India – Ethiopia Relations

Historical linkages between India and Ethiopia go back about 2,000 years of recorded history. Trade between the two countries flourished during the ancient Axumite Empire (1\textsuperscript{st} century AD), which is seen to be origin of modern Ethiopia. A sizeable Indian community consisting of merchants and artisans, settled down in this country in the latter part of the 19\textsuperscript{th} century. Ethiopia, under Emperor Haile Selassie (1941-1974), saw a large number of Indian teachers in Ethiopia.

Full diplomatic relations were established in 1950 with Sardar Sant Singh as the first Ambassador. The current Ambassador is Shri Sanjay Verma, also accredited to Republic of Djibouti and the African Union.

Regional importance

Addis Ababa known as diplomatic and political capital of Africa with the maximum number of diplomatic Missions is the head quarters of the African Union Commission. The January summit of the African Union is always held in Addis Ababa.

Ethiopia has one of the most challenging locations in the world. As a stable country in the Horn of Africa region, Ethiopia has importance for peace and stability in this region. Ethiopia is playing a central role in negotiations between Sudan and South Sudan and also between South Sudan and rebel leaders of South Sudan conducted under auspices of Inter Governmental Authority for Development (IGAD) and the AU High level implementation panel (AUHIP). Ethiopia became a member of NAM in 1961 and is also a member of G-77.

Political Structure

After the overthrow of the Marxist Derg regime in May 1991 the Ethiopian People’s Revolutionary Democratic Front (EPRDF) a coalition of 9 parties led by Prime Minister Meles Zenewi established a transitional government. A new constitution was adopted in December 1994 and elections were held in May and June 1995. The country has 9 regional states drawn along accepted ethnic/linguistic lines and 2 city states. One of the major features of the new Constitution is the right of secession of the constituent provinces. The current Prime Minister is Hailemariam Desalegn, President is Dr. Mulatu Teshome and the Foreign Minister is Dr. Tedros Adhnan.

The new Constitution of Ethiopia has a President who is the nominal Head. The executive power vests with the Prime Minister. The Parliament is bicameral and the two Houses are known as House of Peoples Representatives (Lower House) and House of Federation (Upper House). The HPR has 548 MPs directly elected by the voters. The Upper House has 120 MPs elected by the State Councils of the nine Regional States. The appointment of Ministers is to be approved by the Parliament. Presently in a house of 548 there is only one opposition member suggests the one party domination inspired by South-East Asian and Chinese model.

Bilateral Visits

Bilateral Trade & Investments

In 2013, India-Ethiopia trade was US $ 1.260 billion. India’s exports was worth US $1.224 billion comprising primary and semi-finished iron and steel products, drugs and pharmaceuticals, machinery and instruments, metal, plastic and linoleum products, paper and paper products, yarns and textiles, chemicals, transport equipments, etc. India’s imports were worth US $35.50 million comprising mainly pulses, semi-precious stones, leather, cotton, oil seeds and spices. Ethiopia total trade is US $ 14.5 billion. Exports stood at US $ 3.1 billion and imports over US $ 11.4 billion.

India is the second biggest foreign investor in Ethiopia with approved investment of over US $ 4 billion. Of this, an estimated US$ 2 billion is already on the ground or in the pipeline. There are 608 Indian projects approved by the Ethiopian Investment Agency in Ethiopia. About 48% of Indian companies are in Manufacturing and 21% in agriculture.

At over US$ 1 billion, Ethiopia is the single biggest recipient of Indian LOCs in Africa. This includes US $ 65 million for a power transmission and distribution project under rural electrification programme, US$ 640 million for development of three sugar factories and US $300 million for a Railway Line Project (sector Asaita in Ethiopia to Tadjourah port in Djibouti).

Cooperation for Capacity Building

The number of training slots under ITEC have gone up from 25 in 2007-08 to 220 in 2013-14. We also offer 50 Indian Council of Cultural Relations (ICCR) scholarships to Ethiopian students for University studies in India. The pan African e-Network project was launched in Ethiopia in July 2007. The Tele-Education Centre at Addis Ababa University and the Tele-Medicine Centre at the Black Lion Hospital in Addis Ababa are working well and are considered very useful by the Ethiopian side.

Indian Community:

The first Indian settlers in Ethiopia were from Gujarat. During imperial times, there were also tens of thousands of Indian teachers in schools all over Ethiopia which fell very significantly during the Derg regime. Presently, the Indians in Ethiopia are over 8,000 – the majority being the new investors and their employees, and professors in local Universities. Today, every tenth Indian in Ethiopia is a professor and every third Indian works for an Indian investor.

Useful Resources:

For more information and latest updates please visit
Embassy of India, Addis Ababa website: http://www.indembassyeth.in/
Embassy of India, Addis Ababa Facebook page: https://www.facebook.com/EmbassyofIndiaAddisAbaba
India Global- AIR FM Gold Program featuring India and Ethiopia Relations: http://www.youtube.com/watch?v=CoitlgLeBS8

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