

Enterprise Digest is a bi-monthly internally circulated news and current affairs summary prepared by Knowledge Management & Communications (KMC) Team of Enterprise Partners (EP). The content of Enterprise Digest focuses on thematic areas relevant to EP's activities that are disseminated over media outlets during the past weeks. Enterprise Digest does not guarantee content credibility, which solely rests on the content generator/s.

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Investors Demand Compensation for Property Damage Amid Oromia Riots

Some 14 local and foreign companies requested the Ethiopian government to pay them a compensation for lost properties amid the public riots in the Oromia Regional State, whom the government has—in principle—agreed to compensate the companies thus referred the case to Ethiopian Investment Commission to evaluate the compensation claims in collaboration with the Commercial Bank of Ethiopia and the Development Bank of Ethiopia.

- The government wants to make sure that the compensation claims are valid as some of the claims could be exaggerated;
- Ethiopian Insurance Corporation (EIC) was asked to estimate the property damages incurred and how many of the properties were covered or not by insurance policy;

Please read the full story at [The Reporter](#)

Integrated Agro-Industrial Parks as Epicentres of Rural Industrialization

Feature

GTP II targeted the establishment of integrated industrial parks along with the Rural Transformation Centres. A feasibility study on the establishment of Integrated Agro-Industrial Parks and Rural Transformation Centres (RTCs) was carried out in four regional states (Amhara, Oromia, SNNP, and Tigray) in the first phase followed by four other regions – Benshangul, Gambela, Afar and Somali in the second phase.

- The study identified high potential areas named as Agro-Industrial Growth Corridors in each of these regions with detailed agricultural commodity value chain analysis;
- Four Integrated Industrial Parks, one in each region are selected along with a total of 28 RTCs. These parks are agro-processing industrial complexes of small and medium size while the RTCs are markets which serve as aggregation and primary processing centres which feed in agricultural commodities to the parks in a required quantity and quality;
- This feasibility study was presented to high profile meetings, which include regional presidents, federal ministries and the Prime Minister. In which case the study was approved and hailed as a strategic for rural industrialization and overall economic transformation;
- Preparation for implementation is in full swing under the leadership of the Ministry of Industry;
- The study shows this program is expected to create employment opportunities for hundreds of thousands people in which the youth will be the primary beneficiary;

Please read the full story at [Mol's Facebook Post](#)

Almost 100 Million Homes May Run Only on Solar by 2020

Almost 100 million households worldwide may be powered by solar panels by 2020, where about 95% of these people are in sub-Saharan Africa and developing parts of Asia. Kenya, Tanzania, and Ethiopia are leading the way in Africa and India in Asia.

Please read the full story at [Bloomberg](#)

Bidder with Highest Offer Wins Solar Lanterns' Award

The Ministry of Water, Irrigation & Electricity awarded a local company Uni Sound General Trading PLC the supply of 8K solar lanterns who offered six million Birr, which is said to become the lone bidder that passed the technical evaluation.

Please read the full story at [Fortune](#)

Ethiopia Minister to Give Prime Source keynote

Minister Arkebe Oqubay, special advisor to Ethiopia's Prime Minister, will provide a keynote address at this year's Prime Source Forum taking place from 14-15 March at the Mira Hong Kong, which aims to address dealing with disruptions to the fashion supply chain.

- "We are delighted to have someone of Minister Oqubay's calibre joining Prime Source Forum this year," said spokesperson Josephine Ching. Ethiopia is fast emerging as global manufacturing hub and delegates will benefit immensely from the Minister's insight and perspective.

Please read the full story at [Just Style](#)

Will Renewal of AGOA Augment Apparel Manufacturing in Ethiopia

Feature: Editor's Pick

With the US Government deciding to renew the African Growth and Opportunity Act (AGOA), in October last year, a new lease of life has been given to the East African countries to develop as major apparel manufacturing hubs, among which Ethiopia is at the centre of a lot of interest from international retailers. One may argue that if the Act could not change the fate of the region in the first 15 years, why it would make a difference now... Apparel Online talks to some industry-informed people working in Ethiopia on their experience.

Please read the full story at [Apparel Resources](#)

H&M to Buy More Garment Items from Bangladesh

Swedish retail giant H&M will increase the volume of work orders for garment items from Bangladesh although the company is looking for alternative destinations for sourcing, which has recently started sourcing garment items from some new destinations such as Ethiopia and Myanmar.

- The company will use Ethiopia and Myanmar as the sources of basic garment items as Bangladesh started producing value-added garment items like jackets, for upscale customers in the western world;
- H&M purchases about \$5 billion of garment products from Bangladesh a year;

Please read the full story at [The Daily Star](#)

Textile Factory Completes 86 Mil Br Expansion

Almeda Textile Factory finalised expansion worth 86 million Birr where the expansion is the first of three stages and focused mainly on replacing machinery with the latest products that are easy to maintain, demand fewer spare parts, and save power.

- Thread spinning capacity will increase fivefold to reach 100K KG per day, thereby saving 30-40 million Birr per year, previously incurred to purchase thread from other factories;
- Weaving will reach 32K meters of textile roll from the former output of 24K meters a day – an increase of 33%; while the fabric making will be doubled to 7K KG;
- Almeda earned 205 million Birr from sales on the local market and an additional \$3 million from exports in the past half year;
- The plant lies on a 45 hectares plot in Adwa tow located 1,125 KM from Addis in Tigray State;

Please read the full story at [Fortune](#)

EAC to Phase out Importation of Used Clothes, Footwear in Three Years

East Africa Community (EAC) Heads of State affirmed that the region will phase out the importation of used textiles and foot wear in three years to promote regional growth of textile and leather sector.

- The Summit, being desirous of promoting vertically integrated industries in the textile and leather sector, directed the partner states to procure their textile and footwear requirements from within the region where quality and supply capacities are available competitively;

Please read the full story at [Dhahabu](#)

UAE Detains Ethiopian Exhibitors, Case Pending

A delegation of eight Ethiopian meat exporters, who travelled to Dubai to participate in the Dubai Food Trade Expo, were refused exit from the country and some put under police custody while some others were in hiding. It is related to a deal they entered in early October 2015, which resulted in a muddle that caused week long ban on Ethiopian meat imports to the country.

Please read the full story at [Fortune](#)

Ethiopia Inaugurated a Microbiology Laboratory, Hopes to Serve Eastern Africa

Ethiopia inaugurated a microbiology laboratory, National Animal Health Diagnostics and Investigation Centre (NAHDIC) accountable to the Ministry of Livestock Development and Fisheries, to inspect animal diseases.

- Built at a cost of 37 million Birr in Sebeta town at the outskirts of Addis, it is fully furnished with necessary equipment worth over 100 million Birr;
- The laboratory houses 18 internationally recognized laboratories – inspection of trans-boundary diseases, health certification of export cattle, improving species as well as detecting diseases passing from animals to humans and vice versa, for instance referral services for Avian Influenza and other poultry diseases to Eastern Africa nations;

Please read the full story at [ENA](#)

AAU Confers Professorship to Four Scholars

Addis Ababa University conferred title of full professorship to four scholars, including Dr. Fekadu Regassa, an academic veterinarian of many years.

Please read the full story at [ENA](#) (Amharic)

COMESA, the Netherlands Join IULTCS

The International Union of Leather Technologists and Chemists Societies (IULTCS) announced that both COMESA/LLPI and the Netherlands have joined the Union as member and associate member respectively.

- Addis based Leather and Leather Products Institute (LLPI) of COMESA has joined IULTCS as a full member and will represent the countries of Ethiopia, Kenya, Rwanda, Sudan, Uganda, and Zambia;

Please read the full story at [International Leather Maker](#)

Kenyan Livestock Subsector Calls for More Government Support

Kenya's livestock sub sector is stagnating due to lack of policy, neglect by the government and lack of value addition, according to Kenya Livestock Marketing Council, which claims that the country consistently surrenders billions of dollars every year to Somalia and Ethiopia that now export more livestock.

- Due to poor management of the sub sector, Kenyan livestock keepers often sell their livestock to Ethiopia at Moyale town in Northern Kenya;
- Compared to Kenya's funding, the Ethiopian government allocates money to ensure that feedlots and grazing land are secured;
- Lack of policy that could help streamline the operations of the sub sector as is the case with the neighbouring countries, is lacking, it was said;
- Kenya exported 200K heads of cattle in 2014, Somalia 4.5 million, and Ethiopia 1.9 million;

Please read the full story at [Coast Week](#)

Upgrading Leather and Leather Products Industry in Ethiopia

Video: A Short Documentary about UNIDO et al Support

Please read the full story at [UNIDO](#)

Biodiversity under Threat, Global Partnership for Conservation Needed

The Ethiopian Biodiversity Institute along with the Global Crop Trust Foundation and the International Livestock Research Institute held a high-level seminar to discuss the importance of Ethiopia's biodiversity and challenges threatening it.

Please read the full story at [Capital](#)

Financing Inclusive Low-Carbon Resilient Development

Paper: The role of national financial institutions in Ethiopia's Climate Resilient Green Economy

Supporting inclusive investment in Ethiopia's transition to a Climate Resilient Green Economy (CRGE) is a key policy priority for the government of Ethiopia. To achieve this, policymakers will need to address financial and market development needs of prospective investors, including those of rural households, small and medium enterprises and start-up private sector enterprises.

In this paper, we focus on the role of national development finance institutions in mobilising and delivering finance for inclusive investment in CRGE. Based on a case study of the Development Bank of Ethiopia, we find that national development finance institutions have the potential to deliver scaled-up and long-term finance to those who need it most.

Please read the full story at [IIED](#)

SHFs' Crop Insurance to Begin

A range of stakeholders teamed up to launch a distinctive crop insurance scheme, based on Normalized Difference Vegetation Index (NDVI) for Small Holder Farmers (SHFs) and which will cover 15 million SHFs in the coming five years starting from the current fiscal year.

- Provided by state owned Ethiopian Insurance Corporation (EIC), the coverage plans to compensate SHFs in the amount equalling the value of agricultural inputs procured and used by farmers in their production, with farmers paying a risk premium of 10% of inputs' value;
- Payment will be executed through agricultural cooperative unions and microfinance institutions close to farmers and serve as agents for the insurance corporation.
- Scheme would not wait for the farmers to claim loss of crop due to weather failure where EIC will compensate 100% of loss in agricultural inputs investment, which is based on NDVI through examining crops' chlorophyll/greenness level from satellite imagery;
- An Ethiopian smallholder farmer spends 2,500 to 3,000 Birr on average on agricultural inputs per season where during crops failures farmers are forced to sell their livestock to repay for loans used to buy inputs;

Please read the full story at [ENA](#) and [The Reporter](#)

DBE's Interest Rate on Priority Areas on Hold

The Development Bank of Ethiopia (DBE), by order of the central bank, is to revise policy of prime lending interest rates though DBE resisted the new policy as inconsequential of bringing fundamental change to loan provisions in priority areas – export and import substitution businesses.

- Undoing the previous interest rate of 8.5% per annum, the new policy treats every borrower equally at an entry, with a standing 12% per annum, which puts on hold, until the borrowing business proves itself successful as per the project plan submitted to the Bank;
- The new system is feared to lead to cumbersome bureaucratic hurdles and corruption, unless the Bank devises refined procedures for evaluation of the 'progress' though advocates appreciated its merit in tackling growing number of bad loans and abuse of incentives;

Please read the full story at [Fortune](#)

Equity Bank Freezes Regional Expansion Plans to Boost Existing Markets

Equity Bank (Kenya) shelved its regional expansion plans announced last year for a plan that saw entrance to the Democratic Republic of Congo, Burundi, and Ethiopia by end of this year

- Equity set aside 10 billion KSh to enter Ethiopian market but would only do so as a fully licensed lender and not through a representative office - “We believe Ethiopia will open next year – we don’t want a representative or liaison office; we have been given those two but have declined because we want a full license because that’s the way we feel we can have the desired impact”;
- Ethiopia’s legal framework locks out foreign-owned banks from its market with international lenders opting to enter the economy through representative offices;

Please read the full story at [New Times](#)

A Kenya Co-Operative Bank Mulls Entering Rwanda as Early as 2016

Kenya-based lender Co-operative Bank is mulling expanding into Rwanda as early as this year, likely through partnerships similar to the case of a subsidiary in South Sudan where the Bank holds a 51% stake while the government holds the rest.

- The Bank's regional expansion strategy will involve similar joint venture models in other countries notably Rwanda, Uganda, Tanzania, and Ethiopia in the next five years;
- Should the plans to expand to Rwanda pan out Co-operative Bank will join its other Kenyan banks like Equity, KCB, CFC and I&M that operate there;

Please read the full story at [All Africa](#)

Barclays Withdrawal from Africa – Why Africa Needs to Focus on Local Investors

Blog

So Barclays is pulling out of Africa. That’s hugely dispiriting news (or non-news, because it has been trailed for a while) and reflects badly on both Barclays and Africa.

Please read the full story at [FSD Africa](#)

Lehulu to Start Service in Mekelle, Bahir Dar on 06 March

Lehulu, a network of unified utility billing system in Ethiopia, is set to start its service in Mekele and Bahir Dar cities.

Please read the full story at [The Daily Monitor](#)