Growing economy, abundant & competitive labor, proximity & access to global markets

- **Fastest growing economy:**
  - Annual GDP growth rate of 11% for the last 12 years
- **Africa’s 2nd most populous country:**
  - Close to 100 million & growing at 2.3 million annually
  - Active labor force of more than 45 million
- **Geographic & market access advantages:**
  - Proximity to EU, USA, Middle East, & Asia
  - Duty-free market access to USA & EU through AGOA & EBA
  - Preferential duty treatment to markets such as China, India, Japan, Canada & Australia

Competitive infrastructure & skills development

- **New electric-driven railway:** 4-12 hours from industrial parks to Djibouti port
- **Africa’s aviation hub:** Ethiopian Airlines serving 98 international destinations
- **Current electricity rate at 3 US cents/kwh:** one of the lowest in the world
- **Trainable workforce with competitive wage**
- **More than 50 Universities with ½ million student population** and >1,300 technical & vocational education and training schools with annual intake of 1 million students

**Textile & Apparel**

- **State-of-the art industrial parks** that specialize in textile and apparel
- Attracted leading players in textile and apparel
- **Affordable and competitive labor force**
- **Cotton Production Potential:** 3 million hectares of land suitable for cotton production
- **Investment Opportunities:** Commercial cotton production, spinning, weaving, garment, etc
Extensive development of industrial parks

- World-class sustainable eco-parks ready for ‘plug & play’
- Dedicated for specific sectors such as textile & apparel, leather & leather products, pharmaceuticals, agro-processing etc.
- Located along key economic corridors & connected to ports
- Strong government support
- Investment policy led by Ethiopian Investment Board (EiB) chaired by the Prime Minister

Incentives applicable to industrial parks

- **Manufacturers:**
  - Zero tax on exports
  - Exempted from income tax up to 8 - 10 years
  - Exempted from duties & other taxes on imports of machinery, construction materials, spare parts, raw materials & vehicles
  - One-stop-shop for government services
  - Land lease term: 60-80 years at zero charge for factories & residential quarters

- **Developers:**
  - Exempted from income tax up to 15 years (outside Addis Ababa)
  - Exempted from duties & other taxes on imports of machinery, equipment, construction materials, & vehicles
  - Provision of essential infrastructure, including dedicated power substations
  - Land lease term: 60-80 years at zero charge with sub-lease rights

### Hawassa Industrial Park - Flagship Park

- Eco-Industrial Park (ZLD) inaugurated in July 2016 with construction cost of more than USD 250 million
- **Labor:** 5 million people within 50 km radius
- **Cluster:** Specialized in textile & apparel
- **Land area:** 1.4 million m²
- **1st phase:** >400,000 m² factory shed built up area
- Factory sheds fully leased out to leading global investors in the sector

### Mekelle Industrial Park

- **Labor:** 1 million people in & around city
- **Cluster:** Textile & apparel, footwear & leather products
- **Land area:** 10 million m²
- **1st phase:** 1 million m²

### Kombolcha Industrial Park

- **Labor:** 1 million people in & around city
- **Cluster:** Textile & apparel, footwear & leather products
- **Land area:** 10 million m²
- **1st phase:** 1 million m²

### Adama Industrial Park

- **Labor:** 500,000 people in & around city
- **Cluster:** Equipment manufacturing, textile & apparel
- **Land area:** 10 million m²
- **1st phase:** 2 million m²

### Dire Dawa Industrial Park

- **Labor:** 600,000 people in & around city
- **Cluster:** Multiple sectors including heavy industries
- **Land area:** 10 million m²
- **1st phase:** 1 million m²
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