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Ethiopia's economy is expected to maintain a growth rate of 11% in 2013/14 with plans to upgrade infrastructure given prominence in its annual budget Prime Minister Hailemariam Desalegn said. The Horn of Africa nation has in recent years embarked on ambitious infrastructure projects to improve its economic competitiveness Hailemariam told parliament. The IMF said in a statement it expected Ethiopia's economy to grow 7% in 2012/13 (Reuters, July 4). Representatives approved at its 3rd year 39th regular session a 154.9bio birr budget for 2006 E.C. after evaluating the report and motion presented by the Budgetary and Financial Affairs Standing Committee. According to the report, the budget has shown a 12.4% increase compared to that of last year, and 79.1% of the budget will be covered from local sources. Of the total, 62.5% and 37.5% is allocated for federal and state governments respectively. The report further indicated that the budget deficit of the total budget falls at 3.35% compared to the national Gross Domestic Product (GDP) showing a reduction from last year's 3.7% (State media, July 4). - The country's regular budget and capital budget saw an almost 6bio and 10bio birr increase to 32.53 bio and 64.3bio birr respectively. Of the total budget, 43bio birr is allotted to subsidize regional states - an increase by almost 7bio birr from the previous year. It was disclosed that 15% birr is allocated to support the country's efforts in meeting the United Nations Millennium Development Goals (MDGs) by 2015 (Sudan Tribune, July 4).

Authorities in the Kingdom of Saudi Arabia have cancelled a plan to expel thousands of undocumented Ethiopian immigrants, after the Horn nation has intervened diplomatically Under a newly introduced labor law, Saudi Arabia in April gave undocumented foreign workers a three-month period to legalize their status in the Gulf state or face deportation. The aim of the new restrictions was to cut jobs occupied by foreign workers and create jobs for millions of unemployed Saudi citizens, which make up over 10% of the population. Concerned by the threat of mass deportations, Ethiopia sent its foreign minister, Tedros Adhanom, to the Kingdom where he met his Saudi counterpart, Saud Al-Faisal, and held talks over the issue and other bilateral matters. Following the discussions, Ethiopia's foreign ministry said that Saudi Arabia had agreed to postpone the deadline set for registration of Ethiopians which was to expire in less than ten days. This means that over 40,000 Ethiopian immigrants have been given an extra four months to legalize their status in Saudi Arabia (July 3). Addis Ababa may boast Africa's tallest building by 2017. While a 58-story building had been announced, plans unveiled by a private Chinese developer now call for a 99-story office-hotel tower. Guangdong Chuanhui Group has not revealed the building's estimated cost or other details, including financial arrangements or the names of the architect and engineer. The site for the Chuanhui International Tower is at the new Addis Ababa Exhibition Center. The developer says it has acquired the 41,000 sq.m site and the building plans have been approved. If built, it would supersede by 225 m Africa's current tallest tower: the 50-story Carlton Center in Johannesburg (Engineering News, July 6),. The World Food Programme (WFP) announced that it will increase its assistance to smallholder farmers to boost their agricultural productivity and strengthen market linkage. WFP Executive Director Ertharin said that WFP, in partnership with other organizations, is committed and will do its level best to facilitate and widen global market opportunities for smallholder farmers. Following Ethiopia's recent economic growth, WFP is changing its support through time to the country. Apart from providing food assistance, it has been helping farmers' efforts to enhance their productivity, the Executive Director added. Most importantly, WFP has focused on transforming the subsistence farming of smallholder farmers into a commercial one. Besides, it is more involved in the UN's zero hunger programme to eradicate poverty and hunger by 2025, said the Executive Director (WIC, July 1).