



Ethiopia Investment Weekly

11 May, 2020

Top News Selected For You,
Frequently Asked Information,
Communication on EIC initiatives.



News highlights

The week in brief

- **Customs Commission temporarily suspends demurrage costs:** The Customs Commission has suspended levies (20% of the total amount of duty on cargo) for importers that fail to clear their products within 15 days (land) and 10 days (air cargo) until COVID-19 is under control in Ethiopia.
- **Ministry of Finance supports manufacturers of COVID-19-related materials:** The Ministry of Finance has announced that imports of materials for eliminating and controlling COVID-19 will be duty-free and income from the sales of these products will be exempted from income tax. Exporters that benefit from duty-free schemes can redirect imported raw materials to production of COVID-19 response goods. Exporters that produce COVID-19 response goods will also be exempt from income tax on the sales of those items.
- **Immigration and Nationality Affairs Agency extends visa validity for one year from the date of issue for travellers who got e-visas before 26 March 2020 and who could not travel on the planned date of entry due to COVID-19:** Due to the temporary suspension of visa, work permit, and residence permit issuance and renewal services, the Immigration and Nationality Affairs Agency is taking the following measures to ease the challenges investors may face:
 - 10-day exit visas will be issued for foreign nationals who could not leave the country after securing a 5-day exit visa.
 - Residence permit issuance and renewal will continue to take place upon the issuance of a support letter from the Ethiopian Investment Commission

COVID-19 IN ETHIOPIA

TOTAL NUMBER OF CASES TO DATE: 250

TOTAL RECOVERIES: 105

TOTAL DEATHS: 5

TOTAL TESTS PERFORMED TO DATE: 36,624

Additional resources

- **EPSA COVID-19 active tender** – The Ethiopian Pharmaceuticals Supply Agency is currently procuring COVID-19 medical supplies
- **Access to affordable financing for local manufacture of pharmaceutical and medical supplies in Africa:** This is a summary report of a AUDA – NEPAD webinar on how local manufactures of pharmaceutical and medical supplies can access affordable financing to scale production to combat COVID-19
- **Preliminary analysis of a garment industry survey in Ethiopia on COVID-19 impact:** Results of 20 interviews with managers from garment and textile factories
- **How WHO is re-imagining and fixing supply chains links during COVID-19:** This article by WHO describes how it is managing the procurement and supply of COVID-19 goods



Useful information

Re-purposing Everest Textile

Everest is a vertically integrated apparel manufacturing facility with operations in Taiwan, Thailand, Shanghai, and Ethiopia. The company started operations at its facility in Hawassa Industrial Park in 2017. Everest has successfully re-purposed its operations to supply PPE. Gracegao, Everest general manager, explains what this looks like:

What types of product are you manufacturing in Ethiopia?

Reusable face masks for public use and protective suits for ICUs and operating rooms.

What is your end market?

We are selling to government institutions and investigating distribution channels in the private sector.

How did you certify your products?

We started our PPE project in March 2020. We sent samples to Thailand Textile Testing Centre, Taiwan Textile Research Institute and SGS Hongkong for testing.

Face masks are evaluated against 3 criteria: breathability, particle filtration efficiency, and fluid resistance.

What were your main challenges in repurposing and how did you overcome them?

We had to adapt our production facility to produce medical products. We established an engineering team to prepare an enclosed production area and thoroughly clean all equipment, and issued all workers in the area with the required clothing, face masks and gloves.

We also had to reassure our employees about the working environment. At the start of the pandemic, there was a lot of fear and uncertainty but we addressed concerns through regular communication, training and the PPE.

The government has been fully supportive to investors in Hawassa Industrial Park.

PPE production regulation

All PPE products must comply with the Ethiopian Food and Drug Administration (EFDA)'s regulations and requirements. **Overview of the temporary license application process:**

1. Companies apply for a temporary certificate of competency (COC) at [iLicense](#)
2. EFDA screens applications to ensure that they meet all requirements
3. EFDA inspects the facility to ensure it meets EFDA requirements
4. EFDA prepares an inspection report and shares with the manufacturer. If the report approves medical PPE manufacturing, the EFDA branch office will issue a temporary COC
5. Approved manufacturers test products against quality parameters and submit results and other information required for product registration through EFDA's iregister
6. EFDA grants temporary market authorisation for 6 months

For further information

- [EFDA Temporary COVID-19 Medical Product Approval and Import Permit Authorization Directive](#)
- [EFDA Temporary PPE Licensing Procedures](#)

There are currently no restrictions that prohibit PPE exports.

Contact the Medicine Registration and Licensing Directorate for information on quality, safety, and effectiveness requirements: [:etccovid19@efda.gov.et](mailto:etccovid19@efda.gov.et)



EIC PPE catalogue

The EIC is developing a catalogue of all local suppliers of PPE products and raw materials.

EIC survey results show that several local manufacturers are repurposing their operations to supply COVID-19 products.

At the same time, buyers are looking to procure PPE from local suppliers.

The manufacturers have requested support in connecting them to buyers.

The EIC is therefore developing a catalogue to connect PPE manufacturers and buyers. The catalogue will provide lists of raw materials and final PPE products offered by suppliers. The EIC will share the catalogue with all relevant stakeholders.

Manufacturers that want to be included in this catalogue should submit their product information [here](#)



CONTACT

Send us your feedback or questions: covid-19.response@ethio-invest.com

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