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NBE Issues Directive to Ease Dividend Payments for Shareholders & Insurance

Dividend payments to shareholders of banks and insurance companies will be settled right after shareholder meetings, according to a new directive issued by the National Bank of Ethiopia (NBE).

The new directive was issued four weeks ago to rescind the former directive that mandates the approval of shareholders regular and extraordinary meeting minutes by the central bank, and registration of the

minutes by the Document Authentication & Registration Agency (DARA).

“The process of approval and registration of the minutes of shareholder meetings sometimes proved time consuming,” reads the new directive signed by Yinager Dessie (PhD), governor of NBE. He continued that it “resulted in undue delay in dividend payments to shareholders of banks and insurance companies.” The process of minutes

approval and registration came on to the scene in 2015 following the issuance of a directive that required board chairpersons and secretaries of banks and insurance companies to deliver minutes of the general assembly to the central bank within 15 days of the assembly. Once the central bank approves the minutes, it will be sent to DARA for registration, according to the former directive. [...]

Source: [Fortune, November 24, 2018]



IFC to invest on 500MW solar power

Amid budgetary support, the World Bank Group (WBG) has approved a commitment of USD 1.2 billion to Ethiopia this week, the International Finance Corporation (IFC) – the private sector arm of the WB – said that it is working on a solar power program that will help generate 500 megawatt of electricity in the country.

In an exclusive interview with The Reporter, Sergio Pimenta, vice president of IFC in the Middle East and Africa said that IFC is running a program called “Scaling Solar” in which the development financier will scale-up investments for the production of 500MW of solar power.

“IFC has launched scaling solar in Ethiopia. The pro-

ject’s total scale arrays up to 500 megawatts (MW) and the first phase is 250MW. Once completed the solar project is going to be the largest in Africa,” said Sergio Pimenta. [...]

Source: [The Reporter, November 3, 2018]

UK-led investors explore opportunities in Ethiopia

A team of 25 business delegates led by UK’s Trade Commissioner, Emma—Wade Smith, have met and discussed with more than seven-line ministries and government agencies looking to set foot in the newly rebranded Ethiopia, as the administration of Prime Minister Abiy Ahmed (PhD)

introduces a wide ranging of economic reforms including partial privatization of some of the biggest State Owned Enterprises (SoE) in Ethiopia.

Organized by InvestAfrica, a London based business and investment platform providing companies and investors with information and expo-

sure to business opportunities across the Africa; the delegation incorporated big business players in the West and is the first time for most of these companies to come to Ethiopia. [...]

Source: [The Reporter, November 23, 2018]

Gov’t Invests in Standard Agency’s Training Academy

The Ethiopian Standard Agency is building a training academy at a cost of 300 million Br. The academy will consist of two structures, a seven-story building, which mainly consists of classrooms, and a five-storey building for dormitories and other facilities. The buildings will sit on a 2,200Sqm plot,

while the entire premises of the academy covers 4,000Sqm of land.

“The continuing demand for training from manufacturers and service providers on systems and quality management is the prime reason for this investment,” said Endalew Mekonnen, director of the Agency. The current

training facilities accommodate no more than three training sessions at a time. The expanded capacity of the academy will give the Agency the opportunity to provide accredited trainings for local companies as well as other. [...]

Source: [Fortune, November 17, 2018]



Petro China wins fuel tender

The Chinese oil firm, Petro China, has won the bid put by the Ethiopian Petroleum Supply Enterprise (EPSE) for the supply of fuel in 2019.

Three international oil trading firms – TRAFIGURA PTE LTD, Vitol Oil and Petro China – were participating in the bid. Last September EPSE has floated a tender inviting international oil trading companies for the supply of fuel to be delivered as of January 2019. The enterprise wants

to procure 1.35 million metric tons of gasoil, 240,000 metric tons of jet fuel and 350,000 metric tons of gasoline.



The enterprise requested international oil trading firms to submit their technical and financial offers. Thirty six companies bought the bid document but only three oil firms – TRAFIGURA PTE LTD, Vitol Oil and Petro China – submitted their technical and financial proposals. [...]

Source: [The Reporter, November 24, 2018]

OIB grosses 938 mln profit

Standing at the tenth year of its establishment, Oromia International Bank registered a record 140 percent growth in its gross profit level bagging 938 million birr in the FY 2017/18.

As announced at the Bank's general assembly meeting on Saturday November 3, 2018, its profit has surged by 547 million birr compared to the

previous fiscal year making it unprecedented in its history.

The report also indicated that the OIB's net profit grew by 145 percent to reach 728 million birr in the report period. Hence, the bank's dividend per share has reached 54 percent.

The profit growth rate the Bank registered is not only a record in OIB's

history but also in the banking industry as the whole.

OIB also saw high growth rates in its deposit and asset levels which is 19.9 billion birr and 23.8 billion birr, respectively.

Source: [The Reporter, November 3, 2018]

TRANSSION eyes hospitality sector

TRANSSION Manufacturing PLC, the maker of TECNO mobile phone is set to launch a famous Chinese brand-name hotel –IVY Hotel— in the capital.

The hotel is set to be inaugurated in Addis Ababa near haya hulet inside a rented building early next year. According to sources

within the company, the hotel is set to have a superior design and will employ approximately 60 people, with an investment of USD 1 million.

The shareholders are to be Sunmei from Hongkong, China and a local partner, Levi Girma, a shareholder of TRANSSION, son of celebrated

aviation personality Girma Wake.

For the company, this is seen as a strategy to help collect forex which has been a recurring problem for its growth within the continent.

Source: [The Reporter, November 24,, 2018]



Wonji Sugar Factory Up for Privatization

A local share company has started negotiations with the government to buy the oldest sugar estate, Wonji Shoa Sugar Factory, with an offer of 11 billion Br.

In a letter dated October 16, 2018, Ethio-Sugar Manufacturing S.C requested the Ethiopian Sugar Corporation and the Office of the Prime Minister to provide it

with priority preference to buy the Wonji factory, located 110Km south of the capital. The request for acquisition includes two factories run by Wonji Shoa Sugar Factory along with 12,800ha of sugarcane plantations. The 7,000ha is currently cultivated by out-grower farmers organised under 32 associations. The

factory currently has a production capacity of 6,250tn of cane a day and produces over 174,000tn of sugar a year.

“The Corporation has received the request of the company to acquire the factory,” said Gashaw Aycheluhem, corporate communications executive officer of the Corporation.[...]

Source: [Fortune, November 17, 2018]

Trade Bureau to Launch Application to Ease Registration

The city Trade Bureau is launching a new online application in an effort to ease the process of acquiring certificates of competency, trade registrations and business licensing.

The new system, One Window System, is expected to minimize the number of

people required to visit the bureau to obtain official documents, according to Abdulfetah Yesuf, head of Addis Abeba Trade Bureau.

Estimated to cost 3.8 million Br, the new system is currently being developed by local company Custor Computing Plc.

Custor has previously developed the Online Trade Registration & Licensing System for the Ministry of Trade & Industry, an online document registration programme. [...]

Source: [Fortune, November 24, 2018]



Electrical Manufacturers Form Professional Association

Twelve manufacturers of electrical equipment have formed an association and registered with the Ministry of Industry.

The new Ethiopian Power Generation, Transmission & Distribution Equipment Manufacturers Association became operational on No-

vember 2, 2018, and formed a governing five member board, joining the ranks of 30 other professional associations in the country.

Formed with the technical assistance of the Ministry, the association, currently only represented by cable and transformer manufac-

turers, has set goals to help members specialize, utilize new technology, search for solutions to challenges in the industry, establish a training institute, conduct different studies and facilitate with the government. [...]

Source: [Fortune, November 10, 2018]

All smiles, lifelines



On Friday, November 2, 2018, the World Bank’s International Development Association approved grants and loans to Ethiopia. Carolyn Turk (left), country director

for Ethiopia, Sudan and South Sudan at the World Bank, and Ahemed Shide (centre), the recently appointed Finance minister, signed the 1.35-billion-dollar agreement. Also present at the signing ceremony were Hirut Woldemariam (PhD) (left-centre), minister of Science & Higher Education, Abdiwasa Abdilahi (PhD) (right-centre), state minister of Science & Higher Education, and Eyob

Tekalgne, state minister of Finance.

The agreement will be used to support two World Bank projects – Growth & Competitiveness and the East Africa Skills for Transformation & Regional Integration Project. Loans and grants totaling 1.2 billion dollars were allocated to support economic reforms and gradual liberalisation. [...]

Source: [Fortune, Nov 3, 2018]

Wegagen profits a billion birr

Wegagen Bank has become the third private bank in the industry to gross a billion birr profit before tax following Awash and Dashen banks. Wegagen profited 1.05 billion birr before tax.

As announced in its general assembly that was held on November 15, the bank announced its profit for the fiscal year 207/18 during which

it was disclosed that the profit surged by 49 percent from the prior fiscal year. The bank profited 705.6 million birr in the 2016/17 fiscal year.

Having stayed in the banking business for more than 20 years, Wegagen has now joined the elite-billion-birr-profit-club which also includes Dashen and

Awash.

Source: [The Report, November 15, 2018]

Agency Born to Regulate Construction Industry

A bill to establish a regulatory authority for construction work under the newly merged Ministry of Urban Development & Construction is to be tabled for approval to the Council of Ministers.

The bill is currently being reviewed by the Attorney General’s Office before it finally makes its way to the Council. “The Construction Works Regulatory Authority will be tasked with mandates previous-

ly assigned to directorates under the former ministries of Construction and Urban Development & Housing. This includes overseeing health and safety standards at construction sites as well as the quality of construction inputs and competency in the industry. [...]

Source: [Fortune, November 3, 2018]



Upcoming Events

Addis Chamber International Trade Fair

Dates: 22 Feb– 28 Feb 20189 | Venue: Addis Ababa Exhibition Center, Addis Ababa

"International Business Exhibition for Industrial, Agricultural & Services Sectors"

Addis Chamber International Trade Fair aims to promote trade and investment by providing demand-driven services to the best satisfaction of members, stakeholders, and others and advocate for the favorable business environment based on best practices.

Ethiopia International Trade Expo

Dates: 21-25 Feb. 2019 | Venue: Addis Ababa Exhibition Center, Addis Ababa

With over 120 million population, Ethiopia is an excellent potential market for your products & we strongly suggest you to participate in the biggest & largest trade show of Ethiopia. 22nd Ethiopia Int'l Trade Expo is most awaited international trade fair for all kinds of general, consumer, FMCG, industrial products & machinery.



“Investment is craft in Ethiopia”

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