

Seven Days, Vol. 18 No. 43, December 26, 2011(*)

The United Nations has praised Ethiopia's tremendous efforts to achieve the Millennium Development Goals (MDGs), ensure peace and stability in Africa and to build a green economy. Eugene Owusu, UN Resident Coordinator, said that Ethiopia has been implementing its five-year Growth and Transformation Plan (GTP) to meet the MDGs. Recognizing the country's endeavors for poverty alleviation and sustainable economic development, the United Nations in Ethiopia has planned its development programs in line with the GTP, Mr. Owusu said. The UN system is working with greater harmony and integration at country level in order to meaningfully back the GTP, he said, adding that the UN's development partnership would be through its 2012-2015 United Nations Development Assistance Framework (UNDAF), a joint framework incorporating about 24 UN agencies in Ethiopia (*WIC, Dec. 23*).

The Ministry of Industry has fixed a target of US\$ 359.3m for leather and textile exports during 2012, a substantial increase over its earnings of US\$ 166.3m during this year. Melaku Taye, Corporate Communication Director at the Ministry, said that Ethiopia would be able to raise US\$206m from exports of value added leather items next year. India, Germany, United Kingdom, China, Italy and the US are the key export destinations for Ethiopian leather and textile products, Melaku said. The Ministry of Finance and Economic Development (MoFED) stated that a 150% tax has been levied on semi-finished leather for export from Dec. 2011 onwards to boost the export of finished leather and leather items (*State media, Dec. 22*).

The Ethiopian Horticulture Development Agency said Ethiopia has secured over 92m USD from sale of flowers, fruits and vegetables over the past five months. The agency's Director-General, Haileselassie Tokie, said 74.5 million USD out of the total sum was secured from flower exports. Haileselassie said the revenue exceeded by 21.9% that of the same period the previous year. He said the agency plans to secure 401m USD from the export trade this fiscal year. Oromia, Amhara, Tigray, Gambella and South Ethiopia People's states supply most of the export products to the external market (*ENA, Dec. 19*).

The International Fund for Agricultural Development (IFAD) will provide a loan of 50m USD and a grant of another 50m USD to Ethiopia to help rural households gain access to financial services and reduce rural poverty in the country. Approximately 3.6 million rural households living with less than 2 USD per day, of which nearly 50% are women, will gain access to improved and reliable financial services either as clients of microfinance institutions or as members of rural savings and credit cooperative societies. With this new program, IFAD will have financed 16 programs and projects in Ethiopia for a total investment of 387.7m USD benefiting 10.4 million households. Currently, only about 15% of rural households have access to savings and credit services (*ENA, Dec. 22*).

A Dutch company called Soina Kirob has refused to honor its agreement with the Ethiopian government after complaining that it is losing market for the food stuffs it is producing from teff flour it imports from Ethiopia. The company has been producing biscuits, cakes and other food items from teff. It had signed an agreement with the Ethiopian Biodiversity Conservation Institute in 2005 to obtain teff and make food stuffs in a modern way. It had earlier agreed to share its profit with Ethiopia, periodically renew its license, establish a factory in Ethiopia and involve Ethiopian researchers in its production work. The Director of Resources of the Biodiversity Institute, Dr. Gameda Dole, said all relation with the company has now been stopped following the company's refusal to abide by the terms of the agreement (*Reporter, Dec. 21*).

The Community-Led Water, Sanitation and Hygiene (COWASH) Project will be undertaken in five states at a cost of 100m USD in the coming four years, the Ministry of Water and Energy said. State Minister Kebede Gerba said the project would be undertaken in 45 districts of Oromia, Amhara, SNNP, Tigray and Benishangul-Gumuz States. He said Amhara, Oromia, SNNP and Tigray States have also jointly earmarked 10m USD to support financing the projects in the coming three years. The projects would benefit 200,000 people in rural areas since they will increase water supply access from 71.3% to 98%. The Finnish and Canadian governments, UNICEF, and regional states will cover the cost of the projects (*ENA, Dec. 22*).

The world may still have gold and myrrh, but it's quite possible that frankincense could become a thing of the past, given ecological pressures on the arid lands where it grows in Ethiopia. The storied resin, known to millions as one of the three gifts of the Magi, the wise men who visited Jesus after his birth, is made from gum produced by the *boswellia papyrifera* tree. Its "bitter perfume" is used as incense in religious rituals in many cultures, as well as an ingredient in perfume and Chinese traditional medicine. Dutch and Ethiopian researchers studying populations of the scraggly, scrub-like trees in northern Ethiopia found that as many as 7% of the trees are dying each year, and seedlings are not surviving into saplings. Their paper in the *Journal of Applied Ecology* finds that the Ethiopian trees that produce much of the world's frankincense are declining so dramatically that production could be halved over the next 15 years and the trees themselves could decline by 90% in the next 50 years (*USA Today, Dec. 21*).

The Ethiopian Health and Nutrition Research Institute (EHNRI) said the National Malaria Indicator Survey (MIS) conducted at a cost of one million USD has been completed. The institute's Acting Director, Dr. Amaha Kebede, said the survey has been conducted in all malaria prone areas of the country. The study collected data on the distribution of the disease across the country. It was conducted to evaluate the coverage of key malaria control interventions and to assess progress towards national strategic goals. According to Dr. Amaha, Ethiopia is on the right track to meet the MDG targets on malaria. The study was conducted in cooperation with the Ministry of Health, EHNRI and partner organizations (*ENA, Dec. 22*).