

## **Seven Days, Vol. 18 No. 51, February 20, 2012(\*)**

About three hours south of the Ethiopian capital, Addis Ababa lies a sprawling, 120,000-ha field planted with hundreds of thousands of grape vines in tightly packed rows. Workers in blue coveralls cultivate the vines, looking for pesky diseases, while men stand atop ladders with slingshots in tow to fend off hungry birds. The vineyard is owned by French beverage company Castel, which plans to export half of its 750,000-thousand bottle production this year, making it Ethiopia's first major wine exporter (*The Christian Science Monitor, Feb. 15*).

The Ethiopian spices sub-sector is showing a steady growth in foreign currency earnings and volume of export. The sub-sector's six months export performance (July – Dec. 2011) reveals that 6,800 tons of spices were exported to international markets generating 16m USD in foreign currency. In 2009/10 fiscal year, the country obtained 18.5m \$ from a 12 month export of spices. The country, whose annual export earnings from the spices sub-sector stood a little over 9.8m USD in the 2005/6 budget year, almost quadrupled its earnings during the 2010/11 budget year. The six months export performance of the sub sector for the 2011/12 budget year is an achievement of 74% in terms of amount and 72% in revenue. Over 50 % of Ethiopian spices export is destined to its western neighbor Sudan. India, Yemen, UAE, Saudi Arabia and Morocco are the other major export destinations of Ethiopian spices. The country grows a variety of spices, including long red pepper, black cumin, white cumin/Bishops weed, coriander, fenugreek, turmeric, sage, cinnamon and ginger (*WIC, Feb. 15*).

News reports indicate that negotiations are about to begin between His Holiness Abune Merkorios of the foreign-based Holy Synod of the Ethiopia Orthodox Church (EOC) and EOC Patriarch Abune Paulos. The negotiations will be held in Arizona, USA. The EOC delegation, now preparing to travel to Arizona, will consist of His Holiness Abune Gerima, Abune Kewostos, Abune Atnatewos and Nibure Id Elias Abraha. His Holiness Abune Merkorios went into exile in the US after fleeing the country through Kenya due to pressure imposed on him by the EPRDF after the overthrow of the Derg. The government has repeatedly denied this accusation (*Finote Netsanet, Feb. 14*).

Ethiopia and the European Commission on Thursday signed three grant agreements amounting to 53m Euro. The first grant amounting to 45m € will be used for the Protection of Basic Services Program II (PBS) that will contribute to expand the provision and improve the quality of basic services, such as primary and secondary education, health agriculture, water and sanitation and rural roads all over the country. In the second grant agreement, the European Commission has allocated 6m € to the Civil Society Fund II (CSF-II) aimed at contributing to further building the capacity of Non-state Actors so that they could play their role in the country's development and democratization process. The remaining 2m € will be used for the implementation of the Technical Cooperation Facility IV to facilitate the government's development strategy through the support of sound development programs financed from the European Development Fund (*State media, Feb. 16*).

The Development Bank of Ethiopia (DBE) extended a loan of 1.42bio birr to Saygin B. M. Technology Group LLC, a Turkish company expected to establish a cable manufacturing plant. Saygin requested a loan of 2.1 billion birr, making it the single largest loan request for a bank loan from a private company operating in Ethiopia. The Turkish company intends to manufacture optical fiber and power cables said Tadesse Hatiya, Vice President of Credit Services at the Development Bank of Ethiopia. Saygin was given the loan because the proposed project is technologically advanced and the first of its kind in Ethiopia, according to Tadesse. The manufacturer of optical fiber and power cable is line with the aims for import substitution as the items are required by a range of infrastructural projects, including the Grand Renaissance Dam, he noted (*Capital, Feb. 16*).

Kenticha, Borena-Ethiopian Mineral Development SC (EMDSC), the state owned company engaged in mineral exploration and development, recently discovered tantalum ore estimated at 2,500 t at its Kenticha tantalum mine found in the Oromia Regional State, Guji Zone, 600 km south of Addis Ababa. Experts of EMDSC, who have been undertaking various exploration work in Kenticha, Borena discovered a primary tantalum ore of high quality. Experts of the company said that so far, EMDSC has been mining the surfaced tantalum ore and the discovery of the primary ore would enable the company to boost its production capacity substantially. According to Solomon Hailu, production core process owner of EMDSC, the company started operation with an annual production capacity of 20 t with a single processing plant 20 years ago. In recent years, they installed two additional processing plants and boosted production to 200 t per year (*The Reporter, Feb. 12*).

Deputy Prime Minister and Foreign Affairs Minister, Hailemariam Desalegn, said the amount of resources Ethiopia has been spending on the development of higher learning institutions has been growing steadily. The Deputy Prime Minister said the amount of money being spent on the development and expansion of higher learning institutions has increased significantly over the past years. He said the number of universities in the country, which was only two 20 years ago, has now reached 32. The budget allocated by the government for the education sector accounts for 18% of the country's total budget (*ENA, Feb. 13*).