

ETHIOPIA



Intra-Africa trade and tariff profile



1 Regional Economic Communities

Ethiopia is a signatory of the COMESA and IGAD. However, it does not participate in the COMESA FTA and IGAD currently has no trade agenda



Given that Ethiopia is not actively engaged in tariff liberalisation in the RECs it is party to, the country will have to negotiate with virtually all of the other African countries that have signed to the AfCFTA

From a trade policy perspective, the Government of Ethiopia launched an agriculture-led industrialisation strategy, labelled the Growth and Transformation Plan (GTP) in 2010, which is a five year economic strategy that has seen the country reach two digit-growth rates in the past few years.

Currently Ethiopia is implementing the second GTP II – (2015/16-2019/ 20), which builds on the first GTP.

EXPORTS

17%

of Ethiopia's total exports (US\$500million) are intra-Africa

- Khat (50%)
- Telephones and accessories (11%)
- Dried legumes (6%)
- Potatoes (5%)

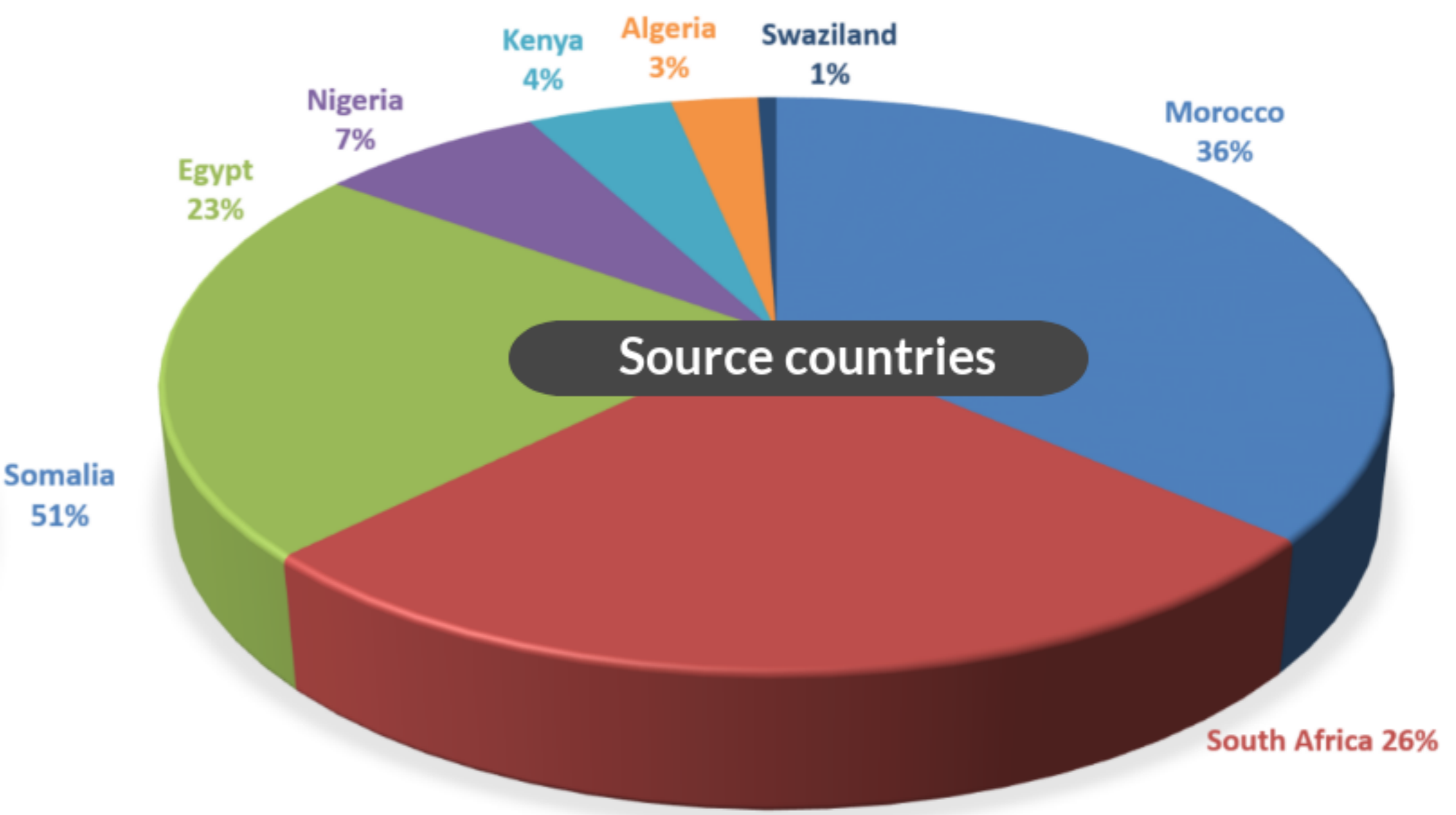
IMPORTS

5%

of Ethiopia's total imports (US\$800 million) are intra-Africa

- Mineral/chemical fertiliser (36%)
- Coal (10%)
- Petroleum Oils (7%)
- Coke/ bitument (3%)

2 Intra-Africa trade



Despite Ethiopia not participating in any preferential arrangements, most goods originating from Africa enter at varying preferential rates, especially goods from top suppliers. Top imported products attract low tariffs under 10%. Duty free products account for only US\$12 million equivalent to under 2% of total intra-Africa imports in 2017.

MFN applied duties



629 product lines from Africa worth US\$ 142 million attract MFN rates when entering Ethiopia.

Duty free imports





176 Product lines (HS6) originating from Africa enter Ethiopia duty free

Although Ethiopia is not a WTO Member, only about 15% of total intra-Africa imports enter at MFN rates

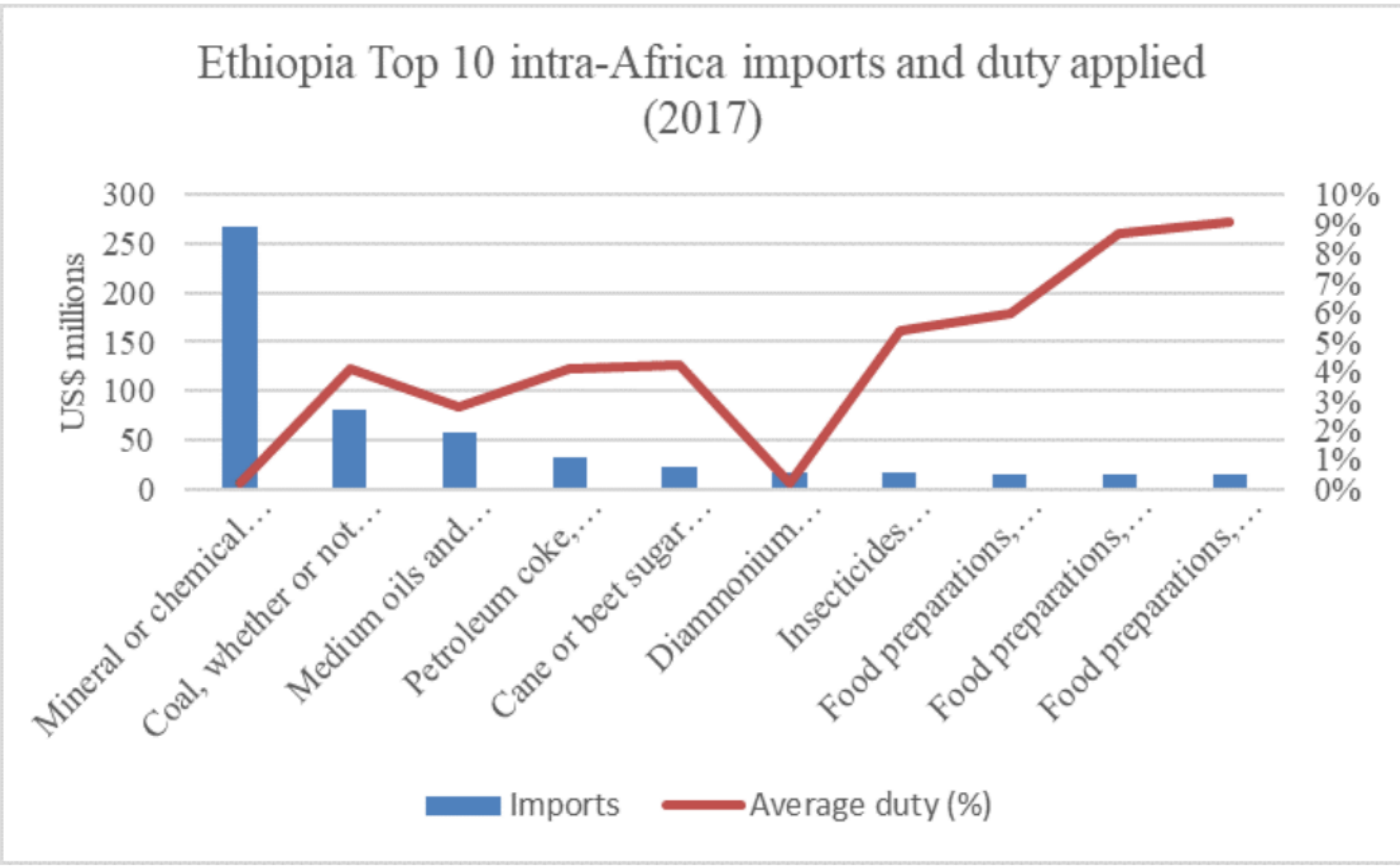
High ad valorem duties

-  Filament lamps (50%)
-  Fresh strawberries (50%)
-  Mushrooms (50%)
-  Clothing & textiles (40%-50%)

Duty free imports

-  Medicaments
-  Books
-  Lab equipment
-  Mechanical lubricants

Ethiopia's top intra-Africa imports and tariffs applied (2017)



As already highlighted, Ethiopia does not participate in any preferential arrangements on the continent despite being part of COMESA and IGAD, the country accords preferential access to major suppliers of goods from Africa.

Most tariffs for top imports originating from Africa attract tariffs under 10%.

Source: UN ITC TradeMap and MacMap database