

BUSINESS News IN BRIEF

■ Manufacturing

Investors to Launch 183m Br Projects

The Southwest Shoa Zone Administration signed agreements with ten investors operating in the Sebeta Awas Woreda to enable the latter to launch various investment projects in the area with a combined capital of 183 million birr, Zonal Information and Public Relations Office said. The investors would establish leather, carton, textile, and food processing industries in the woreda. They have already received 6.5 hectares to install various manufacturing industries in the woreda, it said, adding the investment projects is expected to create jobs for over 1,800 people upon going operational within the coming two years.

Source: *The Ethiopian Herald, March 11, 2007*

■ Investment

Flow of Foreign Investment Shows Dramatic Growth

The flow of foreign investment to Ethiopia has shown a remarkable growth during the past five years, the Ethiopian Investment Agency said. Agency Investment Promotion and Public Relations Department Director Aklilu Woldemariam said that the average number of licensed foreign investment projects, which stood at 40 five years ago, has jumped to 500 between the years 2002 and 2006. The country's investment policy makes foreign investors eligible to enjoy all the privileges available for local investors, the director said, adding that this is a big incentive for the expatriates and comparatively more advantageous than the incentives given by some countries.

Source: *The Ethiopian Herald, March 15, 2007*

■ Airline

Ethiopian to Start Services in Sana'a and Bahrain

Ethiopian Airlines will continue its international expansion with new nonstop flights between Addis Abeba and Bahrain, effective June 3, 2007. The new flights will be the only nonstop flights between Addis Abeba and Bahrain, and will save customers three hours in travel time versus existing connections. The commencement of this flight will open the door for investment opportunities in Ethiopia. The Airline is also set to launch services to the city of Sana'a effective May 14, 2007 with four flights per week. With more than 60 years in the aviation industry, today, Ethiopian flies to 46 destinations across four continents; this summer's addition of Sana'a and Bahrain will bring the total to 48 destinations worldwide. Ethiopian Airlines will be the second airline in the world to take delivery of the Boeing Dreamliner 787, an aircraft that will allow the airline to expand even further.

Source: *News Release-Ethiopian Airlines, March 15, 2007*

■ Land

Ministry Undertakes Land Holding Management Support Programme

The Ministry of Agriculture and Rural Development has been undertaking the land holding and management support programme in four regional states. The Ministry has been undertaking the program in 24 woredas and 90 kebeles in collaboration with Oromia, Tigray, Amhara and Southern Nations Nationalities and Peoples' Regional States. The programme, which is being financed and technically assisted by USAID and ARD, would be implemented for a period of three years. The Ethiopian land holding and management support programme is aimed at modernising the process of land holding using technology and training.

Source: *The Daily Monitor, March 15, 2007*

■ Leather

Ethiopian Leather Industry Leaders Make Russian Connections

Ethiopian tanners and leather companies returned to Addis Abeba this week from a successful trade delegation to Moscow. The four person delegation returned with a substantial initial trial order for four containers of wet blue, a semi-finished hide, and one container of dyed and natural crust hides. Apart from commercial negotiations between Ethiopian tannery and leather exporters and Russian buyers, a memorandum of understanding was also reached between the Ethiopian Leather Industry Association and the Russian Tannery and Footwear Union at a series of meetings in Moscow. The delegation also visited the largest tannery in Europe, a few hours southeast of Moscow, where they have a capacity to tan up to 8,000 hides a day.

Source: *Press Release, March 15, 2007*

Italian Companies Keen to Support Leather Industry Capacity

Three Italian companies said they would jointly work to build the capacity of the Ethiopian leather industry and enable it to supply finished leather products to the international market. General Manager of Italprogetti Africa, a coordinating company, Yenew Kassie said that Italian companies Alpha, Alberto Rosi and Italprogetti have agreed to work jointly in the fields of

modern technology transfer in Ethiopia. Most of the local leather companies are engaged in supplying semi processed leather products to the international market, the manager said and added that the Italian companies would provide assistance aimed at enabling the Ethiopian leather sector to supply finished leather goods.

Source: *The Ethiopian Herald, March 13, 2007*

■ Coffee

Coffee Enterprise Says Secures Over 78m Br in Revenue

Coffee Plantation and Development Enterprise said it has collected over 78 million birr from the supply of coffee for foreign and local markets over the past six months. Representative of the Enterprise's Manager Sisay Asrat said that the Enterprise collected the revenue from the supply of dry and washed coffee Arabica. The Enterprise has obtained over 66 million birr revenue from the export of washed coffee to Germany, Japan, Switzerland, England, France and Taiwan, among others. The number of Ethiopian Coffee buyer companies has increased to 17 from only three, he said adding that the Enterprise has started exporting its products for the first time to America. The enterprise has secured close to 13 million birr from the sale of unwashed coffee for local market over the reported period.

Source: *The Daily Monitor, March 13, 2007*

■ Oil

Ministry Close to Finalise Deals with Oil Companies

The Ministry of Mines and Energy carried out negotiations with four foreign companies for petroleum exploration and development in Ogaden, Kalub Hilala, Gambella and Benishangul Gumuz, a public relations official with the Ministry said. The Ministry has finalised negotiations and signed a petroleum exploration and development agreement with one foreign company, he added. The negotiations were made with Global Oil and Energy Resources, Petronas, K and S as well as Westminster Oil Limited companies.

Source: *The Daily Monitor, March 13, 2007*