NOTES



ETHIOPIA



COUNTRY PROFILE (2016):

Population: 99.5 million Unemployment rate: 16.8%

Economic growth rate: 10.5%

ECONOMY

Ethiopia is a member of Common Market for Eastern and Southern Africa (COMESA) encompassing 458 million people.

It is a member of Intergovernmental Authority on Development (IGAD) stretching over a population of 217 million.

Ethiopia is **Africa's second most populated country** after Nigeria.

80 different languages/dialects are used within the country.

It is the world's **fourth** fastest developing country.

As a result of **2010-2015** development plans, country has reached growth rate of **10.1%**.

Agriculture 6.6% Industry 20% Service 10.7%

Ethiopia's economic development depends on agribusiness strategy.

Agriculture is affected by periodic drought, soil erosion, deforestation, high population, high taxes, and weak infrastructure, products.

Within **2016-2020** Development and Transformation Plan, annual projected growth rate is **11%.**

Country's main industrial production areas are leather, textile, food, drink, furniture and cement.

Manufacturing industry is **5%** of the GDP (food, drink, oil and flour products comprise **more than 40%**)

Energy production in the country is insufficient.

Total energy capacity is 60,000 MW.

Installed power is **2,000 MW** as of year 2015's end. Incremental **10,000 MW** is planned to get installed over the next five years.

FOREIGN TRADE

Main Import Commodities:

Food, Machine, Motor vehicle,
Construction products

Main Export Commodities:
Coffee, Leather, Oily seeds, Vegetables

Trade Partners (Import):

Saudi Arabia, China , USA, India, Italy,

Turkey

Trade Partners (Export):

Germany, China, Japan, Saudi Arabia, Djibouti

Turkey-Ethiopia Trade Figures (Ministry of Economy-2016)

Total foreign trade volume: 439.7 million USD

Export from Turkey to Ethiopia: 404.4 million USD

Main export commodities:
Iron-steel, copper wire, textile, plastics

Import to Turkey from Ethiopia: 35.3 million USD

Main import commodities:
Herbal products, cotton yarn, textile,
copper wire

Trade Balance: 369.1 million USD



ETHIOPIA



POTENTIAL COOPERATION / INVESTMENT AREAS:

Ethiopia has Free Trade Agreement with Kenya, Sudan, Somalia and Djibouti.

Main infrastructure projects:

Energy, road construction, sewage, railway, irrigation, electricity distribution and drinking water

Industrial commodities with high export potential:

Construction equipment, machines and material, agriculture equipment and machines, generator and transformer, textile machines, health supplies, food products.

Over the next 5 years, 500 million USD is

expected to get invested in oil and gas research studies.

100 million livestock

49.3 million bovine 47 million ovine

Over the next **10 years**, Ethiopian Government is expected to invest **65 billion USD** to infrastructure and s

uperstructure projects.

Foreign Direct Investment of Turkish Companies in Ethiopia:

148 Turkish companies have **invested 2,084 billion USD** in Ethiopia.

These companies employ **959 Turkish**, **27,710 Ethiopian** citizens.

Turkish companies invest more in the following sectors:

Textile and ready-to-wear, Agriculture and forestry, Information technology devices.

One of the biggest transportation projects "Awash-Kombolcha-Hara Gebaya railway" is undertaken by a Turkish company.

Appendix:

Ethiopian economy was not able to develop due to its distance to ports, inadequate infrastructure, drought and conflict with Eritrea.

Number of contractors was 25 in 2010 and it has reached over 400 as of 2014.

Ethiopian companies trust Turkish companies and their products.

Ethiopia does not own a port, thus, it uses Djibouti's port.

Ethiopia has an annual import volume of **16 billion USD**; however, Turkey only makes **2.5%** of it.

Coffee's contribution to Ethiopian GDP is around 10%, more than 15 million people make their livings from coffee industry.

Ethiopia only makes 1% of world's total coffee export volume.



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