

## COUNTRY PROFILE: ETHIOPIA

### Introduction

Ethiopia is a landlocked country located in Eastern Africa bordered by Djibouti, Eritrea, Kenya, Somalia, South Sudan, and Sudan. The geography of Ethiopia consists of high plateaus with the central mountain range divided by Great Rift Valley. Ethiopia's location gives it strategic dominance as a jumping off point in the Horn of Africa, close to the Middle East.

Ethiopia is the second most populous country in Africa after Nigeria, and the fastest growing economy in the region. However, it is also one of the poorest, and it aims to reach lower-middle-income status by 2025. To this effect, the government is implementing the second phase of its Growth and Transformation Plan (GTP II). GTP II aims to continue expanding physical infrastructure through public investments and to transform the country into a manufacturing hub.<sup>1</sup>

### Ethiopia's Growth and Transformation Plan II (GTP II) (2015/16 – 2019/20)<sup>2</sup>

Ethiopia's Growth and Transformation Plan II (GTP II) aims to spur economic structural transformation and sustain accelerated growth towards the realization of the national vision to become a low middle-income country by 2025. Modernization in the development of the agriculture sector, expansion of industrial development with primary focus on light manufacturing, significant shift in export development are at the core of GTP II.

GTP II sets out the following objectives:

- 1) Achieve an annual average real GDP growth rate of 11 percent within a stable macroeconomic environment, pursuing comprehensive measures towards narrowing the saving-investment gap and bridging the widening trade deficit.
- 2) Develop domestic engineering and fabrication capacity and improve productivity, quality, and competitiveness of the domestic productive sectors (agriculture and manufacturing industries) to speed up structural transformation;
- 3) Further solidify the on-going public mobilization and organised participation to ensure the public become both owners and beneficiaries from development outcomes;
- 4) Deepen the hegemony of developmental political economy by strengthening a stable democratic developmental state.

The GTP II identifies the environment and the Climate Resilient Green Economy (CRGE) as a cross cutting issue, for which major targets are expected be achieved by the end of the period covered in the plan. Some of these targets include increasing forest contribution to the economy and ecology by increasing the forest coverage to 20%, conducting Environmental impact assessment (EIA) on new and on-going projects, demarcation of new wildlife zones taking in to consideration ecosystems and natural landscape features, strict monitoring of illegal actions on wildlife and on protected areas to reduce them by 80%, mitigating human-wildlife conflict, preparation of management plans for ten protected areas, and rehabilitating protected areas to increase carbon sinks by 30%.

<sup>1</sup> <https://www.worldbank.org/en/country/ethiopia/overview> Accessed January 2020

<sup>2</sup> National Planning Commission. Growth and Transformation Plan II (GTP II) - (2015/16-2019/20). Volume I: Main Text. May 2016, Addis Ababa. Accessed January 2020 <https://ethiopia.un.org/sites/default/files/2019-08/GTPII%20%20English%20Translation%20%20Final%20%20June%2021%202016.pdf>

## Population & Human Development

Owing to its fast economic growth, since the beginning of the 21<sup>st</sup> century, Ethiopia has seen positive trends in poverty reduction. According to a report by the IMF, by 2016, the proportion of people in Ethiopia below the poverty line had been halved; the prevalence of hunger and undernourishment had been reduced; access to education expanded; and significant progress had been made to ensure gender equality and improving maternal health<sup>3</sup>. Ethiopia has one of the lowest level of income-inequality in Africa and the world, which it has been able to maintain throughout its period of economic development<sup>4</sup>.

Notwithstanding, in 2018, Ethiopia had an HDI value of 0.470— putting the country in the low human development category and positioning it at 173 out of 189 countries and territories. Between 2000 and 2018, Ethiopia's HDI value increased 65.8 percent. Over the same period, Ethiopia's life expectancy at birth increased by 19.1 years, mean years of schooling increased by 1.3 years and expected years of schooling increased by 5.6 years. Ethiopia's GNI per capita increased by about 173.7 percent between 1990 and 2018<sup>5</sup>.

Ethiopia's HDI is still below the average for countries in the low human development group and below the average for Sub-Saharan countries. In Ethiopia, 11.5 percent of adult women have reached at least a secondary level of education compared to 22.0 percent of their male counterparts. Women currently hold nearly 39 percent of seats in the lower house and 32 percent in the upper house. In 2018, women were appointed to a number of prominent positions including the presidency, head of the Supreme Court, and to half of all cabinet posts<sup>6</sup>.

Poverty, drought, political repression, and forced government resettlement have driven Ethiopia's internal and external migration since the 1960s. The CIA estimates at 2,164,201 the number of internally displaced persons and over half a million refugees from South Sudan, Somalia and Sudan in 2019.

Demographic and other development indicators			
<b>Human Development Index (HDI)</b>	<b>0.470</b>	<b>Literacy rate (ages &gt;15)(2017)</b>	<b>51.8%</b>
HDI rank	173	Mean years of schooling (2018)	8.7
Inequality-adjusted HDI	0.337	School enrollment primary (2015)	102%
Population size (2018)	109,224,559	School enrollment secondary (2015)	35%
<b>Population growth rate (2018)</b>	<b>2.62%</b>	<b>Population living below income poverty line, PPP \$1.90 a day (2012)</b>	<b>27.3%</b>
Projected population in 2030 <sup>7</sup>	144,944,000	GNI per capita, PPP (current int. \$)	2010
Urban population (2018)	20.76%	Labour force (2018 est.)	53,746,763
Rural population (2018)	79.24%	Labour force participation rate (2018)	80.3%
<b>Life expectancy at birth (2018)</b>	<b>66</b>	<b>Unemployment rate (2018)</b>	<b>1.8%</b>
Infant mortality (per 1,000 live births) (2017)	41	Political rights (1=Most Free, 7=Least free)	6
Population using improved drinking water sources (2017)	11.4%	Civil Liberties (1=Most Free, 7=Least free)	6

<sup>3</sup> IMF Country Report No. 20/29. The Federal Democratic Republic of Ethiopia: 2019 Article IV Consultation and Requests for Three-Year Arrangement under the Extended Credit Facility and an Arrangement under the Extended Fund Facility-Press Release and Staff Report. January 2020. <https://www.imf.org/en/Publications/CR/Issues/2020/01/28/The-Federal-Democratic-Republic-of-Ethiopia-2019-Article-IV-Consultation-and-Requests-for-48987> Accessed January 2020

<sup>4</sup> World Bank Group. 2015. Ethiopia Poverty Assessment 2014. Washington, DC. © World Bank. <https://openknowledge.worldbank.org/handle/10986/21323> License: CC BY 3.0 IGO. Accessed January 2020

<sup>5</sup> UNDP Human Development Report 2019. Briefing note for countries on the 2019 Human Development Report. Ethiopia. [http://hdr.undp.org/sites/all/themes/hdr\\_theme/country-notes/ETH.pdf](http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/ETH.pdf) Accessed January 2020.

<sup>6</sup> <https://freedomhouse.org/report/freedom-world/2019/ethiopia> Accessed January 2020

<sup>7</sup> United Nations, Department of Economic and Social Affairs, Population Division (2019). World Population Prospects 2019, custom data acquired via website. <https://population.un.org/wpp/DataQuery/>

Population using basic sanitation facilities (2017)	7.3%	Corruption perception index (2019)	37/100 Rank: 96/180
Population with access to electricity (2017)	44.3%	CPIA gender equality rating (1=low to 6=high)	3.5

## Political context

Ethiopia is Africa's oldest independent country. The government system is a federal republic; the chief of state is the president, and the head of government is the prime minister. Parliament elected Sahle-Work Zewde as the Ethiopia's first woman president in October 2018. The Prime Minister is Abiy Ahmed and was sworn in as prime minister in April 2018.

Since taking office in 2018, Ahmed embarked on a program of political liberalization reforms, signing peace agreements with armed separatist groups, freed political prisoners and sought to end disputes with neighbouring Eritrea - one of Africa's longest-running conflicts -, which earned him the Nobel Peace Prize in 2019. However, increased inter-regional and inter-ethnic tensions, and violence have followed these changes. High-profile assassinations took place in June 2019 and millions of people remain internally displaced. Elections are scheduled to take place in the first half of 2020, which may have implications for domestic security<sup>8</sup>.

The watchdog organization Freedom House considers Ethiopia as Not Free (scoring on aggregate 19/100), with low political rights and civil liberties. The corruption perception index 2019 for Ethiopia is 37/100, ranking 96 of 180 countries assessed. Corruption has contributed to the unrest that has affected Ethiopia in recent years<sup>9</sup>.

In international relations, Ethiopia usually aligns with the G-77, the Non-Aligned Movement (NAM) and the African Group. The country belongs to the following international organizations and UN agencies (non-exhaustive list): ACP, AfDB, AU, EITI, ICRM, Interpol, IOC, IOM, ISO, WCO, CD, FAO, IAEA, ICAO, IFAD, WBG, ILO, IMF, IMO, ITU, UNESCO, WHO, WIPO, WMO.

## Economic Overview

The state has been heavily engaged in the economy. Ethiopia has experienced strong, broad-based economic growth averaging 9.9% a year from 2007 to 2018<sup>10</sup>, largely driven by high levels of public investment. Around 70% of general government expenditure was allocated to agriculture and food-security, education, health, roads, and water<sup>11</sup>.

As part of his agenda of reforms, the prime minister is encouraging greater private-sector involvement to support the government's plan to transform Ethiopia from an agriculture-based economy into a manufacturing hub, a plan that hinges on improved transport and energy infrastructure and greater agricultural-sector productivity.

Economic indicators 2018 <sup>12</sup>	
GDP (current US\$)	84,355,604,753
GDP growth (annual %)	6.8
Agriculture, forestry, and fishing, value added (% of GDP)	31.20

<sup>8</sup> IMF Country Report No. 20/29.

<sup>9</sup> <https://freedomhouse.org/report/freedom-world/2019/ethiopia> Accessed January 2020

<sup>10</sup> IMF Country Report No. 20/29. The Federal Democratic Republic of Ethiopia: 2019 Article IV Consultation and Requests for Three-Year Arrangement under the Extended Credit Facility and an Arrangement under the Extended Fund Facility-Press Release and Staff Report. January 2020. <https://www.imf.org/en/Publications/CR/Issues/2020/01/28/The-Federal-Democratic-Republic-of-Ethiopia-2019-Article-IV-Consultation-and-Requests-for-48987> Accessed January 2020

<sup>11</sup> World Bank Group. 2015. Ethiopia Poverty Assessment 2014. Washington, DC. © World Bank.

<https://openknowledge.worldbank.org/handle/10986/21323> License: CC BY 3.0 IGO. Accessed January 2020

<sup>12</sup> World Development Indicators, The World Bank. Data retrieved January 2020

Industry (including construction), value added (% of GDP)	27.25
Services, value added (% of GDP)	36.52
Exports of goods and services (% of GDP)	8.37
Imports of goods and services (% of GDP)	22.8
Gross capital formation (% of GDP)	34.13
Domestic credit provided by financial sector (% of GDP)	n.a.
Tax revenue (% of GDP)(2017)	7.51
Personal remittances, received (% of GDP)	0.49
Index of economic freedom in 2019 (rank in the world) <sup>13</sup>	53.6 (137)

**Agriculture.** Agriculture remains the main driver of rapid economic growth and development. It is also expected to be the main source of growth for the modern productive sectors, giving special attention to high value crops, industrial inputs and export commodities. According to the midterm review of the GTP II, in 2016/17, agricultural value added increased by 6.7 per cent and contributed about 2.5 percentage points to the 10.9 percent growth of the overall economy. In the same period, its share in the total GDP amounted to 36.3 percent<sup>14</sup>.

Agricultural systems are highly dependent on climate and are vulnerable to more frequent and extreme droughts and floods. Droughts alone can reduce total gross domestic product (GDP) by one to four percent, and rising population densities are placing added pressure on these fragile ecosystems through land degradation, forest loss, and increased water stress and soil erosion<sup>15</sup>.

Production of major crops, 2014/15 to 2016/17

Indicators	2014/15 Base year	2015/16 Actual	2016/17			2019/20 Target
			Target	Actual	Actual as % of target	
Major Food Crops	270.39	266.83	319.1	290.39	91.00	406.32
-Non-stalk and Stalk Cereals (million qls)	236.08	231.29	282.93	253.85	89.72	356.01
-Pulses(million quintals)	26.44	27.69	29.08	28.15	96.80	38.75
-Oilseeds(million quintals)	7.59	7.85	7.18	8.39	116.85	11.5
Coffee Production(thousand tons)	419.98	414.59	604.77	469	77.55	1045.04
Vegetables, Fruit and Root crops	3,887.86	5422.8	4597	6235.6	135.64	5914.98
- Vegetable production (thousand tons)	958.2	744.5	1130.23	813	71.93	1448.5
- Fruits production(thousand tons)	500.86	679.7	573.43	792	138.12	702.48
- Root Crops production (thousand tons)	2428.8	3998.6	2893.34	4630.6	160.04	3764
Export Crops(Million Quintals)	12.76	13.14	14.91	12.39	83.10	19.7
Sesame(million quintals)	2.89	2.74	3.35	2.68	80.0	4.47
White pea bean(million quintals)	2.02	1.6	2.42	1.26	52.1	3.19
Red bean(million quintals)	3.12	3.8	3.69	3.58	97.0	4.86
Chick pea(million quintals)	4.59	4.73	5.28	4.44	84.1	6.95
Mung Bean(million quintals)	0.14	0.27	0.17	0.43	252.9	0.23

Source: Ministry of Agriculture and Natural Resources (2016/17 performance report) and Central Statistical Agency (2016/17 Agricultural Survey).

The GTP II envisages ensuring sustainable agriculture through the development of natural resources, reducing degradation and improving its productivity. The agriculture development plan aligned with the

<sup>13</sup> <https://www.heritage.org/index/pdf/2019/countries/kenya.pdf> Accessed December 2019

<sup>14</sup> National Planning Commission. The Second Growth and Transformation Plan (GTP II) Midterm Review Report. June 2018. Addis Ababa

<sup>15</sup> World Bank. 2017. Ethiopia - Country partnership framework for the period FY18 - FY22 (English). Washington, D.C. : World Bank Group. <http://documents.worldbank.org/curated/en/202771504883944180/Ethiopia-Country-partnership-framework-for-the-period-FY18-FY22> Accessed January 2020.

green economy development strategy are, among others, the strategic directions Ethiopia will pursue with regard to natural resource conservation and management.

The objectives set under the development of agriculture include improved sustainable national biodiversity conservation and equitable benefit to the community with targets including conserving in-situ 1,026 plant species, 36 animal species, and increasing the number of access and benefit sharing licenses to 818 by 2020, among others<sup>16</sup>. Recent estimates indicate that about 26-30% of the total coffee production of the country originates from wild and semi-managed coffee forests, with the value of wild coffee estimated at 130 million USD/annum<sup>17</sup>.

**Infrastructure.** To support industrialization Ethiopia plans to expand road, railways, dry ports, air transport, and energy and telecom infrastructure. To implement the expansion of infrastructure, the government plans on promoting FDI to finance it and thereby to use it as a conduit to accelerate skills, knowledge and technology transfer. Most of the infrastructure will still be provided by the government and in selected cases through public-private partnerships.

In the energy sector, Ethiopia is prioritizing generating sufficient power for both domestic consumption and export. In that regard, a major infrastructure project is the Grand Ethiopian Renaissance Dam on the Blue Nile, the largest dam in Africa, with an estimated production of 15,000 GWh a year. The dam has however caused a dispute between Ethiopia, Egypt and Sudan as the filling up of the reservoir will affect the flow downstream, and could significantly reduce the amount of Nile water available to Egypt that depends on the Nile for 90% of its water<sup>18</sup>. The Egyptian, Sudanese and Ethiopian water and foreign ministers are meeting in Washington on 28 and 29 January 2020, to finalise an agreement on the filling and operation<sup>19</sup>.

Ethiopia has been using neighboring Djibouti's main port for the last two decades. However, with the recent peace with Eritrea, Ethiopia is set to resume accessing the Eritrean ports of Assab and Massawa for its international trade<sup>20</sup>.

Infrastructure <sup>21</sup>			
Energy (2016)		Transportation	
Electrification total population	42.9%	Airports (with paved runway)	57 (17)
Electrification urban areas	85.4%	Railways (kms) (2017)	659
Electrification rural areas	26.5%	Roadways (kms)	120,171
Electricity generating capacity	2.784 million kW	Waterways (kms)	n.a.
Pipelines (kms)		Major seaports	Djibouti, Somalia

**Manufacturing.** So far, the manufacturing sector has been constrained among others, by limited competitiveness, and an underdeveloped private sector. The objective of the GTP II is to make Ethiopia a leading manufacturing hub in Africa, expanding the role of the private sector through foreign investment and industrial parks to make Ethiopia's growth momentum more sustainable<sup>22</sup>.

Ethiopia is notably promoting the development of textile and garment industries, leather and leather products industries, agro-processing industries (food and beverage processing, meat, milk and honey

<sup>16</sup> National Planning Commission. Growth and Transformation Plan II (GTP II) - (2015/16-2019/20).

<sup>17</sup> <https://www.cbd.int/countries/profile/?country=et#facts> Accessed February 2020

<sup>18</sup> BBC News on January 13, 2020 <https://www.bbc.com/news/world-africa-50328647> Accessed January 2020

<sup>19</sup> <http://www.futuredirections.org.au/publication/grand-ethiopian-renaissance-dam-nile-negotiations-continue-in-washington/>

<sup>20</sup> <https://www.worldbank.org/en/country/ethiopia/overview>

<sup>21</sup> <https://www.cia.gov/library/publications/the-world-factbook/geos/gv.html> | Accessed January 2020

<sup>22</sup> <https://www.worldbank.org/en/country/ethiopia/overview>

processing, etc.), metal and engineering industries, chemical and pharmaceutical industries, ICT and electronics industries, petro-chemical industries, and biotechnology industries.

The industrial value addition is set to increase at annual average growth rate of 20% and the share of the industry sector in overall GDP is expected to increase from 15.1% in 2014/15 to 22.3% by 2019/20<sup>23</sup>. The midterm review of the GTP II in 2018 indicated that the manufacturing sector experienced a 17.4% growth but not evenly spread, as small-scale manufacturing industries failed to meet the targets set for the period.

**Mining.** Ethiopia has rich deposits of coal, tantalum, iron, nickel, manganese, potash and phosphates. Gold and tantalum reserves are found in the South, West and North of the country. The oil and gas sector is still at the exploration phase. While largely untapped, resources are under development to help diversify Ethiopia's economy<sup>24</sup>. Gold remains the most important extracted mineral in the country.

The GTP II aims at an increased production of gold from industrial and artisanal mining from 9,053.53 kg in 2014/15 to 25,370.0 kg by 2019/20 resulting in foreign exchange earnings of about USD 2.011 billion. It also outlines an environmental protection programme for the sector to mitigate the negative impacts of mining activities on the environment. In light of this, environmental impact studies on 68 projects are expected as well as the implementation of any necessary mitigation measures, especially, water and soil conservation, CO<sub>2</sub> emission reduction and improved waste collection and disposal systems. Moreover, 1,485 hectares of land affected by mining activities will be rehabilitated<sup>25</sup>.

**Trade.** Ethiopia trade in goods with World in 2016: Exports: \$1.7 bn; Imports: \$19.1 bn; Trade balance: -\$17.4 bn; Bilateral trade: \$20.8 bn

Top-10 export markets for goods and export goods in 2016 (\$)			
Country		Exported goods	
USA	169,446,868	Coffee, tea, mate and spices	745,935,871
Saudi Arabia	167,111,227	Edible vegetables and certain roots and tubers	273,678,234
Germany	148,318,495	Pearls, precious stones, metals, coins, etc	139,451,781
Switzerland	130,810,096	Meat and edible meat offal	102,422,853
China	88,693,600	Raw hides and skins (other than furskins) and leather	78,128,531
United Arab Emirates	86,025,777	Footwear, gaiters and the like; parts of thereof	43,804,810
Pakistan	75,996,657	Optical, photo, technical, medical, etc apparatus	41,540,255
Japan	59,842,063	Articles of apparel, accessories, knit or crochet	38,235,311
Italy	58,828,850	Electrical, electronic equipment	31,957,167
Belgium	53,425,172	Vehicles other than railway, tramway	29,957,332

Top-10 import markets for goods and import goods in 2016 (\$)			
Country		Imported goods	
China	6,095,987,645	Nuclear reactors, boilers, machinery, etc.	3,216,610,661
USA	1,681,886,324	Mineral fuels, distillation products etc.	2,109,980,034
India	1,425,330,717	Electrical, electronic equipment	2,068,173,978
Kuwait	1,062,332,437	Vehicles other than railway, tramway	1,672,980,348
Japan	797,179,318	Iron and steel	1,055,241,709
Italy	764,671,935	Articles of iron or steel	960,564,103
Turkey	684,801,787	Pharmaceutical products	782,731,820
Sweden	508,846,480	Plastics and articles thereof	667,041,599
United Arab Emirates	473,132,883	Aircraft, spacecraft, and parts thereof	654,294,392
Bahrain	430,231,011	Animal, vegetable fats and oils, etc.	608,251,838

<sup>23</sup> National Planning Commission. Growth and Transformation Plan II (GTP II) - (2015/16-2019/20).

<sup>24</sup> <https://eiti.org/ethiopia#eiti-reports-and-other-key-documents> Accessed January 2020

<sup>25</sup> National Planning Commission. Growth and Transformation Plan II (GTP II) - (2015/16-2019/20).



International Trade in Goods and Services based on UN Comtrade data.

Developed by the Department for International Trade and the Dept. for Business, Energy and Industrial Strategy in the UK.

<https://comtrade.un.org/labs/dit-trade-vis/?reporter=231&partner=0&type=C&year=2016&flow=2>

## Environment

Ethiopia's landscape includes a large highland area of mountains and dissected plateaus, divided by the Rift Valley, which runs southwest to northeast and is surrounded by lowlands, steppes, or semi-desert. This large diversity of terrain has led to wide variations in climate, soils and natural vegetation. The main rainy season is from June to September and a smaller rainy season between February and April. There are 10 ecosystems and 18 major and 49 minor agro-ecological zones<sup>26</sup>.

The highlands of Ethiopia are the source of major perennial rivers. Ethiopia has a number of large lakes such as Lake Tana – the source of the Blue Nile. There are hardly any perennial surface water flows in areas below 1,500 m. Groundwater provides more than 90% of the water used for domestic and industrial supply in Ethiopia, but a very small proportion of groundwater is used for irrigation. Surface water resources supply most of the country's electricity through hydropower. However, the country has also suffered recurring devastating droughts<sup>27</sup>.

Forests play vital roles in ensuring food security and sustainable livelihoods for millions of households throughout Ethiopia. Forest biodiversity provides ecosystem services estimated at 4% to the GDP through the production of honey, forest coffee, natural gums and timber<sup>28</sup>.

Geography and land-use data <sup>29</sup>	
Land area (sq. km); surface (sq. km)	1,135,429.23
Terrestrial protected areas (% of total land area)	17.62
Forest area (% of land area, 2017)	12.54
Primary Forest (% forest land, 2017)	0
Planted Forest (% forest land, 2017)	7.78
Other naturally regenerated forest (% forest land, 2017)	92.22
Cropland (% of land area) , 2017	17.54
Arable land (% of land area, 2017)	15.97
Agricultural land (% of land area, 2017)	37.54

## Wildlife and protected areas

According to national estimates, Ethiopia possesses an estimated number of 6,000 species of higher plants of which 10% are endemic. The country has 284 species of wild mammals and 861 species of birds. Data on other wild animals are scanty; and the number of reptile, fish, amphibian and arthropod species identified so far are 201, 200, 63 and 1,225, respectively. Of these faunal resources, 29 wild mammal, 18 bird, 10 reptile, 40 fish, 25 amphibian and seven arthropod species are endemic to Ethiopia.

The country is also one of the world's centres of origin for cultivated crops such as coffee and a centre of diversity for many crop species such as durum wheat, barley and sorghum. In addition, the country has a rich resource of indigenous farm animals comprised of 28 cattle, 9 sheep, 8 goat, 7 camel, 6 donkey, 8 horse, 2 mule and 7 chicken breeds<sup>30</sup>.

<sup>26</sup> Ethiopian Biodiversity Institute (2015). Ethiopia's National Biodiversity Strategy and Action Plan 2015-2020. Addis Ababa, Ethiopia. <https://www.cbd.int/doc/world/et/et-nbsap-v2-en.pdf> Accessed January 2020.

<sup>27</sup> Kebede, S., Hailu, A., Crane, E., Ó Dochartaigh, B.É and Bellwood-Howard, I. 2018. Africa Groundwater Atlas: Hydrogeology of Ethiopia. British Geological Survey. Accessed January 2020. [http://earthwise.bgs.ac.uk/index.php/Hydrogeology\\_of\\_Ethiopia](http://earthwise.bgs.ac.uk/index.php/Hydrogeology_of_Ethiopia)

<sup>28</sup> <https://www.cbd.int/countries/profile/?country=et#facts> Accessed February 2020

<sup>29</sup> Food and Agriculture Organization of the United Nations (FAO). FAOSTAT <http://www.fao.org/faostat/en/#data/EL> Accessed December 2019

<sup>30</sup> Ethiopia's National Biodiversity Strategy and Action Plan 2015-2020.

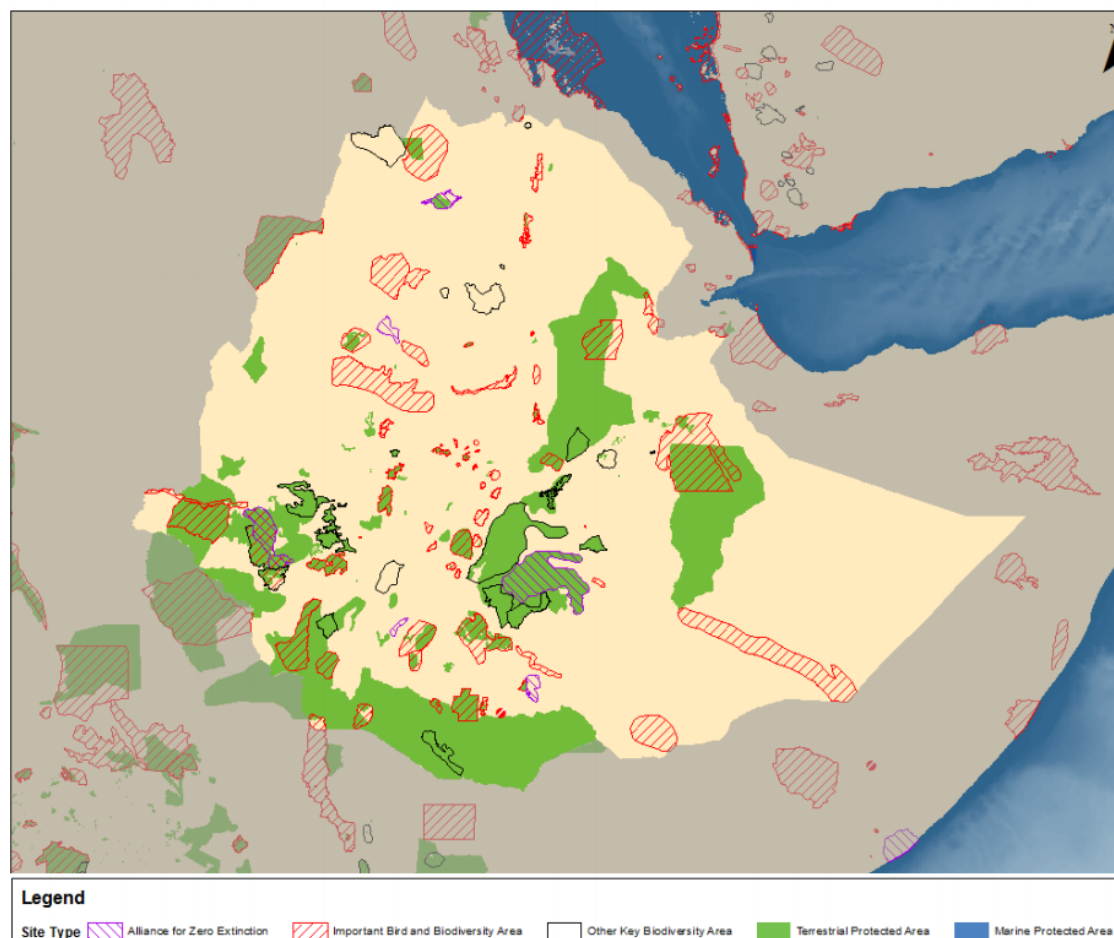
Species with extinction risk assessments in Ethiopia published on the IUCN Red List		
Taxonomic group	Number assessed	Known threatened species
Amphibians	63	12
Birds	819	33
Fishes	143	14
Mammals	272	32
Reptiles	42	3
Arachnids	2	0
Corals	0	0
Crustaceans	5	1
Insects	170	10
Molluscs	48	4
Other invertebrates	0	0
Ferns	14	0
Flowering plants	449	47
Gymnosperms	4	0
<b>Total</b>	<b>2031</b>	<b>156</b>
<b>Total endemic species assessed/threatened</b>	<b>197</b>	<b>89</b>

In its fifth national report to the Convention on Biological Diversity (CBD), Ethiopia indicates that it has established several protected areas, including national parks, sanctuaries, wildlife reserves, controlled hunting areas, and national forest priority areas, as measures to implement its NBSAP and thereby protect biodiversity, ecosystems and ecological processes. The number of these different protected areas as well as the area that they cover varies from one source to the other. The table below provides information on Protected Areas extracted from the World Database on Protected Areas (WDPA) as it appears in the IBAT Country Profile for Ethiopia:

Protected Areas	
Designation	Number
Controlled hunting area	18
National Forest Priority Area	58
National Park	13
Sanctuary	4
Wildlife Reserve	8
UNESCO-MAB Biosphere Reserve	2
World Heritage Site	1
<b>Coverage: 17.62%</b>	<b>104</b>
Key Biodiversity Areas (KBAs)	<b>93</b>



Map showing the overlap between Key Biodiversity Areas and Protected Areas.



Source: BirdLife International, IUCN and UNEP World Conservation Monitoring Centre, 2018. IBAT Country Profile for Ethiopia, Version 2018/5. Available at: <http://www.ibat-alliance.org/ibat-conservation>

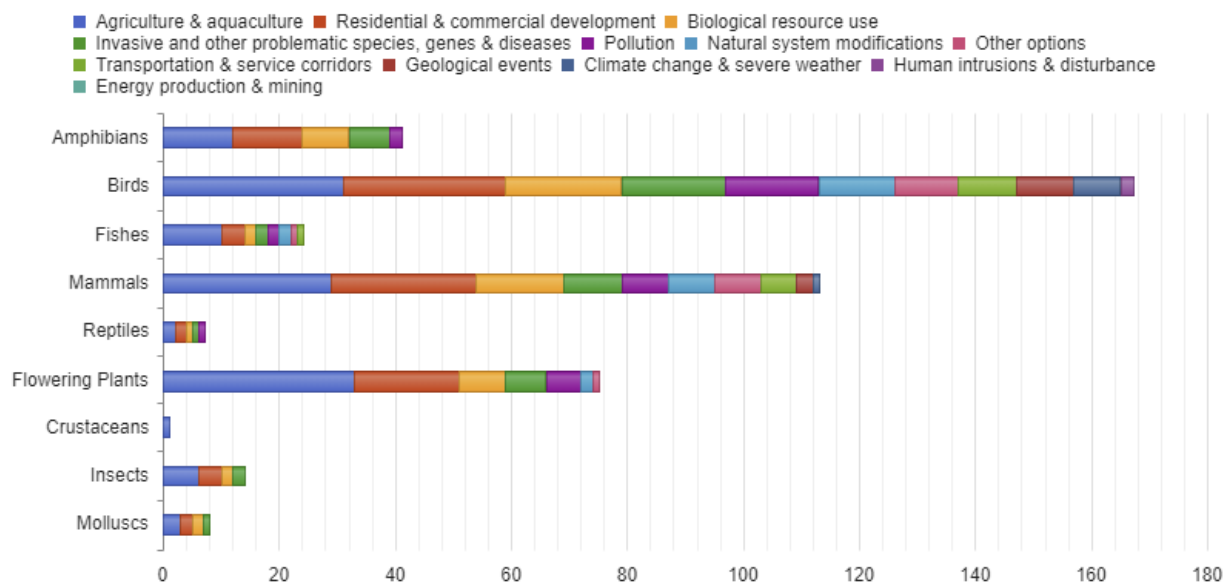
### Main pressures and drivers of biodiversity loss

Ethiopia's NBSAP identifies habitat conversion, unsustainable utilization of biodiversity resources, invasive species, replacement of local varieties and breeds, climate change and pollution as the main direct threats to biodiversity. Indirect causes of biodiversity loss in the country are growing population, poverty, and lack of awareness and coordination.

Because of agricultural expansion, a significant portion of high forests, woodland, and wetlands have been converted into commercial agricultural farming such as tea, rice, sugarcane, bio-fuel plants and coffee plantations. The NBSAP estimates that to achieve the targets set for the growth of the agriculture sector, land expansion of 3.9% per annum is required.

The Red List Index for Ethiopia exhibits a relatively flat trend, and it is currently at 0.842. Data provided by the IBAT Country Profile for Ethiopia identifies the global threats to species occurring in the country. The major threats for the majority of the different taxonomic groups assessed in Ethiopia relate to agriculture and aquaculture, residential and commercial development, biological resource use, invasive species, among others.

### Threats affecting different taxonomic groups assessed in Ethiopia. Only major classes of threats are shown.



Source: BirdLife International, IUCN and UNEP World Conservation Monitoring Centre, 2018. IBAT Country Profile for Ethiopia, Version 2018/5. Available at: [https://www.ibat-alliance.org/country\\_profiles/ETH](https://www.ibat-alliance.org/country_profiles/ETH)

### National legal environmental framework

Ethiopia has taken a number of measures on biodiversity conservation including putting in place domestic legislation and establishing the Ethiopian Biodiversity Institute to coordinate the integrated implementation of the objectives of the CBD. Major actors in biodiversity and ecosystem services related activities include the Ministry of Agriculture and Natural Resources, Ministry of Livestock and Fisheries, Ethiopian Institute of Agricultural Research, Ethiopian Wildlife Conservation Authority, the Ministry of Culture and Tourism, and the Ministry of Environment, Forest and Climate Change, among others.

Major legal frameworks include the Constitution of the Federal Democratic Republic of Ethiopia, the Climate Resilient Green Economy Strategy, the Growth and Transformation Plan (GTP), National Economic Development Strategy, the Conservation Strategy of Ethiopia, Environmental Policy, Proclamation on Environmental Impact Assessment, Proclamation on Environmental Pollution Control, the Nagoya Protocol, Ethiopian Water Resources Management Policy, and Federal Forest Proclamation<sup>31</sup>.

### International legal framework

Ethiopia is party of the following conventions of which the following have impacts on biodiversity (non-exhaustive):

- Convention on Biological Diversity (CBD)
- United Nations Framework Convention on Climate Change (UNFCCC)
- United Nations Convention to Combat Desertification (UNCCD)
- Convention on International Trade in Endangered Species (CITES)
- Basel, Rotterdam and Stockholm Conventions (BRS)
- Montreal Protocol (Ozone Layer Protection)
- World Heritage Convention (WHC)
- Convention on Migratory Species (CMS)

<sup>31</sup> Ethiopia's National Biodiversity Strategy and Action Plan 2015-2020. p.53

### National Commitments in Rio Conventions

In fulfilling its international obligations in these agreements, the country has submitted a number of national targets and/or plans to implement them.

#### **Convention on Biological Diversity – NBSAP**

The mission of Ethiopia's NBSAP (2015-2020) is "By 2020, awareness of the general public and policy makers on biodiversity and ecosystems services is raised; biodiversity and ecosystem services are valued; pressures on biodiversity and ecosystems are reduced; the status of biodiversity and ecosystem services is improved; and access to genetic resources and fair and equitable sharing of benefits arising from their use is ensured". The NBSAP includes 18 national targets for implementation by 2020, distributed under the five strategic goals of the global Strategic Plan for Biodiversity and mapped to relevant Aichi Targets. Indicators, actions, implementation period, implementing agencies, milestones and a technical rationale are assigned to each target. Implementation will be supported by various strategies and plans, such as the Ethiopian Climate Resilient Green Economy Strategy (2011) advocating a sectoral "green growth" path for development and sustainability, the Growth and Transformation Plan, and the Ethiopian Sustainable Land Management Investment Framework (2010) under which all stakeholders and actors can join forces to advance sustainable land management. Due attention will be paid to gender equity in biodiversity activities. As a Party to the Nagoya Protocol on ABS, Ethiopia has to date formulated a Code of Conduct to access genetic resources and community knowledge and benefit-sharing; these developments also support implementation of the Proclamation on Access to Genetic Resources and Community Knowledge, and Community Rights (2006) and Regulation (2009). The Ethiopian Biodiversity Institute (EBI) is the Focal Institute to the CBD and has overall responsibility for coordinating NBSAP implementation, and will facilitate the establishment of the National Biodiversity Technical Committee and National Biodiversity Council. Regional Biodiversity Units and Biodiversity Centres already exist to ensure effective implementation. The EBI has the responsibility for developing formats for conducting NBSAP monitoring and evaluation activities.

#### **United Nations Framework Convention on Climate Change - NDC<sup>32</sup>**

Ethiopia intends to limit its net greenhouse gas (GHG) emissions in 2030 to 145 Mt CO<sub>2</sub>e or lower. This would constitute a 255 MtCO<sub>2</sub>e reduction from the projected 'business-as-usual' (BAU) emissions in 2030 or a 64% reduction from the BAU scenario in 2030. Ethiopia also intends to undertake adaptation initiatives to reduce the vulnerability of its population, environment and economy of the adverse effects of climate change, based on its Climate Resilient Green Economy Strategy (CRGE). The full implementation of Ethiopia's NDC is contingent on international support. The plan to mitigate emissions builds on 4 pillars: i) improving agricultural practices for food security while reducing emissions; ii) protecting and re-establishing forests for their economic and ecosystem services, while sequestering significant amounts of CO<sub>2</sub> and increasing carbon stocks; iii) expanding electric power generation from renewable energy; and iv) leapfrogging to modern and energy efficient technologies on transport industry and building sectors.

#### **United Nations Convention to Combat Desertification<sup>33</sup>**

Ethiopia presented nine national voluntary targets to achieve land degradation neutrality across the country, with deadlines ranging from 10 to 25 years. These targets are:

- 1) By 2031, promote the implementation of community based forest management, forest landscape restoration with indigenous species, avoiding overgrazing, area closure and ensure the restoration of 427,730 ha of forest land lost between 2000 and 2010.
- 2) By 2036, ensure the rehabilitation and improvement of the productivity of 21,359,490 ha of forest land by stopping uncompensated conversion of forest area, especially in slopes, into grassland, cropping or urban areas, and promoting agroforestry, energy saving stoves and, alternative livelihood systems, in order to avoid reduction of carbon stock and limit the risk of erosion.
- 3) Improve the productivity of 314,990 ha of shrubs, grasslands and sparsely vegetated areas by the year 2040 through avoiding overgrazing, promoting controlled grazing, and rangeland management/improvement.

<sup>32</sup> Ethiopia's First NDC <https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Ethiopia%20First/INDC-Ethiopia-100615.pdf> Accessed February 2020.

<sup>33</sup> Ethiopia - Land Degradation Neutrality National Report. 2015 <https://knowledge.unccd.int/sites/default/files/inline-files/ethiopia-ldn-country-report-final.pdf> Accessed January 2020

- 4) By 2040, rehabilitate and improve the productivity of 12,578,714 ha shrubs, grasslands and sparsely vegetated areas through stopping uncompensated conversion of permanent grasslands in to croplands, promoting controlled grazing, and rangeland management/improvement so as to avoid reduction of soil carbon stock
  - 5) By 2031, ensure improved productivity of 14,193,615 ha of cropland by reverting negative trends of arable land deterioration, including acidification, alkalization and salinization, erosion by strongly discouraging inappropriate practices and supporting soil, water and vegetation long-term conservation practices; limiting drastically the size of individual parcel to the maximum permitted to conserve biodiversity and natural regeneration potential, through agroforestry and green corridors and biodiversity grids, especially in large-scale commercial farms; accelerating the conversion of unsustainable to sustainable cropping, grazing, forestry in the framework of scientifically grounded watershed management plans implemented under legally binding long-term agreements and contracts; and 100% cropland shows stable or increasing land productivity capacity.
  - 6) By 2026 ensure improved productivity of 72,766 ha of wetlands and water bodies through stopping uncompensated conversion of wetlands into cropping or urban / industrial / infrastructure areas, in order to avoid depletion of carbon stock and critical biodiversity
  - 7) Take urgent and significant actions like stopping uncompensated artificialisation /urbanization of arable lands, through urban densification and “building city on city” approach; restoring as much as possible lands degraded by pollutions, originated by urban, industrial, mining untreated contaminants; revitalizing vegetation in degraded slopes, dried lands, closed mines, infrastructure (airports, harbours, roads, dams and reservoirs) using pools of endogenous species and further sustainable use and promoting plantation of indigenous tree species, and improve the productivity of 33,452 ha of artificial areas by the year 2026
  - 8) Through sustainable land management practices particularly implementing biophysical soil and water conservation practices improve the productivity of 3,751,173 ha of bare land and other areas by the year 2036
  - 9) By 2040, ensure the increase of carbon stock in the country by 148.67 million tons of carbon between 2016 and 2040 through achieving the above mentioned targets.
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