

# **ETHIOPIAN INVESTMENT COMMISSION**



## **Factor Cost**

June 2014  
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## PREFACE

This booklet on costs pertaining to different factors in the year 2014 is published by the Ethiopian Investment Commission (EIC) aimed to assist potential investors in preparation of investment projects.

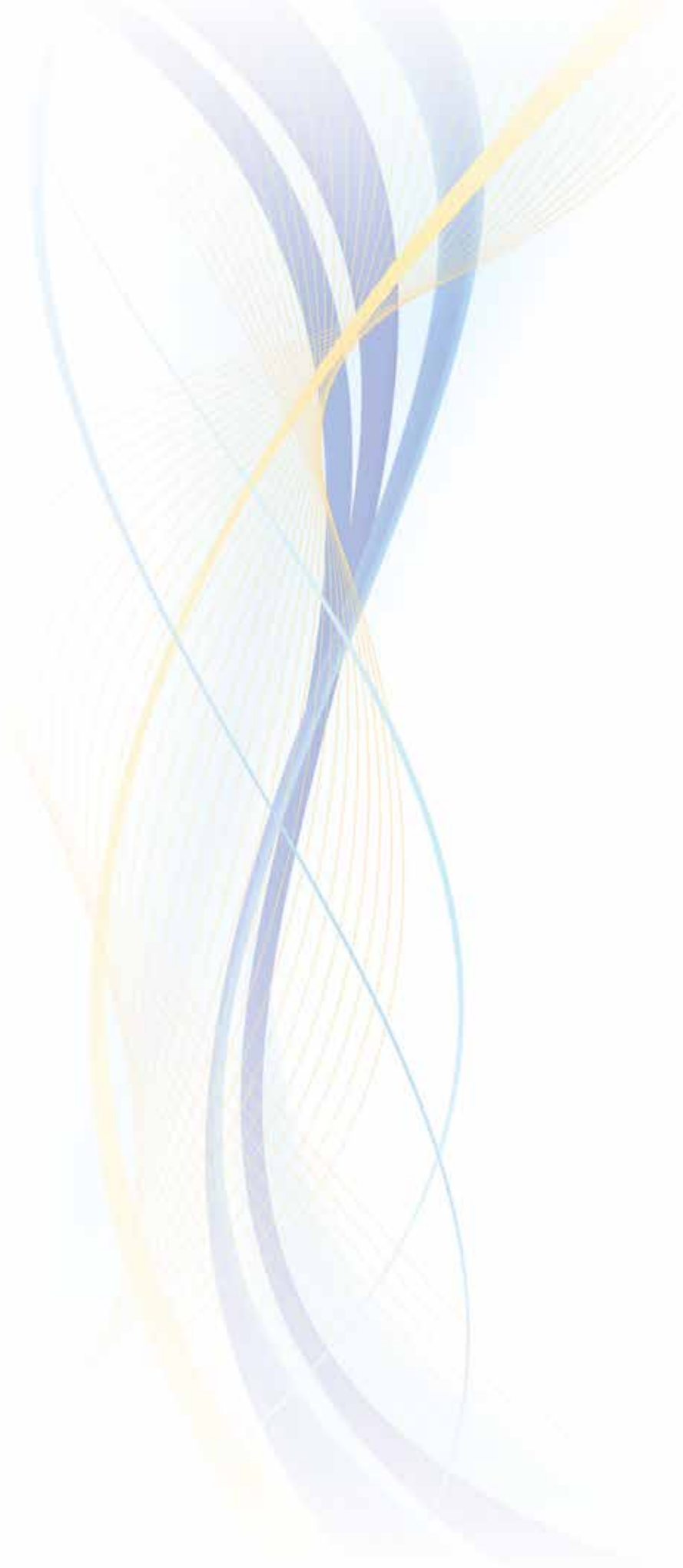
In view of this, the Commission hopes that investors will benefit from this publication in their efforts to undertake successful businesses in Ethiopia.

As the Commission continues to publish revised versions of the same annually, possible comments or suggestions are most welcome.

Consequently, EIA would like to let users of this publication know that it is also available on the Agency's website, [www.eia.gov.et](http://www.eia.gov.et)

Ethiopian Investment Commission

Addis Ababa



## Part 1: COST OF LAND

Under the Constitution of the Federal Democratic Republic of Ethiopia, land is the sole property of the State and the peoples of Ethiopia. Urban and rural land is available for investment on lease-hold and rental basis, respectively.

### 1.1 Urban Land

#### 1.1.1 Lease Holding

In conformity with a master plan or guidelines of a city, urban land is permitted to be held on lease by auction. Minimum price of urban land will be determined by auction. Lease-hold title deed will be conferred on a person to whom urban land is permitted.

##### A) Duration lease holding

According to the Urban Lands Lease Holding Proclamation No. 721/2011, the duration of lease for urban land varies depending on the level of urban development and a sector or the type of development activity or the type of service on which land is held by leases as shown in the following table.

Table 1- 1 Maximum lease holding period by activity

Location	Area of activity	Period of Lease
Any Urban center	Residential housing, science and technology, research and study, government offices, charitable organizations ,and religious institutions	99 year
	Urban agriculture	15 year
	Diplomatic missions and international organizations	As per an agreement
Addis Ababa	Education, Health, Culture and Sport	90 year
	Industry	70 year
	Commerce	60 year
	others	60 year
Other urban centers	Education, Health, Culture and Sports	99 year
	Industry	80 year
	Commerce	70 year
	Others	70year

##### B) Renewal of lease holding period

The duration of lease may, upon the termination thereof, be renewed as per the agreement to be reached between the leaser and the lessee, unless the urban land is needed for public purpose. Where the lease agreement is not renewed upon termination on account of the land being wanted for public interest, compensation shall not be paid to the lease-hold possessor.

##### C) Rights of lease holding

Any lease-hold possessor may transfer or undertake a surety on his rights of lease-hold; and he may also use it as a capital contribution to the amount of the lease payment he has made.

#### D) Modalities of payment

Lease price payment may be made wholly at the signing of the lease contract or periodically with bank compound interest on the unpaid balance.

A person to whom lease-hold of urban land is permitted:

- must make advance payment not less than 10 percent of the total lease payment;
- shall make payments every year; and the yearly payment shall amount to the average price of the remaining lease payment divided over the period of payment;
- shall pay interest over the remaining payment as per the rate of interest on loan offered by banks; and
- Where a lease has failed to make payments with the specified time limit and accumulated arrears for three years, the appropriate body shall have the power to seize and sell the property of the lease to collect the arrears.

The periods of payment of urban land-lease prices vary from region to region and on the type of investment activity as shown in the following table.

**Table 1- 2 Periods of payment of urban land lease prices by region and activity**

Region /Name of City	Area of activity	Period of payment
Addis Ababa City Administration	• Private dwelling houses	Within 30 years
	• Industry	Within 20 years
	• Hospital and university	Within 20 years
	• 4 star hotel and above	Within 20 years
	• Others	Within 20 years
Amhara National Regional State (Bahir Dar, Dessie, Gonder)	• Private dwelling house	Within 99 years
	• Private housing through auction or negotiation	Within 50 years
	• Social development and cultural undertakings (Health, Education ...)	Within 40 years
	• Industry	Within 40 years
	• Commerce	Within 30 years
	• House for rent	Within 40 years
	• land with 15 years lease period	Within 10 years

.....

Region /Name of City	Area of activity	Period of payment	
Oromiya National Regional State	<ul style="list-style-type: none"> <li>• Private dwelling houses</li> <li>• Rental dwelling houses</li> <li>• Industry</li> <li>• Commerce and related</li> <li>• Education, Science and technology, Health, Culture and sports</li> <li>• Others</li> </ul>	Within 40 years.	
Tigray National Regional State	<ul style="list-style-type: none"> <li>• Private dwelling houses</li> <li>• Rental dwelling houses</li> <li>• Industry</li> <li>• Commerce and related</li> <li>• Education, Science and technology, Health, Culture and sports</li> <li>Others</li> </ul>	40 to 50 years depending on the sector of development	
SNNP RS	Industry	Within 50 years for 1 <sup>st</sup> and 2 <sup>nd</sup> grade of town	Within 60 years for 3 <sup>rd</sup> and 4 <sup>th</sup> grade of town
	Commerce and related	Within 40 years for 1 <sup>st</sup> and 2 <sup>nd</sup> grade of town	Within 50 years for 3 <sup>rd</sup> and 4 <sup>th</sup> grade of town
	Education, Science and technology, Health, Culture and sports	Within 8 years for 1 <sup>st</sup> and 2 <sup>nd</sup> grade of town	Within 10 years for 3 <sup>rd</sup> and 4 <sup>th</sup> grade of town
	Others	Within 3 years for 1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> and 4 <sup>th</sup> grade of town	

## D) Utilization of urban land

Any person, to whom lease-holding of urban land is permitted, must begin to use the land for the prescribed activity within the period of time set by regulations.

### 1.1.2 Minimum Lease and Rental Prices of Urban Land in Some Regions

The minimum price of urban land is determined prior to its possession on auction or through negotiation. The minimum lease and rental prices of urban land in some regions of the country are presented below:

#### A) Addis Ababa City Administration

The Addis Ababa City Administration has graded lease land and allocated initial prices as shown in the following table:



**Table 1-3 Minimum urban land - lease prices in Addis Ababa**

No.	Zone	Grade of Lease Land	Minimum price ( Birr /M <sup>2</sup> )	Multipliers to determine prices by width of roads (meter)			
				No road	Less than 10	10 up to 20	Above 20
1	Central Business Zone	1	1686	1.2	1.5	1.7	1.9
		2	1535	1.2	1.5	1.7	1.9
		3	1323	1.2	1.5	1.7	1.9
		4	1085	1.2	1.5	1.7	1.9
		5	894	1.2	1.5	1.7	1.9
2	Transitional Business Zone	1	1035	1.2	1.3	1.4	1.5
		2	935	1.2	1.3	1.4	1.5
		3	809	1.2	1.3	1.4	1.5
		4	685	1.2	1.3	1.4	1.5
		5	555	1.2	1.3	1.4	1.5
3	Expansion Zone	1	355	1	1.2	1.3	1.4
		2	299	1	1.2	1.3	1.4
		3	217	1	1.2	1.3	1.4
		4	191	1	1.2	1.3	1.4

Source: Addis Ababa City Government Land Administration and Building Permit

### **B) Tigray National Regional State**

In Tigray Regional State, industrial zones are established in nine towns, namely Mekele, Humera, Sherry, Axum, Adwa, Adigrat, Wuqero, Maycho and Almata. The Regional State has set lease prices for the industrial zones. The prices for industrial zones vary from 0.25 to 1.25 Birr/M<sup>2</sup>/year. The following table shows the initial lease prices for both the industrial zones.

**Table 1-4 Minimum urban land- lease prices in Tigray**

No.	Town	Investment Project	Lease price (Birr/M <sup>2</sup> /Year)
1	Mekele	Information System and Technology	1.00
		Other	1.25
2	Humera	Agro- Processing	0.25
		Other	0.35
3	Sherry	Agro- Processing	0.50
		Other	0.75
4	Axum	Textile and Garment	0.50
		Other	0.75
5	Adwa	Textile and Garment	0.50
		Other	0.75
6	Adigrat	Chemical industry	0.50
		Other	0.75
7	Wuqero	Information System and Technology	0.50
		Other	0.75
8	Maycho	Agro- Processing	0.40
		Other	0.50
9	Almata	Agro- Processing	0.40
		Other	0.50

## C) Oromiya National Regional State

### I. Lease holding

#### a) Grading of lease towns in Oromiya

In Oromia National Regional State, urban land is graded into two as follows:

**1<sup>st</sup> Grade lease towns:** Burayu, Sebeta, Sululta, LegeTafo-LegeDadi, Gelan, Dukem, Bishoftu, Adama and Shashemene.

**2<sup>nd</sup> Grade lease towns:** Mojo, Nekemte, Jima, Asella, Woliso, Ambo, Bishen Guracha, Sendafa, Batu (Ziway), Menagesha.

**3<sup>rd</sup> Grade lease towns:** Bekoji, Dodola, Arisi-Negele, Goba, Robie, Ginir, Yabello, Bule-Hora, Negele, Adola, Haromoya, Deder, Aweday, Chiro, Bedessa, Shambu, Mattu, Bedllie, Dembidelo, Agaro, Metehara, Fitcha, Gimbi, Nejo

#### b) Lease prices of land

Land lease prices by grade of town, type of site and area of activity are presented in tables 1.5 to 9.

**Table 1-5 Minimum lease prices of urban land for hotels**

No.	Area of activity	Grade of town	Plot grade	Price ( Birr/m <sup>2</sup> / year)
1	3-Star Hotel	1 <sup>st</sup>	1	12.80
			2	12.00
			3	9.60
		2 <sup>nd</sup>	1	9.60
			2	8.00
			3	6.80
		3 <sup>rd</sup>	1	6.80
			2	5.80
			3	5.10
2	4-Star Hotel	1 <sup>st</sup>	1	9.00
			2	7.20
			3	6.60
		2 <sup>nd</sup>	1	6.60
			2	6.00
			3	5.10
		3 <sup>rd</sup>	1	5.10
			2	4.35
			3	4.35
3	Greater than or Equal to 5-Star Hotel	This Five-stars Hotel and above is based on the study that the council of Oromiya regions government decisions and the land is given by allotment		

**Table 1-6 Minimum lease prices of urban land for trade and similar services**

No.	Grade of town	Plot grade	Price (Birr/m <sup>2</sup> /year)
1	1 <sup>st</sup>	1 <sup>st</sup>	14.45
		2 <sup>nd</sup>	13.60
		3 <sup>rd</sup>	12.75
2	2 <sup>nd</sup>	1 <sup>st</sup>	12.75
		2 <sup>nd</sup>	10.83
		3 <sup>rd</sup>	9.45
3	3 <sup>rd</sup>	1 <sup>st</sup>	9.45
		2 <sup>nd</sup>	8.10
		3 <sup>rd</sup>	6.86

**Table 1-7 Minimum lease prices of urban land for industry**

No	Area of activity	Grade of Town	Plot grade	Price (Birr/m <sup>2</sup> /year)
1	Manufacturing	1 <sup>st</sup>	2	6.50
			3	6.53
		2 <sup>nd</sup>	2	6.53
			3	4.70
		3 <sup>rd</sup>	2	4.70
			3	4.00
2	Agro-Industry	1 <sup>st</sup>	2	7.00
			3	5.95
		2 <sup>nd</sup>	2	5.95
			3	5.10
		3 <sup>rd</sup>	2	5.10
			3	4.30
3	Others	1 <sup>st</sup>	2	7.50
			3	6.40
		2 <sup>nd</sup>	2	6.40
			3	5.45
		3 <sup>rd</sup>	2	5.45
			3	4.60

**Table 1-8 Minimum lease prices of urban land for social services**

No	Grade of town	Plot grade	Price (Birr/m <sup>2</sup> /year)
1	1 <sup>st</sup>	1 <sup>st</sup>	7.70
		2 <sup>nd</sup>	7.00
		3 <sup>rd</sup>	6.30
2	2 <sup>nd</sup>	1 <sup>st</sup>	5.60
		2 <sup>nd</sup>	4.90
		3 <sup>rd</sup>	4.20
3	3 <sup>rd</sup>	1 <sup>st</sup>	3.57
		2 <sup>nd</sup>	3.03
		3 <sup>rd</sup>	2.57

**Table 1-9 Floor rates of urban land for real estate**

No	Grade of town	Plot grade	Price ( Birr/m <sup>2</sup> /year)
1	1 <sup>st</sup>	1 <sup>st</sup>	8.50
		2 <sup>nd</sup>	6.80
		3 <sup>rd</sup>	5.66
2	2 <sup>nd</sup>	1 <sup>st</sup>	4.53
		2 <sup>nd</sup>	3.62
		3 <sup>rd</sup>	2.90
3	3 <sup>rd</sup>	1 <sup>st</sup>	2.47
		2 <sup>nd</sup>	2.10
		3 <sup>rd</sup>	1.79

## II. Rental holding

In Oromiya region, urban land is also available on rental basis. The minimum rental prices of urban land for different investment activities are shown in Tables 1.10 bellow.

**Table 1-10 Rental prices of urban land for different types of investments**

Grade of town	Type of Activity	Grade of Land	Land size (m <sup>2</sup> )				
			Up to 500	501-1000	1001-1500	1501-2000	Above 2000
		price (Birr/m2 / year)					
1	Commerce and related	1	0.20	0.24	0.28	0.32	0.36
		2	0.16	0.20	0.24	0.28	0.32
		3	0.12	0.16	0.20	0.24	0.28
	Industry, Storage, Education, Culture and Sport	1	0.16	0.20	0.24	0.28	0.32
		2	0.12	0.16	0.20	0.24	0.28
		3	0.08	0.12	0.16	0.20	0.24
2	Commerce and related	1	0.16	0.20	0.24	0.28	0.32
		2	0.12	0.16	0.20	0.24	0.28
		3	0.08	0.12	0.16	0.20	0.24
	Industry, Storage, Education, Culture and Sport	1	0.12	0.16	0.20	0.24	0.28
		2	0.08	0.12	0.16	0.20	0.24
		3	0.04	0.08	0.12	0.16	0.20
3	Commerce and related	1	0.12	0.16	0.20	0.24	0.28
		2	0.08	0.12	0.16	0.20	0.24
		3	0.04	0.08	0.12	0.16	0.20
	Industry, Storage, Education, Culture and Sport	1	0.08	0.12	0.16	0.20	0.24
		2	0.04	0.08	0.12	0.16	0.20
		3	0.02	0.04	0.08	0.12	0.16

## D) Amhara National Regional State

### I. Lease holding

The towns to which urban land lease-holding system currently applies in the region are Bahir Dar, Dessie, and Gonder.

### a) Grading of lease towns in Amhara

The towns in the region are classified into 5 grades and the grades of land in each classification are divided from 1 to 5 and 1 to 3 as shown in the following table.

**Table 1-11 Grades of towns and land in Amhara**

Grade of town	Number of grade of Land
4 ( Highest of all)	1 to 5
3	1 to 5
2	1 to 5
1-A	1 to 3
1-B (Lowest of all)	1 to 3

Some towns of the region by their corresponding grades are presented in the following table.

**Table 1-12 List of towns from grade 4 to 1-A**

No.	Zone	Town	Grade of town
1	Bahir Dar	Bahir Dar	4
2	North Gonder	Gonder	4
3	South Wollo	Dessie	4
4	East Gojam	Debre Markos	3
5	North Shewa	Debre Birhan	3
6	South Wollo	Combolcha	3
7	South Gonder	Debre Tabor	2
8	North Wollo	Woldiya	2
9	East Gojam	Mota	2
10	Awi	Dangla	2
11	West Gojam	Finote Selam	2
12	Awi	Chagni	2
13	North Wollo	Kobo	1-A
14	North Shewa	Shewa Robit	1-A
15	North Shewa	Mehal Meda	1-A
16	North Shewa	Debre Sina	1-A
17	South Gonder	Addis Zemen	1-A
18	South Gonder	Woreta	1-A
19	North Gonder	Debarik	1-A
20	North Gonder	Dabat	1-A
21	West Gojam	Bure	1-A
22	West Gojam	Jiga	1-A
23	East Gojam	Dejen	1-A
24	East Gojam	Bichena	1-A
25	Oromiya	Bati	1-A
26	South Wollo	Hayik	1-A

### b) Lease prices of urban land

Minimum lease prices of urban land by grade and type of activity are presented in the following table.



**Table 1-13 Minimum lease prices of urban land in Amhara**

Grade of town	Grade of land	Initial lease price by type of activity ( Birr/M <sup>2</sup> /year)			
		Commerce	Industry	Cooperatives/ service	Residence
<b>4</b>	1	80.0	60.0	40.0	20.0
	2	68.56	51.42	34.28	17.14
	3	45.70	34.28	22.85	11.42
	4	22.85	17.14	11.42	5.71
	5	11.42	8.57	5.71	2.85
<b>3</b>	1	72.60	54.45	36.30	18.15
	2	62.22	46.67	31.11	15.55
	3	41.48	31.11	20.74	10.36
	4	20.74	15.55	10.37	5.18
	5	10.37	7.77	5.18	2.59
<b>2</b>	1	63.81	47.86	31.90	15.95
	2	54.69	41.02	28.03	13.67
	3	36.64	27.34	18.68	9.11
	4	18.32	13.67	9.34	4.55
	5	9.16	6.83	4.67	2.27
<b>1-A</b>	1	36.80	27.61	18.40	9.20
	2	26.53	19.90	13.26	6.63
	3	22.24	16.69	11.12	5.03
<b>1-B</b>	1	33.73	25.31	16.85	8.43
	2	24.31	18.24	12.14	8.07
	3	20.39	15.29	10.18	5.08

## II. Rental holding

In Amhara region, urban land is also available on rental basis. Rental land holding is applicable in those towns where lease holding is not applicable. The rental prices of urban land for different investment activities and residential houses by grade of land are presented in the following tables.

**Table 1-14 Rental prices of urban land for residential houses**

Grade of town	Price (Birr/M <sup>2</sup> /year by grade of land)				
	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	5 <sup>th</sup>
4	0.17	0.12	0.08	0.04	0.02
3	0.13	0.11	0.07	0.03	0.01
4	0.10	0.09	0.06	0.02	0.01
1-A	0.08	0.07	0.05		
1-B	0.07	0.06	0.04		

**Table 1-15 Rental prices of urban land where lease holding is not applicable**

Grade of town	Area of activity	Price (Birr/year by grade of land)				
		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	5 <sup>th</sup>
4	Commerce	0.25	0.18	0.12	0.10	0.08
	Industry	0.20	0.15	0.11	0.08	0.05
	Social Service	0.18	0.13	0.09	0.05	0.03
3	Commerce	0.20	0.15	0.12	0.09	0.06
	Industry	0.15	0.13	0.10	0.07	0.04
	Social Service	0.14	0.12	0.08	0.04	0.03
2	Commerce	0.18	0.14	0.10	0.08	0.05
1-A	Industry	0.12	0.11	0.09	0.06	0.03
	Social Service	0.11	0.10	0.07	0.03	0.02
	Commerce	0.15	0.12	0.09	-	-
1-B	Industry	0.10	0.09	0.08	-	-
	Social Service	0.09	0.08	0.06	-	-
	Commerce	0.12	0.10	0.08	-	-
1-B	Industry	0.09	0.08	0.07	-	-
	Social Service	0.08	0.07	0.05	-	-
	Commerce	0.08	0.07	0.05	-	-

**Table 1-16 Rental prices of urban land for industry**

Area of activity	Price (Birr/M <sup>2</sup> /year by Grade of town)			
	4	3	2	1
Industry	0.75	0.50	0.40	0.30

**Table 1-17 Rental prices of urban land for Agriculture**

Grade of town	Price (Birr/M <sup>2</sup> /year by grade of land)				
	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	5 <sup>th</sup>
4	0.15	0.10	0.08	0.05	0.04
3	0.10	0.06	0.04	0.02	0.01
4	0.08	0.05	0.03	0.01	0.01
1-A	0.05	0.03	0.02		
1-B	0.04	0.02	0.01		

## E) Southern Nations, Nationalities and Peoples Regional State (SNNPRS)

### Lease holding

In the region town in which lease price are applicable and minimum lease prices for different investment activities are presented in Tables 1.18 and 1.29 respectively.

**Table 1-18 Grades of towns of urban land**

Grade of town	Name of town
1 <sup>st</sup>	Awassa
2 <sup>nd</sup>	ArbaMinich , Dilla , Hossana and Wolaiyta and Sodo
3 <sup>rd</sup>	YirgaAlem, ,Wolkite and Butajira
4 <sup>th</sup>	Alaba,

**Table 1-19 Minimum lease prices of urban land in Awassa**

Grade of land	Plot grade	Price (Birr/M <sup>2</sup> /year by grade of plot)				
		Commerce	Industry	Social service	Residence for rental	Apartments
1 <sup>st</sup>	1 <sup>st</sup>	1284	468	500	350	585
	2 <sup>nd</sup>	1191.67	426.67	463.33	316.67	544.33
	3 <sup>rd</sup>	1099	385.34	226.66	283.34	503.66
2 <sup>nd</sup>	1 <sup>st</sup>	1007	344	390	250	463
	2 <sup>nd</sup>	935.67	313.33	362	233.33	413.33
	3 <sup>rd</sup>	864.34	282.66	334	216.66	334
3 <sup>rd</sup>	1 <sup>st</sup>	793	252	306	200	314
	2 <sup>nd</sup>	733	232	291.33	174.67	270.67
	3 <sup>rd</sup>	673	212	276.66	149.34	227.34
4 <sup>th</sup>	1 <sup>st</sup>	613	192	262	124	184
	2 <sup>nd</sup>	558	182	252	110.67	143.67
	3 <sup>rd</sup>	503	172	242	97.34	103.34

**Table 1-20 Minimum lease prices of urban land in Tepi And Masha**

Grade of town	Grade of land	Initial lease price by type of activity (Birr/M <sup>2</sup> /year)			
		Commerce	Industry	Cooperatives/ service	Residence
3 Tepi	1	458	245	246	170
	2	348	174	175	100
	3	241	112	117	67
4 Masha	1	273	170	186	100
	2	240	108	126	70
	3	221	80	84	50

**Table 1-21 Minimum lease prices of urban land in Butajira**

Grade of town	Grade of land	Initial lease price by type of activity (Birr/M <sup>2</sup> /year)			
		Commerce	Industry	Cooperatives/ service	Residence
3	1	549.3	270	270	216
	2	412	216	216	141
	3	275	150	150	87

**Table 1-22 Minimum lease prices of urban land in Sawla**

Grade of town	Grade of land	Initial lease price by type of activity (Birr/M <sup>2</sup> /year)			
		Commerce	Industry	Cooperatives/ service	Residence
3	1.1	480	245	245	180
	1.2	442	225	225	157
	1.3	403	205	205	134
	2.1	365	180	180	110
	2.2	330	160	160	95
	2.3	295	140	140	85
	3.1	261	120	120	70
	3.2	246	105	105	65
	3.3	236	95	95	50

Table 1-23 Minimum lease prices of urban land in Sodo

Grade of town	Grade of land		Initial lease price by type of activity (Birr/M <sup>2</sup> /year)			
			Commerce	Industry	Cooperatives/ service	Residence
2	1	A	381	317	847.20	238
		B			762.50	241.20
		C			686.20	192.60
	2	A	288	237	526	172.50
		B			473.40	155
		C			426	140
	3	A	224	168	390	100
		B			351	90
		C			316	81
	4	A	155	96	257	60
		B			231	54
		C			208	48

Table 1-24 Minimum lease prices of urban land in Hossana

Grade of town	Grade of land		Initial lease price by type of activity (Birr/M <sup>2</sup> /year)			
			Commerce	Industry	Cooperatives/ service	Residence
2	1	1	668	291.1	396.42	260
		2	644	272.1	372.42	236
		3	620	248.1	348.42	212
	2	1	515	230.5	304.38	150
		2	491	206.5	280.38	135
		3	467	182.5	256.38	120
	3	1	396.6	172	240.7	100
		2	37236	148	216.7	90
		3	348.6	124	192.7	85
	4	1	28637	112	172.54	60
		2	262.7	88	148.54	54
		3	238.7	64	124.54	51

Table 1-25 Minimum lease prices of urban land in Alaba

Grade of town	Grade of land	Initial lease price by type of activity (Birr/M <sup>2</sup> /year)			
		Commerce	Industry	Cooperatives/ service	Residence
4	1	458	170	186	125
	2	348	108	126	76.5
	3	241	80	84	45

Table 1-26 Minimum lease prices of urban land in Wolkite

Grade of town	Grade of land		Initial lease price by type of activity (Birr/M <sup>2</sup> /year)			
			Commerce	Industry	Cooperatives/ service	Residence
3	1	A	1400	800	792	169.29
		B	1120	720	693	134.64
	2	A	840	640	594	99.99
		B	700	560	495	75.24

Grade of town	Grade of land		Initial lease price by type of activity (Birr/M <sup>2</sup> /year)			
			Commerce	Industry	Cooperatives/ service	Residence
	3	A	560	480	396	50.49
		B	420	400	297	33.66

**Table 1-27 Minimum lease prices of urban land in Jinka and Bonga**

Grade of town	Grade of land	Initial lease price by type of activity (Birr/M <sup>2</sup> /year)			
		Commerce	Industry	Cooperatives/ service	Residence
3	1	273	170	186	100
	2	240	108	126	70
	3	221	80	84	50

**Table 1-28 Minimum lease prices of urban land in Dilla**

Grade of town	Grade of land	Initial lease price by type of activity (Birr/M <sup>2</sup> /year)			
		Commerce	Industry	Cooperatives/ service	Residence
2	1	706	317	381	330
	2	526	237	288	183
	3	390	168	224	150
	4	257	96	155	89

**Table 1-29 Minimum lease prices of urban land in Aleta Wondo**

Grade of town	Grade of land	Initial lease price by type of activity (Birr/M <sup>2</sup> /year)			
		Commerce	Industry	Cooperatives/ service	Residence
	1	91	200	70	50
	2	70	150	50	40
	3	50	130	40	30

**Table 1-30 Minimum lease prices of urban land in Arba Minich**

Grade of town	Grade of land		Initial lease price by type of activity (Birr/M <sup>2</sup> /year)			
			Commerce	Industry	Cooperatives/ service	Residence
2	1	1	703	317	381	280
		2	646	290	350	237
		3	586	263	319	194
	2	1	526	237	288	150
		2	481	214	267	133
		3	435	191	246	116
	3	1	390	168	224	100
		2	346	144	201	87
		3	302	120	188	74
	4	1	257	96	155	60
		2	213	72	132	48
		3	169	48	109	35



## F) Dire Dawa City Council<sup>1</sup>

According to the Dire Dawa City Administration's lease regulations, urban land is provided by auction negotiation or freely depending on the type of investment activity. The minimum lease prices of urban land by grade and zone are presented in the following table.

**Table 1-31 Minimum lease prices of urban land by grade and zone**

Grade of land	Zone	Lease price (Birr/M <sup>2</sup> /Year)	Houses compensation price Birr/M <sup>2</sup>	Leased land and Houses compensation price Birr/M <sup>2</sup>
1st	Central Business Zone 1 (CBD 1)	52.31	47.09	99.4
	Central Business Zone 2 (CBD 2)	38.59	34.79	73.38
	Central Business Zone 3 (CBD 3)	33.74	31.01	64.75
2 <sup>nd</sup>	Transition Zone 1	17.09	26.8	43.89
	Transition Zone 2	12.45	22.87	35.32
	Transition Zone 3	2.85	5.37	8.22
Industry	Industry Zone Spot	9.78	-	9.78
	Industry Zone surrounding	5.57	0.46	6.03
Others	Expansion Zone 1	1.64	1.81	3.45
	Expansion Zone 2	0.5	0.46	0.96

## G) Gambella Regional State<sup>2</sup>

Lease prices of urban land in the region depend on type of activity and the grade of land. The lease prices of urban land for industry are shown below.

**Table 1-32 Lease prices of land by grade of town and investment activity**

Grade of Town	Area of activity	Price (Birr/M <sup>2</sup> /Year by Grade of Land)
1 <sup>st</sup>	Industry	0.03 to 0.07
2 <sup>nd</sup>	Industry	0.02

## H) Somali National Regional Stat<sup>3</sup>

### a) Period of lease

The duration of lease of urban land in Somali region by investment activity and grade of town is shown in the following table.

**Table 1-33 Duration of urban –land lease by area of activity and grade of town**

No.	Area of activity	Grade of town		
		1st	2nd	3rd
		Periods lease		
1	Residential houses	99	99	99
2	Real estate	99	99	99

<sup>1</sup> 2008 information

<sup>2</sup> 2008 information

<sup>3</sup> 2008 information

3	Industry	95	90	80
4	Education, science and technology, health, culture and sports	99	99	99
5	Others	90	80	70

### b) Lease prices of land

As shown in the following table, the lease prices of urban land in Somali region depend on grade of town, plot size and grade of land.

**Table 1-34 Lease prices of urban land by grade of town, plot size and grade of land**

Grade of town	Land size in m <sup>2</sup>	Price (Birr/m <sup>2</sup> /year by grade of land)			
		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
1 <sup>st</sup>	Up to 500	0.12	0.10	0.08	0.06
	1001-2000	0.18	0.16	0.14	0.12
	2001-3000	0.22	0.20	0.18	0.16
	3001-4000	0.26	0.24	0.22	0.20
	Above 4000	0.30	0.28	0.26	0.24
2 <sup>nd</sup>	Up to 1000	0.10	0.08	0.06	-
	1001-2000	0.16	0.14	0.12	-
	2001-3000	0.20	0.18	0.16	-
	3001-4000	0.24	0.22	0.20	-
	Above 4000	0.28	0.26	0.24	-
3 <sup>rd</sup>	Up to 1000	0.08	0.06	-	-
	1001-2000	0.14	0.12	-	-
	2001-3000	0.18	0.16	-	-
	3001-4000	0.22	0.20	-	-
	Above 4000	0.26	0.24	-	-

## 1.2 Rural Land

Generally, the rental value and the lease period of rural land are determined and fixed by land use regulations of each region. Accordingly, the prices of rural land for some regions are shown below.

### 1.2.1 Tigray National Regional State

As shown in the following table, the rental prices of land for agricultural investment in the rural areas of Tigray are Birr 30-40 per hectare per year. The prices can, however, be revised every 5 years, and the increment will not be more than 20%

**Table 1-35 Rental prices of rural land for agricultural projects**

Location/Woreda	Price in (Birr/hectare/year)
Kafita Humera	30
Wolikayit	30
Tsegede	30
Tahitay Adiyabo, Laelay Adiyabo	35
Others	40

## 1.2.2 Oromiya National Regional State

### A) Duration of rent

Rural land can be held on rental basis from 20 – 45 years based on the type, magnitude, and location of project.

### B) Rental prices

The rental prices of rural land for agriculture have been set based on the development level of the zones and distances from all-weather roads. Accordingly, the minimum and maximum annual charges for one hectare of rural land in the region are Birr 70.40 and Birr 135.00 respectively (Table 1.36).

**Table 1-36 Rental prices of rural land for agricultural projects**

Zonal Grade	Location Zone	Distance from main road in kms and price in Birr/hectare/year				
		Less than 10	11-25	26-40	41-55	Above 55
1 <sup>st</sup>	East Shewa, West Shewa, South-West Shewa and Arsi	135.00	129.60	124.42	119.44	114.66
2 <sup>nd</sup>	Jimma, North Shewa and East Harerge	114.75	110.16	105.75	101.52	97.46
3 <sup>rd</sup>	East Wellega, HoroGuduruWellega, West Wellega, Harege and Bale	97.54	93.64	89.89	86.29	82.83
4 <sup>th</sup>	Illubabor, Borena, Guji and West Wellega and KelemWellega	82.91	79.59	76.41	73.35	70.40

## 1.2.3 Amhara National Regional State

### B) Rental prices

In Amhara region, the minimum rental prices of rural land for rain-fed and irrigated agriculture at district and zone levels are presented in Table 1.36 bellow.

**Table 1-37 Zone and district level minimum rental prices of rural land for irrigated and rain-fed agriculture**

No.	Zone and district	For rain fed agriculture (Birr /hectare /year)	For irrigated agriculture (Birr /hectare /year)
1	<b>Awee</b>		
	Ankasha	251	438
	Guagussa	181	298
	Banja Shekudad	241	418
	Dangla	211	368
	Fagta Lekoma	231	398
	Guagussa Shekudad	211	358
	Guangua	181	298
2	<b>West Gojam</b>		
	Baher Dar City surroundings	281	498
	Bure	251	438
	Dega Damot	181	298
	Denbecha	241	418
	Gonge Qolela	221	378
	Jabi Tihnan	241	418
	Mecha	281	498
	North Achefer	241	418
	Quarit	171	278
	Sekela	161	258
	South Achefer	251	438
	Wonberma	251	438
	Yilma and Denssa	241	418
3	<b>East Gojam</b>		
	Aneded	251	438
	Awabel	251	438
	Basoliben	241	418
	Bibugn	121	178
	Debytilatgen	201	338
	Debre-elias	241	418
	Dejen	241	418
	Enarj Enawga	201	338
	Enebsse Sarmeder	181	298
	Enemy	211	358
	Goncha Sesso Enesse	181	298
	Gozamen	261	458
	Hulet Eju Enesse	211	358
	Machakel	261	458
	Shebel Berentta	141	218
	Senaan	241	418
4	<b>SuthGonder</b>		
	Dera	241	418

No.	Zone and district	For rain fed agriculture (Birr /hectare /year)	For irrigated agriculture (Birr /hectare /year)
	East Estie	161	258
	Ebennat	141	218
	Fartta	211	358
	Fogerra	271	478
	Upper Gayent	141	218
	Libbo Kemkem	261	438
	Semadda	121	178
	Lower Gayent	121	178
	West Estie	151	238
5	<b>North Gonder</b>		
	Addi Arqai	151	238
	Aleffa	191	318
	Beyedda	111	158
	Chilgga	231	398
	Dabat	191	318
	Debark	191	318
	Denbia	241	418
	Qolla (East) Belessa	131	198
	Gonder Town surroundings	241	418
	Jana-amorra	141	218
	Upper Armacho	241	418
	Metema	221	378
	Quarra	181	298
	Lower Armacho	201	358
	Taqussa	221	378
	Tegdie	191	318
	Tellemt	111	158
	Wogerra	201	338
	West Armacho	201	338
	Degga (West) Belessa	141	218
6	<b>Wag Hemrra</b>		
	AberGele	111	158
	Dahnna	111	158
	Gazgibla	131	198
	Sehala Seyemt	111	158
	Seqotta town surroundings	131	198
	Zequalla	121	178
7	<b>North wollo</b>		
	Bugnna	121	178
	Dawent	141	218
	Delantta	131	198
	Gidan	131	198
	Gobbalafitto	181	298
	Hanrru	181	298



No.	Zone and district	For rain fed agriculture (Birr /hectare /year)	For irrigated agriculture (Birr /hectare /year)
8	Qobbo	181	298
	Lastta	131	198
	Mekiet	141	218
	Wadlla	141	218
	<b>South Wollo</b>		
	Albucco	151	238
	Ambassel	151	258
	Debresinna	131	198
	DessieZuria	161	258
	Jamma	131	198
	Kallu	161	258
	Kelala	121	178
	Kuttaber	161	258
	Leganmbbo	131	198
	Legehidda	131	198
	Central Sayint	111	158
	Mekdella	121	178
	Sayint	111	158
	Tehulederre	161	258
	Tentta	131	198
	Wegeddi	121	178
	Werrebabbo	151	238
	Werreillu	131	198
9	Argobba Nationality	161	258
	<b>Oromiya</b>		
	ArtummaFurssi	191	318
	Batti	171	278
10	Dewwa Cheffa		
	Gulla	191	318
	Deway Harewwa	161	258
	Gelle Tummugga	181	298
	<b>North Shoa</b>		
	Angolela and Terra	271	478
	Ankober	171	278
	Antsokia and Gemzza	191	318
	Asgert	181	298
	Basso and Werena	281	498
	Berehet	181	298
	Efratta and Geddem	211	358
	Ensarra and Wayu	211	358
	Geshe	131	198
	Hageremariam-Kesem	191	318
	Qewet	221	378
	Menz-	141	218

No.	Zone and district	For rain fed agriculture (Birr /hectare /year)	For irrigated agriculture (Birr /hectare /year)
	Gerameder		
	Menth - Keyagebrel	131	198
	Menz-Lalomedar	131	198
	Menz-Mammamedar	141	218
	Merhabete	151	298
	Menjar-Shenkorra	211	358
	Mojo and Wederra	181	298
	Moret and Jirru	231	398
	Siadebre and Wayyu	251	438
	Tarmaber	221	378

## 1.2.4 Southern Nations, Nationalities and Peoples Regional State (SNNPRS)

### A) Duration of rent

Rural land in the region is allocated to investors on rental basis and the duration of rent based on plot size and type of agricultural investment are shown in Table 1.38 below.

**Table 1-38 Rental duration of rural land by plot size and agricultural activity**

Plot size	Rental period (rain fed agriculture)		Rental period (irrigated agriculture)		Mixed agriculture and forestry	Livestock farming	Others
	Perennial crops	Seasonal crops	Perennial crops	Seasonal crops			
Bellow 200	35	30	40	35	35	25	45
200-500	40	35	45	40	40	30	45
Over 500	45	40	50	45	45	35	45

### B) Rental prices

Based on grade of land and the type of investment project, the rental prices of rural land in the region are presented in Tables 1.39 and 1.40 below.

**Table 1-39 Rural prices of land by grade in SNNPRS**

No.	Zone	Price (Birr/hectare/year)	
		1 <sup>st</sup> grade land	2 <sup>nd</sup> Grade land
1	Gammo-Gofa	78	47
2	Sidama	117	71
3	Kefa	63	38
4	Wolayita	78	47
5	Dawuro, Benche Maji , South-Omo, Konta and	49	30

	Basekyto		
6	Sheka	63	38
7	Gurage	105	64
8	Gedio	86	52
9	Hadiya	103	62
10	Kenbata-Tenbaro	100	61
11	Silte	105	64
12	Konso	52	36
13	Dirashe	63	38
14	Amaro	59	36
15	Burji	58	36
16	Yem	63	38
17	Alaba	100	61

**Table 1-40 Rental price of rural land by investment activity in SNNPRS**

Activity	Price in Birr /M <sup>2</sup> / Year	Zone
Tourism:		
Volcano water	0.10	Around Awassa zone
Parking and other related service	0.15	The same in all zone and werdarural land
Industry	0.10	
Animal fattening	0.05	

## 1.2.5 Benshagul Gumz Ntional Regional State

### A) Duration of rent

Rural land in the region is allocated to investors on rental basis and the duration of rent based on plot size, level of development and type of agricultural activity as presented in Table1.41

**Table 1-40 Rental duration of rural land by plot size, level of development and agricultural activity**

Agricultural activity			Plot size (hectare)		
			Bellow 200	201-500	Over 500
Uncultivated	Rain fed agriculture	Seasonal crops	25	30	35
		Perennial crops	30	35	40
	Irrigated agriculture	Vegetables	25	30	35
		Fruits and cereal crops	20	25	30
Cultivated	Rain fed agriculture	Seasonal crops	20	25	30
		Perennial crops	25	30	35
	Irrigated agriculture	Vegetables	20	25	30
		Fruits and cereal crops	15	20	25
Production of milk, fattening and raring of livestock			20	-	-
Floriculture		Cultivate	20	25	30
		Uncultivated	25	30	35
Other quick ripening trees			25	30	35

## B) Rental prices

The rental prices of rural land In Benshangul Gumz region vary from Woreda (district) to Woreda as shown in the following table.

Table 1-42 Rental prices of rural land by Woreda

No.	Name of Woreda	Rental price (Birr/hectare/year)
1	Asossa	70
2	Mengai	60
3	Homosha	70
4	Sherkole	60
5	Kururmik	50
6	Bambasi	70
7	Odabuldiglu	60
8	Kamashi	60
9	SirbaAbay	50
10	Agalo	60
11	Yaso	60
12	Belojganfoy	70
13	Mandura	70
14	Dangura	70
15	Gibba	70
16	Wenbra	60
17	Bulen	70
18	Dibate	70
19	Pawe	70
20	Mao Komo	70

## 1.3 Incentives Related to Land

To encourage investment in selected activities, different types of incentives related to land are granted to investors. The incentives include percentage discount on initial lease prices, provision of grace period of payment, provision of land for free, etc. As shown below, the types of incentives also vary from region/city to region/city.

### 1.3.1 Oromiya National Regional State

The Oromiya region provides rural land with exemption of lease price payments for some years depending on the type of investment activities (Table 1.43).

**Table 1-43 Land incentives granted by Oromiya Regional State by type of agricultural Investment activity**

No.	Type of investment	Duration of free rent ( years)
1	Coffee, tea, sugarcane, or any other perennial crops on an area of more than 100 hectares	4
2	Cereals, pulses and oil seeds under rain fed on a land left fallow or virgin for a period of more than 5 years	2 – 3
3	Cereals, pulses and oil seeds under rain fed on a land previously developed but left for at least five years	1 – 2
4	Fruits, vegetables, and produces food crops or oil seeds under irrigation scheme	2 – 4
5	Producing flowers, herbs and spices	3
6	Producing improved seeds	3

### 1.3.2 Amhara National Regional State

In the region, some selected projects have got an advantage to own urban land free of charge. Projects with this advantage include the following:

#### a) Industry

- Producing more than 50% for export.
- Agro-processing industries
- Fertilizer, and pesticides manufacturing
- Pharmaceuticals and related equipment manufacturing
- Agricultural equipment manufacturing
- Metal production
- Manufacturing of cooking ranges
- Electrical and electronics materials production
- Non-metallic construction materials production

#### b) Health

- Higher health center
- Primary general hospital
- Medium general hospital
- Higher general hospital

#### c) Education

- Kindergarten
- Elementary school
- Secondary school



- Technical and vocational school

d) Non- profit making humanitarian organizations

e) Investment activities for which land is provided with initial (without auction)

lease price are:

- Ginnery
- Tannery
- Starch Production
- Soft drinks and mineral water production

f) Investment activities for which land is provided with initial lease price and grace period are:

- Residential and commercial housing development
- Star hotels
- Tourist lodges

### 1.3.3 Tigray National Regional State

Investment *projects* for which land is provided freely as an investment

Incentives are:

- Production of nursery
- Production of rubber and balsam
- Production of incense and resin
- Commercial forest Development
- Livestock production, processing and preserving of meat, and meat products
- Dairy farming and processing
- Poultry farming and processing
- Manufacture of pesticides and other agro-chemicals and products (must include bulk preparation)
- Manufacture of pharmaceuticals, medicinal chemicals, and botanical products
- Manufacture of glass and glass products
- Production, processing and preserving of fruits and vegetables
- Manufacturing of prepared animal feed
- Manufacturing of wines
- Tanning and dressing of leather
- Processing and preserving of fruits and vegetables
- Distilling, rectifying and blending of spirits, ethyl alcohol production from fermented materials
- Manufacture of wearing apparel except fur apparel
- Manufacture of leather products and articles
- Manufacture of leather footwear
- Technical and vocational training, engineering colleges and higher hospitals
- Low cost housing
- Manufacture of electric motors, generators and transformers
- Manufacture of electricity distributions and control apparatus
- Manufacture of electronic valves and tubes and other electronic components

#### **1.3.4 Gambella National Regional State<sup>4</sup>**

Investment Projects for which land is provided freely are:

- Higher Education
- Kindergarten
- Health
- Real Estate
- Star Hotels

#### **1.3.5 Benshangul Gumuz National Regional State**

An investor who invests:

- in the urban areas of the region may obtain land free of lease;
- in rain fed agriculture on more than 200 hectares and on or on less than 200 hectares of uncultivated land to produce cereal crops or oil seeds will be granted income tax exemptions for 2 years and 1 year respectively ;
- in irrigated agriculture to produce perennial crops such as coffee, mango, orange, apple and similar fruits will be granted an income tax exemption for 3 years;
- to produce flowers, medicinal plants and spices will be granted an income tax exemption for 3 years;
- to produce selected seeds will be granted an income tax exemption for 3 years provided that he presents appropriate evidence from an authorized body to this effect;
- in forestry development on un utilized with indigenous trees (excluding eucalyptus) will be exempted from income tax; and
- in livestock rearing and fattening will be exempted from income tax for 2 years.

### **1.4 Industry Zone Development in Ethiopia**

The Government of Ethiopia has given emphasis to ensuring fast and sustained development of industrial sector in its Growth and Transformation Plan (2010/11 - 2014/15). As development tool, developing industrial zones has been considered to help sustain the development of the economy by targeting local and foreign direct investments,

enhancing competitiveness, and facilitating export-led growth. Through the industrial zone development program, the Government of Ethiopia intends to create favorable condition for private sector investment in priority industries.

The Ministry of Industry has developed implementation plans that will help realize industry zone program in selected towns and cities of the country. The name, size and location of industry zone are presented below:

1. ADDIS INDUSTRY VILLAGE:
  - AREA-----8.7 HECTARES OF LAND
  - LOCATION -----WITHIN ADDIS
2. BOLE LEMI INDUSTRIAL ZONE (Construction in progress)
  - AREA-----342 HECTARES OF LAND
  - LOCATION--- 15 KM EAST TO ADDIS
  - DEVELOPER --- GOVERNMENT
3. SANDAFA INDUSTRY ZONE (Construction in progress)
  - AREA ----- 1460 HECTARES OF LAND
  - LOCATIION ----- 39 KM NORTH TO ADDIS
  - DEVELOPERS– ETHIO-TURKISH (PPP)
  - PHASE ONE: 100 HECTARES
4. EASTERN INDUSTRY ZONE
  - AREA ----- 200 HECTARES OF LAND
  - LOCATIION ----- 37 KM EAST TO ADDIS
  - DEVELOPER----- CHINESE
  - PHASE ONE: 200 HECTARES
- 5 . KILINTO INDUSTRY ZONE: (Planned)
  - AREA ----- 243 HECTARES OF LAND
  - LOCATIION ----- 20 KM EAST TO ADDIS
  - DEVELOPERS----- GOVERMENT
6. KOMBOLCHA INDUSTRY ZONE (Planned)
  - AREA ----- 1123 HECTARES OF LAND

- LOCATION ----- 376 KM N-E TO ADDIS
- CONSULTANTS/DEVELOPERS– ETHIO- ESHET (ISRAELI COP.) (PPP)

7. DIRE DAWA INDUSTRY ZONE:- (Planned)

- AREA ----- 1051 HECTARES OF LAND
- LOCATION ----- 515 KM EAST TO ADDIS
- DEVELOPER----- GOVERNMENT

8. HAWASA INDUSTRY ZONE (Planned)

- AREA ----- 1000 HECTARES OF LAND
- LOCATION ----- 275 KM SOUTH TO ADDIS
- DEVELOPER----- GOVERNMENT

9. BAHIR DAR; 563KM; 1000 HECTARES (Planned);

10. GONDER; 738 KM; 1000 HECTARES (Planned);

11. MEKELE- KM 783 ; 1000 HECTARES (Planned); AND,

12. JIMMA, 346 KM ; 1000 HECTARES (Planned).

**NOTE:**

- The Lease price is \$1USD/m<sup>2</sup>/6 months for 5 years and for the next 5 years \$1.25USD. This refers only to Bole Lemi Industry zone that is being in progress of construction and where leasing to investors has already been underway for manufacturing of export targeted products in areas like textile and leather.

Source:- Ministry of Industry

## Part 2: LABOR COST

### 2.1 Wages and Salaries at Enterprise Level

Wages and salaries vary depending on the size of the enterprise, type of profession and level of skill required. They are determined by agreement between the employer and the employee. Generally, private sectors monthly salaries for university graduates range from Birr 3,000 to Birr 4,000; and construction sector skilled and unskilled labor wages are show the following table.

**Table 2.1 Construction Sector Skilled and unskilled labor wages**

No	Labor type	Wage /day	Rat/Hr
1	Assistant Electrician	60.00	7.50
2	Assistant Plumber	60.00	7.50
3	Assistant Masson	60.00	7.50
4	Assistant Bar bender	60.00	7.50
5	Assistant carpenter	60.00	7.50
6	Assistant painter	60.00	7.50
7	Assistant plasterer	60.00	7.50
8	Bar bender	80.00	10.00
9	Carpenter	80.00	10.00
10	Chiseler	80.00	10.00
11	Daily Laborers	40.00	5.00
12	Electrician	120.00	15.00
13	Forman	200.00	25.00
14	Gang leader	50.00	6.25
15	Grinder/compactor operator	50.00	6.25
16	Mason	80.00	10.00
17	Mechanic for mixer	80.00	10.00
18	Painters	80.00	10.00
19	Plasterer	80.00	10.00
20	Plumber	100.00	12.50
21	Tiller	100.00	12.50
22	Welder	80.00	10.00
23	Assistant welder	60.00	7.50
23	Glazer	80.00	10.00
24	Assistant Glazer	60.00	7.50

Source: Ministry of Urban Development and Construction

## Part 3: CONSTRUCTION COSTS AND SELLING PRICE OF BUILDINGS

### 3.1 CONSTRUCTION MATERIAL COSTS

**Table 3- 1 Cement Retail Price**

No	Description	Retail prices in birr per quintal including VAT
1	Packing Ordinary Portland Cement (OPC) at Mugher	274.61
2	Unpacking Ordinary Portland Cement (OPC) at Mugher	269.63
3	Packing Portland Pozolona Cement ( PPC) at Mugher	210.00
4	Unpacking Portland Pozolona Cement ( PPC) at Mugher	205.00
5	Packing Portland Pozolona Cement ( PPC) at Tateqi	218.01
6	Packing Ordinary Portland Cement (OPC) at Addis Ababa	289.60
7	Packing Portland Pozolona Cement ( PPC) at Addis Ababa	225.00

8	Packing Ordinary Portland Cement (OPC) at Nazereth	292.62
9	Packing Portland pozolona Cement ( PPC) at Nazereth	228.00

Source:  
Mugher  
Cement

No	Description	Prices in birr per pcs including VAT	
1	35 gauge (0.20mm) in birr	129.00	VAT
2	32 gauge (0.25mm) in birr	175.00	
3	30 gauge (0.32mm) in birr	210.08	
4	28 gauge (0.40mm) in birr	240.02	
2	Dia. 10 mm	18.14	
3	Dia. 12 mm	18.73	
4	Dia. 14 mm	20.01	
5	Dia. 16 mm	21.05	
Thin Wire			
6	1.5 mm	30	
7	2.0 mm	30	
8	2.5 mm	30	
9	3.0 mm	30	
10	4.0 mm	30	
Nail			
11	13 X 30	29.00	
12	14 X 40	29.00	
13	15 X 50	27.00	
14	16 X 60	27.00	
15	17 X 70	27.00	
16	18 X 80	27.00	
17	19 X 90	27.00	
18	20 X 100	27.00	
19	21 X 120	27.00	
20	22 X 150	27.00	

Enterprise

**Table 3.2 Reinforcement Iron, Wire and Nail Retail Prices**

Source: Ethiopian Iron and Steel Factory

**Table 3.3 Corrugated/galvanized Sheet Retail Prices**

Source: Akaki Metal Products Factory

**Table 3- 4 Cement products Retail Price**

No	Description of Material	Unit	Qty	Rate at Addis Ababa without VAT
1	Gypsum	Qtl	1.00	265.00
2	White cement	Qtl	1.00	130.00
3	20HCB class C	Pcs	1.00	11.00
4	15HCB class C	Pcs	1.00	10.00
5	10HCB class C	Pcs	1.00	8.00
6	Ribbed Block	Pcs	1.00	13.00
7	20cm Louver	Pcs	1.00	15.00
8	Precst Beam size(3*.12*.08)	Pcs	1.00	350.00

Source: Ministry of Urban Development and Construction

**Table 3- 5 Local Materials Retail Price**

No	Description of Material	Unit	Qty	Rate at Addis Ababa without VAT
1	Selected material	m <sup>3</sup>	1.00	90.00
2	Basaltic stone for hard core	m <sup>3</sup>	1.00	157.14
3	Basaltic stone for crusher	m <sup>3</sup>	1.00	157.14
4	Trachitic stone for masonry	m <sup>3</sup>	1.00	219.00
5	Trachitic dressed stone for masonry	m <sup>3</sup>	1.00	219.00
6	Coble Stone	Pcs	1.00	2.55
7	Sand	m <sup>3</sup>	1.00	433.33
8	Gravel 02	m <sup>3</sup>	1.00	450.33
9	Gravel 01	m <sup>3</sup>	1.00	450.00
10	Gravel 03	m <sup>3</sup>	1.00	450.00
11	Red Ash	m <sup>3</sup>	1.00	50.00
12	Dia.12cm eucalyptus L= 5m	ml	1.00	4.17
13	Dia.10 cm eucalyptus L = 4m	ml	1.00	3.83
14	Dia. 6 - 8cm eucalyptus	ml	1.00	3.00
15	Timber	m <sup>3</sup>	1.00	8,560.00
17	Play wood (4 mm)	m <sup>2</sup>	1.00	54.00

**Source:** Ministry of Urban Development and Construction

**Table 3- 6 LTZ & Metal door & window accessories Retail Price**

No	Description of Material	Unit	Qty	Rate at Addis Ababa without VAT
1	L (38 x 1.5 mm )	pcs	1.00	313.04
2	T (38 x 1.5 mm )	pcs	1.00	313.04
3	Z (38 x 1.5 mm )	pcs	1.00	313.04
4	Fermo meter (2m)	pcs	1.00	56.52
5	Hinge 140x60	pcs	1.00	8.26
6	Hinge 95x45	pcs	1.00	6.52
7	Handle	pcs	1.00	16.00

8	Cylinder door lock ( good quality)	pcs	1.00	417.39
9	Door latch	pcs	1.00	19.13
10	Sheet metal .8mm	m <sup>2</sup>	1.00	365.22
11	Flat metal 30x3mm	ml	1.00	130.43
12	Door stopper	pcs	1.00	2.00
13	Screw	pcs	1.00	0.55
14	Anti rust	gallon	1.00	191.30
16	Window locker	Pcs	1.00	5.00

Source: Ministry of Urban Development and Construction

**Table 3- 7 Bolts Retail Price**

No	Description of Material	Unit	Qty	Rate at Addis Ababa without VAT
1	J-bolt Dia. 16mm L=400mm	pcs	1.00	6.50
2	J-bolt for roofing	Pcs	1.00	0.70
3	Washer	pcs	1.00	1.00
4	Plastic Washer	pcs	1.00	1.00
5	Concrete Nails	pcs	1.00	1.95

Source: Ministry of Urban Development and Construction

**Table 3- 8 Steel structures and metal Retail Price**

No	Description of Material	Unit	Qty	Rate at Addis Ababa without VAT
1	200 x 200 x 5 mm	Kg	1.00	27.00
2	130 x130 x 4 mm	Kg	1.00	22.00
3	100 x100 x 3 mm	Kg	1.00	23.00
4	60 x60 x4 mm	Kg	1.00	24.00
5	50 x 50 x 4 mm	Kg	1.00	24.00
6	80 x 80 x 3 mm	Kg	1.00	19.00
7	60 x 60 x 3 mm	Kg	1.00	21.00



8	50 x 50 x 3 mm	Kg	1.00	22.00
9	40 x 40 x 2.5 mm	Kg	1.00	23.00
10	60 x 60 x 2.5 mm	Kg	1.00	24.00
11	50 x 50 x 2.5 mm	Kg	1.00	22.00
12	40 x 40 x 2 mm	Kg	1.00	23.00
13	25 x 25 x 2.5 mm	Kg	1.00	24.00
14	25 x 25 x 2 mm	Kg	1.00	23.00
15	20 x 20 x 1.5 mm	Kg	1.00	27.00
16	80 x 80 x 4 mm	Kg	1.00	24.00
17	60 x 60 x 3.5 mm	Kg	1.00	24.00
18	30 x 30 x 2.5 mm	Kg	1.00	23.00
19	30 x 30 x 2 mm	Kg	1.00	22.00
20	25 x25 x4 mm Angle iron	Pcs	1.00	210.00
21	30x30x3mm Angle iron	Pcs	1.00	217.39

Source: Ministry of Urban Development and Construction

**Table 3- 9 Ceramic and Terrazzo**

No	Description of Material	Unit	Qty	Rate at Addis Ababa without VAT
1	150x150x6mm Tabor ceramic wall tiles	m <sup>2</sup>	1.00	134.78
2	200*200*2mm Terrazzo Flooring (class B)	m <sup>2</sup>	1.00	210.00
3	Terrazzo Window cill	MI	1.00	32.00

Source: Ministry of Urban Development and Construction

**Table 3- 10 Paints Material Retail price**

No	Description of Material	Unit	Qty	Rate at Addis Ababa without VAT
1	Plastic paint white	Lt	1.00	24.00
2	Plastic paint other color	Lt		22.78

			1.00	
3	Varnish paint	Lt	1.00	36.52
4	Oil paint	Lt	1.00	43.48
5	Primer paint	Lt	1.00	13.39
6	Synthetic enamel paint	Lt	1.00	33.87
7	Anti rust	Lt	1.00	48.25
8	Animal glue	Kg	1.00	17.39
9	Paint brush	Pc	1.00	60.00
10	Thinner	Lt	1.00	17.00
11	Liquor	Lt	1.00	12.00
12	Ant termite	Lt	1.00	20.00

Source: Ministry of Urban Development and Construction

**Table 3- 11 Glass Retail price**

No	Description of Material	Unit	Qty	Rate at Addis Ababa without VAT
1	4mm thick clear glass	m <sup>2</sup>	1.00	104.35
2	Putty	Kg	1.00	156.52
3	Textured glass	m <sup>2</sup>	1.00	217.39

Source: Ministry of Urban Development and Construction

**Table 3- 12 Sanitary Fixtures Retail Price**

No	Description of Material	Unit	Qty	Rate at Addis Ababa without VAT
1	Water Closet	Pcs	1.00	1,043.48
2	Hand Wash Basin	Pcs	1.00	652.17
3	Towel Hanger	Pcs	1.00	208.70
4	Paper Holder	Pcs	1.00	82.61
5	Urinal	Pcs	1.00	389.61
6	Shower Tray	Pcs	1.00	956.52

7	Crystal Glass Mirror	Pcs	1.00	478.26
8	Soap Holder	Pcs	1.00	82.61
9	Water Heater	Pcs	1.00	2,521.74
10	Fire Extinguisher	Pcs	1.00	700.00
11	kitchen sink of single bowl ( 1500 x 600 mm )	Pcs	1.00	1,652.17
12	Floor drain dia. 80mm	Pcs	1.00	156.52
13	Floor drain dia. 100mm	Pcs	1.00	156.52
14	Floor drain dia. 110mm	Pcs	1.00	172.17
15	Turkish Type WC	Pcs	2.00	478.26

Source: Ministry of Urban Development and Construction

**Table 3- 13 Pipes and PVC Retail Price**

No	Description of Material	Unit	Qty	Rate at Addis Ababa without VAT
HDPE Pipes				
1	Dia. 32mm	MI	1.00	18.48
2	Dia. 40mm	MI	1.00	28.68
3	Dia. 50mm	MI	1.00	44.61
4	Dia. 63mm	MI	1.00	70.73
UPVC Pipes				
1	Dia. 50mm	MI	1.00	24.64
2	Dia. 80mm	MI	1.00	43.48
3	Dia. 110mm	MI	1.00	68.12

4	Dia. 160mm	MI	1.00	159.17
5	Dia. 200mm	MI	1.00	291.67
Galvanized steel pipe				
1	Dia. 15mm	MI	1.00	30.44
2	Dia. 20mm	MI	1.00	46.38
3	Dia. 25mm	MI	1.00	57.97
4	Dia. 32mm	MI	1.00	78.00
5	Dia. 40mm	MI	1.00	104.35
6	Dia. 50mm	MI	1.00	130.30
7	Dia. 65mm	MI	1.00	181.16
PVC Pipes				
1	Dia. 110mm	MI	1.00	79.25
2	Dia. 80mm	MI	1.00	38.50
3	Dia. 50mm	MI	1.00	22.08
4	Dia. 32mm	MI	1.00	9.67
5	Dia. 25mm	MI	1.00	5.82

Conduit				
1	Dia. 110mm	MI	1.00	79.25
2	Dia. 80mm	MI	1.00	38.50
3	Dia. 50mm	MI	1.00	22.08
4	Dia. 32mm conduit	MI	1.00	9.67
5	Dia. 25mm conduit	MI	1.00	5.82
6	Dia. 16mm conduit	MI	1.00	3.28
7	Junction Box	MI	1.00	2.50

Source: Ministry of Urban Development and Construction

Table 3- 14 Electronic Equipment Retail Price

No	Description of Material	Unit	Qty	Rate at Addis Ababa without VAT
Switch				
1	Flash Mounted one -way switch	Pc	1.00	65.00
2	Flash Mounted two -way switch	Pc	1.00	85.00
3	Flash Mounted Intermediate Switch	Pc	1.00	110.00
4	Flash Mounted two gang one -way switch	Pc	1.00	155.00
Socket Outlet				
1	Flush mounted socket outlet of 10-16A/1P	Pc	1.00	75.00
Wire mesh				
1	Wire Mesh For Ventlation	m <sup>2</sup>	1.00	40.00

Source: Ministry of Urban Development and Construction

**Table 3- 15 Construction Machinery Rental Rate**

No	Type of Equipment	Rental Rate /day	Rat/Hr
1	Excavator	8,000.00	1,000.00
2	Excavator with Jack Hammer	11,200.00	1,400.00
3	Mixer	400.00	50.00
4	Vaibrator	120.00	15.00
5	Compactor	150.00	18.75
6	Crane	5,000.00	625.00
7	Roller	2,500.00	312.50
8	Loader	5,000.00	625.00
9	D/Truck	2,000.00	250.00
10	Tools for DI	8.00	1.00
11	Tools for Electrician	8.00	1.00
12	Tools for Plumbers	16.00	2.00
13	Tools for Masson	16.00	2.00
14	Tools for Carpenter	14.00	1.75
15	Tools for Bar bender	8.00	1.00
16	Drill	8.00	1.00
17	Welding Machine	16.00	2.00
18	Grinder	8.00	1.00

19	Tools for Painter	8.00	1.00
20	Tools for glazer	8.00	1.00
20	Scaffolding	20.00	2.50

Source: Ministry of Urban Development and Construction

### 3.2 Selling Prices of Buildings

The average selling prices of different middle class apartments in the location of Urael and Haya Hulte Mazorya Site by Flintstone Homes PLC in Addis Ababa are shown in the following Tables.

**Table 3- 16 Selling prices of at Megenagna Site apartments**

HOUSE TYPE	AREA	3 <sup>rd</sup> FLOOR	4 <sup>th</sup> FLOOR	5 <sup>th</sup> FLOOR	6 <sup>th</sup> FLOOR	7 <sup>th</sup> FLOOR	8 <sup>th</sup> FLOOR	9 <sup>th</sup> FLOOR	10 <sup>th</sup> FLOOR	11 <sup>th</sup> FLOOR	12 <sup>th</sup> FLOOR	13 <sup>th</sup> FLOOR
Two bed room (Type A)	87 m <sup>2</sup>	1320000	1330000	1340000	1350000	1360000	1370000	1380000	1390000	1400000	-	-
Two bed room (Type B)	85 m <sup>2</sup>	1295000	1305000	1315000	1325000	1335000	1345000	1335000	1365000	1375000	-	-
Two bed room (Type C)	103 m <sup>2</sup>	1560000	1570000	1580000	1590000	1660000	1600000	1610000	1620000	1620000	-	-
Three bed room (Type A)	130 m <sup>2</sup>	1975000	1985000	1995000	2005000	2015000	2025000	2035000	2045000	2055000	-	-
Three bed room (Type B)	129 m <sup>2</sup>	1960000	1970000	1980000	1990000	2000000	2010000	2020000	2030000	2040000	-	-
Three bed room (Type C)	222 m <sup>2</sup>	-	-	-	-	-	-	-	-	-	3300000	-
Three bed room (Type D)	213 m <sup>2</sup>	-	-	-	-	-	-	-	-	-	3200000	-
Luxury Flat	213 m <sup>2</sup>	-	-	-	-	-	-	-	-	-	-	6200000

NB. All Prices are in birr & without V.A.T  
Source: Flintstone Homes PLC

**Table 3- 17 Selling prices of at Urael Site apartments**

House Type	ARE A	1 <sup>st</sup> FLOOR	2 <sup>nd</sup> FLOOR	3 <sup>rd</sup> FLOOR	4 <sup>th</sup> FLOOR	5 <sup>th</sup> FLOOR	6 <sup>th</sup> FLOOR	7 <sup>th</sup> FLOOR	8 <sup>th</sup> FLOOR	9 <sup>th</sup> FLOOR	10 <sup>th</sup> FLOOR
One bed room	56.50 m <sup>2</sup>	845000	850000	855000	860000	865000	870000	875000	880000	885000	890000
Two bed room	73.00 m <sup>2</sup>	1.095 MILLION	1.1 MILLION	1.105 MILLION	1.110 MILLION	1.115 MILLION	1.120 MILLION	1.125 MILLION	1.130 MILLION	1.135 MILLION	1.140 MILLION
Three bed room	92.00 m <sup>2</sup>	1.380 MILLION	1.385 MILLION	1.390 MILLION	1.395 MILLION	1.400 MILLION	1.405 MILLION	1.410 MILLION	1.415 MILLION	1.420 MILLION	1.425 MILLION

**Note:** All Prices are in birr & without V.A.T

**Source:** Flintstone Homes PLC

**Table 3- 18 Selling prices of Twin Crossing Site Villas**

House Type	Area	Price	Area
Villa 260.4T-09	147.38 m <sup>2</sup>	2611310 birr	147.38 m <sup>2</sup>
Villa 272.4T-10	147.38 m <sup>2</sup>	2640000 birr	147.38 m <sup>2</sup>
Villa 307.3T-11	147.38 m <sup>2</sup>	2725000 birr	147.38 m <sup>2</sup>
Villa 265.9T-B12	237.22 m <sup>2</sup>	3075000 birr	237.22 m <sup>2</sup>
Villa 311.8T-B13	237.22 m <sup>2</sup>	3185000 birr	237.22 m <sup>2</sup>
Villa 260.4M-B09	254.36 m <sup>2</sup>	3150000 birr	254.36 m <sup>2</sup>
Villa 263.9M-B10	254.36 m <sup>2</sup>	3160000 birr	254.36 m <sup>2</sup>
Villa 295.3M-B11	254.36 m <sup>2</sup>	3235000 birr	254.36 m <sup>2</sup>
Villa 401.9M-B13	254.36 m <sup>2</sup>	3505000 birr	254.36 m <sup>2</sup>

**Note:** All Prices are in birr & without V.A.T

**Source:** Flintstone Homes PLC

## Part 4: TARIFFS

### 4.1 Electricity Tariffs

Electricity charges vary according to different categories of users. There are also different tariff categories and blocks within each user category. The "domestic" tariff category includes dwelling houses, government schools, health institutions, religious places, libraries, research centers and water service centers. The "general" category includes government offices, private offices, international organizations, embassies, and most business sectors excluding industries. The "Low Volt Time of Day" tariff are included manufacturing plants in mineral, food, beverage, textile, agriculture, wood, chemical and plastic areas. The "High Volt Time-of-day industrial: 15 KV" Tariff are includes Time-of-Day rates where consumption at peak hour i.e., from 8:30 to 12:30 in the Morning and from 6:30 to 9:30 in the evening are charged at a relatively high price (peak rate) compared to off peak consumption. The "High Volt time-of-Day industrial: 132 KV" Tariff class, Consumers who are supplied at 132 Kilo-Volt and who are metered at 132 KV side and use their own distribution facilities to reduce the supplied voltage to their own applied voltage level are included. The higher the supply voltage is the lower is the price since further distribution cost is covered by the customers themselves. So far, no customers exist under this tariff class. The current energy tariffs and service charges for different categories and blocks are shown in the following table.



### 4.1.1 Street Light Tariff

Consumers who use electricity for purposes of street lighting are grouped under this tariff class.

Table 4 - 1 Light tariff rates by different user categories

No.	Tariff Category & Block Identification	Monthly Consumption (kWh)	Existing tariff (Birr/kWh)
1	<b>Domestic</b>		
	Equivalent Flat Rate		0.4735
	1 <sup>st</sup> Block	0-50	0.2730
	2 <sup>nd</sup> Block	51-100	0.3564
	3 <sup>rd</sup> Block	101-200	0.4993
	4 <sup>th</sup> Block	201-300	0.5500
	5 <sup>th</sup> Block	301-400	0.5666
	6 <sup>th</sup> Block	401-500	0.5880
	7 <sup>th</sup> Block	Above 500	0.6943
No.	Tariff Category & Block Identification	Monthly Consumption (kWh)	Existing tariff (Birr/kWh)
2	<b>General</b>		
	Equivalent Flat Rate		0.6723
	1 <sup>st</sup> Block	0 – 50	0.6088
	2 <sup>nd</sup> Block	Above 50	0.6943
3	<b>Low Voltage Time of Day Industry</b>		
	Equivalent Flat Rate		0.5778
	Peak		0.7426
	Off – Peak		0.5453
4	<b>High Voltage Time of Day Industry @ 15KV</b>		
	Equivalent Flat Rate		0.4086
	Peak		0.5085
	Off – Peak		0.3933
5	<b>High Voltage Time of Day Industry @ 132KV</b>		
	Equivalent Flat Rate		0.3805
	Peak		0.4736
	Off – Peak		0.3664
6	<b>Street Lighting Tariff</b>		
	Equivalent Flat Rate		0.4843
	Average tariff(ETB/kWh) in 2006		<b>0.4995</b>
	Average tariff(US\$/kWh) in 2006		<b>0.0563</b>

**Note:** Consumers who use electricity for purposes of street lighting are grouped under this tariff class

**Source:** Ethiopian Electric Utility

### 4.1.2 Service Charge

Service Charge is not directly related to power or energy cost. It is rather a fee associated with costs incurred in providing service. The charge includes meters, meter reading and billing expenses. The payment of service charge varies with the type of meters installed.

**Table 4 - 2 Light tariff rates by different user categories**

No.	Tariff Category & Block Identification	Monthly Consumption (kWh)	Existing tariff (Birr)
1	<b>Domestic</b>		
	Single Phase	0-25	1.4000
		26-50	3.4000
		51-105	6.8200
		106-300	10.2400
		Above 300	13.6500
	Three Phase	(Birr/month)	17.0600
	Active/Reactive	(Birr/month)	37.5600
No.	Tariff Category & Block Identification	Monthly Consumption (kWh)	Existing tariff (Birr)
2	<b>General</b>		
	Single Phase	(Birr/month)	14.4900
	Three Phase	(Birr/month)	22.5600
	Active/Reactive	(Birr/month)	35.2600
3	<b>Low Voltage Time of Day Industry</b>		
	Three Phase		53.5700
4	<b>High Voltage Industry @ 132KV</b>		
	Three Phase		54.0100
5	<b>High Voltage Industry @ 132KV</b>		
	Three Phase	(Birr/month)	54.0100
6	<b>Street Lighting tariff</b>		
	Single Phase	(Birr/month)	14.4900
	Three Phase	(Birr/month)	22.5600
	Active/Reactive	(Birr/month)	35.2600

### 4.1.3 Minimum Charge

Minimum charge is payable by customers who have installed capacity of 20 kW and above under conditions where their energy and power consumption fall 50% of the consumption achieved in the previous record. The fixed cost of supply to these customers is to be recovered only through the sale of energy.

**Table 4-3 Minimum Charge**

No.	System and Consumer Identification	Existing tariff (Birr/kW)
1	<b>1.Inter Connected System (ICS)</b>	
1.1	<b>High Voltage Consumer</b>	
	First 20 kW	31.09

	Next 400 kW	15.54
	For the balance	7.77
<b>1.2</b>	<b>Low Voltage Consumer</b>	
	First 20 kW	34.20
	Next 400 kW	17.10
	For the balance	8.55
<b>2</b>	<b>Self Contained System(SCS)</b>	
<b>2.1</b>	<b>Low Voltage Consumer</b>	
	First 20 kW	41.97
	Next 200 kW	20.20
	For the balance	10.10

### 4.1.4 Power Factor Charge

Power factor charge is payable under conditions where the customer achieves high amount of reactive power consumption which deteriorates the power factor (the trigonometric ratio of active and reactive power consumption). This would result in high power demand only for similar energy requirements. This would not allow the Corporation to sale more energy implying power loss.

Table-4 -4 Power Factor Charge

No.	System and Consumer Identification	Existing tariff (Birr/kW)
<b>1</b>	<b>Inter Connected System (ICS)</b>	
<b>1.1</b>	<b>High Voltage Consumer</b>	61.63
<b>1.2</b>	<b>Low Voltage Consumer</b>	68.37
<b>2</b>	<b>Self Contained System (SCS)</b>	
<b>2.1</b>	<b>Low Voltage Consumer</b>	83.36

Source: Ethiopian Electric Utility

## 4.2 Water Tariffs

In Addis Ababa, water charges vary depending on the tariffs set for different consumptions. Accordingly, the current consumption charges and monthly water counter (meter) rent are shown in the following table.

Table 4- 5 Charges by monthly water consumption for business

No.	water consumption (m3)	Birr /m3
1	0 - 7	1.75
2	8 - 20	3.80
3	21 – 40	7.75
4	41 - 100	5.95
5	101 – 300	7.45
6	301 – 501	9.30
7	>501	11.60

**Table 4- 6 Charges of truck mounted water supply consumption**

Truck capacity ( m3)	Within regular working time charge in Birr	Off-regular working time in Birr
3	269	315
7.5	287	373
14	311	397

**Note:** - water provide by Addis Ababa Water and Sewerage Authority container

**Source:** Addis Ababa Water and Sewerage Authority

**Table 4- 7 Charges by monthly water consumption for residential**

No.	Water consumption( m3)	Birr /m3
1	0 – 7	1.75
2	8 – 20	3.80
3	21 – 40	4.75
4	41 – 100	5.95
5	101 – 300	7.45
6	301 – 500	9.30
7	>501	11.60

**Source:** Addis Ababa Water and Sewerage Authority

**Table 4- 8 Monthly counter rent by water counter**

No.	Size of the water meter (in inches)	Counter rent(Birr)
1	½	1.35
2	¾	1.50
3	1	2.25
4	1 ¼	2.85
5	1 ½	4.05
6	2	6.25
7	2 ½	7.65
8	3	9.05
9	4	10.75
10	5	12.45
11	6	14.05

**Note:** Domestic customer shall be subject to progressive tariff depending on the amount of consumption.

**Non-domestic customers are manufacturing industries and others. They shall pay the amount**

Computed at a flat rate on the category level the consumption is reached. For Example:-100 m<sup>3</sup>X5.95=595 Birr must be paid.

**Source:** Addis Ababa Water and Sewerage Authority

## 4.3 Ethio-Telecom Tariffs

The construction, operation, maintenance and expansion of telecom services are performed by the Ethio-Telecom. It also provides Voice Services through Fixed Line and broadband Internet Service can be provided through copper or fiber with different access speed starting from 256Kbps up to 100Mbps and also as per the customer request. The telecom tariff categories vary depending on their Product and Service. The first one is voice service tariff and the other is Internet and Data (VPN) tariff which are shown below.

### 4.3.1 Voice service tariff a) Fixed Line services

Table 4- 9 Fixed Telephone Service (PSTN, FLNGN)

Type of Fee		Fees	VAT (15%)	Sub total	stamp duty	Total
Subscription fee		233.75	41.25	275	5	280
Monthly Rent	Residential	7.65	1.35	9	-	9
	Enterprise	16.15	2.85	19	-	19

**Source:** -Ethio-Telecom – Marketing & Communication Division - Product and Service Tariff

Table 4- 10 CDMA – Limited Mobility (prepaid and postpaid)

Service Type	Subscription Fee	Monthly Rent			
		Air time	VAT(15%)	Stamp Duty	Total
Pre paid Service	56.52	13.04	10.43	5.00	85.00

Table 4- 11 CDCDMA - WLL

Service Type	Subscription Fee	Monthly Rent		
		Air time	VAT(15%)	Stamp Duty
CDMA WLL“ (Urban)	56.52	13.04	10.43	5.00

**Note:** - The service is currently applicable only for "Rutel " users

Table 4- 12 ISDN-E1 Service (Primary Rate Interface)

**ISDN 1E1 (30 line) –for customer who request ISDN service to use each line as a direct line.**

Item	Subscription	Monthly Rent
ISDN Card	12,570.00	---
Per DID number	233.75 * 30 = 7,012.50	16.15 * 30 = 484.50

Total	19,582.50	484.50
-------	-----------	--------

**For customer who request additional number to use as a Direct line.**

Additional Number	---N*16.15(D)
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**Note:-**M for the number of direct line

N is additional numbers requested by customer.

Usage charge is the same as Fixed line

15% VAT will be added in all tariffs

**Table 4- 13 Usage charge of Fixed Telephone Service (PSTN, FLNGN, CDMA,WLL and ISDN)**

Charging System	Peak Hour	Off Peak Hour
With in town	0.20	0.20
Different town – the same tariff zone	0.40	0.25
Different tariff Zone	0.72	0.30

**Note: -** 0.20 charge for call within a town per 6 minute

0.25 indicates charge for calls B/n different towns of the same tariff zone per a minute.

0.72 indicates charge for calls B/n different tariff zone per a minute.

15 % VAT will be added on all charges.

**Source:-** Ethio-Telecom – Marketing & Communication Division - Product and Service Tariff

**Table 4- 14 International Call from Fixed Telephone Service**

Zones	Continent	Charge in Birr
Zone 1	Asia, Europe , Middle East and North America	7.50
Zone 2	Africa, Oceania and South America	8.95
Zone 3	Special Zone*	20.00

**Special zone \***

DIEGO GARCIA ASCENSION ISLAND, ST. HELENA, TOKELAU, NORFOLK ISLAND, SAO TOME, ANTARCTICA, Wallis & Futuna, SOLOMON ISLANDS, EAST TIMOR, NAURU, CUBA, FALKLAND ISLANDS, Niue Island, MALDIVES, COOK ISLANDS, North Korea, PAPUA NEW GUINEA, MADAGASCAR, TUVALU, KIRIBATI and COMOROS

**Note: -** 15 % VAT will be added on all charges.

This tariff will be the same to mobile and fixed networks

**Table 4- 15 Fax or Fax + Voice Service (PSTN, NGN&CDMA), Subscription and Monthly Fee**

Service Type	Tariffs	VAT (15%)	Subtotal	Stamp duty	Total
Subscription fee	233.75	41.25	275	5	280

Adding Fax on the existing Line			Free*		
Fax machine supplied by subscriber and to be installed and maintained by ethio	60.00	9.00	69.00	-	69.00
Monthly Rent Fax machine supplied and to be maintained by the Subscriber	16.15	2.85	19.00	-	19.00

**Note:-** Fixed line ports can be used interchangeably for Fax and Voice service

**Table 4- 16 Fax Service, Usage charge**

Service Type	Per minute payment in birr
Fax with in a town	0.20
Fax b/n different towns of the same tariff zone	0.40
Fax b/n different tariff zones	1.20
Fax to Djibouti	7.00
Fax to the rest of the world	10.00

Note:-15 % VAT will be added on all charges.

For fax to be sent within a town are charged per minute

**Source:-** Ethio-Telecom – Marketing & Communication Division - Product and Service Tariff

**Table 4- 17 Short Code Service (Three Digit), Subscription and Monthly Fee**

Types of Short code	Subscription fee	Monthly fee
Platinum	20,000.00	12,000.00
Gold	15,000.00	6,000.00
Silver	9,000.00	4,200.00

Note:-15 % VAT will be added on all charges.

**Table 4- 18 Usage charge for Short Code Service ,**

SMS Type	Charge in Birr
Non Premium	0.30
Auto- Reply	0.05
Premium tariff option	0.87, 1.09, 1.30, 1.74, 2.61, 3.48, 4.35, 8.70 & 13.04.

Note 15 % VAT will be added on all charges.

- Messages sent to short code can be billed at a higher rate than a standard SMS
- Monthly rental fee will apply for already subscribed customers as well
- Existing tariff will be kept for NGOs and non-business government offices till new tariff validated by BoD

## **b) Mobile Telephone Service**

**Table 4- 19 Post & Pre paid Mobile GSM & CDMA 2000 Subscription**

Service type		Subscription Fee for Mobile Service (GSM,CDMA Mobile)								
		Fee	VAT	Sub	Stamp		Default Air	VAT	Sub	Grand
			(15%)	Total	Duty		Time	15%	Total	Total
GSM*	Prepaid	8.7	1.3	10	5	15	13.04	1.96	15	30
	Postpaid	21.74	3.26	25	5	30	NA	NA	NA	30
CDMA 1X Data +Voice	Prepaid	8.7	1.3	10	5	15	13.04	1.96	15	30
CDMA 1X Data +Voice	Postpaid	21.74	3.26	25	5	30	NA	NA	NA	30
Monthly Rent(post paid only)		25.00	3.75	28.75	NA	NA	NA	NA	NA	28.75

**Note:-**15 % VAT will be added on all charges.

**Source:-** Ethio-Telecom – Marketing & Communication Division - Product and Service Tariff

**Table 4- 20 WCDMA/3G Mobile Service Subscription and Monthly fee**

			(15%)	Total	Duty		Time	15%	Total	Total
WCDMA/3G*	Prepaid	69.57	10.43	80	5	85	13.04	1.96	15	100
	Postpaid	82.61	12.39	95	5	100	NA	NA	NA	100
Monthly Rent(postpaid only)		25.00	3.75	28.75	NA	NA	NA	NA	NA	28.75

**Note:** - Both Data + Voice service enabled for all Fixed CDMA and CDMA with mobility services

\* GSM & WCDMA subscription fee will be applied also for Business Mobile (**BM**) service

**Table 1.21 International Calls from Mobile Telephone Service**

**Mobile Telephone Service** (GSM, CDMA- Full Mobility & 3G/WCDMA)

Zones	Continent	Charge in Birr
Zone 1	Asia, Europe , Middle East and North America	7.50
Zone 2	Africa, Oceania and South America	8.95
Zone 3	Special Zone*	20.00

**Note: Special zone \***

- DIEGO GARCIA ASCENSION ISLAND, ST. HELENA, TOKELAU, NORFOLK ISLAND,SAO TOME, ANTARCTICA, Wallis & Futuna, Solomon Islands, EAST TIMOR,NAURU, CUBA, FALKLAND ISLANDS, Niue Island, MALDIVES, COOK ISLANDS, North Korea, PAPUA NEW GUINEA, MADAGASCAR, TUVALU, KIRIBATI and COMOROS

- 15 % VAT will be added on all charges.

- This tariff will be the same to mobile and fixed networks

**Table 4 .22 Mobile Service Postpaid and Pre paid GSM, WCDMA (3G) &CDMA 2000 mobile usage tariff**

Call type	Peak time charge	Off peak time charge
National Call	0.83	0.35

**Table 4.23 GSM, WCDMA (3G) & CDMA mobile SMS Usage Rate**

Service Type	Tariff
Local SMS	0.35 cents
International SMS	4.37 (Djibouti )
	6.10 (Rest Of the World )

**Table 4.24 WCDMA - Video call Usage Charge (Birr/minute)**



Service type	Local calls (Addis Ababa)	International Calls	
		Djibouti	Rest of the world
Video call		33.29	36.98
MMS	0.69/MMS	6.10/MMS	

**Note:-**

- SMS charges are applicable for CDMA, WCDMA and GSM mobile
- Video Call available to WCDMA customers between 3G handsets (with Video Calling feature) under WCDMA coverage.
- All tariffs are inclusive of VAT

**Source:-**Ethio-Telecom – Marketing & Communication Division - Product and Service Tariff

**Table 4.25 Business Mobile service (without CUG) Tariff**

Type of Business		Business 100	Business 250	Business 500	Business 1000	Business 2500
		Br.60	Br.140	Br.270	Br.540	Br.1350
Line Rent						
	Minutes	100	250	500	1000	2500
Bundle	Free exts	30	50	80	100	350
	Free MB	5	5	5	50	50
OOB Rates	Mobile			Prevailing Prices		
	Fixed			Prevailing Prices		
International				Prevailing Prices		
Roaming				Prevailing Prices		
Other Calls				Prevailing Prices		

**Note:** Bundled calls are to Fixed and Mobile numbers only.

CUG = close user Groups OOB = Out of Bundle

This tariff applied for residential customers and will be treated by credit limit policy.

**Table 4.26 Business Mobile service Budget Based BM / Hybrid BM Service Packages & Tariffs (Without CUG)**

Type of Business		Budget 100	Budget 150	Budget 200	Budget 250	Budget 300	Budget 350	Budget 400	Budget 450	Budget 500	Budget 600
		Br. 100	Br. 150	Br. 200	Br. 250	Br. 300	Br. 350	Br. 400	Br. 450	Br. 500	Br. 600
Monthly Line Rent											
	Minutes	170	270	360	450	560	650	740	830	930	1110
Bundles											
	Free Texts	30	50	50	50	80	80	80	80	80	100
	Free MB	5	5	5	5	5	50	50	50	50	50
OOB Rates	Mobile	Prevailing Prices									
	Fixed	Prevailing Prices									
International		Prevailing Prices									
Roaming		Prevailing Prices									
Other Calls		Prevailing Prices									

**Source:-**Ethio-Telecom – Marketing & Communication Division - Product and Service Tariff

**Table 4.27 Business Mobile service(with CUG) Tariff**

Type of Business		Business	Business	Business	Business	Business
		100		500	1000	2500
Line Rent		Br.60	<b>Br.140</b>	<b>Br.270</b>	<b>Br.540</b>	<b>Br.1350</b>
CUG Option		Br. 25.3	Br. 25.3	Br. 25.3	Br. 25.3	Br. 25.3
<b>Total Monthly Rent</b>		<b>85.3</b>	<b>165.3</b>	<b>295.3</b>	<b>565.3</b>	<b>1375.3</b>
	Minutes	100	250	500	1000	2500
Bundle	Free Texts	30	50	80	100	350
	Free MB	5	5	5	50	50
	Mobile			Prevailing Prices		
OOB Rates	Fixed			Prevailing Prices		
	CUG			Br 0.35		
International			Prevailing Prices			
Roaming			Prevailing Prices			
Other Calls			Prevailing Prices			

**Note:-**Bundled calls are to Fixed and Mobile numbers only.  
CUG = close user Groups OOB = Out of Bundle

**Table 4.28 Business Mobile service Budget Based BM / Hybrid BM Service Packages & Tariffs (With CUG)**

Type of Business		Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
		100	150	200	250	300	350	400	450	500	600
Monthly Line Rent		Br. 100	Br. 150	Br. 200	Br. 250	Br. 300	Br. 350	Br. 400	Br. 450	Br. 500	Br. 600
CUG Option		25.30	25.30	25.30	25.30	25.30	25.30	25.30	25.30	25.30	25.30
Total Monthly Payment		125.30	175.30	225.30	275.30	325.30	375.30	425.30	475.30	525.30	625.30
	Minutes	170	270	360	450	560	650	740	830	930	1110
Bundles	Free Texts	30	50	50	50	80	80	80	80	80	100
	Free MB	5	5	5	5	5	50	50	50	50	50
OOB	Mobile	Prevailing Prices									
	Fixed	Prevailing Prices									
Rates											
	CUG	Br 0.35									
International		Prevailing Prices									
Roaming		Prevailing Prices									
Other Calls		Prevailing Prices									

**Note:-**OOB = Out of Bundle

CUG = close user group

Bundled calls are to local Fixed and Mobile numbers only

For all Packages, the residential customer should have to enter in to a six months of service agreement

For Hybrid BM customers, there is no CUG line rent

All tariffs are inclusive of VAT

All other BM/Hybrid BM service business rules are remaining unchanged

**Source:-**Ethio-Telecom – Marketing &Communication Division - Product and Service Tariff

**Table 4.29 Bulk SMS Service Bulk SMS category and Usage fee in Birr**

CATEGORY	Number of SMS		Per local SMS charges			Total amount including VAT	
	From	To	Unit charge without VAT	VAT (15%)	Unit charge incl. VAT		
	a	b	c	d=c*0.15	e=c+d	F	G
1	4,000	25,000	0.120	0.01800	0.13800	552.00	3,450.00
2	25,001	50,000	0.095	0.01425	0.10925	3,450.11	6,181.25
3	50,001	75,000	0.090	0.01350	0.10350	6,181.35	8,768.75
4	75,001	100,000	0.085	0.01275	0.09775	8,768.85	11,212.50
5	100,001	200,000	0.075	0.01125	0.08625	11,212.59	19,837.50
6	200,001	300,000	0.065	0.00975	0.07475	19,837.57	27,312.50
7	300,001	400,000	0.055	0.00825	0.06325	27,312.56	33,637.50
8	400,001	500,000	0.045	0.00675	0.05175	33,637.55	38,812.50
9	500,001	600,000	0.035	0.00525	0.04025	38,812.54	42,837.50
10	600,001	700,000	0.025	0.00375	0.02875	42,837.53	45,712.50
11	700,001	1,000,000	0.015	0.00225	0.01725	45,712.52	50,887.50
12	1,000,001	2,000,000	0.014	0.00210	0.01610	50,887.52	66,987.50
13	2,000,001	3,000,000	0.013	0.00195	0.01495	66,987.51	81,937.50
14	3,000,001	5,000,000	0.012	0.00180	0.01380	81,937.51	109,537.50
15	5,000,001	7,000,000	0.011	0.00165	0.01265	109,537.51	134,837.50
16	7,000,001	Unlimited	0.010	0.00150	0.01150	134,837.51	-

**Table 4.30 GOTA (Push to Talk) Service Subscriptions and Monthly Rent**

Types of service		Members per Group	Subscription fee per subscriber			Monthly Rental(Usage) subscriber	
GOTA without Voice		>2		143.00			77.00

**Table 4.31 GOTA Apparatus Selling Price**

Option One						Option Two		
One time total payment			40% Upfront			60% six month Installment payment		
Unit Price			40% Upfront		Total	Monthly		Total
without VAT	VA T	Total	Payment	VAT	Upfront	Price	VAT	Monthl y
5,216.52	782. 48	5999.00	2,086.61	312.9 9	2,399.60	521.65	78.25	599.90

**Note:-**

- Minimum Member of GOTA service users are 2.
- Monthly Rent is 77.00 per each Group member.

- Customers should subscribe mobile service to make a call outside the group
- Calls outside the group is charged as per the normal tariff of mobile service

**Source:-**Ethio-Telecom – Marketing &Communication Division - Product and Service

**Table 4.32 Roaming For visitors coming to Ethiopia making calls within Ethiopia (Wholesale tariff)**

Description	Roaming Tariff Zone NC (USD/mn*)			
	Zone 1	Zone 2	Zone 3	Zone 4
Wholesale tariff (IOT)	0.74/0.54	0.74/0.54	0.74/0.54	0.74/0.54

**Table 4.33 Roaming Service Tariff MOC (MOBILE ORIGINATING CALLS)**

Description	Roaming Tariff Zone MOC (USD/min)			
Description	Zone 1	Zone 2	Zone 3	Zone 4
Wholesale tariff (IOT)	2.36	3.44	2.58	2.9

**Note:-**

- For visitors coming to Ethiopia making international calls (Wholesale tariff)
- For ET customers roaming abroad (Retail tariff)
- IOT (Inter operator /roaming partners wholesale tariffs) + 10
- Tariffs are in USD
- Zone 1 - Africa
- Zone 2 - Europe and North America
- Zone 3 - Middle East
- Zone 4 - the rest of the world

**Table 4.34 Roaming Tariff MTC (Mobile Terminating Calls)**

**For visitors coming to Ethiopia receiving calls (Wholesale tariff)**

Description	Roaming Tariff Zone MTC (USD/mn*)			
	Zone 1	Zone 2	Zone 3	Zone 4
Wholesale tariff (IOT)	0.47/0.42	0.47/0.42	0.47/0.42	0.47/0.42

**Table 4.35 for visitors coming to Ethiopia sending SMS (Wholesale tariff)**

Description	Roaming Tariff Zone SMS (USD)				
	Zone 1	Zone 2	Zone 3		Zone 4
Wholesale tariff (IOT)	0.37	0.37	0.37		0.37

**Note:-**

For ET customers roaming abroad (Retail tariff)

•IOT (roaming partners wholesale tariffs) + 10%

Tariffs are in USD

- Zone 1 - Africa
- Zone 2 - Europe and North America
- Zone 3 - Middle East
- Zone 4 - the rest of the world

**Source:-Ethio-Telecom – Marketing &Communication Division - Product and Service**

**Table 4.36 Voice Premium service**

For calls originated from all mobile GSM, WCDMA and CDMA throughout the country.

**Voice Premium service Tariff Structure (For Content Providers)**

Description	Tariff Structure/minute (in Birr)									
Non Premium calls	prevailing tariff									
Premium Calls tariff option	0.87	1.09	1.30	1.74	2.61	3.48	5.22	6.96	9.57	13.04

**Table 4.37 Voice Premium Revenue sharing Structure (For Content Providers)**

	Description		Proposed revenue sharing
Premium Calls	Non Premium calls		90/10
	From Birr 0.87 Per minute		ethio will maintain peak hour per minute charges
	to 1.30 Per minute		(i.e., 0.72 per min)
Premium Calls	For charges greater than		ethio will have a share of 50/%
	Birr 1.30 Per minute		

Note:-15 % VAT will be added on all charges

**Table 4.38 Voice Premium Revenue sharing Structure (For Content Providers)**

**Thuraya Satellite Mobile SIM TARIFF**

Service Type	For VAT Payer	For VAT Exempted
ThurayaSIM	36.18 USD	35.70 USD

**Thuraya Voucher Tariff**

Type of Voucher Card	For VAT Payer	For VAT Exempted
39 UNIT	76.49 USD	74.96 USD
50 UNIT	98.07 USD	96.11 USD
80 UNIT	156.85 USD	153.71 USD
160 UNIT	313.14 USD	306.87 USD

**Source:-Ethio-Telecom – Marketing &Communication Division - Product and Service**

**Table 4. 39 Satellite Phone (Call to satellite phone numbers)International Tariff for Calls to Satellite Numbers**

Satellite network		For Normal Customers (in USD)	For Roamers(in USD)
		USD)	(in USD)
	Inmarsat A	5.55	6.39
	Inmarsat B	3.65	4.57
	Inmarsat B/HSD	9.76	11.13
Inmarsat	Inmarsat M	2.92	3.65
	Inmarsat Mini/M	2.55	3.11
	Inmarsat ISDN (M4)	10.27	12.84
	Inmarsat AERO	8.18	10.22
	Inmarsat BGAN	4.65	5.85
<b>Thuraya</b>		<b>3.07</b>	<b>3.84</b>
Iridium		3.7	4.62
International Networks		5.56	6.95
Global star and Elipso		3.59	4.49
Other satellite networks		2.23	2.72

Note:- VAT will be added on all above charges.

### 4.3.2 Internet Service

**Table 4.40 Wired Fixed Broadband Internet service Unlimited Broadband internet**

Speed	BB Internet Monthly usage fee	Subscription Fee
256Kbps	425	
512 KB/S	950	
1 MB/S	1,700.00	343.48
2 MB/S	3,075.00	
3 MB/S	4,775.00	
4 MB/S	5,550.00	

**Note:**

- Price greater than 4 Mbps is: **price= price of 4 Mbps + 1208\* (X)**, where **x** is additional speed needed.
- The tariff does not include cost of CPE
- Contracts are all Post Paid and are for 24 months
- Prices is exclusive of VAT
- The CPE tariff is onetime payment of birr 521.70 Birr on subscription.
- No Installation cost (L MT cost) for those customers who are located within 500 Meter from the MSAG.
- Beyond 500 Meter from the MSAG 13 and 45 birr per meter connection fee for Copper and fiber respectively. 15% shall be added on the total LMT cost as overhead and contingency expense.
- FUP: Fair Usage Policy & OOB: Out Of Bundle (Mbytes)

**Source:-**Ethio-Telecom – Marketing &Communication Division - Product and Service

**Table 4.41 Bundled broadband internet (ADSL) Subscription and monthly Fee**

Speed	Bundle	Monthly Charge	OOB Rate	Subscription Fee
512 Kbps	2 GB	217.39		
1 Mbps	4 GB	347.83	0.20	239.13
2 Mbps	6 GB	478.26		

**Note:**

- All prices are exclusive of VAT
- Prices do NOT include EVDO dongle
- OOB: Out of Bundle (Per MB)
- The tariff does not include cost of CPE

**Table1.42 Fixed Wireless BB Internet Services - Aironet**

**Broadband Internet Via AIRO-NET Subscription and Monthly Fee**

Speed	AIRO NET POINT TO POINT		AIRO NET POINT TO MULTI POINT	
	Subscription fee	Monthly	Subscription fee	Monthly
512 Kb/S	70,865.02	2,027.3	14,451	2,481.73
1 Mb/S	70,865.02	2,777.3	14,451	3,231.73
2 Mb/s	70,865.02	4,152.3	14,451	4,606.73
3 Mb/s	70,865.02	5,852.3	14,451	6,306.73
4 Mb/s	70,865.02	6,627.3	14,451	7,081.73

**Note:-**All Prices are exclusive of VAT& Cost of CPE is included

**Table1.43 Broad Band VSAT tariff VSAT Broad band service Subscription and Monthly Fee**

Speed	Initial subscription	Monthly usage
256Kbps	47,700	7,400
512Kbps	47,700	13,450
1Mbps	47,700	25,550
<b>2 Mbps</b>	47,700	49,800

**N.B:-**The tariff Exclusive VAT

The tariff includes cost for CPE and installation

**Source:-**Ethio-Telecom – Marketing &Communication Division - Product and Service

**Table1.44 Narrowband VSAT tariff VSAT Narrow band Internet service Subscription and Monthly Fee**

Speed	Initial Subscription	Monthly rental
Dial away	118,120.00	748.00
Far away	464,946.00	2,992.00

**N.B:** This tariff doesn't include usage charge Of voice service.

**Table1.45 Mobile BB Internet Service EVDO –Postpaid and pre-paid service subscription and monthly Fee**

Name	Monthly Charge	Out of Bundle Rate	Subscription Fee
EVDO 1 GB	261.00	0.30	85.00
EVDO 2 GB	435.00	0.30	85.00
EVDO 4 GB	609.00	0.30	85.00

**Note:-**All prices are exclusive of VAT  
Prices do NOT include EVDO dongle  
OOB: Out of Bundle usage (Per MB)

**Table1.46 3G internet packages Postpaid and pre-paid service subscription and monthly Fee**

Name	Bonus	Monthly	Out of Bundle Rate	Subscription Fee
1 GB	150MB	347.83	0.40	82.61
2 GB	200MB	521.74	0.40	82.61
4 GB	350MB	695.65	0.40	82.61

**Note:**

All prices are exclusive of VAT

- Prices do NOT include EVDO dongle

OOB: Out of Bundle usage (Per MB)

Bonus will be available for each month

**Source:-** Ethio-Telecom – Marketing &Communication Division - Product and Service

**4.3.3 Data (VPN) service**



**Table1.47 Data (VPN) service fixed wired broadband VPN (MPLS-VPN)MPLS – VPN service Subscription and monthly Fee**

	Wired MPLS-VPN	
Speed	Monthly usage fee	Subscription fee
256Kbps	712.5	1,373.92
512 Kbps	1,425.00	1,373.92
1 Mbps	2,550.00	1,373.92
2 Mbps	4,612.50	1,373.92
3 Mbps	7,162.50	1,373.92
4 Mbps	8,325.00	1,373.92

**Note:**

- FUP: Fair Usage Policy & OOB: Out Of Bundle (Mbytes)
- Contracts are all Post Paid and are for 24 months
- Prices exclusive of VAT
- For Full VPN tariff with CPE please refer Annex II.

**Table1.48Fixed Wireless MPLS VPN - Via Aironet MPLS-VPN via AIRO-NET subscription and Monthly Fee**

	Fixed Wireless MPLS-VPN	
Speed	Monthly usage fee	Subscription fee
256Kb/S	831.25	1,373.92
512 Kb/S	1,662.50	1,373.92
1 Mb/S	2,975.50	1,373.92
2 Mb/S	5,381.25	1,373.92
3 Mb/S	8,356.25	1,373.92
4 Mb/S	9,712.50	1,373.92

**Note:**

FUP: Fair Usage Policy & OOB: Out Of Bundle (Mbytes)

Contracts are all Post Paid and are for 24 months

All Prices are exclusive of VAT

Fixed wireless VPN Means a VPN Service to be provided with FWBA, Airo-Net and VSAT. However the tariff does not include CPE charge

**Source:-** Ethio-Telecom – Marketing &Communication Division - Product and Service

**Table1.49 Mobile MPLS VPN**

**Note:**

- The tariff is VAT Exclusive.
- The tariff does not include cost of CPE(Modem) and Stamp duty.
- Contract should be signed with at least one year commitment.

**Table1.50 Narrow band internet - CDMA 1X**

Service	Average Speed	Initial Subscription	Monthly usage charge
EVDO	512Kbps	2,747.84	1,900.00
3G VPN	1 Mbps	2,747.84	2,850.00

Type of service	Fee before VAT in birr	Initial fee including VAT
Subscription fee	21.74	30.00
Change of pre paid to Postpaid	Free	Free
Change of postpaid to prepaid	26.09	30.00
Reconnection (without SIM card)	13.04	15.00
Reconnection (with SIM card)	26.09	30.00
Replacement	13.04	15.00
Subscriber's name change	13.04	15
Monthly rent	25.00	28,75

**Table1.51 IPLC Terrestrial Tariff (In USD)**

Speed	Subscription Fee	Monthly Usage Charge
512Kbps	866 USD	1,617USD
1Mbps	1,732 USD	2,894USD
2Mbps(1E1)	3,118 USD	5,235 USD
4Mbps(2E1)	5,196 USD	9,449 USD
6Mbps(3E1)	7,794 USD	13,562 USD
8Mbps(4E1)	10,392 USD	17,676 USD

- All charges are VAT exclusive
- This Tariff is only up to our border
- For a price beyond our border, we will add 25% profit mark up on other operators price
- The tariff does not include CPE charges.
- LMT – prevailing policy
- The IPLC service is intended to have a speed levels up to 2Mbps and may exceptionally reach 8Mbps maximum.

**Table1.52 Narrow band VPN - M2M Business Solution Subscription and monthly fee**

Monthly Bundled(MB)	Monthly Rent			OOBR ate	Subscription Fee			Total
	Monthly	VAT15	Total		Subscripti	VAT	Stamp	

	Rent	%	Monthly Rental	per MB	on Fee	15%	Duty	Sub. Fee
2 MB (For VAT only)	25	3.75	28.75	~	139.13	20.87	5	165
25 MB	50	7.50	57.50	1.38	21.74	20.87	5	165
50 MB	65	9.75	74.75	1.38	21.74	20.87	5	165
100 MB	80	12.00	92.00	1.38	21.74	20.87	5	165
256 MB	102.4	15.36	117.76	1.38	21.74	20.87	5	165
Unlimited	120	18.00	138.00	~	21.74	20.87	5	165

#### **N.B**

- The first option is only for VAT purpose.
- This tariff applies for both internet based (without privet APN) and VPN based (with privet APN).
- The SMS charge is based on the existing tariff.
- If the customer subscribe or unsubscribe in the middle of a month, the monthly charge will be prorated.

The sales person should check the availability of GPRS for the requested areas, before a commercial offer, until the problem on the Nokia network areas are resolved.

### **3.1. Internet protocol (IP) Service**

**Table1.53 Internet protocol (IP) address tariff**

IP Address range	To be paid for
1-2	4
3-6	8
7-14	16
15-29	32

No of IP	Unit price/month	Unit price/year	Total annual of payment
4	18	216	864
8	18	216	1728
16	18	216	3456
32	18	216	6912

**Note: -**

If customers ask more than the listed IP addresses, they have to contact the pre-sales team in the Enterprise division to justify their reason and get permission.

**Table1.54Domain name service tariff**

Categories	Tariff Per Year	Setup Fee
.com.et, .org.et, .net.et, .gov.et, .edu.et, ...	ETB 400	Free
.et	ETB 1,000	Free

**Note:-**15 % VAT will be added on all charges  
Customer can have up to ten (10) sub domain name

**Table1.55 Web Hosting Service Web Hosting service tariff**

Disc Space (MB)	Bandwidth (kb/s)	Tariff per year	Tariff per Month
500	512	452.17	37.86
800	512	682.61	56.88
1000	512	765.22	63.77
1500	1024	1,008.70	84.06
3000	1024	1,886.96	157.25

Note:-Prices exclusive of VAT  
we will provide this service with either Windows or Linux operating system

**Table1.56 Additional E-mail Box Subscription and monthly Fee**

Service Type	Subscription Fee Per Mail Box	Monthly Fee Per Mail Box
E-Mail Box	20.00	20.00

**Table1.57 Internet and Data Service - CPE Cost**

All CPE'S WIRED		AIRO NET POINT TOPOINT		AIRO NET POINT TOPOINT		FBWA DATA ONLY		FBWA DATA + VOICE	
ADSL (one time)	EPON GPON (one time)	Subscription Fee	Monthly Rent	Subscription Fee	Monthly Rent	Subscription Fee	Monthly Rent	Subscription Fee	Monthly Rent
			1,077.30						
	521.74	70,517.02		14,103.00	1,531.73	3,701.06	633.58	9,197.46	1,629.17

**CPE Cost For Local MPLS VPN Connection**

All CPE's For Wired Connection		Airo Net Point To Point		Airo Net Point To Multi Point		FBWA Data Only		FBWA Data + voice	
ADSL (one time)	EPON GPON (one time)	Subscription Fee	Monthly Rent	Subscription Fee	Monthly Rent	Subscription Fee	Monthly Rent	Subscription Fee	Monthly Rent
260.86	521.74	70,517.02	1,077.30	14,103.00	1,531.73	12,336.88	1,237.07	30,658.22	3,074.22

## Part 5: TAXES

The principal types of taxes are customs duty, value added tax /VAT/, excise tax, profit tax on business, income tax from employment, income tax from dividends and royalty tax.

### 5.1 Customs Duty

Custom duties, which currently range from 0-35%, are payable on imports by all persons and entities which have no duty-free privileges. According to the Tariff Regulations, 2002 items are classified according to a schedule of 97 chapters, based on the Harmonized System of Tariffs Classification Code. Customs duty rates of some selected goods are shown in the following table.

**Table 5- 1Custom duty rates of some selected goods**

No.	Items	Custom duty (%)
1	Live animals and products	20
2	Vegetables, fruits and cereals	20
3	Prepared food products	30
4	Beverages	35
5	Pharmaceuticals	5
6	Organic chemicals	10
7	Wood and articles of wood	20
8	Tanning or dyeing extracts, dyes, pigments and other coloring materials, paints and varnishes, putty and other mastics, inks	10
9	Primary cells and primary batteries	20
10	Leather and leather articles	-
11	Plastic and articles thereof	30
12	Articles of apparel and clothing accessories, knitted or crocheted	35
13	Footwear, gaiters and the like	35
14	Articles of stone, plaster, cement, asbestos, mica or similar materials	20
15	Ceramic products	20
16	Glass and glassware	20
17	Optical, photographic, medical or surgical instruments and apparatus, parts there of	20
18	Iron and steel and articles thereof	10
19	Wire, rods, tubes, plates, electrodes and similar products of base metal or of metal carbides used for soldering, brazing, welding or deposition of metal or metal carbides, wire and rods of agglomerated base metal powder used for metal spraying	10
20	Boilers, machinery and mechanical appliances, parts thereof	10
21	Electrical machinery, equipment, parts thereof	20
22	Motor vehicles for the transport of ten or more persons including the driver and motor vehicles for the transport of goods not exceeding 1,500 kg.	35
23	Paper and printed materials	10
24	Fertilizers	Free of tax

**Note:-**The rates are not actual but they are averages of various products under one title.

-For Example NO.1 “Live animals and products” has 15% =13 items, 10%=11items,

20%=111, items and 30%=82, items. So we considered the 20%rate as an average of all since it has the larger number of items. Same to others items.

**Source:** Ethiopian Revenues and Customs Authority

## 5.2 Value Added Tax (VAT)

In the Value Added Tax (VAT) Proclamation No.307/2002, it is indicated that sales tax is replaced by VAT to enhance economic growth and improve the ratio relationship between Gross Domestic Product (GDP) and government revenue. VAT is paid at a rate of 15% of the value of every taxable transaction by a registered person and all imports of goods and services other than those exempted.

### A) Exempted Items

The following types of supplies of goods (other than by way of export) or rendering of services are exempt from the payment of VAT:

- The sale or transfer of used dwelling, or its lease;
- Financial services;
- The supply or import of national or foreign currency;
- Import of gold to be transferred to the National Bank of Ethiopia;
- The rendering of religious or church related services by religious organizations;
- Import of prescription drugs specified in the directives issued by the Ministry of Health and the rendering of medical services;
- The rendering of educational services by educational institutions, as well as import of goods transferred to state agencies and public organizations for the purpose of rehabilitation after natural disasters, industrial accidents and catastrophes;
- The supply of electricity, kerosene, and water;
- Goods imported by the government or by organizations, institutions or projects exempted from duties and other import taxes;
- Supplies by the post office authorized under the Ethiopian Postal Service Proclamation, other than services rendered for a fee of commission;
- The provision of transport;
- The issuing of permits and licenses;
- The supply of goods or services by a workshop 60% of whose employees are disabled individuals;
- The import or supply of books and other printed materials to the extent provided in regulations.

## **B) Zero-rated items**

The following transactions shall be charged with VAT at a rate of 0 %:

- The export of goods or services to the extent provided in regulations;
- The rendering of transport or other services directly connected with international transport of goods or passengers, as well as the supply of lubricants and other consumable technical supplies taken on board for consumption during international flights;
- The supply of gold to the National Bank of Ethiopia;
- The supply by a registered person to another person in a single transaction of substantially all of the assets of a taxable activity or an independent functioning part of a taxable activity as a going concern, provided a notice in writing signed by the transferor and transferee is furnished to the Ethiopian Revenue and Customs Authority (ERCA) within 21 days after the supply takes place and such notice includes the details of the supply;
- Goods and services supplied to or imported by accredited diplomats.

## **5.3 Turnover Tax**

In Ethiopia turnover tax is paid by those who are not registered for VAT and whose value of annual taxable transaction is less than 500 thousand Birr.

The turnover tax rates are:

- 2% on goods sold and services rendered locally;
- 2% on contractors, grain mills, tractors and combine harvesters;
- 10% on others.

## 5.4 Excise Tax

Excise Tax Proclamation No. 307/2002 indicates that, excise tax is levied on selected items when produced locally or imported. The tax rate ranges from 10% to 100% depending on the nature of the goods. List of all goods currently liable to excise tax along with their tax rates is shown below:

**Table 5- 2Excise tax rates by types of goods**

No.	Items	Excise tax (%)
1	Any type of sugar in solid form excluding molasses	33
2	Drinks	
	2.1 All types of liquid soft drinks except fruit juices	30
	2.2 Powder soft drinks	30
	2.3 Bottled or canned water	20
	2.4 Alcoholic Drinks	
	2.4.1 All types of beer and stout	50
	2.4.2 All types of wine	50
	2.4.3 Whisky	50
	2.4.3 Other Alcoholic drinks	100
3	All types of pure alcohol	75
4	Tobacco and tobacco products	
	4.1 Tobacco leaf	20
	4.2 Cigarettes, cigar, cigarillos, pipe tobacco, snuff and other products	75
5	Salt	30
6	Fuel-Super Benzene, Regular Benzene, Petrol, Gasoline and other Motor Spirit	30
7	Perfumes	100

No	Items	Excise tax (%)
8	Textile	
	8.1 Textile fabrics, knitted or woven of natural silk, rayon, wool or other similar materials	10
	8.2 Textile of any type partly or wholly made from cotton, which is gray, white, dyed or printed, in pieces of any length or with (except "Abudgedid") and including blankets, bed-sheets, counterpanes, towels, table clothes and similar articles	10
	8.3 Garments	10
9	Dish washing machines of a kind for domestic use	80
10	Washing machine of a kind for domestic purposes	30
11	Video decks, television or video cameras	40
12	Television broadcast receiver whether or not combined with gramophone, radio, or sound receivers and reproducers	10
14	Motor passenger cars, Station Wagons, utility cars, and similar vehicles (including motorized caravans), whether assembled, together with their appropriate initial equipment:	
	14.1 Up to 1,300 c.c.	30
	14.2 From 1,301 c.c. up to 1,800 c.c.	60
	14.3 Above 1,800 c.c.	100
15	Carpets	30
16	Asbestos and asbestos products	20
17	Clocks and Watches	20
18	Dolls and Toys	20

**Source:** Ethiopian Revenues and Customs Authority

## 5.5 Business Income Tax

According to Proclamation No.307/2002, taxable business income shall be determined per tax period on the basis of the profit and loss account or income statement which shall be drawn in compliance with the generally accepted accounting standards provisions of directives issued by ERCA.

### 5.5.1 Income Tax on Individual Entities /Unincorporated Business

Taxable business income of unincorporated businesses shall be taxed in accordance with the following table:

**Table 5- 3Income tax rates of unincorporated businesses by income category**

NO	Annual taxable income ( Birr)	Income tax payable (%)
1	Up to 1,800	Exempt
2	1,801 – 7,800	10
3	7,801 - 16,800	15
4	16,801 – 28,200	20
5	28,201 - 42,600	25
6	42,601 – 60,000	30
7	Over 60,000	35

**Source:** Ethiopian Revenues and Customs Authority



### 5.5.2 Corporate Income Tax

Corporate income tax or profit tax payable by business organizations or companies is 30% of their taxable income.

### 5.6 Rental Income Tax

According to Proclamation No.286/2002, Income derived from renting of houses or office buildings, manufacturing plants, materials and goods, etc. is taxable in accordance with the following table.

#### 5.6.1 Corporate Rental Income Tax

Corporate rental income tax by business organizations or companies is 30% of their taxable income.

#### 5.6.2 Rental Income Tax on Individual Entities /Unincorporated Business

Rental taxable business income of unincorporated businesses shall be taxed in accordance with the following table:

Table 5- 4Rental tax rates by income category

No.	Annual income(Birr)	Income tax payable (%)
1	Up to 1,800	Exempt
2	1801 – 7,800	10
3	7,801 – 16,800	15
4	16,801 – 28,200	20
5	28,201 – 42,600	25
6	42,601 – 60,000	30
7	Over 60,000	35

**Source:** Ethiopian Revenues and Customs Authority

### 5.7 Personal Income Tax

According to Proclamation No.286/2002, any income derived from employment, including any payments or gains in cash or in kind is taxable in accordance with the following schedule.

Table 5- 5 Personal income tax rates by income category

No.	Employment monthly Income (Birr)	Tax rate (%)
1	The first 150	Exempt threshold
2	151 – 650	10
3	651 - 1,400	15
4	1,401 - 2,350	20
5	2,351 - 3,550	25
6	3,551 – 5,000	30
7	Over 5,000	35

**Source:** Ethiopian Revenues and Customs Authority

## 5.8 Export Tax

With the exception of few products there are no taxes on export products. But like semi-processed hides and skins 150% taxes on export products.

## 5.9 Mining Income Tax

According to the Mining Tax Proclamation No. 678/2002 (Amendment), a holder of large- scale or small -scale mining license shall pay 35% income tax on taxable income

## 5.10 Other Income Taxes

Table 5- 6 Incomes tax rates by type of income

No.	Taxable income	Tax rate(%)
1	Royalties	5
2	Income (except less than Birr 100) from games or chance	15
3	Dividends...	10
4	Income from rental of property (land, buildings, or moveable asset not related to business	15
5	Interest income	5
6	Gains from the transfer of property	
	▪ On business building, factories and offices	15
	▪ on shares of companies	30

## 5.11 Withholding Tax

Withholding taxes are deductions from dividends, salaries, wages and other incomes. They are levied at the point of disbursement or incomes and are passed on to the government by the entities collecting them.

In Ethiopia, the withholding tax rates are:

- 3% of the total value of CIF prices of imported goods;
- 2% on the cost of supplying goods involving more than Birr 10,000 in any one transaction or a contract or service involving more than Birr 500 in one transaction.

The services that are subject to withholding taxes are:

- ♦consultancy;
- ♦designs, written materials, lectures and dissemination of information;
- ♦the services of lawyers, accountants, auditors, etc.
- ♦salesmanship, arts and sports professionals and brokers, including insurance brokers and other commission agents;
- ♦advertisements and entertainment programmers for television and radio broadcasts;
- ♦construction;
- ♦advertisement services;
- ♦patents for scientific and intellectual works;
- ♦rent for lease of machineries, buildings and other equipment including computers;
- ♦maintenance services;
- ♦tailoring;
- ♦printing;
- ♦insurance.

## 5.12 Stamp Duty

The stamp duty charges are either fixed or depend on the values of the right or obligation executed by means of the instrument. The list of instruments liable to stamp duty and their corresponding rates are presented below.

**Table 5- 7**Stamp duty charges by types of instruments

No.	Instruments	Basis of valuation	Stamp duty charges
1	Memorandum and articles of association of any business organization or any associations		
	(a) Upon first execution	Flat	Birr 350
	(b) Upon any subsequent execution	Flat	Birr 100
2	Memorandum and articles of cooperatives		
	(a) Upon first execution	Flat	Birr 35
	(b) Upon subsequent execution	Flat	Birr 10
3	Award	On Value	(a) With determinable value 1 % (b) With undeterminable value Birr 35
4	Bonds	On Value	1 % of value
5	Warehouse Bond	On Value	1 % of value
6	Contracts and agreements and memoranda thereof	Flat	Birr 5
7	Security Deeds	Flat	1 % of value
8	Collective Agreement		
	(a) On first execution	Flat	Birr 350
	(b) On any subsequent execution	Flat	Birr 100
9	Contract of employment	Salary	1 % of salary
10	Lease including sub-lease and transfer thereof	On Value	0.5% of value
11	Material act	Flat	Birr 5
12	Power of attorney	Flat	Birr 35
13	Register title to property	On Value	2 % of value

Source: Ethiopian Revenues and Customs Authority

**Table 5- 8**Special customs tariff rates applicable to goods produced in and imported from COMESA member countries

No.	Regular Customs Tariff Rate (%)	COMESA Tariff Rates%
1	5	4.5
2	10	9
3	20	18
4	30	27
5	35	36

**Source:** Ethiopian Revenues and Customs Authority.

## Part 6: TRANSPORT COSTS

### 6.1 Road transport tariffs

#### 6.1.1 Dry cargo transport changes

Freight transport charges vary from place to place and are determined by agreement between private dry cargo companies / owners and their customers.

### 6.2 Sea transport tariffs

Generally, freight rates are subject to market changes, nature of goods transported and currency adjustment factors. The following are current freight rates for containerized and conventional cargoes of exported and imported goods for some trade routes. For all routes, the ports indicated are destinations in case of imports and origins in case of exports

Table 6- 2 FOB tariff rate

No	Country/port of loading	charge (USD)	
		20'DV	40'DV
1	<b>Turkey</b>		
2	Ambarli	1505	2725
3	Evyap	1765	2855
4	Gemlik	1650	2740
5	Hydrapassa	1505	2725
6	Istanbul	1505	2725
7	Kumport	1505	2725
8	Izmir	1650	2740
9	IzmitKorfezi	1765	2855
10	Mersin	1465	2410
11	<b>Greece</b>		
12	Pireaus	1700	3100
13	Thessaloniki	1765	3215
14	<b>Spain</b>		
15	Bilbao	1685	2715
16	Castellon	1605	2817
17	Barcelona	1390	2430
18	Valencia	1360	2320
19	Taragona		
20	<b>Italy</b>		
21	Genoa	1450	2645
22	GioiaTauro	2390	3085
23	Revenna	1790	3025
24	Trieste	1760	2965
25	Livorno/leghorn	1775	2980
26	Naples	1655	2905
27	Venice	1790	3020
28	Ancona	1830	3115

**Table 6- 3 FOB Tariff rates (UK ports)**

No	Country/port of loading	Charge (USD)	
	UK	20'DV	40'DV
1	Felixtowe	1175	2115
2	Grangmouth	1900	2955

**Table 6-4 FOB Tariff rate (NC ports)**

No	Country/port of loading	charge (USD)	
		20'DV	40'DV
1	<b>Denmark</b>		
2	Aahrus	1465	2560
3	Copenhagen	1720	2885
4	Belgium		
5	Antwerp	1230	2015
6	Zeebruges	1150	2010
7	Ireland		
8	Belfast	1695	2835
9	Dublin	2000	3460
10	Cork	2000	3460
11	<b>Germany</b>		
12	Hamburg	1190	2050
13	Bremerhaven	1110	1965
14	<b>France</b>		
15	Fos Sur Mer	1270	2360
16	Marsielle	1605	2875
17	Le-Havre	1290	2140
18	<b>Polland</b>		
19	Gdansk	1800	3235
20	<b>Finland</b>		
21	Helsinki	1910	2985
22	Kotka	1880	3045
23	<b>Portugal</b>		
24	Lisboa/Lisbon	1880	3140
25	Lexioes	1775	3045
26	<b>Sweden</b>		
27	Gothenburg		
28	Helsinborg	1765	2980
29	<b>Norway</b>		
30	Oslo	1850	2940
31	<b>Slovenia</b>		
32	Koper	1625	2680
33	<b>Netherlands</b>		
34	Rotterdam	1250	2060
35	<b>Russina</b>		
36	St.Petersburg	1940	3085
37	<b>Australia</b>		
38	Sydney	2050	3865

Table 6- 5 Freight rates

No	Route	Item	Type of cargo	
1	South East and Far East Asian trade route	Import	Containerized per (TEU)	
			Break bulk (per TON)	20ft
			Vehicle (per CBM)	40ft
		Export		20ft
			Containerized per (TTEU)	40ft
2	North Europe and Mediterranean trade route	Import	Containerized per (TEU)	
			Break bulk (per TON)	20ft
			Vehicle (per CBM)	40ft
		Export		20ft
			Containerized per (TTEU)	40ft
3	Gulf and Red Sea trade route	Import	Containerized per (TEU)	
			Break bulk (per TON)	20ft
			Vehicle (per CBM)	40ft
		Export		20ft
			Containerized per (TTEU)	40ft
4	Indian Sub - continent trade route	Import	Containerized per (TEU)	
			Break bulk (per TON)	20ft
			Vehicle (per CBM)	40ft
		Export		20ft
			Containerized per (TTEU)	40ft

**Note:** -DV- dry van, HC-high cube container

-Banker adjustment factor will be levied as per prevailing rate, currently 4%.

-Currency adjustment factor will be levied as per prevailing rate, currently 2.5%.

- 40'HC -USD 100 additional on basic freight of 40'DV.

-Open top/flat rack- USD 600/TEU additional, if within gauge.

-For open top and flat rack out of gauge cargo, to be negotiated on case by case basis.

-SOC-For shippers own container, a discount of USD 100/20 ' and USD 150/40'.

**Source:** Ethiopian Shipping and Logistics

## 6.3 Air Transport Tariffs

Freight rates are subject to the nature of goods transported and the market situation. The following tables show Ethiopian Air Lines freight charges for international flights from Addis Ababa.

Table 6- 51 Freight air transport charges

Name of Airport (city)	Export Item	Weight(KG)	Price/kg(USD)	Name of Airport (city)	Export Item	Weight (KG)	Price/kg (USD)
Stockholm	Coffee	+100	1.35	Londonm	Gen Cgo	+100	2.60
		+500	1.25			+200	2.40
	Food Stuff	+100	2.05			+500	2.35
		+250	1.55		flower	+45	2.00
		+500	1.45			+250	1.35
		+1000	1.35			+500	1.15
	Injera	+100	1.95			+100	1.10
		+200	1.45			+1500	1.05
		+500	1.35		fruit and vegetables	+45	2.05
		+1000	1.25			+250	1.40
	Leather and Leather product	+45	2.00			+500	1.20
		+100	1.40			+1000	1.15
		+300	1.35			+1500	1.10
	Flower	+500	1.30			+3000	1.00
		+100	1.40		Coffee	+100	1.55
	Fruit and Vegetables	+500	1.30			+300	1.50
		+200	1.40			+1000	1.35
Beirut	General Cargo	+300	1.70		chat	+100	2.45
		+500	1.10		food stuff	+100	2.35
	Meat	+500	0.35			+300	2.15
		+2000	0.30		Handicrafts and Traditional goods	+100	2.35
		+3000	0.25		Injera	+250	2.15
	Fruit and Vegetables	+100	1.30			+100	2.25
	Injera	+100	0.75			+300	2.15
	Flower	+100	1.05		Leather and leather products	+500	2.05
Bombay	Leather and Leather product	+100	0.60			+45	2.00
		+500	0.45			+100	1.95
		+1000	0.30			+300	1.80
	Flower	+100	0.25			+500	1.50
	General Cargo	+100	0.20		Textiles	+1000	1.10
		+100	0.40			+45	2.60
	Fruit and Vegetables	+500	0.35			+100	2.00
		+1000	0.30			+300	1.90
						+500	1.55
						+1000	1.05

Name of Airport(city)	Export Item	Weight (KG)	Price/kg (USD)		Name of Airport (city)	Export Item	Weight (KG)	Price/kg (USD)
	Fruit and	+100	0.60		Nairobi	General Cargo	+100	0.50
	Vegetables	+500	0.55			flower	+100	0.35
		+1000	0.50				+100	0.35
	Meat	+1000	0.96			fruit and vegetables	+1000	0.30
		+100	1.45				+45	1.10
		+500	1.35				+100	0.85
	Coffee	+1000	1.25			Pharmaceuticals	+250	0.75
		+100	1.75				+100	1.60
	Food Stuff	+500	1.55				+500	1.40
		+100	1.50			Coffee	+1000	1.20
	Handicrafts and Traditional goods	+500	1.40				+100	2.08
		+1000	1.25				+200	1.92
	Injera	+100	1.50			food stuff	+500	1.62
		+500	1.30				+100	1.60
		+45	2.00			Handicrafts and Traditional goods	+250	1.50
		+100	1.60				+500	1.45
	Leather and Leather product	+500	1.45			Injera	+200	1.72
		+1000	1.25				+45	2.00
	Flower	+200	1.35				+100	1.50
	Fruit and Vegetables	+200	1.50		Frankfurt		+300	1.45
Dares Salaam		+100	1.55			Leather and leather products	+500	1.35
	General Cargo	+500	1.10				+1000	1.25
		+100	1.45				+100	1.50
		250	1.40			Textiles	+300	1.30
	General Cargo	+500	1.30				+100	2.08
		+100	0.90				+200	1.92
		+250	0.70				+250	1.88
		+500	0.65				+300	1.76
		+1000	0.55			food stuff	+500	1.62
		+2500	0.45				+100	1.80
	Flower	+5000	0.35				+200	1.65
		+100	0.90				+250	1.50
		+250	0.70			flower	+300	1.46
		+500	0.65				+500	1.00
		+1000	0.55				+100	1.88
		+2500	0.30				+200	1.72
	Fruit and Vegetables	+10,000	0.10			fruit and vegetables	+250	1.58
		+1000	0.13				+300	1.56
		+3000	0.12			fruit and vegetables	+500	1.07
		+5000	0.08					
	Meat	+8000	0.07			Textiles	+100	1.35
		+300	0.35				+500	0.85
	Injera	+1000	0.23				+100	1.45
		+100	1.45			Coffee	+500	1.30
		+500	1.35				+1000	1.10
	Coffee	+1000	1.25				+100	1.65
		+100	0.75				+300	1.45
		+300	0.65			food stuff	+500	1.30
	Food Stuff	+500	0.60				+100	1.60
		+45	2.50			Handicrafts and Traditional goods	+250	1.45
		+100	2.00				+500	1.35
Johannesburg	General Cargo	+500	1.80				+200	1.15
						Flower	+500	1.10



Name of Airport(city)	Export Item	Weight (KG)	Price/kg (USD)		Name of Airport(city)	Export Item	Weight (KG)	Price/kg (USD)
Johannesburg	Flower	+100	1.35			fruit and vegetables	+100	1.40
		+200	0.95				+500	1.20
	Fruit and Vegetables	+200	1.00				+1000	1.10
		Food Stuff	+100			1.35	Leather and leather products	+100
	+500		1.20			+500		0.65
	+1000		1.10			+1000		0.60
	+3000		0.83		Washington	Handicrafts and Traditional goods	+100	1.65
	Handicrafts and Traditional goods	+100	1.30				+500	1.55
		+500	1.20		Coffee	+100	2.20	
		+1000	1.10			+200	1.60	
	Coffee	+100	1.40			+500	1.55	
		+500	1.25			+1000	1.25	
		+1000	1.10		food stuff	+100	2.30	
	Pharmaceuticals	+45	2.00			+300	1.70	
		+100	1.60			+1000	1.45	
		+500	1.35		Injera	+100	3.95	
		+1000	1.20			+200	1.55	
Jeddah		+45	1.20			+500	1.40	
		+100	0.90			+1000	1.30	
		+250	0.70		Leather and leather products	+45		
		+500	0.55			+100	1.90	
		+1000	0.42			+300	1.40	
		+2000	0.35			+1000	1.15	
		+250	0.95		Textiles	+100	1.90	
		+500	0.63			+300	1.40	
		+1000	0.43			+1000	1.20	
	+2000	0.38	+2500			1.10		
	Food Stuff	+100	1.30		flower	+100	1.95	
		+1000	0.60			+300	1.45	
		+2000	0.40			+500	1.30	
	Meat	+1000	0.26			+1000	1.20	

Name of Airport(city)	Export Item	Weight(KG)	Price/kg(USD)
Khartoum	General Cargo	+100	0.60
		+500	0.40
	Flower	+100	0.70
		+300	0.50
		+500	0.40
	Fruit and Vegetables	+100	0.70
		+300	0.50
		+500	0.40
	Pharmaceuticals	+100	0.60
Kinshasa	General Cargo	+500	0.40
		+100	1.15
		+500	0.75
Luanda	flower	+100	1.60
		+500	1.55
	Meat	+1000	1.60

**Source:** Ethiopian Air Lines (EAL)

## Part 7: COSTS OF ADVERTISING

### 7.1 Advertising on Television

#### 7.1.1 ETV1 Commercials price

##### A) Domestic products and services

Table 7- 1Charges by type of service for domestic products Amharic

No	Type	Domestic Products	
		Birr/sec.	Birr for 30 seconds (with VAT)
1	PT1- A	290.00	100005.00
2	PT1- B	271.00	9349.50
3	PT1- C	201.00	6934.50
4	PT2	128.00	6354.90
5	NT1	80.00	4416.00
6	NT2	46.00	1607.70
7	SR	315.00	10867.50

**Source:** Ethiopian Radio and Television Agency

Table 7- 2Charge for theater and film tariffs Amharic

No	Type	Domestic Products	
		Birr/sec.	Birr for 30 seconds (with VAT)
1	PT1- A	-	-
2	PT1- B	-	-
3	PT1- C	67.56	2330.82
4	PT2	63.83	2202.14
5	NT1	56.35	1944.08
6	NT2	46.00	1587.00
7	SR	94.30	3253.35

**Note:** -PT- Prime time

-NT- Normal time

-PT1- A between Drama and Live Transmission

-PT1- B evening, Saturday and Sunday Day 07:00 - 12:00 and Foot Ball

-PT1- C 3:41 – 6:00 Evening

-PT2 4:01 – 4:30 evening, Monday - Friday Day 7:00 – 8:00, Saturday and Sunday 12:00 – 7:00

-NT1 4:31 – 6:00 evening, Monday - Friday Day 6:00 – 7:00

-NT2 from Monday – Sunday evening 6:01 – 12:00,

from Monday- Friday morning 12:00 – 6:00 Day and 8:00 -12:00 Afternoon

-SR New Year, Christmas and Easter Eve and Holiday program Ethiopia Epiphany, Maulid,

EidAlafter and Arafa and Maskal holydays

**Source:** Ethiopian Radio and Television Agency

Table 7- 3 Charges for using other languages

NO.	Languages	PT Type	
		Birr/sec.	Birr for 60 seconds (with VAT)
1	Tigrigna	27.50	1897.50
2	Somaligna ,Afar, Arabic and French	22.50	1552.50
3	English and Oromiiffa	30.25	2087.25

Source: Ethiopian Radio and Television Agency

Table 7- 4 Frequency discount

No.	Media	Number of spots	Discount
1	ETV1	1-15	No
2		16-30	5%
3		31-50	10%
4		51-80	15%
5		81 and Above	20%

Source: Ethiopian Radio and Television Agency

## B) Foreign product and service

Table 7- 5 Charges by type of service foreign products

No	Type	Rank 1		Rank2		Rank 3	
		Birr/sec.	Birr for 30 seconds (with VAT)	Birr/sec.	Birr for 30 seconds (with VAT)	Birr/sec.	Birr for 30 seconds (with VAT)
1	PT1- A	400.00	13800.00	310.00	10695.00	300.00	10350.00
2	PT1- B	376.00	12972.00	290.00	10005.00	280.00	9660.00
3	PT1- C	358.00	12351.00	280.00	9660.00	260.00	8970.00
4	PT2	312.00	10764.00	270.00	9315.00	250.00	8625.00
5	NT1	298.00	10281.00	250.00	8625.00	230.00	7935.00
6	NT2	280.00	9660.00	230.00	7935.00	210.00	7245.00
7	SR	424.00	14628.00	400.00	13800.00	350.00	12075.00

**Note:** Rank 1 includeelectronics, stove, perfume, Iron, house and office furniture

**Rank 2**includeconstriction material, mixed foreign and domestic selling markets, house and office equipment assembled car by foreign company, food product by foreign company, supermarkets for sells products, And cosmetics produce by foreign company

**Rank 3**includefertilizers, petroleum and petroleum product, spar parts, agriculture material and wetter pampas's pesticides

Source: Ethiopian Radio and Television Agency

Table 7- 6 Advertisement product charges

No.	Type of production	Amount ( Birr)
1	Editing archive	4000.00
2	Script (caption)	1500.00
3	Dramatized advertising	20,000.00
4	Full production	5000.00
5	Editing none archive	2000.00

Source: Ethiopian Radio and Television Agency

## 7.1.2 ETV2 Commercials Price

### A) Domestic products

Table 7- 7 Charges by type of service

No	Type	Birr/sec.	Birr for 30 seconds (with VAT)
1	PT	40.00	1380.00
2	NT	27.66	954.27

**Note:** - PT- Prime time (Saturday and Sunday)

-NT- Normal time(Monday– Friday)

**Source:** Ethiopian Radio and Television Agency

Table 7- 8 Charges for theater and film tariffs

No	Type	Birr/sec.	Birr for 30 seconds (with VAT)
1	PT	21.00	724.50
2	NT	16.00	552.00

**Note:**-PT- Prime time (Saturday and Sunday)

-NT- Normal time (Monday – Friday)

**Source:** Ethiopian Radio and Television Agency

### B) Foreign Products

Table 7- 9 Charges by type of service

No	Type	Birr/sec.	Birr for 30 seconds (with VAT)
1	PT	50.00	1725.00
2	NT	40.00	1380.00

**Note:** -PT- Prime time (Saturday and Sunday)

-NT- Normal time (Monday – Friday)

**Source:** Ethiopian Radio and Television Agency

Table 7- 10 Charges by type of service for small scale industry

No	Type	Birr/sec.	Birr for 30 seconds (with VAT)
1	PT	20.00	690.00
2	NT	15.00	517.50

**Note:**-PT- Prime time (Saturday and Sunday)

-NT- Normal time (Monday – Friday)

**Source:** Ethiopian Radio and Television Agency

## 7.1.3 ETV3 Commercials Price

Table 7- 11 Charges by type of Products

No	Type Product	Birr/sec.	Birr for 30 seconds (with VAT)
1	Domestic	30.00	1035.00
2	Foreign	40.00	1380.00

**Source:** Ethiopian Radio and Television Agency

Table 7- 12 Frequency discount

No.	Media	Number of spots	Discount
1	ETV3 and ETV3	1-5	No
2		6-15	5%
3		16-30	10%
4		31-50	15%
5		51-80	20%
6		81 and Above	25%

**Source:** Ethiopian Radio and Television Agency

## 7.2 Advertising on Radio

### 7.2.1 National Service

Table 7- 13 Charges for domestic products

Transmission day	Normal time (NT)		Prime time (PT)	
	Birr /sec	Birr for 60seconds (with VAT)	Birr / sec.	Birr for 60 seconds (with VAT)
Monday -Friday	14.16	977.50	23.33	1610.00
Saturday and Sunday	15.00	1035.00	25.83	1782.50

**Note:** - PT- Prime time (Saturday and Sunday)

- NT- Normal time (from Monday – Friday)

**Source:** Ethiopian Radio and Television Agency

Table 7- 14 Charges for foreign products

No	Type	Transmission day	Prime time (PT)	
			Birr /sec	Birr for 60seconds(with VAT)
1	Type 1	Monday –Friday	25.00	1725.00
		Saturday and Sunday	26.91	1857.25
2	Type 2	Monday –Friday	23.33	1610.00
		Saturday and Sunday	25.25	1742.20
3	Type 3	Monday –Friday	22.50	1552.50
		Saturday and Sunday	23.58	1627.20

**Note:** -Type1- product include electronics, stove, Perfume, Iron, house and office furniture

Type 2- Constriction material, mixed foreign and domestic selling markets, House and office equipment assembled Car by foreign company food product by foreign Company, supermarkets for sells products, and cosmetics produce by foreign company.

Type 3- Fertilizers, petroleum and petroleum product, spare parts, agriculture material and wetter Pampas's pesticides

**Source:** Ethiopian Radio and Television Agency

Table 7-15 Frequency discount

No.	Media	Number of spots	Discount
1	National radio	1-15	No
2		16-30	5%
3		31-50	10%
4		51-80	15%
5		81 and Above	20%

**Source:** Ethiopian Radio and Television Agency

## 7.2.2 FM Addis 97.1

Table 7- 16 Charges of advertisement in Amharic

NO	Type of advertisement	Transmission Day	Normal Time (NT)		Prime Time (PT)	
			Birr/ sec.	Birr for 60 seconds (with VAT)	Birr / Sec.	Birr for 60 seconds (with VAT)
1	Domestic Products	Monday –Friday	10.50	724.50	-	-
		Saturday and Sunday	-	-	11.66	805.00
2	Foreign products	Monday – Sunday			12.20	862.50
3	Theater and Cinema (for Domestic Products)	Monday – Sunday	8.33	575.00	-	-
4	Developmental Institution	Monday – Sunday	8.33	575.00	-	-

**Note:** For advertisements of theater and cinema for those who have licensee in domestic film and theater products, developmental institutions and public participation in rural areas

**Source:** Ethiopian Radio and Television Agency

Table 7- 17 Charges of advertisement in other languages

NO	Type of Languages	Transmission Day	Normal Time (NT)		Prime Time (PT)	
			Birr /sec.	Birr for 60 seconds (with VAT)	Birr / Sec.	Birr for 60 seconds (with VAT)
1	Oromifa	Monday –Friday	9.16	632.50		
		Saturday and Sunday			10.00	690.00
2	Tigrenya	Monday –Friday	9.16	632.50		
		Saturday and Sunday			10.00	690.00
3	English	Monday –Friday	13.50	931.50		
		Saturday and Sunday			15.00	1035.00
4	French	Monday –Friday	9.16	632.50		
		Saturday and Sunday			10.00	690.00
5	Arabic	Monday –Friday	9.16	632.50		
		Saturday and Sunday			10.00	690.00
6	Afar	Monday –Friday	8.33	575.00		
		Saturday and Sunday			9.00	621.00
7	Somali	Monday –Friday	8.33	575.00		
		Saturday and Sunday			9.00	621.00

**Source:** Ethiopian Radio and Television Agency

Table 7- 18 Charges for public advertisement within direct transmission program

No	Type of Service	Normal Time (NT)		Prime Time (PT)	
		Birr /sec.	Birr for 60seconds (with VAT)	Birr / Sec.	Birr for 60 seconds (with VAT)
1	Development works by Public Participation	9.56	660.10	16.66	1150.00
2	Emergency and looking after someone wanted	5.00	345.00	6.66	460.00
3	funeral ceremony	10.00	690.00	11.66	805.00
4	Asking for help(financial and medical)	4.16	287.50	5.00	345.00

**Note:** Developmental works by public participations include road, school, and hospital

**Source:** Ethiopian Radio and Television Agency

**Table 7- 19 Frequency discount**

No.	Media	Number of spots	Discount
1	FM radio	1-5	No
2		6-15	5%
3		16-30	10%
4		31-50	15%
5		51-80	20%
6		81 and Above	25%

## 7.3 Advertising on Newspapers

Advertising charge in newspapers may vary from newspaper to newspaper depending on whether the newspaper is owned by the government or the private sector.

Charges for advertising by government-owned Ethiopian Herald, Addis Zemen (Amharic), Berissa and Al-Alem newspapers are shown in the following table.

**Table 7- 20 Charges for advertising in the Ethiopian Herald and Addis Zemen**

No	Space	Size (height x width) (cm)	ChargeWhth Vat (Birr)	
			Normal	Urgent
1	Ear front color	7 x 5	230	
2	Quarter inside	28 x 3	2704.80	3381.00
3	Half inside	28 x 6	5409.60	6762.00
4	Full inside	55 x 5	10626.00	13282.50
5	Full back color	55 x 6	20872.50	26090.63
6	Full Page		10626.00	13282.50
7	Half Page		10626.00	13282.50

**Source:** Ethiopian Press Agency

**Table 7- 21 Charges for advertising in the Berissa and A-Alem**

No	Space	Size (height x width) (cm)	ChargeWhth Vat (Birr)	
			Normal	Urgent
1	Ear front color	7 x 5	230	
2	Quarter inside	19 x 2	1442.10	1802.63
3	Half inside	19 x 4	2884.20	3605.25
4	Full inside	38 x 4	4894.40	6118.00
5	Full back color	38 x 4	9614.00	12017.50
6	Full Page	38 x 4	4894.40	6118.50
7	Half Page	38 x 4	4894.40	6118.50

**Source:** Ethiopian Press Agency

There are a number of private newspapers which provide advertising services. Among these are the weekly newspapers Fortune newspaper and Capital. Charges for advertising in Fortune newspaper is presented below.

**Table 7- 22 Charges for advertising in Fortune News Paper**

No	Space	Remark	(height x width) (cm)	Charge (Birr)				
				1 Time	13 Time Each	26 Time Each	36 Times Each	52 Time Each
1	Ear Front Color	Booked	6 x 5	1345.50	1345.50	1345.50	1345.50	1345.50
2	Quarter Inside	Available	12.7 x 18.7	1345.50	1278.22	1210.95	1143.67	1076.40
3	Half Inside	Available	25.7 x 18.7	2552.80	2396.66	2270.52	2144.38	2018.25
4	Special Half	Available	29 x 20.4	2691.00	2691.00	2691.00	2691.00	2691.00
5	Special Quarter	Available	12.7 x 23	1681.87	1681.87	1681.87	1681.87	1681.87
6	Full Inside	Available	25.7 x 37.7	4709.25	4473.78	4338.32	4002.86	3767.40
7	Full Back Color	Booked	25.7 x 37.7	8880.80	8880.80	8880.80	8880.80	8880.80
8	Full inside Color	Available	25.7 x 37.7	6105.00	5799.75	5494.50	5189.25	4884.00
9	Half Inside Color	Available	25.7 x 37.7	4884.00	4639.80	4395.60	4151.40	3907.20
10	Quarter Inside Color	Available	25.7 x 37.7	3663.00	3479.85	3296.70	3113.55	2930.40

Remark: 15% discount for Vacancy and bid

Note: add 15% VAT on the above Prices.

Source: Independent News & Media PLC

**Table 7- 23 Charges for advertising in Amharic and English Newspaper of Reporter**

NO	Size	Remark	One Issue	10%	15%	20%
1	Full Page	Advertising	4000.00	3600.00	3400.00	3200.00
		Vacancy	4500.00	4050.00	3825.00	3600.00
2	Half Page	Advertising	2200.00	1980.00	1870.00	1760.00
		Vacancy	2500.00	2250.00	2125.00	2000.00
3	Quarter Page	Advertising	1200.00	1080.00	1020.00	960.00
		Vacancy	1500.00	1350.00	1275.00	1200.00
4	Half Page 3	Advertising	2400.00	2160.00	2040.00	1920.00
5	Half Page Portrait	Advertising	3200.00	2880.00	2720.00	2560.00
6	Special Half	Vacancy	3200.00	2880.00	2720.00	2560.00
7	Special Quarter one	Vacancy	1900.00	1710.00	1615.00	1520.00
8	Special Quarter two	Vacancy	1700.00	1530.00	1445.00	1360.00
9	Front	Advertising	1200.00	1080.00	1020.00	960.00
10	Special Front	Advertising	1600.00	1440.00	1360.00	1280.00
11	Color Half Back Page	Advertising	4500.00	4500.00	4500.00	4500.00
12	Color Full Page	Advertising	5864.00	5864.00	5864.00	5864.00
13	Color Half Page	Advertising	4398.00	5864.00	5864.00	5864.00
14	Page 2 quarter two	Advertising	2000.00	1800.00	1700.00	1600.00



## Part 8: COST OF POSTAL SERVICES

Postal services are operated mainly by a government institution, the Ethiopian Postal Service. A few private companies also operate courier services. The postage rate is indicated below:

### 8.1 Domestic postal service charges

Table 8- 1 Inland postal tariff with auxiliary service charges (Birr)

No	Gram	Ordinary	Letter and Printed Matter	Letter and Printed Matter
1	Up to 20	1.55	1.40	-
2	21 - 50	1.60	1.45	-
3	51 – 100	1.65	1.50	4.35
4	101 – 250	1.70	1.55	4.45
5	251 – 500	1.90	1.70	4.60
6	501 – 1000	2.20	As per the tariff of small packets	4.90
7	1001 – 2000	2.80	As per the tariff of selected for small general	5.50
8	Post Card	1.55	1.40	-

Table 8- 2 Charges for packages

Weight (kg)	1	2	3	4	5	6	7	8	9	10	11
Birr	28.60	33.20	37.80	42.40	47.00	51.60	56.20	60.80	65.40	70.00	74.60

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Weight (kg)	12	13	14	15	16	17	18	19	20	21
Birr	79.20	83.80	88.40	93.00	97.60	102.20	106.80	111.40	116.00	120.60

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Weight (kg)	22		23	24	25	26	27	28	29	30	31
Birr	125.20		129.80	134.40	139.00	143.60	148.20	152.80	157.40	162.00	166.60

## 8-2 International postal service charges

Table 8- 3 Revised Correspondence Rate

N o	Gram						
		Zone One		Zone Two		Zone Three	
		Small packets (CD, CASSET...)	Letter Post Rate And Auxiliary Charges	Small packets (CD, CASSET...)	Letter Post Rate And Auxiliary Charges	Small packets (CD, CASSET...)	Letter Post Rate And Auxiliary Charges
	Up to 20	24.65	6.90	28.40	7.40	39.20	8.85
	Over 20 - 50	24.65	12.10	28.40	13.85	39.20	18.85
	Over 50 - 100	24.65	20.35	28.40	24.10	39.20	34.85
	Over 100 - 250	45.25	40.95	54.00	49.70	79.20	74.90
	Over 250 - 500	86.40	82.20	105.25	100.95	159.25	154.90
	Over 500 - 1000	163.85	159.50	201.35	197.00	309.30	304.95
	Over 1000 - 2000	318.50	314.20	393.50	389.15	609.40	605.10
	Printing matter – the same as letter over 2000 - 5000 per additional 1kg	-	159.50	-	197.00	-	304.95
	Aerogramme	-	5.630	-	5.80	-	6.05
	Post Card	-	6.90	-	7.40	-	8.85
	Register	20.55	20.55	20.55	20.55	20.55	20.55
	Express	24.65	24.65	24.65	24.65	24.65	24.65
	AR/Advice of delivery	6.90	6.90	7.40	7.40	8.85	8.85

**Note:** Zone 1: Africa  
Zone 2: Europe  
Zone 3: Asian Countries and Latin-American

**Source:** Ethiopian Postal Service

## 8.3 Charges for other Postal services

Annual Rental charges for:

- small size box ( out of Addis Ababa) : Birr 48 per year
- medium size box: Birr 85 per year for Individuals and Birr 340 per year for enterprises
- large size box: Birr 170 per year for Individuals and Birr 340 per year for enterprise
- Charge for modification of lock: Birr 50  
Key deposit: Birr 20

## Part 9: INSPECTION AND MARKING FEES OF ETHIOPIAN STANDARDS

The Quality and Standards Authority of Ethiopia (QSAE) is a government organ that is responsible for certifying and assuring the quality, safety and durability of products and services in accordance with the published and valid Ethiopian standards. The unit inspection and marking fees for some selected goods are shown below:

**Table 9- 1 Inspection and marking fees by type of products**

No.	Product type	Unit inspection and marking fee (% of products unit selling price)
1	Oil seeds	0.2
2	Pulses	0.2
3	Edible Oil	0.2
4	Green coffee beans	0.05
5	Non- alcoholic beverages	0.3
6	Polymeric products	0.5
7	Leather and leather products	0.2
8	Soap and detergents	0.2
9	Cement and cement products	0.5
10	Safety matches	0.02
11	Iron sheet products	0.8
12	Paper	0.8
13	Fertilizer	0.2
14	Beer	0.2
15	Natural wine	0.4
16	Citrus squash	0.3
17	Edible salt	0.2
18	Cotton yarn	0.3
19	Industrial safety eye protector	0.5
20	Filing articles	0.8

**Source:** Council of Ministers Regulation NO.13/1990

## Part 10: CHARGES FOR INVESTMENT SERVICES

The charges for the different services are shown in the following table.

Table 10- 1 Service charges by types of services and delivery time

No.	Service Type	Delivery time	Fee (Birr)
1	Trade name registration	1 hour	25
2	Alteration/ amendment of a trade name	1 hour	80
3	Issuance of substitute certificate of a trade name	1 hour	50
4	Notarization of memorandum and articles of association	3 hours	652
5	Amendment/ change of memorandum and articles of association	3 hours	160
6	Issuance of commercial registration	3 hours	100
7	Renewal of commercial registration	2 hours	100
8	Amendment/ change of commercial registration	3 hours	80
9	Replacement or substitution of commercial registration	1 hour	50
10	Cancellation of commercial registration	5 working days	50
11	Issuance of investment permit	3 hours	600
12	Investment permit (expansion)	18 working days	300
13	Investment permit (new/expansion)	2 working days	200
14	Change/amendment of investment permit	3 hours	100
15	Issuance of substitute investment permit	1 hour	100
16	Issuance of work permit	2 hours	1700
17	Renewal of work permit	1 hour	1300
18	Substitution of work permit	1 hour	1000
19	Registration and issuance of certificate for technology transfer agreement	3 hours	200
20	Registration of a collaboration agreement concluded by a domestic investor with export-oriented non-equity based foreign enterprise	2 hours	100
21	Grading of construction contracting	3 working days	5000
22	Issuance of business license	10 working days	100





## Why Ethiopia

- Political and social stability;
- Macro-economic stability and rapidly growing economy;
- Private sector friendly government;
- Abundant and trainable labor force;
- Simple and transparent investment approval procedures;
- Ample opportunities in privatization program;
- Competitive incentive packages;

## Major Investment Opportunities Agriculture

- Horticulture;
- Beverage crops (coffee and tea);
- Sugar cane plantation;
- Rubber and palm tree plantation;
- Livestock production;
- Cotton plantation;
- Rubber tree plantation, etc

## Manufacturing

- Textile and garment;
- Leather and leather products;
- Agro-processing;
- Chemical and pharmaceuticals industry;
- Metal and engineering industry;

## Grade 1 Construction Contracting Tourism

- Star designated hotels, lodges, restaurants and motels and grade tour operation

## Information Communication Technology Mining

## Electricity Generation

## Ethiopia's Investment Priority Areas

- Textile and garment;
- Leather goods and articles;
- Agro-processing;
- Horticulture;
- Sugar cane plantation, processing and related industry;
- Chemical and pharmaceuticals;
- Metal and engineering industry;

## Government Support to Priority Areas

- Customs duty exemption;
- Carry forward of losses;
- Export incentives (duty drawback, voucher scheme and warehouse manufacturing);
- Access to long term credit with low interest rate;
- Technical support;

