



Dutchiopia – Agri News

Date: 29 October 2021 (no. 09)

On activities, events, studies, articles and more

Do not hesitate to contact us in case of requests, tips for this news letter or trade questions.

Agricultural Department

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<https://www.agroberichtenbuitenland.nl/landeninformatie/ethiopi>
[e](#)



Latest publications

COVID-19 related news

We continuously collect relevant updates and reports related to COVID-19 for everyone involved in agribusiness in Ethiopia. We publish these on our twitter / Facebook and our website.

On Agroberichten Buitenland we have provided [an overview](#) of some of the most relevant contact points for further information.

You can also view [here](#) Ethiopia's COVID-19 status on [WHO COVID-19 Dashboard](#)



Ethiopië heeft als land de Xylella vrije status verworven.

Ethiopië ontving in oktober het zeer goede nieuws vanuit Brussel dat het als land de Xylella vrije status heeft verworven. Xylella is een bacterie die schade aanricht aan o.a. olijfbomen, waardoor de Europese Commissie vrij strikt is in haar fytosanitaire EU-importbeleid.

Begin dit jaar dreigde de EU haar grens voor Ethiopisch plantmateriaal te sluiten, aangezien het Ministerie van Landbouw niet tijdig had gereageerd op het verzoek van DG SANTE om met fytosanitaire garanties te komen. Please read [here](#) the full article.

Overview of Useful documents

Revised Commercial Code of Ethiopia 2021

The revised commercial code of Ethiopia is now available in English. You may download the document [here](#)

Defining powers and duties of Executive organs

New proclamation to revise the definition of the powers and duties of the Executive organs can be found [in Amharic] [here](#) and a short description about the changes can be read in the official website of [Addis Maleda](#) or [here](#)

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Short Newsflashes

Moody's Cuts Ethiopia's Credit Rating Second Time Since May

Moody's Investors Service cut Ethiopia's sovereign credit rating for a second time since May, citing a delay in the nation's planned debt restructuring and an escalating civil war.

The yield on Ethiopia \$1 billion of Eurobonds climbed five basis points to a record 13.83%. The rate on the debt has more than doubled since November 2020, when conflict erupted in Ethiopia's dissident Tigray region.

Read the full article [here](#)



Clarification on the Federal Income Tax Regulation

Recognizing the fact that Federal Income Tax Regulations No. 410/ 2016 lacks sufficient clarity for its proper application and has negatively impacted some economic activities, the Council of Ministers on its 100th ordinary meeting clarifies the controversy surrounding the regulation. The major changes brought by this amendment can be found [here](#)

The National Bank of Ethiopia (NBE) Amends Recent Loan Regulation

According to the article on [The Reporter](#), the NBE is to ease the recently placed loan regulations, against lending on mobile assets and indebted banks for indefinite loans. It has announced that banks can now approve 5 types of loans:

- For buyers who wish to buy auctioned assets listed by the bank, to repay debts
- Transaction between second and third parties on areas that the NBE now allows loans
- Emergency loans to bank employees
- Requests for loans from trusted and approved organizations, and employees who meet the requirements to purchase houses
- For sesame growers in Gonder area, considering the season

Abiy Ahmed Ali has been re-elected as prime minister Of Ethiopia. He has appointed Ministerial cabinets and officials of high level Federal Positions

According to [this](#) article on Fana Broadcasting, The 6th House of Peoples Representatives, in its founding session, has re-elected Abiy Ahmed Ali (PhD) as Prime Minister of Ethiopia on October 4, 2021.

Accordingly, Abiy Ahmed (PhD) was officially sworn in as a Prime Minister by the President of Supreme Court of Ethiopia for a second term.

The House of Peoples Representatives has approved his nominated Ministerial level cabinet members including reappointment of Demeke Mekonnen Hassen as Deputy Prime Minister and Foreign Minister. Apart from members of Prosperity party, three contending parties' leaders have been included as cabinet members. Find the list of newly appointed Ministers [here](#).

Prime Minister Abiy Ahmed has also appointed more officials to various high level federal positions. Read the complete list of newly appointed official [here](#).



Bad sign' as IMF withholds Ethiopia growth forecast

African Business has reported in the article [here](#) that in a rare move reserved for war-torn countries and failed states, the IMF has not released a GDP growth forecast for Ethiopia in its latest World Economic Outlook for the next four years.

The only other countries excluded from the projections are Afghanistan, Libya and Syria.

While the IMF makes no explicit reference to the Tigray war, analysts say that the ongoing conflict is the most likely reason why the multilateral lender has withheld its predictions for Ethiopia's economic recovery in 2022.

Ethiopian Airlines, Djibouti Free Zone Launch Sea-Air Cargo Operation

The first Sea-Air Cargo Operation that discharge 17 tons of electronic and home appliances from Shenzhen to Lagos and Kano in Nigeria via Djibouti is launched on Thursday.

As the leading air cargo service provider in Africa, Ethiopian Airlines, coupled with the competitive geo-strategic advantage Djibouti has, this project, when fully operational, will double the cargo operation of the Airlines and make Djibouti a hub for sea-Air cargo logistics.

Sea-Air cargo project that is twice as fast as the sea only and twice as cheap as the Air only transportation is expected to massively scale up trade relations between Africa and Asia.

Read more about this project [here](#)



Draft bill obligates banks to secure timely deposit of pension funds

A draft bill presented to the House of Peoples' Representatives (HPR) sets to impose on banks and related financial institutions a duty to deduct/transfer from accounts of private organizations that collect pension from their employees but fail to deposit the money timely to the Pension Fund.

According to the bill, banks and other financial institutions that are required to implement the decision must apply the order without any precondition and if the institutions fail to do so, they might be obliged to pay the liability. The Reporter has the full article, which can be found in this link [here](#).

Food Inflation Hits 42pc

The rate of inflation for food items has reached a staggering 42pc, a latest report from the Central Statistics Agency revealed.

Fast depreciation of the Birr against major currencies and dearth in the supply of food items have contributed to the inflationary pressure.

Read more on the topic [here](#)

Subject : NBE Instruction

Please be informed that NBE has instructed us further to the exemptions issued so far regarding restrictions on loan disbursement, this is to inform you that the National Bank has issued additional exemption for **businesses engaged in the production and export of horticulture sector and Companies Supplying Petroleum Products** in line with an agreement entered with **Ethiopian Petroleum Supply Enterprise** effective from October 27, 2021. For sake of clarity, please note that this exemption, for the time being, does not include petroleum dealers.

Regards,

Additional Exemption on Loan Restriction

The National Bank of Ethiopia has issued additional exemption regarding restrictions on loan disbursement as reported by [Business info Ethiopia](#).

According to this exemption, business engaged in the production and export of horticultural sector and companies supplying petroleum products are exempted effective from October 27, 2021.

This exemption, however, doesn't include petroleum dealers.

Ethiopia: Avocado Export

Farmers in 9 agricultural clusters in the Amhara region will soon begin exporting Hass avocados cultivated on 200 hectares of land.

447 farmers in North Mecha Woreda of West Gojjam Zone are participating in the export process; Out of which 156 farmers collected, prepared, weighed, packed & exported avocados weighing more 1600 quintals for the international market. In the same way, preparation has commenced to export these types of avocados in the Oromia region.

Read [here](#) for more on the topic.

Oproep voor Seed Money Projecten geopend

Bedrijven die hun internationale activiteiten willen vergroten, kunnen daar steun voor krijgen in de vorm van Seed Money Projecten. In deze projecten staat het opbouwen van nieuwe internationale netwerken centraal. Ook de haalbaarheid van nieuwe internationale productieketens kunnen in een Seed Money Project verkend worden. In te dienen projecten moeten passen binnen de Kennis- en Innovatieagenda Landbouw, Water, Voedsel.

In oktober is de oproep voor nieuwe projecten geopend. De oproep wordt gezamenlijk samen met de Topsector Agri & Food georganiseerd. De indieningstermijn sluit op 17 december 2021. Voor meer details, bezoek de website van de Topsectoren ‘Tuinbouw & Uitgangsmateriaal’ en Agri & Food.

Source: Nieuwsbrieven - [Topsector Agri & Food \(topsectoragrifood.nl\)](https://topsectoragrifood.nl)

#Ethiopia: 7 Key Things a Company Should do Before Tax Audit

The tax audit process in Ethiopia is the most challenging process for business owners.

The most common reasons to be called in for a tax audit include a) Time - If a company operates for 5 years without being audited, the tax office deem the company to be high risk and b) when the tax office is tipped off to investigate a company. There are a number of actions business owners can take to minimize the burden of a tax audit.

The importance of a) proper planning and ordered preparation and b) getting expert help is key. Have the house in order before auditors arrive...or they will risk tomorrow taking up not just today, but tomorrow as well.

Read [here](#) for the 7 and more tips on what activities to take on before undergoing tax audits in Ethiopia.



Premier of Ethiopia Reiterates Increased Food Self-Sufficiency Through Utilization Of Agricultural Potentials

As indicated in the [article](#) of [Fana Broadcasting](#), Prime Minister Abiy Ahmed concluded his two day visit to agricultural practices in various Woredas and Zones of Oromia Region. On the concluding ceremony, the premier said that best agricultural practices will be expanded to other areas of the country, reiterating increased food security and food self-sufficiency through effective utilization of agricultural production potentials.

Ethiopia and Kenya hold a discussion for launching synchronized animal vaccination campaign at cross-border areas

Through the Regional Pastoral Livelihoods Resilience Project (RPLRP), Ethiopia and Kenya hold a discussion on how to conduct synchronized animal vaccination campaign at cross-border areas for the purpose of controlling Trans-boundary Animal Diseases (TADs).

IGAD Center for Pastoral Areas and Livestock Development (ICPALD) facilitated signing of bilateral memorandum of understanding (MoU) between the two countries in order to formally coordinate disease control on border areas.

The full article on the discussion can be found on the on the website IGAD [here](#).



Events & Developments

Events of the past month



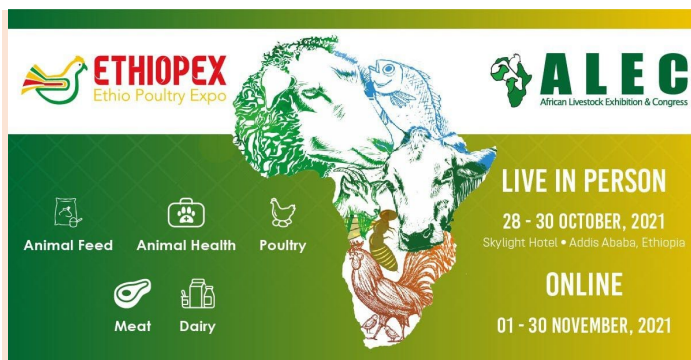
Agrofood & plastprintpack Ethiopia

Ethiopia's first trade show since Corona, the 4th edition of agrofood & plastprintpack Ethiopia started its 3 days event on 14 October 2021 in Sky Light Hotel in Addis Ababa.

The event was officially opened by high-ranking representatives of Ethiopian agrofood and plastprintpack institutions, the Turkish and German ambassadors, as well as the managers of the organisers fairtrade and their Ethiopian partner Prana Events.

The pavilions came from Germany, Italy, Russia and Turkey. Exhibitors from Ethiopia, France, Germany, India, Italy, Nigeria, Russia, Turkey and USA.

Details of the event can be found on the Website of the Organizers [here](#).



Ethio poultry expo & African livestock exhibition & congress

The 10th edition of the Ethio poultry expo & 6th edition of the African livestock exhibition & congress (ALEC) were opened for visitors at the Ethiopian Skylight Hotel in Addis Ababa on October 28th for a three day period.

The EthioPex Ethio Poultry Expo as part of the ALEC premiered poultry inputs, technology and solutions while the ALEC promoted the livestock sector developments in general through trade facilitation, introduction of new technology and transfer of knowledge besides investment promotion.

Exhibitors from 6 countries namely from Ethiopia, Germany, The Netherlands, Scotland, Hungary were present representing a wide spectrum of the entire value chain.

Visit the event websites [here](#) and [here](#) for more info.

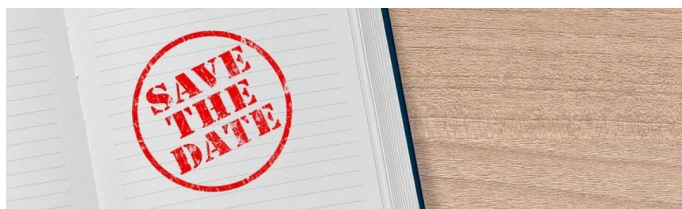


29th ESAP Annual Conference

The BRIDGE, ILRI and ESAP organized the International conference on Dairy sector Transformation in Ethiopia in parallel to the African Livestock Exhibition & Congress during 28 – 30 October 2021.

The session was officially opened by H.E. State Minister Fikru Regassa. The Netherlands Ambassador Henk Jan Bakker attended and made a speech during the official opening. Availability of more and better quality feed and milk were identified as critical bottlenecks where the private sector can play an active role.

Upcoming Events



With the current state of affairs with COVID-19 in Ethiopia and the world, events have switched to online locations. For updates and innovations check our [twitter](#) and our [agenda](#).

Ethiopia: Digital Disruption in Agriculture **10-11 November 2021** **15:00-17:00 EAT**

The Digital Disruption in Agriculture forum is an annual gathering of key stakeholders in agriculture and technology, organized by IFC and the World Bank.

The use of digital technologies in agriculture remains limited in many low-income countries, often because of infrastructure, affordability, awareness, and regulatory issues.

The forum showcases disruptive technologies that are positively impacting smallholder farming around the world.

Use the link [here](#) to sign up.



Upcoming events of the Embassy

The Embassy is looking forward to receiving investors operating in Ethiopia on Propagation, Plant Production and Animal Production sub-sectors for open dialogue sessions and networking events.

The events are anticipated to hold discussions on developments, opportunities and challenges regarding each sub-sector.

If you are an investor in Ethiopia on the above fields, keep an eye out for invitations soon.

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