

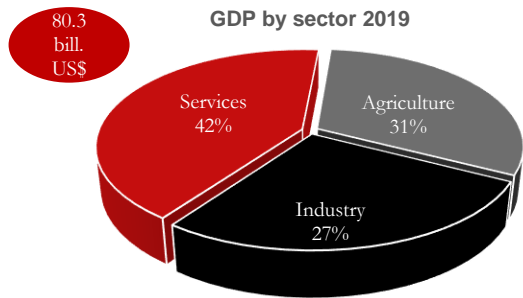


Ethiopia

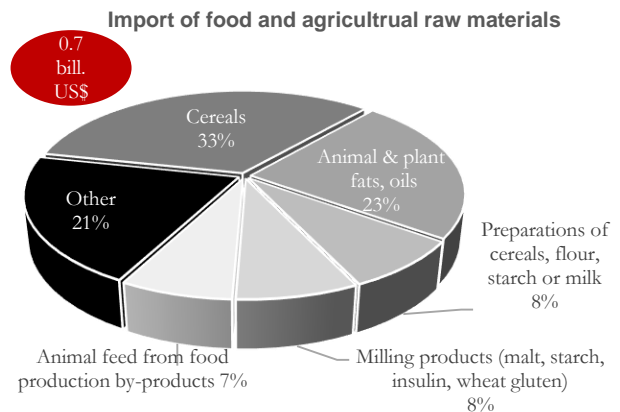
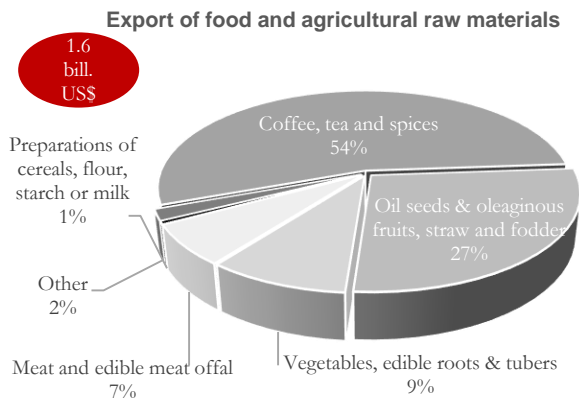


Population in m. (2018)	109.2
Area in km ²	1,100,000
GDP in bill. US\$ (2018)	80.29
HDI – Rank (2018)	172 of 188

Economy



Ø GDP growth in % (2014-2018)	9.3
GDP per capita in US\$ ¹ (2018)	853
Population under the age of 15 years in % (2019)	40.8
Urban population in % (2019)	20.8
Literacy rate in % (2018)	51.77



Political & Investment Climate

Form of Government	Parliamentary Democracy
Political Stability - Rank (2018)	191 of 211
Property Rights Index - Rank (2019)	111 of 129
Ease of Doing Business - Rank (2020)	159 of 190

¹ constant US\$ from 2010



Ethiopia is undergoing a transition process triggered by the appointment of Prime Minister Abiy Ahmed in 2018 following ongoing protests against the government. Abiy Ahmed has pledged to reform Ethiopia's authoritarian state, which has been governed by the Ethiopian People's Revolutionary Democratic Front (EPRDF) since 1991, and to renew the country's repressive electoral, terror and media laws. However, Ethiopia continues to be characterised by political factionalism and occasional violent conflict. Abuses by the security forces and human rights abuses continue to be observed, many restrictive laws are still in force and the enforcement of basic rule of law principles is lacking.

Private property does not exist, but land use rights are registered and respected in most populated areas. The government reserves the right to expropriate land for the common good, including expropriation for the commercial development of businesses and industrial zones and for infrastructure projects. Investors in Ethiopia are advised to conduct a thorough due diligence of land titles and consultations with local communities as well as at provincial and federal level regarding planned land use. In some regions, violent conflicts over land use rights between local people and investors have already been observed. A persistent shortage of foreign exchange and limited access reduce the country's import capacity and access to international goods. Furthermore, Ethiopia has not yet joined the WTO, but membership is being sought.

Rural Area

Rural population in % (2019)	79.2
Proportion of the rural population living in extreme poverty ² in % (2020)	14
Ø Rural population growth in % (2014 - 2018)	2.16
Proportion of the population with access to electricity in % (2018)	45

Ethiopia has a particularly high proportion of rural population. Despite considerable efforts to develop rural areas, including large infrastructure projects, the proportion of the population living in poverty remains comparatively high. Large sections of the rural population still lack access to electricity, clean drinking water and sanitary facilities. In addition, disputes over land use rights in many rural regions lead to repeated tensions between the population groups.

Agriculture Policy

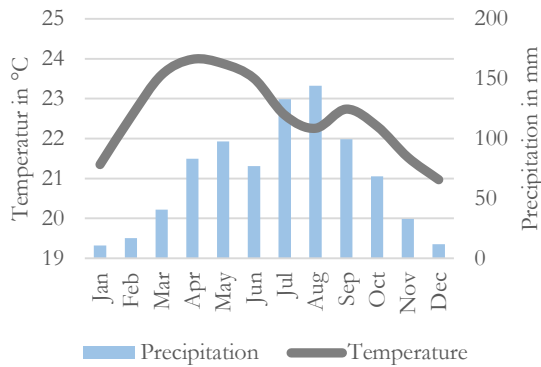
The Government of Ethiopia is working both to increase the productivity of small farms and to expand large-scale commercial farms. To this end, the government formulated and endorsed the Growth and Transformation Plan II for the period 2015 - 2020, which was complemented by the Ethiopia Livestock Master Plan (ELMP) for livestock production in 2015. At the same time, a comprehensive Livestock Sector Analysis was carried out, in which the status and development trends of the dairy and meat sector were analysed and estimated.

Priority measures identified in GTP II are the development of small and large-scale irrigation systems, the supply of agricultural inputs, increasing plant and animal productivity, improving agricultural production methods through mechanisation, reducing post-harvest losses and developing a research-based food security system.

² Poverty line: persons with an income < 1.90 US\$ per day



Natural & Climatic Conditions



Ethiopia extends over 3 climate zones: tropical-hot up to 1,800 m (27°C, 500 mm/year); warm-moderate between 1,800 m and 2,500 m (22°C, 500-1500 mm/year); cool from 2,500 m (16°C, up to 1,800 mm/year). Rainfall is often regionally concentrated, and there are recurrent and devastating droughts, especially in the south and east of the country. Ethiopia is the second highest country in Africa. 50 percent of its area is higher than 1,200 metres, and more than 25 percent above 1,800 metres.

Nutrition

Prevalence of undernourishment in % (2018)	20.6
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Ø Supply of proteins of animal origin in g/capita/day (2017)	5.85
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The Ethiopian diet consists mainly of cereals (maize, sorghum, teff), tubers and roots (ensete, potatoes, sweet potatoes), pulses and oilseeds. Cereals are the main component of the Ethiopian diet. Over 50 percent of the daily calorie intake of an average household comes from wheat, sorghum and maize. Despite widespread livestock farming, the share of animal products in the daily diet is low in rural areas. Pastoralists, for whom milk is an important part of the diet, are an exception. Every day an Ethiopian consumes about 65.7 g of protein per day, about 6 g are of animal origin. Overall, food security is quantitatively and qualitatively insufficient. More than 30 percent of all children under five years of age are underdeveloped due to malnutrition, with the northern and south-western regions being particularly affected.

Agriculture

Agricultural Area in km ²	362,590
(% of land area) (2016)	(36.3)

Agriculture value added per worker in US\$ (2018)	580
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Livestock is the most important production sector in Ethiopian agriculture, followed by cereals and oilseeds. Due to a lack of foreign exchange reserves, the mechanisation of agriculture with modern agricultural equipment is making slow progress. Yields are relatively low due to the country's rugged topography, small land holdings, irregular rainfall, limited mechanisation and insufficient supplies of fertilisers and improved seeds. Ethiopian agriculture aims at exporting many agricultural products (including meat), although this has been declining in recent years due to a lack of international competitiveness.



Animal husbandry

Cattle (2018)	62,600,000
Pigs (2018)	36,000
Sheep (2018)	31,688,000
Goats (2018)	33,048,000
Poultry (2018)	61,482,000
Camels (2018)	1,262,000

Although Ethiopia has the largest cattle, sheep and goat populations in Africa, the contribution of animal products to the energy and protein supply of the population is comparatively below average. The meat industry is dominated by the beef, sheep and goat meat value chains. Poultry meat is in greater demand in urban regions, but per capita consumption is still at a low level. Dairy farming is based on the value chain of locally produced cow's milk at about 80 %. High-quality dairy products are also imported. Camel milk is also produced to a substantial extent in the eastern regions. Furthermore, the consumption of eggs plays an increasing role in the supply of animal products.

Meat & Dairy Industry

	Consumption (t)	Per capita consumption (kg/capita)	Production (t)
Beef (2017)	383,040	3.6	401,200
Sheep meat (2017)	127,680	1.2	193,100
Goat meat (2017)			
Poultry meat (2017)	85,121	0.8	71,100
Camel meat (2017)	31,921	0.3	29,000
Milk (total) (2017)	3,192,000	30	3,900,000
Eggs (2017)	53,200	0.5	55,000

Potentials & Risks for the Meat & Dairy Industry

Potentials	Risks
<ul style="list-style-type: none"> • Rising demand for dairy products • Rising demand for red meat on the Arabian Peninsula • High ruminant population • Large camel stock with well-developed camel milk production • Poultry meat and egg production with high growth prospects 	<ul style="list-style-type: none"> • Climate change and the scarcity of water resources at regional level • Regional/seasonal limited grazing and fodder resources • Low productivity and off-take rate for ruminants • Imports of livestock equipment, agricultural products and animal feed made difficult by shortage of foreign exchange and import duties • Insufficient controls on informal live animal exports