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1. Country / Territory Brief

Ethiopia, the second-most populous nation in Africa, has the largest economy by GDP in East and Central Africa and is one of the fastest growing economies in the world. The new government formed in 2012 has inherited a number of challenges, including the volatile situation in neighbouring Somalia and an unresolved border conflict with Eritrea. Ethiopia applied for WTO membership in 2003 and the on-going negotiation on WTO accession is largely indicative of the country’s goal of opening up its economy.

ITC is pursuing its role in facilitating Ethiopia’s accession to the WTO and assisting the Ethiopian Chamber of Commerce and Sectoral Associations to mobilise resources for capacity building for SMEs in the country. Through its project titled Supporting India’s Trade Preferences for Africa (SITA), ITC will also be aiming to promote exports from five East African countries including Ethiopia, to India, through investments and the transfer of skills.
2. People and Economy

2.1 People

<table>
<thead>
<tr>
<th>Category</th>
<th>Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population (growth rates per annum)</td>
<td>82,621,190 in 2012 with growth rates of 2.6% p.a during 2008-2012</td>
</tr>
<tr>
<td>Population density (people per sq. km of land area)</td>
<td>83 in 2012</td>
</tr>
<tr>
<td>Female population</td>
<td>50.0% in 2012</td>
</tr>
<tr>
<td>Population below 15 years of age</td>
<td>43.3% in 2008 ; 45.3% in 2012</td>
</tr>
<tr>
<td>Urban population</td>
<td>16.3% in 2012</td>
</tr>
<tr>
<td>Population living below $1.25 a day at purchasing power parity (PPP)</td>
<td>N.A</td>
</tr>
<tr>
<td>Ranking in the Human Development Index (HDI)</td>
<td>173 out of 186 in 2012</td>
</tr>
</tbody>
</table>

**Evolution of the Human Development Index (HDI)**

Source: United Nations Development Programme Human Development Indicators

Note: The Human Development Index measures the overall development of a nation and ranges from 0 (low level of development) to 1 (highest level of development). The United Nations Development Programme (http://hdr.undp.org) provides a detailed explanation. ITC Regional group refers to ITC definition.

**Health**

- Life expectancy at birth (years) (62)
- Mortality rate, under-5 (per thousand live births) (68.3) in 2012

**Education**

- Education index - expected and mean years of schooling (rank) (181 out of 191) in 2012

**Income level**

- GNI per capita in PPP terms (constant 2005 international $) ( ) in 2012

**Inequality**

- Inequality-adjusted HDI (rank) (121 out of 191) in 2012

**Poverty**

- Multidimensional Poverty Index (rank) (2 out of 191) in 2012

**Gender**

- Gender inequality index (rank) () in 2012

**Sustainability**

- Adjusted net savings (% of GNI) (n.a) in 2012
2.2 Economy

### Added value per sector (current US$ and % of GDP)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>4,059</td>
<td>10,992</td>
<td>N.A.</td>
<td>44.2</td>
<td>43.9</td>
<td>N.A.</td>
</tr>
<tr>
<td>Industry</td>
<td>1,291</td>
<td>3,251</td>
<td>N.A.</td>
<td>14.1</td>
<td>13</td>
<td>N.A.</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>489</td>
<td>1,193</td>
<td>N.A.</td>
<td>5.3</td>
<td>4.8</td>
<td>N.A.</td>
</tr>
<tr>
<td>Services</td>
<td>3,836</td>
<td>10,802</td>
<td>N.A.</td>
<td>41.8</td>
<td>43.1</td>
<td>N.A.</td>
</tr>
</tbody>
</table>

Source: World Bank World Development Indicators (WDI)

Note: Added value is US$ terms are expressed in million, GDP US$, and "6,976 to be read 6'976"

### Evolution of GDP (constant 2005 US$)

Source: World Bank World Development Indicators (WDI)

Note: ITC calculations based on the World Bank WDI

### Evolution of GDP per capita (constant 2005 US$)

Source: World Bank World Development Indicators (WDI)

Note: ITC calculations based on the World Bank WDI
Aid Dependency (Official Development Assistance/Gross National Income)

Source: World Bank World Development Indicators (WDI)

Note: ITC calculations based on the World Bank WDI. Regional group refers to ITC definition.
3. Trade Performance

3.1 General Trade Performance

3.1.1 Evolution of Trade Ratio to GDP - Goods

3.1.2 Evolution of Trade Ratio to GDP - Services
3.1.3 Evolution of Total Trade

Evolution of the total import and export of goods of Ethiopia (mirror)

<table>
<thead>
<tr>
<th>Year</th>
<th>Import</th>
<th>Export</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>6,551</td>
<td>1,852</td>
</tr>
<tr>
<td>2012</td>
<td>6,668</td>
<td>2,063</td>
</tr>
<tr>
<td>2011</td>
<td>5,095</td>
<td>2,026</td>
</tr>
<tr>
<td>2010</td>
<td>4,723</td>
<td>1,580</td>
</tr>
<tr>
<td>2009</td>
<td>4,077</td>
<td>1,334</td>
</tr>
</tbody>
</table>

3.1.4 Trade Map

List of importing markets for a product exported by Ethiopia in 2013 (Mirror)
Product: TOTAL - All products
3.1.5 Export and Import by Leading Destination - Export

3.1.6 Export and Import by Leading Destination - Import
3.1.7 Evolution of Exports and Imports by Destination - Export

![Graph of Ethiopia's exports by region of destination](Image)

**Source:** ITO Trade Map.
**Note:** OECD (Special Edition, 2010); BRICS (include Brazil, Russia, India, China and South Africa). Latin America includes Central American countries and South America. Middle East includes Arab states and Israel. BRICS and G20 countries are based on mirror statistics (trade data reported by partner countries).

3.1.8 Evolution of Exports and Imports by Destination - Import

![Graph of Ethiopia's imports by region of origin](Image)

**Source:** ITO Trade Map.
**Note:** OECD (Special Edition, 2010); BRICS (include Brazil, Russia, India, China and South Africa). Latin America includes Central American countries and South America. Middle East includes Arab states and Israel. BRICS and G20 countries are based on mirror statistics (trade data reported by partner countries).
3.1.9 Total Export Growth

Source: ITC, calculations based on ITC’s Trade Competitiveness Map data.
Note: Graph shows decomposition of the country’s export growth in value terms by diversification pattern over the indicated period.

3.1.10 Marginal Export Growth

Source: ITC, calculations based on ITC’s Trade Competitiveness Map data.
Note: Graph shows decomposition of the country’s export growth in value by structural driving effects over the indicated period. Values are in US$ thousands.
3.1.11 Composition of Trade in Services - Export

3.1.12 Composition of Trade in Services - Import
3.1.13 Evolution of FDI

![Graph showing the Evolution of FDI inflow in Ethiopia as % of GDP from 2002 to 2013. The graph displays the following data points:

- 2002: 3.3%
- 2003: 5.5%
- 2004: 5.5%
- 2005: 2.2%
- 2006: 3.6%
- 2007: 1.2%
- 2008: 0.4%
- 2009: 0.7%
- 2010: 1.0%
- 2011: 2.0%
- 2012: 0.7%
- 2013: 0.6%

Source: ITC based on World Bank HDI]
### 3.2 Sector Trade Performance

#### 3.2.1 Sectoral Diversification in Products - Export

**Sectoral diversification in products for Ethiopia’s exports (mirror)**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Share of top 3 diversified products (FAS) in sector’s exports</th>
<th>Sector’s leading exported product RNS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2000</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fresh food</td>
<td>16.6%</td>
<td>3060 Coffee, roasted, not decaffeinated</td>
</tr>
<tr>
<td>Unclassified products</td>
<td>5.7%</td>
<td>09019 Coffee, roasted, not decaffeinated</td>
</tr>
<tr>
<td>Leather products</td>
<td>5.9%</td>
<td>41010 Leather further prepared after tanning or crusting “incl. parchement”</td>
</tr>
<tr>
<td>Non-electronic machinery</td>
<td>4.5%</td>
<td>84711 Turbojets of a thrust exceeding 20 KN</td>
</tr>
<tr>
<td>Textiles</td>
<td>1.3%</td>
<td>52012 Cotton yarn, not 48% single, unbleached, 74/29 with 232.66, not put up</td>
</tr>
<tr>
<td>Clothing</td>
<td>1.2%</td>
<td>15019 T-shirts, singlets and other sorts of cotton, knitted</td>
</tr>
<tr>
<td>Processed food</td>
<td>1.1%</td>
<td>54020 Cork and other solid resins, whether or not ground or cut</td>
</tr>
<tr>
<td>Minerals</td>
<td>0.8%</td>
<td>46539 Nickel, tantalum and vanadium ores and concentrates</td>
</tr>
<tr>
<td>Transport equipment</td>
<td>0.7%</td>
<td>85020 Aircraft parts nes</td>
</tr>
<tr>
<td>Miscellaneous manufacturing</td>
<td>0.4%</td>
<td>90210 Measuring or checking instruments, appliances and machines, nes</td>
</tr>
<tr>
<td>Electronic components</td>
<td>0.3%</td>
<td>99720 Boards, panels, including numerical control panels for a volt</td>
</tr>
<tr>
<td>Chemicals</td>
<td>0.2%</td>
<td>23020 Hair preparations, nes</td>
</tr>
<tr>
<td>IT &amp; consumables electronics</td>
<td>0.2%</td>
<td>90210 Parts suitable for soleil/princ. w the ap of headings 8 to 85.28</td>
</tr>
<tr>
<td>Basic manufactures</td>
<td>0.2%</td>
<td>90040 Millstones and grindstones for milling, grinding or polishing</td>
</tr>
<tr>
<td>Wood products</td>
<td>0.1%</td>
<td>40020 Vinegar, non-coniferous nes, less than 6 mm thick</td>
</tr>
</tbody>
</table>

**Source:** ITC Trade Competitiveness Map

**Note:** RNS is the code for the Harmonized System (HS) code and the figures are based on value estimates for the years specified for each country.

---

### 3.2.2 Sectoral Diversification in Destinations - Export

**Sectoral diversification in destination for Ethiopia’s exports (mirror)**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Share of top 3 importing countries in sector’s exports</th>
<th>List of the top 3 importing countries</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2000</strong></td>
<td><strong>2011</strong></td>
<td></td>
</tr>
<tr>
<td>Electronic components</td>
<td>69.6%</td>
<td>Spain, Netherlands, Uganda</td>
</tr>
<tr>
<td>Clothing</td>
<td>61.1%</td>
<td>United States of America, Italy, Spain</td>
</tr>
<tr>
<td>Transport equipment</td>
<td>57.7%</td>
<td>Singapore, Netherlands, Slovenia</td>
</tr>
<tr>
<td>Textiles</td>
<td>50.9%</td>
<td>Turkey, Germany, Italy, China, Italy</td>
</tr>
<tr>
<td>Wood products</td>
<td>29.3%</td>
<td>Israel, Slovakia, Spain</td>
</tr>
<tr>
<td>Unclassified products</td>
<td>28.4%</td>
<td>United States of America, United Kingdom, China</td>
</tr>
<tr>
<td>Leather products</td>
<td>19.2%</td>
<td>United Kingdom, China, Italy, United Kingdom, China</td>
</tr>
<tr>
<td>Non-electronic machinery</td>
<td>14.5%</td>
<td>Germany, United Kingdom, Sweden, United Kingdom, Norway, Spain</td>
</tr>
<tr>
<td>Fresh food</td>
<td>12.9%</td>
<td>China, United Kingdom, Netherlands, China</td>
</tr>
<tr>
<td>Miscellaneous manufacturing</td>
<td>10.9%</td>
<td>Germany, United Kingdom, Netherlands, China</td>
</tr>
<tr>
<td>IT &amp; consumables electronics</td>
<td>3.9%</td>
<td>Slovakia, Singapore, Denmark</td>
</tr>
<tr>
<td>Processed food</td>
<td>-7.3%</td>
<td>Portugal, United States of America, Denmark, China</td>
</tr>
<tr>
<td>Chemicals</td>
<td>-10.2%</td>
<td>France, Belgium, Greece, India, China, Singapore</td>
</tr>
<tr>
<td>Basic manufactures</td>
<td>-14.7%</td>
<td>India, Italy, Netherlands, Denmark, Slovakia, Canada</td>
</tr>
<tr>
<td>Minerals</td>
<td>-21.8%</td>
<td>China, France, Taiwan, Poland, Argentina, China</td>
</tr>
</tbody>
</table>

**Source:** ITC Trade Competitiveness Map

**Note:** RNS is the code for the Harmonized System (HS) code and the figures are based on value estimates for the years specified for each country.
3.2.3 Sectors by World Demand - Export

Growth of national supply and international demand for the products exported by Ethiopia in 2013.

3.2.4 Sectors by World Demand - Import

Growth of national demand and international supply for the products imported by Ethiopia in 2013.
3.2.5 Trade Performance Index

![Trade Performance Index of Ethiopia (mirror)](image-url)

**Source:** ITC Trade Competitiveness Report

The figures displayed in the bars correspond to the country’s global rankings among other countries that export the same category of products. The current index and change in world market share index are the world country ranking for the sector under review.

*Note:* The sectors with a lower ITC ranking correspond to the higher ranking.

*Information provided may differ from the actual statistics in the ITC report as the data is based on market share and may not reflect changes reported by partner countries.
# 4. Trade Strategy and Policy

## 4.1 Trade and Development Strategies

<table>
<thead>
<tr>
<th>Year</th>
<th>Strategy name</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>Ethiopia's Climate Resilient Green Economy</td>
<td>Industry, Forestry, Livestock, Agriculture, Electricity, Construction Industry, Transports, Industry</td>
</tr>
<tr>
<td>2011</td>
<td>UNDAF Ethiopia 2012-2015 The United Nations Development Assistance Framework (UNDAF) for Ethiopia is aligned with...</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>Ethiopia's Agricultural Sector Policy and Investment Framework (PIF) The PIF sets out a 10-year framework within which investments in the...</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>Spices Export Strategy The strategy provides an overview of the spices sector, analysing the main...</td>
<td>Spices, Natural Cosmetics</td>
</tr>
</tbody>
</table>
4.2 Domestic and Foreign Market Access

Overview: Trade Policy and Business Environment

The federal democratic republic of Ethiopia is classified as a low-income country with a long-term vision to become a middle-income economy. Ethiopia is in the process of accession to the WTO, which is believed to accelerate the country's integration into the global trading system. The country was ranked 106th out of 132 countries in the World Economic Forum Enabling Trade Index (2012), which measures institutions, policies and services to facilitate trade in countries. Its business and regulatory environment is deficient in competition and the availability and quality of transport infrastructure, and information and communication technology are low. In particular, identifying potential markets and buyers as well as access to trade finance are the most problematic factors for trade.

WTO, 2013, Accession Status (Ethiopia)
WTO, 2013, Tariff profile (Ethiopia)
African Union, 2013, Commission Status of Integration in Africa

<table>
<thead>
<tr>
<th>INDICATOR, UNITS</th>
<th>RANK/132</th>
<th>SCORE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Market Access</td>
<td>The pillar assesses the level and complexity of a country’s tariff protection as a result of its trade policy. This component includes the effective trade-weighted average tariff applied by a country, the share of goods imported duty free and the complexity of the tariff regime, measured through tariff variance, the prevalence of tariff peaks and specific tariffs, and the number of distinct tariffs.</td>
<td>124</td>
</tr>
<tr>
<td>Foreign Market Access</td>
<td>The pillar assesses tariff barriers faced by a country’s exporters in destination markets. It includes the average tariffs faced by the country as well as the margin of preference in destination markets negotiated through bilateral or regional trade agreements or granted in the form of trade preferences.</td>
<td>54</td>
</tr>
<tr>
<td>Tariff rate (%)</td>
<td>This indicator is calculated as a trade-weighted average of all the applied tariff rates, including preferential rates that a country applies to the rest of the world. The weights are the trade patterns of the importing country’s reference group (2012 data). An applied tariff is a customs duty that is levied on imports of merchandise goods.</td>
<td>124</td>
</tr>
<tr>
<td>Complexity of tariffs, index 1-7 (best)</td>
<td>This indicator is calculated as the average of the following indicators: Tariff dispersion, Specific tariffs and Number of distinct tariffs. See description of each individual indicator for more details. Prior to averaging, values for each indicator were transformed to a 1–7 score, using the min-max method.</td>
<td>37</td>
</tr>
<tr>
<td>Tariffs dispersion (standard deviation)</td>
<td>This indicator reflects differences in tariffs across product categories in a country’s tariff structure. The variance is calculated across all the tariffs on imported merchandise goods, at the 6-digit level of the Harmonized Schedule.</td>
<td>103</td>
</tr>
<tr>
<td>Tariffs peaks (%)</td>
<td>This indicator is the ratio of the number of tariff lines exceeding three times the average domestic tariff (across all products) to the MFN (most-favoured nation) tariff schedule. The tariff schedule is equal to the total number of tariff lines for each country. These tariffs are revised on a yearly basis.</td>
<td>1</td>
</tr>
<tr>
<td>Specific tariffs (%)</td>
<td>This indicator is the ratio of the number of Harmonized System (HS) tariff lines, with at least one specific tariff, to the total number of HS tariff lines. A specific tariff is a tariff rate charged on fixed amount per quantity (as opposed to ad valorem).</td>
<td>1</td>
</tr>
<tr>
<td>Number of distinct tariffs</td>
<td>This indicator reflects the number of distinct tariff rates applied by a country to its imports across all sectors.</td>
<td>25</td>
</tr>
<tr>
<td>Share of duty-free imports (%)</td>
<td>Share of trade, excluding petroleum, that is imported free of tariff duties, taking into account MFN tariffs and preferential agreements. Tariff data is from 2013 or most recent year available and imports data is from 2012</td>
<td>119</td>
</tr>
<tr>
<td>Tariffs faced (%)</td>
<td>This indicator is calculated as the trade-weighted average of the applied tariff rates, including preferential rates that the rest of the world applies to each country. The weights are the trade patterns of the importing country’s reference group (2012 data). A tariff is a customs duty that is levied by the destination country on imports of merchandise goods.</td>
<td>24</td>
</tr>
</tbody>
</table>
Index of margin of preference in destination markets, 0-100 (best) This indicator measures the percentage by which particular imports from one country are subject to lower tariffs than the MFN rate. It is calculated as the average of two components: 1) the trade-weighted average difference between the MFN tariff and the most advantageous preferential duty (advantage score), and 2) the ratio of the advantage score to the trade-weighted average MFN tariff level. This allows capturing both the absolute and the relative margin of preference.


Trade Policy and Market Access

In January 2003 Ethiopia officially applied for membership into the WTO. Although several challenges remain and, therefore, the process of negotiations is slow, Ethiopia is expected to meet all of the requirements set out for accession and become a member in the near future. Ethiopia is a member of the following organisations and regional markets: Common Market for Eastern and Southern Africa (COMESA); the Africa Free Trade Zone (AFTZ); African Union (AU); the African, Caribbean and Pacific Group of States (ACP); the Intergovernmental Authority on Development (IGAD); and the Economic Commission for Africa (EAC). However, Ethiopia's commitment to regional integration remains at the lower end. Although Ethiopia is a founding member of the COMESA since 1993, it remains as a COMESA non-FTA member country; nevertheless goods imported from COMESA countries are afforded a 10 per cent tariff preference. Ethiopia's average MFN applied tariff in 2012 was 17.3 per cent. Agricultural products face higher tariffs (22.4 per cent) compared to non-agricultural products (16.5 per cent). High import tariffs policy is adopted to protect certain industries such as the clothing and textile industries.

Standard Compliance and Other Relevant Import/Export Restrictions

In the process of WTO accession, the Quality and Standard Authority of Ethiopia, which used to oversee the quality and standards accreditation and certification, were divided into the Ethiopian Standard Agency, the Ethiopian Conformity Assessment Enterprise, the National Accreditation office, and the National Metrology Institute, so as to ensure a clear division of responsibilities and the efficient handling of tasks. Among them, the Ethiopian Standards Agency was designated as the WTO Technical Barriers to Trade (TBT) National Enquiry in 2010. The agency aims to have ten thousand items standardized by the end of 2017. Moreover, the country has yet set up the formal relationship with the WTO Sanitary and Phytosanitary Information Management System (SPIMS) through its SPS Enquiry Points and National Notification Authority. Ethiopia signed the Comprehensive African Agriculture Development Programme (CAADP) compact in 2009, which targets key sub-sectors like the livestock, in which Ethiopia leads the region. The compact underpins existing food security and nutrition programs which relates to World Trade Organization (WTO) accession and implementation.

COMESA Secretariat, 2013, Establishing Priorities for SPS Capacity-Building Using Multi Criteria Decision Analysis in Ethiopia
4.3 Trade Facilitation

Ethiopia is a land locked country and most trading is done through Djibouti (90 per cent) and through the airport at Addis Ababa (5 per cent) (OECD 2011). According to the World Banks Logistics Performance Index (LPI) (2012) which measures trade logistics efficiency, Ethiopia was ranked 141st out of 155 countries and all scores are below the averages of the Sub-Saharan Africa region. A recent World Bank study assesses that Ethiopia’s key logistics bottlenecks are related to complex border clearance and inland transportation. For instance, inspection is frequent and highly susceptible to rent seeking, which is handled by more than one agency that causes delays. According to the World Bank Doing Business Report (2013), exporting and importing one standard container of goods takes 44 days each in Ethiopia, while the countries in the same region takes 31 days to import and 38 to export days on average. This is also supported by the OECD Trade Facilitation Indicators (2013) which state that Ethiopia's performance in harmonisation and simplification of documents, automation and streamlining of procedures are below the regional average (OECD 2013). Although the improvement of Ethiopia’s trade facilitation is at a slower pace, its major step is the introduction of the Multimodal Transport System (MTS), which is defined as “the usage of multiple modes of transportation for the delivery of goods in a single contract with a carrier for it to assume all responsibilities for the transportation of cargo between two countries” (World Bank 2013). However, challenges remain, such as monopolistic privileges by the Ethiopian Shipping and Logistics Services Enterprise (ESLSE), which hamper market-oriented implementation.

Source: OECD, 2011, Customs Reform and Trade Facilitation in Ethiopia
OECD, 2013, Trade Facilitation Indicators (Ethiopia)
World Bank, 2013, Ethiopia Economic Update II, Laying the Foundation for Achieving Middle Income Status
World Bank, 2012, Logistics Performance Index (LPI)

Logistics Performance Index (LPI): Country Comparison

Logistics Performance Index – Evolution

### 4.4 Business and Regulatory Environment

<table>
<thead>
<tr>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>The latest World Bank Doing Business Report (2013) ranked Ethiopia 125th out of 189 economies. Among the 10 categories analysed by this study, Ethiopia performs relatively better in enforcing contracts and dealing with construction permits, whereas its performance in starting a business and trading across borders are lacking. Ethiopia's rank on the ease of trading across borders is lower than that of countries in the same region (Kenya, Uganda, and Rwanda) except Eritrea. According to the U.S. Investment Climate Statement (2013), in Ethiopia, foreign investors generally do not face discrimination such as tax treatment, denial of licenses, discriminatory import or export policies, or inequitable tariff and non-tariff barriers. At the regional level, the COMESA Regional Investment Agency has been created and is expected to coordinate and strengthen the activities of the COMESA national investment promotion agencies (UN Economic Commission for Africa 2013). However, Ethiopia has a strong state-led investment policy and state-run sectors such as banking and telecommunication have not been liberalised for both domestic and foreign private investment, which result in a competitive market economy in only few sectors whilst the institutional framework remains weak.</td>
</tr>
</tbody>
</table>

**Source:**
- Bertelsmann Stiftung, 2012, Country Report (Ethiopia)
- UN Economic Commission for Africa, 2013, Assessment of progress on regional integration in Africa
- U.S. Department of State, 2013, Investment Climate Statement (Ethiopia)
- Ventures Africa, 2013, Ethiopia To Join WTO In 2015
- World Bank, 2013, Doing Business

### The Business Environment: Doing Business

**Source:** World Bank, 2013, Doing Business (Ethiopia)

#### Multilateral Trade Instruments
Abstract

The Trade Treaties Map tool is a web-based system on multilateral trade treaties and instruments designed to assist trade support institutions (TSIs) and policymakers in optimizing their country’s legal framework on international trade.

<table>
<thead>
<tr>
<th>Instrument ratified:</th>
<th>67 / 266 instruments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratification rate:</td>
<td>25.2%</td>
</tr>
<tr>
<td>Weighted score:</td>
<td>32.8/100</td>
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<table>
<thead>
<tr>
<th>Ratification Rate Rank</th>
<th>Weighted Score Rank</th>
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<tbody>
<tr>
<td>In World: 160 / 193</td>
<td>164 / 193</td>
</tr>
<tr>
<td>In Region: Sub-Saharan Africa</td>
<td>35 / 47</td>
</tr>
<tr>
<td>In Development level: Least developed country</td>
<td>29 / 48</td>
</tr>
</tbody>
</table>

Graph

Presents a visual illustration breaking down a country’s ratification level according to various categories and compares it to the world average.

Instruments ratified

Click here for a full list and more details about these multi-lateral trade instruments.
4.5 Infrastructure

The latest World Economic Forum Global Competitiveness Report (2013) ranked the quality of overall infrastructure of Ethiopia 112nd out of 148 countries. Among the categories analysed by this survey, mobile telephone subscriptions and fixed telephone lines per 100 populations are particularly low-ranked 147th and 130th respectively. Ethiopia’s telecommunication sector is regarded as an untapped market and has one of the lowest rates of internet and mobile telephone penetration in the world. Mobile phone penetration is about 25 per cent in Ethiopia, whereas its average in Africa is 70 per cent (The Economist 2013). Access to the internet is also low in Ethiopia with 2.5 per cent, compared with 40 per cent in Kenya. The capacity to provide services is deficient because the government monopolises the sector, constraining competition. However, the liberalisation of the telecommunication sector is one of the key requirements for Ethiopia’s accession to the WTO. The strong state-led investment policy also applies to the banking and electricity sector. Given the lack of transparency in the procurement system and a high demand from investors, the Ethiopian government has established a public procurement and property administration agency with its own judicial branch.

Source: WEF, 2013, Global Competitiveness Report
The Economist, 2013, Telecoms in Ethiopia
Transparency International, 2012, Corruption Perceptions Index

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
<th>Rank/148</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of overall infrastructure How would you assess general infrastructure (e.g., transport, telephony, and energy) in your country? [1 = extremely underdeveloped—among the worst in the world; 7 = extensive and efficient—among the best in the world]</td>
<td>2.84</td>
<td>116</td>
</tr>
<tr>
<td>Quality of roads How would you assess roads in your country? (1 = extremely underdeveloped; 7 = extensive and efficient by international standards)</td>
<td>4.07</td>
<td>63</td>
</tr>
<tr>
<td>Quality of railroad infrastructure How would you assess the railroad system in your country? (1 = extremely underdeveloped; 7 = extensive and efficient by international standards)</td>
<td>1.49</td>
<td>102</td>
</tr>
<tr>
<td>Quality of port infrastructure How would you assess port facilities in your country? (1 = extremely underdeveloped; 7 = well-developed and efficient by international standards). For landlocked countries, this measures the ease of access to port facilities and inland waterways</td>
<td>3.10</td>
<td>112</td>
</tr>
<tr>
<td>Quality of air transport infrastructure How would you assess passenger air transport infrastructure in your country? (1 = extremely underdeveloped; 7 = extensive and efficient by international standards)</td>
<td>5.35</td>
<td>40</td>
</tr>
<tr>
<td>Individuals using Internet (%) Internet users are people with access to the worldwide network.</td>
<td>22.38</td>
<td>137</td>
</tr>
<tr>
<td>Mobile telephone subscriptions/100 pop According to the World Bank, mobile cellular telephone subscriptions are subscriptions to a public mobile telephone service using cellular technology, which provides access to switched telephone technology. Postpaid and prepaid subscriptions are included. This can also include analogue and digital cellular systems but should not include non-cellular systems. Subscribers to fixed wireless, public mobile data services, or radio paging services are not included.</td>
<td>1.48</td>
<td>135</td>
</tr>
<tr>
<td>Fixed broadband Internet subscriptions/100 pop: The International Telecommunication Union considers broadband to be any dedicated connection to the Internet of 256 kilobits per second or faster, in both directions. Broadband subscribers refers to the sum of DSL, cable modem and other broadband (for example, fiber optic, fixed wireless, apartment LANs, satellite connections) subscribers.</td>
<td>0.01</td>
<td>134</td>
</tr>
</tbody>
</table>

5. ITC and the Country/Territory

5.1 ITC Projects

5.1.1 Current projects

- Trade promotion and value addition for African cotton
- LDCs: Fostering business support to the WTO Accession project
- T4SD Small Traders Capacity Building Programme

5.1.2 Recent projects

- Project development: Supporting India’s Trade Preferences for Africa’s Poor (SITA)
- Project development: Cotton to clothing: Enhancing African capacity and trade through the use of Turkish know-how
- WTO Accession: Ethiopia
- Comesa regional trade information networks
- PACT 2 - COMESA Leather Sector Regional Export Development
- PACT 2 - COMESA Regional Private Sector Apex Bodies for Public-Private Dialogue
- PACT 2 - COMESA Networks of National and Regional TSIs
- PACT 2 - COMESA Sector Strategy
- PACT 2 - COMESA Market Analysis and Sector Prioritization
- PACT 2 - COMESA Improved Technical Capacities and RBM Operations
- ACCESS II for African Business Women in International Trade
- ACP - Cotton sector strategy implementation
- ACP - Agri-food & agri-business sector strategy implementation
- ACP - Agri-food & agri-business sector strategy development
- Women and trade - Empowering women in the coffee sector
- Ethiopian coffee quality project
5.2 Events

5.2.1 Upcoming events

No data

5.2.2 Recent events

9th Conference of African Union Ministers of Trade 04/12/2014 - Addis Ababa
5.3 ITC Contacts

Ramin GRANFAR  
Trade Promotion Officer  
+41 22 730 0318  
granfar@intracen.org

Ruben PHOOLCHUND  
Chief, Office for Africa  
+41 22 730 0508  
phoolchund@intracen.org
6. Trade Information Sources and Contacts

6.1 Trade Information Sources

This section provides a list of country specific print and online publications on trade-related topics, including both ITC and external sources.

6.1.1 ITC publications

Gourmet Coffee Project: Adding Value to Green Coffee

Report on the 'Gourmet Coffee Project' launched in 1997 by the International Coffee Organization (ICO), Common Fund for Commodities (CFC), and International Trade Centre UNCTAD/WTO - describes the specific activities...

Read more

Ethiopia: Supply Survey on Emergency Items and Transport Services

Supply survey on emergency items and transport services in Ethiopia - gives overview of Ethiopian economy including the agriculture and manufacturing sectors; analyses the characteristics, structure, performance and incentives of...

Read more
How to Approach Banks: A Guide for Ethiopian Entrepreneurs

Guide aimed at Ethiopian entrepreneurs explaining ways and means of obtaining trade credit from banks - addresses assessment of financial needs; payment methods and related credit facilities for trade transactions;... Read more

Indicative COMESA Customs Tariff Rates and National Rates for Zimbabwe

Document lists Zimbabwe national tariffs and COMESA tariffs side by side for all commodities on the basis of the Harmonized Commodity Description and Coding System. Read more

Growing Out of Poverty: A Strategic Direction in the Agricultural Sector of Ethiopia

Paper contributed by Ethiopia National Strategy Team, presented at ITC Executive Forum: 'Bringing the Poor into the Export Process: Linkages and Strategic Implications', Berlin, Germany, 27-30 September, 2006... Read more
Building Markets: Regional Integration, Responding to Necessity - Kenya

Paper presented at ITC World Export Development Forum: 'Bringing Down the Barriers - Charting a Dynamic Export Development Agenda', Montreux, Switzerland, 8-11 October, 2007 - provides an overview of...

Read more

Spice Sub-Sector Strategy for Ethiopia

Paper presenting a stakeholder driven strategy for the spice sector in Ethiopia - provides a description of the spice sector from global and regional perspectives; outlines institutional and governmental support...

Read more

Ethiopia Export Strategy: Key Features and Major Influencing Factors

Paper contributed by Ethiopia National Team, presented at ITC Regional Executive Forum: 'Re-thinking Export Strategy', Nairobi, Kenya, 26-28 November 2001 - reviews Ethiopia's export strategy with regards to...

Read more
6.1.2 Selected printed information sources

- 2006 - Gebreselassie Fanta, Elias Does Value Addition at Oilseed Production and/or Spreading the Gain from Export of Oilseed Products Increase the Income of Primary Producers?
- 2007 EU's Footprint in the South : Does European Community Development Cooperation make a Difference for the Poor?
- 2006 - Kyamalesa H; Hougnikpo M C Economic Integration and Development in Africa
- 2009 Regional Strategy for Cotton -to -Clothing Value Chain
- 2007 Analysis of Production Costs, Market Opportunities and Competitiveness of Desi and Kabuli Chickpeas in Ethiopia
- 2007 Global Trade and Poor Nations : The Poverty Impacts and Policy Implications of Liberalization
- 2002 Internet from the Horn of Africa: Ethiopia Case Study
- 2009 Addis Ababa Business Directory
- 2001 Women Entrepreneurs in Least Developed Countries: Country Studies From Africa
- 2003 - De la Rocha M The Cotonou Agreement and its Implications for the Regional Trade Agenda in Eastern and Southern Africa
- 2006 Africa Foreign Investor Survey 2005
- 2003 - Hammond L Obstacles to Regional Trade in the Horn of Africa: Borders, Markets, and Production
- 2010 - Kiratu S; Roy S Beyond Barriers : The Gender Implications of Trade Liberalization in Southern Africa
- 2009 - Gebremariam, Abebe Haile Small and Medium Forest Enterprises in Ethiopia
- 2013 e-COMESA Newsletter
- 2006 - Meyn, Mareike Regional Integration and EPA configurations in Southern and Eastern Africa : What are the feasible alternatives?
- 2011 ZDA Spotlight
- 2011 - Sandrey R Cape to Cairo : An Assessment of the Tripartite Free Trade Area
- 2003 Ethiopia. Textile and Apparel Sector
- 2008 Secteur agroalimentaire en Ethiopie
- 2006 Sustainability Impact Assessment (SIA) of the EU-ACP Economic Partnership Agreements : Phase Three : Horticulture in Eastern and Southern Africa. - Mid-Term Report (Revised Draft)
- 2004 An Investment Guide to Ethiopia : Opportunities and Conditions
- 2000 Competition Policy, Trade and Development in the Common Market for Eastern and Southern Africa
- 2008 Perfil de la Industria Paraguaya de Software
- 2009 Characteristics of Malaysia's Animal Feed Market
- 2014 Perspectives on Global Development 2014: Boosting Productivity to Meet the Middle-Income Challenge
- 2010 Mobilizing Aid for Trade for SPS-Related Technical Cooperation in the Greater Mekong Sub-Region
- 2010 Leather Garments in the EU
- 2006 Overview of the Current State of Organic Agriculture in Kenya, Uganda and the Republic of Tanzania and the Opportunities for Regional Harmonization
- 2011 Potential Supply Chains in the Textiles and Clothing Sector in South Asia: An Exploratory Study
- 2011 - Macrory P; Stephenson S Making Trade in Services Supportive of Development in Commonwealth Small and Low-income Countries
- 2012 - Fold, Niels; Whitfield, Lindsay Developing a Palm Oil Sector: the Experiences of Malaysia and Ghana Compared
- 2011 Opportunities for Trade in Services of Canada
- 2011 - Bartels L; Goodison P EU Proposal to End Preferences of 18 African and Pacific States: An Assessment
- 2011 India and Latin America and the Caribbean: Opportunities and Challenges in Trade and Investment Relations
- 2009 Information Management Resource Kit: Web 2.0 and Social Media for Development
- 2013 Human Resource Management
- 2011 - Goswami A G; , eds. Exporting Services: A Developing Country Perspective
- 2011 Guides de bonnes pratiques produits phytosanitaires pour la culture des piments (Capsicum Frutescens, Capsicum Annuum, Capsicum Chinense) et poivrons (Capsicum Annuum)
- 2008 Guides de bonnes pratiques phytosanitaires pour la mangue (Mangifera indica) issue de la production biologique
- 2010 Financial Services in Agriculture Value Chain Report: A Study of Five Kenyan Sub-Sectors namely Potato, Dairy, Coffee, Extensive Livestock and Domestic Horticulture
- 2014 Human Relations
- 2008 Romania: Organic Agriculture
- 2011 A Profile of the South African Mango Market Value Chain
- 2008 Poland - Organic Products: Certification and Subsidies to Domestic Production
- 2007 - Greene, W Emergence of India's Pharmaceutical Industry and Implications for the U.S. Generic Drug Market
- 2007 - Liapis, Peter S. Preferential Trade Agreements: How Much Do They Benefit Developing Economies?
- 2007 Environment and Regional Trade Agreements
- 2006 Bulgaria: Organic Products
- 2006 Lithuania: Organic Products - Organic Farming in Lithuania
- 2008 Marché de la maroquinerie à Hong Kong
- 2007 - Warnholz, Jean-Louis Poverty Reduction for Profit?: A Critical Examination of Business Opportunities at the Bottom of the Pyramid
- 2007 OECD Economic Surveys: Ukraine Economic Assessment

6.1.3 Selected online information sources

- Ethiopian Agriculture Portal (EAP)
- Africa Fine Coffees Association (AFCA)
- Ethiopian Customs Authority (ECA)
- Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA)
- COMESA Food and Agriculture Market Information System (FAMIS)
- EthioMarket
- Ethiopian Cotton Producers, Ginners, and Exporters Association (ECPGEA)
- Intergovernmental Authority on Development (IGAD)
- Non-Tariff Barriers Reporting, Monitoring and Eliminating Mechanism
- Common Market For Eastern And Southern Africa (COMESA)
- New Business Models for Sustainable Trade
- TradeMark Southern Africa (TMSA)
- Ethiopian Leather Industries Association (ELIA)
- COMESA Statistical Database (COMSTAT)
- Cross Border Trade Desk (CBT DESK)
- African Regional Organization for Standardization (ARSO)
- Eastern and Southern Africa Leather Industries Association (ESALIA)
- Ethiopia Commodity Exchange (ECX)
- TradeAfrica.biz
- Ethiopian Horticulture Producers and Exporters Association (EHPEA)
- APC Africa ICT Policy Monitor
- Leather Trade Information Portal (LMIP)
- Ethiopian Flower Export
- COMESA afriBUSINESS
- 2Merkato.com
## 6.2 Trade Contacts

<table>
<thead>
<tr>
<th>Official Name</th>
<th>Address</th>
<th>City</th>
<th>Phone Number</th>
<th>Fax Number</th>
<th>Email</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mekelle Chamber of Commerce</td>
<td>Wereda-Debub, Mekelle</td>
<td>Mekelle</td>
<td>+251 34 4410671</td>
<td>+251 34 4408914</td>
<td><a href="mailto:mekchamber@telecom.net.et">mekchamber@telecom.net.et</a></td>
<td><a href="http://www.mekellechamber.com">www.mekellechamber.com</a></td>
</tr>
<tr>
<td>African Centre for Gender and Development</td>
<td>Communication Team, Addis Ababa</td>
<td>Addis Ababa</td>
<td>+251-1-51 72 00 (std)</td>
<td>+251-1-51 03 65 (direct)</td>
<td><a href="mailto:ecainfo@uneaca.org">ecainfo@uneaca.org</a></td>
<td><a href="http://www.uneca.org/fr/acgd/en/800x600/acgd.htm">http://www.uneca.org/fr/acgd/en/800x600/acgd.htm</a></td>
</tr>
<tr>
<td>Ethiopian Horticulture Producers and Exporters Association</td>
<td>Haile Gebre-Selassie Avenue, Addis Ababa</td>
<td>Addis Ababa</td>
<td>251 116 63 67 50/1</td>
<td>251 116 63 67 53</td>
<td><a href="mailto:ehpea@ethionet.et">ehpea@ethionet.et</a></td>
<td><a href="http://www.ehpaa.org.et">www.ehpaa.org.et</a></td>
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<td>Selam Environmental Development Association</td>
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<td>Addis Ababa</td>
<td>+251 1 161 060</td>
<td>+251 1 661 829</td>
<td><a href="mailto:SEDA@telecom.net.et">SEDA@telecom.net.et</a></td>
<td><a href="http://www.e-e-a.netfirm.com">www.e-e-a.netfirm.com</a></td>
</tr>
<tr>
<td>Addis Ababa Chamber of Commerce</td>
<td>Mexico Square, Addis Ababa</td>
<td>Addis Ababa</td>
<td>+251 11 518055</td>
<td>+251 11 511479</td>
<td><a href="mailto:aachamb1@ethionet.et">aachamb1@ethionet.et</a></td>
<td><a href="http://www.addischamber.com">http://www.addischamber.com</a></td>
</tr>
<tr>
<td>Dire Dawa Chamber of Commerce</td>
<td>P.O. Box 198, Diredawa</td>
<td>Diredawa</td>
<td>+251 11 6626134</td>
<td>+251 25 112468</td>
<td><a href="mailto:info@bd-s-etopia.net.net">info@bd-s-etopia.net.net</a></td>
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</tr>
<tr>
<td>Nazareth Chamber of Commerce</td>
<td>P.O. Box 36, Adana (Nazareth)</td>
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<td>+251 22 122699</td>
<td><a href="mailto:ncc@telecom.net.et">ncc@telecom.net.et</a></td>
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<tr>
<td>Quality and Standards Authority of Ethiopia</td>
<td>P.O. Box 2310, Addis Ababa</td>
<td>Addis Ababa</td>
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<td>251 1 46 08 81</td>
<td><a href="mailto:qsa@telecom.net.et">qsa@telecom.net.et</a></td>
<td><a href="http://www.qsae.org/">http://www.qsae.org/</a></td>
</tr>
<tr>
<td>Ethiopia Investment Agency</td>
<td>Africa Avenue, Addis Ababa</td>
<td>Addis Ababa</td>
<td>251 1 51 00 33</td>
<td>251 1 51 43 96</td>
<td><a href="mailto:ethiopian.invest@ethioinvest.org">ethiopian.invest@ethioinvest.org</a></td>
<td><a href="http://www.ethioinvest.org/">http://www.ethioinvest.org/</a></td>
</tr>
<tr>
<td>COMESA Leather and Leather Products Institute</td>
<td>, Addis Ababa</td>
<td>Addis Ababa</td>
<td>+251 1 4313 18 / 20</td>
<td>+251 1 4313 21</td>
<td><a href="mailto:comesa.lli@ethionet.et">comesa.lli@ethionet.et</a></td>
<td><a href="http://about.come">http://about.come</a> sa.int/lang-en/institutions/llpi</td>
</tr>
<tr>
<td>UN Economic Commission for Africa (UNECA/ATPC)</td>
<td>P.O. Box 3001, Addis Ababa</td>
<td>Addis Ababa</td>
<td>+251 11 544 5326</td>
<td></td>
<td><a href="mailto:AElbeshbishi@uneaca.org">AElbeshbishi@uneaca.org</a></td>
<td><a href="http://www.uneca.org/">http://www.uneca.org/</a></td>
</tr>
<tr>
<td>iDE Ethiopia</td>
<td>Kirkos Subcity, Kebele 08, House Number 429, Addis Ababa</td>
<td>Addis Ababa</td>
<td>+251-11-467-2906/7/8</td>
<td>+251-11-467-3341</td>
<td><a href="mailto:IDE_Ethiopia@ide.org.et">IDE_Ethiopia@ide.org.et</a></td>
<td><a href="http://ethiopea.ide.org/">http://ethiopea.ide.org/</a></td>
</tr>
<tr>
<td>Ethiopian Chamber of Commerce and Sectoral Associations</td>
<td>1st Floor, Mexico Square, Addis Ababa</td>
<td>Addis Ababa</td>
<td>+251 11 518240</td>
<td>+251 11 517699</td>
<td>etchamb @_ethionet.et</td>
<td><a href="http://www.ethioi">http://www.ethioi</a> ancham ber.com/</td>
</tr>
<tr>
<td>Ministry of Trade</td>
<td>P.O. Box 704</td>
<td>+251 911 463 940</td>
<td><a href="mailto:lisaneworkrkg@yahoo.com">lisaneworkrkg@yahoo.com</a></td>
<td><a href="http://www.mot.gov.et/home">http://www.mot.gov.et/home</a></td>
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