or multiple end-to-end investment opportunities:

- Invest in tertiary hospitals that can host at least 300 beds and cater to local and inbound clientele—creating a health tourism opportunity.
- Invest in advanced diagnostics and laboratories offering over 400 tests in Ethiopia, including producing laboratory reagents. Many advanced laboratory and pathology tests are unavailable, including hematologic malignancy tests, solid tumor biopsies, immunohistochemistry, genetic sequencing (chromosomal tests), SLE tests, scleroderma tests, and serum vitamin tests.
- Invest in providing high-impact public health services, including care for tuberculosis, HIV, Malaria, RH, and NCDIs.
- Invest in developing healthcare professionals, including midwives, anesthesiologists, obstetric surgeons, and other high-end specialties and subspecialties.

Recognizing these opportunities, investors are already eying the Ethiopian market. For example, in 2021, Roha Group launched a \$300 million investment to build a medical campus in Addis Ababa.

TRADE

Ethiopia has opened the trade sector to foreign investors, making it increasingly attractive for quality foreign direct investment (FDI) due to the recent easing of directive, as evidenced by Ethiopian Investment Board Directive No. 1001/2024

Export Trade: Foreign investors can now participate in the export of various agricultural products such as coffee, khat, oilseeds, pulses, hides, skins, forest products, poultry, and livestock.

Import Trade: Except for fertilizers and petroleum, foreign investors are permitted to engage in all import trade activities.

Wholesale Trade: Foreign investors can now invest in wholesale trade, excluding fertilizers.

Retail Trade: The retail trade sector is now open to foreign investment.





FINANCIAL SERVICES

A NEW FRONTIER FOR GLOBAL INVESTORS

In late 2022, landmark legislation was approved in Ethiopia, opening the doors for global financial institutions. The country has decided to liberalize its almost closed finance and banking sector to seamlessly integrate with global financial markets and boost its economy through international competition. According to the National Bank of Ethiopia, there are 31 local banks currently operating in the country.

This historic reform presents a lucrative opportunity for foreign investors to establish new banking entities or engage in profitable partnerships with existing institutions. The reform outlines four ways foreign investors can enter the Ethiopian banking sector.:

- Opening a subsidiary with 100% ownership,
- Equity investment of up to 40% into a new or existing bank
- Opening a branch or
- Opening a representative office

There are ongoing efforts to develop Ethiopia's financial market in preparation for the Ethiopian Securities Exchange (ESX) launch in 2024. Thanks to its state-of-the-art electronic trading platform for equity and fixed-income markets, the ESX is expected to be a game-changer for Ethiopia and the region. Additionally, ESX will offer an innovative alternative capital market that caters to up-and-coming small and medium-sized enterprises (SMEs). This opens unique opportunities for investors to develop services around capital markets activities.

Investment opportunities in the financial services Sector

The opening of the finance sector creates investment opportunities for goods and services related to finance.

- Investors can engage in specialized financial sector consulting, marketing, merger & acquisition services.
- Investment in financial transaction services, specialized software, and hardware, including mobile money payment gateway, will be increasingly needed as the sector opens.
- Investment in providing training courses for finance sector professionals to familiarize themselves with international standards offers opportunities.
- Support in setting up offshore accounts for foreign companies to settle payments. Since 2023, the National Bank of Ethiopia issued a directive allowing businesses investing in strategic areas to use offshore bank accounts to settle payments on capital expenses, insurance, contractors, maintenance and operation costs, and external debt services.



ETHIOPIA'S ECONOMIC HUBS

The Government of Ethiopia pursues a strategic initiative to foster export-led growth and build specialized industry clusters to establish the country as a large-scale manufacturing hub within Africa.





SPECIAL ECONOMIC ZONES (SEZS)

ENGINEERED FOR EXCELLENCE

Ethiopia's Special Economic Zone (SEZ) program is the centerpiece of the government's efforts to establish the country as a large-scale manufacturing hub within Africa to advance import substitution and create jobs.

SEZs are the primary vehicle to raise Ethiopia's low manufacturing and export share in GDP, with textiles and garments being the top products currently manufactured in Ethiopia's SEZs. In addition, SEZs created >83,000 jobs by 2022, with 80 percent comprised of women employees. Ethiopian SEZs have exported US\$ 910 million to global markets.

Ethiopia has established 30 public and private SEZs, targeting sectors like textiles, apparel, leather goods, pharmaceuticals, agro-processing, and ICT. These zones are spread across various regions of the country.

Promoting a mix of SEZ development options, the government of Ethiopia aims to develop SEZs with private sector participation, including through PPPs. Private sector engagement in developing and managing SEZs is being enhanced by introducing new laws to position SEZs as commercially sustainable ventures that enable linkage with the rest of the economy, especially SMEs. In addition, the reform will include new sectors in the SEZs, such as logistics and trade services.

Ethiopia's SEZs have already proven their investment potential, serving as a magnet for rising global investors. The role of private SEZs has recently increased, with six new privately developed SEZs commencing operations, providing services to over 200 foreign and domestic companies.

Ethiopia invites investors interested in co-developing SEZs through public-private partnerships. Investors can take advantage of this burgeoning opportunity, supported by a government keen on attracting success in these unique production spaces.

Investment opportunities in the SEZs

Investors have several investment opportunities to engage in the lucrative SEZ development in Ethiopia and become leaders in the country's industrial revolution.

- Establishing logistics distribution centers for cross-border trade, mainly to service African markets under AFCFTA.
- Establishing trading centers and bonded warehouses to service the local market.
- Establishing multimodal transportation and logistics services connecting air, rail, and road transport.
- Construction of manufacturing space for labor-intensive industries and import substitution.
- Construction of commercial warehousing to service local and international investors.
- Construction of hotels, residential apartments, schools, and kindergartens to service the local community and companies in the SEZs.
- Construction of recreational centers, tourism attractions, conventions, and commercial centers.

	Name of SEZ	Location	Main industry	Owner	Area(Ha)	Progress
1	Eastern SEZ	Oromia, Dukem	Mixed Sectors	Private	233	Operational
2	Bole Lemi I SEZ	Addis Ababa	Textile and Apparel	Government	172	Operational
3	Hawassa SEZ	Sidama Region	Textile and Apparel	Government	2,140	Operational
4	Mekelle SEZ	Tigray	Textile and Apparel	Government	75	Operational
5	Kombolcha SEZ	Amhara	Textile and Apparel	Government	75	Operational
6	Adama SEZ	Oromia	Textile and Leather	Government	365	Operational
7	Huajian SEZ	Lebu, Addis Ababa	Leather and Leather products	Private	138	Operational
8	George Shoe SEZ	Oromia, Mojo	Tannery, Leather products and Textile	Private	80	Operational
9	Velocity SEZ	Mekelle	Apparel and garment	Private	176	Operational
10	Debre Birhan SEZ	Amhara	Textile and Apparel	Government	100	Operational
11	Jimma SEZ	Oromia	Textile, Leather, and Agro-processing	Government	75	Operational
12	Dire Dawa SEZ	Dire Dawa	Free Trade	Government	150	Operational
13	Kilinto SEZ	Akaki, Addis Ababa	Pharmaceuticals	Government	280	Operational
14	Bahir Dar SEZ	Amhara	Textile and Apparel	Government	75	Operational
15	Arerti CCCC SEZ	Amhara	Construction Materials	Private	100	Operational
16	Yirgalem SEZ	SNNPR	Agro-processing Industry	Government	176	Operational
17	Bure SEZ	Amhara	Agro-processing Industry	Government	365	Operational
18	Bulbula SEZ	Oromia	Agro-processing Industry	Government	271	Operational
19	ICT SEZ	Addis Ababa	ICT and ICT enabling service	Government	280	Operational
20	Bole Lemi-II SEZ	Addis Ababa	Textile and Leather	Government	181	Operational
21	Semera SEZ	Afar Region	Mixed	Government	138	Operational
22	Addis Tomorrow SEZ	Addis Ababa	Mixed	Government	8.7	Operational
23	Redwa SEZ	Dire Dawa	Mixed	Private	116	Operational
24	Woda SEZ	Oromia Region	Metal Works	Private	100	Operational
25	East African SEZ	Oromia Region	Mixed	Private	100	Operational
26	Arerti SEZ	Amhara Region	Textile	Private	50	Upcoming
27	Baeker SEZ	Tigray Region	Agro-processing Industry	Government	258	Upcoming
28	CCECC Dire Dawa	Dire Dawa	Mixed	Private	1000	Upcoming
29	Eastern II	Oromia Region	Mixed	Private	167	Upcoming

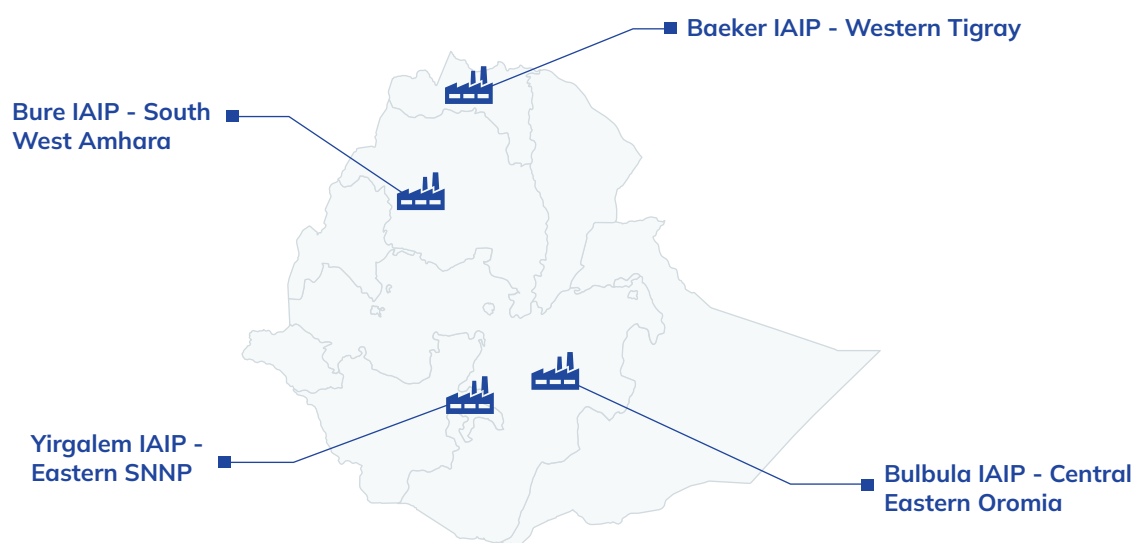


INTEGRATED AGRO-INDUSTRIAL PARKS

FUELING RURAL TRANSFORMATION

Ethiopia's Integrated Agro-Industrial Parks (IAIPs) are strategically located across vital agricultural regions, including Amhara, Oromia, Sidama, and Tigray. Designed to be hotspots for food processing, these parks tap into local agricultural abundance to add value at the source.

A cluster of independent firms sharing infrastructure and leveraging opportunities for bulk purchasing, selling, training courses, and extension services leads to realizing economies of scale and positive externalities.



Source: UNIDO

Operational Impact

Agro-parks like Bure, Bulbula, and Yirgalem are already operational, with Baeker on the way. These IAIPs serve as vital nodes connecting farmers to processing plants, thereby reducing post-harvest losses and spurring rural economic growth. They are not just centers of production; they're engines of regional development.

Holistic framework

Adopting a 360-degree approach, IAIPs integrate input supply, on-farm production, market linkages, and raw material sourcing. This comprehensive model assures both sustainability and operational efficiency. Alongside the IAIPs Rural Transformation Centers (RTCs) serve as raw material aggregation points in the catchment areas (100 km radius), this includes warehouses, input supply, sorting, grading, extension services, pre-processing activities, and microfinance.

Bulbula IAIP focuses on processing wheat, barley, haricot beans, fava beans, tomato, potatoes, fruits and vegetables, dairy, fish, poultry, honey, and meat.

Bure IAIP focuses on sorghum and sesame, fruits and vegetables, honey, dairy, meat, and other animal products.

Yirgalem IAIP focuses on cereal, coffee, fruits and vegetables, meat, and other animal products.

Baeker IAIP focuses on sorghum and sesame, fruits and vegetables, honey, dairy, meat, and other animal products.

Investment opportunities in IAIPs

Investors can focus on the following areas targeting the agro-processing sector- one of the promising sectors in the country:

- Agro-inputs such as bioenergy, greenhouse cultivation, agri-chemicals, and renewable energy.
- Agro-infrastructure such as energy management, mechanization, and transport, storage facilities, bulk material handling.
- Agro-food processing such as fruit juice, fruit pulp, fruit slice, and fruit concentrate production.
- Tomato Paste and tomato puree production
- Production of starch
- Value addition for coffee and tea
- Vegetable pickling, vegetable oil, and other products
- Spice powder production, including grading and packing pure spices
- Production of oil, and oleoresin, including essential oils from herbs and floral concentrates
- Bakery and confectionary, energy foods, flour milling
- Establishing capacity-building entities, such as agro-research, training hub, agro-lab and clinics, extension services, and vocational training opportunities.
- Capacities for agro-tourism, rural financing and crop insurance are also areas of interest for investors.

Seize this opportunity to be part of a transformative initiative that embodies sustainable practices while driving economic growth.



Registration and licensing process for establishing SEZs

Investors planning to develop an SEZ or make another form of investment within SEZs will follow the same registration and licensing processes as above:

SEZ developer

SEZ developers are any profit-making public and private developers engaged in designing, constructing, or developing SEZs by the investment proclamation and regulations. To obtain a permit to develop SEZs in Ethiopia, investors will have to go through a few additional steps:

- SEZ developer applies for a license to EIC
- The Ethiopian Investment Board reviews and approves the request
- Once approved, the SEZ developer signs an MoU with EIC to develop the submitted project
- As stated above, the SEZ developer starts the registration and licensing process with EIC.

SEZ operator

SEZ operators are any profit-making public and private companies that maintain and promote SEZs by the investment proclamation and regulations. To obtain a permit to operate SEZs in Ethiopia, the following steps are required:

- SEZ operator applies for a license to EIC
- SEZ operator signs MoU with SEZ developer and EIC
- SEZ operator starts the registration and licensing process with EIC
- SEZ operator signs operations management agreement with SEZ developer

SEZ enterprise

SEZ enterprise/tenant is any public or private enterprise owned by a domestic or foreign investor, jointly or as a wholly foreign-owned entity, that has obtained land within an SEZ through lease or renting to build a factory to engage in manufacturing activity or service provision.

To obtain a permit to operate within SEZs in Ethiopia, the following steps are required:

- SEZ enterprise/tenant applies for a license to EIC
- SEZ enterprise signs MoU with EIC
- SEZ enterprise starts the registration and licensing process with EIC
- SEZ enterprise/tenant rental/lease agreement with SEZ developer and receives the plot of land or factory shed from the operator and starts activity.



INVESTMENT INCENTIVES

As this investment guide outlines, the Ethiopian Government offers attractive fiscal and non-fiscal incentives to encourage investment in the country and its priority sectors.

Fiscal incentives:

Corporate income tax exemption:

Up to 9 years of corporate tax exemption, depending on the sector and location of the investment. In addition, after the expiry of the tax holiday period, investors are eligible for:

- 2 years corporate tax exemption for enterprises with at least 60% export or input supply to exporters.
- 30% corporate tax deduction for 3 consecutive years if the investment location is far from the center or/and with very low infrastructure development.
- If encounter a loss, Investors can carry forward the loss for half of the income tax exemption period (maximum of 5 years).
- Special economic zone developers are exempted from corporate income tax for up to 15 years.

Customs duty exemption:

- Investors can enjoy duty-free import of capital goods & accessories (machinery and equipment) and construction materials for building their factories.
- All raw materials needed to produce export commodities can be imported duty-free.
- Spare parts duty-free importation up to 15% of the total value of the capital goods.
- Motor vehicles used directly for the investment can be imported duty-free.

Export tax exemption:

- Exemption from export taxes and other levies for companies producing for export markets, except raw hides, and skins.

Type of Tax	Tax Rate
Income tax from employment	0 - 35%
Income tax from business	30%
Withholding tax	3%
Dividend tax on profits distributed to shareholder	10%
Tax on royalty income	5%
Tax on interest income from saving in local financial institutions	5%
Value Added Tax	15%
Customs Duty	0 - 35%
Excise tax on selected import items	0 - 100%
Turnover tax on supply of goods or rendering of services	2 - 20%

Non-fiscal incentives:

Expedited procedures: With the simplified and streamlined one-stop-shop service, enterprises receive expedited service to get an investment & business permit, commercial registration certificates, tax identification number, customs clearance, work permit, post-establishment support, etc.

Guarantee for remittance of funds: a foreign investor can freely repatriate profits and dividends, principals and interest payments on external loans, proceed from the sale of liquidation of an enterprise as well as compensation paid.

Foreign currency retention: a foreign investor has the right to open and operate foreign currency accounts in authorized local banks. From the export earnings, investors are allowed to indefinitely retain or gain 40% of their earnings in a foreign currency.

Guarantee against expropriation: guarantee against measures of expropriation or nationalization. Payment of compensation corresponding to the prevailing market value of investment property in case of expropriation or nationalization for public interest.

Customs facilitation: Transport of imported raw materials straight from the customs port to the factory through the bonded warehouse or voucher scheme. Investors import/export easily processed and facilitated

through the one-stop "Electronic Single Window (ESW) System", which connects 16 major regulatory institutions.

Franco valuta privilege: import of raw materials on which foreign exchange is not payable from the local banking system can be allowed to enterprises engaged in export processing & manufacturing sector.

Export credit guarantee scheme: Exporters can benefit from the export credit guarantee scheme, which is presently in place to ensure an exporter receives payment for goods shipped overseas in the event the customer defaults, reducing the risk of exporters' business, and allowing it to keep its price competitive.

Right to own immovable property: foreign investors have the right to own a dwelling house and other immovable property required for the investment.

Subsidized Utility rates: The government provides electric access to investors with heavily subsidized rates. The relaxed industrial parks land regime also allows investors to easily access factory space & utilities at promotional rates.

To get more information about the investment incentive packages, please refer to the Investment Incentive Regulation No. 517, 2022.



FACTORS

AT A GLANCE

Ethiopia offers a favorable business environment with affordable factor costs.



Land

Land for investment purposes can be obtained on a rental basis or by lease. Investments can be undertaken within the SEZs or outside of SEZs.

- In the case of SEZ, EIC and the Industrial Parks Development Corporation (IPDC) govern the renting/leasing process.
- In the case of using land outside of SEZs, the regional government is responsible for allocating land to investors. Each region has its own calculation of land factor cost which can be obtained under the link, <https://www.theiguides.org/public-docs/guides/ethiopia>

Investors are always advised to receive the most updated price list prior to committing to lease a plot of land. A lease right can be obtained for 80 years depending on the location of the investment.

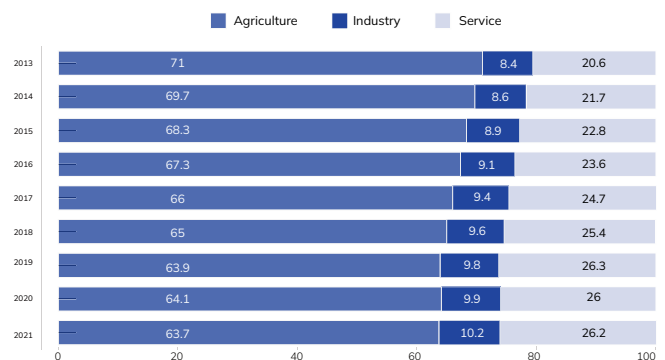


Labor

Ethiopia has a young and abundant workforce ready to engage in manufacturing activities. Every year numerous universities and technical and vocational education training centres graduate millions who join the workforce. Ethiopia has

- Competitive wage rate: with no minimum wage requirement for private sector workers.
- Regulated labor marker with 8 hours working days (excluding breaks) and maximum working days per week (six days).
- No restriction on night shift work.

Employment Structure 2013 - 2021
(% of Total Employment)



Source: World Bank

Infrastructure



Electricity

Ethiopia has very good pre-conditions for generating electricity from renewable energy sources: hydropower, wind, solar, and geothermal.

Rates	Birr/KWh
General Tariff Flat Rate	1.761
Low Voltage Industry Tariff (Flat rate)	1.292
Medium Voltage Industry Tariff-15Kv & 33 KV (Flat rate)	0.996
High Voltage Industry Tariff (Flat rate)	0.791

Water

Ethiopia has abundant water sources to supply to industrial stakeholders with competitive pricing.

Tariff category (m ³)	Water from borehole (ETB/ m ³)
0-7	1.75
8- 20	3.80
21-40	7.75
41- 100	5.95
101-300	7.45
301 -500	9.3
600 and above	11.6



Finance

Ethiopia is gradually opening its finance sector to foreign banks, increasing the availability of world-class service to investors.

Today there are more than 25 banks and insurance companies who can directly support investors. Upon approval from the National Bank of Ethiopia (NBE), foreign investors can open a foreign account at these local banks. Foreign companies can access foreign loans once approved by the NBE. In addition, the Development Bank of Ethiopia provides preferential loans to export-oriented companies and lease and project financing schemes.

Transport



Air

Dubbed “the Spirit of Africa” Ethiopian Airlines is a world-class airline and a Star Alliance member. It serves 132 international and 23 local destinations as well as over 66 cargo flights across five continents. With Addis Ababa as Africa’s main air hub, the airline connects investors to all corners of the world with ease. The airline has developed preferential tariffs for exporters targeting world markets.

Sea

The Ethiopian Shipping and Logistics Services Enterprise (ESLSE) offers reliable marine and inland water transport services, reaching 260 destination ports globally. ESLSE targets the ports of Djibouti, Berbera, Port Sudan, and Mombasa to provide excellent services to its customers.

Railway

With the flagship 750km Addis Ababa-Djibouti electric railway the delivery time for import and export items from port to inland dry ports and the overall cost of transport has significantly decreased. The Government of Ethiopia is in the process of undertaking feasibility studies to construct several additional rail connections to neighboring countries, such as the Ethiopia-Sudan and the Ethiopia-Kenya railways further connecting the East African region.

Road

In 2023 Ethiopia has an estimated 180,000 kilometers of all-weather roads (41% of the required road network in the country). The Government of Ethiopia has expanded the road network in the last two decades to serve the economic aspiration of the country. The federal road network is around 41,000 km. To alleviate the trade logistics hurdles the Government is implementing a US \$2 billion National Logistics Development Strategy. According to the 10-year plan, the total road coverage will increase to 245,900km. International road networks and highways connect Ethiopia to all neighboring countries. All SEZs are directly connected to major economic centers through federal roads.

INVESTMENT

FACILITATION AND AFTERCARE

The Ethiopian Investment Commission (EIC) is mandated to facilitate for smooth entry of investors in one of the fastest-growing African countries. EIC provides:

One-Stop-Shop: EIC offers a comprehensive one-stop-shop service to investors, extending from EIC head office in Addis Ababa to Special Economic Zones (SEZs) around the country, with the main goal to assist investors at every step of their investment journey.

Customs & immigration: Investors benefit from bonded warehouses, voucher schemes, and expedited visa procedures, including multiple-entry visas once they start investing in Ethiopia.

Online services: Access online investment applications and visa services to streamline application processes.

Operational freedoms: Investors enjoy the liberty to own immovable property, operate foreign currency accounts, and employ expatriate specialists as per their investment needs.

Additional perks: If investors invest a minimum of US \$10 million, they are allowed the right to own a dwelling house in Ethiopia.

Unmatched protection & guarantees

Investment in Ethiopia is protected through bilateral and double taxation agreements which provide the necessary assurance for current and prospective investors.

Global partnerships: Ethiopia has inked over 30 Bilateral Investment Treaties with countries like China, Germany, and France, along with numerous Double Taxation Avoidance Agreements, ensuring your investment is well-protected.

Intellectual property: Investor's intellectual property rights, including trademarks and certifications, are secured under local and international law.

International memberships: As a member of both the Multilateral Investment Guarantee Agency (MIGA) and the World Intellectual Property Organization (WIPO), Ethiopia offers added layers of protection to investors.

Financial security: Ethiopia guarantees investors the repatriation of profits, dividends, and other funds.

Legal assurances: With a 67/190 rank in ease of enforcing commercial contracts, we offer an investment climate that aligns with OECD standards and guarantees against expropriation.

Since 2020, Ethiopia has acceded to the UN Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the New York Convention). Local courts must automatically recognize and enforce foreign arbitral awards from a New York Convention member state country. In addition, the Ethiopian civil code recognizes Alternative Dispute Resolution mechanisms as a means of dispute resolution.

Take advantage of Ethiopia's increasingly streamlined and secure investment landscape, geared to set investors on a path of success.

Investment aftercare

While attracting new investors remains a priority, EIC has recognized the need to ensure that investors can effectively operate once established in Ethiopia. Therefore, after the initial investment permit has been approved, EIC provides diligent investment aftercare services to investors providing reliable and effective administrative services that facilitate the operations of investors.

Through the aftercare system, EIC helps investors in acquiring land, financing, and other essential services such as power supply, and telecommunication. In addition, EIC offers investors the possibility to expand their business in Ethiopia and regionally.

EIC provides facilitation and aftercare services by:

- Providing guidance and facilitation support during company incorporation and post-establishment support.
- Identifying the key challenges investors face in executing their investment strategies in Ethiopia and helping to solve them
- Regularly surveying investors to assess the needs of current investors and matching EIC's service offer
- Supporting workforce training and identifying qualified personnel
- Supporting to improve the productivity and competitiveness of investing firms by making sure required inputs are sourced locally
- Developing long-term strategic partnerships with high-quality investors to facilitate the expansion and upgrading of their business, for example, supporting the development of new, higher value-added products and nurturing local suppliers to international standards.
- Providing monitoring and evaluation reports to constantly improve aftercare services, including through Key Performance Indicators.
- Reviewing inter-divisional cooperation within EIC to identify overlapping areas of responsibility making service delivery to investors agile
- We are enhancing the cooperation between EIC and other public sector entities to offer effective one-stop-shop service to investors.

YOUR ROADMAP TO INVESTMENT IN ETHIOPIA

Navigating the Ethiopian investment landscape is a straightforward process. Here's what you need to know as an investor:

Greenfield investment

The Ethiopian Investment Commission (EIC) readily issues investment licenses for both greenfield and joint ventures involving foreign and local investors. Depending on your needs, you can opt for:

Sole Proprietorship

Ideal for individual entrepreneurs who want a full control of their investment and local operations.

Private Limited Company

Suitable for collaboration among companies, individuals, or both. The registration process is simple like that for a sole proprietorship registration.

One Member Private Limited Company

Introduced in the new Commercial Code of Ethiopia, individuals can now enjoy forming a single-member business organization incorporated by the unilateral declaration of a single person. It has its own legal personality separate and distinct from that of the member.

Branch Company

If you already run a foreign enterprise, you can effortlessly expand with a branch office in Ethiopia.

Brownfield investments

Under Investment Regulation No. 474/2020, foreign investors keen to acquire existing enterprises or shares need to seek approval from the EIC. Once obtained, the investment permit is the first and most important step to start doing business in Ethiopia.

How to get an investment permit?

Investors can obtain investment permits either in person at the EIC Headquarters in Addis Ababa or online.

Please visit the EIC website under <https://investethiopia.gov.et/> for more information on the process of how to obtain an investment permit.

REQUIREMENTS

TO OBTAIN AN INVESTMENT PERMIT

Minimum capital requirements

After document approval and registration at the EIC Investors are requested to deposit the minimum capital requirement in cash to start their investment activity. There is no capital requirement for reinvestment of profit or dividend. Foreign investors re-investing their profits or dividends generated from existing enterprises in Ethiopia may not be expected to deposit the minimum requirement mentioned in the above table.

Document requirements, registration, and licensing process

Depending on the company form to be established the following documents and licensing processes are required:

Business type	Required documentation
Sole Proprietorship	<p>Step 1: Collect Investment Application Form and relevant information from the Ethiopian Investment Commission (EIC) Information Desk or access online by visiting EIC website.</p> <p>Step 2: Submit investment application to the EIC.</p> <p>Required documents:</p> <ul style="list-style-type: none"> • Filled & signed investment application form by the investor, or legally authorized person. • Valid passport & business (investment) visa copies • Recent passport size picture of the investor
Branch Company	<p>Opening a branch Company in Ethiopia</p> <ul style="list-style-type: none"> • Notarized and authenticated parent company documents including certificate of incorporation, minutes of resolution passed by the parent company to invest in Ethiopia, memorandum and articles of association or similar documents and power of attorney of the agent. • general manager's passport and visa copies for the new company <p>Step 3: Collect a bank letter from the EIC Licensing and Registration Department to get permission to open bank account at National Bank of Ethiopia.</p> <p>Step 4: Open a foreign currency bank account & transfer the minimum capital required to the opened bank account of the company.</p> <p>Step 5: Submit the credit advice and Confirmation Letter received from the bank for the transfer of minimum investment capital required.</p> <p>Step 6: Pay service fee</p> <p>Step 7: Obtain Investment Permit & Commercial Registration Certificate from the EIC.</p> <p>Start a business in Ethiopia.</p>

<p>Private Limited Company (PLC), Share Company and One Member PLC</p>	<p>Step 1: Collect Investment Application Form, relevant documents, and information from the Ethiopian Investment Commission (EIC) Information Desk or access online by visiting EIC website.</p> <p>Step 2: Submit investment application to the EIC.</p> <p>Required documents:</p> <ul style="list-style-type: none"> • Filled & signed investment application by the investors, general manager or legally authorized person. • Submit draft memorandum of association (sample memorandum of association can be collected from the EIC) • Valid passport, & business (investment) visa copies; (if the shareholders are individuals) • Notarized parent company documents including certificate of incorporation, minutes of resolution passed by the parent company to invest in Ethiopia, memorandum and articles of association or similar documents and power of attorney of the agent (if the shareholders are foreign companies). • Copies of the memorandum and/or articles of associations, commercial registration certificate, minutes of resolution passed by the shareholder's and notarized power of attorney of the agent is required (In case the shareholders are a local company) <p>Step 3: Check uniqueness of the company name to be established & collect letter of acceptance for the unique company name registration.</p> <p>Step 4: Sign & authenticate the Memorandum of Association in line with the approved company name at the EIC.</p> <p>Step 5: Open a foreign currency bank account & transfer the minimum capital required to the opened company account.</p> <p>Step 6: Collect & submit the bank transfer advice and confirmation letter received from the bank to the EIC.</p> <p>Step 7: Submit the Tax Identification Number (TIN) Certificate received from the Ministry of Revenue</p> <p>Step 8: Pay service fee</p> <p>Step 9: Obtain Investment Permit & Commercial Registration Certificate from the EIC.</p> <p>Start a business in Ethiopia.</p>
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Note: All documents issued outside of Ethiopia need to be authenticated by the foreign public notary office and Ethiopian Embassy in the foreign country where the documents are sourced; and authenticated and registered by the Ministry of Foreign Affairs of Ethiopia and/or domestic public notary.

Application form and draft Memorandum of Association can be found here: www.investethiopia.gov.et

The process of receiving an investment permit takes between 3 to 5 business days.

Visa and work permit

Obtaining Visa

- All foreign investors in Ethiopia require an investment visa (IV) obtained online via the Ethiopian e-visa website: <https://www.evisa.gov.et/information/InvestmentVisa> or in person at Ethiopia's Diplomatic Missions overseas. This IV is a visa issued to foreign nationals engaged in investment activities. It can also be issued to potential investors wishing to invest in Ethiopia.
- To work in different types of positions in companies incorporated in Ethiopia, expatriates must obtain a Work Visa (WV) or an Ethiopian Private Business Firm Work Visa (PE) if the company is wholly domestically owned.
- The Immigration and Citizenship Service (ICS) issues a residence permit to a foreign investor upon submission of an investment permit issued in his/ her name by EIC.
- A foreign investor who is a shareholder of a company or branch company and expatriate personnel who have work permits are entitled to get residence permits.
- Favorable visa terms are offered for investors in SEZs:
 - Multiple entry visa valid for up to five years
 - Up to three years visa for SEZ service providers, managers, board members & senior experts employed by foreign investors

Required documentation

- A recent passport-size photo and passport copy of the traveler, which has six months validity from the date of entry, are mandatory.
- A support letter (proof that the investor is traveling for investment purposes) from the Ethiopian Investment Commission or the nearest Embassy of Ethiopia.
- An official application letter written by the inviting organization and addressed to the Immigration and Citizenship Service of Ethiopia.
- Business License of the inviting company.

Processing time

- Under normal circumstances, the processing time for Investment Visa - IV is three days. Travelers should submit their application at least 3 days before their estimated date of arrival.

Duration and validity

- The Validity of the Visa starts counting from the date intended to enter Ethiopia.

Obtaining Work Permit

A work permit allows expatriates to work legally in Ethiopia. The conditions and process for issuing work permits are slightly different for those hired in managerial/executive positions and those in expert positions. Work permits for the executive staff are renewed indefinitely, while work permits for expert positions are only renewed three times (for a year each time) as they are expected to train local staff to replace them.

It is important to note that shareholders of a company who do not hold an official employee position are not required to obtain a work permit and can directly receive a residence permit through a support letter from the Ethiopian Investment Commission.

Fulfilling the required documents, the expatriate will secure the work permit card and a letter addressed to the Immigration and Citizenship Service from the Ethiopian Investment Commission One-Stop Service.

Residence Permit Issuance Process

Expats will require a residence permit to stay and work in Ethiopia legally. The following application process should be followed for employees and investors. The document will be issued at the main Department for Ethiopian Immigration and Citizenship Service.

	Requirements
Required Documents to Process Resident ID	1. Residence permit application form signed by General Manager (GM) or legal representative
	2. Valid investment permit/business license
	3. Passport and current investment/work visa
	4. Work permit issuance letter from EIC
	5. Work permit (original + copy)
	6. Support Letter from EIC showing the applicant is a shareholder/owner
	7. Memorandum of Association (original + copy)
	8. Power of Attorney (original + copy)

Tax registration process

Investors must register for a Taxpayer Identification Number (TIN) before starting business operations in Ethiopia. The TIN is issued at the one-stop-shop service desk at the Ethiopian Investment Commission, along with the commercial registration and investment permits. The following are the steps companies must take to obtain the TIN registration certificate.

Required documents to obtain TIN	1. Completion of the TIN registration form signed by the General Manager
	2. Notarized memorandum of association
	3. Valid passport of the manager and photo taken within the last six months

Opening of foreign currency capital account

Opening a foreign currency account allows investors to transfer required capital from overseas. Commercial banks in Ethiopia provide the service.

- The minimum capital required to be deposited into the capital account is USD 200,000 for projects wholly owned by foreigners and USD 150,000 for foreign-domestic projects.
- The minimum capital required for a foreign investor investing in architectural or engineering works, or related technical consultancy services, technical testing, and analysis or publishing works is 100,000 for projects wholly owned by foreigners and USD 50,000 for joint foreign-domestic projects.

Mandatory Requirements	1. Support letter from EIC to open a capital account
	2. Authenticated Memorandum of Association <i>This applies only for PLCs and S.C. not for branch company or sole proprietorships.</i>
	3. Passport with Business or Work Visa
	4. Application letter signed by GM or legal representative
	5. Account opening letter from NBE
	6. Power of Attorney (original + copy). <i>This step applies if a delegate is facilitating the process.</i>

Customs procedures

Import of goods requirements and documentation

The customs clearance procedure has significantly improved in recent years. Customs clearance time has been reduced to approximately two weeks, down from more than 40 days in recent years. Authorized importers can finalize customs procedures using minimal available documentation and significantly reducing processing and clearance time. Establishing an electronic single-window service delivery for international trade and availability of one-stop-shop customs clearance offices inside SEZs facilitate streamlined customs processing for established firms. In principle, all import, export, or transit goods must be declared to customs. The declaration can either be made in writing or electronically.

When importing into the Ethiopian market, the following documents are required.

- Import license or investment permit
- Proforma invoice for the list of products to be imported, providing the value of the imported goods.
- A bank permit for access to foreign currency (foreign exchange authorization).
- Original commercial invoices.
- Original packing list.
- Certificate of origin (showing where the goods were initially produced).
- Original bill of lading (for shipment), airway bill (air transport), or roadway bill (road transport), incl. pre-inspection certificate where it is required
- Customs import declaration, incl. applicable taxes (customs duty, excise tax, value-added tax (VAT), Surtax and Withholding tax
- Insurance certificate.
- Pre-shipment inspection, where required.
- Tax identification number (TIN) certificate.
- Value-added tax (VAT) Certificate.
- Once all documents are ready, receive import customs clearance goods release notes and final import customs declaration.

When importing medicines, medical supplies, and medical equipment, they must be registered with the Ethiopian Food and Drug Authority (EFDA), and pre-import certification must be received.

A Certificate of Analysis (COA) is also required for processed food, pharmaceuticals, construction materials, textiles and chemicals.

Export of goods

- A signed contract by seller and buyer
- Seller's invoice
- Valid export license
- Tax registration certificate (TIN certificate) of the export
- Export authorization certificate
- NBE approval that exporter is allowed to export items
- Original customs declaration documents, including certificate of origin

ANNEXES

Laws and regulations

The following are the most relevant laws and regulations for facilitating investment in the country:

Law and regulations	Law and regulations
Investment related laws and regulations	Tax laws
Investment Proclamation No. 1180/2020	Income Tax Proclamation No. 979/2016
Investment Regulation No. 474/2020	Federal Tax Administration Regulation No. 407/2017
Investment Incentive Regulation No. 517/2022	Value Added Tax (amendment) Proclamation No. 1157/2019
Directive No. 941/2023 for the application of Tax Incentives for expansion/upgrading of existing Investment	Value Added Tax Regulation No. 79/2002
Directive No.942/2023 for the type and quality of vehicles allowed to be imported duty free for development peojects	Excise Tax Proclamation No. 1186/2020
SEZ related laws and regulations	Labor Law
Industrial Parks (SEZs) proclamation No. 886/2015	Labor Proclamation No. 1156/2019
Industrial Parks (SEZs) Regulation No. 417/2017	A Directive Regulating the Issuance of Work Permit to Expats Employed in investments and the Implementation of Knowledge and Skill Transfer from Expats to Ethiopians
Commercial laws	Customs Law
Commercial Code No. 1243/2021	Customs Amendment Proclamation No. 1160/2019
Commercial Registration and Business Licensing Amendment Proclamation No. 461/2020	Customs Proclamation No. 859/2014
Trade Practices and Consumer Protection Proclamation No. 658/2010	Export Trade Duty Incentives Scheme Proclamation No. 768/2012
Civil Code No. 165/1960, Amended Proclamation No. 639/2009	Intellectual property laws
Land laws	Copyright and Neighboring Rights Protection Proclamation No. 410/2004, Amendment Proclamation 872/2014
Land Lease Proclamation No. 721/2011	Trademark Registration and Protection Proclamation No. 501/2006
Foreign currency exchange laws	Trademark Registration and Protection Regulation No. 273/2012
Foreign currency exchange laws	Inventions, Minor Inventions, and Industrial Designs Regulation No 12/1997
Capital Market Proclamation No. 1248/2021	Environmental Laws
	Environmental Impact Assessment Proclamation No. 299/2002
	Environmental Pollution Control Proclamation No. 300/2002
	Hazardous Waste Management and Disposal Proclamation No. 1090/2018

Government institutions playing a proactive role in investment facilitation in Ethiopia

Institutions	Role
Ethiopian Investment Board (EIB)	Chaired by the Prime Minister it includes all relevant ministries. The body takes high-level policy decisions for investment policy and supervises investment promotion and facilitation activities.
Ethiopian Investment Commission (EIC)	EIC is an autonomous government institution accountable to EIB. A commissioner heads EIC who is also a member of the EIB. EIC provides direct one-stop-shop licensing, registration, and aftercare services to investors and promotes available investment opportunities to investors. EIC signs bilateral investment treaties with other countries and advises the government on investment policy issues and required adjustments.
Ministry of Trade & Regional Integration (MOTRI)	MOTRI is responsible for expanding trade relation with neighboring countries and creating conducive conditions for the enlargement of export market for Ethiopian products, including through control of product quality and pricing as well as ensuring that they are traded with appropriate price on the world market.
Ministry of Industry (MoI)	Promotes the involvement of the private sector in Ethiopia's economy, particularly in the manufacturing sector. Supports the establishment and enhancement of sufficient capacity in the country to boost competitiveness of local industries. Supports the participation of domestic and foreign investors in the manufacturing sector in Ethiopia.
Ministry of Mines (MoM)	Provides all necessary services for investors in mining sector. MoM issues investment and exploration license, export permit, customs duty-free and tax-free support letter.
Ministry of Labor & Social Affairs (MOLSA)	All activities regarding labor-related issues are under the control of MOLSA. It initiates tripartite engagement between employer, employee association in and outside of SEZs. MOLSA assigns labor inspectors to supervise on implementation of labor laws by investors.
National Bank of Ethiopia (NBE)	NBE manages the country's foreign exchange reserves and ensures effective use of such reserve through monetary and financial regulations. NBE issues approval for investment capital inflow, repatriation of funds, suppliers' credit, export/import bank permit and other services directly related with export/import activities.
Ethiopian Investment Holdings (EIH)	EIH is the strategic investment arm of the Ethiopian government and is established by law as a federal government body having its own legal personality. EIH optimizes investment value through effective ownership and management of state-owned enterprises and other assets under the federal government. It also serves as a strategic vehicle to attract foreign investment by establishing a co-investment platform, consolidating assets for further monetization, unlocking values from current unutilized assets and thereby bring the highest possible return on investment.
Ethiopian Electric Power (EEP)	EEP is the main entity administrating power generation in the country, including purchasing from Independent Power Producers (IPP). EEP is supplying investors in and outside SEZs with power for production.
Industry Parks Development Corporation (IPDC)	IPDC develops and administers all public SEZs in Ethiopia. IPDC provides all necessary infrastructure within the SEZs and leases land to investors.
Document Authentication And Registration Service (DARS)	DARS is a federal institution coordinating the authentication and registration activities and keeps a central data base for documents authenticated and registered and performs activities of document authentication and registration at the federal level.
Ethiopian Pharmaceutical Supply Agency (EPSA)	EPSA is the public procurement agency responsible for purchasing pharmaceuticals, medical supplies, and equipment throughout Ethiopia.
Development Bank of Ethiopia (DBE)	DBE is assigned to advance the development of the national economy through provision of long-term finance and technical support to selected projects in priority sectors such as agro-industry and manufacturing.

Useful contacts

Ethiopian Investment Commission

Tel: +251 11 551 0033

Email: info@eic.gov.et

Website: <https://investethiopia.gov.et/>

Address: Addis Ababa, Ethiopia Africa Avenue (in front of Dembel City Center, next to the OLA gas station)

Industrial Parks Development Corporation

Tel: +251 118722313

Email: infos@ipdc.gov.et

Website: <https://www.ipdc.gov.et/contact/>

Address: Comoros Street (Opposite to Kenya Embassy), Bishangari Building Addis Ababa, Ethiopia

Ministry of Industry

Tel: +251 94 874 8951

Email: fdremotri@gmail.com

Website: www.moi.gov.et

Address: Adwa St, Addis Ababa

Ministry of Trade and Regional Integration

Tel: +251 115134822

Email: info@etrade.gov.et

Website: <https://etrade.gov.et/>

Address: Kirkos Sub City, Addis Ababa

Ministry of Finance

Tel: +251 111552015

Email: info@mfed.gov.et

Website: <https://www.mofed.gov.et/>

Address: Amst Kilo, Addis Ababa

Ministry of Revenue

Tel: +251 11 662 9800

Email: Info.mor@mor.gov.et

Website: <http://www.mor.gov.et/>

Address: Megenagna, 24 area, Addis Ababa, Ethiopia

National Bank of Ethiopia

Tel: +251 115 517 430

Email: nbeinfo@nbe.gov.et

Website: <https://nbe.gov.et/>

Address: Sudan Street

Ministry of Labor and Skill

Tel: +251 116 671792

Email: info@jabscommission.gov.et

Website: <https://mols.gov.et/>

Address: Behind Lambert Ethiopian Technical and Vocational Institute

Development Bank of Ethiopia

Tel: +251 115 51 11 88/89

Email: dbel@ethionet.et

Website: <https://www.dbe.com.et/>

Address: Kazanchis/511 Tito St, Addis Ababa

Ethiopian Electric Power

Tel: 011-5-58-06-07/011-5-58-05-92 Chief Executive Office

Email: info@eep.com.et

Website: <https://www.eep.com.et/>

Address: Kotebe, Ethiopian Electric Power HQ, in front of Kotebe Metal Tools Factory, Addis Ababa, Ethiopia

Ministry of Mines

Tel: 0116675480

Email: info@mom.gov.et

Website: <http://www.mom.gov.et/>

Address: 2RGG+27 Addis Ababa

Ministry of Water and Energy

Tel: +251 11 661 1111

Email: Info@mowe.gov.et

Website: <http://www.mowe.gov.et/>

Address: Haile G/Selassie Road, Addis Ababa, Ethiopia

Ethiopian Food and Drug Authority

Tel: +251 11 552 41 22

Email: regulatory@fmhaca.gov.et

Website: <http://www.efda.gov.et/>

Address: Africa Avenue, near wolosefer, Kirkos sub city, 02/03 kebele, 02

Ethiopian Customs Commission

Tel: +251 116 67 54 58/+251 115 57 88 51

Email: hocrecordopr@gmail.com/ hocrecordad@gmail.com

Website: <http://www.ecc.gov.et/>

Address: Meshualekya, Yirga Haile Plaza Addis Ababa , Ethiopia

Ministry of Women and Social Affairs

Tel: +251 11 551 70 80

Email: info@mowsa.gov.et

Website: <https://www.mowsa.gov.et/>

Address: Kazanchis, Addis Ababa, Addis Ababa, Ethiopia

Ministry of Foreign Affairs

Tel: 011 551 7345

Email: info@mfa.gov.et

Website: <https://mfa.gov.et/>

Address: Menelik II Avenue, Addis Ababa, Ethiopia

Ministry of Justice

Tel: 011 551 5099

Email: info@eag.gov.et

Website: <https://www.eag.gov.et/>

Address: Bambis, Jomo Kenyatta Avenue, Addis Ababa, Ethiopia

Ethiopian Investment Holdings

Tel: +251-98-535-5555/ +251-11-170-4570

Email: info@eih.et

Website: <https://eih.et/>

Address: Wingate Street, Hilco Building 5th Floor.

Immigration and Citizenship Service

Tel: +251 962486060

Email: support@digitalinvea.com

Website: <https://www.digitalinvea.com/contact-us/>

Address: Arada Sub City, Kebele 05, Addis Ababa.

Ethiopian Construction Authority

Tel: +251 11 55 741 58

Email: mocpair@gmail.com

Website: <http://www.eca.gov.et/>

Address: Arada, Addis Ababa, Ethiopia

Ministry of Tourism

Tel: +251 118619618

Email: info@mot.gov.et

Website: <https://visitethiopia.travel/>

Address: Bole Africa Avenue, Behind DH Geda Building, Addis Ababa, Ethiopia

Ethiopian Capital Market Authority

Tel: +251911246658/ +251938063135

Email: communications@ecma.gov.et

Website: <https://ecma.gov.et/>

Address: Minaye Corporate Building 17th Floor, Flamingo, Kirkos Addis Ababa, Ethiopia

Federal Document Authentication and Registration Service

Tel: 011-5-523-465/011-5-523-583

Website: <https://www.dars.gov.et/>

Address: 2nd Floor, Alsam Tower, in front of Phillips Building, down from Mexico Square.

Ethiopian Chamber of Commerce and Sectoral Association

Tel: +251 115 514 005

Email: info@ethiopianchamber.com

Website: <https://www.ethiopianchamber.com/>

Address: Mexico Square, Addis Ababa, Ethiopia, Addis Ababa, Ethiopia

Addis Ababa Chamber of Commerce and Sectoral Association

Tel: +251 115 518055

Email: info@addischambet.com

Website: <https://addischamber.com/>

Address: Mexico Square, Addis Ababa, Ethiopia

Client charter of EIC

No.	Type of service	Delivery time	Fee (in ETB)
1	Company name registration	1 hour	25
2	Alteration/ amendment of a company name	1 hour	80
3	Issuance of substitute certificate of a company name	1 hour	50
4	Notarization of memorandum and articles of association	3 hours	810
5	Amendment/ change of memorandum and articles of association	3 hours	400
6	Issuance of commercial registration	3 hours	100
7	Amendment/ change of commercial registration	3 hours	80
8	Replacement or substitution of commercial registration	1 hour	50
9	Cancellation of commercial registration	5 working days	50
10	Issuance of investment permit	3 hours	600
11	Investment permit (expansion)	18 working days	300
12	Renewal of investment permit (new) Renewal of investment permit (extension)	2 working days	200 100
13	Change/amendment of investment permit	3 hours	100
14	Issuance of work permit	2 hours	2000
15	Renewal of work permit	1 hours	1500
16	Substitution of work permit	1 hours	1200
17	Cancellation of work permit	3 hours	Free
18	Registration and issuance of certificate for technology transfer agreement	3 hours	200
19	Registration of a collaboration agreement concluded by a domestic investor with an export-oriented non-equity-based foreign enterprise	2 hours	100
20	Issuance of business license	10 working days	100
21	Renewal of business license	2 hours	100
22	Amendment of business license	1 hours	80
23	Cancellation of business license	30 min	Free
24	Capital registration	1 day	Free



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