

Ethiopia: Macroeconomic and Social Indicators

Indicators	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	(2008)	(2009)	(2010)	(2011)	(2012)	(2013)	(2014)	(2015)
1. Country Profile								
Land Area (total, In Sq.Km)	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million
Arable Land (% of total area)	NA	12.00	13	14.2	14.32	14.41	16.2	16.2
Agricultural Irrigated Land (% of totalAgricultural area)	NA	NA	4.0	4.0	4.7	5	6%	6.20%
Population Density (person per sq.km)*	101.00	104.00	106	109	112	115	123	127
2. Social Indicators								
Population total, in millions (Mid-Year population)	91.2	93.4	95.5	97.6	99.75	101.9	104.1	105.7
(o/w Urban Poulation, in %)	19.9	20.3	21	22.8	22.8	22.8	22.8	28.2
Working Age Population (In Millions)								
<i>Urban</i>	12.2	12.8	12	13.13	14.03	15.01	16.04	31.1
<i>Rural</i>	39.7	40.8	42	43.06	44.28	45.8	46.6	40.4
<i>Total</i>	52.0	53.6	56	56.19	58.31	60.81	62.64	61.7
Age Dependency Ratio	75.0	75	69	69	69	69	69	62
Life Expectancy at Birth (Male - Female)	60.2-64.2	60.2-64.2	62.4-66.6	62.4-66.6	62.4-66.7	65.5	65.5	65.5
Crude Birth Rate	30.3:1000	30.3:1000	27:1000	27:1000	27:1001	27:1002	27:1003	27:1000
Crude Death Rate	7.2:1000	7.2:1000	6	6	6	6:03	6.00	6.:30
Natural Rate of Population Increase (In %)	2.31	2.31	2	2	2	2	2	2:07
Total Fertility Rate	3.94chil:W	3.94chil:W	3.5chil:W	3.5chil:W	3.5chil:W	4.6chil:W	4.6chil:W	4.1
People : Hospital Beds	2850:1	2980:1	3617:1	1,312	2750	2720	2900	3225: 1 bed
People : Physician ¹	14045:1	22766:1	26635:1	10,521:1	9977:1	8448:1	7576	5737
People : Nurse ¹	1999:1	1194:1	1780:1	1620:1	1705	1473	1415	983
Infant Mortality Rate	62.4:1000	62.4:1000	53.3:1000	53.3:1000	43.3:1000	47:1001	47:1000	34:1000
Access to Safe Water (In %)								
<i>Country Level</i>	61.0	66.0	71	76	79.3	58.5	58.76	67.1
<i>Urban Population</i>	52.5	55.0	60	66	66.5	62.95	71.97	75.7
<i>Rural Population</i>	63.1	68.0	74	79	82.7	57.26	59.76	64.5
Student-Teacher Ratio								
<i>Primary (1-8)</i>	46:1	43.00	43	39	39	34.8	34.6	36.4
<i>Secondary (9-12)</i>	26.5:1	43.00	43	22.5	24	27.4	27.7	26.6
<i>Technical & Vocational</i>	12.6:1	11.00	26	13.3	13.3	1:11	1:11	1:18
Student-School Ratio								
<i>Primary (1-8)</i>	573:1	580.00	567	628	528	512.7	526.6	517.6
<i>Secondary (9-12)</i>	767.2:1	754.00	741	568	940	1017	1063	1009.6
<i>Technical & Vocational</i>	523:1	329.00	318	246.8:1	246.6:1	177	158	151.5

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	(2008)	(2009)	(2010)	(2011)	(2012)	(2013)	(2014)	(2015)
3. Macroeconomic Indicators								
3.1. Real sector Development²								
GDP at Current Market Price (In Mn. Birr)	1568097.5	1832553.7	2202372.7	2696222.7	3374746.9	4341024.2	6157015.2	8723116.8
Nominal GDP Growth Rate (In %)	17.7	16.9	20.2	22.4	25.2	28.6	41.8	41.7
Average Marginal Exchange Rate (Birr per USD)	21.1	22.4	26.1	28.1	31.3	39.0	48.6	53.3
GDP at Current Market Price (In Mn. USD)	74296.6	81760.4	84355.6	95951.0	107672.6	111261.9	126772.7	163712.9
Nominal GDP per Capita (In USD)	814.6	875.8	883.3	983.1	1079.4	1091.7	1217.8	1548.7
Real GDP per Capita (In Birr)	17192.4	18393.9	19204.9	20312.7	21144.7	21860.6	22543.2	23664.4
Real GDP per Capita Growth Rate (In %)	5.0	7.0	4.4	5.8	4.1	3.4	3.1	5.0
GDP Deflator (% change)	9.5	6.7	12.5	13.2	18.2	21.8	34.7	32.9
Real GDP at constant basic price (In Mn. Birr)	1449397.5	1596481.6	1719491.3	1874689.3	1989587.7	2114238.3	2248662.8	2409921.4
Real GDP at constant market price (In Mn. Birr)	1568097.5	1717127.2	1834066.5	1982516.7	2109180.1	2227894.7	2346748.0	2501498.3
Real GDP Growth Rate (In %)	8.0	10.1	7.7	9.0	6.1	6.3	6.4	7.2
Agriculture & Allied Activities(In Billion Birr)	544.1	580.4	600.9	623.8	650.3	686.4	728.4	774.0
Industrial Sector (In Billion Birr)	343.9	413.8	464.4	526.2	576.9	618.8	649.2	694.2
Service Sector(In Billion Birr)	575.9	619.3	673.9	745.7	786.8	836.2	899.8	971.3
<i>Agriculture & Allied Activities (% of GDP)</i>	37.2	36.0	34.5	32.9	32.3	32.1	32.0	31.7
<i>Industrial Sector (% of GDP)</i>	23.5	25.6	26.7	27.8	28.6	28.9	28.5	28.5
<i>Service Sector (% of GDP)</i>	39.3	38.4	38.7	39.3	39.1	39.0	39.5	39.8
Private Consumption Expenditure	1042264.6	1219365.9	1441581.1	1848070.0	2360896.0	3134993.8	4764429.0	6882737.9
Government Consumption Expenditure	174598.8	203607.9	225523.2	247362.0	307769.0	383565.3	453263.0	551106.6
Investment	585665.0	704596.0	751626.2	948866.0	1037685.0	1216584.9	1560325.0	1933863.0
Exports	122500.8	139830.1	184282.1	213437.0	239229.0	329634.5	507692.0	575061.6
Imports	424749.9	430233.2	502112.9	561512.0	571230.0	723391.3	1128171.0	1220461.4
Resource Balance	-302249.0	-290403.0	-317831.0	-348075.0	-329096.0	-394236.0	-620479.0	-645399.8
<i>Gross Private Consumption (% of GDP)</i>	66.5	66.5	65.5	68.5	70.0	72.2	77.4	78.9
<i>Gross Government Cosumption (% of GDP)</i>	11.1	11.1	10.2	9.2	9.1	8.8	7.4	6.3
<i>Gross Domestic Fixed Investment (% of GDP)</i>	37.3	38.4	34.1	35.2	30.7	28.0	25.3	22.2
Resource Balance (% of GDP)	(19.3)	(15.8)	(14.4)	(12.9)	(9.8)	-9.08	-10.1	-7.4
3.2. Monetary Indicators								
Narrow Money Supply (M1) (In Mn. Birr)	178,609.66	216,769.62	281,154.66	308,937.13	360,585.50	437,391.97	588,015.82	706,142.20
Broad Money Supply (M2) (In Mn. Birr)	445,266.25	573,384.05	740,572.88	886,752.53	1,037,646.33	1,348,266.15	1,715,310.03	2,170,848.37
Net Foreign Assets (In Mn. Birr)	21,524.19	38,034.79	39,376.20	14,506.19	(8,321.31)	(812.32)	(111,427.54)	(160,097.68)
Reserve Requirement (CBs)	21,745.43	28,278.91	36,385.76	44,861.74	51,952.51	67,732.40	119,022.60	147,931.40
Interest Rate (In %)								
<i>Minimum Deposit Rate</i>	5.00	5.00	7	7	7	7	7	7
<i>Lending Rate</i>	12.75	12.75	13.5	13.5	14.25	14.25	14.25	14.25
Total Net Domestic Credit (in mn. Birr)	490,230.35	631,092.73	784,621.73	963,699.91	1,176,926.45	1,481,844.43	1,930,621.80	2,444,435.50
<i>Government</i>	47,524.36	85,441.85	102,002.83	109,799.21	137,082.91	214,275.16	422,864.02	573,675.72
<i>Other Sectors</i>	442,705.99	545,650.89	682,618.90	853,900.70	1,039,843.53	1,267,569.27	1,507,757.78	1,870,759.78

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Indicators		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
		(2008)	(2009)	(2010)	(2011)	(2012)	(2013)	(2014)	(2015)
3.3. Inflation (CPI growth rate)³									
Country Level									
	-General inflation	9.7	7.4	14.60	12.60	19.90	20.20	33.80	32.50
	-Food inflation	11.2	7.2	13.40	13.10	23.30	23.20	40.30	31.70
	-Non-Food inflation (core inflation)	8.1	7.5	15.80	11.90	15.80	16.40	25.15	33.90
Addis Ababa									
	-General inflation	10.3	2.3	16.5	14.6	18.8	19.5	29.8	37.3
	-Food inflation	16.6	1.2	8.7	15	25.9	26.2	36.6	35.5
	-Non-Food inflation (core inflation)	5.8	3.2	22.6	14	13.9	14.4	24.1	39.0
3.4. External Trade(In Mn.USD)									
	Export of goods & services	6077.3	6257.2	7095.9	7694.9	7715.7	8498.9	10457.7	10855.8
	Import of goods & services	20552.1	19714.0	19707.4	20704.8	18828.3	19177.0	23845.0	23430.0
	<i>Net trade in goods & services</i>	-14474.7	-13456.9	-12611.4	-13009.9	-11112.6	-10678.0	-13387.3	-12574.2
	<i>Current account balance including official transfers</i>	-6655.1	-6543.2	-5285.0	-4948.0	-4401.9	-3190.7	-5145.1	-4672.9
	Capital account balance	6554.1	6885.3	6184.6	4822.4	4326.5	3785.8	2723.7	3547.3
	Overall balance of payments	-830.9	658.6	-201.6	-941.6	-833.4	298.7	-2149.8	-752.0
3.5. Government Finance (In Mn .Birr⁴)									
	Total Revenue (including grants)	244,819.4	270,214.1	287,562.1	344,936.5	394,965.8	478,888.1	566,753.6	717,586.7
	Total Revenue (excluding grants)	231,805.2	257,737.2	269,648.2	311,317.4	354,312.8	444,582.6	540,060.5	685,459.1
	<i>o/w Tax-Revenue</i>	190,519.7	210,172.5	235,229.5	268,457.4	311,476.5	388,763.5	477,770.3	593,232.1
	<i>Tax-Revenue as % of GDP</i>	12.1	11.5	10.7	10.0	9.2	9.0	7.8	6.8
	Total Expenditures	280,892.8	329,658.1	354,205.3	413,105.7	488,243.2	599,006.7	779,099.0	938,771.6
	<i>Current Expenditures</i>	136,708.7	176,634.6	210,470.2	238,156.6	280,667.0	363,596.9	517,043.4	582,854.6
	<i>Capital Expenditures</i>	144,184.1	153,023.5	143,735.1	174,949.1	207,576.1	235,409.7	262,055.7	355,917.0
	<i>Equity Contribution (Sinking Fund)</i>	-	-	-	-	-	-	-	-
	<i>Special Programs</i>	-	-	-	-	-	-	-	-
	<i>Total Expenditures as % of GDP</i>	17.9	18.0	16.1	15.4	14.5	13.8	12.7	10.8
	Current Surplus/Deficit	108,110.7	93,579.4	77,091.9	106,779.9	114,298.8	115,291.2	49,710.3	134,732.1
	Overall Budget Deficit (including grants)	(36,073.4)	(59,444.0)	(66,643.2)	(68,169.2)	(93,277.4)	(120,118.5)	(212,345.4)	(221,184.9)
	<i>Deficit as % of GDP</i>	(2.3)	(3.2)	(3.0)	(2.5)	(2.8)	(2.8)	(3.4)	(2.5)
	Overall Budget Deficit (excluding grants)	(49,087.6)	(71,920.9)	(84,557.1)	(101,788.3)	(133,930.4)	(154,424.0)	(239,038.5)	(253,312.4)
	<i>Deficit as % of GDP</i>	(3.1)	(3.9)	(3.8)	(3.8)	(4.0)	(3.6)	(3.9)	(2.9)
3.6. Exchange Rate (Birr/ USD)									
Inter-Bank Forex Market Rate ⁵									
	<i>* Period weighted Average</i>	21.1059	22.4137	26.1082	28.0543	31.3427	39.0163	48.5673	53.2830
	<i>* End period</i>	21.8004	23.1081	27.2621	28.9109	34.9822	43.6910	51.9938	54.5943

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Indicators	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	(2008)	(2009)	(2010)	(2011)	(2012)	(2013)	(2014)	(2015)
3.7. Treasury Bill Market (In Mn. Birr)								
T-Bills Demanded (Total)	161,575.24	225,321.24	323,991.24	422,633.54	242,155.09	284,783.55	599,478.63	595,231.34
T-Bills Sold	161,475.24	225,321.24	323,991.24	422,633.54	242,155.09	238,799.55	582,268.63	576,081.34
Average Weighted Yield (in %)	1.438	1.424	1.420	1.741	4.808	7.970	9.459	9.70
T-Bills Outstanding by holder	57,252.56	73,271.56	111,213.56	138,054.36	23,724.00	116,559.95	317,169.59	341,869.53
<i>Banks</i>	-	-	-	650.00	5,604.00	52,040.00	195,432.29	146,568.05
<i>Non-Banks</i>	57,252.56	73,271.56	111,213.56	137,404.36	18,120.00	64,519.95	121,737.30	195,301.48
3.8. Inter Bank Money Market Rate⁵								
3.9. Financial Institutions								
Number of Commercial Banks	17.00	17.00	17.00	17.00	17.00	18.00	30.00	31.00
<i>(o/w Private banks)</i>	16.00	16.00	16.00	16.00	16.00	17.00	28.00	29.00
<i>Number of Bank Branches</i>	3,301.00	4,257.00	4,757.00	5,564.00	6,511.00	7,344.00	8,944.00	11,281.00
<i>Population : Bank Branch</i>	27,932.00	22,164.00	20,286.50	17,732.20	15,702.00	13,921.00	11,516.00	9,514.00
Number of Insurance Companies	17.00	17.00	17.00	17.00	18.00	18.00	18.00	18.00
<i>(o/w Private Insurance Companies)</i>	16.00	16.00	16.00	16.00	17.00	17.00	17.00	17.00
<i>Number of Insurance Branches</i>	426	492.00	532.00	568.00	605.00	635.00	690.00	741.00
<i>Population : Insurance Branch</i>	216,443.00	191,772.00	181,396.00	173,848.00	168,983.00	160,629.92	149,272.50	144,846.00
Number of Development Banks	1.00	1.00	1	1	1	1	1	1
<i>Number of Development Bank Branches</i>	110	110.00	107	107	93	82	83	83
Number of Micro-financial Institutions	35.00	35.00	38	38	39	39	43	47

Source : Ministries of Agriculture, Finance, Health, and Education, National Bank of Ethiopia, Ethiopian Statistical Services, ... etc

Note:-

*population is estimated using component method after 2006/2007

1. Excluding manpower out side the Ministry of Health.
2. The GDP data series is revised on basis of 2015/16 =100 base year
3. Inflation data is calculated using the new base year (December 2016=100)
4. Figures for government finance are preliminary estimates from 1999/00 onwards.
5. Inter-bank money market was first introduced in Aug.1998 and Inter-bank forex market started as of September 1998, and the daily transactions introduced beginning from october 24, 2001.

*Mid year population was obtained from MoF

GOVERNOR'S NOTE

1. The Ethiopian economy registered real GDP growth of 7.2 percent in 2022/23, compared with the 6.4 percent expansion a year ago. It was also roughly doubled the average for Sub-Saharan Africa over the same period. This economic growth was attributed to 7.9 percent growth in service sector, 6.9 percent in industry and 6.3 percent in agriculture sector. The share of services in GDP rose to 40.3 percent while that of industry modestly declined to 28.8 percent and that of agriculture to 32.1 percent.
2. In the past decade and half, per capita income has steadily increased to USD 1,549 in 2022/23. Meanwhile, investment-to-GDP ratio stood at 22.2 percent which saw a slight drop in recent years due to slow down in public and private investment. Similarly, gross domestic savings-to-GDP ratio stood at 14.8 percent which was 0.5 percentage point lower than a year earlier.
3. Annual average headline inflation moderately subsided to 32.6 percent in 2022/23 from 33.8 percent in the previous year. Yet, inflation has remained above single digit mid-term target in the past five years due to the rise in both food and non-food inflation. Likewise, annual headline inflation dropped to 29.3 percent from 34.0 percent a year ago on account of a 10.1 percent decline in food and non-alcoholic beverages, despite a 3.0 percent increase in non-food inflation. Inflation has been a persistent challenge over the last five years and showed a significant volatility depending on various external and internal shocks which included instability in some parts of the country, the Russia – Ukraine war, mismatch in aggregate supply and demand, high commodity prices in the global market as well as expansionary monetary and fiscal policies. Against this backdrop, NBE has embarked on pursuing contractionary monetary policy to maintain price stability aided by prudent fiscal and other administrative measures.
4. Regarding fiscal operations, the government focused on revenue mobilization and fiscal consolidation measures in 2022/23 that led to an increase in tax revenue to cover a greater proportion of government expenditures from domestic sources. Meanwhile, government expenditures were largely geared towards supporting capital expenditure and enhancing pro-

poor social spending programs and safety nets. Accordingly, domestic revenue registered a 26.6 percent annual growth in 2022/23 while general government expenditure showed a 20.5 percent increment resulting in a budget deficit of 2.5 percent of GDP which was lower than the 3 percent of GDP target.

5. In the external sector, merchandise trade deficit narrowed in 2022/23 due to the fall in merchandise import which outweighed the decline in merchandise export. Proceeds from merchandise export saw a 11.8 percent annual drop due to lower export receipts mainly from coffee, oil seeds, gold, and chat. Similarly, total merchandise imports slowed down by 5.4 percent as a result of a decline in imports of raw materials, semi-finished goods, and consumer goods. Improvement in net service surplus together with narrower merchandise trade deficit has led to improvements in the current account balance including official transfers. Capital account balance also saw an increase in surplus compared to the previous year.
6. NBE continued to apply managed float exchange rate regime in 2022/23. Hence, the Birr was allowed to depreciate by 9.7 percent in nominal terms against US Dollar while real effective exchange rate marginally appreciated by 2.6 percent due to higher domestic inflation and appreciation of the Birr against that of Ethiopia's major trading partner currencies.
7. In 2022/23 the safety and soundness of the financial sector has been duly ensured against all financial soundness indicators. The financial sector has continued to play its growing role of intermediation and broadly contributed to the country's growth performance. In 2022/23, with the opening of new bank branches, the number of bank branches rose to 11,281 from 8,944 a year ago. The banking sector also increased its deposit mobilization by 27 percent, loan collection (45 percent) and loan disbursement (28 percent). The sector's non-performing loan ratio was within the required limit of 5 percent. In addition, insurance companies, microfinance institutions and capital goods finance companies have expanded their outreach and increased their financial services. Accordingly, financial inclusion and access to finance has seen substantial growth momentum despite limitations.

8. Looking ahead, the economic prospects in 2023/24 is expected to continue its positive trajectory with relatively stable macroeconomic environment, and growing financial intermediation despite some risks emanating from internal and external factors. Hence, effective implementation of the Home Grown Economic Reform Program and proactive policy measures are expected to contribute towards developing a modern, vibrant, competitive and sound financial system and sustained economic growth and development. Furthermore, openings up the financial sector to foreign investment, operationalization of the Ethiopian Securities Exchange as well as implementation of the various reform initiatives on the pipeline are expected to stimulate savings, investment, employment, and enhance access to finance and financial inclusion.

9. In conclusion, I would like to thank all the management and staffs of the NBE for their dedication, diligence and commitment in realizing the strategic objectives of the Bank and in contributing to the country's overall macroeconomic stability and growth in 2022/23. I would also take this opportunity to call upon our development partners and the Ethiopian public to continue supporting Ethiopia's endeavors to bring about robust progress in socio-economic development and better living standards to all members of our society in the coming years.



Mamo Esmelealem Mihretu
Governor

I. THE OVERALL ECONOMIC PERFORMANCE

1.1. Economic Growth

The Ethiopian economy continued to grow with real GDP average growth rate of 8.1 percent from 2013/14 to 2022/23. This average GDP growth was one of the highest in Africa and it reflected moderate improvement in the living standards of the population both in urban and rural areas. In 2022/23, real GDP showed a 7.2 percent annual expansion compared to 3.3 percent forecast for sub-Saharan African countries (WEO, October 2023). The growth was mainly contributed to the growth the services sector (43.8 percent), agricultural sector (28.2

percent) and industrial sector (27.9 percent). Nominal GDP per capita went up to USD 1,549 from USD 1,218 in the preceding year, registering a 27.1 percent year-on-year increase. Real per capita GDP, however, decreased by 4.3 percent to USD 444.1 during the same period.

The Ethiopian economy is projected to grow by 7.9 percent in 2023/24 (MoPD, 2023) compared with the 4 percent forecast for sub-Saharan African countries (WEO, October 2023).

Table 1.1: Sectorial Contributions to GDP and GDP Growth

(In Billions of Birr)

Items		Year							
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Sector	Agriculture	544.1	580.4	600.8	623.8	650.3	686.4	728.4	774.0
	Industry	343.9	414.7	467.5	526.2	576.9	618.8	649.2	694.2
	Services	575.9	619.3	671.8	747.3	786.9	836.2	899.8	971.3
Total		1,463.9	1,614.3	1,740.1	1897.4	2,014.1	2,141.5	2,277.5	2,439.5
<i>Less FISIM</i>		14.5	17.0	19.8	21.0	24.5	27.2	28.8	29.6
Real GDP		1,449.4	1,596.5	1,719.5	1,874.7	1,989.6	2,114.2	2,248.7	2,409.9
Growth in Real GDP		8.0	10.1	7.7	9.0	6.1	6.3	6.4	7.2
Real GDP per capita		815	876	883	985	1,080	1,092	1,218	1,549
Growth in Real GDP per capita		9.5	7.5	0.9	11.6	9.6	1.1	11.6	27.1
Mid-year population (in millions)		91.2	93.4	95.5	97.6	99.7	101.9	104.1	105.7
Share in GDP (in %)	Agriculture	37.5	36.3	34.9	33.3	32.7	32.5	32.4	32.1
	Industry	23.7	25.9	27.0	28.1	29.0	29.3	28.9	28.8
	Services	39.7	38.8	39.2	39.8	39.5	39.6	40.0	40.3
Agriculture	Real Growth rate	2.3	6.7	3.5	3.8	4.3	5.6	6.1	6.3
	Contribution to real GDP growth	0.9	2.5	1.3	1.3	1.4	1.8	2.0	2.0
	Growth contribution in percent	11.3	24.6	16.4	14.7	22.8	29.0	31.2	28.2
Industry	Real Growth rate	22.2	20.6	12.7	12.6	9.6	7.3	4.9	6.9
	Contribution to real GDP growth	4.7	4.8	3.3	3.4	2.6	2.1	1.4	2.0
	Growth contribution in percent	58.8	47.3	42.5	37.5	42.4	33.6	22.6	27.9
Services	Real Growth rate	8.7	7.5	8.5	11.0	5.3	6.3	7.6	7.9
	Contribution to real GDP growth	3.4	3.0	3.3	4.3	2.1	2.4	3.0	3.1
	Growth contribution in percent	42.5	29.3	42.3	48.2	34.0	39.1	46.7	43.8

Source: Ministry of Planning and Development (MoPD)

1.2. GDP by Sector

The share of agriculture in Ethiopian economy during the F.Y 2022/23 was 32.1 percent with an annual growth rate of about 6.3 percent. The sector contributed about 28.2 percent to the overall GDP growth. The sector's growth was driven by a marginal increase in crop production (from 6.9 percent to 7.1 percent). Crop production sector contributed about 21.1 percent to the annual GDP growth.

In 2022/23, total cultivated land area showed a 0.5 percent decline and reached 12.1 million hectares. As a result, the total agricultural crop production dropped by 0.9 percent to amount to 325 million quintals. Cereal production accounted for 88 percent of the total crop production during the review period. Production of pulses increased by 7.3 percent as cultivated land area increased by 7.4 percent. On the other hand, oil seeds production decreased by 4.8 percent, as cultivated land area shrunk by 6.4 percent.

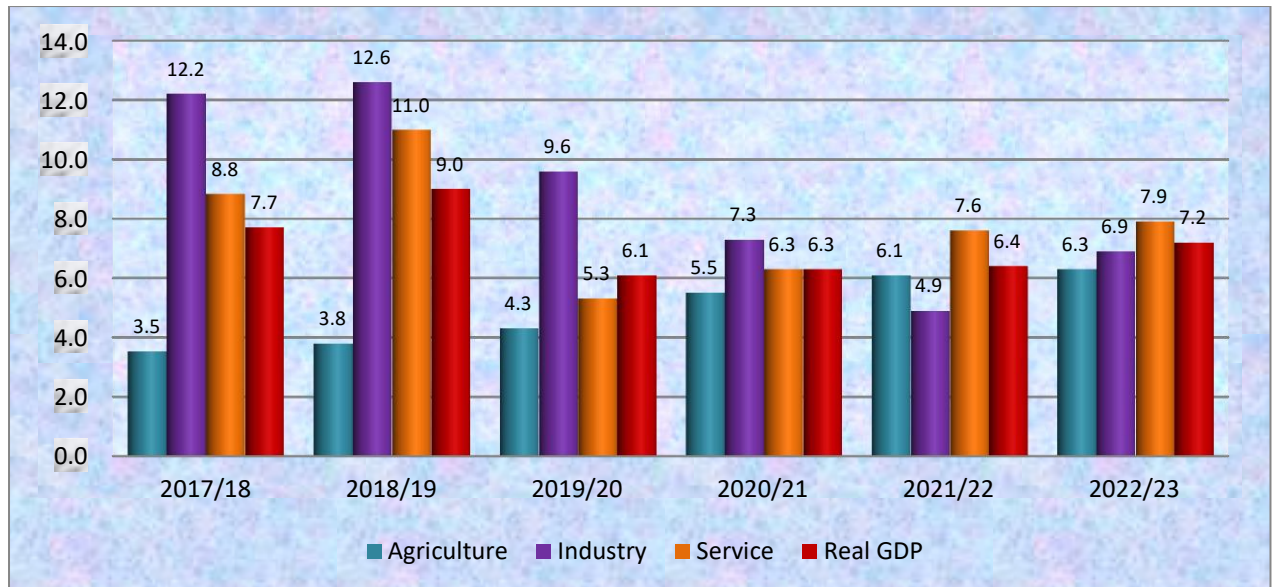
Industry sector achieved a 6.9 percent annual growth and it contributed about 27.9 percent to the overall economic

growth for the review fiscal year. The manufacturing sub sector also exhibited a 7 percent in expansion and contributed about 23.4 percent to the industrial sector annual growth and 6.5 percent to the overall real GDP growth.

Meanwhile, the construction sector contributed 20.5 percent to the GDP growth and 73.9 percent to industrial sector growth. Thus, currently, the sector is the leading sub sector in the industry due to expansion of roads, dams and housing infrastructures.

The service sector was relatively the dominant sector in the Ethiopian economy and it registered a 7.9 percent annual growth in 2022/23 and constituted about 40.3 percent of the overall economy. The major contributor in the service sector during the fiscal year whole sale and retail trade; constituted 14.6 percent of the whole economy followed by transport & communications (5.8 percent), real estates, renting & business activities comprising (4.7 percent), public administration & defense (4 percent), financial intermediation (3.6 percent) and hotels & restaurants (2.5 percent).

Fig.I.1: GDP Growth by Major Sectors



Source: Ministry of planning and development (MoPD)

Table 1.2: Estimates of Agricultural Production and Cultivated Areas of Major Crops for Private Peasant Holdings - Meher Season

(Area in thousands of hectares and production in thousands of quintals)

Agricultural Production	2019/20		2020/21		2021/22		2022/23	
	Cultivated Area	Total Production	Cultivated Area	Total Production	Cultivated Area	Total Production	Cultivated Area	Total Production
Cereals	10,478	296,726	9,759	283,191	9,998	290,808	9,844	285,831
Percentage Change	1.2	6.9	-6.9	-4.6	2.4	2.7	-1.5	-1.7
Pulses	1,563	30,051	1,628	31,298	1,677	31,680	1,801	34,005
Percentage Change	-3.5	-0.2	4.2	4.1	3.0	1.2	7.4	7.3
Oilseeds	820	8,421	647	6,813	522	5,415	488.5	5,153
Percentage Change	9.8	7.3	-21.1	-19.1	-19.2	-20.5	-6.4	-4.8
Total	12,862.0	335,199	12,034	321,302	12,197	327,904	12,133	324,989
Percentage Change	1.1	6.2	-6.4	-4.1	1.4	2.1	-0.5	-0.9

Source: Ethiopian Statistical Service (ESS)

Table 1.3: Growth and Percentage Distribution of Major Agricultural, Industrial and Service Sub-sectors

	Sectors	2018/19	2019/20	2020/21	2021/22	2022/23
Growth rate	Crop	3.0	4.7	5.7	6.9	7.1
	Animal Farming and Hunting	6.0	3.3	5.8	4.6	4.4
	Forestry	3.8	3.9	4.0	4.3	4.0
	Fishing	2.3	2.8	1.7	21.9	38.6
Share in Agriculture	Crop	64.8	65.0	65.1	65.6	66.1
	Animal Farming and Hunting	26.2	25.9	26.0	25.6	25.2
	Forestry	8.8	8.8	8.6	8.5	8.3
	Fishing	0.3	0.3	0.2	0.3	0.4
Growth rate	Mining and Quarrying	-21.9	91.4	115.4	6.1	-7.1
	Manufacturing	7.7	7.5	5.1	4.8	7.0
	Electricity and Water	4.0	7.2	9.2	6.0	13.2
	Construction	15.0	9.9	6.6	4.9	7.1
Share in Industry	Mining and Quarrying	0.5	0.9	1.8	1.8	1.6
	Manufacturing	24.3	23.9	23.4	23.4	23.4
	Electricity and Water	2.7	2.6	2.7	2.7	2.9
	Construction	72.5	72.6	72.2	72.2	72.2
Growth rate	Whole Sale and Retail Trade	11.7	6.4	6.3	7.9	7.6
	Hotels and Restaurants	9.0	2.2	2.6	8.0	10.3
	Transport and Communications	21.0	1.2	7.0	9.8	12.0
	Real Estate, Renting and Business Activities	7.5	9.5	8.9	9.0	9.1
	Public Administration and Defense	9.0	2.3	4.9	4.5	4.0
	Others*	7.5	6.4	6.2	6.5	6.5
	Share in Service	35.9	36.3	36.3	36.4	36.3
Share in Service	Whole Sale and Retail Trade	6.5	6.3	6.0	6.1	6.2
	Hotels and Restaurants	14.0	13.4	13.5	13.8	14.3
	Real Estate, Renting and Business Activities	10.7	11.1	11.4	11.5	11.7
	Public Administration and Defense	11.2	10.9	10.7	10.4	10.0
	Others*	21.7	22.1	22.0	21.8	21.5

Source: Ministry of planning and development (MoPD)

* Includes: financial intermediation, education, health and social work, private households with employed persons and other community, social and personal services.

1.3. GDP by Expenditure Components

The total consumption expenditure (public and private) as a percent of GDP increased to 85.2 percent in 2022/23 from 84.8 percent in the preceding year due to a 1.5 percentage point rise in private consumption expenditure which reduced domestic saving by 0.5 percentage points. Thus, gross domestic saving to GDP decreased to 14.8 percent from 15.2 percent recorded a year earlier.

Likewise, the ratios of gross capital formation to GDP and government consumption to GDP dropped by 3.1 and 1.1 percentage point, respectively. In the same way, domestic absorption to GDP ratio dropped by 2.7 percentage point vis-à-vis last fiscal year.

Table: 1.4: Expenditure on GDP and Gross Domestic Savings (As Percentage of GDP)

Year	Domestic Absorption	Consumption Expenditure			Gross Capital Formation	Resource Balance	Exports of Goods & Services	Imports of Goods & Services	Gross Domestic Savings
		Total	Govt.	Pvt.					
2010/11	113.8	82.7	11.8	70.9	31.1	(14.5)	16.3	30.7	17.3
2011/12	116.4	80.4	9.5	71.0	36.0	(17.4)	13.4	30.8	19.6
2012/13	115.2	82.2	10.2	71.9	33.0	(16.1)	12.2	28.2	17.8
2013/14	116.2	79.3	10.6	68.8	36.8	(17.0)	11.3	28.4	20.7
2014/15	116.1	77.9	10.3	67.6	38.2	(20.4)	9.1	29.5	22.1
2015/16	115.0	77.6	11.1	66.5	37.3	(19.3)	7.8	27.1	22.4
2016/17	116.1	77.6	11.1	66.5	38.4	(15.8)	7.6	23.5	22.4
2017/18	109.8	75.7	10.2	65.5	34.1	(14.4)	8.4	22.8	24.3
2018/19	112.9	77.7	9.2	68.5	35.2	(12.9)	7.9	20.8	22.3
2019/20	109.8	79.2	9.1	70.0	30.6	(9.8)	7.1	16.9	20.8
2020/21	109.1	81.1	8.8	72.2	28.0	(9.1)	7.6	16.7	18.9
2021/22	110.1	84.8	7.4	77.4	25.3	(10.1)	8.2	18.4	15.2
2022/23	107.4	85.2	6.3	78.9	22.2	(7.4)	6.6	14.0	14.8
Average 2018/19-2022/23	109.9	81.6	8.2	73.4	28.3	(9.2)	7.5	17.4	18.4
Average 2013/14-2022/23	113.0	79.3	9.8	69.5	33.7	(11.1)	8.7	23.2	20.7

Source: Ministry of Planning and Development (MoPD)

1.4: Micro and Small-Scale Enterprises

During 2022/23, a total of 208,667 new micro and small scale enterprises (MSEs) were established and they created employment opportunities for 4.5 million people. These enterprises acquired more

than Birr 10.6 billion in loans from financial institutions to conduct their business operations.

Table 1.5: Numbers, Amount of Credit and Jobs Created through MSEs
(Credit in Millions of Birr)

Particulars	2020/21	2021/22	2022/23
No. of MSE's	115,200	160,099	208,667
Amount of credit	5,016.2	9,519.13	10,557.1
No of Total employment	585,119	2,009,140.0	4,467,023.0

Source: Federal Urban Job Creation and Food Security Agency (FeUJCFSA)

Table 1.6: Numbers, Amount of Credit and Jobs Created during 2022/23 through MSEs by Region

(Credit in Millions of Birr)

	Addis Ababa	Oromia	SNNPR	Amhara	Tigray	Dire Dawa	Sidama	SW Ethiopia	Harari	Benishangul	Somali	Gambela	Afar	Total
No. of MSEs	20,578	156,299	15,172	-	-	319	5,327	1,419	938	1,014	6,045	492	1,064	208,667
Amount of credit	2,627.2	5,303.0	863.5	-	-	391.2	177.6	106.4	26.9	17.2	1,039.0	4.9	-	10,557.0
Employment	377,887	3,530,254	215,384	-	-	12,182	58,498	23,654	8,459	27,768	142,104	14,091	56,742	4,467,023
Regional Percentage Share														
No. of MSEs	9.9	74.9	7.3	-	-	0.2	2.6	0.7	0.4	0.5	2.9	0.2	0.5	100
Amount of credit	24.9	50.2	8.2	-	-	3.7	1.7	1.0	0.3	0.2	9.8	0.0	-	100
No. of total Employment created by MSEs	8.5	79.0	4.8	-	-	0.3	1.3	0.5	0.2	0.6	3.2	0.3	1.3	100

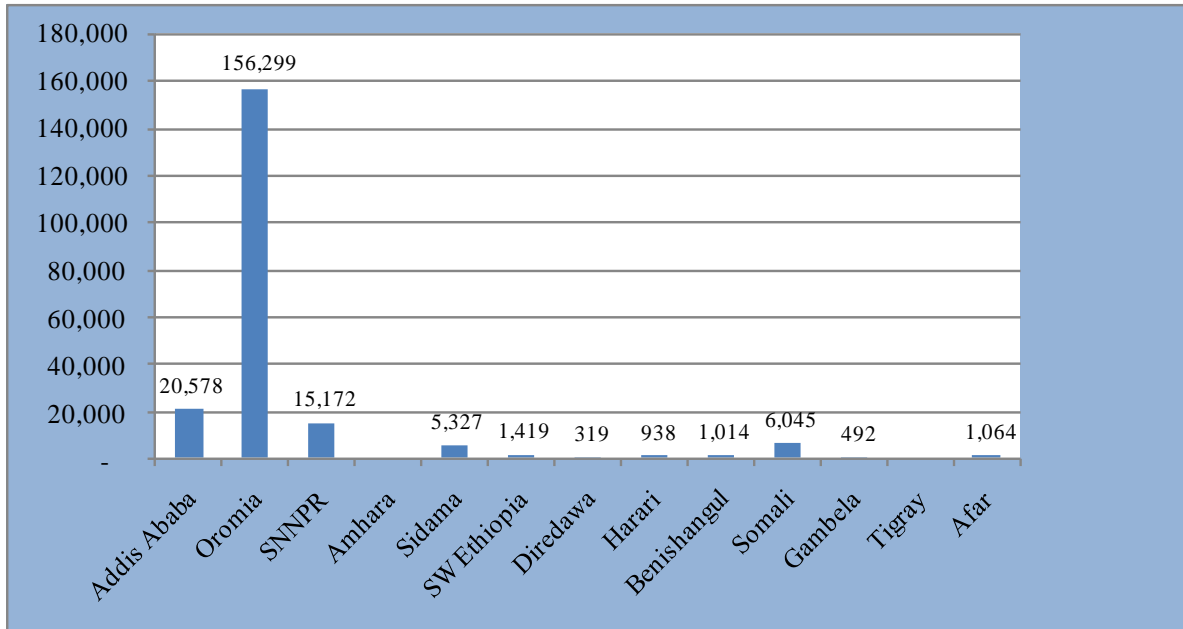
Source: Federal Urban Job Creation and Food Security Agency (FeUJCFSA)

In terms of regional distribution, 74.9 percent of the newly established MSEs were located in Oromia followed by Addis Ababa (9.9 percent), former SNNPR (7.3 percent), Somali (2.9 percent), Sidama (2.6 percent) and others (2.5 percent). With respect to total loans, MSEs in Oromia received 50.2 percent, followed by Addis Ababa (24.9 percent), Somali (9.8 percent), SNNPR (

8.2 percent), Dire Dawa (3.7 percent), Sidama (1.7 percent) and in SW Ethiopia 1 percent.

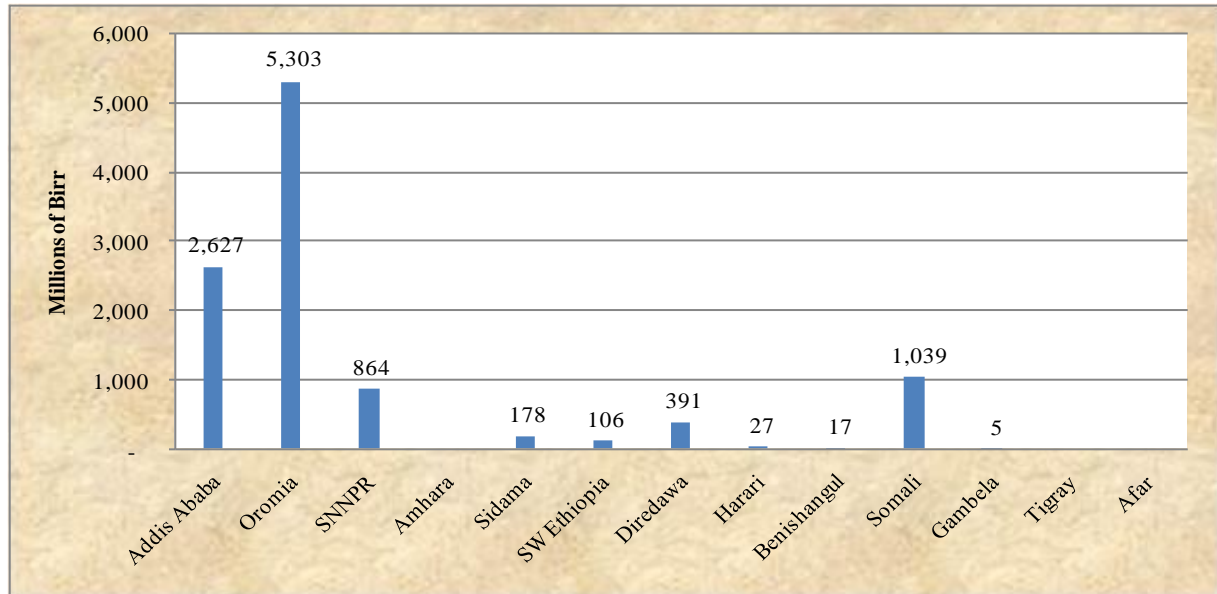
Of the total jobs created by these enterprises, about 79 percent was in Oromia, 8.5 percent in Addis Ababa, 4.8 percent in SNNPR, 3.2 percent in Somali, 1.3 percent in Sidama & Afar each and others 1.9 percent.

Fig.I.2: Annual Distribution of Numbers of MSEs during 2022/23



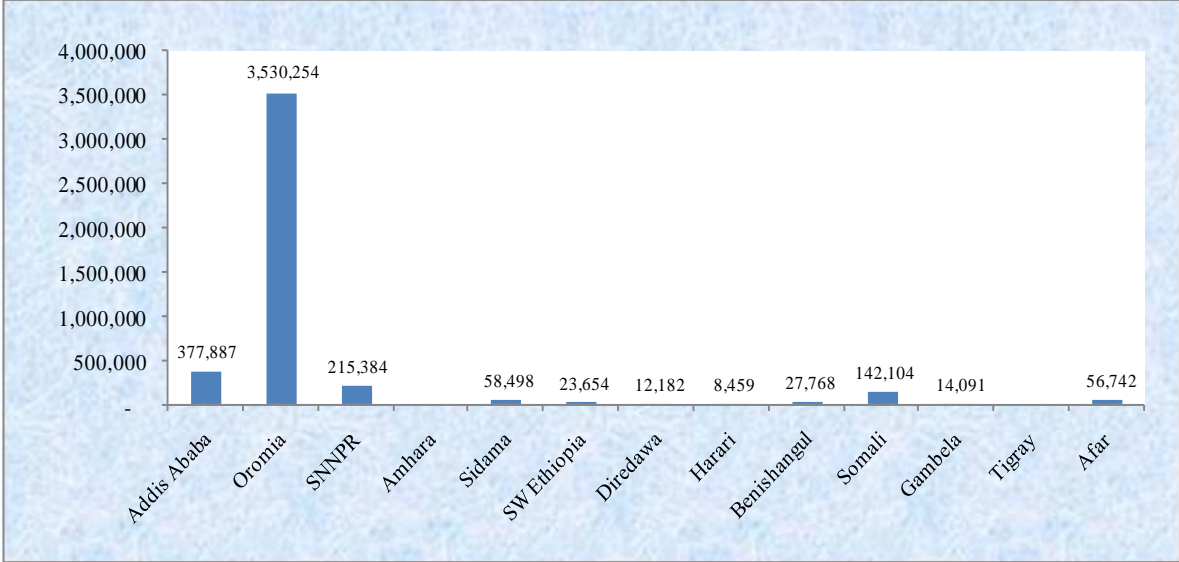
Source: Federal Urban Job Creation and Food Security Agency (FeUJCFSA)

Fig.I.3: Annual Distribution of Amount of Credit during 2022/23



Source: Federal Urban Job Creation and Food Security Agency (FeUJCFSA)

Fig.I.4: Annual Distribution of Employment Created during 2022/23



Source: Federal Urban Job Creation and Food Security Agency (FeUJCFSA)

1.5. Access to Water Supply

During 2022/23, the number of population having access to portable water supply improved by 4.6 percentage points over the preceding fiscal year and reached 67.1 percent¹ (i.e., 64.5 percent rural and 75.7 percent urban population). The result also indicates that urban areas had relatively better access to potable water than the rural areas (Table 1.7).

In terms of regional distribution, 86.7 percent of the population in Oromia had access to potable water followed by Dire Dawa (77 percent), Gambella (76.7 percent), Amhara (73.6 percent), Benshangul Gumuz (64.6 percent), Sidama (55.3 percent), Addis Ababa (55 percent), SNNPR and Afar (50.8 percent each), Harari (44 percent), Somali (43.4 percent) and SWE (39.8 percent).

In terms of access to potable water in urban areas, Oromia had 88.3 percent share followed by Amhara (72.2), Dire Dawa (68 percent), Gambella (63.2 percent), Benshangul Gumuz (62.9

percent), Afar (62.7 percent), Sidama (62.4 percent), SNNPR (61.5 percent), Addis Ababa (55 percent), Somali (47.9 percent), SWE (46 percent), and Harari (24 percent).

Similarly, Oromia region had 87.9 percent share in terms of access to potable water in rural areas followed by Dire Dawa (87 percent), Gambella (86.2 percent), Amhara (73.9 percent), Benshangul Gumuz (65.1 percent), Harari (63 percent), Sidama (54.3 percent), Afar (52.3 percent), SNNPR (50.4 percent), Somali (41.5 percent) and SWE (38.7 percent).

Table 1.7: Percentages of People with Access to Potable Water by Region

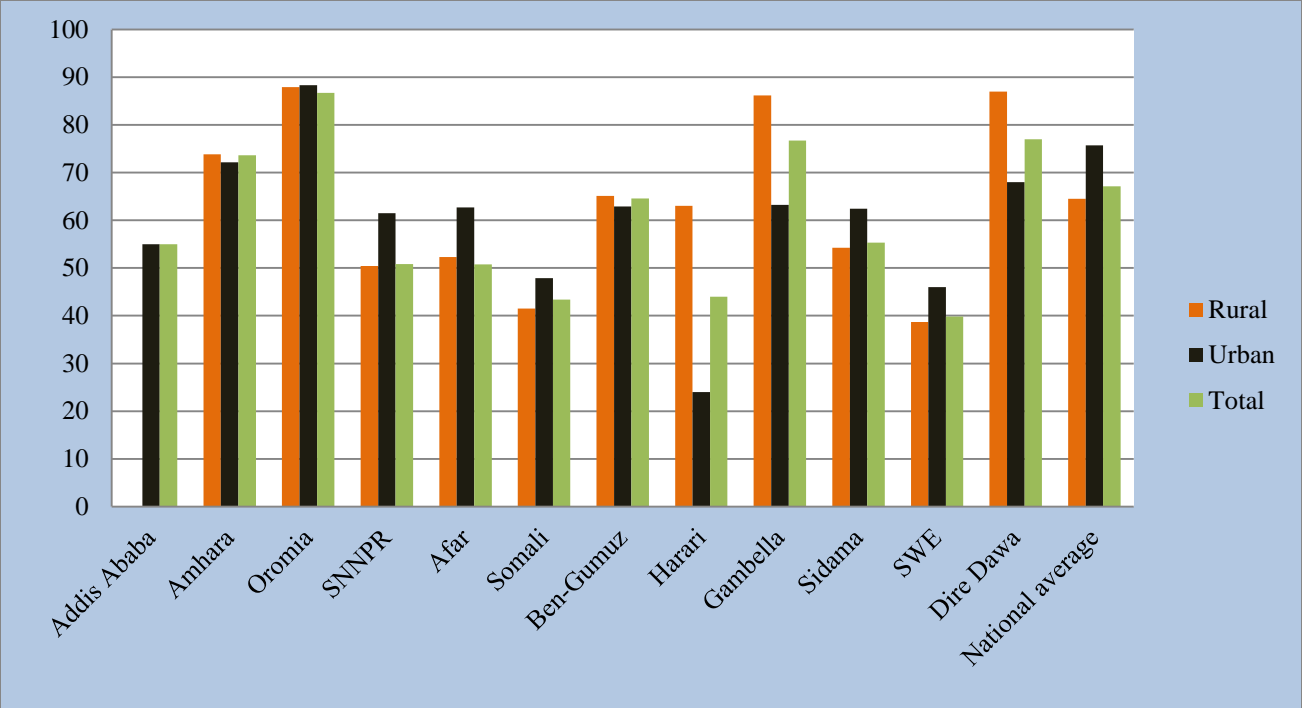
Regions	2021/22			2022/23			Change in percentage point		
	Rural	Urban	Total	Rural	Urban	Total			
	A	B	C	D	E	F	D-A	E-B	F-C
Tigray ¹	NA	NA	NA	NA	NA	NA	-	-	-
Afar	64.0	74.2	70.3	52.3	62.7	50.8	-11.7	-11.5	-19.5
Amhara	72.2	69.2	71.8	73.9	72.2	73.6	1.6	2.9	1.9
Oromia	82.0	78.4	80.2	87.9	88.3	86.7	5.9	9.9	6.5
SNNPR	46.4	58.4	48.6	50.4	61.5	50.8	4.0	3.1	2.2
Somali	37.0	45.0	39.4	41.5	47.9	43.4	4.5	2.9	4.0
B.Gumuz	62.6	62.0	62.4	65.1	62.9	64.6	2.5	0.9	2.2
Gambella	85.2	61.9	75.1	86.2	63.2	76.7	1.0	1.3	1.6
Harari	62.0	23.0	42.5	63	24.0	44.0	1.0	1.0	1.5
D. Dawa	83.0	60.0	75.8	87.0	68.0	77.0	4.0	8.0	1.2
Sidama	49	60	51.6	54.3	62.4	55.3	5.3	2.4	3.7
SWE	-	-	-	38.7	46.0	39.8	-	-	-
AA	-	57.0	57.0	-	55.0	55.0	-	-2.0	-2.0
Total	59.8	71.9	62.5	64.5	75.7	67.1	4.7	3.8	4.6

Source: Ministry of Water, Irrigation and Energy and NBE Staff Computation²

¹ Access to Potable Water data for Tigray region is not incorporated in the Table since the data is not available

² This result has been computed based on 2nd water supply inventory

Fig.I.5: Access to water supply by Region



Source: Ministry of Water, Irrigation and Energy; and NBE Staff Computation

1.6. Road Sector Development

1.6.1. Road Network

Road transport is the dominant mode of transport in Ethiopia and it accounts for about 95 percent of motorized inter-urban freight and passenger movements.

In 2022/23, the total stock of road network reached 171,368 km, depicting a 5.8 percent annual expansion. The country's total road network consisted of 65,855 Km (38.4 percent) Woreda road, 42,488 (24.8 percent) rural road, 30,534.9 Km (17.8 percent) Federal road and 32,491 Km (19 percent) urban road.

With regard to the Federal roads, asphalt road constituted 18,218 Km (59.7 percent) and gravel roads 12,317 Km

(40.3 percent). The share of asphalt road in total road network amounted to 10.6 percent, about 0.3 percentage point higher than the preceding year. Similarly, rural road grew by 6.6 percent constituted 24.8 percent of the total road network during the review period.

Table 1.8: Classification of Road Network

(Length in km)

Year	Federal Road				Rural road		Woreda road *		Urban Roads			Total**	
	Asphalt		Gravel						Paved	Coble	Unpaved		
	Length	Growth rate	Length	Growth rate	Length	Growth rate	Length	Length	Length	Length	Growth rate		
2008/09	6,938	14.4	14,234	(0.9)	25,640	7.1	85,767	22.5	NA	NA	NA	46,812	5.5
2009/10	7,476	7.8	14,373	1.0	26,944	5.1	100,385	17.0	NA	NA	NA	48,793	4.2
2010/11	8,295	11.0	14,136	(1.6)	30,712	14.0	854	(99.1)	NA	NA	NA	53,997	10.7
2011/12	9,875	19.0	14,675	3.8	31,550	2.7	6,983	717.7	NA	NA	NA	63,083	16.8
2012/13	11,301	14.4	14,455	(1.5)	32,582	3.3	27,628	295.6	NA	NA	NA	85,966	36.3
2013/14	12,640	11.8	14,217	(1.6)	33,609	3.2	39,056	41.4	NA	NA	NA	99,522	15.8
2014/15	13,551	7.2	14,055	(1.1)	30,641	(8.8)	46,810	19.9	1,693	850	2,814	110,414	10.9
2015/16	14,632	8.0	13,400	(4.7)	31,620	3.2	48,057	2.7	1,693		3,664	113,066	2.4
2016/17	15,886	8.6	12,813	(4.4)	33,367	5.5	52,748	9.8	1,693	2,814	3,664	122,985	8.8
2017/18	15,886	-	12,813	-	35,985	7.8	56,732	7.6	1,693	2,814	850	126,773	3.1
2018/19	15,886	-	12,813	-	35,806	(0.5)	55,808	(1.6)	1,914	5,200	15,583	143,010	12.8
2019/20	15,886	-	12,813	-	35,806	0.0	55,808	-	1,734	5,798	16,182	144,028	0.7
2020/21	16,225	2.1	12,491	(2.5)	38,547	7.7	59,604	6.8	1,771	6,568	20,624	155,830	8.2
2021/22	16,760	3.3	12,231	(2.1)	39,840	3.4	62,430	4.7	1,824	7,046	21,903	162,034	4.0
2022/23	18,218	8.7	12,317	0.7	42,488	6.6	65,855	5.5	1,926	7,365	23,198	171,368	5.8

Source: Ethiopian Roads Authority

* Includes community road, which was replaced by Woreda road and registered as new road in 2010/11

** Total road length does not include community road length till 2010/11 as it is non-engineered road; but it includes Woreda road.

1.6.2. Road Density

The proper level of road network is assessed by road density measured by road length per 1,000 persons or by road length per 1,000 km².

from 141 km a year earlier showing a 5.9 percent annual growth while road density per 1,000 population decreased by 1.4 percent (Table 1.9).

At the end of 2022/23, road density per 1,000 square Km expanded to 149.3 km

Table 1.9: Road Densities

Year	Road Density /1000 person	Road density /1000 sq. km
2009/10	0.6	44.4
2010/11	0.65	48.3
2011/12	0.75	57.3
2012/13	1.0	78.2
2013/14	1.1	90.5
2014/15	1.2	100.4
2015/16	1.23	102.8
2016/17	1.3	109.2
2017/18	1.3	115.2
2018/19	1.43	130.9
2019/20	1.41	131.3
2020/21	1.42	135.8
2021/22	1.43	141.0
2022/23	1.41	149.3
Growth rate in 2022/23 against 2021/22	-1.4	5.9

Source: Ethiopian Roads Authority

1.6.3. Road Accessibility

In 2022/23, the annual average distance from all-weather roads reached 4.1 kilometers depicting a 4.7 percent annual decline. Likewise, the proportion of area with more than 5km from all-weather roads decreased to 29.8 percent from 32 percent a year ago (Table 1.10).

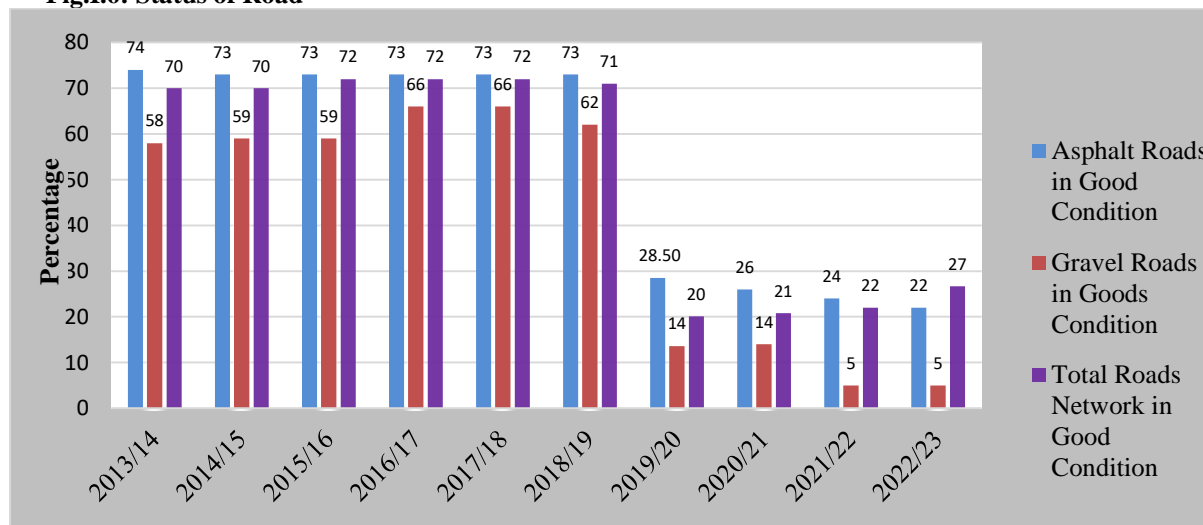
About 22 percent of the asphalt road and 5 percent of the gravel road were in good condition during the review period (Figure I.6).

Table 1.10: Road Accessibility

Indicator	2021/22	2022/23	Percentage change
Proportion of area more than 5Km from all-weather road	32	29.8	-6.9
Average distance from all-weather roads	4.3	4.1	-4.7

Source: Ethiopian Roads Authority

Fig.I.6: Status of Road



Source: Ethiopian Roads Authority

1.6.4. Road Sector Financing

In 2022/23, total investment in road construction and expansion increased by 1.6 percent to Birr 58.5 billion from Birr 57.6 billion a year earlier (Table I.11 and fig.I.7).

Investment in Federal road construction and expansion constituted 90.4 percent of the total road investment capital and reached at Birr 52.9 billion, while regional roads accounted for 6.2 percent and Woreda road 3.3 percent (Table I.11) and (Fig.I.7).

Table 1.11: Investments in the Road Sector

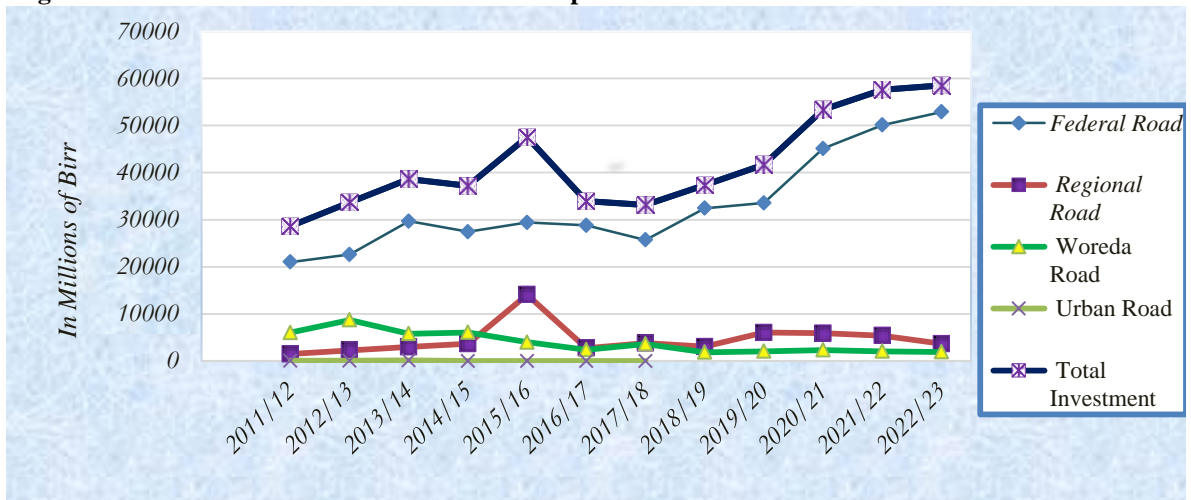
(In millions of Birr)

Road type	2021/22		2022/23		Percentage change
	A	Share (In %)	B	Share (In %)	
Federal roads	50,111.0	87.0	52,906.4	90.4	5.6
Regional roads	5,397.0	9.4	3,654.1	6.2	-32.3
Woreda roads	2,060.0	3.6	1,938.6	3.3	-5.9
Urban road*	-	-	-	-	0.0
Total	57,568.0	100	58,499.1	100	1.6

Source: Ethiopian Roads Authority

* All municipalities' maintenance.

Fig.I.7: Investment in Road Construction and Expansion



Source: Ethiopian Roads Authority

1.8. Telecommunication

In today's digitized world telecommunication has become one of the prime support services required for rapid growth and modernization of various sectors of the economy. Expansion of infrastructure development such as telecommunication would have significant impact on attracting investment, creating market opportunities, enhancing competitiveness and boosting regional economic integration.

Cognizant of this fact, the Ethiopian government has made major investment to improve service quality, expansion of service coverage and enhancing

institutional capacity in the telecom sector.

In 2022/23, the total number of subscribers reached 71.9 million depicting a 8 percent annual growth. This was attributed to 7.7 percent increase in mobile voice and 30.5 percent rise in internet & data subscribers despite the 3.5 percent drop in fixed voice service subscribers.

Of the total subscribers, mobile voice accounted for 69.5 million (96.6 percent) followed by internet & data (1.6 million or 2.2 percent) and fixed voice service (854 thousand or 1.2 percent) (Table 1.13).

Table 1.13: Number of Subscribers (In 000')

Service Type	2021/22	2022/23	Percentage Change
Total subscriber base	66,593	71,922	8.0
Mobile voice subscriber	64,506	69,500	7.7
Internet and data subscriber	1,202	1569	30.5
Fixed voice service subscriber	885	854	-3.5
Internet and data user	26,080	33,897	30.0
Mobile voice	64,506	69,500	7.7
Residential	63,604	68,478	7.7
Enterprises	902	1,020	13.1
Broad band & internet subscriber	845	1,222	44.6
Residential	616	926	50.3
Enterprises	229	296	29.3
Narrow band data & internet subscriber	357	347	-2.8
Residential	0	0.2	-50.0
Enterprises	357	347	-2.8
Fixed voice	885	854	-3.5
Residential	512	491	-4.1
Enterprises	373	363	-2.7
Broad band data & internet user	25,722	33,435	30.0
Broad band data Residential	25,159	32,197	28.0
Broad band data enterprise	563	1,239	120.1
Narrow data & internet user	358	461	28.8
Narrow band residential	1	0.4	-33.3
Narrow band enterprise	357	461	29.1

Source: Ethio-Telecom

Note: Total subscriber base doesn't include internet and data user.

At the same time, the country's telecommunication penetration rate (telecom density) increased from 62.8 percent in 2021/22 to 66.2 percent in 2022/23 due to improvement in mobile density (65.4 percent) compared to 62.8

percent a year ago. Similarly, internet and data density increased to 31.5 percent from 24.8 percent during the review period while fixed line density remained at 0.8 percent (Table 1.14).

Table 1.14: Telecom Density

Tele density/100 Inhabitants*	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Fixed line	1.2	1.2	1.0	0.9	0.8	0.8
Mobile	39.8	41.9	44.9	53.6	62.0	65.4
Total	41.0	43.1	45.9	54.5	62.8	66.2
Internet and data	18.5	21.8	24.0	24.3	24.8	31.5

Source: Ethio-Telecom

*Tele-density is mobile plus fixed telephone subscribers per 100 inhabitants

Ethio-telecom's income increased by 21.9 percent and reached Birr 75.8 billion in 2022/23 vis-à-vis Birr 62.2 billion income in the previous year. Likewise, total expenses of the company went up by 47.6 percent to Birr 47.1 billion during the review period. Thus, its gross profit stood at Birr 28.7 billion about 5.3 percent lower than a year earlier (Table 1.16).

Table 1.15: Financial Performance and Asset of Ethio-Telecom

(In Billions of Birr)

Finance and Asset	2019/20	2021/22	2022/23	Percentage Change	
	A	B	C	C/A	C/B
Income	55.8	62.2	75.8	35.8	21.9
Expense	25.9	31.9	47.1	81.9	47.6
Gross Profit	24.7	30.3	28.7	16.3	-5.3
Assets	39.1	40.2	51.3	31.2	27.6
Fixed Gross	-	-	-	-	-
Depreciation	5.4	6.4	6.2	15.0	-3.0

Source: Ethio-Telecom

II. ENERGY PRODUCTION

2.1 Electric Power Generation

Ethiopia has immense potential for hydroelectric power, geothermal and wind energy generation. According to Ethiopian Electric Power Corporation (EEPCO) report, the country has an estimated hydro-power potential of 45,000 MW, a geothermal potential of 10,000 MW and 1.3 million MW potential for wind farm. Yet, the country's generating capacity is largely based on hydropower reservoirs as nine of its major rivers are suitable for hydroelectric power generation. In addition, the non-renewable fuels such as gasoline and charcoal are widely used as energy sources. Considering the increasing power demand and capacity shortfall in the system and to have a better generation mix, the country is looking to diversify its production of renewable power to wind and geothermal sources.

Wind energy has been identified as an immediate and clean energy solution since wind power is renewable with short construction period and significant immediate result. Thus, the Ethiopian Electric Power Corporation has implemented different wind power projects in several parts/sites of the country. Adama II wind farm is the latest and the third project completed and started operation with a generating capacity of 153 MW thereby raising the country's wind power by 324 MW (combined with Adama I (51MW) and Ashegoda (120 MW)). In addition, a process is underway to undertake the construction of Aysha 300 MW wind power project.

Ethiopia has also been identified as one of the countries with a great potential for solar energy because of its geographical location near to the equator. With the intent of becoming a major power exporter in East Africa, the country is also building several geothermal power plants.

The Ethiopian Electric Power Corporation is a public enterprise mandated with the task of generating,

transmitting, distributing, and selling electricity. The Corporation generates electricity through two different power supply systems, namely, the Inter Connected System (ICS)³ and Self Contained System (SCS)⁴. The ICS constituted the major source of electric power generating system in Ethiopia.

The total amount of electric power generated in 2022/23 was about 17.7 billion KWH, showing a 14.2 percent annual increase. About 96.7 percent of the electric power was generated by hydropower and the remaining 3.3 percent by wind sources (Table 2.1).

³ Generates power by connecting to other systems

⁴ Generates power independently

Table 2.1: Electric Power Generation in ICS and SCS

(In '000 KWH)

Source		2020/21		2021/22		2022/23		Percentage Change	
		[A]	Share in %	[B]	Share in %	[C]	Share in %	[C/A]	[C/B]
ICS	Hydro Power	14,850,391.3	95.6	14,914,367.2	96.2	17,126,115.6	96.7	15.3	14.8
	Thermal Power		-		-		-	-	-
	Geothermal		-		-		-	-	-
	Wind	608,171.7	3.9	560,562.1	3.6	575,617.1	3.3	-5.4	2.7
	Biomass	73,491.9	0.5	29,149.8	0.2	6,575.0	0.0	-91.1	-77.4
Sub Total		15,532,055.0	100	15,504,079.1	100	17,708,307.7	100	14.0	14.2
SCS	Hydro Power	-	-	-	-	-	-	-	-
	Thermal Power	-	-	-	-	-	-	-	-
Sub Total		-	-	-	-	-	-	-	-
Total	Hydro Power	14,850,391.3	95.6	14,914,367.2	96.2	17,126,115.6	96.7	15.3	14.8
	Thermal Power		-		-		-	-	-
	Geothermal		-		-		-	-	-
	Wind	608,171.7	3.9	560,562.1	3.6	575,617.1	3.3	-5.4	2.7
	Biomass	73,491.9	0.5	29,149.8	0.2	6,575.0	0.0	-91.1	-77.4
Grand Total		15,532,055.0	100	15,504,079.1	100	17,708,307.7	100	14.0	14.2

Source: Ethiopian Electric Power Corporation

2.2 Volume and Value of Petroleum Imports

During the review period, about 3.9 million a total metric tons of petroleum products with a total value of Birr 203.8 billion were imported by the Ethiopian Petroleum Enterprise. As compared to previous year, total value of and volume of petroleum imports increased by 24 percent and 2.4 percent, respectively. Imported volume of jet fuel and regular gasoline showed annual

increase of 25.2 and 4.9 percent while fuel oil and gas oil dropped by 19.7 and 1.9 percent, respectively. In terms of value, jet fuel increased by 55.8 percent followed by gas oil (21.5 percent) and regular gasoline (16.2 percent). The value of fuel oil however, dropped by 22.9 percent (Table 2.2) (Fig.II.1 & Fig.II.2).

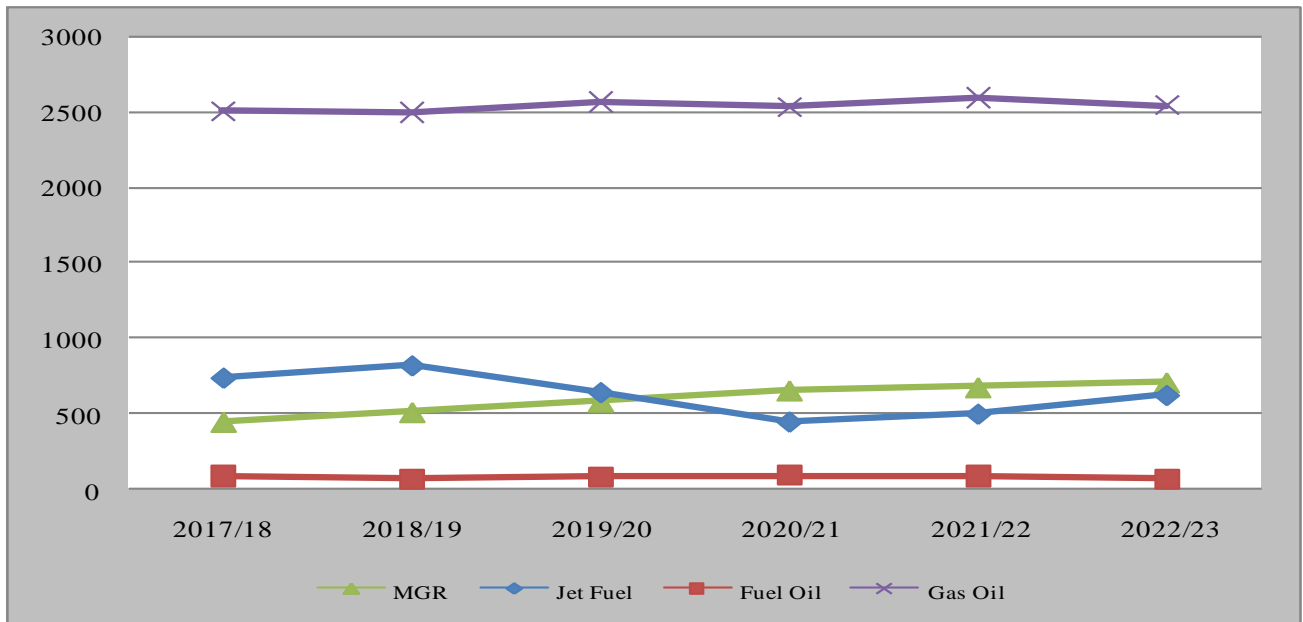
Table 2.2: Volume and Value of Petroleum Imports

(Volume in MT and Value in '000 Birr)

Petroleum Products	2021/22		2022/23		Percentage Change	
	Volume	Value	Volume	Value	C/A	D/B
	A	B	C	D		
Regular Gasoline (MGR)	673,719.1	32,617,390.0	706,499.4	37,906,113.5	4.9	16.2
Jet Fuel	496,706.6	20,352,168.4	621,715.4	31,711,252.4	25.2	55.8
Fuel Oil	81,539.4	2,434,822.3	65,442.0	1,876,056.4	(19.7)	(22.9)
Gas Oil (ADO)	2,597,202.5	108,886,608.3	2,546,849.9	132,302,935.2	(1.9)	21.5
Total	3,849,167.6	164,290,989.0	3,940,506.7	203,796,357.4	2.4	24.0

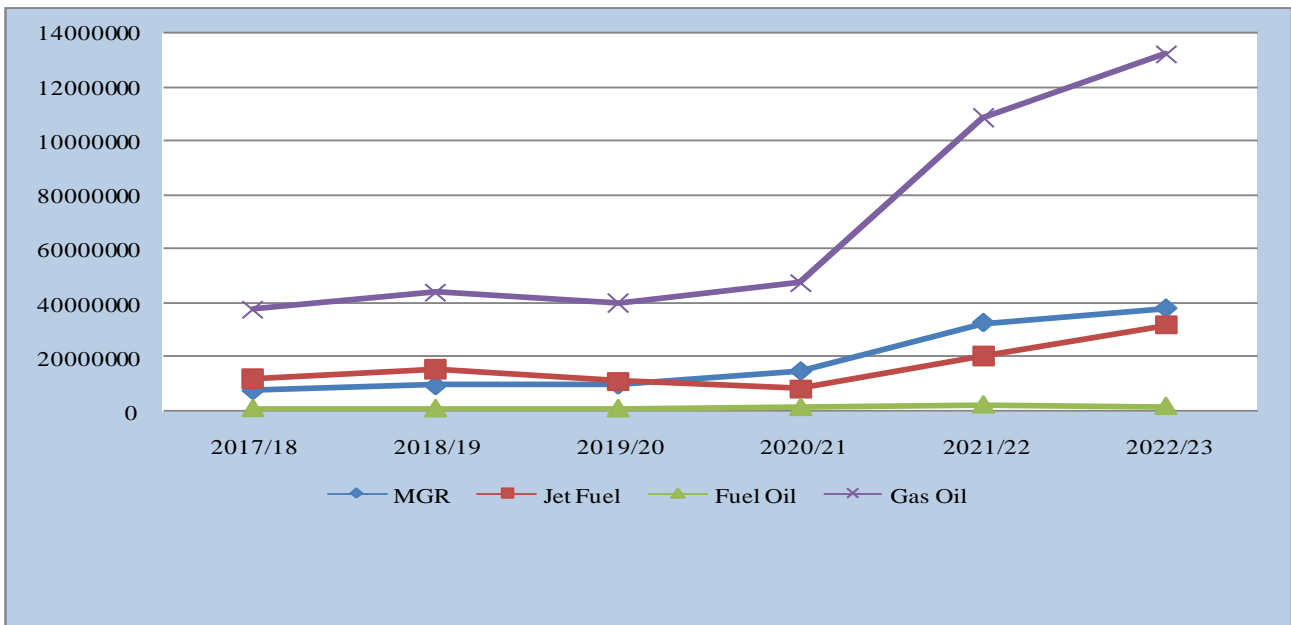
Source: Ethiopian Petroleum Enterprise

Fig.II.1: Trends in Volume of Petroleum Imports (In '000)



Source: Ethiopian Petroleum Enterprise

Fig.II.2: Trends in Value of Petroleum Imports (In '000)



Source: Ethiopian Petroleum Enterprise

Domestic retail prices of petroleum products were adjusted in line with the global oil prices. As the international oil prices tended to increase during 2022/23 domestic retail

prices were also adjusted upwards. Accordingly, retail prices of Regular Gasoline increased (97.2 percent), Fuel Oil (68.4 percent), Gas Oil and kerosene (127.7

percent each) and Jet Fuel (20.4 percent) in the review period (Table 2.3).

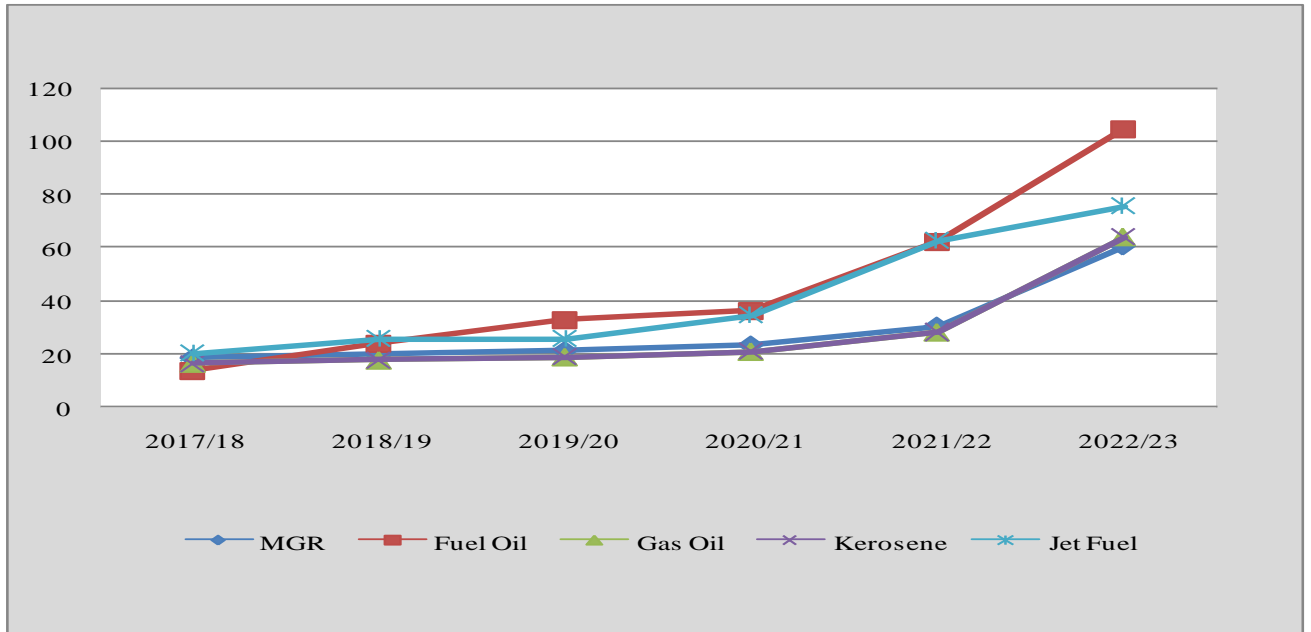
As illustrated in Fig.II.3, the retail fuel prices in Addis Ababa have been rising for the last five consecutive years owing to the rise in international oil price.

Table 2.3: Annual Retail Prices of Petroleum Products in Addis Ababa (Birr/liter)

Year	Quarter	MGR	Fuel Oil	Gas Oil	Kerosene	Jet fuel
2020/21	Qtr.1	21.53	32.91	18.75	18.75	25.87
	Qtr.2	21.87	33.27	18.98	18.98	24.74
	Qtr.3	25.12	37.96	22.42	22.42	35.51
	Qtr.4	25.86	40.05	23.18	23.18	51.76
	Average	23.59	36.05	20.83	20.83	34.47
2021/22	Qtr.1	25.86	40.05	23.18	23.18	47.76
	Qtr.2	29.78	44.70	27.02	27.02	56.43
	Qtr.3	31.74	68.33	28.94	28.94	68.29
	Qtr.4	35.16	95.81	33.27	33.27	79.46
	Average	30.64	62.22	28.10	28.10	62.99
2022/23	Qtr.1	50.90	105.47	52.65	52.65	94.03
	Qtr.2	59.88	100.74	64.83	64.83	73.41
	Qtr.3	61.29	98.37	67.30	67.30	70.60
	Qtr.4	69.52	114.60	71.15	71.15	65.35
	Average	60.40	104.79	63.98	63.98	75.85
	Annual percentage change	97.2	68.4	127.7	127.7	20.4

Source: Ethiopian Petroleum Enterprise

Fig.II.3: Trends in Average Fuel Price in Addis Ababa



Source: Ethiopian Petroleum Enterprise.

III. PRICE DEVELOPMENTS

3.1. Developments in Consumer Price at National Level

In 2022/23, annual average headline inflation reached 32.6 percent whereas food inflation contributed 19 percent and non-food inflation 13.6 percent. The headline inflation declined to 32.6 percent from 33.8 percent a year ago largely due to 8.6 percentage point slowdown in food & non-alcoholic beverage inflation. In contrast, non-food inflation rose from 25.2 percent to 33.9 percent during the same period (Table 3.1).

The slowdown in annual average food & non-alcoholic beverage inflation was ascribed to decreased inflation of bread & cereals (11.5 percentage point), oils & fats (43.4 percentage points), food products (23.3 percentage points) and non-alcoholic beverages (27.3 percentage points).

Bread and cereals contributed the 11.6 percent to the 31.7 percent average food price rise in 2022/23 (Table 3.3).

Annual average non-food inflation increased by 8.7 percentage points and reached 33.9 percent in 2022/23 on

account of higher inflation in transport (21.8 percentage points), clothing and foot wear (15.1 percentage points), restaurants & hotels) (13.3 percentage points), furniture, furnishing household equipment & operations (7.5 percentage points), recreation & culture (6.7 percentage points), house rent, construction materials, water, fuel & power (4.7 percentage points) and miscellaneous goods & services (25.4 percentage points).

House rent, water, fuel and power had the biggest contribution (8.1 percent) to the 33.9 percent average non-food inflation recorded in 2022/23 (Table 3.4).

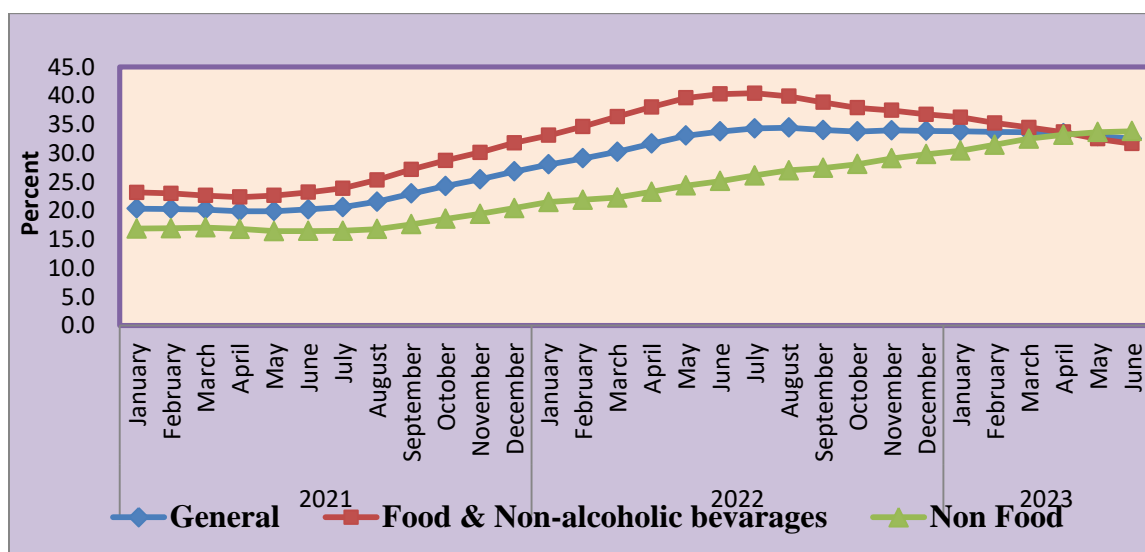
Moreover, annual headline inflation declined to 29.3 percent from 34.0 percent a year ago owing to 10.1 percentage points decrease in food & non-alcoholic beverages inflation. Food inflation had 12.5 percent absolute growth while non-food inflation accounted for 16.8 percent of the annualized inflation recorded in 2022/23 (Table 3.2).

Table 3.1: Annual Average Inflation Rates (in %)

Items	Weight (%)	2021/22	2022/23	Change (in %age Points)	Absolute Contribution to Headline Inflation of 2022/23 (in %)
		A	B	B-A	C
General	100	33.8	32.6	-1.3	32.6
Food & Non-alcoholic beverages	54	40.3	31.7	-8.6	19.0
Non-Food	46	25.2	33.9	8.7	13.6

Source: Ethiopian Statistical Service(ESS)

Fig.3.1: Developments in Average National Inflation Rates



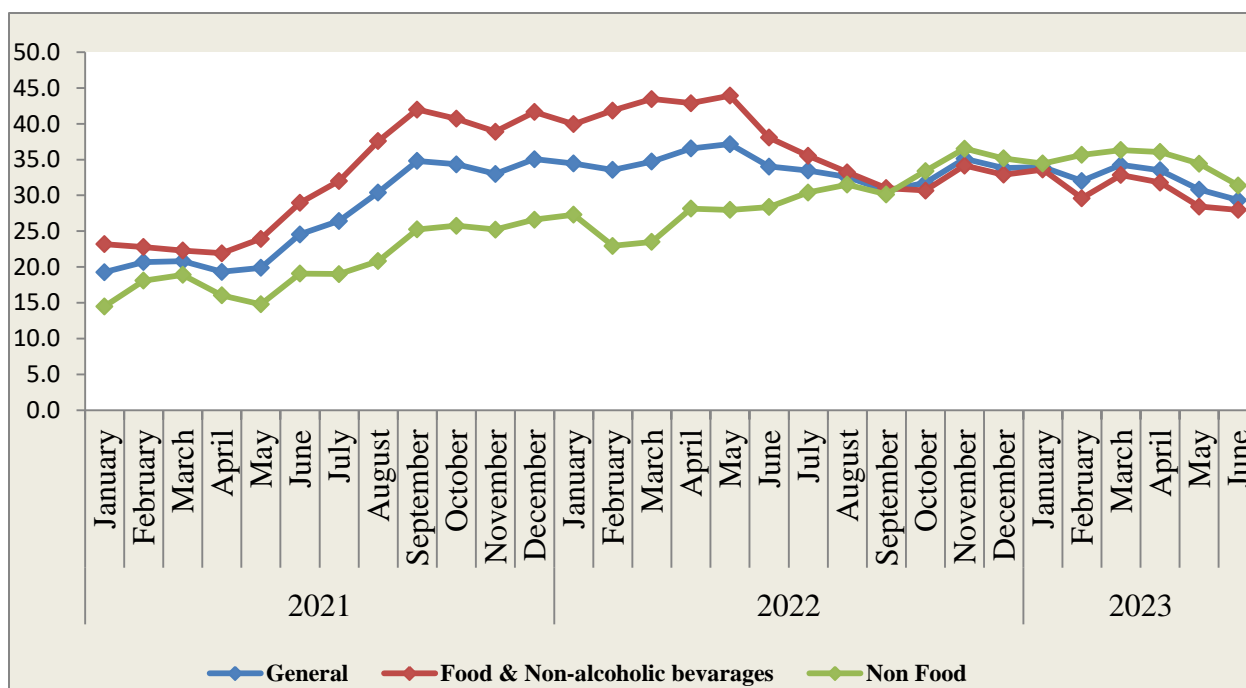
Source: ESS

Table 3.2: Annual Year-on Year Inflation Rates (in %)

Items	Weight (%)	2021/22	2022/23	Change (in %age Points)	Absolute Contribution to Headline Inflation of 2022/23 (in %)
		A	B	B-A	C
General	100	34.0	29.3	-4.7	29.3
Food & Non-alcoholic beverages	54	38.1	28.0	-10.1	12.5
Non-Food	46	28.4	31.4	3.0	16.8

Source: ESS

Fig.3.2: Development in Annual Year-on-Year National Inflation Rate



Source: ESS

Table 3.3: Annual Average Food Inflation Rates (in %)

(Dec. 2016=100)

Items	Weight	2021/22	2022/23	Change(in %age Points)	Absolute Contribution to Food Inflation of 2022/23 (%)
		A	B	B-A	C
Food & Non-alcoholic beverages Inflation	0.54	40.3	31.7	-8.6	31.7
Bread & Cereals	0.17	42.3	30.8	-11.5	11.6
Meat	0.04	31.0	39.7	8.7	2.9
Fish and sea food	0.00	34.8	107.7	72.9	0.03
Milk, cheese & egg	0.03	35.3	41.5	6.2	2.1
Oils & Fats	0.04	86.9	43.5	-43.4	3.4
Fruit	0.00	31.0	45.2	14.2	0.2
Vegetables	0.12	26.0	30.1	4.1	6.2
Sugar jam, honey, chocolate	0.01	21.7	33.6	11.9	0.4
Food products n.e.c	0.06	37.4	14.1	-23.3	1.6
Non-alcoholic beverages	0.05	62.0	34.7	-27.3	3.0

Source: ESS

Table 3.4: Annual Average Non- Food Inflation Rates (in %)

(Dec. 2016=100)

Items	Weight	2021/22	2022/23	Change(in %age Points)	Absolute Contribution to Non-Food Inflation of 2022/23 (%)
		A	B	B-A	C
Non-Food Inflation	0.46	28.3	33.9	5.6	33.9
Alcoholic Beverages and tobacco	0.05	33.8	33.2	-0.6	3.6
Clothing and Footwear	0.06	24.6	39.7	15.1	5.8
Housing, Water, Electricity, Gas and other Fuel	0.17	19.3	23.9	4.6	8.1
Furnishings, Household Equipment and Routine maintenance of houses	0.05	43.4	51.0	7.6	6.5
Health	0.01	36.8	26.5	-10.3	0.6
Transport	0.02	7.5	29.3	21.8	1.7
Communication	0.02	9.5	5.3	-4.2	0.1
Recreation and culture	0.00	43.0	49.7	6.7	0.6
Education	0.00	27.3	20.1	-7.2	0.2
Restaurant & hotel	0.05	28.1	41.4	13.3	5.0
Miscellaneous Goods	0.03	29.0	54.3	25.4	2.9

Source: ESS

3.2 Consumer Price Developments in Regional States

In 2022/23, the regional average headline inflation increased to 36.4 percent from 34.9 percent in the preceding year. Dire Dawa (44.8%), Afar (42.0%), Somali (40.2%) and Addis Ababa (37.3%) registered annual headline inflation rates greater than the regional average. Dire Dawa experienced the highest headline inflation of (44.8

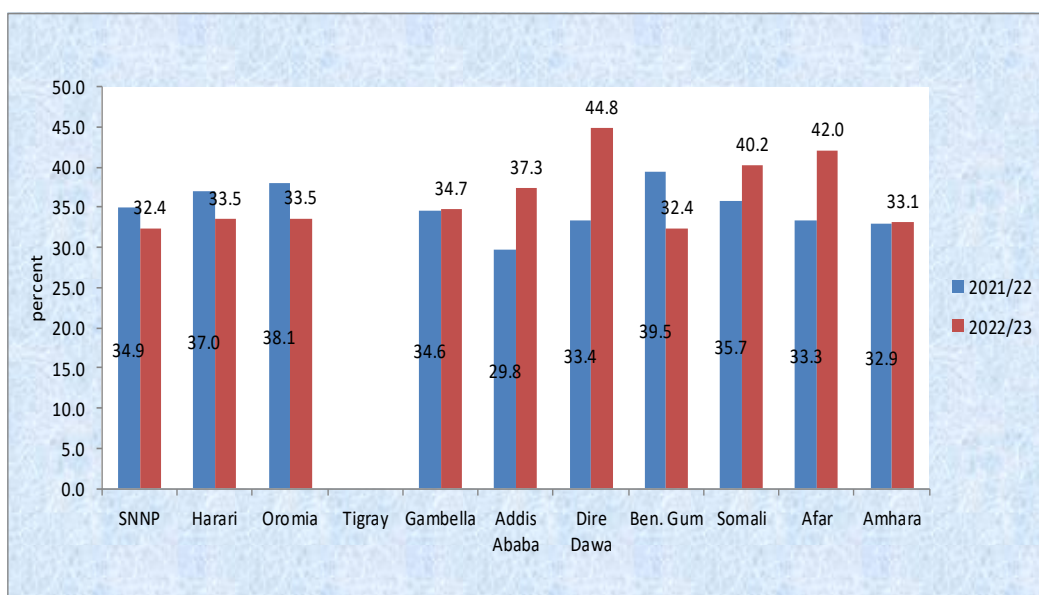
percent) while the lowest (32.4 percent) was in Benshangul Gumuz and SNNP, revealing a 12.4 percentage point margin in the rates of inflation between regions with highest and lowest headline inflation (Table 3.5).

Table 3.5: Regional Average Annual Inflation (2022/23 FY)

Regions	2021/22			2022/23			Change		
	General	Food &Non-alcoholic beverages	Non-food	General	Food &Non-alcoholic beverages	Non-food	General	Food &Non-alcoholic beverages	Non-food
	A	B	C	D	E	F	G=D-A	H=E-B	I=F-C
SNNP	34.9	44.9	20.8	32.4	31.7	33.5	-2.6	-13.2	12.7
Harari	37.0	41.5	33.4	33.5	35.9	31.5	-3.4	-5.5	-1.9
Oromia	38.1	43.5	29.8	33.5	32.3	35.6	-4.6	-11.2	5.8
Tigray									
Gambela	34.6	41.5	24.5	34.7	35.4	33.6	0.2	-6.1	9.2
Addis Ababa	29.8	36.6	24.1	37.3	35.5	39.0	7.5	-1.1	14.9
Dire Dawa	33.4	37.3	29.4	44.8	40.9	49.1	11.3	3.7	19.7
Ben. Gumuz	39.5	44.8	55.1	32.4	32.6	13.8	-7.1	-12.2	-41.3
Somali	35.7	43.8	25.6	40.2	37.3	44.5	4.5	-6.5	18.9
Afar	33.3	41.3	23.7	42.0	41.0	43.5	8.7	-0.3	19.8
Amhara	32.9	35.9	29.2	33.1	26.1	49.5	0.2	-9.8	20.3
Regions Average	34.9	41.1	29.6	36.4	34.9	37.4			
Standard deviation	2.8	3.4	9.7	4.5	4.5	10.5			
Coefficient of variation	8.0	8.3	32.9	12.3	12.8	28.2			

Source: ESS

Fig.3.3: Variation in Regional Annual Average Headline Inflation

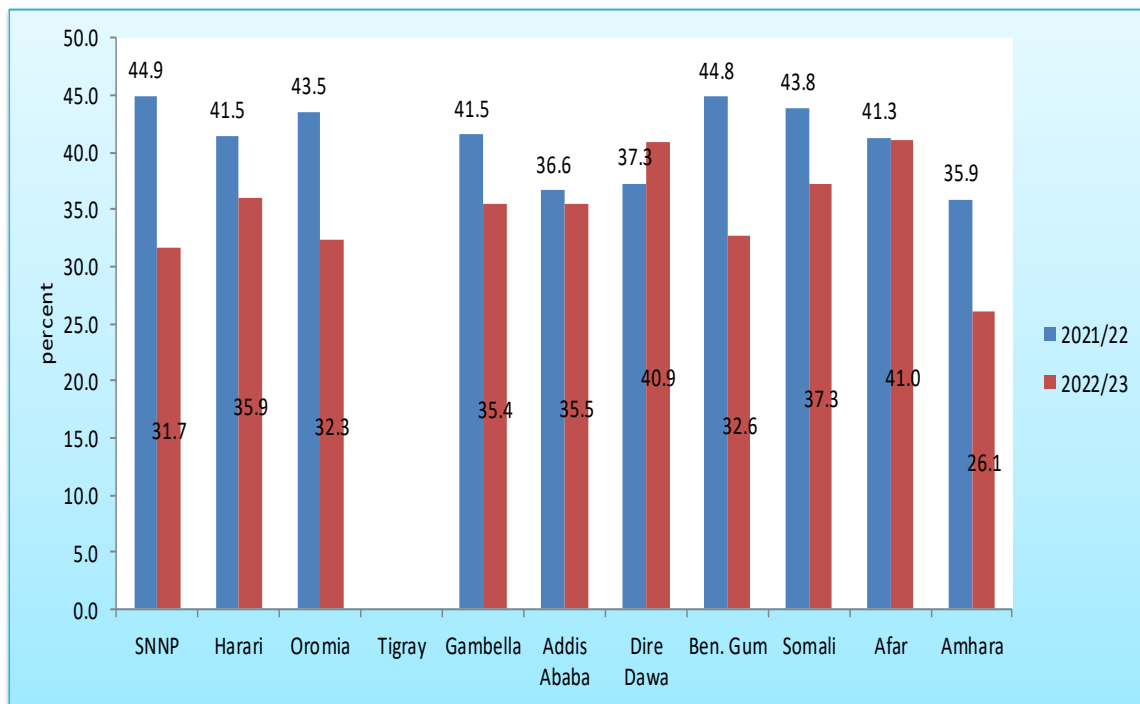


Source: ESS

The regional average food & non-alcoholic beverages inflation slowed down to 34.9 percent in 2022/23 from 41.1 percent last year. Food & non-alcoholic beverages inflation in Afar (41.0%), Dire Dawa(40.9%), Somali(37.3%), Harari(35.9%), Addis Ababa(35.5%) and Gambella(35.4%)

was higher than the regional average. The highest food & non-alcoholic beverages inflation was registered in Afar and Dire Dawa (41.0%) while the lowest was in Amhara(26.1%), depicting a 14.9 percentage point margin among the regions (Table 3.5).

Fig.3.4: Variation in Regional Annual Average Food & Non-alcoholic Beverages Inflation

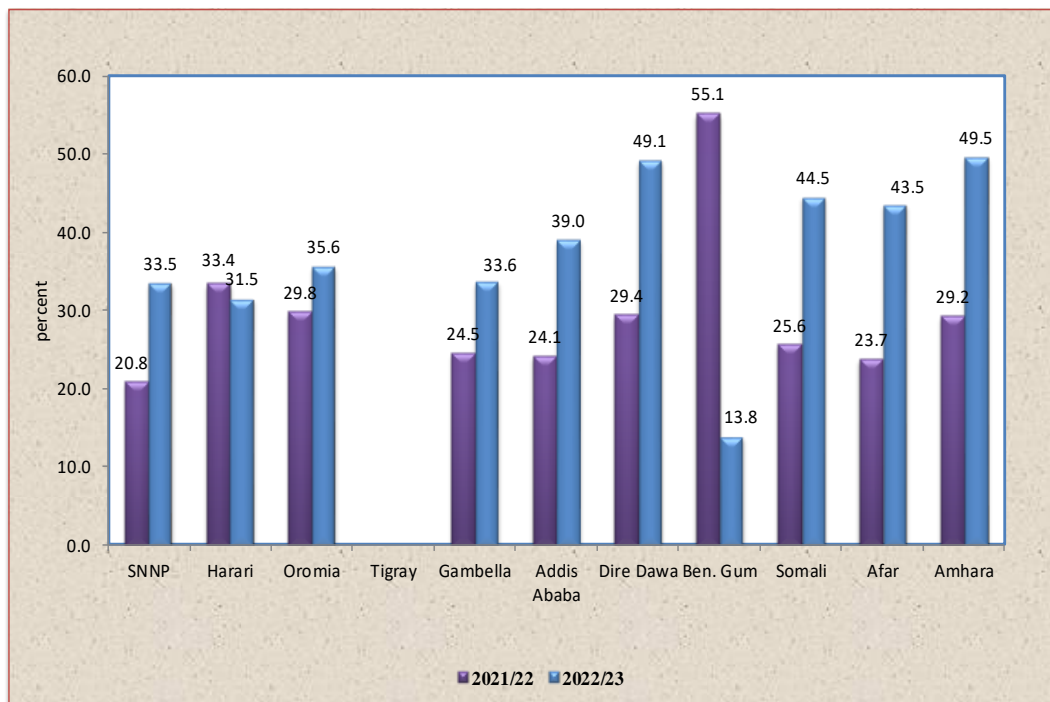


Source: ESS

During 2022/23, average regional non-food inflation increased to 37.4 percent from 29.6 percent in 2021/22. Amhara (49.5%), Dire Dawa(49.1%), Somali(44.5%), Addis Ababa (39.0%) and Afar (43.5%) recorded non-food inflation higher than the regional average.

The highest non-food inflation was recorded in Amhara (49.5%) and the lowest (13.8 %) in Benishangul Gumuz showing a 35.7 percentage point margin in the rate of non-food inflation among the regions (Table 3.5).

Fig.3.5: Variation in Regional Annual Average Non-food Inflation



Source: ESS

IV. MONETARY AND FINANCIAL DEVELOPMENTS

4.1 Monetary Developments and Policy

Maintaining price stability remains one of the key objectives of the NBE. Accordingly, NBE has been taking various monetary policy actions to stem inflation. Yet, inflation has shown minimal improvement and remained off target due to several internal and external factors.

Currently, the NBE has approved a three year strategic plan during which it aims to evolve from the current system of targeting monetary aggregates (typically reserve money) towards a price-based monetary policy regime.

4.1.1 Developments in Monetary Aggregate

Domestic liquidity, as measured by broad money supply (M2), reached Birr 2.2 trillion at the end of 2022/23 reflecting a 26.6 percent annual growth. This was mainly due to the 26.6 percent expansion in domestic credit offsetting the decline in external asset (net). The high growth in domestic credit was attributed to a 38.4 percent and 23.3 percent increase in both credit to the central government and credit to the non-central government, respectively (Table 4.2).

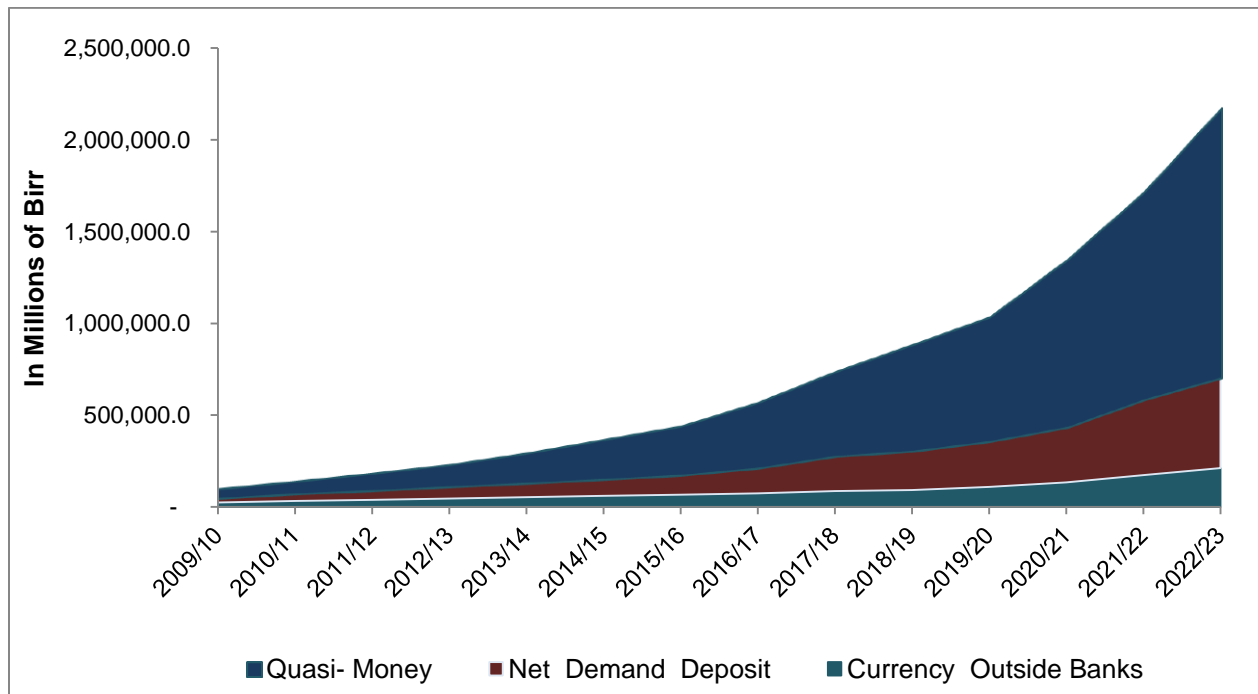
As for broad money growth, all of its components witnessed significant expansion where narrow money rose by 20.1 percent due to an increase in demand deposits and currency outside banks, reflecting improvements in money demand for transaction purposes. Similarly, quasi-money, that comprises savings and time deposits, increased 29.9 percent and reached Birr 1.46 trillion reflecting increased capacity of banks in deposit mobilization (Table 4.1).

Table 4.1: Components of Broad Money

(Value in millions of birr)

Particulars	Year Ended June 30				Annual Percentage Change			
	2019/20	2020/21	2021/22	2022/23	2019/20	2020/21	2021/22	2022/23
Narrow Money Supply	360,585.5	437,392.0	588,015.8	706,142.2	16.7	21.3	34.4	20.1
Currency Outside Banks	109,071.8	133,621.3	173,382.8	211,636.8	18.5	22.5	29.8	22.1
Demand Deposits (net)	251,513.7	303,770.7	414,633.0	494,505.4	15.9	20.8	36.5	19.3
Quasi-Money	677,060.8	910,874.2	1,127,294.2	1,464,706.2	17.2	34.5	23.8	29.9
Savings Deposits	589,174.1	816,380.3	1,016,048.8	1,315,260.4	20.9	38.6	24.5	29.4
Time Deposits	87,886.8	94,493.8	111,245.4	149,445.8	-2.9	7.5	17.7	34.3
Broad Money Supply	1,037,646.3	1,348,266.1	1,715,310.0	2,170,848.4	17.0	29.9	27.2	26.6

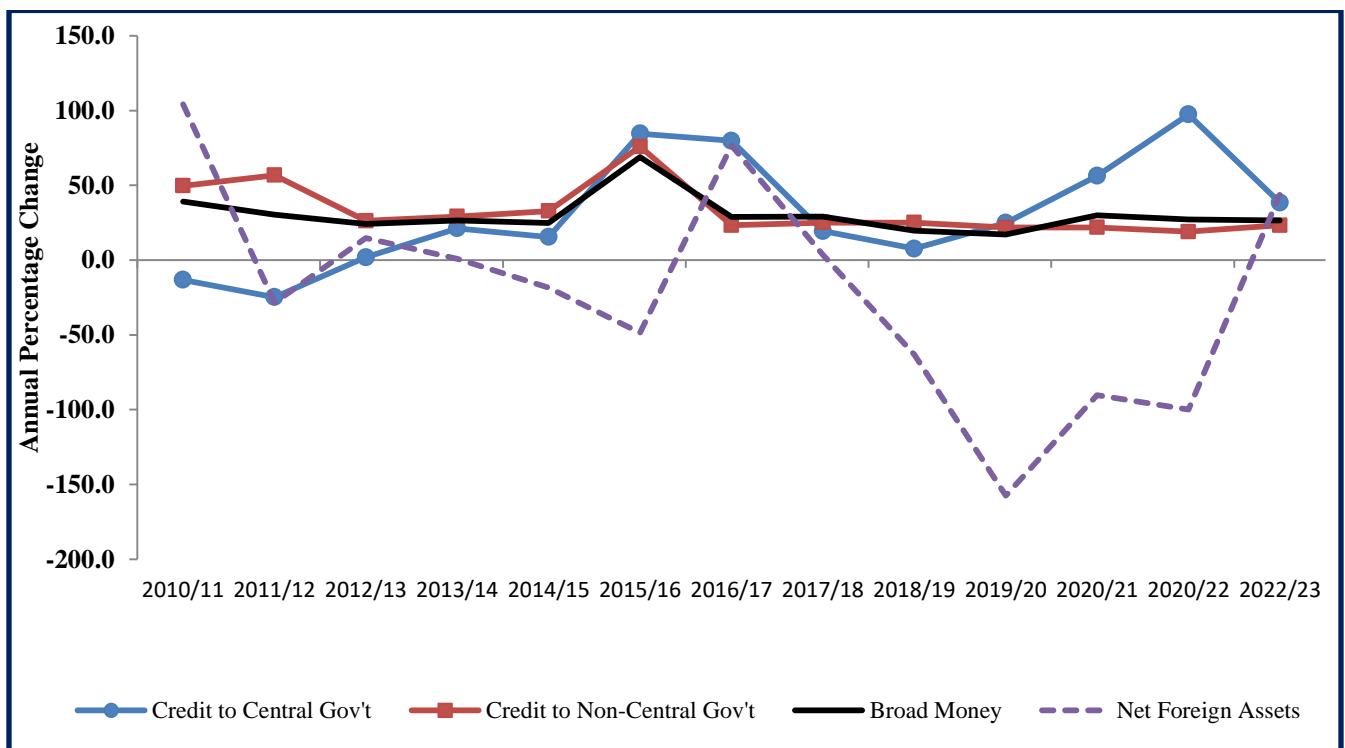
Source: NBE

Fig.V.1: Major Components of Broad Money

Source: NBE

Table 4.2: Factors Influencing Broad Money*(Value in millions of birr)*

Particulars	Year Ended June 30				Annual Percentage Change			
	2019/20	2020/21	2021/22	2022/23	2019/20	2020/21	2021/22	2022/23
External Assets (net)	-8,321.3	-812.3	-111,427.5	-160,097.7	-157.4	90.2	13,617.2	-43.7
Domestic Credit	1,176,926.4	1,481,844.4	1,930,621.8	2,444,435.5	22.1	25.9	30.3	26.6
Claims on Central Gov't (net)	137,082.9	214,269.2	421,213.7	585,441.9	24.8	56.3	96.6	38.4
Claims on Non-Central Gov't	1,039,843.5	1,267,575.3	1,509,408.1	1,858,993.6	21.8	21.9	19.1	23.3
Other Items (net)	130,957.8	132,766.0	103,884.2	113,489.4	43.2	1.4	-21.8	-9.2
Broad Money (M2)	1,037,646.3	1,348,266.1	1,715,310.0	2,170,848.4	17.0	29.9	27.2	26.6

*Source: NBE***Fig.IV.2: Major Determinants of Monetary Growth***Source: NBE*

4.1.2. Developments in Reserve Money and Monetary Ratios

Reserve money or base money also witnessed an annual expansion of 32.0 percent to reach Birr 478.5 billion during the review fiscal year. The reserve money growth was attributed to 45.3 percent surge in deposits of banks at NBE and 22.1 percent growth in currency in circulation. Excess reserves of commercial banks reached Birr 73.9 billion at the end of June 2022/23 compared with Birr 48.7 billion a year ago.

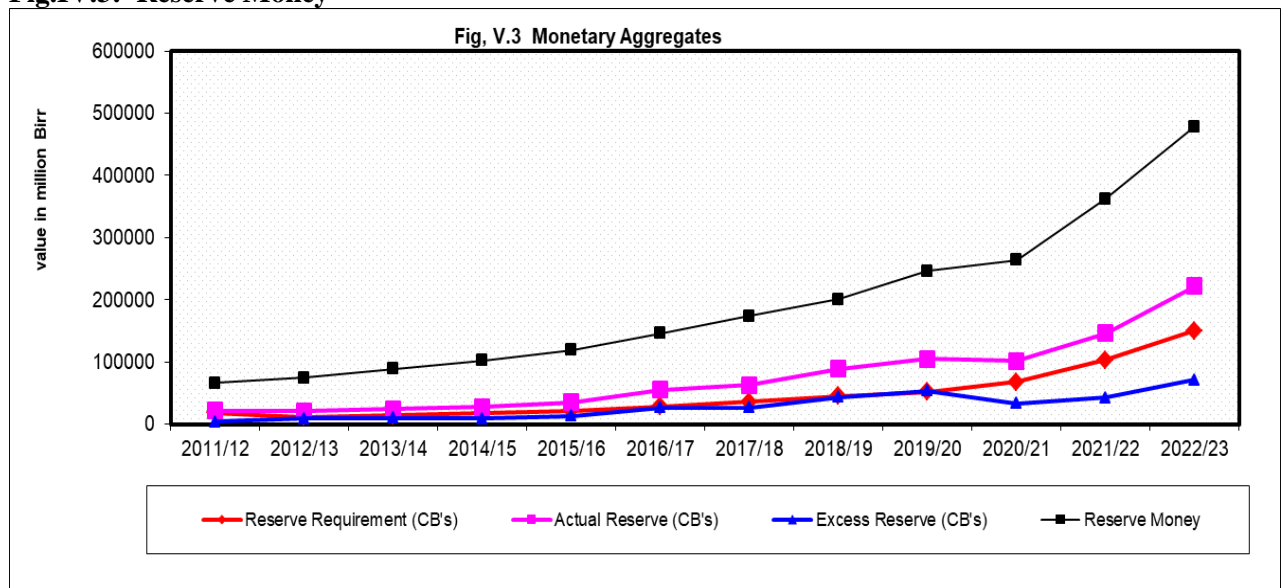
The ratio of broad money supply (M_2) to GDP⁵, an indicator of financial deepening, was 0.25, a slight decline from 0.28 last year same period, reflecting marginal weakening of financial liquidity and depth. The money multiplier, defined as the ratio of broad money to reserve money, declined to 4.7 from 4.5 a year ago implying that money was relatively created by the NBE rather than by commercial banks (Table 4.3).

⁵ The 2022/23 GDP is measured at current market price obtained from NPC estimate.

Table 4.3: Reserve Money and Monetary Ratios

Particulars	Year Ended June 30				Annual Percentage Change	
	2019/20	2020/21	2021/22	2022/23	2021/22	2022/23
Reserve Requirement (CB's)	51,952.6	61,720.9	119,022.6	147,931.4	92.8	24.3
Actual Reserve (CB's)	105,289.1	101,384.0	145,877.3	221,837.7	43.9	52.1
Excess Reserve (CB's)	53,336.5	39,663.1	26,854.7	73,906.3	-32.3	175.2
Reserve Money	246,545.4	264,301.8	362,498.7	478,471.7	37.2	32.0
. Currency in Circulation	140,521.1	163,709.1	208,211.3	254,316.1	27.2	22.1
. Bank Deposits	106,024.2	100,592.8	154,287.4	224,155.7	53.4	45.3
Money Multiplier (Ratio):						
. Narrow Money to Reserve Money	1.46	1.65	1.62	1.48	-2.0	-9.0
. Broad Money to Reserve Money	4.21	5.10	4.73	4.54	-7.2	-4.1
Other Monetary Ratios (%):						
. Currency to Narrow Money	30.25	30.55	29.49	29.97	-3.5	1.6
. Currency to Broad Money	10.51	9.91	10.11	9.75	2.0	-3.6
. Narrow Money to Broad Money	34.75	32.44	34.28	32.53	5.7	-5.1
. Quasi Money to Broad Money	65.25	67.56	65.72	67.47	-2.7	2.7
M2/GDP Ratio	0.31	0.31	0.28	0.25	-10.3	-10.7

Source: NBE

Fig.IV.3: Reserve Money

Source: NBE

4.2. Developments in Interest Rate

In 2022/23, both the minimum and maximum saving deposit interest rates remained unchanged at 7.0 and 9.0 percent, respectively. Subsequently, the average saving deposit and weighted average demand deposit rate stood at their preceding year level of 8.0 and 0.05 percent, respectively. The weighted average time

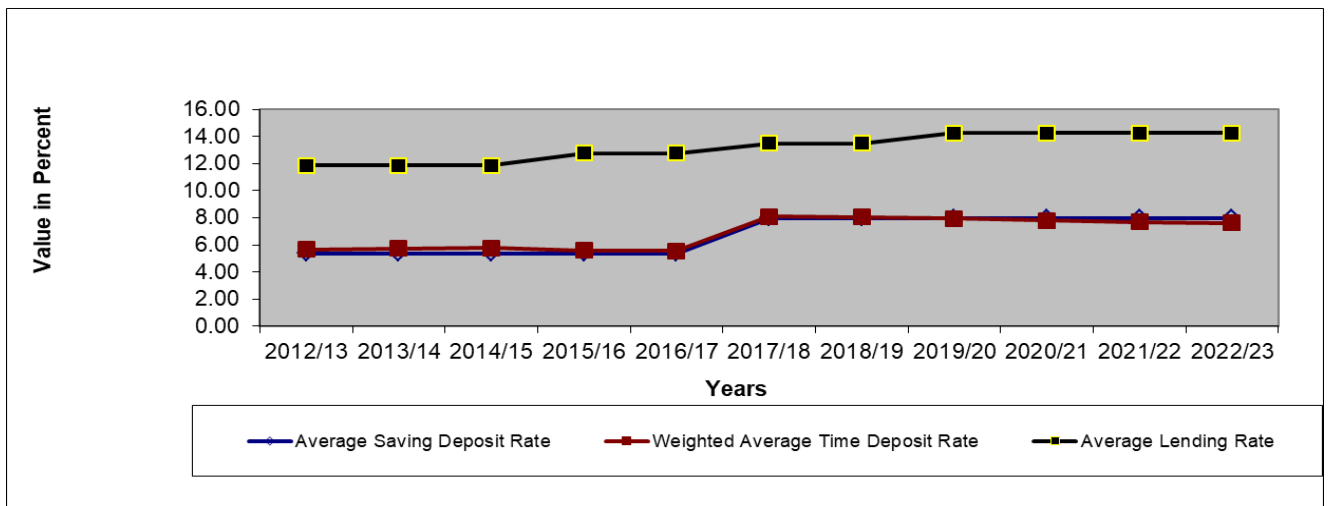
deposit rate, however, slightly declined to 7.61 percent from 7.70 percent a year earlier. The simple average lending interest rate was at 14.25 percent.

Accordingly, both the deposit and lending interest rates remained negative in real terms given 29.3 percent headline inflation during the review period (Table 4.4).

Table 4.4: Interest Rate Structure of Commercial Banks

(In percent per annum)

Rates	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1. Deposit Rate							
1.1 Savings Deposit (Simple Average)	5.38	5.38	8.0	8.0	8.0	8.0	8.00
Minimum	5.0	7.0	7.0	7.0	7.0	7.00	7.00
Maximum	5.75	9.0	9.0	9.0	9.0	9.00	9.00
1.2 Time deposit (Weighted Average)	5.54	8.09	8.07	7.94	7.8	7.70	7.61
Up to 1 year	5.43	8.05	8.02	7.88	7.75	7.66	7.57
1 -2 years	5.57	8.1	8.07	7.94	7.81	7.71	7.61
Over 2 years	5.63	8.13	8.11	7.99	7.83	7.75	7.65
1.3 Demand Deposit (Weighted Average)	0.04	0.04	0.04	0.04	0.04	0.04	0.05
2. Lending Rate (Average)	12.75	13.5	13.5	14.25	14.25	14.25	14.25
Minimum	7.5	7.00	7.00	7.00	7.00	7.00	7.00
Maximum	18.0	20.0	20.0	21.5	21.5	21.50	21.50
3. T-bills (Nominal)	1.42	1.42	1.74	4.54	7.97	9.46	9.71
4. Headline Inflation (Year-on-Year)	8.8	14.7	15.3	21.6	24.6	34.0	29.3
5. Real Rate of Interest on:							
5.1 Saving Deposit (1.1 - 4)	-3.43	-6.7	-7.28	-13.55	-16.6	-26.04	-21.30
5.2 Time Deposit (1.2 - 4)	-3.26	-6.61	-7.21	-13.62	-16.8	-26.34	-21.69
5.3 Lending (2 - 4)	3.95	-1.2	-1.78	-7.3	-10.35	-19.79	-15.05

Fig.IV.4: Interest Rate Structure of Commercial Banks

Source: NBE

4.3 Developments in Financial Sector

Banks, insurance and capital good finance companies and micro-finance institutions constituted the major financial institutions operating in Ethiopia. At the end of June 2022/23, the number of banks reached 31, insurance companies 18 micro finance institutions 47 and capital goods finance 6.

Banks opened 2,337 new branches in 2022/23, thereby raising the total number of branches to 11,281 from 8,944 a year ago. As a result, one bank branch serves about 9,514.3⁶ people. About 32.6 percent of the bank branches were located in Addis Ababa.

Major branch expansion was undertaken by Tseday Bank (364 branches), Siinqee Bank

(222 branches), Amahara Bank (178 branches), Cooperative Bank of Oromia (154 branches), Awash Bank (143 branches), Dashen Bank (140 branches), Bank of Abyssinia (128 branches) and Oromia Bank (101 branches). The share of private banks in total branch network rose to 80.0 percent from 76.1 percent last year (Table 4.5).

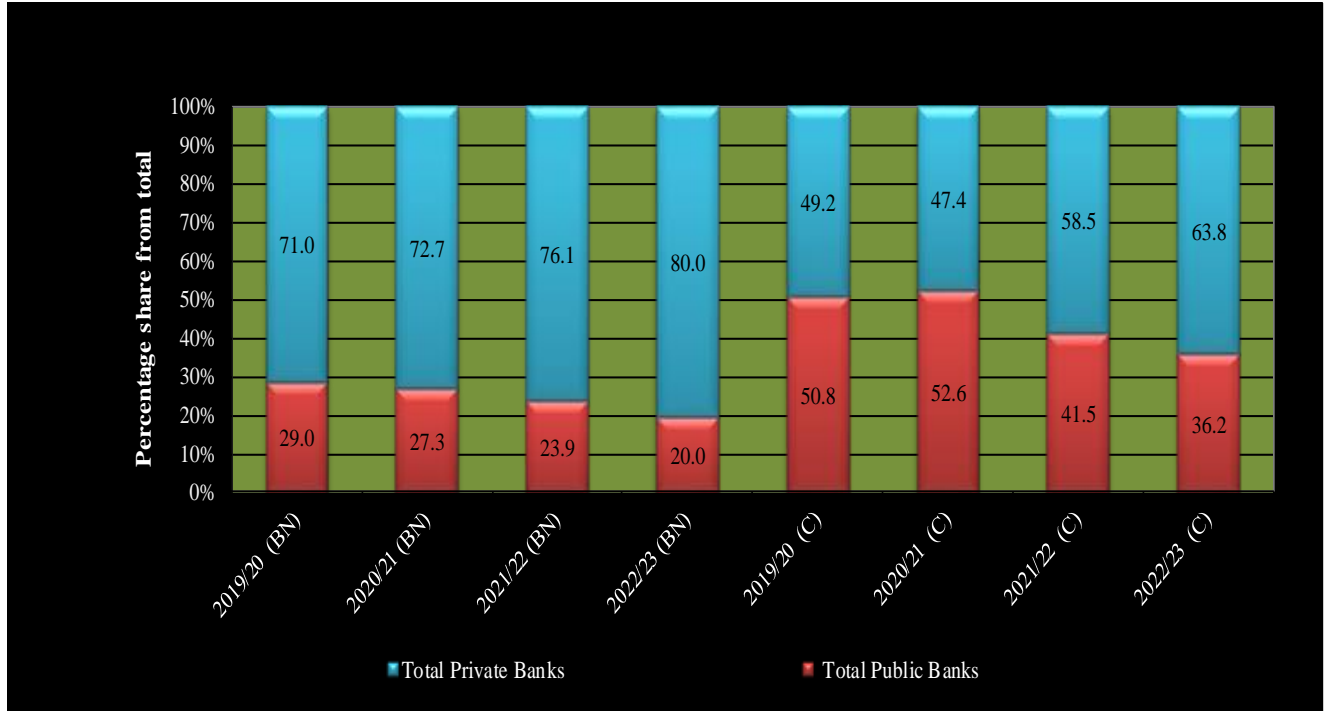
At the same time, total capital of the banking industry showed a 24 percent annual growth to reach Birr 246.7 billion (Table 4.5).

The branches of insurance companies increased to 741 following the opening of 51 new branches. About 56.4 percent of insurance branches were in Addis Ababa and 87.7 percent of the total branches were private. Their total capital increased by 22.6 percent to

⁶ Total population is 107,331,000 as CSA Estimation for 2023

Birr 16.4 billion, of which, the share of private insurance companies was 78.9 percent while that of the state-owned insurance company was 21.1 percent (Table 4.6).

Fig.IV.5: Branch Network and Capital of Banking System (2019/20-2022/23)



Source: Commercial Banks including DBE

Table.4.5: Branch Network and Capital of the Banking System at the Close of June 30, 2023*(Branch in Number and Capital in Millions of Birr)*

Banks	Branch Network								Capital			
	2021/22				2022/23				2021/22		2022/23	
	Regions	Addis Ababa	Total	% Share	Regions	Addis Ababa	Total	% Share	Total Capital	% Share	Total Capital	% Share
1. State owned Banks												
Commercial Bank of Ethiopia	1597	460	2057	23.0	1696.0	477.0	2173.0	19.3	52,387.8	26.3	58296.7	23.6
Development Bank of Ethiopia	77	6	83	0.9	77.0	6.0	83.0	0.7	30,115.9	15.1	30968.6	12.6
Total State owned Banks	1674	466	2140	23.9	1773.0	483.0	2256.0	20.0	82,503.7	41.5	89265.3	36.2
2. Private Banks												
Awash Bank	489.0	261.0	750.0	8.4	597.0	296.0	893.0	7.9	14,035.8	7.1	19729.3	8.0
Dashen Bank	512.0	209.0	721.0	8.1	566.0	295.0	861.0	7.6	9,676.8	4.9	15707.1	6.4
Bank of Abyssinia	530.0	273.0	803.0	9.0	602.0	329.0	931.0	8.3	9,898.6	5.0	14286.3	5.8
Wegagen Bank	271.0	149.0	420.0	4.7	282.0	154.0	436.0	3.9	5,252.9	2.6	5996.5	2.4
Hibret Bank	223.0	206.0	429.0	4.8	254.0	232.0	486.0	4.3	5,771.9	2.9	6568.1	2.7
Nib International Bank	214.0	223.0	437.0	4.9	227.0	234.0	461.0	4.1	6,484.4	3.3	8080.5	3.3
Cooperative Bank of Oromia	466.0	136.0	602.0	6.7	553.0	203.0	756.0	6.7	9,225.8	4.6	12217.8	5.0
Lion International Bank	204.0	88.0	292.0	3.3	205.0	94.0	299.0	2.7	3,332.9	1.7	3496.8	1.4
Oromia Bank	274.0	142.0	416.0	4.7	339.0	178.0	517.0	4.6	5,448.0	2.7	6980.5	2.8
Zemen Bank	29.0	53.0	82.0	0.9	37.0	64.0	101.0	0.9	4,739.8	2.4	6570.6	2.7
Buna Bank	215.0	159.0	374.0	4.2	301.0	171.0	472.0	4.2	3,969.1	2.0	5142.0	2.1
Berhan Bank	195.0	154.0	349.0	3.9	227.0	171.0	398.0	3.5	3,844.4	1.9	4329.7	1.8
Abay Bank	284.0	127.0	411.0	4.6	338.0	171.0	509.0	4.5	4,693.4	2.4	5960.3	2.4
Addis Interational Bank	49.0	70.0	119.0	1.3	62.0	72.0	134.0	1.2	1,711.5	0.9	2179.6	0.9
Debut Global Bank	62.0	73.0	135.0	1.5	70.0	84.0	154.0	1.4	1,840.4	0.9	2406.9	1.0
Enat Bank	54.0	52.0	106.0	1.2	88.0	65.0	153.0	1.4	2,261.4	1.1	3019.0	1.2
Hijra Bank	32.0	12.0	44.0	0.5	53.0	18.0	71.0	0.6	980.5	0.5	1274.8	0.5
Zamzam Bank	22.0	23.0	45.0	0.5	41.0	37.0	78.0	0.7	1,461.6	0.7	1753.4	0.7
Goh Betoeh Bank	1.0	3.0	4.0	0.0	4.0	4.0	8.0	0.1	780.0	0.4	1324.8	0.5
Siinqee Bank	132.0	2.0	134.0	1.5	292.0	64.0	356.0	3.2	7,124.6	3.6	7643.2	3.1
Tseday Bank	10.0	20.0	30.0	0.3	357.0	37.0	394.0	3.5	7,949.6	4.0	11330.7	4.6
Shebele Bank	0.0	0.0	0.0	0.0	19.0	4.0	23.0	0.2	525.9	0.3	609.6	0.2
Amahara Bank	73.0	28.0	101.0	1.1	166.0	113.0	279.0	2.5	5,526.0	2.8	5891.5	2.4
Ahadu Bank	0.0	0.0	0.0	0.0	32.0	44.0	76.0	0.7	-	-	672.6	0.3
Tsehay Bank	0.0	0.0	0.0	0.0	49.0	37.0	86.0	0.8	-	-	1087.8	0.4
Sidama Bank S.C	0.0	0.0	0.0	0.0	15.0	1.0	16.0	0.1	-	-	688.1	0.3
Omo Bank S.C	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	-	919.5	0.4
Gadaa Bank	0.0	0.0	0.0	0.0	44.0	18.0	62.0	0.5	-	-	943.0	0.4
Ramis Bank S.C	0.0	0.0	0.0	0.0	13.0	2.0	15.0	0.1	-	-	636.1	0.3
Total Private Banks	4,341	2,463	6,804.0	76.1	5,833.0	3,192.0	9,025.0	80.0	116,535.2	58.5	157,446.2	63.8
3. Grand Total Banks	6,015.0	2,929.0	8,944.0	100.0	7,606.0	3,675.0	11,281.0	100.0	199,038.9	100.0	246,711.5	100.0

Source: Commercial Banks & DBE

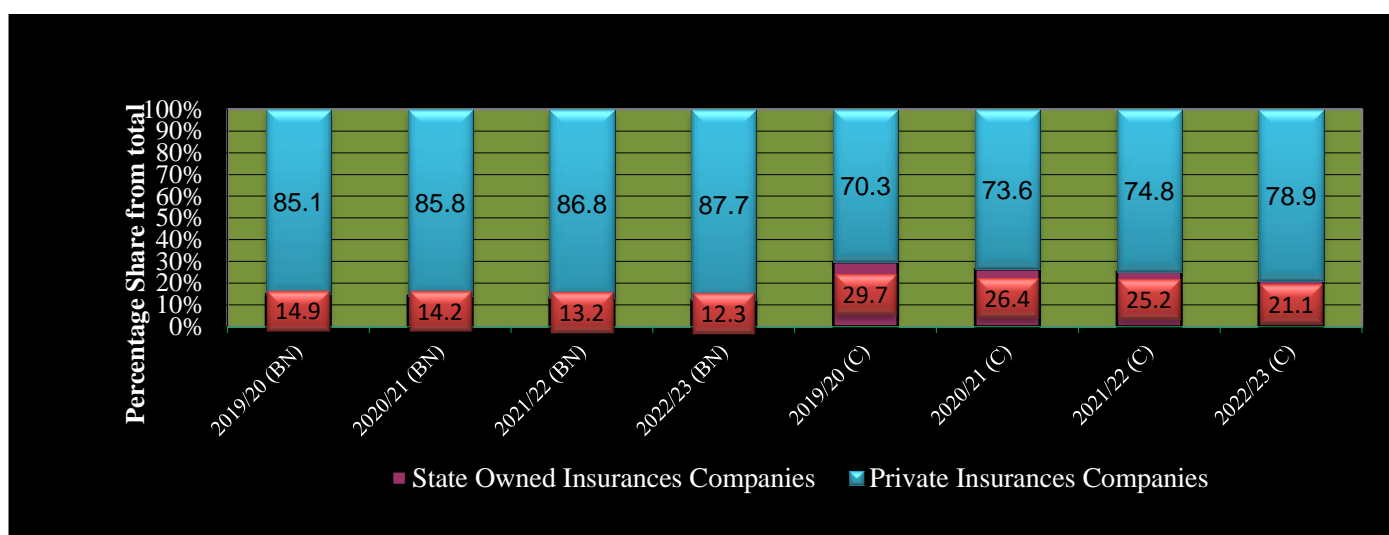
Table.4.6: Branch Network & Capital of Insurance Companies as at June 30, 2023

(Branch in Number and Capital in Millions of Birr)

No.	Insurance Companies	Branch						Capital		
		2021/22			2022/23			2021/22	2022/23	% Change
		A.A	Regions	Total	A.A	Regions	Total	A	B	B/A
1	Ethiopian Ins. Cor.	25	66	91	25	66	91	3,376	3,466	2.7
2	Awash Ins.Com.S.C.	30	26	56	32	27	59	1,898	2,553	34.5
3	Africa Ins.Com S.C.	18	14	32	20	15	35	410	435	6.1
4	National Ins. Co. of Eth.	22	17	39	25	17	42	296	359	21.3
5	United Ins.Com. S.C	30	13	43	34	16	50	797	1,363	71.0
6	Global Ins. Com.S.C	12	8	20	13	9	22	280	272	-2.9
7	Nile Ins.Com.S.C	33	24	57	35	24	59	940	1,242	32.1
8	Nyala Ins.Com.S.C	18	18	36	19	19	38	1,260	1,370	8.7
9	Nib Ins. Com.S.C	30	15	45	31	16	47	844	995	17.9
10	Lion Ins. Com.S.C	19	22	41	19	22	41	346	400	15.6
11	Ethio-Life Ins.Com.S.c	20	6	26	21	8	29	228	286	25.4
12	Oromia Ins.Com.S.c	25	25	50	27	28	55	972	1,350	38.9
13	Abay Insurance	16	15	31	21	16	37	516	675	30.8
14	Berhan insurance S.C	15	8	23	19	8	27	266	355	33.5
15	Tsehay Insurance S.C	22	10	32	24	10	34	378	489	29.4
16	Lucy Insurance	18	6	24	18	6	24	162	216	33.3
17	Bunna Insurance S.C.	17	12	29	19	13	32	255	374	46.7
18	Zemen Insurance S.C.	12	3	15	16	3	19	154	199	29.2
	Total	382	308	690	418	323	741	13,378.0	16,399.0	22.6

Source: Insurance Companies

Note: A.A=Addis Ababa

Fig.IV.6: Branch Network and Capital of Insurance Companies (2019/20-2022/23)

Source: Insurance Companies

By end of 2022/23, the number of micro-finance institutions (MFIs) reached 47. The total capital of microfinance institutions decreased by 20.5 percent due to the transformation of some of the micro-finance institutions into a bank while their total asset increased by 18 percent (Birr 54.4 billion)

At the same time, their deposit mobilization and credit facility also expanded remarkably. Compared to last year, their deposit went up by 28.8 percent and reached Birr 27.9 billion while their outstanding credit increased by 23.7 percent to Birr 39.2 billion indicating their expanded outreach (Table 4.7).

Table 4.7: Microfinance Institutions Performance as of June 30, 2023

(In thousands of birr)

Particulars	2021/22	2022/23	% Change
	A	B	C= B/A
Total Capital	12,079,853.6	9,597,910.0	-20.5
Saving	21,670,882.0	27,903,518.7	28.8
Credit	31,654,784.3	39,171,342.4	23.7
Total Assets	46,129,535.9	54,445,035.9	18.0

Source: MFIs

4.3.1 Resource Mobilization

Total resources mobilized by the banking system in the form of deposit, borrowing and loan collection increased by 41.1 percent and reached Birr 884.3 billion at the end of 2022/23 (Table 4.8).

Aided by remarkable branch expansion, deposit liabilities of the banking system topped Birr 2.2 trillion, reflecting 27 percent annual growth whereby saving deposits increased by 30.1 percent, demand deposit by 20.6 percent and time deposit by 30.8 percent. Of the total deposits, saving deposits accounted for 61.1 percent, demand deposits 31.7

percent and time deposit 7.2 percent (Table 4.9).

The share of private banks in total deposit mobilization increased to 51.2 partly due to the opening of 2,337 new branches. CBE alone mobilized 48.7 percent of the total deposits due to its extensive branch network.

Raising funds through borrowing by the banking system remained insignificant as most of the banks were sufficiently liquid due to increased deposit mobilization and collection of loans. Their total outstanding borrowing stood at Birr

108.9 billion up from Birr 86.1 billion a year earlier due to borrowing by Development Bank of Ethiopia (DBE). Of the total borrowing, domestic sources accounted for 75.8 percent and foreign sources 24.2 percent. Its net borrowing was Birr 22.8 billion (Table 4.8 & 4.9).

Moreover, banks collected Birr 401.0 billion in 2022/23, showing a 45 percent annual increment. Private banks collected 64.6 percent of the loans during the review period (Table 4.8).

Table 4.8: Annual Resource Mobilization & Disbursing Activities of Commercial Banks and DBE (Specialized Bank) as at June 30, 2023

(In Millions of Birr)

Particulars	2020/21			2021/22			2022/23			Percent Change	
	Public Banks	Private Banks	Total (A)	Public Banks	Private Banks	Total (B)	Public Banks	Private Banks	Total (C)	C/A	C/B
1. Deposits (net change)	139,813.4	175,598.7	315,412.0	154,697.8	193,509.4	348,207.2	164,146.8	296,342.8	460,489.6	46.0	32.2
Demand	27,982.7	55,519.9	83,502.5	62,313.4	66,215.7	128,529.0	45,059.5	72,075.4	117,135.0	40.3	(8.9)
Savings	115,460.6	112,694.2	228,154.8	86,809.4	112,483.4	199,292.8	117,549.8	188,920.5	306,470.4	34.3	53.8
Time	(3,629.9)	7,384.6	3,754.7	5,575.0	14,810.4	20,385.4	1,537.4	35,346.9	36,884.3	882.4	80.9
2. Borrowing (net change)	3,739.4	-	3,739.4	1,890.8	-	1,890.8	22,788.9	-	22,788.9	509.4	1,105.3
Local	49.4	-	49.4	(2,010.0)	-	(2,010.0)	16,053.3	-	16,053.3	32,383.2	698.7
Foreign	3,690.0	-	3,690.0	3,900.8	-	3,900.8	6,735.5	-	6,735.5	82.5	72.7
3. Collection of Loans	63,548.9	122,451.5	186,000.4	72,697.6	203,782.5	276,480.1	142,098.0	258,905.5	401,003.4	115.6	45.0
4. Total Resources Mobilized	207,101.7	298,050.2	505,151.9	229,286.2	397,291.9	626,578.1	329,033.6	555,248.3	884,282.0	75.1	41.1
5. Disbursement	121,322.2	208,128.8	329,451.0	129,141.5	298,767.5	427,909.0	160,127.0	387,549.7	547,676.7	66.2	28.0
6. Change in Liquidity (4-5)	85,779.5	89,921.4	175,700.9	100,144.7	98,524.4	198,669.1	168,906.7	167,698.6	336,605.3	91.6	69.4
Memorandum Item:										-	
7. Outstanding Credit	763,657.4	519,626.4	1,283,283.8	700,732.7	889,630.3	1,590,362.9	948,485.2	1,002,084.6	1,950,569.8	52.0	22.6

Source: Commercial Banks & DBE

Table 4.9: Deposits and Borrowings of Commercial Banks and Specialized Bank as at June 30, 2023

(In Millions of Birr)

Particulars	2020/21	2021/22	2022/23	% Change	
	A	B	C	D=B/A	E=C/B
A. Deposits					
-Demand	439,831.1	568,360.2	685,495.1	29.2	20.6
-Savings	817,619.8	1,016,912.6	1,323,382.9	24.4	30.1
-Time	99,371.4	119,756.8	156,641.1	20.5	30.8
Total	1,356,822.3	1,705,029.5	2,165,519.2	25.7	27.0
B. Borrowings					
-Local	68,466.3	66,456.3	82,509.6	-2.9	24.2
-Foreign	15,716.0	19,616.8	26,352.3	24.8	34.3
Total	84,182.3	86,073.1	108,862.0	2.2	26.5

Source: Commercial Banks & DBE

Table 4.10: Loans and Advances by Lenders

(In Millions of Birr)

Lenders	2021/22			2022/23			Percentage Change		
	D*	C*	O/S*	D*	C*	O/S*	D/A	E/B	F/C
	A	B	C	D	E	F			
A. Public Banks									
1. Commercial Bank of Ethiopia	175,386.38	112,382.64	789,481.07	140,823.73	128,616.86	876,079.80	-19.7	14.4	11.0
2. Development Bank of Ethiopia	10,505.01	10,851.38	58,174.17	19,303.24	13,481.10	72,405.38	83.8	24.2	24.5
Sub-Total	185,891.4	123,234.0	847,655.2	160,127.0	142,098.0	948,485.2	-13.9	15.3	11.9
B. Private Banks									
Awash Bank	47287.9	22243.9	129217.1	58915.0	36847.5	160987.1	24.6	65.7	24.6
Dashen Bank	25152.2	20048.5	76071.8	45781.2	39029.2	101964.6	82.0	94.7	34.0
Bank of Abyssinia	36148.3	15924.5	113942.8	39865.5	21631.1	147990.9	10.3	35.8	29.9
Wegagen Bank	5003.8	5944.8	30476.0	12661.8	9662.2	39661.5	153.0	62.5	30.1
United Bank	13391.5	12291.5	43881.3	19356.1	17767.0	60255.1	44.5	44.5	37.3
Nib International Bank	10929.2	8616.0	39406.3	21412.1	10778.2	54181.9	95.9	25.1	37.5
Cooperatives Bank of Oromia	37607.9	18781.7	84255.9	30994.9	28337.2	102048.3	-17.6	50.9	21.1
Lion International Bank	1068.7	1935.5	25195.6	2255.0	2824.0	28372.9	111.0	45.9	12.6
Zemen Bank	8061.2	5500.7	21412.5	13555.3	8004.1	31825.6	68.2	45.5	48.6
Oromia Bank	10170.0	8526.6	32183.1	14718.1	12834.2	42674.6	44.7	50.5	32.6
Berhan Bank	8152.1	6720.7	21829.8	12089.3	10660.4	28478.3	48.3	58.6	30.5
Buna International Bank	7045.6	5454.6	25069.0	11340.1	5216.8	34633.7	61.0	-4.4	38.2
Abay Bank	11136.1	5562.2	26296.3	13468.0	7140.6	35584.2	20.9	28.4	35.3
Addis International Bank	1149.9	1179.3	6143.0	1378.0	1641.5	7592.1	19.8	39.2	23.6
Debab Global Bank	2555.8	4711.3	9598.2	4508.9	3465.0	13998.1	76.4	-26.5	45.8
Enat Bank	1689.8	1905.2	11443.1	4400.2	4030.3	15368.2	160.4	111.5	34.3
ZemZem Bank	1431.0	15.3	691.6	7696.7	1744.5	3617.9	437.8	11282.6	423.1
Hijira Bank	654.1	4.9	374.6	7249.5	647.2	3013.7	1008.4	13097.1	704.6
Goh Betoeh Bank	302.9	9.5	298.5	1050.4	188.7	1318.6	246.8	1878.3	341.7
Tseday Bank	9767.3	6813.0	26880.4	32760.1	24110.1	37174.9	235.4	253.9	38.3
Shebelle Bank	67.9	56.7	1939.6	387.4	396.9	1934.3	470.8	600.5	-0.3
Siinqee Bank	3244.6	999.7	16101.4	12342.4	7717.2	24019.4	280.4	672.0	49.2
Amhara Bank	0.0	0.0	0.0	13273.0	1146.1	15201.0	0.0	0.0	0.0
Sidama Bank	0.0	0.0	0.0	425.9	384.9	550.6	0.0	0.0	0.0
Omo Bank	0.0	0.0	0.0	2799.7	2630.0	6807.8	0.0	0.0	0.0
Tsehay Bank	0.0	0.0	0.0	1102.4	32.3	1063.9	0.0	0.0	0.0
Ahadu Bank	0.0	0.0	0.0	896.0	18.5	899.0	0.0	0.0	0.0
Gadaa Bank	0.0	0.0	0.0	867.1	19.6	866.3	0.0	0.0	0.0
Sub-Total	242,017.6	153,246.1	742,707.7	387,549.7	258,905.5	1,002,084.6	60.1	68.9	34.9
Grand Total	427,909.0	276,480.1	1,590,362.9	547,676.7	401,003.4	1,950,569.8	28.0	45.0	22.6

Source: Commercial Banks

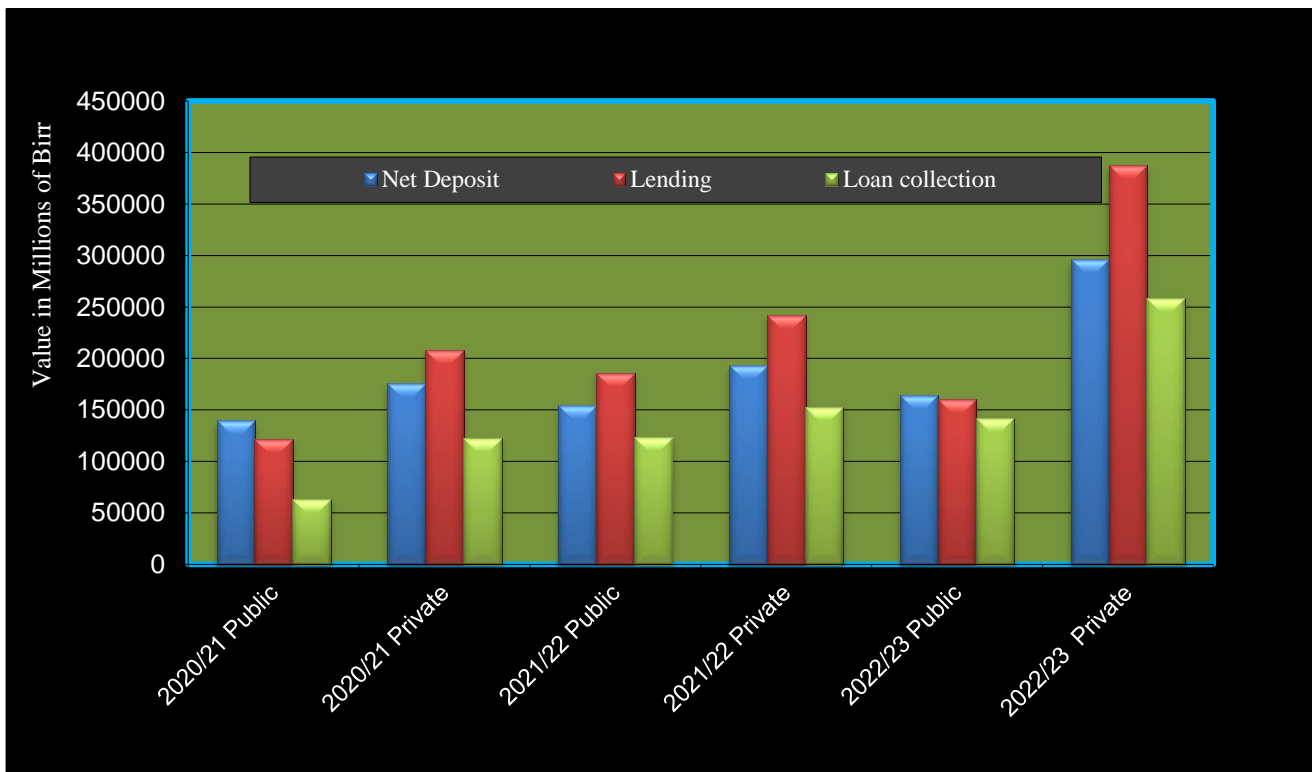
D*=Disbursement, C*=Collection, O/S*= Outstanding Credit

4.3.2 New Lending Activities

Commercial banks and Development Bank of Ethiopia (DBE) disbursed Birr 547 billion in fresh loans which was 28.0 percent higher than a year ago (Table 4.10). Of the total new loans, about 70.8 percent was provided by private banks and 29.2 percent by the two state owned banks (i.e. CBE and DBE) (Table 4.11).

Sector wise, the share of international trade in the new disbursed loan was (20.8 percent) followed by domestic trade (18.3 percent), agriculture (13.9 percent), consumer & staff loan (12.9 percent), manufacturing (12.1 percent), building & construction (8.2 percent), and the others.

Fig.IV.7: Development in Net Deposit, Lending and Loan Collection Activities of the Banking System (2020/21-2022/23)



Source: Commercial Banks and DBE

Table 4.11: Percentage Share of Loans and Advances by Lenders

Lenders	2021/22			2022/23			Percentage Change		
	D*	C*	O/S*	D*	C*	O/S*	D/A	E/B	F/C
	A	B	C	D	E	F			
A.Public Banks									
1.Commercial Bank of Ethiopia	41.0	40.6	49.6	25.7	32.1	44.9	(37.3)	(21.1)	(9.5)
2.Development Bank of Ethiopia	2.5	3.9	3.7	3.5	3.4	3.7	43.6	(14.3)	1.5
Sub-Total	43.4	44.6	53.3	29.2	35.4	48.6	(32.7)	(20.5)	(8.8)
B.Private Banks									
Awash Bank	11.1	8.0	8.1	10.8	9.2	8.3	(2.7)	14.2	1.6
Dashen Bank	5.9	7.3	4.8	8.4	9.7	5.2	42.2	34.2	9.3
Bank of Abyssinia	8.4	5.8	7.2	7.3	5.4	7.6	(13.8)	(6.3)	5.9
Wegagen Bank	1.2	2.2	1.9	2.3	2.4	2.0	97.7	12.1	6.1
United Bank	3.1	4.4	2.8	3.5	4.4	3.1	12.9	(0.3)	12.0
Nib International Bank	2.6	3.1	2.5	3.9	2.7	2.8	53.1	(13.8)	12.1
Cooperatives Bank of Oromia	8.8	6.8	5.3	5.7	7.1	5.2	(35.6)	4.0	(1.2)
Lion International Bank	0.2	0.7	1.6	0.4	0.7	1.5	64.9	0.6	(8.2)
Zemen Bank	1.9	2.0	1.3	2.5	2.0	1.6	31.4	0.3	21.2
Oromia Bank	2.4	3.1	2.0	2.7	3.2	2.2	13.1	3.8	8.1
Berhan Bank	1.9	2.4	1.4	2.2	2.7	1.5	15.9	9.4	6.4
Buna International Bank	1.6	2.0	1.6	2.1	1.3	1.8	25.8	(34.1)	12.6
Abay Bank	2.6	2.0	1.7	2.5	1.8	1.8	(5.5)	(11.5)	10.3
Addis International Bank	0.3	0.4	0.4	0.3	0.4	0.4	(6.4)	(4.0)	0.8
Debub Global Bank	0.6	1.7	0.6	0.8	0.9	0.7	37.8	(49.3)	18.9
Enat Bank	0.4	0.7	0.7	0.8	1.0	0.8	103.5	45.9	9.5
ZemZem Bank	0.3	0.0	0.0	1.4	0.4	0.2	320.2	7,747.9	326.5
Hijira Bank	0.2	0.0	0.0	1.3	0.2	0.2	766.0	8,999.0	556.0
Goh Betoeh Bank	0.1	0.0	0.0	0.2	0.0	0.1	171.0	1,264.0	260.2
Tseday Bank	2.3	2.5	1.7	6.0	6.0	1.9	162.1	144.0	12.8
Shebelle Bank	0.0	0.0	0.1	0.1	0.1	0.1	346.0	383.0	(18.7)
Sinqee Bank	0.8	0.4	1.0	2.3	1.9	1.2	197.2	432.2	21.6
Amhara Bank	-	-	-	2.4	0.3	0.8	-	-	-
Sidama Bank	-	-	-	0.1	0.1	0.0	-	-	-
Omo Bank	-	-	-	0.5	0.7	0.3	-	-	-
Tsehay Bank	-	-	-	0.2	0.0	0.1	-	-	-
Ahadu Bank	-	-	-	0.2	0.0	0.0	-	-	-
Gadaa Bank	-	-	-	0.2	0.0	0.0	-	-	-
Sub-Total	56.6	55.4	46.7	70.8	64.6	51.4	25.1	16.5	10.0
Grand Total	100.0	100.0	100.0	100.0	100.0	100.0		-	-

Source: Commercial Banks

D*=-Disbursement, C*=-Collection, O/S*=- Outstanding Credit

4.3.3 Outstanding Loans

Outstanding credit of the banking system (including corporate bond) increased by 22.6 percent and reached Birr 1.95 trillion at the end of June, 2023. About 18.0 percent of the outstanding loan went to manufacturing, followed by international

trade (15.6 percent), domestic trade (12.3 percent), mines, power and water resources (10.9 percent), building construction (9.1 percent), consumer and staff loan (7.1 percent), agriculture (4.8 percent) and others (Table 4.12).

The share of private sector in outstanding credit was Birr 1,203.3 billion (or 61.7 percent) reflecting a 22.6 percent year-on-year growth (Table 4.13).

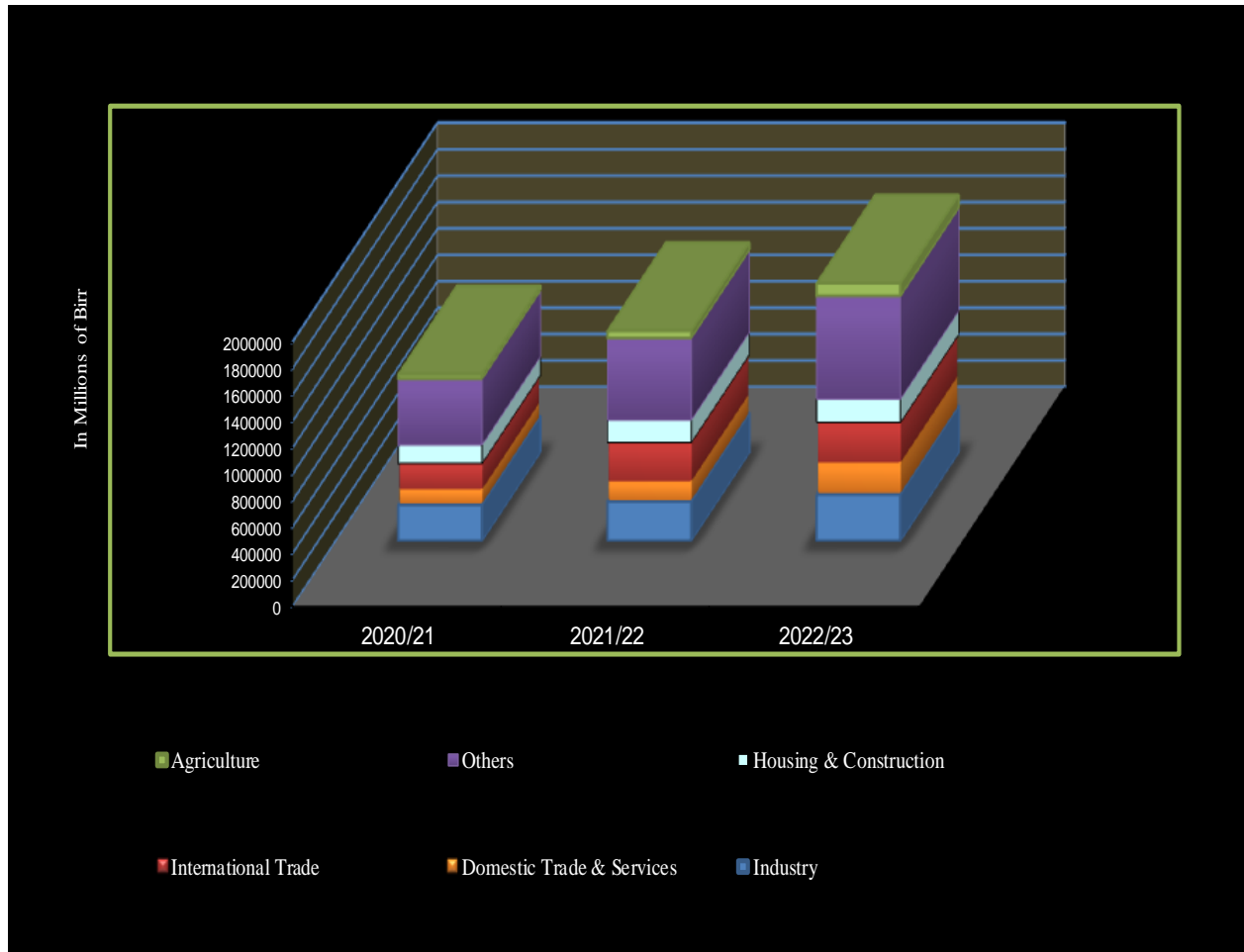
Table 4.12: Loans & Advances by Economic Sectors*(In Millions of Birr)*

Economic Sectors	2021/22			2022/23			Percentage Change		
	D*	C*	O/S*	D*	C*	O/S*	D*	C*	O/S*
	A	B	C	D	E	F	D/A	E/B	F/C
Agriculture	21,374.6	25,087.5	52,002.7	75,885.3	77,174.5	93,402.0	255.0	207.6	79.6
Manufacturing	52,097.8	61,864.1	297,560.2	66,382.8	49,664.2	351,511.4	27.4	(19.7)	18.1
Domestic Trade	61,303.6	41,204.5	151,615.5	100,111.9	68,726.3	239,715.1	63.3	66.8	58.1
International Trade	136,302.2	80,160.8	294,692.1	113,940.8	91,200.6	304,752.6	(16.4)	13.8	3.4
Export	65,926.1	41,650.1	176,404.1	85,650.6	62,984.0	205,423.2	29.9	51.2	16.5
Import	70,376.1	38,510.8	118,288.0	28,290.2	28,216.7	99,329.5	(59.8)	(26.7)	(16.0)
Hotels and Tourism	4,569.8	5,891.3	29,814.9	10,963.0	8,145.7	37,883.9	139.9	38.3	27.1
Building and Construction	33,597.5	22,277.5	170,072.4	44,987.3	40,819.1	176,836.0	33.9	83.2	4.0
Mines, Power and Water resources	40,694.9	3,697.1	359,757.9	15,885.5	1,129.1	212,413.5	(61.0)	(69.5)	(41.0)
Financial Institutions	5,136.4	1,920.2	8,820.4	7,186.0	5,112.2	12,917.1	39.9	166.2	46.4
Transport and Communication	28,651.5	5,622.9	112,755.1	22,527.7	9,083.3	31,402.2	(21.4)	61.5	(72.2)
Health and Education	1,041.8	449.1	2,781.7	2,153.0	1,064.0	4,292.4	106.7	136.9	54.3
Consumer and Staff Loans	34,568.6	19,795.3	91,334.9	70,663.0	29,010.4	138,265.5	104.4	46.6	51.4
Other Sectors	8,570.3	8,509.8	19,155.1	16,990.3	19,874.1	347,178.1	98.2	133.5	1,712.5
Total	427,909.0	276,480.1	1,590,362.9	547,676.7	401,003.4	1,950,569.8	28.0	45.0	22.6

Source: Commercial Banks & DBE

D*=Disbursement, C*=Collection, O/S*= Outstanding Credit

Fig.IV.8: Sectorial Breakdown of Bank Credit (2020/21-2022/23)



Source: Commercial Banks including DBE

Table 4.13: Loans and Advances by Borrowers

(In Millions of Birr)

Borrowing Sector	2019/20		2020/21		2021/22		2022/23			Percentage change	
	O/S*		O/S*		O/S*		D*	C*	O/S*		
	A		B		C		E	F	G	G/B	G/C
Corporate Bond	405,235.4	444,871.7	502,578.4	27,103.0	25,095.9	567,138.3	27.5	12.8			
Public Enterprises	547,616.6	612,774.3	700,732.7	75,801.5	83,984.7	747,220.6	21.9	6.6			
Cooperatives	19,891.0	29,129.8	21,398.8	9,751.2	8,475.0	21,148.1	-27.4	-1.2			
Private & Individuals	464,695.4	641,379.7	868,231.5	462,124.0	308,543.7	1,182,201.1	84.3	36.2			
Total	1,032,203.0	1,283,283.8	1,590,362.9	547,676.7	401,003.4	1,950,569.8	52.0	22.6			

4.4. Financial Activities of NBE

As of June 2023, gross claims of NBE on the central government reached Birr 564.0 billion which was 57.8 percent higher than a year earlier. Of the total credit to the central government, bond accounted for 77.0 percent and direct advance 23.0 percent.

On the liability side, total deposits at NBE surged by 43.8 percent and stood at Birr 266.9 billion due to the increase in 45.2 percent deposit by financial institutions (Table 4.14).

Similarly, NBE's outstanding claim on DBE remained at Birr 44.8 billion.

Table 4.14: Financial Activities of National Bank of Ethiopia

(In Millions of Birr)

Particulars	2020/21	2021/22	2022/23	% Change	
	A	B	C	B/A	C/B
Loans and Advances (1+2)	338,505.3	402,249.8	608,814.3	18.8	51.4
1. Claims on Central Gov't	281,862.6	357,427.1	563,991.5	26.8	57.8
1.1 Direct Advance	83,500.0	159,500.0	130,000.0	91.0	-18.5
1.2 Bonds	198,362.6	197,927.1	433,991.5	-0.2	119.3
2. Claims on DBE	56,642.7	44,822.7	44,822.7	-20.9	0.0
3. Deposit Liabilities	137,565.9	185,675.5	266,929.9	35.0	43.8
3.1 Government	36,843.5	31,210.8	42,691.6	-15.3	36.8
3.2 Financial Institutions	100,722.4	154,464.7	224,238.3	53.4	45.2

Source: NBE

4.5 Developments in Financial Markets

In the absence of secondary market in Ethiopia, government bonds were occasionally issued to finance government expenditures and/or to absorb excess liquidity in the banking system. Similarly, Treasury bills were auctioned regularly on bi-weekly basis. Banks also buy T-bonds based on their new monthly loan disbursements.

4.5.1. Treasury Bills Market

In 2022/23, T-bills supplied to the bi-weekly auction amounted to Birr 1.3 Billion reflecting a 48.9 percent annual increment. At the same time, the demand for T-bills decreased by 0.7 percent to Birr 595.2 billion indicating that the market was undersubscribed by Birr 682.8 billion (53.4 percent). Meanwhile, the amount of T-bills sold reached Birr 576.1 billion of which T-bills worth Birr 317.8 billion were bought by banks and Birr 236 billion by non-bank institutions.

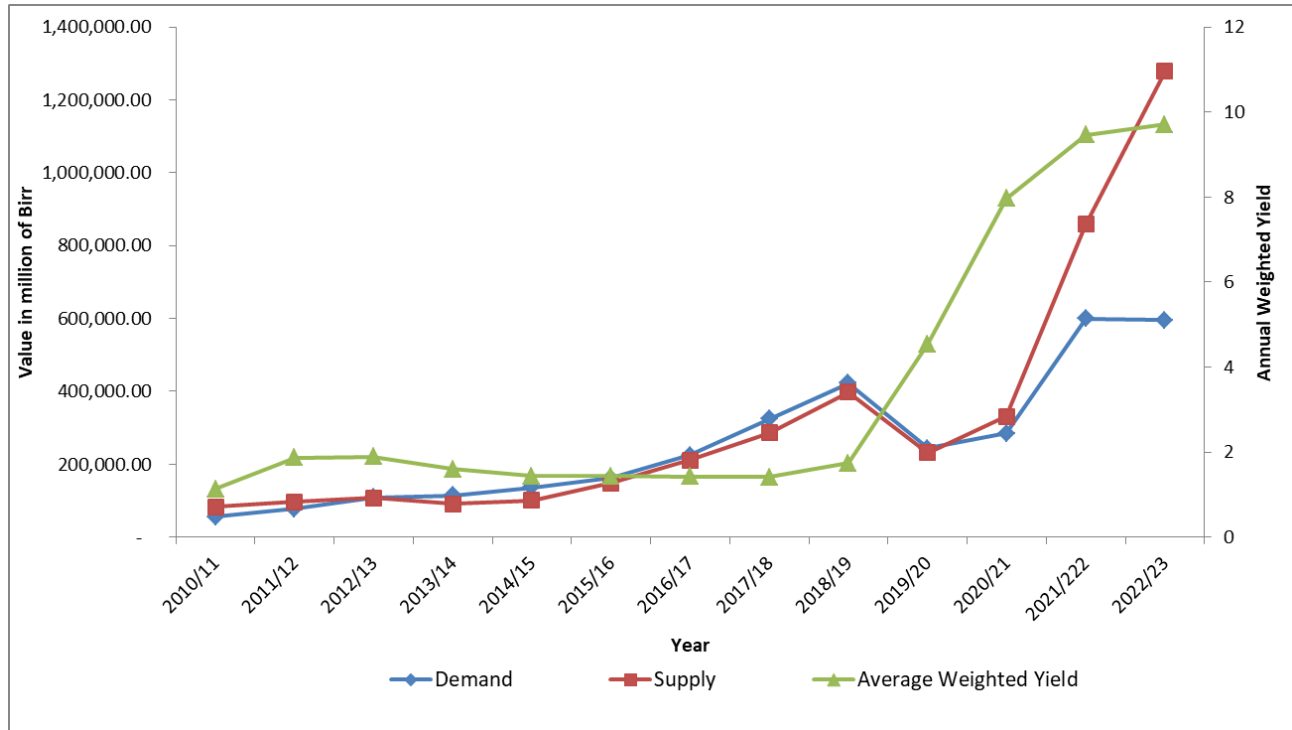
Birr 22.3 billion (net of redemption) was mobilized for government financing from the T-bills sale during the fiscal year.

Thus, total outstanding T-bills rose 7.8 percent and stood at Birr 341.9 billion, of which, banks accounted for Birr 146.6 billion (42.9 %) and nonbank institutions Birr 195.3 billion (57.1%) (Table 4.15). The average weighted T-bills yield increased to 9.704 percent from 9.459 percent, depicting a 2.6 percent annual growth (Table 4.15). The highest yield (10.354 percent) was recorded for 91-day T-bills and the lowest (9.416 percent) for 364-day T-bills.

Table 4.15: Results of Annual Treasury Bills Auction

Particulars	2020/21		2021/22		2022/23		Percentage Change	
	A		B		C		C/A	C/B
Number of Bidders	403.00		586.00		634.00		57.32	8.19
Amount Demanded (Mn.Birr)	284,783.550		599,478.625		595,231.335		109.01	(0.71)
28-day bill	41,148.6		67,664.8		77,059.0		87.27	13.88
91-day bill	136,590.3		187,382.6		138,331.1		1.27	(26.18)
182-day bill	72,176.3		147,606.1		171,949.9		138.24	16.49
364-day bill	34,868.4		196,825.1		207,891.3		496.22	5.62
Amount Supplied (Mn.Birr)	330,673.000		858,468.750		1,278,068.290		286.51	48.88
28-day bill	30,230.0		72,805.0		171,030.0		465.76	134.92
91-day bill	108,117.0		224,773.8		355,267.6		228.60	58.06
182-day bill	132,476.0		248,645.6		383,427.1		189.43	54.21
364-day bill	59,850.0		312,244.4		368,343.6		515.44	17.97
Amount Sold (Mn.Birr)	238,799.550		582,268.625		576,081.340		141.24	(1.06)
Banks	97,130.4		384,032.3		268,255.1		176.18	(30.15)
Non-Banks	141,669.1		198,236.3		307,826.2		117.29	55.28
Redemption (Mn. Birr)	139,351.600		385,308.990		553,781.400		297.40	43.72
Banks	58,207.9		245,890.0		317,819.3		446.01	29.25
Non-Banks	81,143.7		139,419.0		235,962.1		190.80	69.25
NetAmount (Mn. Birr)	99,447.95		196,959.64		22,299.94		(77.58)	(88.68)
Banks	38,922.6		138,142.3		-49,564.2		(227.34)	(135.88)
Non-Banks	60,525.400		58,817.350		71,864.175		18.73	22.18
Average Weighted Price for Successful bids(Birr)	96.370		95.953		95.914		(0.47)	(0.04)
28-day bill	99.479		99.342		99.272		(0.21)	(0.07)
91-day bill	97.973		97.465		97.484		(0.50)	0.02
182-day bill	96.292		95.493		95.486		(0.84)	(0.01)
364-day bill	91.737		91.510		91.416		(0.35)	(0.10)
Average Weighted Yeild for Successful bids(%)	7.970		9.459		9.704		21.76	2.59
28-day bill	6.826		8.634		9.565		40.11	10.78
91-day bill	8.297		10.433		10.354		24.80	(0.76)
182-day bill	7.723		9.466		9.480		22.76	0.16
364-day bill	9.032		9.303		9.416		4.24	1.21
Outstanding bills at the end of period(Mn.Br.)	120,959.950	Share %	317,169.585	Share %	341,869.525	Share %	182.630	7.788
Banks	55,040.00	45.50	195,432.29	61.62	146,568.05	42.87		-25.003
Non-Banks	65,919.95	54.50	121,737.30	38.38	195,301.48	57.13	196.271	60.429
Public Servants Social Security Agency	45,269.95	37.43	84,307.00	26.58	134,327.92	39.29	196.726	59.332
Development Bank of Ethiopia	-	0.00	-	0.00	-	0.00		
Private Organizations' Employees Social Security	20,600.00	17.03	37,330.30	11.77	60,873.56	17.81	195.503	63.067
Other Non-Bank Institutions	50.00	0.04	100.00	0.03	100.00	0.03		-

Fig.IV.9: Treasury Bills Auction Result



4.5.2. Corporate Bonds Market

Commercial Bank of Ethiopia (CBE) purchased corporate bonds to the tune of Birr 492.4 billion showing a 664.13 percent annual increase. During the same period, corporate bonds valued at Birr 15.6 billion were redeemed, of which Birr 15.6 billion was by Addis Ababa City Administration, Birr 192.2 billion by EEP, 31.4 billion by Railway Corporation and Birr 79.4 million by regional governments (Table 4.16).

Thus, in 2023, outstanding bond held by CBE showed a 12.8 percent annual increase to Birr 567.1 billion. The share of Liability & Asset Management Corporation in outstanding corporate bond was 50.6 percent followed by EEP (41.7 percent) and Addis Ababa City Administration (7.7 percent).

Table 4.16. Disbursement, Redemption and Outstanding of Coupon and Corporate Bond of CBE*(In Millions of Birr)*

Particulars	Annual	The first Twelve Months of		Percentage Change
	2020/21	2021/22	2022/23	
	Actual	A	B	B/A
1. Corporate Bond Purchases by holders	43,768.87	64,444.24	492,436.77	664.13
EEP	19,856.55	40,306.18	250,042.81	520.36
Regional governments	0.00		-	-
Development Bank of Ethiopia	0.00	-	-	-
City Government of Addis Ababa	13,587.37	5,000.00	5,000.00	0.0
Railway Corporation	10,324.95	19,138.06	8,603.01	-55.05
Private Sector				-
Liability & Asset Management Corp.			228,790.95	-
2. Redemption of Bonds by Clients	8,496.49	6,737.54	428,386.57	6,258.2
EEP	1,316.56	3,250.00	192,240.98	5815.1
Regional governments	38.07	177.48	79.39	-55.3
Development Bank of Ethiopia	0.00	-	-	
City Government of Addis Ababa	7,141.87	3,310.05	15,639.54	372.5
Railway Corporation	-	-	31,365.50	
Private Sector		-		
Liability & Asset Management Corp.			189,061.16	
3. Outstanding Bonds by Clients	444,871.73	502,578.44	567,138.25	12.8
EEP	320,885.7 2	357,941.9 0	236,542.81	41.7
Regional governments	467.59	290.11	210.72	0.04
Development Bank of Ethiopia	0.00	-	-	-
City Government of Addis Ababa	52,132.19	53,822.14	43,692.22	7.7
Railway Corporation	71,386.23	90,524.29		
Private Sector	-			
Liability & Asset Management Corp.	-	-	286,692.50	50.6

Source: Commercial Bank of Ethiopia

4.5.3. Inter-bank Money Market

There has been no interbank money market transaction in 2022/23.

V. DEVELOPMENTS IN EXTERNAL SECTOR

5.1 Overall Balance of Payments

The overall balance of payments registered USD 752 million in deficit in the 2022/23 compared to USD 2.1 billion deficit a year earlier. This was attributed to lower current account deficit and higher capital account surplus.

The current account deficit narrowed due to decline in merchandise trade deficit and a rise in net surplus of services trade despite decline in net official transfers and

net private transfers. As a result, the ratio of current account deficit (including official transfers) to GDP stood at 2.8 percent during the review fiscal year.

On the other hand, capital account surplus increased by 28.7 mainly due to rise in net surplus of official long term capital (10.6 percent), FDI (3.6 percent) and significant decline in net deficit of other public sector long term capital from USD 1 billion to USD 385.1 million (Table 5.1).

Table 5.1: Balance of Payments¹

(In Millions of USD)

National Bank of Ethiopia

S/N	Particulars	2020/21	2021/22 ^R	2022/23 ^P	Percentage Change	
		A	B	C	B/A	C/B
1	Exports, f.o.b.	3,596.6	4,101.5	3,618.5	14.0	-11.8
	Coffee	909.4	1,430.7	1,340.2	57.3	-6.3
	Other	2,687.3	2,670.8	2,278.3	-0.6	-14.7
2	Imports	14,287.9	18,128.0	17,148.5	26.9	-5.4
	Fuel	1,940.8	3,460.4	3,966.5	78.3	14.6
	Cereals	1,336.7	2,179.8	1,038.7	63.1	-52.3
	Aircraft	130.4	140.7	164.0	7.9	16.5
	Imports excl. fuel, cereals, aircraft	10,879.9	12,347.0	11,979.3	13.5	-3.0
3	Trade Balance (1-2)	-10,691.3	-14,026.5	-13,530.0	31.2	-3.5
4	Services, net	13.2	639.2	985.6	4,729.9	54.2
	Non-factor services, net	586.9	1,212.9	1,399.1	106.7	15.4
	Exports of non-factor services	4,894.6	6,349.6	7,174.1	29.7	13.0
	Imports of non-factor services	4,307.7	5,136.8	5,775.0	19.2	12.4
	Income, net	-573.6	-573.7	-413.4	0.0	-27.9
	O/w Gross official int. payment	581.3	579.5	469.3	-0.3	-19.0
	Dividend, net					
5	Private transfers, net	6,118.4	7,106.0	6,797.6	16.1	-4.3
	o/w: Private Individuals	4,931.3	5,251.5	4,647.4	6.5	-11.5
6	Current account balance excluding off. Transfers (3+4+5)	-4559.6	-6,281.3	-5,746.8	37.8	-8.5
7	Official transfers, net	1,368.9	1,136.3	1,093.3	-17.0	-3.8
8	Current account balance including official transfers(6+7)	-3,190.7	-5,145.1	-4,653.5	61.3	-9.6
9	Capital account	3,785.8	2,723.7	3,504.9	-28.1	28.7
	Off. Long-term Cap., net	898.2	450.8	498.8	-49.8	10.6
	Disbursements	1,022.4	793.5	927.3	-22.4	16.9
	Amortization	124.3	342.7	428.5	175.8	25.0
	Other pub. long-term cap.	-885.9	-1,005.9	-385.1	13.5	-61.7
	Private sector, long term	153.4	86.2	101.0	-43.8	17.2
	Foreign Direct Investment(net)	3,955.4	3,307.9	3,428.0	-16.4	3.6
	Short-term Capital	-335.3	-115.3	-137.7	-65.6	19.4
10	Errors and Omissions [11-(9+8)]	-296.4	271.6	396.5		
11	Overall balance (-13)	298.7	-2,149.8	-752.0		
12	Financing (13+16)	-298.7	2,149.8	752.0		
13	Reserves [Increase(-), Decrease (+)] (14+15)	-298.7	2149.8	752.0		
14	Central Bank (NFA)	386.4	1,601.8	887.5		
	Asset	244.0	1370.8	469.2		
	Liabilities	142.4	231.0	418.2		
15	Commercial banks (NFA)	-685.1	548.0	-135.4		
16	Debt Relief					
	Principal					
	Interest					

Source: NBE Staff Compilation

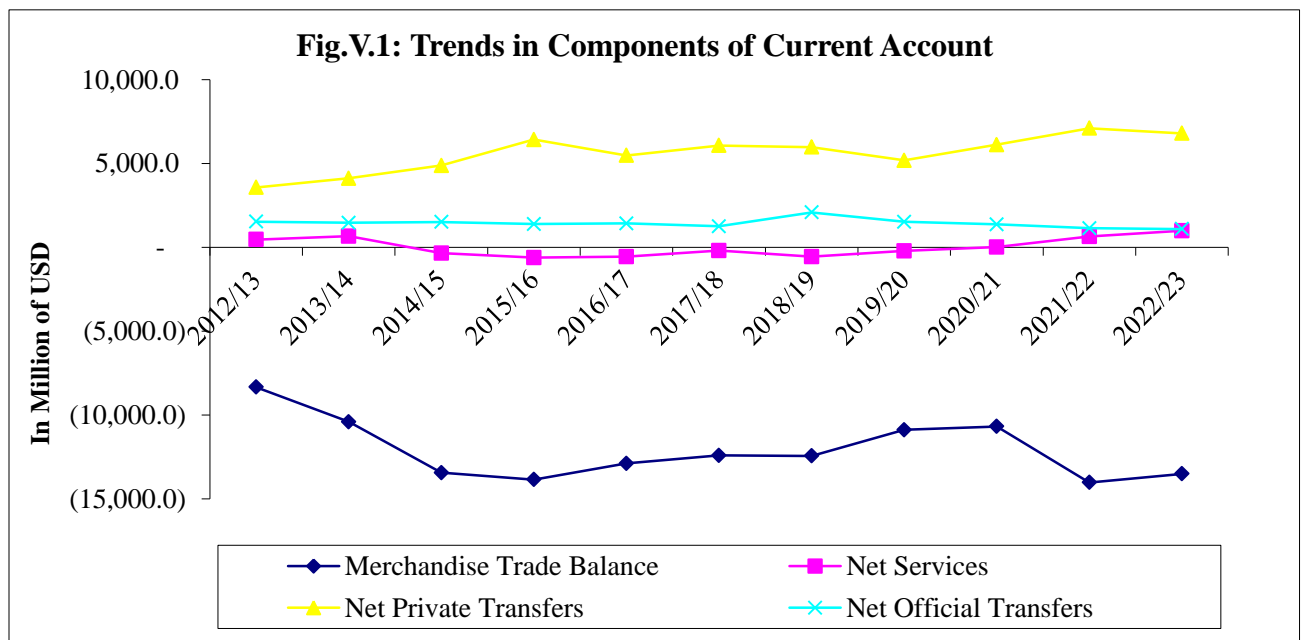
^P2022/23 data are Preliminary

^RSome items are revised

Table 5.2: Components of Current Account as Percentage of GDP

Particulars	2020/21	2021/22	2022/23*	Percentage Change	
	A	B	C	B/A	C/B
Trade Balance	-9.6	-11.1	-8.3	15.1	-25.3
Net Services	0.0	0.5	0.6	-	19.4
Net Private Transfers	5.5	5.6	4.2	1.9	-25.9
Net Official Transfers	1.2	0.9	0.7	-27.1	-25.5
Current Account Deficit (excluding official transfers)	-4.1	-5.0	-3.5	20.9	-29.4
Current Account Deficit (including official transfers)	-2.9	-4.1	-2.8	41.5	-30.2

Source: NBE Staff Compilation
GDP is an estimate



Source: NBE Staff Computations

5.2. Developments in Merchandise Trade

5.2.1 Balance of Trade

Merchandise trade deficit narrowed to USD 13.5 billion from USD 14.0 billion a year earlier as the fall in merchandise import bills outweighed the decline in

export receipts. Hence, merchandise trade deficit as a ratio of GDP stood at 8.3 percent.

5.2.2 Merchandise Export

Total merchandise export earnings amounted to USD 3.6 billion, showing a 11.8 percent annual decline due to lower receipts from coffee, oilseeds, gold, chat, textile & textile products, leather & leather products, meat & meat products and live-animals. Meanwhile, export receipts from flowers, pulses, fruit & vegetables, electricity and others tended to improve. Export earnings from coffee fell by 6.3 percent due to 20.3 percent decrease in export volume despite 17.5 percent rise in international price. Yet, the share of coffee in total merchandise export earnings went up to 37.0 percent from 34.9 percent a year ago.

increased to 7.1 percent from 6.5 percent a year earlier.

Export earnings from gold sharply dropped by 63.9 percent due to the 60.1 percent slowdown in volume and 9.6 percent in international price. Thus, the share of gold in total merchandise export earnings sank to 5.4 percent from 13.2 percent a year ago.

Export earnings from chat fell by 36.8 percent due to 44.4 percent decrease in export volume despite 13.7 percent rise in price. Consequently, the share of chat in total merchandise export stood at to 6.8 percent compared with 9.5 percent a year earlier.

Likewise, export revenue from oilseeds declined by 2.9 percent as export volume fell by 12.7 percent in spite of 11.2 percent increase in international price. Nevertheless, the share of oilseeds in total export earnings marginally

Similarly, export earnings from leather & leather products declined by 25.5 percent, owing to 24.3 percent drop in export volume and 1.6 percent in

international price. As a result, their share in total merchandise export earnings slightly decreased to 0.7 percent from 0.8 percent.

Similarly, export receipts from meat & meat products went down 25.5 percent over the same period last year, owing to 39.4 percent decrease in export volume whereas international prices rose by 22.9 percent. Hence, the share of meat & meat products in total merchandise export earnings slightly fell to 2.3 percent from 2.7 percent.

Receipts from textiles & textile products were declined by 15.3 percent due to lower export volume (10.9 percent) and international price (4.9 percent). As a result, the share of textiles & textile products in total merchandise export earnings was 4.1 percent compared with 4.3 percent a year ago.

Export earnings from live-animals decreased by 40.1 percent on account of 54.4 percent drop in export volume despite 31.3 percent increase in international price. Thus, the share of live-animals in total merchandise export earnings stood at 0.5 percent.

Proceeds from pulses export increased (48.2 percent) and reached USD 324.5 million due to higher export volume (85.3 percent) despite 20 percent slowdown in price. Hence, the share of pulses in total merchandise export increased to 9.0 percent from 5.3 percent a year ago.

Similarly, flower export earnings went up by 4.8 percent year-on-year owing to a 6 percent rise in international price although export volume declined by 1.1 percent. Therefore, the share of flower in total merchandise export earnings improved to 15.7 percent from 13.2 percent in the same period last year.

Revenue from export of fruits & vegetables increased by 5.3 percent due to a 32.3 percent rise in international price despite the 20.4 percent drop in export volume. As a result, the share of fruit & vegetables in total merchandise export receipts stood at 2.6 percent.

Likewise, export earnings from electricity increased 3.2 percent and amounted to USD 96 million, as in export volume rose 5.1 percent while international price decreased by 1.8 percent. Hence, the share of electricity in

total merchandise export earnings increased to 2.7 percent from 2.3 percent a year ago.

items increased by 24.9 percent and reached USD 222 million.

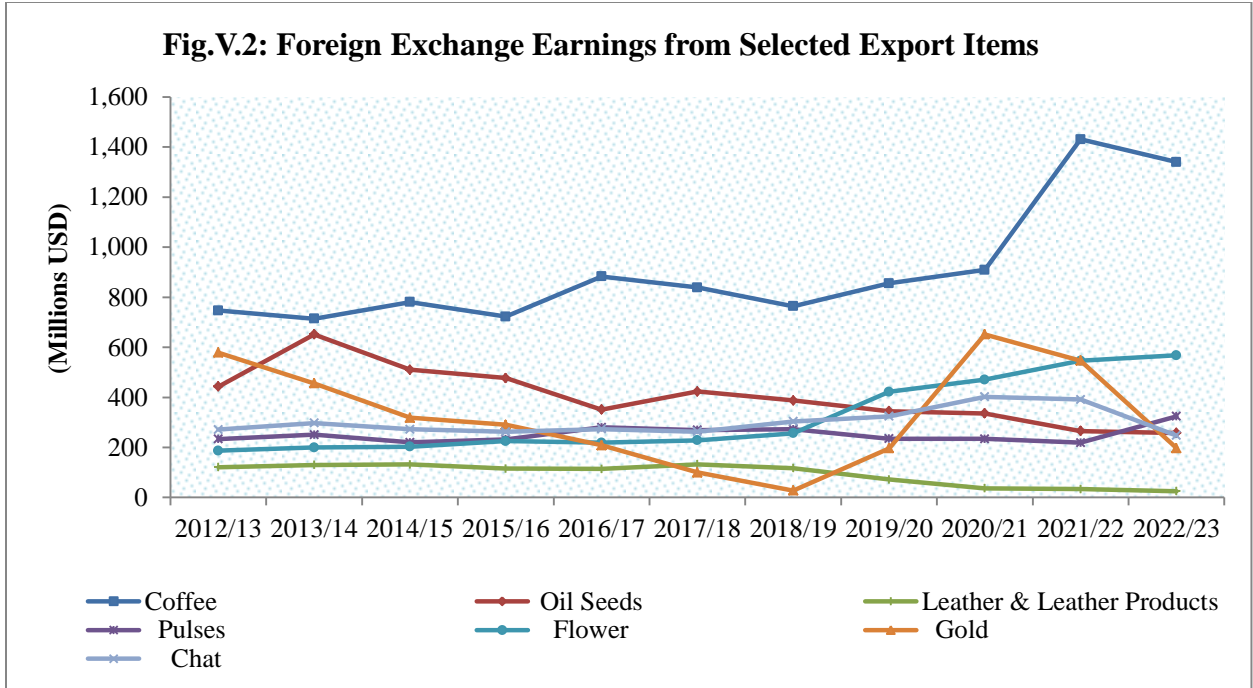
Similarly, earnings from other export

Table 5.3: Values of Major Export Items

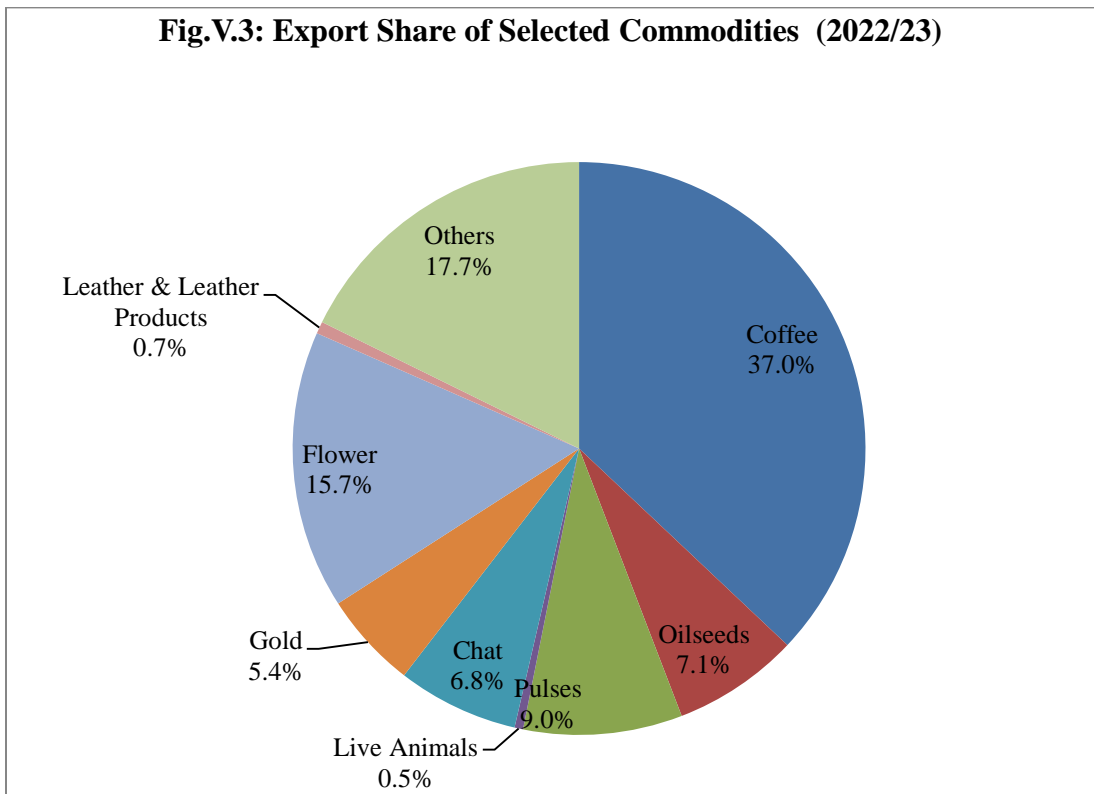
(In millions of USD)

Particulars	2020/21		2021/22		2022/23		Percentage Change	
	A	%share	B	%share	C	%share	B/A	C/B
Coffee	909.4	25.3	1,430.7	34.9	1,340.2	37.0	57.3	(6.3)
Oilseeds	335.5	9.3	265.7	6.5	258.0	7.1	(20.8)	(2.9)
Leather and Leather Products	36.5	1.0	33.2	0.8	24.7	0.7	(9.1)	(25.5)
Pulses	233.8	6.5	218.9	5.3	324.5	9.0	(6.4)	48.2
Meat & Meat Products	75.3	2.1	109.6	2.7	81.7	2.3	45.5	(25.5)
Fruits & Vegetables	69.3	1.9	87.8	2.1	92.5	2.6	26.8	5.3
Textile & Textile Prod.	147.1	4.1	175.6	4.3	148.7	4.1	19.4	(15.3)
Live Animals	44.9	1.2	29.2	0.7	17.5	0.5	(35.1)	(40.1)
Chat	402.5	11.2	391.6	9.5	247.5	6.8	(2.7)	(36.8)
Gold	651.6	18.1	546.4	13.3	197.0	5.4	(16.1)	(63.9)
Flower	470.6	13.1	541.6	13.2	567.8	15.7	15.1	4.8
Electricity	90.5	2.5	93.5	2.3	96.0	2.7	3.3	3.2
Others	129.5	3.6	177.7	4.3	222.0	6.1	37.2	24.9
Total Export	3,596.6	100.0	4,101.5	100.0	3,618.5	100.0	14.0	(11.8)

Source: Ethiopian Customs Commission and Ethiopian Electric Power



Source: NBE Staff Computation



Source: NBE Staff Computation

Table 5.4: Volume of Major Exports

(In millions of kg unless stated otherwise)

Particulars	2020/21	2021/22	2022/23	Percentage Change	
	A	B	C	B/A	C/B
Coffee	248.7	303.2	241.7	22.0	(20.3)
Oilseeds	245.5	172.1	150.3	(29.9)	(12.7)
Leather and Leather Products	2.3	2.2	1.7	(2.2)	(24.3)
Pulses	280.6	213.9	396.2	(23.8)	85.3
Meat & Meat Products	14.6	19.0	11.5	29.9	(39.4)
Fruits & Vegetables	221.7	222.7	177.2	0.4	(20.4)
Textile & Textile Prod.	24.0	35.2	31.4	46.5	(10.9)
Live Animals	26.3	17.3	7.9	(34.3)	(54.4)
Chat	71.2	56.3	31.3	(20.9)	(44.4)
Gold(In mn. of grams)	9.2	8.7	3.5	(5.5)	(60.1)
Flower	101.6	114.3	113.0	12.5	(1.1)
Electricity(In mn of kwh)	1,637.2	1,665.2	1,750.0	1.7	5.1

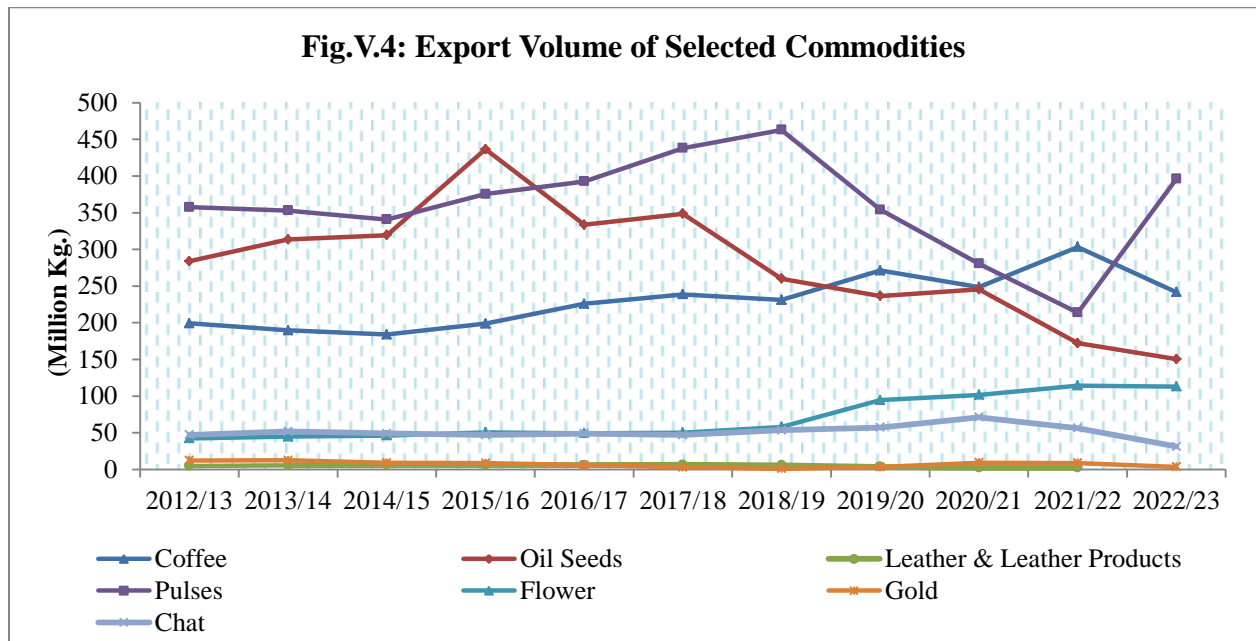
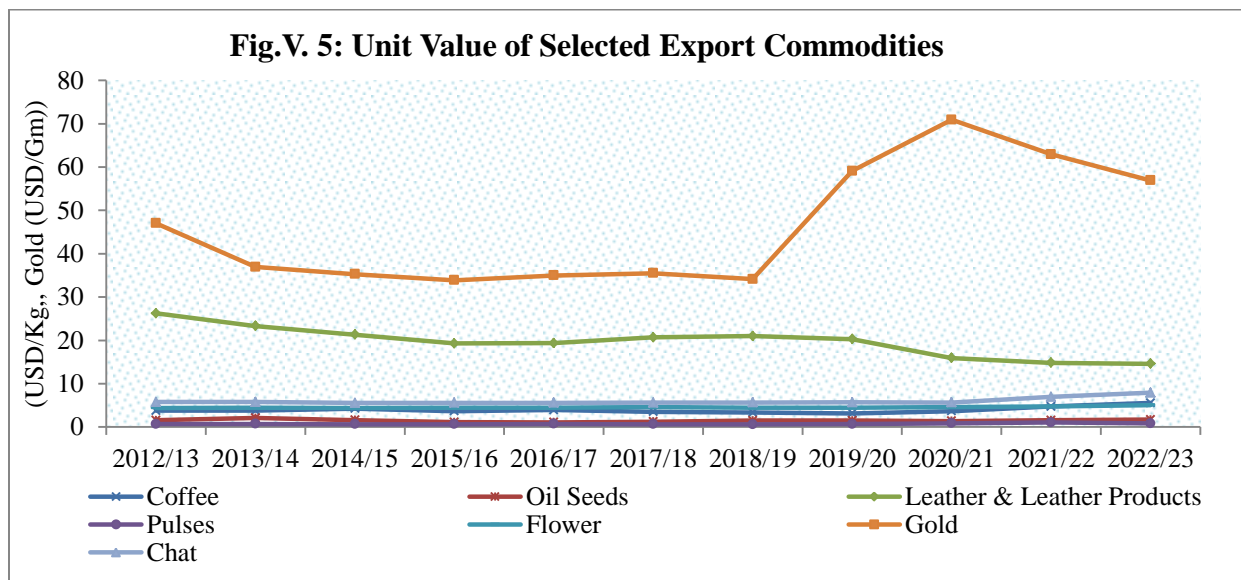
Source: Ethiopian Customs Commission and Ethiopian Electric Power**Fig.V.4: Export Volume of Selected Commodities****Source:** NBE Staff Computation

Table 5.5: Unit Value of Major Export Items*(In USD/kg unless stated otherwise)*

Particulars	2020/21	2021/22	2022/23	Percentage Change	
	A	B	C	B/A	C/B
Coffee	3.7	4.7	5.5	29.0	17.5
Oilseeds	1.4	1.5	1.7	12.9	11.2
Leather and Leather Products	15.9	14.8	14.6	(7.0)	(1.6)
Pulses	0.8	1.0	0.8	22.8	(20.0)
Meat & Meat Products	5.1	5.8	7.1	12.0	22.9
Fruits & Vegetables	0.3	0.4	0.5	26.3	32.3
Textile & Textile Prod.	6.1	5.0	4.7	(18.5)	(4.9)
Live Animals	1.7	1.7	2.2	(1.3)	31.3
Chat	5.7	7.0	7.9	23.0	13.7
Gold (USD/grams)	70.9	63.0	56.9	(11.2)	(9.6)
Flower	4.6	4.7	5.0	2.3	6.0
Electricity (USD/kwh)	0.1	0.1	0.1	1.5	(1.8)

Source: Ethiopian Customs Commission and Ethiopian Electric Power**Source:** NBE Staff Computation

5.2.3. Import of Goods

Total merchandise import bill reached USD 17.1 billion, depicting a 5.4 percent annual decline due to lower import bill for raw materials, semi-finished goods, consumer goods and miscellaneous goods, while payments for capital goods and fuel increased during the review period. Therefore, import-to-GDP ratio decreased to 10.5 percent from 14.3 percent a year ago.

Consumer goods import amounted to USD 5.9 billion, which was 22.5 percent lower than last year due to the 34.5 percent decline in imports of non-durable goods in despite durable goods in 77.5 percent. As a result, the share of consumer goods in total merchandise import bills fell to 34.4 percent from 42.0 percent last year.

Likewise, semi-finished goods import reached USD 3.3 billion, depicting a 13.1 percent annual drop as import of fertilizer slowed down by 33.5 percent. Hence, the share of semi-finished goods in total

merchandise imports stood at 19.0 percent.

Similarly, import bills of raw materials declined by 5.8 percent relative to the preceding year and accounted for 0.6 percent of the total merchandise import bill during the review period.

In contrast, capital goods import grew 25.0 percent as the imports of transport, industrial and agricultural capital goods surged by 122.6 percent, 12.1 percent and 68.2 percent, respectively. Thus, the share of capital goods in total merchandise imports increased to 22.1 percent from 16.8 percent in the preceding year.

Likewise, fuel imports rose by 14.6 percent and reached USD 4.0 billion primarily due to higher (8 percent) international prices despite a 6.1 percent decrease in fuel import volume. Hence, the share of fuel in total merchandise imports increased to 23.1 percent from 19.1 percent a year before (Table 5.6).

Table 5.6: Value of Imports by End Use*(In Millions of USD)*

Categories	2020/21		2021/22		2022/23		Percentage change	
	A	% share	B	% share	C	% share	B/A	C/B
Raw Materials	138.9	1.0	114.5	0.6	107.9	0.6	-17.6	-5.8
Semi-finished Goods	2,681.0	18.8	3,748.2	20.7	3,258.2	19.0	39.8	-13.1
Fertilizers	688.6	4.8	1,385.0	7.6	921.0	5.4	101.1	-33.5
Fuel	1,940.8	13.6	3,460.4	19.1	3,966.5	23.1	78.3	14.6
Petroleum Products	1,839.3	12.9	3,362.3	18.5	3,829.4	22.3	82.8	13.9
Others	101.5	0.7	98.1	0.5	137.1	0.8	-3.4	39.8
Capital Goods	3,879.7	27.2	3,038.1	16.8	3,798.0	22.1	-21.7	25.0
Transport	349.9	2.4	327.0	1.8	728.0	4.2	-6.5	122.6
Agricultural	89.5	0.6	55.6	0.3	93.4	0.5	-37.9	68.2
Industrial	3,440.3	24.1	2,655.5	14.6	2,976.6	17.4	-22.8	12.1
Consumer Goods	5,472.4	38.3	7,618.3	42.0	5,904.6	34.4	39.2	-22.5
Durables	803.1	5.6	815.5	4.5	1,447.3	8.4	1.5	77.5
Non-durables	4,669.3	32.7	6,802.8	37.5	4,457.3	26.0	45.7	-34.5
Miscellaneous	175.0	1.2	148.5	0.8	113.3	0.7	-15.2	-23.7
Total Import	14,287.9	100.0	18,128.0	100.0	17,148.5	100.0	26.9	-5.4

Source: Ethiopian Customs Commission and Ethiopian Petroleum Enterprise

5.2.4. Direction of Trade

5.2.4.1. Export of Goods

The major destinations⁷ for Ethiopian merchandise export were Asia, Europe, Africa and America. Asia accounted for 38.8 percent of Ethiopia's total exports. Saudi Arabia was the biggest market for Ethiopia's exports having a 23.1 percent share in total export earnings from Asia, followed by United Arab Emirates (14.2 percent), Israel (8.0 percent), Japan (7.9 percent), South Korea (7.8 percent), India (7.6 percent), China (7.6 percent), Singapore (5.0 percent), Taiwan (2.2 percent) and Indonesia (1.4 percent). These countries in total had a 84.8 percent share in Ethiopia's total exports to Asia.

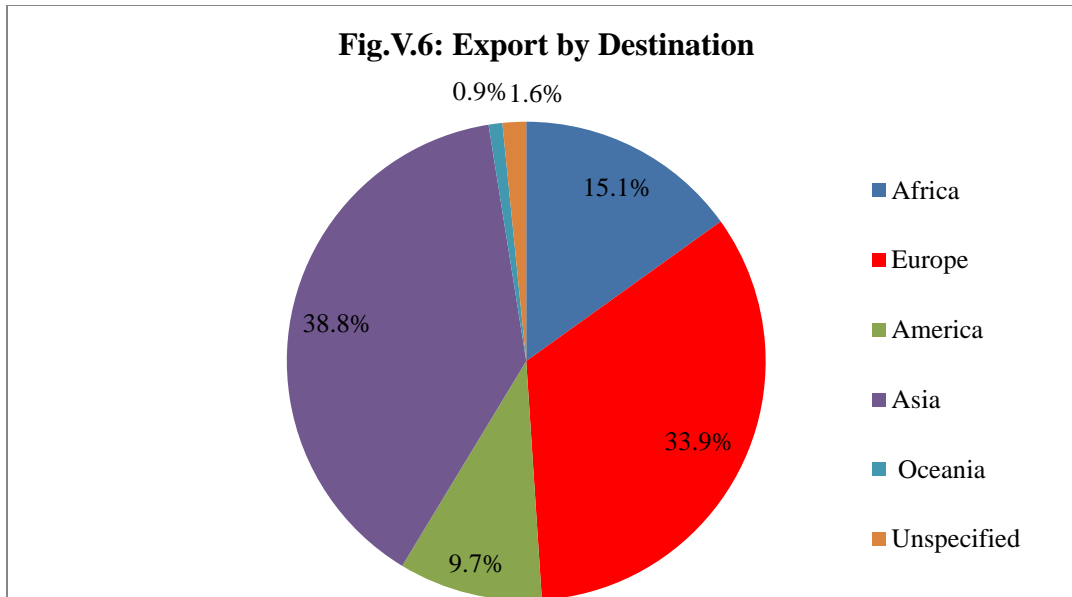
About 33.9 percent of Ethiopia's total export revenue originated from Europe with the Netherlands taking a 32.5 percent, followed by Germany (16.6 percent), Switzerland (16.2 percent), Belgium (8.7 percent) and United Kingdom (5.8 percent), Italy (5.7 percent),

Turkey (3.2 percent), France (2.9 percent) and Russia (1.4 percent). These countries jointly accounted for 92.9 percent of Ethiopia's total exports to Europe.

Close to 15.1 percent of Ethiopia's export earnings were from Africa, mainly Somalia (31.3 percent), Djibouti (27.7 percent), Sudan (13.8 percent), Kenya (11.3 percent) and South Africa (3.0 percent) which altogether accounted for 87.1 percent of the total exports to Africa.

America accounted for 9.7 percent of Ethiopia's total export earnings, of which 90.1 percent was from exports to the United States and 8.6 percent to Canada. These countries constituted 98.7 percent of Ethiopia's total exports to America.

⁷ Wheat & Hilina's enriched foods sells to humanitarian organization operating in Ethiopia is included to export receipts and categorized under unspecified during the FY 2022/23.



Source: NBE Staff Compilation

5.2.4.2 Import of Goods

Asia accounted for 63.0 percent of the total imports of Ethiopia in 2022/23. The major imports from Asia included China (33.3 percent), India (17.9 percent), Saudi Arabia (13.5 percent), U.A.E. (13.3 percent), Kuwait (6.1 percent), Malaysia (5.1 percent), Indonesia (2.8 percent), Thailand (1.2 percent), South Korea (1.2 percent) and Japan (0.8 percent). Their combined share stood at 95.3 percent.

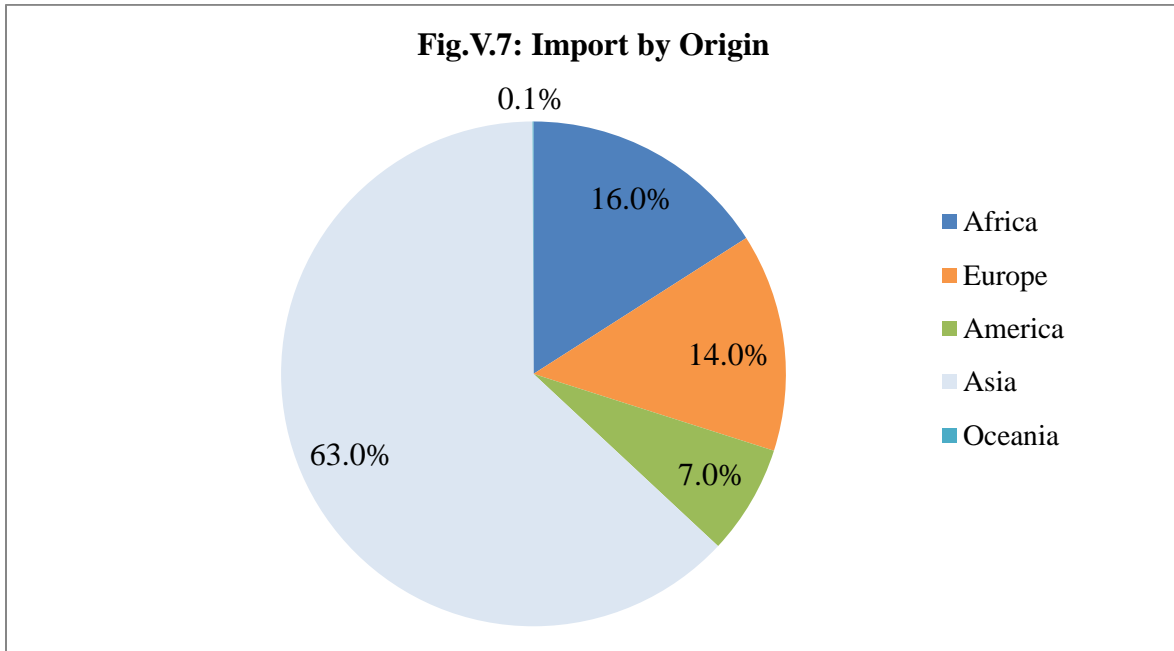
The share of Ethiopia's total merchandise imports from Africa was 16.0 percent. The major countries of origin were Egypt (33.7 percent), Morocco (30.1 percent), Djibouti (16.9 percent), South Africa (9.6 percent) and Kenya (4.1 percent), which in total constituted 94.4

percent of the total imports from the continent.

Ethiopia's import from Europe had a 14.0 percent share, with the major trading countries being Turkey (31.5 percent), Ukraine (9.6 percent), Italy (8.6 percent), United Kingdom (8.3 percent), France (7.0 percent), Germany (6.7 percent), Netherlands (4.3 percent), Belgium (4.0 percent), Switzerland (2.7 percent), Spain (2.4 percent) and Ireland (2.2 percent). These countries jointly accounted for 87.4 percent of Ethiopia's total imports from Europe.

Imports from America constituted 7.0 percent of the total import, of which the share of the United States was 88.0 percent,

followed by Canada (3.4 percent) and Brazil (2.1 percent).



Source: NBE Staff Compilation

5.3 Services and Transfers

5.3.1 Services

In 2022/23, net services account recorded USD 985.6 million in surplus compared with USD 639.2 million surplus a year ago.

This was attributed to 22.8 percent improvement in surplus of net transport

services, net travel (13.3 percent) and government services (12.1 percent) coupled with contraction in deficits of net investment payment (27.9 percent). However, the deficit of net other services increased by 27.6 percent.

Table 5.7: Services Accounts

(In Millions of USD)

No	Particulars	2020/21	2021/22	2022/23	Percentage Change	
		A	B	C	D=B/A	E=C/B
1	Investment Income (2+5)	-573.6	-573.7	-413.4	0.0	-27.9
2	Interest, net (3-4)	-573.5	-573.0	-411.8	-0.1	-28.1
3	Credit	7.8	6.6	57.5	-15.0	771.0
4	Debit	581.3	579.5	469.3	-0.3	-19.0
5	Dividend, net	-0.1	-0.7	-1.6		
6	NON-FACTOR SERVICES, net (7-8)	586.9	1,212.9	1,399.1	106.7	15.4
7	Exports of non-factor services	4,894.6	6,349.6	7,174.1	29.7	13.0
	Travel	1,124.8	1,028.4	1,140.5	-8.6	10.9
	Transport ¹	3,233.9	4,751.2	5,479.2	46.9	15.3
	Gov't ²	184.9	192.4	208.9	4.1	8.6
	Other ³	351.0	377.7	345.4	7.6	-8.5
8	Imports of non-factor services	4,307.7	5,136.8	5,775.0	19.2	12.4
	Travel	437.9	563.5	614.0	28.7	9.0
	Transport ¹	2,497.2	3,648.1	4,124.9	46.1	13.1
	Gov't ²	23.0	6.7	0.8	-71.0	-88.0
	Other ³	1,349.6	918.5	1,035.3	-31.9	12.7
9	Net Services (10+11+12+13+14)	13.2	639.2	985.6	4,729.9	54.2
10	Travel	686.9	464.9	526.5	-32.3	13.3
11	Transport	736.7	1,103.1	1,354.3	49.7	22.8
12	Gov't	161.9	185.7	208.1	14.7	12.1
13	Other	-998.6	-540.8	-689.9	-45.8	27.6
14	Investment Income	-573.6	-573.7	-413.4	0.0	-27.9

Source: MoF, Transport and Telecommunication Companies, NBE- FEMEMD and Staff Compilation.

1/ Includes Ethiopian Airlines receipts and payments

2/ Includes transactions with Embassies and international organizations such as UN-ECA, AU, EU, IMF and WB

3/ Includes communication, construction, insurance, financial, information, other business

5.3.2. Unrequited Transfers

Net transfers declined by 4.3 percent and reached USD 7.9 billion in 2022/23 due to the fall in net private transfers (4.3 percent) and net official transfers (3.8 percent).

Receipts from private individual transfers, which comprised 83.8 percent of total transfers, amounted to USD 6.8 billion (declined by 3.9 percent annually). Likewise, net official transfers showed a 3.8 percent slowdown.

Table 5.8: Unrequited Transfers

(In Millions of USD)

S/N	Particulars	2020/21		2021/22		2022/23		Percentage Change	
		A	% share	B	% share	C	% share	B/A	C/B
1	Private Transfers, net	6,118.4	81.7	7,106.0	86.2	6,797.6	86.1	16.1	-4.3
1.1	Receipts	6,140.0	80.3	7,119.8	83.6	6,839.6	83.8	16.0	-3.9
	NGO's	1,208.6	15.8	1,868.3	21.9	2,192.2	26.9	54.6	17.3
	Cash	715.6	9.4	698.6	8.2	780.3	9.6	-2.4	11.7
	Food	493.1	6.4	1,169.7	13.7	1,411.9	17.3	137.2	20.7
	Other	-	-	-	-	-	-	-	-
	Private Individuals	4,931.3	64.5	5,251.5	61.7	4,647.4	57.0	6.5	-11.5
1.2	Payments	21.5	13.3	13.8	5.1	42.0	15.8	-36.1	204.9
2	Official Transfers, net	1,368.9	18.3	1,136.3	13.8	1,093.3	13.9	-17.0	-3.8
2.1	Receipts	1,509.6	19.7	1,394.5	16.4	1,317.9	16.2	-7.6	-5.5
	Cash	1,509.4	19.7	1,331.7	15.6	1,317.9	16.2	-11.8	-1.0
	Food	-	-	-	-	-	-	-	-
	Other	0.1	-	62.8	-	-	-	-	-
2.2	Payments	140.7	86.7	258.2	94.9	224.6	84.2	83.5	-13.0
	Total Receipts	7,649.6	100.0	8,514.3	100.0	8,157.5	100.0	11.3	-4.2
	Total Payments	162.3	100.0	272.0	100.0	266.5	100.0	67.6	-2.0
3	Net Transfers	7,487.3	100.0	8,242.3	100.0	7,890.9	100.0	10.1	-4.3

Source: National Disaster Risk Management Commission (NDRMC), MoF and NBE

5.4. Current Account

The deficit in the current account balance, including official transfers, narrowed to USD 4.7 billion in 2022/23 from USD 5.1 billion last year due to lower merchandise trade deficit (3.5 percent) and improved net services surplus (54.2 percent). In contrast, there was a decline in net private transfer (4.3 percent) and net official transfers (3.8 percent) (Table 5.1).

5.5 Capital Account

Net capital account, recorded USD 3.5 billion in surplus, which was 28.7 percent higher than that of last year on account of increased net official long term capital (10.6 percent), foreign direct investment (3.6 percent) and private long term capital (17.2 percent) yet net other public sector long term capital had a significant (61.7 percent) deficit. Short term capital outflow rose to USD 137.7 million from USD 115.3 million during the same period (Table 5.1).

5.6 Changes in Reserve Position

Net foreign assets of the banking system recorded a reserve drawdown of USD 752 million. Net foreign assets of the National

Bank of Ethiopia depicted a USD 887.5 million decline while net foreign asset of commercial banks recorded a USD 135.4 million build up (Table 5.1).

5.7 External Debt

Ethiopia's external debt stock reached USD 28.1 billion in 2022/23, depicting 0.5 percent annual rise mainly due to an increase in multilateral creditors (3.7 percent) and a decline in bilateral (4.1 percent) and commercial creditors (1.4 percent). Hence, the country's external debt stock to GDP ratio stood at 17.2 percent. Commercial debt a stock reached USD 5.2 billion showing a 1.4 percent annual reduction and it accounted for 18.5 percent of the total debt stock. Of the total debt stock, 54.3 percent was owed to multilateral and the remaining 27.2 percent to bilateral creditors. The country's external debt burden, measured by debt services to export of goods and non-factor services ratio, decreased to 16.4 percent from 20.5 percent a year earlier (Table 5.9).

Table 5.9: External Public Debt

(In Millions of USD)

Particulars	2020/21	2021/22	2022/23	Percentage Change	
	A	B	C	D=B/A	E=C/B
Annual Debt	3,327.9	1,407.3	1,087.2	-57.7	-22.7
Debt Stock	29,521.8	27,957.4	28,099.5	-5.3	0.5
Multilateral	14,983.1	14,707.6	15,250.8	-1.8	3.7
Bilateral	8,509.7	7,982.4	7,657.1	-6.2	-4.1
Commercial	6,029.0	5,267.4	5,191.6	-12.6	-1.4
Debt Services	1,910.7	2,141.3	1,774.3	12.1	-17.1
Principal repayments	1,413.6	1,644.5	1,354.8	16.3	-17.6
Interest payments	497.1	496.8	419.4	-0.1	-15.6
Debt Stock to GDP Ratio (in %)	26.5	22.1	17.2	-16.9	-22.2
Debt stock to export of goods and non-factor services	3.5	2.7	2.6	-23.1	-2.7
Receipt from Goods & Non-factor Services	8,491.2	10,451.1	10,792.6	23.1	3.3
Debt service ratio (In percent)1/	22.5	20.5	16.4	-8.9	-19.8
Arrears					
Principal					
Interest					
Relief					
Principal					
Interest					

Source: MoF and NBE

1/ Ratio of debt service to receipts from export of goods and non-factor services

5.8. Developments in Foreign Exchange Markets

5.8.1. Developments in Nominal Exchange Rate

In 2022/23, weighted average exchange rate of Birr in the inter-bank foreign exchange market reached Birr 53.2830/USD, depicting a 9.7 percent annual depreciation (Table 5.10).

In the retail foreign exchange market, the average buying and selling rates of the Birr in forex bureaus depreciated by 9.9 and 10.1 percent, respectively, with a spread margin of 2.1 percent.

Table 5.10: Inter-Bank Exchange Rates of Birr per USD

Period	Average Weighted Rate	Amount Traded in millions of USD		Number of Trades	
		Total	o/w Among CBs	Total	o/w Among CBs
2020/21	39.0163	12.4	0.0	248.0	0.0
Qtr. I	35.7771	3.1	0.0	62.0	0.0
Qtr. II	37.8663	3.3	0.0	65.0	0.0
Qtr. III	39.8933	3.1	0.0	61.0	0.0
Qtr. IV	42.5284	3.0	0.0	60.0	0.0
2021/22	48.5674	12.6	0.0	252.0	0.0
Qtr. I	44.9109	3.2	0.0	64.0	0.0
Qtr. II	47.6026	3.3	0.0	65.0	0.0
Qtr. III	50.2619	3.1	0.0	61.0	0.0
Qtr. IV	51.4941	3.1	0.0	62.0	0.0
2022/23	53.2830	12.7	0.0	253.0	0.0
Qtr. I	52.3035	3.3	0.0	65.0	0.0
Qtr. II	52.9654	3.3	0.0	65.0	0.0
Qtr. III	53.6179	3.2	0.0	63.0	0.0
Qtr. IV	54.2454	3.0	0.0	60.0	0.0

Source: NBE, Foreign Exchange Monitoring & Reserve Management Directorate and Staff Compilation

Table 5.11: End Period Mid-Market Rates (USD per Unit of Foreign Currency)

Currency	2020/21	2021/22	2022/23	Percentage Change	
	A	B	C	B/A	C/B
Pound Sterling	1.3834	1.2161	1.2659	(12.1)	4.1
Swedish Kroner	0.1173	0.0984	0.0926	(16.1)	(5.9)
Djibouti Franc	0.0056	0.0056	0.0056	0.0	(0.2)
Swiss Franc	1.0855	1.0522	1.1176	(3.1)	6.2
Saudi Riyal	0.2666	0.2665	0.2666	(0.0)	0.0
UAE Dirham	0.2722	0.2722	0.2722	(0.0)	0.0
Canadian Dollar	0.8080	0.7775	0.7542	(3.8)	(3.0)
Japanese Yen	0.0090	0.0073	0.0069	(19.0)	(5.4)
Euro	1.1902	1.0527	1.0936	(11.6)	3.9
SDR	1.4286	1.3363	1.3363	(6.5)	0.0

Source: Staff Compilation

Measured at the end-period mid-market exchange rate, the US dollar appreciated against the Swedish Kroner (5.9 percent), Japanese Yen (5.4 percent), Canadian Dollar (3.0 percent) and Djibouti Franc

(0.2 percent), whereas it depreciated against Swiss Franc (6.2 percent), Pound Sterling (4.1 percent) and Euro (3.9 percent). Yet, USD remained stable vis-à-vis the SDR, Saudi Riyal and UAE Dirhams (Table 5.11).

Table 5.12: End Period Mid-Market Rates (Birr per Unit of Foreign Currency)

Currency	2020/21	2021/22	2022/23	Percentage Change	
	A	B	C	B/A	C/B
USD	43.9095	52.2538	54.8673	19.0	5.0
Pound	60.7444	63.5459	69.4565	4.6	9.3
Swedish Kroner	5.1500	5.1426	5.0805	(0.1)	(1.2)
Djibouti Franc	0.2464	0.2932	0.3104	19.0	5.8
Swiss Franc	47.6655	54.9809	61.3180	15.3	11.5
Saudi Riyal	11.7077	13.9258	14.6290	18.9	5.0
UAE Dirhams	11.9531	14.2245	14.9364	19.0	5.0
Canadian Dollar	35.4767	40.6265	41.3812	14.5	1.9
Japanese Yen	0.3971	0.3829	0.3804	(3.6)	(0.7)
Euro	52.2610	55.0076	60.0029	5.3	9.1
SDR	62.7291	69.8267	73.3192	11.3	5.0

Source: Staff Compilation

Likewise, the Birr depreciated against almost all major international currencies, including Swiss Franc (11.5%), Pound Sterling (9.3%), Euro (9.1%), Djibouti Franc (5.8 percent), Saudi Riyal (5.0 percent), SDR (5.0 percent), USD (5.0

percent), UAE Dirham (5.0 percent) and Canadian Dollar (1.9 percent). In contrast, it appreciated against Swedish Kroner (1.2 percent) and Japanese Yen (0.7 percent) (Table 5.12).

5.8.2. Movements in Real Effective Exchange Rate

The real effective exchange rate (REER) of the Birr has been appreciating since 2012/13 due to higher domestic inflation and strengthening of US dollar. The Birr exchange rate, however, tended to depreciate in real terms during 2017/18, 2019/20 and 2021/22. Specifically, in 2022/23, the Birr showed a marginal

appreciation in (2.6 percent) due to higher domestic inflation and appreciation of the Birr vis-à-vis its major trading partner currencies.

Likewise, the nominal effective exchange rate (NEER) of the Birr appreciated by 20.4 percent compared with 3.0 percent depreciation a year earlier (Table 5.13).

Table 5.13: Trends in Real and Nominal Effective Exchange Rates

Fiscal Year	REERI	NEERI	Percentage Change	
			REERI	NEERI
2012/13	140.2	42.0	0.6	-2.7
2013/14	140.8	40.7	0.4	-3.3
2014/15	157.6	42.3	11.9	4.0
2015/16	159.3	41.2	1.1	-2.7
2016/17	171.2	41.8	7.5	1.6
2017/18	164.0	37.2	-4.2	-10.9
2018/19	198.6	42.4	21.1	13.9
2019/20	179.0	38.6	-9.9	-8.9
2020/21	179.5	69.6	0.3	80.1
2021/22	114.1	67.5	-36.5	-3.0
2022/23	117.0	81.3	2.6	20.4

Source: NBE Staff Compilation

An increase in REERI and NEERI indicates appreciation and vice versa.

Where: REERI = Real Effective Exchange Rate Index

NEERI = Nominal Effective Exchange Rate Index

5.8.3. Foreign Exchange Transactions

USD 12.7 million was traded in the inter-bank foreign exchange market in 2022/23 which was 0.4 percent higher than that of last year. All the foreign exchange traded in the inter-bank foreign exchange market was supplied by the National Bank of Ethiopia (Table 5.10).

At the same time, forex bureaus of commercial banks purchased USD 184.0

million from customers which is 9.7 percent lower than a year earlier. However, their foreign exchange sales increased 77.3 percent and reached USD 222.5 million (Table 5.14).

Table 5.14: Foreign Exchange Transactions by Forex Bureaus of Commercial Banks
In Millions of USD

Name of Forex Bureau	2020/21		2021/22		2022/23		Percentage Change	
	A	B	C	D	E	F	G=E/C	H=F/D
	Purchases	Sales	Purchases	Sales	Purchases	Sales	Purchases	Sales
Commercial Bank of Ethiopia	127.2	22.7	136.3	39.0	142.7	127.3	4.7	226.3
Bank of Abyssinia	2.5	9.1	4.1	17.1	1.1	17.8	-72.8	3.8
Dashen Bank	15.0	12.7	14.2	14.8	13.9	17.3	-2.5	17.4
Awash International Bank	3.5	12.9	2.6	15.9	2.2	25.3	-14.7	59.1
Construction & Business Bank	0.0	0.0	0.0	0.0	0.0	0.0	-	-
Wegagen Bank	4.4	2.7	6.7	4.0	1.3	4.9	-80.6	22.1
United Bank	18.9	5.1	4.6	8.0	1.8	3.3	-61.3	-58.5
Development Bank	0.0	0.1	0.0	0.1	0.0	0.1	314.7	-19.1
Nib International Bank	3.0	2.8	11.4	3.1	2.2	3.7	-80.4	19.0
Lion International Bank	4.1	0.3	0.4	0.3	0.7	0.4	68.3	15.4
Oromia International Bank	11.3	2.9	9.9	3.8	11.0	5.4	11.8	42.2
Zemen Bank	0.3	11.7	0.4	4.5	0.3	3.8	-22.7	-16.7
Cooperative Bank of Oromia	0.7	3.8	0.8	5.7	0.5	4.0	-36.9	-30.9
Buna International Bank	1.3	0.5	1.5	1.6	0.4	1.1	-75.5	-31.7
Birhan International Bank	1.3	2.2	2.7	3.1	0.5	3.2	-83.1	4.1
Abay Bank	0.8	0.5	2.1	1.0	0.8	0.9	-63.4	-9.0
Addis International Bank	3.5	0.8	3.6	1.3	2.1	1.2	-41.0	-11.0
Debub Global Bank	3.9	0.8	0.8	0.7	1.1	0.8	33.7	10.4
Enat Bank	0.3	0.8	1.7	1.1	1.0	0.9	-40.4	-18.0
Zamzam Bank	-	-	0.0	0.3	0.0	0.5	-88.0	50.4
Gohe Betoch Bank	-	-	0.0	0.0	0.0	0.1	673.8	-
Hijra Bank	-	-	0.0	0.0	0.2	0.1	709.9	-
Amhara Bank	-	-	-	-	0.0	0.4	-	-
Tsehay Bank	-	-	-	-	0.0	0.1	-	-
Siinqee Bank	-	-	-	-	0.0	0.0	-	-
Geda Bank	-	-	-	-	0.0	0.0	-	-
Ahadu Bank	-	-	-	-	0.0	0.0	-	-
Tseday Bank	-	-	-	-	0.0	0.0	-	-
Total	202.0	92.4	203.8	125.5	184.0	222.5	-9.7	77.3
Average Exchange Rate	39.0406	39.8005	48.7250	49.6583	53.5595	54.6562	9.9	10.1

Source: Staff Compilation

VI. GENERAL GOVERNMENT FINANCE

6.1. General

Overall fiscal performance of the general government exhibited a bigger expansion of overall fiscal deficit (including grants). The overall fiscal gap widened from Birr 212.3 billion in 2021/22 to Birr 221.1 billion in 2022/23 and its ratio to GDP was 2.5 percent which was lower than 3.4 percent in 2021/22.

Total revenue (including grants) grew by 26.6 percent and its ratio to GDP was 7.9 percent (Table 6.1).

General government expenditure rose by 20.5 percent (Table 6.3). Its ratio to GDP was 10.8 percent (Table 6.1). Public debt to GDP ratio was 39.4 percent and was significantly lower than last year same period (Table 6.1).

Table 6.1: Measuring Fiscal Sustainability

(In Percent)

Fiscal Year	PD/GDP	IP/RR	Debt/GDP	PDebt/GDP	R(Debt)	R(GDP)	Exp/GDP	Rev/GDP	R(OR)
2013/14	-2.6	2.6	28.6	61.0	28.4	21.1	17.5	13.8	17.8
2014/15	-2.5	2.9	31.8	56.6	31.1	16.6	18.6	15.1	27.7
2015/16	-1.9	3.1	31.3	54.7	24.6	18.2	17.4	14.7	23.6
2016/17	-3.3	3.2	34.4	57.7	28.7	17.6	18.0	14.0	11.3
2017/18	-3.0	4.3	35.7	61.2	24.3	21.0	16.1	12.3	5.1
2018/19	-2.5	4.3	35.8	57.8	22.8	23.1	15.4	11.6	15.5
2019/20	-2.5	3.8	34.9	57.2	22.1	25.4	14.2	10.5	13.8
2020/21	-2.8	5.4	34.1	56.8	25.9	29.4	13.8	10.2	25.5
2021/22	-3.4	7.1	31.4	48.5	30.3	41.8	12.7	8.8	21.5
2022/23	-2.5	8.0	27.6	39.4	24.7	41.7	10.8	7.9	26.9

Source: NBE Staff Computation

Footnotes:

PD = Primary Deficit

IP/RR = Share of interest payments in Recurrent revenue

Debt/GDP = Ratio of Domestic Debt to GDP

R(Debt) = Growth rate of Domestic Debt

R(GDP) = Growth rate of GDP at current market price

Exp/GDP = Ratio of General Government Expenditure to GDP

Rev/GDP = Ratio of General Government Revenue to GDP

R(OR) = Growth rate of ordinary Revenue

PDebt/GDP = Ratio of public debt to GDP

6.2. Revenue and Grants

General government revenue (including grants) went up by 26.6 percent on annual basis and reached Birr 717.5 billion in the review year (Table 6.2). General government revenue constituted 7.9 percent of GDP which was lower than 8.8 percent recorded a year ago.

About 86.5 percent of the total domestic revenue was generated from taxes which increased 24.2 percent.

The rise in tax revenue was attributed to improved collection of taxes from direct (22.3 percent) and indirect taxes (25.7percent).

The contribution of direct and indirect taxes to tax revenue has reached 44.5 percent and 55.5 percent, respectively. Non-tax revenue was Birr 92.2 billion and which depicted a 48.1 percent annual increment mainly due to higher sales of goods & services (Table 6.2).

Likewise, grants stood at Birr 32.1 billion which was 20.4 percent higher than a year ago.

All in all, total revenue performance (including grants) was 95.5 percent of the total annual budget.

Fig.VI.1: Trend of General Government Revenue by Component

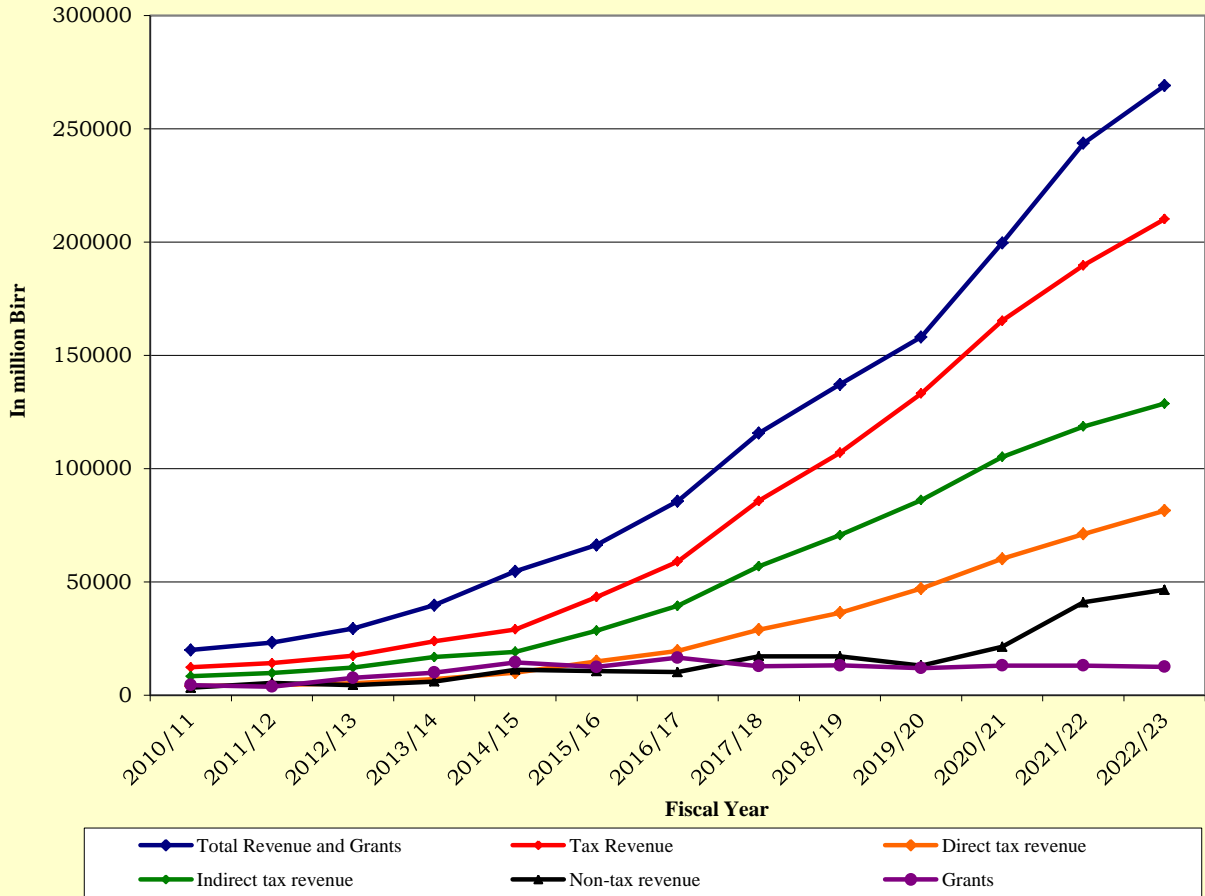


Table 6.2: Summary of General Government Revenue by Component

(In Millions of Birr)

Particulars	2021/22	2022/23		Percentage Change	Performance Rate
	[A]	[B]	[C]		
	Pre. Act	Budget	Pre. Act	[C/A]	[C/B]
Total Revenue and Grants	566,753.6	751,714.2	717,586.7	26.6	95.5
Total Revenue 1/	540,060.5	712,790.2	685,459.1	26.9	96.2
Tax Revenue	477,770.3	614,207.3	593,232.1	24.2	96.6
1. Direct Tax Revenue	215,805.4	267,470.3	263,958.6	22.3	98.7
<i>1.1 Income and Profit Taxes</i>	211,451.6	258,230.6	254,984.3	20.6	98.7
<i>Personal</i>	82,815.4	102,025.3	108,234.1	30.7	106.1
<i>Business</i>	106,806.8	121,930.8	123,422.3	15.6	101.2
<i>Others 2/</i>	21,829.5	34,274.4	23,327.9	6.9	68.1
<i>1.2 Rural Land Use Fee</i>	387.9	921.4	511.6	31.9	55.5
<i>1.3 Urban Land Use Fee</i>	3,965.9	8,318.3	8,462.7	113.4	101.7
2. Indirect Taxes	261,964.9	346,737.0	329,273.4	25.7	95.0
<i>2.1 Domestic Taxes</i>	130,654.9	174,632.1	160,720.8	23.0	92.0
<i>2.2 Foreign Trade Taxes</i>	131,310.0	172,104.9	168,552.6	28.4	97.9
<i>Import</i>	131,310.0	172,104.9	168,552.6	28.4	97.9
<i>Export</i>					
3. Non-Tax Revenue	62,290.2	98,582.9	92,227.1	48.1	93.6
<i>3.1 Charges and Fees</i>	7,166.2	7,334.3	7,148.0	(0.3)	97.5
<i>3.2 Govt. Invt. Income 3/</i>	13,347.2	23,436.4	16,679.0	25.0	71.2
<i>3.3 Reimb. And Property Sales</i>	4,325.6	2,047.3	1,477.5	(65.8)	72.2
<i>3.4 Sales of Goods & Services</i>	8,823.5	14,844.3	12,844.5	45.6	86.5
<i>3.5 Others 4/</i>	28,627.8	50,920.6	54,078.1	88.9	106.2
4. Grants	26,693.1	38,924.0	32,127.6	20.4	82.5

Source: Ministry of Finance and Economic Development

1/ It does not include privatization proceeds

2/ Others include rental income tax, withholding income tax on imports, interest income tax, capital gains tax, agricultural income and other income

3/ Government investment income includes: residual surplus, capital charge, interest payments and state dividend.

4/ Other extraordinary, miscellaneous and pension contribution

6.3. Expenditure

Total general government expenditure reached Birr 938.7 billion which exhibited a 20.5 percent annual growth due to higher recurrent and capital expenditures (Table 6.3).

In summary, total general government expenditure performance was 95.5 percent of the annual budget plan.

Recurrent expenditure at Birr 582.8 billion showed a 12.7 percent year-on-year increase and its share in total expenditure stood at 62.0 percent with a 98.7 percent performance against the annual budget.

At the same time, capital expenditure stood at Birr 355.9 billion depicting a 35.8 percent annual growth. Its performance was 90.6 percent of annual budget.

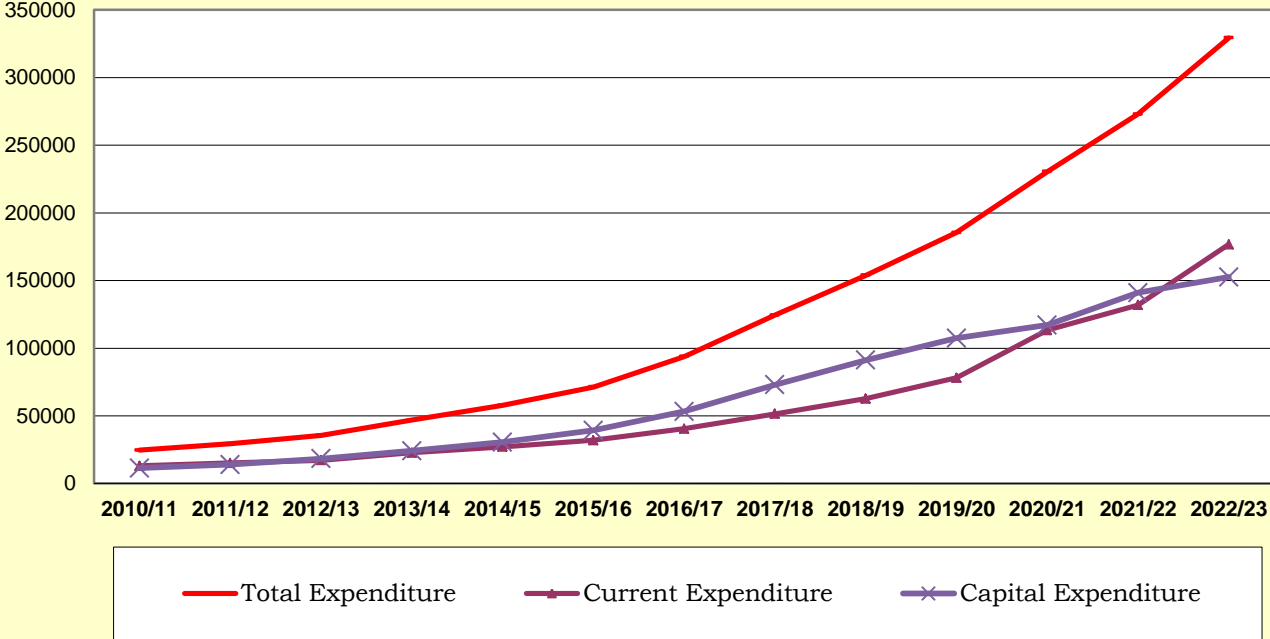
Table 6.3: Summary of General Government Expenditure**(In Millions of Birr)**

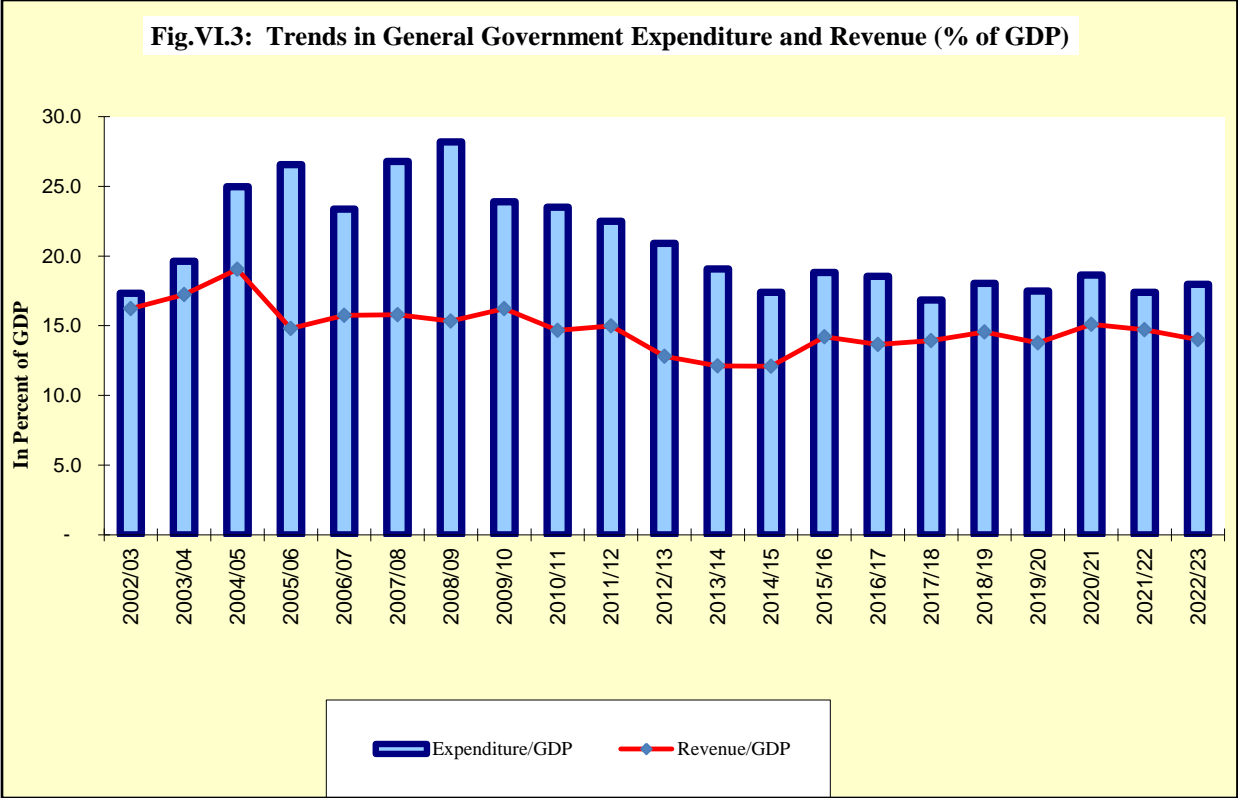
Particulars	2021/22	2022/23		Percentage Change	Performance Rate
	[A]	[B]	[C]	[C/A]	[C/B]
	Pre. Act	Budget	Pre. Act		
Total Expenditure	779,099.0	983,116.0	938,771.6	20.5	95.5
1. Current Expenditure	517,043.4	590,289.9	582,854.6	12.7	98.7
<i>General Services</i>	214,473.6	201,880.4	215,850.3	0.6	106.9
<i>Economic Services</i>	50,711.1	60,413.7	55,863.0	10.2	92.5
<i>Social Services</i>	200,594.3	209,493.8	217,279.4	8.3	103.7
<i>Interest and Charges</i>	38,512.8	48,498.8	54,544.0	41.6	112.5
<i>External Assistance 1/ Social Safety Net</i>					
<i>Others (miscellaneous)</i>	12,751.6	70,003.2	39,317.9	208.3	56.2
2. Capital Expenditure	262,055.7	392,826.1	355,917.0	35.8	90.6
Economic Development	155,288.3	229,935.4	216,131.9	39.2	94.0
Social Development	65,626.6	79,486.0	74,773.2	13.9	94.1
General Development	41,140.7	83,404.7	65,011.8	58.0	77.9
3. Special programs	-			-	-

Source: Ministry of Finance and Economic Development

Note: 1/ Includes mapping, science and technology, public buildings, etc.

Fig.VI.2: Trends in General Government Expenditure by Component





6.4. Deficit Financing

General government budgetary operations (including grants) resulted in Birr 221.1 billion deficit about 4.2 percent higher than a year earlier. Primary deficit as percentage of GDP was 2.5 percent. The deficit was financed by net domestic and external borrowing.

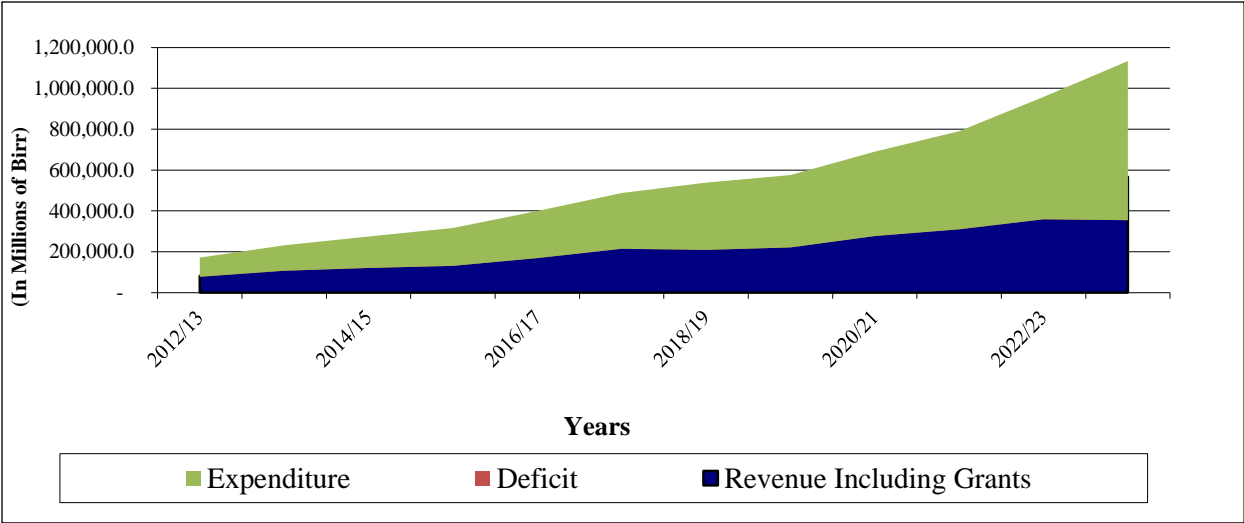
Table 6.4: Summary of General Government Finance

(In Millions of Birr)

Particulars	2022	2022/23		Percentage Change	performance rate
	[A]	[B]	[C]	[C/A]	[C/B]
	Pre. Act	Budget	Pre. Act		
Total Revenue and Grants	566,753.6	751,714.2	717,586.7	26.6	95.5
Revenue	540,060.5	712,790.2	685,459.1	26.9	96.2
Grants	26,693.1	38,924.0	32,127.6	20.4	82.5
Total Expenditure	779,099.0	983,116.0	938,771.6	20.5	95.5
Current Expenditure	517,043.4	590,289.9	582,854.6	12.7	98.7
Capital Expenditure	262,055.7	392,826.1	355,917.0	35.8	90.6
Special Programs					
Overall Surplus/ Deficit					
(Including Grants)	(212,345.4)	(231,401.8)	(221,184.9)	4.2	95.6
(Excluding Grants)	(239,038.5)	(270,325.8)	(253,312.4)	6.0	93.7
Total Financing	212,345.4	231,401.8	221,184.9	4.2	95.6
Net External Borrowings	3,295.5	6,875.9	28,641.6	769.1	416.5
Gross Borrowing	20,224.4	42,785.5	51,842.7	156.3	121.2
o/w Special Programs					
Amortization Paid	16,928.9	35,909.5	23,201.1	37.1	64.6
HIPC relief & MDRI					
Net Domestic Borrowings	262,431.0	224,525.9	214,243.1	(18.4)	95.4
Banking System	206,613.7		141,728.9	(31.4)	
Non-Banking Systems	55,817.3		72,514.2	29.9	
Privatization Receipts	-		-		
Others and Residuals	(53,381.1)		(21,699.9)	(59.3)	

Source: Ministry of Finance

Fig.VI.4: General Government Deficit Finance of F.Y 2022/23



6.5. General Government Public Debt

Total general government debt reached Birr 3439.2 billion and showed a 15.3 percent annual growth due to an increase in all of its components (Table 6.5). External public debt at Birr 1534.0 billion, increased 5.5 percent over last fiscal year.

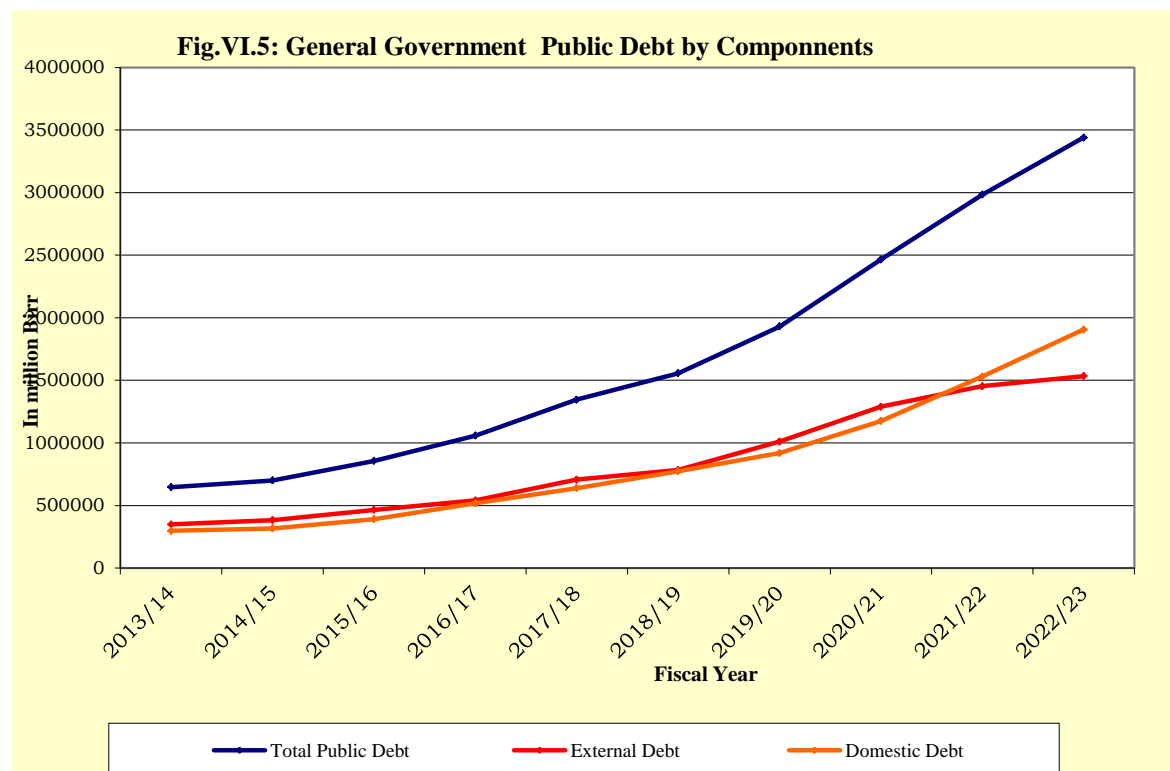
Likewise, domestic public debt reached Birr 1909.1 billion depicting 24.5 percent annual increase.

Public debt as percentage of GDP was 39.4 percent compared with 48.5 percent a year ago (Table 6.1).

Table 6.5: Summary of General public debt by components

(In millions of Birr)

Particulars	2021/22	2022/23	%age Change
	[A]	[C]	
	Actual	Actual	[C/A]
Total Public Debt	2,983,687.2	3,439,251.2	15.3
External Debt	1,453,608.9	1,534,072.8	5.5
Domestic Debt	1,530,078.3	1,905,178.4	24.5



VII. INVESTMENT

The Ethiopian Investment Agency (EIA) and Regional Investment Offices licensed 104 investment projects worth Birr 62.5 Billion in 2022/23. Though the total investment capital showed a remarkable growth, the number of projects declined (7.1 percent) compared with last year. All the projects, which become operational, were under private ownership.

Of the total investment, 37 projects (35.6 percent) were domestic with an investment capital of Birr 5 billion. Meanwhile, foreign investments constituted 67 projects (64.4 percent) and they had Birr 57.5 billion in

investment capital. Thus, a number of foreign investment projects during the review period were 48.9 percent higher than the preceding year.

The average capital per project for domestic investment projects was Birr 135.8 million while that of foreign investment projects was Birr 857.7 million, signifying that foreign investment projects were relatively more capital intensive than domestic investment projects.

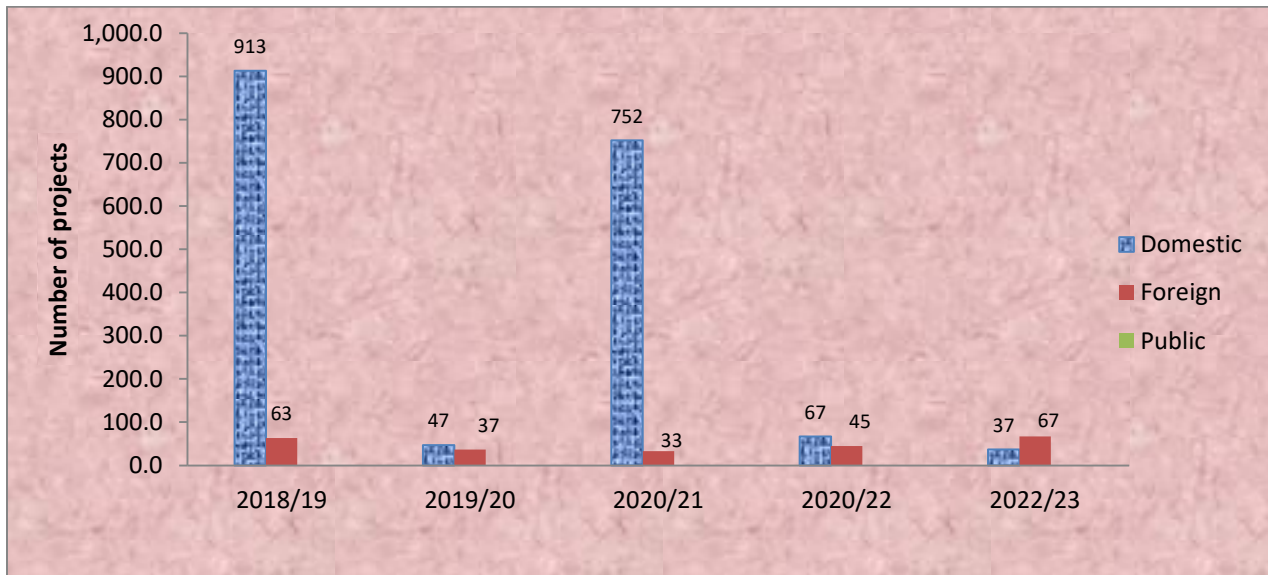
The investment projects approved during the review period are to create job opportunities for 6,849 permanent and 9,431 casual workers (Table 7.2).

Table 7.1: Number of Projects, Capital and Jobs Created by Operational Investment
(Capital in Millions of Birr)

		2020/21	2021/22	2022/23		Percentage change	
		A	B	C	Share	C/A	C/B
1. Total Investment	Number	785	112	104	100.0	-86.8	-7.1
	Capital	34,073.4	2,183.8	62,490.0	100.0	83.4	2,761.5
	Permanent Workers	11,768	12,914	6,849	100.0	-41.8	-47.0
	Temporary Workers	6,132	3,452	9,431	100.0	53.8	173.2
1.1. Total Private	Number	785	112	104	100.0	-86.8	-7.1
	Capital	34,073.4	2,183.8	62,490.0	100.0	83.4	2,761.5
	Permanent Workers	11,768	12,914	6,849	100.0	-41.8	-47.0
	Temporary Workers	6,132	3,452	9,431	100.0	53.8	173.2
1.1.1. Domestic	Number	752	67	37	35.6	-95.1	-44.8
	Capital	31,105.6	862.1	5,026.2	8.0	-83.8	483.1
	Permanent Workers	8,578	1,973	915	13.4	-89.3	-53.6
	Temporary Workers	5,013	228	6,619	70.2	32.0	2,803.1
1.1.2. Foreign	Number	33	45	67	64.4	103.0	48.9
	Capital	2,967.7	1,321.8	57,463.7	92.0	1,836.3	4,247.5
	Permanent Workers	3,190	10,941	5,934	86.6	86.0	-45.8
	Temporary Workers	1,119	3,224	2,812	29.8	151.3	-12.8
1.2. Public	Number	-	-	-	-	-	-
	Capital	-	-	-	-	-	-
	Permanent Workers	-	-	-	-	-	-
	Temporary Workers	-	-	-	-	-	-

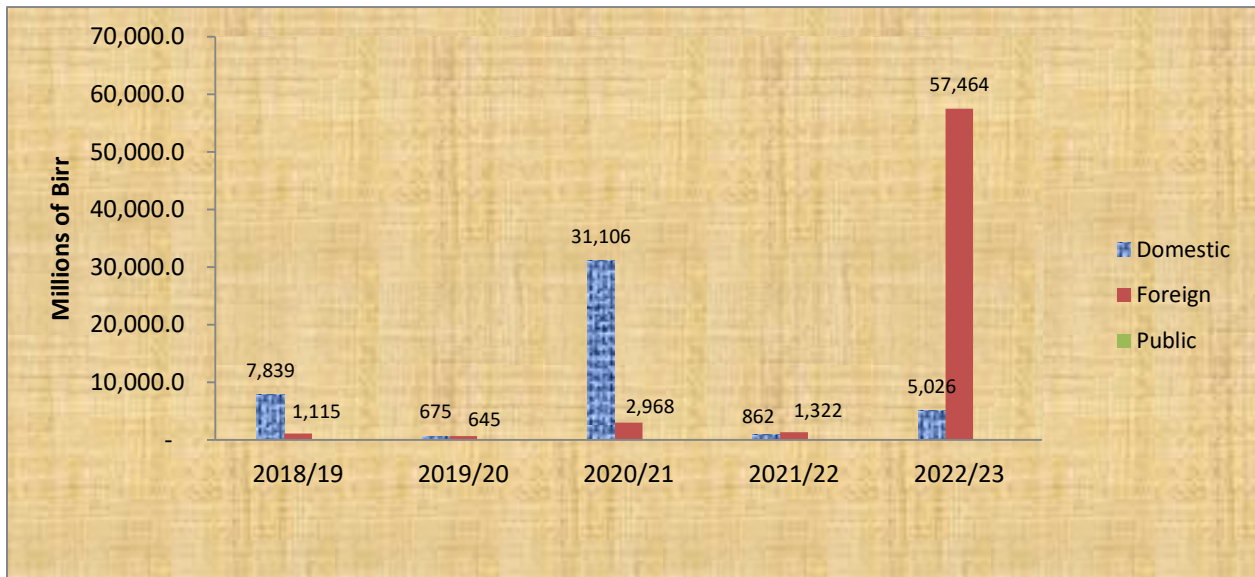
Source: Ethiopian Investment Agency

Fig.VII.1: Number of Operational Investment Projects by Source



Source: Ethiopian Investment Agency

Fig.VII.2: Capital of Operational Investment Projects by Source



Source: Ethiopian Investment Agency

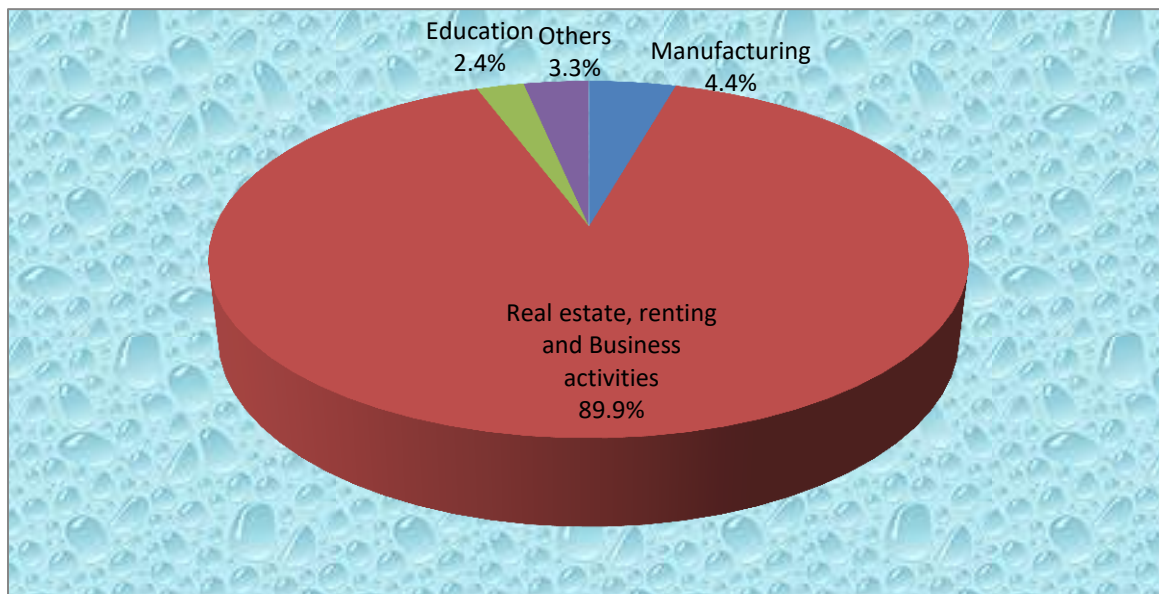
7.1. Investment by Sector

Of the total number of projects that become operational, about 56.7 percent were in manufacturing, 13.5 percent each in construction and real estate, renting & business activities, 5.7 percent in tour operation, transport and communication, 2.9 percent in health and social work, 1.9 percent in hotels and restaurants, 1 percent each in agriculture, hunting & forestry and

education sector, and 3.8 percent in others.

In terms of investment capital, real estate, renting and business activities took the lion's share (89.9 percent) followed by manufacturing (4.4 percent), education (2.4 percent), tour operation, transport and communication (1.8 percent) and others (1.1 percent).

Fig.VII.3: Distribution of Operational Investment capital by Sector in 2022/23



Source: Ethiopian Investment Agency.

Others*: Agriculture, hunting and forestry, Hotel and restaurants, Health and social work, Construction and Others

Table: 7.2: Numbers and Capital of Operational Investment Projects by Sector
(Capital in millions of Birr)

Sectors	2020/21		2021/22		2022/23		Percentage share	
	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital
Manufacturing	242	12,097.0	26	1,308.2	59	2,765.5	56.7	4.4
Agriculture, hunting and forestry	6	114.5	-	-	1	20.0	1.0	0.0
Real estate, renting and Business activities	238	10,426.5	23	130.7	14	56,150.9	13.5	89.9
Hotel and restaurants	18	5,887.4	1	105.4	2	30.4	1.9	0.0
Education	2	13.0	1	20.6	1	1,500.0	1.0	2.4
Health and social work	9	864.1	1	7.0	3	48.7	2.9	0.1
Construction	224	1,799.1	47	482.1	14	118.2	13.5	0.2
Tour operation, transport and communication	34	669.2	8	62.5	6	1,139.5	5.8	1.8
Whole sale, retail trade and repair service	3	381.5	1	1.7	-	-	-	-
Mining and quarrying	-	-	-	-	-	-	-	-
Electricity, gas, steam and water supply	-	-	-	-	-	-	-	-
Others and other community, social and personal service activities	-	-	-	-	-	-	-	-
Others	8	1,816.1	4	65.7	4	716.7	3.8	1.1
Grand Total	785	34,073.4	112	2,183.9	104	62,490.0	100	100

Source: Ethiopian Investment Agency

7.2 Distribution by Region

Recording spatial distribution, out of the 104 projects that went operational in 2022/23, about 35 projects (33.7 percent) having Birr 5 billion capital were located in Addis Ababa and 69 projects (66.3

percent) with Birr 57.5 billion in investment capital were multiregional projects (Table 7.4).

Table 7.4: Number and Capital of Approved Projects by Region

(Capital in millions of Birr)

Regions	2020/21		2021/22		2022/23		Percentage share to total	
	No. of projects	Investment Capital	No. of projects	Investment Capital	No. of projects	Investment Capital	No. of projects	Investment Capital
Tigray	-	-	-	-	-	-	-	-
Afar	-	-	-	-	-	-	-	-
Amhara	41	285.2	1	1.7	-	-	-	-
Oromia	-	-	-	-	-	-	-	-
Somali	-	-	-	-	-	-	-	-
Benishangul-Gumuz	-	-	-	-	-	-	-	-
SNNPR	-	-	1	105.4	-	-	-	-
Gambella	-	-	-	-	-	-	-	-
Harari	-	-	-	-	-	-	-	-
Addis Ababa	711	30,820.4	64	750.0	35	5,010.3	33.7	8.0
Dire Dawa	-	-	-	-	-	-	-	-
Sidama	-	-	-	-	-	-	-	-
SW Ethiopia	-	-	-	-	-	-	-	-
Multiregional Projects	33	2,967.7	46	1,326.8	69	57,479.7	66.3	92.0
Grand Total	785	34,073.4	112	2,183.8	104	62,490.0	100	100

Source: Ethiopian Investment Agency

VIII. INTERNATIONAL DEVELOPMENTS

8.1. International Economic Developments

8.1.1. Overview of the World Economy

Global growth is projected to fall from 3.5 percent in 2022 to 3.0 percent in 2023 on an annual average basis.

For advanced economies, the growth slowdown projected for 2023 remains significant: from 2.7 percent in 2022 to 1.5 percent in 2023. About 93 percent of advanced economies are projected to have lower growth in 2023, and growth in 2024 among this group of economies is projected to remain at 1.4 percent.

On the other hand, in emerging market and developing economies, the growth outlook is broadly stable for 2022 and 2023.

In the United States, growth is projected to slow from 2.1 percent in 2022 to 1.8 percent in 2023, and then slow further to 1.0 percent in 2024.

Growth in the euro area is projected to fall from 3.5 percent in 2022 to 0.9 percent in 2023, before rising to 1.5 percent in 2024. Given stronger services and tourism, growth has been revised upward by 0.4 percentage

point for Italy and by 1.0 percentage point for Spain.

Growth in the United Kingdom is projected to decline from 4.1 percent in 2022 to 0.4 percent in 2023, then to rise to 1.0 percent in 2024, reflecting stronger than expected consumption and investment from the confidence effects of falling energy prices, lower post-Brexit uncertainty, and a resilient financial sector as the March global banking stress dissipates.

Growth in Japan is projected to rise from 1.0 percent in 2022 to 1.4 percent in 2023, reflecting a modest upward revision, buoyed by unexpressed demand and accommodative policies.

Growth in emerging and developing Asia was on track to rise by 4.5 percent in 2022, then to rise to 5.3 percent in 2023. The forecast for China is unchanged at 5.2 percent for 2023.

Growth in the Middle East and Central Asia is projected to decline from 5.4 percent in 2022 to 2.5 percent in 2023.

In sub-Saharan Africa, growth is projected to decline to 3.5 percent in 2023. Growth in

Nigeria in 2023 is projected to gradually slowdown, reflecting security issues in the oil sector. In South Africa, growth is expected to decline to 0.3 percent in 2023, with the decline reflecting power shortages.

Table 8.1: Overview of World Economic Outlook and Projection

(Annual Percentage Change)

Particulars	2021	2022	Projection	
			2023	2024
World Output	6.3	3.5	3.0	3.0
Advanced Economies	5.4	2.7	1.5	1.4
United States	5.9	2.1	1.8	1.0
Euro Area	5.3	3.5	0.9	1.5
Japan	2.2	1.0	1.4	1.0
United Kingdom	7.6	4.1	0.4	1.0
Emerging Market & Developing Economies	6.8	4.0	4.0	4.1
Middle East and Central Asia	4.4	5.4	2.5	3.2
Sub-Saharan Africa	4.7	3.9	3.5	4.1
Nigeria	3.6	3.3	3.2	3.0
South Africa	4.7	1.9	0.3	1.7
World Trade Volume (goods & services)	10.9	5.1	0.9	3.5
Import				
Advanced Economies	10.3	6.7	0.1	3.0
Emerging Market and Developing Economies	11.8	3.2	1.7	4.4
Export				
Advanced Economies	9.8	5.3	1.8	3.1
Emerging Market and Developing Economies	12.8	4.1	-0.1	4.2
Commodity Prices (US dollars)				
Oil	65.9	39.2	-24.1	-5.8
Non- fuel(average based on world commodity import weights)	26.3	7.4	-2.8	-1.0
World Consumer Price	4.7	8.7	6.9	5.8
Advanced Economies	3.1	7.3	4.6	3.0
United States	4.7	8.0	4.1	2.8
Euro Area	2.6	8.4	5.6	3.3
Japan	-0.2	2.5	3.2	2.9
Emerging Market & Developing Economies	5.9	9.8	8.5	7.8
China	0.9	1.9	0.7	1.7
Mexico	5.7	7.9	5.5	3.8
Turkey	19.6	72.3	51.2	62.5
Brazil	8.3	9.3	4.7	4.5
Russia	6.7	13.8	5.3	6.3
Sub-Sahara Africa	11.0	14.5	15.8	13.1
Angola	25.8	21.4	13.1	22.3
Nigeria	17.0	18.8	25.1	23.0
Ghana	10.0	31.9	42.2	23.2

Source: IMF, World Economic Outlook, October, 2023

8.1.2. World Trade

Global trade growth is expected to decline from 5.1 percent in 2022 to 0.9 percent in 2023. The decline in 2023 reflects not only the path of global demand, but also shifts in its composition toward domestic services,

lagged effects of US dollar appreciation which slows trade owing to the widespread invoicing of products in US dollars and rising trade barriers.

8.1.3. Inflation and Commodity Prices

Global headline inflation is set to fall from 8.7 percent in 2022 to 6.9 percent in 2023 on the back of lower commodity prices, but underlying (core) inflation is likely to decline more slowly.

Headline inflation in Japan forecasted to rise by 3.2 percent in 2023 from 2.5 percent in 2022.

In China inflation is expected to rise by 1.9 in 2022 and increase by 0.7 percent in 2023.

In the United States, headline consumer price inflation is expected to decrease from 8.0 percent in 2022 to 4.1 percent in 2023.

Inflation is expected to rise in 2022 and 2023 in Sub-Saharan Africa, 14.5 percent and 15.8 percent, respectively.

Likewise, in Euro area headline inflation is expected to decline to 5.6 percent in 2023 from 8.4 percent in 2022.

Crude oil prices are projected to fall by about 24.1 percent in 2023 from rise in 2022 by 39.2 percent, while nonfuel commodity prices are expected to rise in 2022 by 7.4 percent and declined by 2.8 in 2023.

8.1.4. Exchange Rate

In foreign exchange markets prevailing on 14 June 2022/23, the euro appreciated in trade-weighted terms. During the review period the nominal effective exchange rate of the euro as measured against the currencies of 41 of the euro area's most important trading partners appreciated by 1.7 percent. In terms of bilateral exchange

rate movements against major currencies, the euro appreciated against the US dollar (by 2.0 percent), despite a widening of interest rate differentials, as well as against the Chinese renminbi (by 5.9 percent) and the Japanese yen (by 7.9 percent), while it depreciated against the pound sterling (by 2.7 percent) and the Swiss franc (by 0.7

percent). It also strengthened against the currencies of most major emerging economies in Asia, as well as against the Turkish lira (by 26.7 percent), but weakened against the Brazilian real (by 6.3 percent) and against the currencies of most central

and eastern European non-euro area EU Member States.

8.2. Implications of International Economic Developments on the Ethiopia Economy

Despite slowdown, the global economy is estimated to grow in 2022/23 while commodity prices, both oil and non-oil commodities, are expected to increase. These have both positive and negative impact on the economy.

Improvement in the global economy creates demand for Ethiopia's export commodities and increases forex in flows and employment.

Meanwhile, higher oil price increased import payments which in turn results in higher pressure in the country's trade balance.

STATISTICAL ANNEXES

Table 1: GDP By Economic Activity at Constant Prices

(In millions of Birr)

Sectors/Year	2008	2009	2010	2011	2012	2013	2014	2015
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Agriculture, Hunting and Forestry	542,700.2	579,022.9	599,331.4	622,220.3	648,711.8	684,775.8	726,412.8	771,163.0
Crop	346,293.6	374,649.8	392,291.8	404,049.6	422,966.5	446,919.4	477,801.1	511,777.5
Animal Farming and Hunting	146,959.5	153,170.4	154,038.0	163,279.5	168,722.4	178,571.3	186,759.1	195,057.3
Forestry	49,447.1	51,202.7	53,001.7	54,891.1	57,022.9	59,285.2	61,852.6	64,328.3
Fishing	1,381.9	1,389.4	1,546.7	1,581.8	1,625.9	1,653.4	2,015.5	2,794.3
Mining and Quarrying	6,116.8	4,296.9	3,402.8	2,658.9	5,089.3	10,960.7	11,624.5	10,796.1
Manufacturing	89,246.7	111,249.6	117,410.7	127,986.7	137,601.5	144,618.9	151,583.9	162,125.7
Large and Medium Scale Manufacturing	61,687.4	73,528.2	77,966.5	87,691.9	96,268.6	102,266.2	108,223.9	117,266.1
Small Scale and Cottage Industries	27,559.2	37,721.5	39,444.2	40,294.7	41,332.9	42,352.7	43,360.1	44,859.6
Electricity and Water	11,015.5	11,552.5	11,929.0	14,115.4	15,136.4	16,522.3	17,593.6	19,826.3
Construction	237,545.0	286,749.6	331,691.4	381,443.8	419,078.0	446,721.7	468,435.8	501,490.4
Whole Sale and Retail Trade	202,241.5	215,351.0	241,936.3	268,037.0	285,293.1	303,204.7	327,260.0	352,241.8
Hotels and Restaurants	41,601.3	41,625.2	44,335.3	48,143.8	49,220.4	50,484.9	54,536.5	60,146.9
Transport and Communications	202,241.5	215,351.0	241,936.3	104,436.2	105,646.1	113,090.7	124,120.5	139,047.5
Financial Intermediation	41,601.3	41,625.2	44,335.3	57,368.6	65,274.3	71,158.1	78,636.2	86,092.9
Real Estate, Renting and Business Activities	67,062.9	70,005.2	74,364.3	79,942.0	87,510.2	95,299.7	103,829.9	113,274.2
Public Administration and Defense	62,259.2	70,488.5	76,754.1	83,662.0	85,612.2	89,770.1	93,768.3	97,515.9
Education	42,385.6	41,031.0	42,520.8	44,221.6	44,784.1	45,694.9	46,432.3	47,583.1
Health and Social Work	15,669.4	16,767.9	18,153.4	20,747.2	23,414.2	26,554.3	29,413.0	32,650.5
Other Community , Social & Personal Services	18,371.3	19,198.4	20,178.0	21,454.2	21,995.5	22,426.8	22,890.2	23,400.6
Private Households with Employed Persons	16,063.8	16,633.3	17,276.0	17,707.4	18,115.5	18,515.9	18,939.5	19,329.1
Total	1,463,883.2	1,613,519.9	1,739,254.9	1,895,726.7	2,014,108.6	2,141,452.8	2,277,492.4	2,439,478.1
Less : FISIM	14,485.8	17,038.3	19,763.6	21,037.4	24,520.9	27,214.5	28,829.5	29,556.7
Gross Value Added at Constant Basic Prices	1,449,397.5	1,596,481.6	1,719,491.3	1,874,689.3	1,989,587.7	2,114,238.3	2,248,662.8	2,409,921.4
Taxes on Products	118,700.0	120,645.6	114,575.2	112,468.2	119,592.3	113,931.8	98,085.2	91,585.7
GDP at Constant Market Prices	1,568,097.5	1,717,127.2	1,834,066.5	1,987,157.5	2,109,180.1	2,228,170.1	2,346,748.0	2,501,507.2

Source:MoPD

Table 2: Growth Rate of GDP By Economic Activity at Constant Prices

Industry/Year	2007	2008	2009	2010	2011	2012	2013	2014	2015
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Agriculture, Hunting and Forestry	6.3	2.3	6.7	3.5	3.8	4.3	5.6	6.1	6.2
Crop	7.2	3.4	8.2	4.7	3	4.7	5.7	6.9	7.1
Animal Farming and Hunting	4.7	-1.5	4.2	0.6	6	3.3	5.8	4.6	4.4
Forestry	3.5	2.2	3.6	3.5	3.8	3.9	4.0	4.3	4.0
Fishing	30.6	0.1	0.5	11.3	2.3	2.8	1.7	21.9	38.6
Mining and Quarrying	-25.6	-3.3	-29.8	-20.8	-21.9	91.4	115.4	6.1	-7.1
Manufacturing	18.2	18.4	24.7	5.5	7.7	7.5	5.1	4.8	7.0
Large and Medium Scale Manufacturing	23.1	22.9	19.2	6.0	10	9.8	6.2	5.8	8.4
Small Scale and Cottage Industries	3.8	2.5	36.9	4.6	3	2.6	2.5	2.4	3.5
Electricity and Water	4.5	15.0	4.9	3.3	4	7.2	9.2	6.5	12.7
Construction	31.6	25.0	20.7	15.7	15	9.9	6.6	4.9	7.1
Whole Sale and Retail Trade	12.3	8.2	6.5	12.3	11.7	6.4	6.3	7.9	7.6
Hotels and Restaurants	29.6	15.6	0.1	6.5	9	2.2	2.6	8.0	10.3
Transport and Communications	13.3	13.7	15.1	6.4	21	1.2	7.0	9.8	12.0
Financial Intermediation	7.5	9.6	18.3	10.7	10.1	10.2	9.0	10.5	9.5
Real Estate, Renting and Business Activities	4.1	3.7	4.4	6.2	7.5	9.5	8.9	9.0	9.1
Public Administration and Defense	6.0	7.4	13.2	8.9	9	2.3	4.9	4.5	4.0
Education	9.2	8.8	-3.2	3.6	4	1.8	2.0	1.6	2.5
Health and Social Work	13.0	10.8	7.0	8.3	14.3	12.9	13.4	10.8	11.0
Other Community , Social & Personal Services	3.7	3.0	4.5	5.1	6.3	2.5	2.0	2.1	2.2
Private Households with Employed Persons	4.4	4.3	3.5	3.9	2.5	2.3	2.2	2.3	2.1
Total	10.4	8.0	10.2	7.8	8.9	6.2	6.3	6.4	7.1
Less : FISIM	17.9	16.9	17.6	16.0	7	14.2	11.0	5.9	2.5
Gross Value Added at Constant Basic Prices	10.4	8.0	10.1	7.7	9.0	6.1	6.3	6.4	7.2
Taxes on Products	10.2	3.1	1.6	-5.0	-1.8	6.3	-4.7	-13.9	-6.6
GDP at Constant Market Prices	10.4	7.6	9.5	6.8	8.3	6.1	5.6	5.3	6.6

Source:MoPD

Table 3: GDP by Economic Activity at Current Prices**(In million Birr)**

Industry/Year	2010	2011	2012	2013	2014	2015
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Agriculture, Hunting and Forestry	684,644	910,589.1	1,196,254.2	1,626,284.1	2,312,286.2	3,114,215.0
Crop	427,193	587,216.0	797,015.6	1,122,637.7	1,639,822.3	2,189,185.1
Animal Farming and Hunting	191,867	247,337.3	303,074.1	385,788.3	523,066.6	731,290.9
Forestry	65,584	76,035.8	96,164.4	117,858.2	149,397.2	193,738.9
Fishing	2,351	3,020.6	3,747.5	5,034.3	5,351.5	7,481.6
Mining and Quarrying	4,053	3,368.1	9,643.4	30,909.1	34,587.9	29,329.9
Manufacturing	128,200	150,530.5	178,972.3	199,934.1	261,122.9	390,709.0
Large and Medium Scale Manufacturing	84,791	104,723.1	125,757.6	141,915.1	185,656.5	285,203.1
Small Scale and Cottage Industries	43,410	45,807.5	53,214.7	58,019.0	75,466.4	105,505.9
Electricity and Water	15,026	18,726.4	23,826.9	30,434.9	34,860.6	53,134.9
Construction	452,978	495,283.1	567,201.4	687,236.9	1,068,150.2	1,662,566.4
Whole Sale and Retail Trade	275,513	360,656.3	444,506.1	554,457.8	801,596.4	1,129,865.3
Hotels and Restaurants	53,441	66,596.7	79,304.1	95,766.7	129,976.7	195,338.3
Transport and Communications	82,947	99,884.4	140,312.7	183,481.3	251,762.7	314,877.2
Financial Intermediation	69,359	85,044.1	102,994.4	122,893.7	180,666.7	238,373.1
Real Estate, Renting and Business Activities	79,553	106,157.2	154,804.2	228,594.8	404,030.6	715,651.7
Public Administration and Defense	94,614	103,262.3	120,235.7	159,154.9	188,988.2	260,507.3
Education	75,776	85,738.9	94,199.3	116,406.3	127,857.9	164,357.3
Health and Social Work	24,100	27,328.0	34,927.8	40,104.3	47,995.9	60,118.6
Other Community , Social & Personal Services	23,634	28,140.8	33,305.6	39,400.7	49,977.4	66,077.1
Private Households with Employed Persons	25,428	31,181.0	38,264.3	45,764.8	67,753.0	80,607.1
Total	2,091,618	2,575,507.5	3,222,499.9	4,165,858.8	5,966,964.9	8,483,209.8
Less : FISIM	26,829	31,884.3	39,104.0	46,801.9	67,289.5	79,436.0
Gross Value Added at Constant Basic Prices	2,064,789	2,543,623.2	3,183,395.8	4,119,057.0	5,899,675.3	8,403,773.7
Taxes on Products	137,583	152,599.6	191,351.1	221,967.3	257,339.9	319,343.1
GDP at Current Market Prices	2,202,373	2,696,222.7	3,374,746.9	4,341,024.2	6,157,015.2	8,723,116.8

Source: MoPD

Table 4: Growth Rates of GDP by Economic Activity at Current Prices (%)

Sectors/Year	2010	2011	2012	2013	2014	2015
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Agriculture, Hunting and Forestry	11.0	33.0	32.6	35.9	42.2	34.7
Crop	8.6	37.5	35.7	40.9	46.1	33.5
Animal Farming and Hunting	16.5	28.9	27.0	27.3	35.6	39.8
Forestry	11.6	16.2	26.5	22.6	26.8	29.7
Fishing	4.1	28.5	24.1	34.3	6.3	39.8
Mining and Quarrying	-16.3	-16.9	186.3	220.5	11.9	(15.2)
Manufacturing	13.1	17.4	18.9	11.7	30.6	49.6
Large and Medium Scale Manufacturing	13.4	20.2	20.1	12.8	30.8	53.6
Small Scale and Cottage Industries	12.4	3.0	16.2	9.0	30.1	39.8
Electricity and Water	9.6	20.7	27.2	27.7	14.5	52.4
Construction	50.9	9.3	14.5	21.2	55.4	55.6
Whole Sale and Retail Trade	22.4	32.4	23.2	24.7	44.6	41.0
Hotels and Restaurants	19.0	25.1	19.1	20.8	35.7	50.3
Transport and Communications	6.8	20.4	40.5	30.8	37.2	25.1
Financial Intermediation	33.9	22.6	12.2	19.3	47.0	31.9
Real Estate, Renting and Business Activities	12.4	33.4	45.8	47.7	76.7	77.1
Public Administration and Defense	17.1	9.1	16.4	32.4	18.7	37.8
Education	24.0	13.1	11.3	23.6	9.8	28.5
Health and Social Work	28.4	13.4	27.8	14.8	19.7	25.3
Other Community , Social & Personal Services	14.9	19.1	18.4	18.3	26.8	32.2
Private Households with Employed Persons	27.9	22.6	22.7	19.6	48.0	19.0
Total	21.4	23.3	25.3	29.3	43.2	42.2
Less : FISIM	42.2	22.0	13.8	19.7	43.8	18.1
Gross Value Added at Current Basic Prices	21.2	23.3	25.4	29.4	43.2	42.4
Taxes on Products	6.9	10.9	25.4	16.0	15.9	24.1
GDP at Current Market Prices	20.2	22.4	25.2	28.6	41.8	41.7

Source: MoPD

Table 5: Summary of External Public Debt

(In Millions of Birr)

	2014/15 (2007)	2015/16 (2008)	2016/17 (2009)	2017/18 (2010)	2018/19 (2011)	2019/20 (2012)	2020/21 (2013)	2021/22 (2014)	2022/23 (2015)
EXTERNAL DEBT									
Disbursed *	382,564.9	449,037.6	539,568.8	703,675.6	782,908.8	1,010,608.8	1,289,835.3	1,453,608.9	1,534,072.6
Undisbursed	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
DRAWINGS (gross)	119,075.7	73,812.2	66,379.3	92,796.0	79,206.1	106,681.7	56,108.5	55,519.7	78,725.5
REPAYMENTS (1)	-13,967.5	-16,306.7	-19,479.7	-30,619.4	-40,234.6	-44,679.7	-56,216.2	-81,284.9	-72,998.9
DEBT SERVICING (2)	18,974.75	23,872.4	29,345.3	42,480.4	58,214.7	64,124.9	75,973.7	105,770.6	95,611.9
Principal	13,967.5	16,306.7	19,479.7	30,619.4	40,234.6	44,679.7	56,216.2	81,284.9	72,998.9
Interest (3)	5,007.2	7,565.7	9,865.6	11,861.0	17,980.1	19,445.1	19,757.5	24,485.7	22,613.0
DEBT SERVICE TO EXPORT OF GOODS RATIO	31.1	39.4	45.0	57.4	77.8	68.5	54.1	53.1	49.6
EXTERNAL DEBT TO GDP (%)**	29.5	28.6	29.4	32.0	29.1	29.9	29.7	23.6	17.6
EXPORT OF GOODS	61,064.4	60,526.4	65,167.1	74,044.8	74,807.7	93,641.5	140,326.9	199,307.5	192,804.5
GDP (Current Current Price)	1,297,954.7	1,568,097.5	1,832,786.0	2,200,120.6	2,690,751.4	3,374,746.9	4,341,024.2	6,157,015.2	8,722,307.7

Source: Ministry of Finance and Economic Development

*Excludes State defence Credits and Ruble denominated debt.

(1)-on cash basis; includes repayments of Trust Fund Loans, and repurchases from IMF.

(2)-on accrual basis; includes repayments of Trust Fund Loans, and repurchases from IMF.

(3) - Includes IMF charges and interest.

**Revised based on rebased GDP series

NB: USD to birr conversion is made by using annual average exchange rate.

Table 6: Balance of Payments**(In Millions of Birr)**

G.C.	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
EFY	(2008)	(2009)	(2010)	(2011)	(2012)	(2013)	(2014)	(2015)
TRADE BALANCE	-292,474.9	-289,030.5	-324,244.9	-349,149.7	-341,436.0	-417,133.0	-681,230.9	-720,920.9
Export(f.o.b)	60,526.4	65,167.1	74,044.8	74,806.8	93,641.5	140,326.9	199,197.1	192,804.3
Coffee	15,253.7	19,795.6	21,905.1	21,436.5	26,824.8	35,480.3	69,485.1	71,409.4
Other Exports	45,272.7	45,371.5	52,139.7	53,370.3	66,816.7	104,846.6	129,712.0	121,394.9
Imports (c.i.f.)	-353,001.4	-354,197.6	-398,289.7	-423,956.5	-435,077.5	-557,459.9	-880,428.0	-913,725.2
Fuel	-28,260.8	-40,876.9	-60,553.0	-72,961.5	-65,445.6	-75,723.5	-168,062.9	-211,347.1
Other Imports	-324,740.5	-313,320.8	-337,736.7	-350,995.0	-369,632.0	-481,736.4	-712,365.1	-702,378.1
Net Services	-13,027.4	-12,588.8	-5,221.1	-15,833.5	-6,862.8	516.4	31,043.3	52,518.3
Travel	-1,386.5	-951.7	7,146.7	6,225.9	10,431.2	26,800.9	22,577.5	28,054.5
Other Transportation	11,209.2	8,569.4	13,494.3	18,091.2	27,972.4	28,743.3	53,574.7	72,162.5
Government(n.i.e.)	7,600.2	8,625.2	5,641.9	7,935.0	1,878.4	6,314.9	9,019.8	11,089.2
Investment Income	-7,849.3	-11,214.0	-11,410.1	-16,925.9	-19,203.0	-22,380.5	-27,861.8	-22,028.7
Other Services	-22,601.0	-17,617.7	-20,094.0	-31,159.7	-27,942.0	-38,962.2	-26,266.8	-36,759.2
Net Goods & Services	-305,502.3	-301,619.3	-329,466.0	-364,983.2	-348,298.9	-416,616.7	-650,187.6	-668,402.6
Private Transfers (net)	135,680.5	122,945.6	158,601.1	167,629.9	162,534.4	238,717.8	345,119.4	362,459.0
Current Account Balance	-169,821.8	-178,673.7	-170,864.9	-197,353.3	-185,764.5	-177,898.8	-305,068.2	-305,943.6
Public Transfers (net)	29,359.9	32,014.6	32,678.7	58,540.8	47,797.8	53,408.5	55,185.2	58,256.0
Non Monetary Capital (net)	138,330.8	154,325.0	161,503.2	135,289.6	135,603.6	147,709.5	132,280.7	186,753.7
Public long-term (net)*	67,020.2	57,928.2	68,083.1	46,595.6	64,463.4	6,465.0	-22,774.0	11,437.8
Short-term	2,322.0	2,913.8	-3,792.1	4,099.0	-4,682.9	-13,081.3	-5,601.1	-7,339.7
FDI	68,988.6	93,483.1	97,212.3	84,595.0	75,823.1	154,325.7	160,655.8	182,655.5
Net errors and Omissions	-15,405.0	7,096.2	-28,580.3	-22,894.2	-23,758.0	-11,564.6	13,190.0	20,862
Overall Balance	-17,536.1	14,762.1	-5,263.3	-26,417.1	-26,121.1	11,654.6	-104,412.3	-40,071.4
Financing :	17,536.1	-14,762.1	5,263.3	26,417.1	26,121.1	-11,654.6	104,412.3	40,071.4
Monetary Authorities (Reseves), net	17,536.1	-14,762.1	5,263.3	26,417.1	26,121.1	-11,654.6	104,412.3	40,071.4
Arrears Change	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt Relief	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cancellation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rescheduling	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: NBE Staff Compilation

*Includes other public sector long-term loan and private loan

NB: USD to birr conversion is made by using annual average exchange rate.

Table 7: Value of Major Exports**(In Thousands of Birr)**

Commodity	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	(2008)	(2009)	(2010)	(2011)	(2012)	(2013)	(2014)	(2015)
Coffee	15,267,166.7	19,897,558.9	21,893,480.4	21,490,708.9	27,044,310.5	36,367,828.0	70,175,272.0	71,425,122.0
Oilseeds	10,076,702.8	7,891,362.5	11,188,854.0	10,921,323.8	11,012,982.9	13,180,233.0	12,896,678.4	13,781,966.4
Leather and Leather products	2,424,089.0	2,558,995.8	3,455,808.7	3,285,473.7	2,208,391.3	1,425,336.1	1,609,850.6	1,315,467.5
Pulses	4,886,962.9	6,276,562.9	7,124,264.4	7,659,551.2	7,422,895.7	9,243,279.1	10,711,389.3	17,370,062.4
Meat Products	2,026,532.5	2,214,721.7	2,661,968.0	2,484,948.7	2,107,034.0	2,964,430.2	5,329,508.5	4,345,071.3
Fruits & Vegetables	1,128,060.7	1,257,748.5	1,603,497.1	1,709,468.5	1,834,795.4	2,730,982.1	4,272,817.6	4,921,869.7
Sugar	-	115,431.7	133,582.5	106,710.5	45,089.5	7,832.9	614.7	15,127.5
Gold	6,113,142.1	4,683,990.8	2,605,757.2	775,705.7	6,572,639.3	25,378,419.0	26,464,048.5	10,491,436.8
Oil Cakes	-	-	-	-	-	-	-	-
Live Animals	3,090,572.3	1,506,508.9	1,539,071.6	1,287,954.6	1,671,076.6	1,758,839.4	1,437,406.1	931,096.6
Chat	5,511,986.7	6,113,689.6	6,882,238.3	8,511,121.5	10,116,170.9	15,808,881.6	18,910,324.2	13,154,557.3
Petroleum Products	-	-	-	-	-	-	-	-
Bee's Wax	51,326.1	60,566.7	81,311.4	67,657.8	65,655.6	69,226.8	58,907.4	58,881.0
Tantalem	151,563.5	137,861.4	246,007.6	274,291.8	155,490.6	179,801.6	464,712.4	902,447.4
Cotton	11.6	-	140,351.4	8,572.2	8,218.7	-	-	-
Text. & Text. Prdts	1,633,981.4	2,004,285.7	2,695,228.8	4,296,263.5	5,235,336.0	5,725,100.5	8,529,908.7	7,911,617.6
Cereals and Flour	185,207.8	645,101.2	156,779.6	81,940.5	117,441.6	758,212.7	1,642,831.6	1,738,883.7
Natural Gum	175,997.8	266,180.1	233,800.6	144,922.8	157,838.7	137,246.6	107,704.1	55,155.3
Civet	-	-	-	-	-	-	-	-
Hop	-	-	-	-	-	-	-	-
Animal Fodder	-	-	-	-	-	-	-	-
Natural Honey	41,928.3	31,343.9	23,694.8	13,468.4	16,439.3	3,036.6	10,592.0	11,932.7
Marble	-	-	-	-	-	-	-	-
Flower	4,737,809.0	4,905,507.6	5,982,071.2	7,228,221.9	13,208,479.3	18,461,631.4	26,445,082.3	30,210,536.2
Beverage	109,780.9	90,513.2	108,799.4	114,745.8	111,398.5	191,924.6	223,891.9	270,324.6
Spices	566,214.9	554,729.1	441,282.3	381,907.9	432,708.0	620,629.5	807,366.2	559,747.4
Others	1,759,529.8	2,473,083.9	5,013,633.7	4,087,463.4	4,820,745.8	6,688,537.9	9,896,132.5	11,686,027.9
Others	9,362,025.1	11,108,606.1	15,041,649.2	16,631,798.2	24,264,096.5	32,766,121.4	48,128,221.7	53,346,672.9
RE-exports	-	-	-	-	-	-	-	-
Total	59,938,566.96	63,685,744.10	74,211,482.8	74,932,423.0	94,365,138.3	141,701,409.6	199,995,039.0	191,157,331.5

Source: Ethiopian Customs Commission

Table 8: Quantity of Major Exports**(In Metric Tons)**

Commodity	2014/15	2014/15	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	(2007)	(2007)	(2009)	(2010)	(2011)	(2012)	(2013)	(2014)	(2015)
Coffee	183,870.70	198,658.11	225,747.01	238,572.83	230,931.42	271,111.52	248,653.58	303,235.24	241,700.46
Oilseeds	319,461.91	436,573.50	333,514.13	348,548.01	260,001.58	236,504.53	245,479.33	172,139.72	150,286.63
Leather and Leather products	6,174.96	5,983.46	5,890.12	6,400.79	5,590.40	3,551.27	2,290.59	2,239.29	1,695.73
Pulses	340,736.88	375,425.13	392,743.28	438,061.53	462,821.56	354,010.48	280,603.44	213,873.61	396,224.76
Meat Products	19,034.52	18,965.08	19,564.98	19,954.85	17,719.23	12,819.96	14,631.78	19,012.08	11,527.96
Fruits & Vegetables	150,148.72	167,076.37	178,569.19	188,976.92	175,619.64	191,183.11	221,695.57	222,650.42	177,240.33
Sugar	-	-	51,126.64	35,958.09	43,706.24	17,515.03	2,511.84	10.00	19.99
Gold	9.04	8.58	5.97	2.82	0.82	3.32	9.56	8.68	3.46
Oil Cakes	-	-	-	-	-	-	-	-	-
Live Animals	77,860.31	77,779.01	36,066.48	31,936.99	24,346.65	29,395.64	26,262.97	17,266.04	7,873.21
Chat	49,204.18	47,000.13	48,818.10	47,023.94	53,565.91	57,136.13	71,209.90	56,331.21	31,310.12
Petroleum Products	-	-	-	-	-	-	-	-	-
Bee's Wax	520.38	267.65	302.34	358.70	283.18	258.01	229.00	158.02	139.22
Tantalem	147.79	185.90	229.30	2,860.36	386.20	76.08	66.77	161.47	1,534.87
Cotton	8.29	0.34	-	3,529.38	252.91	80.00	-	-	-
Text. & Text. Prdts	14,858.30	12,281.54	16,192.82	16,761.81	19,888.80	22,798.39	24,045.62	35,234.52	31,382.08
Cereals and Flour	39,171.91	11,403.59	71,737.19	11,805.28	3,579.95	4,670.14	25,144.37	38,367.58	39,005.50
Natural Gum	3,472.77	2,351.01	3,383.90	2,482.77	1,111.41	1,384.59	769.68	472.71	308.66
Civet	-	-	-	-	-	-	-	-	-
Hop	-	-	-	-	-	-	-	-	-
Animal Fodder	-	-	-	-	-	-	-	-	-
Natural Honey	681.18	592.53	444.10	316.30	134.43	152.14	15.61	53.91	37.78
Marble	-	-	-	-	-	-	-	-	-
Flower	46,330.67	50,629.10	49,356.08	50,100.88	57,849.31	94,389.84	101,578.88	114,253.02	112,989.70
Beverage	2,990.00	4,213.56	3,943.14	3,566.97	4,404.93	4,430.26	5,310.98	5,439.07	4,502.34
Spices	19,146.48	13,374.79	12,427.56	12,576.85	11,589.88	12,499.67	12,823.23	8,667.63	6,429.37

Source: Ethiopian Customs Commission

Table 9: Value of Major Imports

(Thousands of Birr)

Period	Food & Live Animals	Beverages	Tobacco	Petroleum Crude	Petroleum Prod.****	Chemicals	Fertilizers	Medical & Pharm. Prod	Soap & Polish	Rubber Prod.	Paper & Paper Manfc.
2012/13	11,635,650	261,691	193,101	0	26,565,255	2,092,402	5,332,244	7,169,253	907,442	4,030,338	2,064,095
2013/14	9,165,826	533,829	91,441	18	47,619,870	3,647,031	7,808,484	2,389,297	2,186,493	5,858,244	1,992,580
2014/15	13,155,398	570,045	94,776	200	39,822,539	3,751,995	8,641,772	2,568,987	2,186,737	5,979,668	2,062,833
2015/16	24,592,888	746,323	153,595	109	27,005,493	3,616,705	10,491,320	2,531,734	2,694,456	6,350,622	2,525,557
2016/17	14,830,981	699,400	122,286	3,729	39,143,280	3,323,962	12,279,084	2,091,492	3,090,001	6,708,574	2,457,186
2017/18	22,346,613	843,503	107,047	1,795	58,613,987	4,277,092	12,361,827	1,495,997	3,299,739	6,438,707	2,180,534
2018/19	19,283,197	547,466	107,233	885	69,942,603	5,355,212	17,709,856	2,431,705	3,923,383	7,698,856	2,964,510
2019/20	30,535,356	921,922	113,817	1,964	62,056,891	5,815,180	16,823,353	3,092,276	4,539,296	9,435,759	4,263,241
2020/21	59,877,394	944,240	202,052	10,059	72,597,464	6,105,217	21,000,828	4,407,459	5,425,663	9,959,762	3,359,773
2021/22	115,668,627	2,097,436	417,870	6,971	165,014,806	9,140,163	24,263,829	10,813,389	7,324,338	13,968,242	5,473,448
2022/23	81,855,321	1,256,609	402,246	9,501	208,987,032	14,080,158	28,785,485	183,926	7,465,607	14,675,878	8,663,978

Table 9 Continued:

Period	Textiles	Clothings	Glass & Glass Ware	Metal & Metal Manfc.	Machinery & Aircraft	Road Motor Vehicles	Electrical Materials	Grain*	Telecomm. Appara.	Others	GRAND TOTAL
2012/13	2,744,224	4,449,522	722,828	21,688,480	28,035,377	20,493,273	11,912,689	9,865,215	96,583	58,096,034	208,490,479
2013/14	4,622,749	5,442,436	1,942,407	29,939,445	36,774,861	23,820,186	22,735,293	5,603,599	349,551	54,927,511	261,847,552
2014/15	5,819,130	6,802,500	2,477,281	45,631,138	45,707,264	31,471,855	43,251,536	2,971,791	1,489,172	69,454,129	330,938,955
2015/16	5,669,241	7,990,759	2,731,966	46,750,241	58,130,972	33,759,296	37,416,225	3,617,393	1,212,163	78,646,953	353,016,619
2016/17	5,416,692	8,529,700	3,376,822	41,572,482	56,981,595	33,498,960	30,086,052	3,847,407	7,730,645	82,328,213	354,271,135
2017/18	5,039,340	9,639,953	3,159,828	37,072,741	65,746,027	27,957,776	28,222,631	5,975,107	428,242	107,882,087	397,115,468
2018/19	6,145,566	6,571,190	2,989,311	40,675,845	59,368,139	22,151,317	27,929,885	4,653,401	1,364,754	126,233,238	423,394,151
2019/20	9,389,053	5,910,193	3,276,373	51,308,076	69,932,130	9,497,824	25,002,128	4,674,500	610,593	119,663,926	432,189,352
2020/21	10,385,932	7,877,484	3,026,514	53,117,272	78,005,719	4,859,279	32,953,170	19,960,579	809,586	184,416,278	559,341,145
2021/22	15,606,493	6,910,168	5,052,160	58,411,496	66,130,653	4,644,695	36,926,587	39,825,945	1,266,842	334,881,277	884,019,490
2022/23	20,253,949	8,720,790	5,403,817	63,694,153	88,070,178	6,777,732	41,298,064	19,397,703	3,335,125	309,064,138	912,983,688

* Included in "Food & Live Animals".

Source: Ethiopian Customs Commission

Table 10: Volume of Major Imports

(in Metric Tones)

Period	Food & Live Animals	Beverages	Tobacco	Petroleum Crude	Petroleum Prod.	Chemicals	Fertilizers	Medical & Pharm. Prod	Soap & Polish	Rubber Prod.
2006/07	597,407.9	2,222.9	1,565.8	-	1,454,121.6	42,222.5	272,802.8	7,010.7	49,042.3	31,256.4
2007/08	506,952.6	2,608.9	2,749.1	-	1,619,430.5	47,665.6	479,485.9	7,959.6	43,334.9	32,450.0
2008/09	1,834,398.8	2,024.2	1,767.6	-	1,404,122.1	53,302.7	528,635.4	11,796.6	51,938.2	37,305.6
2009/10	1,781,546.2	2,415.7	2,659.8	-	2,365,707.0	73,106.4	615,917.4	9,746.8	38,977.5	49,583.9
2010/11	547,512.7	2,308.8	2,228.5	-	1,795,018.8	56,496.0	622,239.2	15,022.9	34,381.8	37,465.4
2011/12	1,818,239.2	3,380.2	2,114.6	-	2,160,455.6	65,088.8	907,129.9	15,442.9	52,956.6	38,732.2
2012/13	1,105,099.7	13,902.5	7,115.5	7,384.2	1,506,402.8	92,926.1	402,556.6	23,612.5	162,562.4	32,775.3
2013/14	1,098,316.9	15,727.9	1,258.8	0.3	2,623,450.8	183,439.5	11,765.6	924.0	43,511.0	84,386.5
2014/15	1,556,755.8	19,058.0	1,148.3	7.4	2,822,058.9	182,043.5	13,804.2	950.6	51,552.3	87,619.2
2015/16	3,162,932.8	22,234.2	1,719.1	1.3	3,043,561.0	185,477.7	14,155.6	1,280.9	66,325.2	242,399.6
2016/17	1,863,068.2	25,010.1	1,440.2	2.6	3,445,456.0	174,373.4	23,800.8	842.3	62,997.9	106,916.3
2017/18	2,217,510.2	26,551.5	1,202.6	50.9	3,770,588.9	183,265.1	15,421.0	1,105.1	84,336.7	124,577.2
2018/19	1,822,744.5	16,807.4	1,164.8	30.0	3,820,223.0	199,647.8	33,959.8	1,150.6	114,565.9	97,938.9
2019/20	2,773,553.3	16,825.8	1,010.0	53.9	3,867,196.1	718,932.3	24,071.8	31,766.5	85,684.7	111,569.5
2020/21	4,153,337.6	16,308.9	1,303.0	147.0	3,719,623.1	176,366.0	22,352.1	808.8	83,410.9	92,909.1
2021/22	4,021,527.7	21,572.8	1,539.7	80.3	3,911,168.8	163,271.5	26,517.5	813.9	69,837.3	97,874.8
2022/23	2,128,163.5	11,313.6	2,517.2	94.7	3,940,881.7	203,320.2	28,503.6	168.8	56,243.5	93,526.7

Table 10 continued:

Period	Paper & Paper Manfc.	Textiles	Clothings	Glass & Glass Ware	Metal & Metal Manfc.	Machinery & Aircraft	Road Motor Vehicles	Electrical Materials	Grain*	Telecomm. Appara.
2007/08	78,419.8	41,135.5	30,473.6	38,345.1	732,819.0	103,879.9	73,545.7	64,580.6	433,009.5	4,251.1
2008/09	90,504.2	36,349.3	24,278.1	33,469.0	641,508.0	108,046.9	84,279.6	87,896.5	1,731,465.1	1,794.6
2009/10	238,737.5	37,964.1	33,454.5	28,208.1	836,745.9	141,184.6	204,618.5	194,059.8	1,567,321.8	1,428.2
2010/11	57,452.1	38,370.2	31,669.4	25,489.8	772,360.7	231,077.7	133,737.9	64,156.8	438,137.4	1,134.6
2011/12	89,205.8	46,129.4	37,796.9	45,244.9	904,607.4	151,778.3	241,940.5	76,974.4	1,679,919.7	917.4
2012/13	94,055.2	41,858.8	36,103.1	56,403.7	992,746.4	207,980.6	177,514.2	89,945.7	1,252,139.3	1,102.4
2013/14	113,120.3	66,313.0	41,513.8	188,603.6	1,392,828.4	367,372.0	186,099.4	173,869.1	735,463.4	533.9
2014/15	96,423.9	81,769.5	110,349.1	215,500.2	1,646,691.0	288,534.3	211,528.3	230,648.1	258,852.9	503.6
2015/16	120,939.2	535,911.0	511,001.1	1,450,218.2	11,290,987.4	2,226,215.5	1,435,282.4	1,341,928.8	3,281,134.3	3,618.7
2016/17	122,068.3	105,571.3	51,937.5	332,152.8	1,817,012.2	331,153.8	351,494.6	127,280.9	341,047.4	280.1
2017/18	89,634.4	88,081.1	50,756.5	232,072.1	1,381,381.2	255,910.3	204,680.5	119,953.9	640,192.1	264.5
2018/19	105,345.9	140,618.8	45,285.6	194,706.0	1,695,672.5	234,828.2	159,140.1	131,509.1	538,413.5	280.4
2019/20	138,210.5	120,255.0	27,295.3	161,693.5	1,743,124.7	223,926.9	83,162.6	122,689.1	738,036.9	430.6
2020/21	153,513.0	127,478.8	26,875.7	99,087.8	1,402,145.2	183,969.3	28,862.0	94,220.0	2,012,278.3	232.3
2021/22	82,589.9	122,823.2	20,255.8	100,373.4	983,740.9	157,420.5	15,175.1	64,307.6	1,474,052.7	268.6
2022/23	302,429.9	141,777.2	20,166.1	118,727.9	2,302,735.4	200,412.5	22,394.0	74,685.7	637,963.3	452.9

* Included in "Food & Live Animals".

Source: Ethiopian Customs Commission

Table 11: Value of Imports, By End Use

(In Millions of Birr)

	2014/15 (2007)	2015/16 (2008)	2016/17 (2009)	2017/18 (2010)	2018/19 (2011)	2019/20 (2012)	2020/21 (2013)	2021/22 (2014)	2022/23 (2015)
RAW MATERIALS	3,426.40	3,147.26	2,809.23	3,617.87	4,233.32	5,070.88	5,400.91	5,577.02	5,752.90
SEMI-FINISHED GOODS	51,856.36	61,207.76	58,840.49	65,669.07	78,116.49	97,796.04	105,406.69	184,980.29	173,829.41
Chemicals	6,398.19	7,389.96	7,524.19	8,910.53	10,858.90	16,743.30	18,890.76	24,699.48	27,517.04
Fertilizers	10,163.58	9,167.59	8,354.88	13,001.60	14,219.85	19,517.00	28,031.17	70,195.28	49,289.35
Textile Materials	1,311.24	1,335.60	1,580.89	1,589.57	2,276.95	3,485.51	5,359.73	9,507.58	10,364.29
Others	33,983.34	43,314.60	41,380.52	42,167.37	50,760.78	58,050.24	53,125.03	80,577.94	86,658.73
FUEL	40,943.09	28,246.34	40,940.19	61,013.95	72,941.90	64,685.48	76,625.78	169,859.55	211,126.40
Crude Petroleum	0.20	0.11	3.73	1.80	0.88	1.96	10.32	7.18	7.64
Petroleum Products	39,822.54	27,005.49	39,143.28	58,613.99	69,942.60	62,056.89	72,597.46	165,014.81	203,796.30
Others	1,120.35	1,240.74	1,793.18	2,398.17	2,998.41	2,626.62	4,017.99	4,837.57	7,322.46
CAPITAL GOODS	138,421.22	143,943.46	135,285.20	136,684.08	140,570.41	128,229.80	151,669.63	148,132.94	202,143.52
Transport	34,176.24	32,362.86	32,005.58	29,339.13	39,817.70	12,249.42	13,690.16	15,688.20	38,728.67
Tyres for Heavy Vehicle	2,741.61	2,818.81	3,186.58	2,628.97	3,172.73	4,191.33	4,299.83	4,394.44	4,354.59
Heavy Road Motor Vehicle	19,986.57	20,520.03	22,400.17	18,666.44	11,441.56	5,652.14	2,954.13	4,175.33	25,107.09
Aircraft	3,826.27	3,462.96	3,362.78	7,529.52	24,229.19	2,033.72	5,328.32	6,624.19	8,685.05
Others	7,621.78	5,561.06	3,056.05	514.20	974.22	372.22	1,107.88	494.24	581.94
Agricultural	1,444.71	1,761.37	1,691.39	1,343.02	1,616.02	2,745.65	3,422.46	2,678.25	4,987.84
Industrial	102,800.27	109,819.23	101,588.23	106,001.93	99,136.69	113,234.74	134,557.01	129,766.49	158,427.01
CONSUMER GOODS	90,614.30	111,228.72	109,625.01	122,572.11	119,758.04	124,714.69	213,380.89	368,192.64	314,095.72
Consumer Durables	32,305.54	33,062.24	38,146.76	35,022.62	33,670.41	28,525.81	31,313.80	39,701.10	77,073.09
Radio & Television	3,008.95	3,069.50	9,556.66	2,836.57	3,417.15	1,947.48	2,061.47	2,348.43	6,094.82
Tyres, Cars & Other Veh.	1,258.24	1,211.53	1,435.07	1,624.56	1,511.83	1,596.76	1,477.42	2,202.90	2,321.72
Cars & Other Vehicles	7,305.98	9,342.33	9,917.73	12,001.85	9,999.35	3,455.56	812.32	852.77	34,113.23
Others	20,732.38	19,438.89	17,237.31	18,559.64	18,742.09	21,526.01	26,962.59	34,296.99	34,543.31
Consumer Non- Durables	58,308.75	78,166.48	71,478.24	87,549.49	86,087.63	96,188.88	182,067.09	328,491.55	237,022.64
Cereals	12,065.34	21,856.74	12,363.68	20,043.62	16,734.20	26,055.01	53,253.48	105,138.02	55,245.36
Other Food	8,988.00	13,252.27	13,007.05	16,254.14	15,642.11	16,738.49	32,012.30	68,806.45	56,686.47
Medical & Pharmaceutical	11,823.44	13,636.15	15,028.19	14,814.52	21,133.74	21,356.68	26,642.51	38,536.00	36,071.23
Textile Fabrics	11,523.90	13,056.13	12,979.33	14,797.76	11,089.57	12,300.45	18,599.28	16,603.16	22,416.79
Others	13,908.07	16,365.19	18,099.98	21,639.45	21,488.01	19,738.25	51,559.52	99,407.91	66,602.79
MISCELLANEOUS	5,677.60	5,243.09	6,771.02	7,558.39	7,773.99	11,692.47	6,857.24	7,277.05	6,035.74
TOTAL IMPORTS	330,938.95	353,016.62	354,271.13	397,115.47	423,394.15	432,189.35	559,341.15	884,019.49	912,983.69

Source: Ethiopian Customs Commission

Table 12: Value of Imports, By Country of Origin

(Thousands of Birr)

Countries	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	2008	2009	2010	2011	2012	2013	2014	2015
Djibouti	25.5	54.6	7,505.5	269,451.0	1,226,326.3	5,657,336.4	20,613,926.2	24,598,623.6
Kenya	704,623.9	775,026.6	883,937.3	1,139,053.5	2,682,248.7	2,237,418.7	5,292,979.2	5,994,083.8
Sudan	885,021.3	2,697,548.6	2,500,770.0	2,303,862.7	2,295,903.2	1,107,245.5	176,219.6	220,345.5
U.A.E	9,676,619.7	8,283,685.2	14,283,917.6	15,436,918.6	17,282,832.8	36,910,293.4	60,220,789.4	76,635,417.1
France	4,176,288.1	4,505,121.3	4,756,805.0	4,355,547.8	8,257,770.3	7,481,685.2	6,609,334.3	8,948,029.7
Germany	7,849,773.2	5,711,671.2	7,256,006.1	9,018,930.8	9,208,171.1	8,345,258.5	8,779,107.1	8,611,306.9
Italy	13,340,823.0	15,518,259.6	13,370,601.9	9,585,488.8	8,191,163.0	13,317,722.6	9,137,982.9	10,925,653.4
Netherlands	4,140,318.9	4,540,832.5	6,172,113.2	5,203,113.3	4,678,959.5	3,780,241.5	7,141,614.2	5,542,764.6
U.K.	4,277,114.5	3,750,299.2	5,981,832.7	9,114,791.7	9,216,314.9	11,152,568.7	6,097,132.3	10,588,592.9
Russia	3,983,984.5	947,736.5	2,472,934.4	3,422,604.1	2,116,402.5	4,712,302.7	6,054,250.0	1,830,694.9
Yugoslavia	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.0
U.S.A.	26,691,945.0	22,894,078.3	31,244,388.2	38,161,945.4	33,114,719.7	38,100,962.8	48,138,146.4	56,476,065.0
China, P. Rep.	117,251,124.0	114,932,245.7	100,864,789.1	109,790,427.2	112,353,466.1	126,418,108.2	162,302,544.7	191,663,400.4
Japan	14,792,746.8	15,545,024.5	13,546,649.0	10,523,030.1	5,490,339.1	4,139,127.9	3,480,925.1	4,825,674.9
Saudi Arabia	7,964,804.7	10,728,630.6	9,089,126.5	6,854,464.4	14,250,180.6	19,549,678.9	57,856,736.4	77,470,351.8
Rest of the World	137,281,406	143,440,920	184,684,091	198,214,521	201,824,554	276,431,194	482,117,802	428,652,684
Total Import	353,016,618.9	354,271,134.9	397,115,467.6	423,394,150.7	432,189,352.0	559,341,145.1	884,019,489.6	912,983,688.2

Source: Ethiopian Customs Commission

Table 13: Values of Export by Destination*

(In Thousand of Birr)

Countries	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	(2005)	(2006)	(2007)	(2008)	(2009)	(2010)	(2011)	(2012)	(2013)	(2014)	(2015)
Djibouti	2,237,358.7	3,657,884.1	1,594,047.2	2,205,921.5	2,283,064.5	3,312,767.9	3,572,337.4	3,702,736.4	4,497,508.4	6,856,655.5	8,046,821.4
Kenya	190,937.6	383,109.9	586,440.4	618,827.4	1,186,102.0	1,057,668.8	566,102.0	439,609.0	1,616,543.8	814,696.3	3,292,880.6
Sudan	1,675,096.7	1,550,096.2	1,649,715.5	1,333,607.7	983,314.5	2,690,709.5	1,945,939.4	2,168,104.2	3,168,442.1	3,966,853.8	4,023,359.7
U.A.E	1,434,079.8	1,505,223.0	1,968,395.0	1,663,203.4	2,694,755.9	2,890,041.4	3,660,308.4	3,936,157.3	7,145,156.7	9,434,813.3	10,581,684.4
France	602,489.7	685,632.9	721,352.6	679,965.7	827,504.6	815,455.0	556,438.0	890,052.7	2,181,537.6	1,930,292.1	1,886,179.1
Germany	4,200,733.7	3,578,887.9	4,206,156.1	3,374,501.1	3,943,246.8	4,729,675.7	3,117,963.9	5,026,821.2	5,745,974.7	13,556,632.4	10,792,625.7
Italy	1,185,007.4	1,193,640.4	1,089,194.7	966,200.8	1,347,709.3	1,485,535.5	1,195,539.3	1,401,024.7	2,839,821.4	3,960,106.4	3,704,728.0
Netherlands	3,029,773.3	3,733,608.0	3,590,928.2	3,705,135.6	4,177,990.4	5,001,313.7	5,843,402.3	9,670,552.9	10,695,072.7	18,888,943.7	21,196,233.9
U.K.	859,631.5	1,034,640.7	701,778.1	807,237.0	1,290,346.0	1,158,597.9	1,158,806.1	1,052,198.4	2,357,712.9	2,726,446.9	3,758,186.7
Russia	215,319.3	382,322.7	305,928.6	332,653.0	386,108.6	471,864.5	344,778.3	369,994.7	1,891,810.4	729,040.5	889,009.7
Yugoslavia	0.0	0.0	0.0	45,939.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
U.S.A.	2,055,429.7	2,528,824.6	3,516,765.2	3,284,622.6	4,317,231.5	6,053,876.5	5,308,192.0	5,031,320.4	8,495,485.6	17,565,965.5	16,895,318.4
China, P.Rep.	4,660,201.6	7,588,195.4	7,378,001.3	6,643,602.4	5,111,009.8	6,301,806.7	3,985,339.1	2,500,656.6	3,731,565.0	5,219,670.4	5,677,015.0
Japan	1,617,076.4	1,304,904.4	1,965,574.6	1,212,783.4	2,233,317.5	2,377,676.8	3,335,760.7	3,431,247.0	3,495,238.4	7,440,192.5	5,950,701.4
Saudi Arabia	2,754,839.5	3,516,770.4	4,039,151.9	3,642,647.6	4,400,225.0	4,971,483.0	5,022,828.1	6,349,911.2	7,463,486.1	13,454,223.6	17,313,019.1
Rest of the World	29,405,616.7	29,599,272.5	26,546,929.3	29,421,718.0	28,503,817.8	30,893,009.8	35,318,688.1	48,394,751.6	76,376,053.7	93,064,511.3	78,851,285.5
Total Export	56,123,591.7	62,243,013.1	59,860,358.7	59,938,567.0	63,685,744.1	74,211,482.8	74,932,423.0	94,365,138.3	141,701,409.6	199,609,044.4	192,859,048.4

* Export value of gold is not included in this table for the years before 2003/04

Source: Ethiopian Customs Commission

Table 14: Trade Balance with Major Trading Partners**(Thousands of Birr)**

Trading Country	2015/16 (2008)	2016/17 (2009)	2017/18 (2010)	2018/19 (2011)	2019/20 (2012)	2020/21 (2013)	2021/22 (2014)	2022/23 (2015)
Djibouti	2,205,895.91	2,283,009.94	3,305,262.37	3,302,886.37	2,476,410.09	1,159,828.00	13,757,270.62	16,551,802.25
Kenya	- 85,796.43	411,075.40	173,731.42	- 572,951.51	- 2,242,639.74	- 620,874.88	- 4,478,282.86	- 2,701,203.26
Sudan	448,586.45	- 1,714,234.10	189,939.59	- 357,923.38	- 127,799.00	2,061,196.66	3,790,634.17	3,803,014.22
U.A.E	- 8,013,416.29	- 5,588,929.30	- 11,393,876.20	- 11,776,610.13	- 13,346,675.45	- 29,765,136.69	- 50,785,976.13	- 66,053,732.73
France	- 3,496,322.40	- 3,677,616.68	- 3,941,350.04	- 3,799,109.79	- 7,367,717.62	- 5,300,147.55	- 4,679,042.19	- 7,061,850.62
Germany	- 4,475,272.13	- 1,768,424.37	- 2,526,330.43	- 5,900,966.85	- 4,181,349.91	- 2,599,283.75	4,777,525.29	2,181,318.80
Italy	- 12,374,622.20	- 14,170,550.33	- 11,885,066.35	- 8,389,949.56	- 6,790,138.34	- 10,477,901.21	- 5,177,876.51	- 7,220,925.46
Netherlands	- 435,183.35	- 362,842.14	- 1,170,799.45	640,289.00	4,991,593.40	6,914,831.20	11,747,329.49	15,653,469.31
U.K.	- 3,469,877.49	- 2,459,953.18	- 4,823,234.75	- 7,955,985.63	- 8,164,116.46	- 8,794,855.85	- 3,370,685.36	- 6,830,406.26
Russia	- 3,651,331.50	- 561,627.87	- 2,001,069.82	- 3,077,825.86	- 1,746,407.72	- 2,820,492.31	- 5,325,209.50	- 941,685.29
Yugoslavia	45,939.89	- 0.26	0.00	-	-	-	-	-
U.S.A.	- 23,407,322.41	- 18,576,846.83	- 25,190,511.74	- 32,853,753.41	- 28,083,399.33	- 29,605,477.20	- 30,572,180.84	- 39,580,746.64
China, P.Rep.	- 110,607,521.54	- 109,821,235.92	- 94,562,982.35	- 105,805,088.06	- 109,852,809.46	- 122,686,543.20	- 157,082,874.30	- 185,986,385.48
Japan	- 13,579,963.40	- 13,311,707.06	- 11,168,972.25	- 7,187,269.43	- 2,059,092.16	643,889.53	3,959,267.41	1,125,026.50
Saudi Arabia	- 4,322,157.13	- 6,328,405.58	- 4,117,643.49	- 1,831,636.29	- 7,900,269.49	- 12,086,192.84	- 44,402,512.79	- 60,157,332.66
Rest of the World	- 107,859,687.90	- 114,937,102.51	- 153,791,081.32	- 162,895,833.11	- 153,429,802.60	- 200,055,140.29	- 389,053,290.44	- 349,801,398.03
Overall Trade Balance	- 293,078,051.94	- 290,585,390.79	- 322,903,984.82	- 348,461,727.63	- 337,824,213.76	- 417,639,735.45	- 684,410,445.18	- 720,124,639.83

Source: Ethiopian Customs Commission

Table 15: Components of Broad Money**(In Millions of Birr)**

End of period	Currency outside Banks	Net Demand Deposit	Narrow Money	Quasi Money	Broad Money
	1	2	3=1+2	4	5=3+4
1997/98	4,716.8	6,377.2	11,094.0	7,549.3	18,643.3
1998/99	5,196.4	6,182.5	11,378.9	8,020.5	19,399.4
1999/00	5,914.3	7,136.0	13,050.3	9,127.5	22,177.8
2000/01	5,911.8	7,834.0	13,745.8	10,770.4	24,516.2
2001/02	5,461.9	8,690.6	14,152.5	12,139.5	26,292.1
2002/03	6,582.0	8,834.8	15,416.8	13,643.4	29,060.2
2003/04	7,843.9	10,192.1	18,036.0	15,590.0	33,626.0
2004/05	10,026.0	11,265.1	21,291.1	18,920.7	40,211.7
2005/06	11,422.9	12,389.0	23,811.9	22,565.5	46,377.4
2006/07	13,708.4	15,909.3	29,617.7	27,034.2	56,651.9
2007/08	17,654.1	17,696.3	35,350.4	32,831.8	68,182.1
2008/09	19,715.0	22,397.6	42,112.7	40,397.1	82,509.8
2009/10	24,206.8	28,227.8	52,434.6	51,997.8	104,432.4
2010/11	32,574.9	43,596.1	76,171.0	69,206.0	145,377.0
2011/12	38,537.1	56,312.7	94,849.9	94,548.9	189,398.8
2012/13	45,671.0	69,074.7	114,745.7	120,567.9	235,313.6
2013/14	53,161.4	80,887.8	134,049.2	163,682.8	297,732.0
2014/15	60,460.9	94,245.4	154,706.3	216,622.6	371,328.9
2015/16	66,686.2	111,923.5	178,609.7	266,656.6	445,266.3
2016/17	73,917.7	142,851.9	216,769.6	356,614.4	573,384.1
2017/18	86,417.3	194,737.4	281,154.7	459,418.2	740,572.9
2018/19	92,017.0	216,920.2	308,937.1	577,815.4	886,752.5
2019/20	109,071.8	251,513.7	360,585.5	677,060.8	1,037,646.3
2020/21	133,621.3	303,770.7	437,392.0	910,874.2	1,348,266.1
2021/22	173,382.8	414,633.0	588,015.8	1,127,294.2	1,715,310.0
2022/23	211,636.8	494,505.4	706,142.2	1,464,706.2	2,170,848.4

Source: National Bank of Ethiopia

Table 16: Domestic Credit by Sector

(In Millions of Birr)

End of Period	Claims on Central Gov't				Claims on Non-Central Gov't				
	Gross Grand Total	Total	National Bank	Comm. Banks	Total	Loans & Advances	Bills Disc.	Investments	Priority sec. loan to DBE
	1=2+5	2=3+4	3	4	5=6to9	6*	7	8	9
1996/97	19,803.4	10,975.8	8,838.9	2,136.9	8,827.6	8,822.5	-	5.1	-
1997/98	22,050.8	12,032.4	9,819.3	2,213.1	10,018.4	10,015.4	-	3.0	-
1998/99	23,942.7	13,053.8	10,562.2	2,491.6	10,888.9	10,883.2	-	5.7	-
1999/00	31,283.7	19,423.4	16,533.1	2,890.3	11,860.3	11,852.1	-	8.2	-
2000/01	34,035.1	21,357.4	14,342.5	7,014.9	12,677.7	12,667.6	-	10.1	-
2001/02	28,099.0	15,985.1	8,986.7	6,998.4	12,113.9	12,082.4	-	31.5	-
2002/03	28,689.4	17,229.8	9,387.6	7,842.2	11,459.7	11,417.1	-	42.6	-
2003/04	31,653.0	19,199.2	9,389.2	9,809.9	12,453.8	12,245.1	-	208.7	-
2004/05	40,873.5	21,673.8	19,540.0	2,133.9	19,199.7	15,927.0	-	3,272.7	-
2005/06	49,298.6	25,266.4	19,095.7	6,170.6	24,032.2	19,431.1	-	4,601.1	-
2006/07	61,846.9	30,337.6	24,855.6	5,482.1	31,509.2	23,493.8	-	8,015.5	-
2007/08	78,475.1	33,075.7	35,405.8	(2,330.1)	45,399.4	33,600.6	-	11,798.8	-
2008/09	89,205.9	32,786.5	37,827.2	(5,040.7)	56,419.4	38,802.0	-	17,617.4	-
2009/10	104,416.2	33,013.1	39,340.3	(6,327.2)	71,403.1	47,603.6	-	23,799.5	-
2010/11	135,558.6	28,651.7	45,323.7	(16,672.1)	106,906.9	61,871.3	-	38,785.6	6,250.0
2011/12	189,122.1	21,557.4	45,344.1	(23,786.7)	167,564.6	94,617.0	-	60,445.6	12,502.0
2012/13	233,406.4	21,965.5	55,377.3	(33,411.8)	211,440.8	114,384.6	-	80,549.2	16,507.0
2013/14	299,729.6	26,630.8	64,211.9	(37,581.2)	273,098.9	141,975.8	-	110,866.0	20,257.0
2014/15	393,439.8	30,735.3	77,076.8	(46,341.6)	362,704.5	185,501.9	-	153,845.6	23,357.0
2015/16	490,230.4	47,524.4	95,038.1	(47,513.7)	442,706.0	226,849.2	-	190,249.8	25,607.0
2016/17	631,092.8	85,441.8	120,891.0	(35,449.2)	545,650.9	283,835.2	-	234,589.8	27,226.0
2017/18	784,621.8	102,002.8	140,206.9	(38,204.0)	682,618.9	346,302.9	-	289,023.3	47,292.7
2018/19	963,699.9	109,799.2	172,171.4	(62,372.2)	853,900.7	443,362.2	-	358,395.8	52,142.7
2019/20	1,302,948.3	137,082.9	195,711.0	(58,628.1)	1,165,865.4	588,391.2	-	519,331.4	58,142.7
2020/21	1,659,218.4	214,275.2	245,019.2	(30,744.0)	1,444,943.3	778,613.2	-	609,687.4	56,642.7
2021/22	2,195,732.5	422,864.0	326,216.3	96,647.7	1,772,868.5	996,662.2	-	731,383.6	44,822.7
2022/23	2,711,304.0	573,675.7	521,300.0	52,375.7	2,137,628.3	1,293,479.3	-	799,326.4	44,822.7

* Includes Claims on Other Financial Institutions

Source: National Bank of Ethiopia

Table 17: Gold & Foreign Exchange Holdings of the National Bank of Ethiopia and Commercial Banks

(In Millions of Birr)

End of Fiscal Year	Gross Gold and Foreign Exchange Holdings						Foreign Liabilities			Net Gold & Foreign Exchange		
	Gross Total	National Bank of Ethiopia International Reserves					Total Liab.	Comm. Banks	NBE	Total	NBE	Comm. Banks
		NBE Total	Gold	Foreign Exchange	Reserve Tranche	CBs' Foreign Exchange						
	1=2+6	2=3to5	3	4	5	6	7=8+9	8	9	10=11+12	11=2-9	12=6-8
1997/98	8,843.6	3,105.7	2.5	3,036.8	66.4	5,737.9	3,012.6	2,072.5	940.1	5,831.0	2,165.6	3,665.4
1998/99	8,839.9	3,588.8	2.8	3,508.9	77.1	5,251.1	2,752.1	1,685.1	1,067.0	6,087.8	2,521.8	3,566.0
1999/00	7,814.5	2,921.7	2.8	2,840.5	78.4	4,892.8	3,043.9	2,089.5	954.4	4,770.6	1,967.3	2,803.3
2000/01	7,829.5	2,907.8	2.9	2,829.6	75.3	4,921.7	3,029.5	1,815.4	1,214.1	4,800.0	1,693.7	3,106.3
2001/02	11,470.7	5,743.6	2.9	5,660.0	80.7	5,727.1	3,648.3	1,703.3	1,945.0	7,822.4	3,798.6	4,023.8
2002/03	14,427.2	7,988.2	2.9	7,899.3	86.0	6,439.0	3,378.1	1,674.7	1,703.4	11,049.1	6,284.8	4,764.3
2003/04	17,449.8	11,307.3	2.5	11,213.3	91.6	6,142.5	4,452.0	1,889.5	2,562.4	12,997.8	8,744.9	4,253.0
2004/05	19,963.5	13,704.9	57.0	13,556.5	91.3	6,258.6	6,095.5	1,979.8	4,115.7	13,868.0	9,589.2	4,278.8
2005/06	16,759.0	10,071.7	89.2	9,889.6	92.8	6,687.3	4,649.5	1,735.8	2,913.6	12,109.6	7,158.0	4,951.5
2006/07	19,514.9	11,977.3	429.3	11,448.5	99.5	7,537.7	6,174.6	1,986.3	4,188.3	13,340.4	7,789.0	5,551.4
2007/08	16,735.5	8,708.7	5.5	8,589.2	114.0	8,026.8	5,069.9	2,301.9	2,768.0	11,665.6	5,940.7	5,725.0
2008/09	26,434.3	17,214.6	18.2	17,069.0	127.5	9,219.7	8,457.5	3,076.5	5,380.9	17,976.8	11,833.7	6,143.1
2009/10	42,350.1	27,289.3	443.3	26,700.3	145.7	15,060.8	15,160.3	3,254.3	11,906.0	27,189.8	15,383.3	11,806.5
2010/11	79,945.5	51,551.4	1,395.2	49,960.5	195.7	28,394.2	24,410.9	5,715.5	18,695.4	55,534.7	32,856.0	22,678.7
2011/12	64,119.0	40,101.4	2,038.1	37,868.1	195.3	24,017.6	26,738.5	5,484.2	21,254.3	37,380.5	18,847.1	18,533.4
2012/13	72,658.1	44,140.0	2,253.2	41,685.1	201.8	28,518.1	27,009.6	7,515.2	19,494.4	45,648.5	24,645.6	21,002.9
2013/14	77,878.0	50,624.5	1,217.6	49,188.5	218.4	27,253.5	31,905.7	7,995.1	23,910.6	45,972.3	26,713.9	19,258.4
2014/15	82,741.8	66,817.7	79.3	66,423.1	315.3	15,924.1	45,170.9	8,326.6	36,844.3	37,570.9	29,973.4	7,597.6
2015/16	95,055.0	74,156.7	1,113.9	72,711.3	331.5	20,898.2	73,530.8	9,880.5	63,650.3	21,524.2	10,506.4	11,017.7
2016/17	98,750.8	73,874.3	741.3	72,783.6	349.4	24,876.5	60,716.1	10,818.8	49,897.3	38,034.8	23,977.0	14,057.7
2017/18	102,738.9	77,617.4	750.5	76,448.4	418.4	25,121.5	63,362.7	14,504.8	48,858.0	39,376.2	28,759.4	10,616.8
2018/19	127,270.4	98,726.6	804.9	97,484.0	437.8	28,543.8	112,765.3	18,006.4	94,758.9	14,505.2	3,967.8	10,537.4
2019/20	147,202.9	112,086.4	3,280.6	108,280.4	525.4	35,116.5	155,524.2	24,578.2	130,946.0	-8,321.3	-18,859.6	10,538.3
2020/21	202,804.8	125,859.7	628.2	124,551.3	680.2	76,945.1	203,617.1	33,850.4	169,766.7	-812.3	-43,907.0	43,094.7
2021/22	143,751.3	79,819.6	2,065.3	76,997.2	757.1	63,931.7	255,178.9	41,140.6	214,038.3	-111,427.5	-134,218.7	22,791.1
2022/23	130,367.5	56,154.3	129.2	55,230.1	795.0	74,213.2	290,465.2	42,887.7	247,577.5	-160,097.7	-191,423.1	31,325.5

Source: National Bank of Ethiopia (NBE)

Table 18: Treasury Bills Auction Results

Period	Amount Offered	Number of Bidders			Amount Demanded (in millions of Birr)			Amount Sold (in millions of Birr)			Annual Weighted Yield
		Bank	Non-bank	Total	Bank	Non-bank	Total	Bank	Non-bank	Total	
1997/98	5086.0	98.0	116.0	214.0	2386.7	3705.3	6092.0	1521.6	3033.9	4555.5	3.714
1998/99	13435.5	88.0	193.0	282.0	6231.3	6986.2	13217.5	5261.2	6333.0	11594.2	3.650
1999/00	16147.0	110.0	162.0	272.0	10772.3	7550.5	18322.8	7954.4	5356.8	13311.2	3.262
2000/01	12100.0	133.0	208.0	346.0	10361.0	7844.0	18205.0	5087.7	4235.3	9322.9	2.829
2001/02	16625.0	152.0	166.0	326.0	18632.6	6216.0	26089.1	12176.4	3996.8	16453.2	1.982
2002/03	29818.0	174.0	122.0	296.0	33488.0	5341.8	38829.8	26987.6	2830.4	29818.0	1.311
2003/04	51645.0	152.0	120.0	272.0	56481.0	4960.0	61441.0	47921.8	3710.2	51632.0	1.023
2004/05	41262.5	175.0	94.0	269.0	49658.5	7237.7	56896.2	37783.9	3281.1	41065.0	0.243
2005/06	47793.5	142.0	45.0	187.0	56687.5	3916.0	60603.5	44465.6	3327.9	47793.5	0.038
2006/07	69487.0	99.0	68.0	167.0	71259.0	7663.0	78922.0	58599.6	6715.4	65315.0	0.493
2007/08	48889.0	92.0	88.0	180.0	46761.0	13127.5	59888.5	35613.0	12103.5	47716.5	0.674
2008/09	28471.9	83.0	178.0	261.0	21974.5	24792.7	46767.2	2672.0	25167.8	27839.8	0.520
2009/10	55203.3	82	198	280	23386.9	27871.2	51258.1	13902.0	27834.5	41736.5	0.652
2010/11	83390.7	65	155	220	23715.3	32044.8	55760.0	20271.3	32044.8	52316.0	1.305
2011/12	96511.9	202	204	406	26712.7	50482.1	77194.8	24212.7	50482.1	74694.8	1.944
2012/13	107484.5	394	210	604	51493.5	62185.7	109184.5	51493.5	62185.7	109184.5	2.203
2013/14	88074.94	226	240	466	31226.00	81608.55	112834.55	16989.0	76933.5	94233.3	1.503
2014/15	100739.4	0.0	248.0	248.0	0.0	136536.8	136536.8	0.0	110593.3	110593.3	1.340
2015/16	145877.4	0.0	217.0	217.0	0.0	161575.2	161575.2	0.0	199200.0	199200.0	1.323
2016/17	204543.2	0.0	200.0	200.0	0.0	225321.2	225321.2	0.0	225321.2	225321.2	1.298
2017/18	286494.2	0.0	192.0	192.0	0.0	323991.2	323991.2	0.0	323991.2	323991.2	1.341
2018/19	397958.2	3.0	189.0	192.0	650.0	421983.5	422633.5	650.0	421983.5	422633.5	1.410
2019/20	231486.9	35.0	128.0	163.0	11143.0	232012.1	243155.1	5980.0	228859.1	234839.1	4.526
2020/21	330673.0	286.0	117.0	403.0	127679.0	157104.6	284783.6	109655.9	129143.7	238799.6	7.977
2021/22	858468.8	412.0	174.0	586.0	365432.3	234046.3	599478.6	357032.3	225236.3	582268.6	9.006
2022/23	1278068.3	414.0	235.0	649.0	287405.1	307826.2	595231.3	268255.1	307826.2	576081.3	9.381

Table 19: Employment Created by Domestic & Foreign Investment Projects Which Have Commenced Operation, by Sector

Sector	2009(2016/17)		2010(2017/18)		2011(2018/19)		2012(2019/20)		2013(2020/21)		2014(2021/22)		2015(2022/23)	
	Perm. Empl.	Temp. Emp	Perm. Empl.	Temp. Emp	Perm. Empl.	Temp. Emp	Perm. Empl.	Temp. Emp	Perm. Empl.	Temp. Emp	Perm. Empl.	Temp. Emp	Perm. Empl.	Temp. Emp
Agriculture, hunting and forestry	6,082	859	259	2428	536	1,862	3	5	27	2	-	-	-	-
Construction	3,346	5,232	1664	2738	3,368	1,788	100	168.0	1,837	961	30	24	765	355
Education	89	0	16	23	200	154	2	2.0	-	-	17	-	120	40
Electricity, gas, steam and water supply	-	-	0	250	-	-	-	-	-	-	-	-	-	-
Fishing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health and social work	20	5	44	220	43	8	6	6	74	23	20	-	66	127
Hotels and restaurants	23	35	97	64	173	75	35	20	391	192	60	80	107	5
Manufacturing	6,016	3,143	123,353	8,070	15,918	5,142	2,858	1,387	6,657	2,116	8,747	1,566	5031	4445
Mining and quarrying	74	299	96	414	35	92	-	-	-	-	-	-	-	-
Other community, social and personal service activities	37	8	125,002	109	19	12	-	-	-	-	-	-	-	-
Real estate, renting and business activities	4,989	187	81,347	21,710	2,269	1,303	52	41	1868	2362	1,109	426	625	4,375
Transport, Storage and Communication	28	7	23	28	44	-	121	0	807	388	3	2	65	32
Wholesale, retail trade & repair service	-	-	2	0	-	-	-	-	23	66	3	30	-	-
Others*	8	-	100	160	26	105	34	5	84	22	2,925	1,324	70	52
Grand Total	20,712	9,775	332,003	36,214	22,631	10,541	3,211	1,634	11,768	6,132	12,914	3,452	6,849	9,431

Table 20: Number and Investment Capital of Domestic & Foreign Investment Projects Which Have Commenced Operation by Sector

(In Millions of Birr)

Sector	2010(2017/18)		2011(2018/19)		2012(2019/20)		2013(2020/21)		2014(2021/22)		2015(2022/23)	
	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital
Agriculture, hunting and forestry	42	322.8	27	297.7	1	10.5	6	114.5	-	-	1	20.0
Construction	344	3,002.1	176	1,745.7	15	135.5	224	1,799.1	47	482.1	14	118.2
Education	7	67.8	6	68	1	2.5	2	13.0	1	20.6	1	1500
Electricity, gas, steam and water supply	1.0	100.0	-	-	-	-	-	-	-	-	-	-
Fishing	-	-	-	-	-	-	-	-	-	-	-	-
Health and social work	15	276.4	5	25	3	18.0	9	864.1	1	7.0	3	49
Hotels and restaurants	5	57.8	7	39.5	3	307.9	18	5,887.4	1	105.4	2	30
Manufacturing	578	14,494.8	337	4,647.0	42	710.1	242	12,097.0	26	1308.2	59	2766
Mining and quarrying	7	81.0	4	38	-	-	-	-	-	-	-	-
Other community, social and personal service activities	46	245.8	2	82	-	-	1	5.0	-	-	-	-
Real estate, renting and business activities	496	7,204.8	404	1909.30534	15	98.3	238	10,426.5	23	130.7	14	56150.9
Transport, Storage and Communication	5	11.4	5	20.0	2	17.9	34	669.2	8	62.5	6	1139.5
Wholesale, retail trade & repair service	1	2.0	-	-	-	-	3	381.5	1	1.7	-	-
Others*	3	9.5	3	79	2	19.6	8	1,816.1	4	65.7	4	716.7
Grand Total	1,550	25,876.2	976	8,952	84	1,320	785	34,073	112	2,184	104	62490

Annex 21: Number and Capital of Domestic & Foreign Investment Projects Which Have Commenced Operation, by Region

(In Millions of Birr)

Sector	2010(2017/18)		2011(2018/19)		2012(2019/20)		2013(2020/21)		2014(2021/22)		2015(2022/23)	
	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital
Addis Ababa	1,362	19,839.3	681	6,838.4	40	650	711	30,820	64	750.0	35	5010.3
Afar	46	380.0	-	-	-	-	-	-	-	-	-	-
Amhara	15	39.7	20	152.5	6	11	41	285.2	1	1.7	-	-
B.Gumze	1	2.0	-	-	-	-	-	-	-	-	-	-
Dire Dawa	-	-	-	-	-	-	-	-	-	-	-	-
Gambella	-	-	-	-	-	-	-	-	-	-	-	-
Harari	-	-	-	-	-	-	-	-	-	-	-	-
Multiregional	59.0	5,217.5	69	1,135	37	645	33	2,967.7	46	1,327	69	57479.7
Oromia	-	-	157	560.4	-	-	-	-	-	-	-	-
SNNPR	1	2.5	-	-	-	-	-	-	1	105.4	-	-
Somali	-	-	-	-	-	-	-	-	-	-	-	-
Tigray	66	395.3	49	265.6	1	15	-	-	-	-	-	-
Grand Total	1,550	25,876.3	976	8,951.7	84	1,320	785	34,073	112	2,184	104	62490.0