

ETHIOPIAN INVESTMENT AGENCY



Factor Costs



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PREFACE

The Ethiopian investment Agency (EIA) regularly issues a publication on factor costs in the country with the aim to assist investors in the preparation of investment projects.

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

As the Agency continues to publish revised versions of the publication, any comments or suggestions are most welcome.

Finally, we would like to let users of this publication know that it is also available on the Agency's website, www.ethioinvest.org.

Ethiopian Investment Agency

Addis Ababa

Part 1: COST OF LAND

Under the constitution of the Federal Democratic Republic of Ethiopia, land is the property of the State and the peoples of Ethiopia. Urban and rural land is available for investment on lease- hold and rental basis respectively. In some regions, urban land is also available on rental basis.

1.1 Urban Land

1.1.1 Lease Holding

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

A) Duration and renewal of lease holding

According to Proclamation No. 272/2002 (Re-Enactment of Urban Lands Lease Holding Proclamation), the duration of lease for urban land varies depending on the level of urban development and a sector or the type of development activity on which land is held by lease.

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

The duration of urban land - lease holdings by region and different investment activities are shown in Table 1.1 bellow.

Table 1.1 Duration of urban- land lease holdings by region and activity

Region/ Name of City	Area of activity	Period of lease
Addis Ababa City Administration and other towns designated as Addis Ababa City	• Housing(Personal & Leasable)	Up to 99 Years
	• Science, technology, research & study • Government offices • Non-profit making philanthropist organization • Religious institution	Up to 90 years
	• Industry	Up to 60 years
	• Commerce	Up to 50 years
	• Others	Up to 50 years
	• Education Health, culture, sports, etc	Up to 99 years
Other towns which are not designated as of grade of Addis Ababa	• Industry	Up to 80 years
	• Commerce	Up to 70 years
	• Others	Up to 70 years
	• Others	Up to 70 years
Amhara National Regional State (<i>Bahir Dar, Gonder, Dessie</i>)	• Housing (personal and leasable)	Up to 99 years
	• Education, Health, Culture, Sport	Up to 99 years
	• Industry	Up to 80 years
	• Trade and commerce	Up to 70 years
	• Urban Agriculture	Up to 15 years
	• Others	Up to 70 years
Oromiya National Regional State	• Private dwelling houses	Up to 99 years
	• Rental dwelling houses	Up to 60 to 99 years based on the grade of towns
	• Industrial activities	Up to 70 to 95 years based on grade of towns
	• Educational, Scientific, Technological, Cultural, Health and Sporting activities	Up to 95 years
	• Others	Up to 60 to 99 years based on the grade of towns
SNNPRS	• Housing (personal and leasable) • Education, Health, Culture, Sport	Up to 99 years
	• Industrial activities	Up to 80 years
	• Trade and commerce	Up to 70 years
	• Urban Agriculture	Up to 15 years
	• Others	Up to 70 years
Dire Dawa and Tigray National Regional Stat	• Private Dwelling house	Up to 99 years
	• Industry	Up to 80 years
	• Trade	Up to 70 years
	• Social Services	Up to 99 years
	• Urban Agriculture	Up to 15 years

B) Rights of lease holding

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

C) Modalities of payment

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

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

- must make advance payment not less than 5 percent of the total lease payment;
- shall make payments every year, and the yearly payment shall amount to the average price of the remaining lease payment divided over the period of payment; and
- shall pay interest over the remaining payment as per the rate of interest on loan offered by banks.

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

Table 1.2 Periods of payment of urban land lease prices

Region /Name of City	Area of activity	Period of payment
Addis Ababa City Administration	• Private dwelling houses	Within 99 years
	• Industry	Within 30 years
	• Business	Within 15 years
	• Culture, Sport and education	Within 20 years
	• Rental Dwelling houses	Within 30 years
Amhara National Regional State (Bahir Dar, Dessie, Gonder)	• Private dwelling house	Within 99 years
	• Private housing through auction or negotiation	Within 50 years
	• Social development and cultural undertakings (Health, Education ...)	Within 40 years
	• Industry	Within 40 years
	• Commerce	Within 30 years
	• House for rent	Within 40 years
	• land with 15 years lease period	Within 10 years
Oromiya National Regional State	Residential house Industry Trade and other services Education ,science and technology , Health , culture, sports and others	The maximum land holding period is 80 to 99 years with a minimum holding period of 30 years. Payment for lease holding is effected within 40 years; and within 30 years for holding less than 40 years.
Tigray National Regional State	Residential house Industry Trade and other services Education ,science and technology , Health ,culture , sports and others	15 to 99 years depending on the sector of development

D) Utilization of urban land

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

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

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

A) Addis Ababa City Administration

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

Table 1.3 Minimum urban land - lease prices in Addis Ababa

No.	Zone	Grade of Lease Land	Minimum price (Birr /M2)	Multipliers to determine negotiable prices by width of roads (meter)			
				No road	Less than 10	10 up to 20	Above 20
1	Central Business Zone	1	1686	1.2	1.5	1.7	1.9
		2	1535	1.2	1.5	1.7	1.9
		3	1323	1.2	1.5	1.7	1.9
		4	1085	1.2	1.5	1.7	1.9
		5	894	1.2	1.5	1.7	1.9
2	Transitional Business Zone	1	1035	1.2	1.3	1.4	1.5
		2	935	1.2	1.3	1.4	1.5
		3	809	1.2	1.3	1.4	1.5
		4	685	1.2	1.3	1.4	1.5
		5	555	1.2	1.3	1.4	1.5
3	Expansion Zone	1	355	1	1.2	1.3	1.4
		2	299	1	1.2	1.3	1.4
		3	217	1	1.2	1.3	1.4
		4	191	1	1.2	1.3	1.4

Source: Addis Ababa Trade, Industry and Development Bureau.

B) Tigray National Regional State¹

In Tigray regional State, industrial zones are established in five towns, namely Mekele, Adigrat, Adwa, Axum and Endaselasse. The Regional State has set lease prices for the industrial zones and real estate. The prices for industrial zones vary from 0.30 to 0.75 Birr/M² /year, while the prices for real estate vary from 0.35 to 2.00 Birr/M² /Year. The following table shows the initial lease prices for both the industrial zones and real estate development.

¹ 2008 information

Table 1.4 Minimum urban land- lease prices in Tigray

No.	Industrial Town	Lease price (Birr/M ² /Year)			
		Industrial Zones	Real estate		
			1 st Grade land	2 nd Grade land	3 rd Grade land
1	Mekele	0.75	2.00	1.50	1.00
2	Adigrat	0.35	1.10	0.75	0.35
3	Axum	0.35	1.10	0.75	0.35
4	Endaselasse	0.30	1.10	0.75	0.35
5	Adwa	0.35	-	-	-

To encourage real estate development in the region, the following discounts are also applicable on the initial lease prices (Tables1. 5 and 1.6 below).

Table 1.5 For 10 and above housing units

Housing Unit	1 st grade town (Mekele)	2 nd grade towns (Out side Mekele)	Lease price Discount (%/M ²)
10-25 Houses	G+1	Villa	10
26-40 Houses	G+1	Villa	20
41-50 Houses	G+1	Villa	30

Table 1.6 For G +2 and above buildings

1 st grade land (Mekele)	2 nd grade towns (Out side Mekele)	Lease price Discount (% /M ²)	
		Apartments	Others
G+2	G+2	7	5
G+3	G+2	10	7
G+4	G+3	15	10
G+5	G+4	20	15
G+6	G+5	25	20
G+7	G+6	30	25
G+8	G+7	35	30
G+9	G+8	40	35
G+10	G+9	45	40

C) Oromiya National Regional State

I. Lease holding

a) Grading of lease towns in Oromiya

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

1st Grade lease towns and areas: Burayu, Sebeta, Menagesha, Holeta, Sululta, Sendafa-Bekke, Legetafo-Leg-Dadi, Gelan, Dukam, Bishoftu, Modjo, Adama, Shasehemene, Dalle (Langano, Abiyata and shala lakes area).

2nd Grade lease Towns: Nekemte, Jimma, Asella, Ambo, Weliso, Aweday, Arsi Negele, Meki, Bishan - Gari and Batu (Ziway).

b) Duration of lease holding

The duration of urban land- lease holdings in Oromiya for different types of investment activities are shown in Table 1.7 below.

Table 1.7 Duration of urban land- lease holdings for different types of investments

No.	Area of activity	Grade of town			
		1 st	2 nd	3 rd	4 th
1	Residential House	99	99	99	99
2	Industry	80	80	80	80
3	Trade and other services	70	70	70	70
4	Education, Science and technology, Health, Culture and sports	99	99	99	99
5	Others	70	70	70	70

c) Lease prices of land

Land lease prices by grade of town, type of site and area of activity are presented in tables 11.8-1.14.

Table 1.8 Minimum lease prices of urban land for residential houses

No.	Grade of town	lot grade	Price (Birr/m ² / year)
1	1 st	1 st	8.40
		2 nd	7.80
		3 rd	7.20
2	2 nd	1 st	5.40
		2 nd	5.10
		3 rd	4.80

Table 1.9 Minimum lease prices of urban land for hotels

No.	Area of activity	Grade of town	Plot grade	Price (Birr/m ² / year)
1	3-Star Hotel	1 st	1	13.60
			2	12.80
			3	12.00
		2 nd	1	9.60
			2	8.80
			3	8.00
2	4-Star Hotel	1 st	1	11.90
			2	11.20
			3	10.50
		2 nd	1	8.40
			2	7.70
			3	7.00
3	5-Star Hotel	1 st	1	10.20
			2	9.60
			3	9.00
		2 nd	1	7.20
			2	6.60
			3	6.00

Table1.10 Minimum lease prices of urban land for resorts

No.	Type of site	Resort's Star rate	Price (Birr/m ² / year)
1	Beach Area in towns	3	12.80
		4	12.00
		5	9.60
2	Resort in Towns	3	12.00
		4	9.60
		5	8.80
3	Hot spring	3	8.00
		4	7.30
		5	6.60
4	Historical sites	3	6.30
		4	6.00
		5	5.70
5	Parks	3	5.40
		4	5.10
		5	4.80
6	Others	3	4.50
		4	4.20
		5	3.90

Table1.11 Minimum lease prices of urban land for trade and similar services

No.	Grade of town	Plot grade	Price (Birr/m ² / year)
1	1 st	1 st	14.45
		2 nd	13.60
		3 rd	12.75
2	2 nd	1 st	10.20
		2 nd	9.35
		3 rd	8.50

Table1.12 Minimum lease prices of urban land for industry

No	Area of activity	Grade of Town	Plot grade	Price (Birr/m ² / year)
1	Manufacturing	1 st	2	6.50
			3	5.85
		2 nd	2	4.55
			3	3.90
2	Agro-Industry	1 st	2	7.00
			3	6.30
		2 nd	2	4.90
			3	4.20
3	Others	1 st	2	7.50
			3	6.75
		2 nd	2	5.25
			3	4.50

Table 1.13 Minimum lease prices of urban land for social services

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

Table 1.14 Floor rates of urban land for real estate

No	Grade of town	Plot grade	Price (Birr/m ² / year)
1	1 st	1 st	12.00
		2 nd	9.60
		3 rd	8.00
2	2 nd	1 st	6.40
		2 nd	5.12
		3 rd	4.11

II. Rental holding

In Oromiya region, urban land is also available on rental basis. The minimum rental prices of urban land for different investment activities are shown in tables 1.15-1.18 bellow.

Table 1.15 Minimum rental prices of urban land for trade and similar services

Grade of town	Plot grade	Land size (m ²)				
		Up to 500	501- 1000	1001-1,500	1,500- 2000	Above 2000
		Rental price (Birr/m ² / year)				
1 st	1 st	3.00	3.10	3.20	3.30	3.40
	2 nd	2.50	2.60	2.70	2.80	2.90
	3 rd	2.00	2.10	2.20	2.30	2.40
2 nd	1 st	1.90	2.00	2.10	2.20	2.30
	2 nd	1.70	1.80	1.90	2.00	2.10
	3 rd	1.50	1.60	1.70	1.80	1.90
3 rd	1 st	1.20	1.30	1.40	1.50	1.60
	2 nd	1.00	1.10	1.20	1.30	1.40
	3 rd	0.80	0.90	1.00	1.10	1.20
4 th	1 st	0.80	0.90	1.00	1.10	1.20
	2 nd	0.60	0.70	0.80	0.90	1.00
	3 rd	0.40	0.50	0.60	0.70	0.80

Table1.16 Rental prices of urban land for education, research center, culture and sports centers and similar services

Grade of town	Plot grade	Land size (m ²)				
		Up to 500	501- 1000	1001-1,500	1,500- 2000	Above 2000
		Rental price (Birr/m ² / year)				
1 st	1 st	2.50	2.60	2.70	2.80	2.90
	2 nd	2.30	2.40	2.50	2.60	2.70
	3 rd	2.10	2.20	2.30	2.40	2.50
2 nd	1 st	2.00	2.10	2.20	2.30	2.40
	2 nd	1.80	1.90	2.00	2.10	2.20
	3 rd	1.60	1.70	1.80	1.90	2.00
3 rd	1 st	1.60	1.70	1.80	1.90	2.00
	2 nd	1.40	1.50	1.60	1.70	1.80
	3 rd	1.20	1.30	1.40	1.50	1.60
4 th	1 st	1.20	1.30	1.40	1.50	1.60
	2 nd	1.00	1.10	1.20	1.30	1.40
	3 rd	0.80	0.90	1.00	1.10	1.20

Table 1.17 Rental prices of urban land for residential houses

Grade of town	Plot grade	Land size (m ²)					
		Up to 200	201-500	501-750	751-1000	1001-1250	Above 1250
		Rental price (Birr/m ² / year)					
1 st	1 st	0.80	0.96	1.12	1.28	1.44	1.60
	2 nd	0.64	0.80	0.96	1.12	1.28	1.44
	3 rd	0.48	0.64	0.80	0.96	1.12	1.28
2 nd	1 st	0.64	0.80	0.96	1.12	1.28	1.44
	2 nd	0.48	0.64	0.80	0.96	1.12	1.28
	3 rd	0.32	0.48	0.64	0.80	0.96	1.12
3 rd	1 st	0.48	0.64	0.80	0.96	1.12	1.28
	2 nd	0.32	0.48	0.64	0.80	0.96	1.12
	3 rd	0.16	0.32	0.48	0.64	0.80	0.96
4 th	1 st	0.32	0.48	0.64	0.80	0.96	1.12
	2 nd	0.16	0.32	0.48	0.64	0.80	0.96
	3 rd	0.12	0.16	0.32	0.48	0.64	0.80

Table 1.18 Rental prices of urban land for industry

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Type of Industry	Grade of town	Plot grade	Land size (m ²)				
			Up to 500	501-1000	1001-1500	1501-2000	Above 2000
		Rental price (Birr/m ² / year)					
Manufacturing	1	1	1.63	1.69	1.76	1.82	1.89
		2	1.43	1.45	1.56	1.62	1.69
		3	1.23	1.29	1.36	1.42	1.49
	2	1	1.28	1.34	1.41	1.47	1.54
		2	1.08	1.14	1.21	1.27	1.34
		3	0.88	0.94	1.01	1.07	1.14
	3	1	0.93	0.99	1.06	1.12	1.19
		2	0.73	0.79	0.86	0.92	0.99
		3	0.50	0.59	0.66	0.72	0.79
	4	1	0.58	0.64	0.71	0.77	0.84
		2	0.38	0.44	0.51	0.57	0.64
		3	0.18	0.24	0.31	0.37	0.44
Agro-industry	1	1	1.75	1.82	1.89	1.96	2.03
		2	1.55	1.62	1.69	1.76	1.83
		3	1.35	1.42	1.49	1.56	1.63
	2	1	1.45	1.52	1.59	1.66	1.73
		2	1.25	1.63	1.39	1.46	1.53
		3	1.05	1.12	1.19	1.26	1.33
	3	1	1.15	1.22	1.29	1.36	1.43
		2	0.95	1.02	1.09	1.16	1.23
		3	0.75	0.82	0.89	0.96	1.03
	4	1	0.85	0.92	0.99	1.06	1.13
		2	0.65	0.72	0.79	0.86	0.93
		3	0.45	0.52	0.59	0.66	0.73
Others	1	1	1.88	1.95	2.03	2.10	2.18
		2	1.68	1.75	1.83	1.90	1.98
		3	1.48	1.55	1.63	1.70	1.78
	2	1	1.63	1.70	1.78	1.85	1.93
		2	1.43	1.50	1.57	1.65	1.73
		3	1.23	1.30	1.37	1.45	1.53
	3	1	1.38	1.45	1.53	1.60	1.68
		2	1.18	1.25	1.33	1.40	1.48
		3	0.96	1.05	1.13	1.20	1.28
	4	1	1.13	1.20	1.28	1.35	1.43
		2	0.93	1.00	1.08	1.15	1.23
		3	0.73	0.80	0.88	0.95	1.03

D) Amhara National Regional State²

I. Lease holding

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

a) Grading of lease towns in Amhara

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

Table 1.19 Grades of towns and land in Amhara

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

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

Table 1.20 List of towns from grade 4 to 1-A

No.	Zone	Town	Grade of town
1	Bahir Dar	Bahir Dar	4
2	North Gonder	Gonder	4
3	South Wello	Dessie	4
4	East Gojam	Debre Markos	3
5	North Shewa	Debre Birhan	3
6	South Wello	Combolcha	3
7	South Gonder	Debre Tabor	2
8	North Wello	Woldiya	2
9	East Gojam	Mota	2
10	Awi	Dangla	2
11	West Gojam	Finote Selam	2
12	Awi	Chagni	2
13	North Wello	Kobo	1-A
14	North Shewa	Shewa Robit	1-A
15	North Shewa	Mehal Meda	1-A
16	North Shewa	Debre Sina	1-A
17	South Gonder	Addis Zemen	1-A
18	South Gonder	Woreta	1-A

² 2008 information

No.	Zone	Town	Grade of town
19	North Gondar	Debarik	1-A
20	North Gondar	Dabat	1-A
21	West Gojam	Bure	1-A
22	West Gojam	Jiga	1-A
23	East Gojam	Dejen	1-A
24	East Gojam	Bichena	1-A
25	Oromiya	Bati	1-A
26	South Wello	Hayik	1-A

b) Lease prices of urban land

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

Table 1.21 Minimum lease prices of urban land in Amhara

Grade of town	Grade of land	Initial lease price by type of activity(Birr/M ² /year)			
		Commerce	Industry	Cooperatives/ service	Residence
4	1	80.0	60.0	40.0	20.0
	2	68.56	51.42	34.28	17.14
	3	45.70	34.28	22.85	11.42
	4	22.85	17.14	11.42	5.71
	5	11.42	8.57	5.71	2.85
3	1	72.6	54.45	36.30	18.15
	2	62.22	46.67	31.11	15.55
	3	41.48	31.11	20.74	10.36
	4	20.74	15.55	10.37	5.18
	5	10.37	7.77	5.18	2.59
2	1	63.81	47.86	31.90	15.95
	2	54.69	41.02	28.03	13.67
	3	36.64	27.34	18.68	9.11
	4	18.32	13.67	9.34	4.55
	5	9.16	6.83	4.67	2.27
1-A	1	36.80	27.61	18.40	9.20
	2	26.53	19.90	13.26	6.63
	3	22.24	16.69	11.12	5.03
1-B	1	33.73	25.31	16.85	8.43
	2	24.31	18.24	12.14	8.07
	3	20.39	15.29	10.18	5.08

II. Rental holding

In Amhara region, urban land is also available on rental basis. Rental land holding is applicable in those towns where lease holding is not applicable. The rental prices of urban land for different investment activities by grade of land are presented in Table 1.22.

Table 1.22 Rental prices of urban land where lease holding is not applicable

Grade of town	Area of activity	Price (Birr/year by grade of land)				
		1 st	2 nd	3 rd	4 th	5 th
4	Commerce	0.25	0.18	0.12	0.10	0.08
	Industry	0.20	0.15	0.11	0.08	0.05
	Social Service	0.18	0.13	0.09	0.05	0.03
	Urban Agriculture	0.15	0.10	0.08	0.05	0.04
3	Commerce	0.20	0.15	0.12	0.09	0.06
	Industry	0.15	0.13	0.10	0.07	0.04
	Social Service	0.14	0.12	0.08	0.04	0.03
	Urban Agriculture	0.10	0.06	0.04	0.02	0.01
2	Commerce	0.18	0.14	0.10	0.08	0.05
	Industry	0.12	0.11	0.09	0.06	0.03
	Social Service	0.11	0.10	0.07	0.03	0.02
	Urban Agriculture	0.08	0.05	0.03	0.01	0.01
1-A	Commerce	0.15	0.12	0.09	-	-
	Industry	0.10	0.09	0.08	-	-
	Social Service	0.09	0.08	0.06	-	-
	Urban Agriculture	0.05	0.03	0.02		
1-B	Commerce	0.12	0.10	0.08	-	-
	Industry	0.09	0.08	0.07	-	-
	Social Service	0.08	0.07	0.05	-	-
	Urban Agriculture	0.04	0.02	0.01		

E) Southern Nations, Nationalities and Peoples Regional State (SNNPRS)³

In the region, the lease prices of urban land applicable for industrial zones in 18 towns and for different investment activities are shown in Tables 1.23 and 1.24.

Table 1.23 Lease prices of urban land in industrial zones

No	Name of town	Price (Birr/M ² /year)
1	Awassa (first Grade)	0.80
2	Arba Minich , Dilla , Hossana and Wolaiyta Sodo (Second Grade)	0.70
3	Yirga Alem, Yirga Chefe, Tepi ,Wolkite,Butajira and Mizan Amanane (third grade)	.0.35
4	Alaba,Bonga,Saula, Jinka, Areka, Boditi, Durame, Aleta-Wondo and Worabe (forth grade)	0.25

³ 2008 information

Table 1.24 Lease prices of urban land for different investment activities

No	Area of activity	Price (Birr/M ² /year by grade of land)			
		1 st	2 nd	3 rd	4 th
1	Commerce	3.82	3.06	2.45	1.95
2	Industry	1.33	1.06	0.85	0.80
3	Social service	1.53	1.22	0.98	0.88
4	Real estate	1.07	0.86	0.68	0.55
5	Apartments	1.80	1.58	1.20	0.92

Furthermore, the lease prices of urban land based on the grades of towns and plot sizes are presented below.

Table 1.25 Lease prices of land by plot size

Grade of town	Land size in meter square	Price (Birr/M ² /year by grade of land)				
		1 st	2 nd	3 rd	4 th	5 th
1 st	Up to 500	0.18	0.14	0.11	0.07	0.04
	501 – 1000	0.21	0.18	0.14	0.11	0.07
	1001 – 1500	0.25	0.21	0.18	0.14	0.11
	1501 - 2000	0.29	0.25	0.21	0.18	0.14
	Over 2000	0.32	0.28	0.25	0.21	0.18
2 nd	Up to 500	0.14	0.11	0.07	0.04	0.02
	501 – 1000	0.18	0.14	0.11	0.07	0.04
	1001 – 1500	0.21	0.18	0.14	0.11	0.07
	1501 - 2000	0.25	0.21	0.18	0.14	0.11
	Over 2000	0.28	0.25	0.21	0.18	0.14
3 rd	Up to 500	0.11	0.07	0.04	0.02	-
	501 – 1000	0.14	0.11	0.07	0.04	-
	1001 – 1500	0.18	0.14	0.11	0.07	-
	1501 - 2000	0.21	0.18	0.14	0.11	-
	Over 2000	0.25	0.21	0.18	0.14	-
4 th	Up to 500	0.07	0.04	0.02	-	-
	501 – 1000	0.11	0.07	0.04	-	-
	1001 – 1500	0.14	0.11	0.07	-	-
	1501 - 2000	0.18	0.14	0.11	-	-
	Over 2000	0.21	0.18	0.14	-	-

F) Dire Dawa City Council⁴

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

⁴ 2008 information

Table 1.26 Minimum lease prices of urban land by grade and zone

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

G) Gambella Regional State⁵

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

Table 1.27 Lease prices of land by grade of town and investment activity

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

H) Benishangul Gumz National Regional State

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

Table1.28 Lease prices of urban land by grade of town and plot size

Grade of town	Land size in meter square	Price (Birr/m ² /year by grade of land)				
		1	2	3	4	5
1 st	Up to 500	0.07	0.06	0.05	0.04	0.03
	501-1000	0.08	0.07	0.06	0.05	0.04
	1001-1500	0.09	0.08	0.07	0.06	0.05
	1501-2000	0.10	0.09	0.08	0.07	0.06
	Above 2000	0.11	0.10	0.09	0.08	0.07
2 nd	Up to 500	0.06	0.05	0.04	0.03	0.02
	501-1000	0.07	0.06	0.05	0.04	0.03
	1001-1500	0.08	0.07	0.06	0.05	0.04
	1501-2000	0.09	0.08	0.07	0.06	0.05
	Above 2000	0.10	0.09	0.08	0.07	0.06
3 rd	Up to 500	0.04	0.03	0.02	0.01	0.009
	501-1000	0.05	0.04	0.03	0.02	0.01
	1001-1500	0.06	0.05	0.04	0.03	0.02
	1501-2000	0.07	0.06	0.05	0.04	0.03
	Above 2000	0.08	0.07	0.06	0.05	

I) Somali National Regional State

a) Period of lease

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

Table1.29 Duration of urban –land lease by area of activity and grade of town

No.	Area of activity	Grade of town		
		1 st	2 nd	3 rd
		Periods lease		
1	Residential houses	99	99	99
2	Real estate	99	99	99
3	Industry	95	90	80
4	Education, science and technology, health, culture and sports	99	99	99
5	Others	90	80	70

b) Lease prices of land

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

Table1.30 Lease prices of urban land by grade of town, plot size and grade of land

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

1.2 Rural Land

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

1.2.1 Tigray National Regional State⁶

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

Table 1.31 Rental prices of rural land for agricultural projects

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

⁶ 2008 information

1.2.2 Oromiya National Regional State

A) Duration of rent

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

B) Rental prices

The rental prices of rural land for agriculture have been set based on the development level of the zones and distances from all weather roads. Accordingly, the minimum and maximum annual charges for one hectare of rural land in the region are Birr 70.40 and Birr 135.00 respectively (Table 1.32).

Table 1.32 Rental prices of rural land for agricultural projects

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

On the other hand, the rental prices of rural land by investment activities are shown in the following table.

Table 1.33 Rental price of rural land by investment activity

Activity	Price in Birr /M ² / Year
Industry	0.03 – 0.34
Tourism	The same as rural land rent for agricultural projects
Forestry	Free

Note: Land in East Shewa, West Shewa, North Shewa, South West Shewa Zone located within 5 km. radius from main asphalt roads may be offered for industry at a floor rental charge of Birr 0.34 per square meter per year ; and for other zones Birr 0.01/m²/ year for sites up to 5km distance from main road and 0.03 Birr for a site of more than 5km from main road.

1.2.3 Amhara National Regional State

A) Duration of rent

In Amhara region, rural land is administered by the Environmental Protection, Land Administration and Use Authority. Rural land in the region is allocated to investors on rental basis and the duration of rent based on plot size and type of agricultural activity are presented in Table 1.34

Table 1.34 Rental duration of rural land by plot size and agricultural activity

Plot size(Hectare)	Seasonal food crops production.		Perennial crops		Agro industry		Floriculture	Animal husbandry ⁷			Forestry	
	Rain Fed	irrigation	Rain fed	irrigation	Rain fed	Irrigation		dairy	Live stock fating	poultry	Eucalyptus tree	Other forestry
From1-10	5	8	10	15	10	15	25	15	5	8	15	25
From11-100	8	10	13	18	10	18	25	15	5	8	15	25
From101-250	10	13	15	18	13	18	25	15	5	8	20	25
From 2511-500	13	15	18	20	13	20	25	15	5	8	20	25
From 501-1000	15	18	20	23	18	23	25	15	5	8	25	25
Over 1000	18	21	25	25	20	25	25	15	5	8	25	25

⁷ Plot size is not applicable

B) Rental prices

In Amhara region, the minimum rental prices of rural land for rain-fed and irrigated agriculture at district and zone levels are presented in Table 1.35 bellow.

Table 1.35 Zone and district level minimum rental prices of rural land for irrigated and rain-fed agriculture

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

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

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

No.	Zone and district	For rain fed agriculture (Birr /hectare /year)	For irrigated agriculture (Birr /hectare /year)
	Menjar-Shenkorra	211	358
	Mojo and Wederra	181	298
	Moret and Jirru	231	398
	Siadebre and Wayyu	251	438
	Tarmaber	221	378

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

A) Duration of rent

Rural land in the region is allocated to investors on rental basis and the duration of rent based on plot size and type of agricultural investment are shown in Table 1.36 below.

Table 1.36 Rental duration of rural land by plot size and agricultural activity

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

C) Rental prices

Based on the type investment project, the rental prices of rural land in the region are presented in Table 1.37

Table 1.37 Rural prices of land by grade in SNNPRS

No.	Zone	Price(Birr/hectar/year)	
		1 st grade land	2 nd Grade land
1	Sidama	117	71
2	Gurage	105	64
3	Hadiya	103	62
4	Kenbata-Tenbaro	100	61
5	Alaba	100	61
6	Gedio	86	52
7	Gammo-Gofa	78	47
8	Yem	63	38
9	Sheka	63	38
10	Amaro	59	36
11	Burji	58	36
12	Konso	52	36
13	Dawuro	49	30
14	Silte	105	64
15	Wolayita	78	47
16	Kefa	63	38
17	Dirashe	63	38

1.2.5 Benshagul Gumz Ntional Regional State

A) Duration of rent

Rural land in the region is allocated to investors on rental basis and the duration of rent based on plot size, level of development and type of agricultural activity are presented in Table 1.38

Table 1.38 Rental duration of rural land by plot size,level of development and agricultural activity

Plot size(hectare)	Uncultivated			Cultivated				Production of milk, fattening and rearing of livestock	Flouculture		Other quick ripening trees
	Rain fed agriculture			Irrigated agriculture		Fruit s and cerea l crops	Perenni al crops		Vegetable s	Uncultivate d	
	Seasonal crops	Perennia l crops	Irrigated agriculture	Season al crops	Perenni al crops						
Billow 200	25	30	25	20	20	25	20	20	25	25	
201-500	30	35	30	25	25	30	-	25	30	30	
Over 500	35	40	35	30	30	35	-	30	35	35	

B) Rental prices

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

Table 1.39 Rental prices of rural land by Wereda

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

1.2.6 Somali National Regional State

The rental prices of rural land in Somali region vary from zone to zone and by grade of land. The following table shows the rental prices of rural land in the region.

Table 1.40 Rental prices of rural land by zone and grade of land

No.	Zone	Rental price in Birr per hectare/ year	
		First Grade Land	Second Grade Land
1	Liben	45	27
2	Jigjiga	45	28
3	Shenele	39	24
4	Gode	38	23
5	Degehabur	27	17
6	Afder	25	15
7	Korahe	23	14
8	Fik	23	14
9	Warder	19	12

1.3 Incentives Related to Land

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

1.3.1 Addis Ababa City Administration⁸

As part of promoting investment in the city, significant reduction in lease prices are made for investments in some social service projects (Table 1.41).

Table 1.41 Land incentives granted by Addis Ababa City administration by type of social service projects

No.	Type of investment	Amount to be paid out of total lease price
1	General hospital	15%
2	Health center	5%
3	Maternity and pediatrics hospital	5%
4	Special hospital	30%
5	Kindergarten	35%
6	Grade 1 - 8 school	20%
7	Kindergarten - grade 12 school	15.65%
8	Grade 1-12 school	13.5%
9	Grade 9 - 12 school	7 %
10	Technical and vocational school	Free
11	College level education	Free
12	Physical fitness, sport & culture	0-50%

⁸ 2008 information

1.3.2 Oromiya National Regional State

As shown in the following table, the Oromia region provides rural land with exemption of lease price payments for some years depending on the type of investment activities.

Table 1.42 Land incentives granted by Oromia Regional State by type of agricultural Investment activity

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

1.3.3 Amhara National Regional State⁹

A) Investment activities for which land is provided freely as an investment incentive are:

1. Industry

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

2. Health

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

3. Education

- Kindergarten
- Elementary school
- Secondary school
- Technical and vocational school

⁹ 2008 information

4. Non- profit making humanitarian organizations
5. Investment activities for which land is provided with initial (without auction) lease price are:

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

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

- Residential and Commercial housing development
- Star Hotels
- Tourist Lodges

1.3.4 Tigray National Regional State¹⁰

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

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

¹⁰ 2008 information

1.3.5 Southern Nations, Nationalities and Peoples Regional State (SNNPRS)¹¹

- Depending on the type of the project, urban land is provided freely or with discount by negotiation.
- There is a grace period of 3 – 20 years for long term crops.

1.3.6 Gambella National Regional State¹²

Investment Projects for which land is provided freely are:

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

1.3.7 Benshangul Gumuz National Regional State

An investor who invests:

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

Note: The Investment Board of the region, based on existing situations, may amend, by issuing directives, the above mentioned land incentives

1. 3.8 Somali National Regional State

Depending on the type and importance of the project, rural lad can be provided Free of rent for 5-10 years.

¹¹ 2008 information

¹² " " "

Part 2: LABOR COST

2.1 Wages and Salaries at Enterprise Level

Generally wages and salaries vary depending on the size of the enterprise, type of profession and level of skill required. They are determined by the agreement between the employer and the employee. A study commissioned by the Confederation of Ethiopian Trade Unions on minimum wages for Ethiopia was undertaken by the Economics Department of the Addis Ababa University over the period between May – October 2003. From the study, occupational and scrotal wage levels are presented in Tables 2.1 and 2.2 respectively.

Table 2.1 Average wages by occupation of workers

No.	Occupation	Average Wage/Birr/Month
1	Sales worker	356.67
2	Supervisor/ foreman	646.40
3	Equipment maintenance	515.25
4	Unskilled production worker	471.77
5	Other support service	551.87
6	Domestic skills/cooking	257.73
7	Clerical	751.95
8	Daily laborer	557.11
9	Security/guard	391.71
10	Loading and unloading	437.49
11	Messenger/office boy/Girl	355.43
12	Janitor	355.87
13	Gardening	324.82
14	Packing	564.75
15	Store keeping	661.00

Source: Minimum Wages for Ethiopia, A Report for the Confederation of Ethiopian Trade Unions by Economics Department of Addis Ababa University, June 2004 (page 99)

Table 2.2 Average wages by sector

No.	Sector	Mean Wage
1	Agriculture, Forestry, Fishing	293.21
2	Mining and Quarrying	513.61
3	Manufacturing of Food	490.00
4	Beverages/Tobacco	562.24
5	Textiles/Leather	390.04
6	Wood/ Wood Products	420.82
7	Paper and Printing	486.20
8	Chemicals and Rubber	374.31
9	Fabricated Metals/ Equipment/ Machinery	514.91
10	Electricity/ Gas/ Water	415.66
11	Construction	312.54
12	Wholesale/ Retail Trade, Catering	412.97
13	Transport/ Storage/ Communications	630.34
14	Finance/ Insurance/ Banking	610.00
15	Social/ Cultural/ Recreational/ Educational	332.78
16	Others	440.14

Source: Minimum Wages for Ethiopia, A Report for the Confederation of Ethiopian Trade Unions by Economics Department of Addis Ababa University, June 2004 (page 103)

2.2 Salaries of Civil Service Employees

The government of Ethiopia also set minimum wage for civil service employees, which is Birr 320 per month for low skilled labor. The base salary scale for the civil service employees is shown below.

Table 2.3 Civil service salary scale

Levels	SERVICES & GRADES						Base salary	STEP SALARIES IN GRADES									Maximum salary
	CM	TC	CP	SP	AD	PS		1	2	3	4	5	6	7	8	9	
I	1						320	338	357	376	397	419	441	464	488	513	539
II	2	1	1				357	376	397	419	441	464	488	513	539	567	595
III	3	2	2	1			397	419	441	464	488	513	539	567	595	626	658
IV	4	3	3	2			441	464	488	513	539	567	595	626	658	692	727
V	5	4	4	3			513	539	567	595	626	658	692	727	763	801	841
VI		5	5	4			595	626	658	692	727	763	801	841	884	928	973
VII		6	6	5			692	727	763	801	841	884	928	973	1019	1068	1119
VIII		7	7	6	1		801	841	884	928	973	1019	1068	1119	1172	1228	1287
IX		8	8	7	2		928	973	1019	1068	1119	1172	1228	1287	1347	1410	1476
X		9	9	8	3	1	1068	1119	1172	1228	1287	1347	1410	1476	1545	1617	1692
XI		10	10	9	4	2	1228	1287	1347	1410	1476	1545	1617	1692	1770	1851	1935
XII			11	10	5	3	1410	1476	1545	1617	1692	1770	1851	1935	2023	2115	2211
XIII			12	11	6	4	1617	1692	1770	1851	1935	2023	2115	2211	2312	2417	2527
XIV				12	7	5	1851	1935	2023	2115	2211	2312	2417	2527	2642	2762	2886
XV					8	6	2115	2211	2312	2417	2527	2642	2762	2886	3016	3152	3294
XVI					9	7	2417	2527	2642	2762	2886	3016	3152	3294	3442	3597	3752
XVII						8	2762	2886	3016	3152	3294	3442	3597	3752	3913	4081	4250
XVIII						9	3152	3294	3442	3597	3752	3913	4081	4250	4426	4610	4801

Key: CM - Custodial and manual service

TC - Trade and crafts service

CF - Clerical and physical service

SP - Sub-professional service

AD - Administrative service

PS - Professional and scientific service

Source: Federal Civil Service Agency

Part 3: BUILDING COST

3.1 Average Costs

The costs of buildings generally defer by type of construction materials used, the type of foundation, wall height, and location. The following table shows the current average building costs by type of building and area.

Table 3.1 Cost of buildings by type and area.

No.	Building type	Price in Birr per M ²
1	Simple storage building	1800-2500
2	Apartment building up to four stories	3400-4400
3	Tower building with elevator facilities	4000-5500
4	Residential G+1 building (Normal)	320-4500
5	Residential villa type building (bricks)	3500-5000
6	Residential villa type building (HCB)	3000-4000

Source: Construction and Business Bank

3.2 Selling Prices

The average selling prices of different apartments and villas by Sunshine Construction PLC in Addis Ababa are shown in Tables 3.2 and 3.3 bellow.

Table 3.2 Average selling prices apartment buildings in Addis Ababa

Floor	Building type	No. of Bed Rooms	Total Area (m2)	Price	VAT (15%)	Total price (with VAT)	Advance payment
Ground	B1 -- G--1	2	84.56	531,920.31	79,788.05	611,708.36	159,576.09
	B1 -- G--2	1	56.36	354,529.67	53,179.45	407,709.10	106,358.90
	B1 -- G--3	2	89.40	562,366.08	84,354.91	646,721.00	168,709.83
	B1 -- G--4	Studio	18.98	119,392.71	17,908.91	137,301.62	35,817.81
1st Floor	B1 -- 1--1	2	84.56	511,786.61	76,767.99	588,554.60	153,535.98
	B1 -- 1--2	1	56.36	341,110.38	51,166.56	392,276.93	102,333.11
	B1 -- 1--3	2	88.56	535,996.01	80,399.40	616,395.41	160,798.8
	B1 -- 1--4	Studio	30.84	186,654.44	27,998.17	214,652.60	55,996.33
2nd Floor	B1 --2--1	2	84.56	493,288.30	73,993.25	567,281.54	147,986.49
	B1 --2--2	1	56.36	328,781.08	49,317.16	378,098.24	98,634.33
	B1 --2--3	2	88.56	516,622.65	77,493.39	594,116.05	154,986.80
	B1 --2--4	Studio	30.84	179,907.89	26,986.18	206,894.07	53,972.30
3rd Floor	B1 --3--1	2	84.56	474,789.98	71,218.49	546,008.48	142,436.00
	B1 --3--2	1	56.36	316,451.79	47,467.76	363,919.56	94,935.54
	B1 --3--3	2	88.56	497,249.30	74,587.39	571,836.70	149,174.79
	B1 --3--4	Studio	30.84	173,161.34	173,161.34	25,974.20	51,948.40
4th Floor	B1 --4--1	2	84.56	456,291.67	68,443.75	524,735.43	136,887.50
	B1 --4--2	1	56.36	304,122.50	45,618.37	349,740.88	91,236.75
	B1 --4--3	2	88.56	477,875.95	71,681.39	549,557.35	143,362.79
	B1 --4--4	Studio	30.84	166,414.80	24,962.22	191,377.02	49,924.44

Source: Sunshine Construction PLC (www.sunshinecon.com)

Table 3.3 Average selling prices of villas in Addis Ababa

House Type	Area/m2	House Cost	VAT 15%	Total Price
250-A	270	2,299,952.99	344,992.95	2,644,945.94
250-E	250	1,774,467.82	266,170.17	2,040,637.99
250-F	250	1,923,450.95	288,517.64	2,211,968.59

Source: Sunshine Construction PLC (www.sunshinecon.com)

Similarly, the average selling prices of different apartments by Access Real State in Addis Ababa are shown in the following table.

Table 3.4 Average selling prices apartment buildings in Addis Ababa

No	Site	No. of bed rooms	Area m2	Price (Birr)
1	Bole Worbek and Sar Bet	3	111	1,375,000
2	Bole Worbek and Sar Bet	3	125	1,575,000
4	Kazanchis site	3	111	1,225,000
5	Kazanchis site	3	125	1,375,000
7	Bole Medhanealem site	3	111	1,375,000
8	Bole Medhanealem site	3	125	1,575,000

Source: Access Real State

Part 4: TARIFFS

4.1 Electricity Tariffs

4.1.1 Energy Tariffs

Electricity charges vary according to different categories of users. There are also different tariff categories and blocks within each user category. The "domestic" tariff category includes dwelling houses, government schools, health institutions, religious places, libraries, research centers and water service centers. The "general" category includes government offices, private offices, international organizations, embassies, and most business sectors excluding industries. Industries are included in the third, fourth and fifth categories. The current energy tariffs for different categories and blocks are shown in the following table.

Table 4.1 Current energy tariff rates by different user categories

S/N	Tariff category & block ID.	Monthly consumption (kwh)	Fee (Birr/kwh)
1	Domestic		
	Equivalent flat rate		0.4735
	1 st Block	0-50	0.2730
	2 nd Block	51-100	0.3564
	3 rd Block	101-200	0.4993
	4 th Block	201-300	0.5500
	5 th Block	301-400	0.5666
	6 th Block	401-500	0.5880
	7 th Block	Above 500	0.6943
2	General		
	Equivalent flat rate		0.6723
	1 st block		0.6088
	2 nd Block		0.6943
3	Low Voltage Time of Day Industry		
	Equivalent flat rate		0.5778
	Peak		0.7426
	Off-Peak		0.5453
4	High Voltage Industry @ 15 KV		
	Equivalent flat rate		0.4086
	Peak		0.5085
	Off-Peak		0.3933
5	High Voltage Industry @ 132 KV		
	Equivalent flat rate		0.3805
	Peak		0.4736
	Off-Peak		0.3664
	Street Light tariff		
	Equivalent flat rate		0.4843

Source: Ethiopian Electric Power Corporation (EEPPO).

4.1.2 Service Charges

There is also a service charge that a customer pays together with the energy price for the services provided by the Corporation. Service charge rates also vary according to the categories and blocks of users as shown below.

Table 4.2 Current service charges by different user categories

No.	Tariff Name	Birr/Month
1	. Domestic Sector	
	Single phase: Kwh/month	
	0 – 25	1.40
	26 – 50	3.404
	51 – 105	6.820
	106 – 300	10.236
	Above 300	13.652
	Three phase	17.056
	Active/Reactive	37.564
2	. General Sector	
	Single phase	14.494
	Three phase	22.558
	Active/Reactive	35.258
3	Low voltage Time-of-Day Industry Tariff	
	Three phase	54.009
4	High voltage Time-of-Day Industry Tariff (15 kv)	
	Three phase	54.009
5	High voltage Time-of-Day Industry Tariff (132 kv)	
	Three phase	54.009
6	Street light tariff	
	Single phase	14.494
	Three phase	22.558
	Active/Reactive	35.258

Source: Ethiopian Electric Power Corporation (EEPCO).

4.2 Water Tariffs

4.2.1 Consumption Charges

In Addis Ababa, water charges vary depending on the tariffs set for different consumption brackets. Accordingly, the current consumption charges are shown in the following table.

Table 4.3 Charges by consumption blocks

No.	Block	Birr /m ³
1	Public Foundation	1.75
2	Domestic Customers (Monthly Water Consumption in m ³)	
	0 - 7	1.75
	7 – 20	3.15
	above 20	3.80
3	Non-Domestic customers	3.80

Note: Non-domestic customers are manufacturing industries and others.

4.2.2 Water Counter Charges

As shown in the following table, a fixed monthly water counter (meter) rent and a one time deposit is also payable in addition to water charges.

Table 4.4 Monthly water counter and deposit charges

No.	Size of the water meter (in inches)	Counter rent(Birr/month)	Deposit charge(Birr)
1	½	1.35	120
2	¾	1.50	133
3	1	2.25	196
4	1 ¼	2.85	251
5	1 ½	4.05	355
6	2	6.25	551
7	2 ½	7.65	673
8	3	9.05	795
9	4	9.65	853
10	5	-	945
11	6	14.02	1037

Source: Addis Ababa Water and Sewerage Authority

4.3 Telecommunication Tariffs

The construction, operation, maintenance and expansion of telecommunication services are performed by the Ethiopian Telecommunication Corporation (ETC). The Corporation also provides domestic and international telephone, telex, internet, mobile and other communication and broadband multimedia services. The rates for different types of telecommunication services are shown below

4.3.1 Fixed and Wireless Telephone Services

A) Local calls

Table 4.5 Access fee and monthly rental payment of fixed telephone

Item description		Fee (Birr)	VAT (15%)	Sub- total (Birr)	stamp duty (Birr)	Total (Birr)
Access fee		242	36.3	278.3	5	283.3
Monthly rent	Residential	8	1.2	9.2	-	9.2
	Business	17	2.55	19.55	-	19.55

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.6 Matrix of peak hour call charge rates for fixed and wireless telephones by tariff zone(Birr)

Tariff Zone	T-Zone1			T-Zone2			T-Zone3			T-Zone4			T-Zone5			T-Zone6			T-Zone7			T-Zone8			T-Zone9			T-Zone10			T-Zone11		
	WT	DT		WT	DT		WT	DT		WT	DT		WT	DT		WT	DT		WT	DT		WT	DT		WT	DT		WT	DT		WT	DT	
T1	WT	0.2	0	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2		
	DT	0.4	0																														
T2	WT	1.2	0.2	0.4	0	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2			
	DT																														0.4	0	
T3	WT	1.2	0	0	0	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2			
	DT																														0.4	0	
T4	WT	1.2	1.2	0.2	0.4	0	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2			
	DT																														1.2	0.4	0
T5	WT	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2			
	DT																														0	0	
T6	WT	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2			
	DT																														0.2	0	
T7	WT	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2			
	DT																														0.2	0	
T8	WT	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2			
	DT																														0.2	0	
T9	WT	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2			
	DT																														0.2	0	
T10	WT	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2			
	DT																														0.2	0	
T11	WT	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2			
	DT																														0.2	0	

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

0.40 indicates charge for calls between different towns of the same tariff zone per minute

1.20 indicates charge for calls between different tariff zones per minute

15 % VAT will be added on all charges

WT= within town

DT= between different towns of the same tariff zone

WT= within town

T1, T2, ... T11= Tariff zones

Table 4.7 Matrix of off-peak hour call charge rates for fixed and wireless telephones by tariff zone(Birr)

Tariff Zone	T1			T2			T3			T4			T5			T6			T7			T8			T9			T10			T11		
	WT	DT		WT	DT		WT	DT		WT	DT		WT	DT		WT	DT		WT	DT		WT	DT		WT	DT		WT	DT				
T1	WT	0.2	0.25	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1			
	DT	0.25	0.25																														
	WT	1	0.2																												0.25	0.25	
T2	DT	1	0.25	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1			
	WT	0.25	0.25																														
	DT	0.25	0.25																														
T3	WT	1	0.2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1			
	DT	0.25	0.25																														
	WT	0.25	0.25																														
T4	WT	1	0.20	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1			
	DT	0.25	0.25																														
	WT	0.25	0.25																														
T5	WT	1	0.20	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1			
	DT	0.25	0.25																														
	WT	0.25	0.25																														
T6	WT	1	0.2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1			
	DT	0.25	0.25																														
	WT	0.25	0.25																														
T7	WT	1	0.2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1			
	DT	0.25	0.25																														
	WT	0.25	0.25																														
T8	WT	1	0.2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1			
	DT	0.25	0.25																														
	WT	0.3	0.25																														
T9	WT	1	0.2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1			
	DT	0.25	0.3																														
	WT	0.25	0.3																														
T10	WT	1	0.2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1			
	DT	0.25	0.25																														
	WT	0.3	0.25																														
T11	WT	1	0.2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1			
	DT	0.25	0.25																														
	WT	0.25	0.25																														

Note: 0.20 indicates charge for calls within a town per 6 minute.
0.25 indicates charge for calls between different towns of the same tariff zone per minute
1 indicates charge for between different tariff zones per minute
15 % VAT will be added on all charges
WT= within town
DT= between different towns of the same tariff zone
T1,T2, ...T11= Tariff zones

Table 4.8 Matrix of call charge rates from fixed to fixed telephone for all tariff zones

Service Type	National usage charge (Birr)								
	Peak hour			Off- peak hour 1			Off-peak hour 2		
	With in a town (per six minutes)	Between different towns of the same tariff zone	Between different tariff zones	With in a town (per six minutes)	Between different towns of the same tariff zone	Between different tariff zones	With in a town (per six minutes)	Between different towns of the same tariff zone	Between different tariff zones
Wire line, CDMA WLL (Urban), and Wireless	0.20	0.40	1.20	0.20	0.25	1.00	0.20	0.25	0.50

Note: 15% VAT will be added on all charges

Peak- hour: 8:00AM-8:00PM from Mondays-Saturdays

Off –peak 1hour from Mondays – Saturday, 8:00PM-12:00PM and 6.00AM to 8:00AM and on Sunday

Off Peak-2 hour from 12:00PM-6:00AM in all days of the week

B) International calls

Table 4.9 Fixed telephone call charge rates by destination and type service

No.	To	Peak hour charge(Birr/minute)	Off peak hour charge (Birr/minute)
1	International(except Djibouti)	10	10
2	International to Djibouti	7	7
3	Tururaya net work	15	15
3	Iridium net work	16	16

Table 4.10 Fixed telephone call charge rates made via operator by destination and type service

No.	To	For the initial three minutes (Birr)	for the next minutes(Birr)	Report charge (Birr)
1	International(except Djibouti)	33	10	3.3
2	International to Djibouti	24	7	2.4
3	Turian net work	48	15	4.8
4	Iridium net work	51	16	5.1

Note: 15% VAT is included The report charges are to be paid if the call is not answered

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.11 Value-added and supplementary service charges for fixed telephone network

Service Type	Subscription fee (Birr)		Monthly rent (Birr)		Usage charge (Birr)
	Residential	Business	Residential	Business	
Call Barring:	300		20		Free
Local					
STD					
ISD			50		
IDD Barring	30		20		Free
IDD de-barring	free		monthly rent needs adjustment		Free
Call Waiting	Free		Free		Normal Fixed Telephone rates
Call Divert	Free		Free		Normal Fixed Telephone rates*
Short no. calls	242		8	17	Normal Fixed Telephone rates
Don't Disturb	7.7		Free		Free
Hotline-Immediate	14		3		Normal Fixed Telephone rates
- Delayed					
Alarm call/	Free				Normal Fixed Telephone rates
Wake-up call					
Abbreviated dialing	Free		Free		Normal Fixed Telephone rates
Conference call	Free		Free		Normal Fixed Telephone rates
Free Phone Service (FP)	Free				Normal Fixed Telephone rates

Note:*If the call is diverted to the same tariff zone only the caller will be charged.
If the call is diverted to a different tariff zone, the caller will be charged only the amount up to the diverted phone call and the diverter will be charged the difference.
15% VAT will added on all charges.

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.12 Customer support service charges for fixed telephone network

Service Type		Subscription fee (Birr)		Monthly Rent (Birr)		Usage charge (Birr)
		Residential	Business	Residential	Business	
Malicious call tracing		7.7		Free		
Bill Investigation		10		Free		
Cancellation		Free				
Disconnection		Free				
Extra Bell		30		free		
Reconnection		15		Free		
Change of number		10		Free		
Change of name		10		Free		
Extension	for 3meter	19		Free		
of cord	for 6 meter	30				
	for 9meter	45				
Move		Free			Free	
Plug & socket service		10		Free		
plug& socket change		10				
Polarity Reverse		52		-		
re-installation	<,=1 year	145.2		8	17	free
	>1year	242		8	17	

Note: 15% VAT will added on all charges

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.13 Resellers' call charges for fixed to fixed or fixed to mobile telephone

Service Type	Usage charge (Birr)							International call
	Peak hour			Off- peakhour		DTz/s		
	WTn	DTn	DTr	DTn	DTr			
Fixed Telephone	Wireline	0.40	0.76	1.68	0.40	0.59	1.45	9 Djibouti & 12.45 for the rest of the world
	CDMA WLL (Urban)							
Mobile	Post-Paid							
	Prepaid-Paid	1.08	1.98		0.60		1.69	

Note: WTn : within a town
DTn ; between different towns of the same tariff zone
DTz/s : different Tariff zones/switch
DTr : different tariff zones

For fixed telephone calls with in a town are charged per three minutes.
For fixed telephone calls between towns of the same and different tariff zones for both peak and off-peak hours are charged per minute.
For all types of mobile calls, both peak and off-peak charges are per minute
International call charges are per minute
Peak hour: 8AM-8PM from Mondays – Saturdays.
Off- peak Hour: 8PM-8AM Mondays - Saturdays, Sundays & Public Holidays.

Source: Ethiopian Telecommunication Corporation (ETC)

4.3.2 Fax Services

Table 4.14 Access fee and rental payment

No.	Service type	Initial payment (Birr)	Rent (Birr/ month)
1	Fax machine supplied by subscriber and to be installed and maintained by ETC	437.00	60
2	Fax machine supplied and to be maintained by the subscriber	437.00	17

Note: Currently ETC does not provide the service .

Direct line installation and monthly payments are included in the above charges 15%

VAT will be added on all charges

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.15 Fax usage charge

No.	Service Type	Charge(Birr/minute)
1	Fax with in a town	0.20
2	Fax b/n different towns of the same tariff zone	0.40
3	Fax b/n different tariff zones	1.20
4	Fax to Djibouti	7.00
5	Fax to the rest of the world	10.00

Note: 15% VAT will be added on all charges
 For fax to be send with in a town are charged per minute

Source: Ethiopian Telecommunication Corporation(ETC)

4.3.3 Telex Services

Table 4.16 Access and monthly rental payment

Service type		Initial/ access charge (Birr)			Monthly rental (Birr)	
		Installation	Direct line	Air line distance	Maintenance and other cost	Direct line
Type T1,200	Local	10,093.00	305.00	-	208.00	17.00
	Inter Urban			1300.00		
Type T 100,300,1000	Local	1,375.00	305.00	-	140.00	17.00

Note: 15% VAT will be added on the above charges

Source: Ethiopian Telecommunication Corporation(ETC)

Table 4.17 Inter-urban call charges

Rate code	Distance (Kms)	Charge(Birr/minute)
1	up to 200	0.20
2	201-300	0.30
3	301-500	0.35
4	501-700	0.50
5	701-900	0.60
6	901-1100	0.70
7	1101-1300	0.80
8	1301-1500	0.95
9	1501-1700	1.05
10	Above 1700	1.15
Average tariff per minute		0.66

Source: Ethiopian Telecommunication Corporation (ETC)

4.3.4 Telegram Services

Table 4.18 Telegram charges by destination

Destination		Charge per word(Birr)	
National		Ordinary	Urgent
		0.10	0.20
International	Africa	2.00	
	Europe	2.20	
	Asia	2.45	
	America	2.50	

Note: The charges do not indicate whether or not VAT is included

Source: Ethiopian Telecommunication Corporation (ETC)

4.3.5 Private Exchange Services (PBX)

Table 4.19 Subscription fees and monthly rental payments by exchange type, capacity and operation system

No	Exchange type	Operation system	Exchange capacity	Subscription fee	Monthly rent
1	ABH-1610	Manual	50	700	-
2	ABK-2050	>>	50	700	-
3	ABG-1505	>>	5	145	-
	1510	>>	10	250	-
	1520	>>	20	400	-
	15303	>>	20	700	-
4	ABJ-101	>>	50/8	700	-
	>>		100/12	1200	-
5	ADD-1331-1332	Semi automatic (LB+STs)	9(9/3)	500	-
6	ADE-1214	Semi automatic (LB+STs)	20(20/6)	1200	-
	>>	>>			
	>>		30(30/6)	1400	-
			40(40/6)	1600	-
7	ADF-14/144	Semi Automatic (LB+ATs)	80/12	3200	-
8	AHD-22	Automatic	60/7	10100	247.5
	24	>>	90/10	14600	360
	26	>>	90/15	15900	390
	28	>>	90/20	17200	420
9	AKD-735	>>	30/7	17460	435
	741	>>	50/10	25140	630
	751	>>	100/20	46810	1170

No	Exchange type	Operation system	Exchange capacity	Subscription fee	Monthly rent
10	ALD-23/26	>>	25/5	4800	112.5
	24/25	>>	50/8	10980	277.5
11	AMD-512(Mini/PABX)	>>	1-May	545	13.5
	516	>>	2-Jun	885	24
12	ARD-520	>>	2-Oct	2000	525
	526	>>	16/3	3200	72
	561	>>	270/20	92400	360
	151	>>	120/16	33500	825
	151	>>	180/20	41250	1035
	151	>>	400/60	241085	6027
	153	>>	325/25	96950	2430
13	CA-102	>>	200/20	49562	1239
14	ESK-400E	>>	100/10	21900	547
	>>	>>	150/20	29700	742
15	ISKRA-10-C	>>	2-Oct	2766	69
	25-C	>>	25/5	7175	180
	50-C	>>	50/6	10980	232.5
	100-C	>>	100/12	16465	412.5
16	PENTOMAT 10-A	>>	3-Oct	1892	48
17	ELECTRA -16/48	Automatic/Digital	16/4	6746	169.5
	>>	>>	20/5	6746	169.5
18	UNIMAT-4040	>>	100/10	45866	1147.5
	>>	>>	50/6	28520	712.5
19	EMS-601	Digital	800/100	356454	8911.5
20	ITT-520BCS	>>	32/8	26512	663
	>>	>>	56/12	32454	811.5
	>>	>>	104/16	48643	1216.5
	>>	>>	152/20	73375	1834.5
	>>	>>	200/32	116612	2916.5
	>>	>>	256/36	105420	2635.5
	>>	>>	304/40	119210	2980..5
	>>	>>	352/32	158050	3951
	>>	>>	528/90	236900	5922
	>>	>>	600/60	207570	5182.5

No.	Exchange type	Operation system	Exchange capacity	Subscription fee	Monthly rent
21	FETEX-640ABCS	>>	32/8	22102	553.5
	>>	>>	56/12	25735	643.5
	>>	>>	104/16	29695	993
	>>	>>	200/332	65155	1629
	>>	>>	300/32	90750	1729.5
	>>	>>	304/82	90750	1729.5
22	FETEX-E650	Automatic	32/8	59958	999
	>>	>>	64/8	70039	1167
	>>	>>	112/16	102158	1703
23	Feature phone apparatus Alcatel-5101 Key Tele.	-	-	2411	40
	>>	Automatic	3-Apr	3232	52
	>>	>>	3-May	4040	65
	>>	>>	3-Jun	4848	78
	>>	>>	3-Jul	5656	91
	>>	>>	3-Aug	6464	104
24	TX-824 Key Tele	>>	16/6	18387	307
25	FUJITSU-E630	Digital	30/16	53564	893
	>>	>>	50/8	63066	1052
	>>	>>	100/15	85069	1418

Note: 1-if the customer receives PBX from a legal entity other than ETC,he should pay subscription

fee, monthly rent and usage charges only for the line

2- if the customer buys PBX from ETC and doesnot recover the PBX, he should pay monthly rent for

the PBX in addition to subscription fee, monthly rent and usage charge for the line

3- if the customer buys PBX by himself in the name and technical support of the corporation(ETC),

he will be free from monthly rent payment for the PBX only if the name is transferred from the corporation to the customer. But subscription fee, monthly rental payment and usage charges

are payable..

Source: Ethiopian Telecommunication Corporation (ETC)

4.3.6 Mobile (GSM) Services

A) Domestic services

Table 4.20 Service charges for mobile (GSM) and CDMA 2000 with full mobility as mobile (bundled with SMS, call waiting, call divert, conference call, voice mail and GPRS)

No.	Type of Fee	Fee	VAT (15%)	Sub-Total	Stamp Duty	Default Air-time fee			Total Including VAT
						Fee	VAT (15%)	Sub-Total	
1	Post Paid			a	b			c	d= a+b+c
2	Initial Subscription	356.00	53.40	409.40	5.00	-	-	-	414.40
3	Renewal	213.60	32.04	245.64	5.00	-	-	-	250.64
4	Change of subscriber name	356.00	53.40	409.40	5.00	-	-	-	414.40
5	SIM Card Replacement	13.04	1.96	15.00	-	-	-	-	15.00
6	Monthly Rent	25.00	3.75	28.75	-	-	-	-	28.75
7	Pre-paid								
8	Initial Subscription	56.52	8.48	65.00	5.00	13.04	1.96	15.00	85.00
9	Renewal	33.91	5.09	39.00	5.00	13.04	1.96	15.00	59.00
10	Change of subscriber name	56.52	8.48	65.00	5.00	-	-	-	70.00
11	SIM Card Replacement	13.04	1.96	15.00	-	-	-	-	15.00

Note: The above renewal fee (60% of access fee plus vat, stamp duty and default air time charge) is applicable only if the renewal is requested after the cancellation date within a year and 100% of the initial subscription fee should be paid if the renewal is requested after one year starting from the cancellation date.

15 Birr air-time should be added on the above pre-paid Change of subscriber name fee if the SIM Card is in a pool period

On the above renewal fee 15 birr SIM Card Replacement cost should be added if the customer has lost the SIM Card

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.21 Matrix of mobile (GSM, CDMA and WCDMA) to mobile call charges (Birr)

Calling / called number segments	0911, 0912, 0913, 0916, 0917			914			915			918		
	Peak hours	Off- peak hour 1	Off- peak hour 2	Peak hours	Off- peak hour 1	Off- peak hour 2	Peak hours	Off- peak hour 1	Off- peak hour 2	Peak hours	Off- peak hour 1	Off- peak hour 2
0911, 0912, 0913,												
916 , 917	0.72	0.3	0.15	1.5	1.25	0.63	1.5	1.25	0.63	1.5	1.25	0.63
914	1.5	1.25	0.63	0.72	0.3	0.15	1.5	1.25	0.63	1.5	1.25	0.63
915	1.5	1.25	0.63	1.5	1.25	0.63	0.72	0.3	0.15	1.5	1.25	0.63
918	1.5	1.25	0.63	1.5	1.25	0.63	1.5	1.25	0.63	0.15	0.3	0.15

Table 4.22 Matrix of mobile to fixed or fixed to mobile call charges (Birr)

Calling / called Number Segments	T4, T5, T6, T7, T10, T11			T1, T3			T8, T9			T2		
	Peak hours	Off- peak hour 1	Off- peak hour 2	Peak hours	Off- peak hour 1	Off- peak hour 2	Peak hours	Off- peak hour 1	Off- peak hour 2	Peak hours	Off- peak hour 1	Off- peak hour 2
0911, 912, 0913,916 , 917												
	0.72	0.3	0.15	1.5	1.25	0.63	1.5	1.25	0.63	1.5	1.25	0.63
914	1.5	1.25	0.63	0.72	0.3	0.15	1.5	1.25	0.63	1.5	1.25	0.63
915	1.5	1.25	0.63	1.5	1.25	0.63	0.72	0.3	0.15	1.5	1.25	0.63
918	1.5	1.25	0.63	1.5	1.25	0.63	1.5	1.25	0.63	0.72	0.3	0.15

Note: 15% VAT will be added on all charges

Peak hours- 8:00AM-8:00PM from Mondays-Saturdays

Off Peak-hours from Mondays – Saturdays, 8:00PM-12:00PM and 6:00AM to 8:00AM , and on Sunday and holly days from 6:00 AM to 12:00 PM

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.23 Transfer Charges from post-paid to pre-paid (Birr)

Access Fee*			SIM-Card			Stamp Duty*	Default Air-time fee			Total Including VAT
Fee	VAT (15%)	Sub- Total	Unit Price	VAT (15%)	Sub- Total		Fee	VAT (15%)	Sub- Total	
Free	—	—	13.04	1.96	15.00	Free	21.74	3.26	25.00	40.00

Note: The customer has already paid the access fee and stamp duty, before transferring from post -paid to pre-paid

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.24 Subscription fee, monthly rental pyment and usage charges on mobile and CDMA

Service Type	Subscription fee (Birr)		Monthly rent (Birr)		Usage charge (Birr)		
	Residential	Business	Residential	Business	National		International
Peak hour					Off – peak hour		
SMS Roaming	-				5.30 per SMS		
SMS	—				0.30 per SMS n*0.30 for Gov't & social affair multicast n*0.30*1.20 for advertisement		3.80 per SMS to Djibouti & 5.30 per SMS to the rest of the world
Call Barring	19.00		30.00 for outgoing 15.00 for all international calls		Free		
Call Waiting	Free		Free		Normal mobile rates		
Call Divert/Call forward	Free		Free		Normal mobile rates		
Voice Mail(For Post Paid Users)	Free		Free		Normal mobile rates		
Voice Mail(For Pre Paid Users)	7.70		Free		Normal mobile rates		
Conference call	Free		Free		Normal mobile rates		
Video calling services	Free		Free		2.70/minute		28.95 /minute to Djibouti & 32.16 /minute to the rest of the world
Multimedia massaging svc.(MMS)	Free		Free		2.30/MMS		5.30/MMS
GPRS							For all customers for tax collection application
▪ Prepaid	Free		Free		0.04/100KB		
▪ Prepaid	Free		Free		0.04/100KB		
▪ Postpaid	Free		Free		0.04/100KB		
EDGE	182.00		Free		0.04/100KB		-

Note: 15% VAT is added on all charges

For international roaming a deposit equivalent to USD 500 is required
There is a minimum charge of 100kb per GPRS connection

Regular calling function:

1. one time programming fee 100 Birr
2. For non-business multi-cast= n* 0.30 Birr
3. For business multi-cast (advertisement) = n*Birr* 0.30*1.2, where n is the no. of end user terminals (subscription receiving the message)

Mail notification service:

1. one time programming fee 200 Birr
2. Charge to receive notification 0.30 Birr

The above charges don't include 15%VAT

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.25 Customer support service charges on mobile network

No.	Service Type	Subscription fee (Birr)				Monthly rent (Birr)	
		Residential	Business	Tax 15%	Total	Residential	Business
1	Reactivation	19.00		2.85	21.85	Free	
2	Deactivation	19.00		2.85	21.85	Free	
3	Bill Investigation	20.00		3.00	23.00	Free	
4	Change of name	40.00		6.00	46.00	Free	
5	Cancellation	Free					
6	Duplicate SIM Card	13.04		1.96	15	Free	
7	Change of number	40.00		6.00	46.00	Free	

Note: There is no charge for customer support services for a one time transfer of pre-paid mobile name from husband to wife.

Source: Ethiopian Telecommunication Corporation (ETC)

B) International services

Table 4.26 Call charges by destination

No	To	Peak hour charge(Birr/minute)	Off -peak hour charge (Birr/minute)
1	International(except Djibuti)	10.72	10.72
2	International to dijbuti	7.72	7.72
3	Iridium Satellite telephone	16.72	16.3

Table 4.27 Calls charges to different satellite phones

No	Satellite network			For normal customers	For roamers
				USD / minute	USD / minute
1	Inmarsat	1.1	Inmarsat A	5.55	6.39
		1.2	Inmarsat B	3.65	4.57
		1.3	Inmarsat B/HSD	9.76	11.13
		1.4	Inmarsat M	2.92	3.65
		1.5	Inmarsat Mini/M	2.55	3.11
		1.6	Inmarsat ISDN (M4)	10.27	12.84
		1.7	Inmarsat AERO	8.18	10.22
		1.8	Inmarsat BGAN	4.68	5.85
2	Thuraya			3.07	3.84
3	Iridium			3.7	4.62
4	International Networks			5.56	6.95
5	Global star and Elipso			3.59	4.49
6	Other satellite networks			2.23	2.79

Note: 15% VAT is included

Source: Ethiopian Telecommunication Corporation (ETC)

4.3. 7 CDMA 2000 Services

Table 4.28 Access, renewal and rental charges for CDM 2000 with fixed mobility as fixed telephone (bundled with SMS, call waiting, call divert, conference call and voice mail)

Type of Fee	Access fee(Birr)	VAT (15%)	Sub-total (Birr)	Stamp duty (Birr)	Default air-time		
					Fee	VAT (15%)	Sub-total (Birr)
Post paid			a	b			C
Initial Subscription	242	36.3	278.3	5			
Renewal	145.2	21.78	167	5			
Change of subscriber	242	36.3	278.3	5			
Monthly Rent	Residential	8	1.2	9.2	-		
	Business	17	2.55	19.55	-	-	-
Pre-paid							
Access fee	56.522	8.48	65	5	13.04	1.96	15
Renewal	33.91	5.09	39	5	13.04	1.96	15
Change of subscriber	56.522	8.48	65	5			
Monthly Rent	At least 15 Birr voucher card will be recharged monthly						

- Note:** 1) The above renewal fee (60% of access fee plus VAT, stamp duty and default air time charge) is applicable only if the renewal is requested after the cancellation date within a year and 100% of the initial subscription fee should be paid if the renewal is requested after one year starting from the cancellation date.
- 2) 15 Birr air time will be added on the above pre-paid change of subscriber name fee if the SIM Card is in a pool period.
- 3) For customers who want to subscribe for CDMA as fixed telephone should come up with desktop and/or wall mounted apparatus but not handheld apparatus, then the number will be configured on the apparatus. Thus, SIM card will not be issued.

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.29 Subscription fee for CDMA 2000 limited mobility customers (Ethio – Wireless) (bundled with call waiting, call divert and conference call)

Description		Fee (Birr)	VAT (15%)	Sub total (Birr)	Stamp duty (Birr)	Total (Birr)
Post paid						
Access Fee		242	36.3	278.3	5	283.3
Monthly Rental	Residential	8	1.2	9.2	-	9.2
	Business	17	2.55	19.55	-	19.55
Pre paid						
Access Fee		120.96	18.14	139.10	5	144.10
Monthly Rental		15 Birr voucher card will at least be recharged monthly				

Note: For customers who want to subscribe for CDMA as fixed telephone should come up with desktop and wall mounted apparatus but not handheld apparatus, then the number will be defined on the apparatus. Thus, SIM card will not be issued.

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.30 Call charges for CDMA 2000 (full mobility) to fixed (limited mobility) or vice versa

Birr/minute							
Peak -hours			Off –peak hours			International call	
With in town	B/n d/t towns of the same tariff zone	B/n d/t tariff zones	With in a town	B/n d/t towns of the same tariff zone	B/n d/t tariff zones	Djibouti	Rest of world
0.20/six minutes	0.40	1.20	0.20	0.25	1.00	7.00	10.00

Note: 15% VAT will be added on all charges

Peak- hours refers to 8AM– 8 PM from Mondays - Saturday

Off -peak hours refers to from 8 PM – 8 AM, Monday – Saturday, Sundays and public holidays.

International call is not allowed for post-paid CDMA as fixed customers and the above tariff is only applicable under pre-paid modality.

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.31 Call charges for CDMA2000 (full mobility) to fixed (Limited mobility) or vice versa(Birr)

Tariff zones	T4, T5,T6,T7,T10,T11	T1,T3	T8,T9	T2	International call
Zone 1	0.72	1.50	1.50	1.50	7.72 to Djibouti and 10.72 to the rest of the world
Zone 2	1.50	0.72	1.50	1.50	
Zone 3	1.50	1.50	0.72	1.50	
Zone 4	1.50	1.50	1.50	0.72	

Note: 15% VAT will be added on all charges

For Birr 0.72 and Birr 1.50 normal charge calls, reduced charges will be Birr

0.30 and Birr 1.25 respectively for both mobile-mobile and fixed-mobile .

Post-paid and pre-paid users are charged on the basis of per 1 second and per 10 seconds respectively.

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.32 Customer support service charges for Fixed CDMA 2000

Service Type		Subscription fee Birr		Monthly rent (Birr)		Usage charge (Birr)
		Residential	Business	Residential	Business	
Malicious Call Tracing		7.70	7.70	Free		
Bill Investigation		10	10	Free		
Cancellation (Temporary Deactivation)		Free				
Disconnection		Free				
Reactivation		15.00	15.00	Free		
Change of Number(Number Shifting)		10.00	10.00	Free		
Query balance		Not available				
Change ESN		Not available				
Change the related product		Not applicable				
Change brand		Not available				
Recharge by cash		Not available				
Change individual price plan		Not practical				
Modify main product		Not available (if it refers to apparatus)				
Change payer		Not practical				
Change from post-paid to pre-paid and vice versa		Not available				
Account transfer		Not practical				
Change of Name		10.00	10.00	Free		
move		Free				
re-installation	<=1 year	145.20		8.00	17.00	Free
	>1year	242.00		8.00	17.00	

Note: 15%VAT will be added on all charges

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.33 Values added and supplementary service charges for fixed CDMA 2000 services

Service Type	Subscription fee (Birr)		Monthly rent (Birr)		Usage charge (Birr)
	Residential	Business	Residential	Business	
Local Call Barring	300	300	20	20	Free
National Call Barring (STD)	300	300	20	20	Free
International Call Barring (ISD)	300	300	50	50	Free
Direct Call Barring (IDD)	30	30	20	20	Free
IDD De-Barring	Free		Monthly rent needs adjustment		Normal fixed telephone rate
CDMA IDD(Pre-paid)	free				Normal mobile rate
CDMA IDD(Post-paid)	Not applicable				
Call Waiting	Free				Normal Fixed Telephone rates
Call Divert/Forward					Normal Fixed Telephone rates
Short No. Calls	242	242	8	17	Normal Fixed Telephone rates
Don't Disturb	7.7	7.7	Free		
Hotline: -	14	14	3	3	Normal Fixed Telephone rates
- Immediate					
	free				Normal Fixed Telephone rates
Abbreviated Dialing	Free				Normal Fixed Telephone rates
Conference Call	Free				Normal Fixed Telephone rates
Free Phone Service (FP)	Free				Normal Fixed Telephone rates
CLIR	Proposal				
CLIP	Free				
BASIC	Not available				
CDMA FAX	—				Normal Fixed telephone rate
Voicemail	Not available				

Note: 15%VAT will be added on all charges

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.34 Post-paid access charges for service supported on CDMA 2000 full mobility (same as GSM post-paid access charge):

Customer Category	Access Fee				Total including VAT(Birr)
	Fee(Birr)	VAT (15%)	Sub-total (Birr)	Stamp duty(Birr)	
All types of Customers	356	53.40	409.4	5	414.4
Monthly Rent	25	3.75	28.75	-	28.75

Table 4.35 Pre-paid access charges for service supported on CDMA 2000 full mobility (same as GSM pre-paid access charge):

Access Fee(Birr)			Stamp duty(Birr)	Default air-time fee(Birr)			Total Including VAT(Birr)
Fee	VAT (15%)	Sub-Total		Fee	VAT (15%)	Sub-total	
120.96	18.15	139.1	5	21.74	3.26	25	169.1

Table 4.36 Access charges to transfer from post-paid to pre-paid

Access Fee(Birr)			SIM card(Birr)			Stamp duty (Birr)	Default air time fee(Birr)			Total including VAT(Birr)
Fee	VAT (15%)	Sub-total	Unit price	VAT (15%)	Sub-total		Fee	VAT (15%)	Sub-total	
Free	-	-	13.04	1.96	15.00	Free	21.74	3.26	25.00	40.00

Note: Since the post paid customer has already paid the access fee and stamp duty, when transferring from post paid to pre-paid both access and stamp duty payments are omitted.

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.37 Renewal fee for CDMA 2000

No.	Service type	Subscription fee (Birr)	VAT (15%)	Total (Birr)	Stamp - duty (Birr)	Default air time fee Birr			Total Including VAT(Birr)
1	Pre paid **	72.57	10.9	83.46	5	21.7	3.26	25	113.46
2	Post Paid	213.6	332	245.64	5	-	-	-	250.64
3	Subscriber cancelled from post paid need to renew their subscription with pre-paid.	120.95	18.15	139.1	5	21.7	3.26	25	169.1

Note: ** With regard to payment for renewal of subscription, it is assumed that the subscriber has got the SIM card. If the customer does not come with a SIM card, 15 Birr will paid.

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.38 Subscription fee, monthly rental payment for GOTA without voice full mobility

Service type	Members per group	Subscription fee per subscriber(Birr)	Monthly rental per subscriber(Birr)
GOTA without Voice	>2	143	77

Table 4.39 International calls

To	Peak- hour charge (Birr/minute)	Off- peak hour charge(Birr /minute)
International(except Djibouti)	10.72	10.72
International to Djibouti	7.72	7.72
Iridium satellite telephone	16.72	16.72

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.40 K. 1x data only with data card (equivalent to dialup Internet up to 70Kb/s)

Subscription Fee (in Birr)	Monthly Fee including rental (Birr)	Inclusive bundle	Above bundled UTILIZATION	Charge/min (Birr)
135.65 (Post paid)	40	600 minute	UP TO 1300	0.10
			>1300	0.07
135.65 (Pre paid)	25 birr/ for one month window period	-	UP TO 1300	0.10
			>1300	0.07

Note: 15% VAT will be included on all charges

The product will be issued with SIM card and the customer has to pay 15 Birr for SIM card replacement

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.41 Subscription fee and usage charges for EVDO with full mobility (data on the move)

Service type	Subscription fee (Birr)	Data plans	Minimum monthly usage charge (Birr)	Included bundled	Above bundle usage charge (birr/MB)
EVDO Data Card (Post paid)	1,109	Data plan unlimited	3521	unlimited	NA
EVDO Data Card (Pre paid)*	220	Data plan 2GB	400	2GB	0.40/MB

Note: 15% VAT will be included on all charges

The minimum monthly usage and the included bundled amount will not be transferred to the next month.

The above usage charges are applicable for uplink and downlink volume per MB

The data card has to be provided by the customer

*Not available

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.42 SMS usage charge (same as GSM rate)

Usage charge rate (Birr/SMS)	
Local SMS	0.30
International SMS	3.80 (Djibouti)
	5.30 (Rest of the world)

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

Source: Ethiopian Telecommunication Corporation (ETC)

**Table 4.43 Values added and supplementary service charges on full mobility
DMA 2000**

Service Type	Subscription fee (Birr)			Monthly rent (Birr)			Usage charge (Birr)
	Fee	Tax 15%	Total	Fee	Tax 15%	Total	
Call Barring(outgoing)	19.00	2.85	21.85	30.00	4.50	34.50	Free
Call barring (All calls international)	19.00	2.85	21.85	15.00	2.25	17.25	Free
Enquiry function	Free						
Call Waiting	free						Normal mobile rates
Call Divert/Forward	free						Normal mobile rates
Conference Call	free						Normal mobile rates
CDMA IDD(Pre-paid)	free						Normal mobile rate
Voice Mail (for Pre-paid)	7.70	1.16	8.86	free	Normal mobile rates		
Voice Mail (for Post-paid only)	free				Normal mobile rates		
CLIR	Proposal						
CLIP	Free						
GPRS Service	Not available						
CDMA Basic	Not available						

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.44 Customer support charges for full mobility CDMA 2000 Services

Service Type	Subscription fee (Birr)			Monthly fent (Birr)	
	Fee	VAT (15%)	total	Residential	Business
Bill Investigation	20.00	3.00	23		Free
Deactivation	19	2.85	21.85		Free
Reactivation	19	2.85	21.85		Free
Change of Number(Number Shifting)	40	6	46		Free
cancellation	Free				
Change of Name	40	6	46		Free
Duplicate UIM Card	13.04	1.96	15		Free
Change the related product	Not applicable				
Change brand	Not available				
Recharge by cash	Not available				
Change individual price plan	Not practical				
Modify main product	Not available (if it refers to apparatus)				
Change payer	Not practical				
Account transfer	Not practical				

Note: 15%VAT will be added for those charges that do not stated within.

There is no usage charge for those customer support services as they are of one time services

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.45 CDMA fixed numbering plan Addis Ababa

Zone	Prepaid	Postpaid	TARIFF ZONE
N.A.A.Z	011 810-0000 -- 011 818-9999	011 819-0000 -- 011 819-9999	4
W.A.A.Z	011 820-0000 -- 011 828-9999	011 829-0000 -- 011 829-9999	
S.W.A.A.Z	011 830-0000 -- 011 838-9999	011 839-0000 -- 011 839-9999	
S.A.A.Z	011 840-0000 -- 011 848-9999	011 849-0000 -- 011 849-9999	
C.A.A.Z	011 850-0000 -- 011 858-9999	011 859-0000 -- 011 859-9999	
E.A.A.Z	011 860-0000 -- 011 868-9999	011 869-0000 -- 011 869-9999	

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.46 DMA mobile numbering plan

No.	Regions	prepaid	postpaid
1	Addis Ababa	0958 0 00000 - 0958 3 89999	09583 9 0000 - 09583 9 9999
2	SER	0958 4 00000 - 0958 5 89999	09585 9 0000 - 09585 9 9999
3	ER	0958 6 00000 - 0958 7 89999	09587 9 0000 - 09587 9 9999
4	NER	0958 8 00000 - 0958 9 89999	09589 9 0000 - 09589 9 9999
5	NR	0959 0 00000 - 0959 1 89999	09591 9 0000 - 09591 9 9999
6	SR	0959 2 00000 - 0959 3 89999	09593 9 0000 - 09593 9 9999
7	SWR	0959 4 00000 - 0959 5 89999	09595 9 0000 - 09595 9 9999
8	WR	0959 6 00000 - 0959 7 89999	09597 9 0000 - 09597 9 9999
9	NWR	0959 8 00000 - 0959 9 89999	09599 9 0000 - 09599 9 9999

Source: Ethiopian Telecommunication Corporation (ETC)

4.3. 8. CDMA WLL Services

Table 4.47 Access fee and monthly charges for CDMA WLL

Service type	Subscription fee	Monthly rent (Birr)	
		Residential	Business
CDMA WLL" (Urban)	242	8	17
CDMA WLL (Rutel)*	free		
apparatus	290.41		

Note: The service is currently applicable only for "Rutel " users
15% VAT will be added on all charges

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.48 Matrixes for wire line and wireless call charges for different tariff zone(Birr)

No.	Tariff zone	With in a town	Between different towns of the same tariff zone/switch		Between different tariff zones/switch		International
			Peak hours	off-peak hours	Peak hours	off-peak hours	
1	Zone 1	0.2	0.4	0.25	1.2	1	7 to Djibouti and 10 for the rest
2	Zone 2	0.2	0.4	0.25	1.2	1	
3	Zone 3	0.2	0.4	0.25	1.2	1	
4	Zone 4	0.2	0.4	0.25	1.2	1	
5	Zone 5	0.2	0.4	0.25	1.2	1	
6	Zone 6	0.2	0.4	0.25	1.2	1	
7	Zone 7	0.2	0.4	0.25	1.2	1	
8	Zone 8	0.2	0.4	0.25	1.2	1	
9	Zone 9	0.2	0.4	0.25	1.2	1	
10	Zone 10	0.2	0.4	0.25	1.2	1	
11	Zone 11	0.2	0.4	0.25	1.2	1	

Note: For fixed telephone calls with in a town for both peak and off-peak hours are charged per 6 minutes.

For fixed telephone calls between towns of the same and different tariff zone for both peak and off-peak hours are charged per a minute

International call charges are per a minute.

15% VAT will be added on all charges.

Peak hours: 8AM-8PM from Mondays – Saturdays.

Off- peak hours: 8PM-8AM Mondays - Saturdays, Sundays and public holidays

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.49 Charges for fax service on CDMA WLL

Service type	Subscription fee (Birr)				Monthly Rent (Birr)			Usage Charge (Birr)	
	Residential	Business	VAT (15%)	Stamp duty	Fee	VAT (15%)	Total	National	
								Peak hours	Off-peak hours
Fax	437	437	65.55	5	17	2.55	19.55	Normal usage charge	

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.50 Value Added and supplementary service charges on fixed telephone network

Service type	Subscription fee (Birr)		Monthly rent (Birr)		Usage charge (Birr)
	Residential	Business	Residential	Business	
Call Barring:	300				Free
Local					
STD					
ISD			50		
IDD Barring	30		20		Free
IDD de-	free		monthly rent needs adjustment		Free
barribg					
Call Waiting	Free		Free		Normal Fixed Telephone rates
Call Divert	Free		Free		Normal Fixed Telephone rates*
Short no. calls	242		8		Normal Fixed Telephone rates
Don't Disturb	7.7		Free		Free
Hotline-Immediate	14		3		Normal Fixed Telephone rates
-Delayed					
Alarm call/	Free				Normal Fixed Telephone
Wake-up call					Rates
Abbreviated	Free		Free		Normal Fixed Telephone rates
dialing					
Conference	Free		Free		Normal Fixed Telephone rates
call					

Note: *If the call is diverted to the same tariff zone only the caller will be charged.

If the call is diverted to a different tariff zone' the caller will be charged only the amount up to the diverted phone and the diverter will be charged the difference.

15% VAT will be added on all charges

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.51 Customer support service charges on fixed telephone network

Service type		Subscription fee (Birr)		Monthly rent (Birr)	Usage charge (Birr)
		Residential	Business	Residential	
Malicious call tracing		7.70		Free	
Bill Inves-tigation		10.00		Free	
Cancellation		Free			
Discon-nection		Free			
Extra Bell		30.00		free	
Reconnection		15.00		Free	
Change of number		10.00		Free	
Change of name		10.00		Free	
Extension of cord	3meter	19.00		Free	
	6 meter	30.00			
	9meter	45.00			
Move		Free			Free
Plug and socket service		10.00		Free	
Plug and socket change		10.00			
Polarity reverse		52.00		-	
re- instaletion	<,=1 year	145.20		8.00	free

Note: 15% VAT will be added on all charges

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.52 CDMA WLL numbering plan

Regions	Area codes	X-ge code	Tariff zone
Addis Ababa	11	651 xxxx	4
		652 xxxx	
		653 xxxx	
		654 xxxx	
		655 xxxx	
Nazerth	22	119 xxxx	10
DireDawa	25	119 xxxx	8
Dessie	33	119 xxxx	3
Mekel	34	559 xxxx	1
Shashemene	46	119 xxxx	7
Arbaminch	46	885 xxxx	7
Jimma	47	119 xxxx	6
Nekemte	57	669 xxxx	5
Bahir-dar	58	231 xxxx	2

Source: Ethiopian Telecommunication Corporation (ETC)

4.3. 9 WCDMA Services

**Table 4.53 WCDMA (3G Mobile) value added service charges
(for post-paid and pre-paid users)**

No.	Service type	Local calls (Birr/minute)
1	Video call	1.2
	Service Type	Birr per MMS
2	Multimedia Massaging Service (MMS)	0.6

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.54 Voice and video call usage charges

No.	Service type	Usage charge (Birr/minute)			
		Local calls (Addis Ababa)		International calls	
		Peak hours	Off-peak hours	Djibouti	Rest of the world
1	Voice call	0.72	0.3	7.72	10.72
2	Video call	2.7		28.95	32.16

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

Video call is available to WCDMA customers between 3G handsets (with video calling feature) under WCDMA coverage

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.55 Usage charges for Multimedia Massaging Service (MMS)

NO.	Service type	Birr / MMS
1	Local MMS	2.3
2	International MMS	5.3

Note: 15% VAT will be added on all charges

1MMS = 50kB (premium texts, pictures and animations messages).

Source: Ethiopian Telecommunication Corporation (ETC).

Table 4.56 Mobile Internet charge

Subscription Fee	Birr/KB
Free	0.01

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

The charge is applicable to pre-paid and/or post-paid customers.

The above usage charge applies for uplink and downlink volume per KB.

When the customer is out of a 3G (WCDMA coverage) area, the connection moves into GPRS and the same usage charge will be applies for GPRS connection

Source: Ethiopian Telecommunication Corporation (ETC)

4.3.10 HSDPA (High speed downlink packet access 1.5 – 2Mbps) Services

Table 4.57 Charges for HSDPA services

Service type	Subscripti on fee (Birr)	Monthly fee (Birr)	Included bundle	Above bunle (Birr/KB)
HSDPA Data Card (Post- paid)	819	1,125.00	1GB	0.01/ KB
HSDPA Data Card (pre- paid)*	819	-	-	0.01/KB

Note: 15% VAT will be added

The above charges are applicable for uplink and downlink volume per KB.

The data card has to be provided by the customer.

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.58Charges for SMS services

Service type	Birr/SMS	
	Peak hour	Off- peak hour
Local SMS	0.30	
International SMS	3.80 (Djibouti)	
	5.30 (Rest of the world)	

Note: The tariff shown above is the existing tariff for SMS. However, it is under revision and the new tariff will be released soon.

15% VAT will be added on all charges.

Source: Ethiopian Telecommunication Corporation (ETC)

4.3.11 Internet Services

Table 4.59 Charges for Dialup internet services

No.	Description	Birr
1	Subscription fee (initial payment)	101.74
2	Monthly minimum usage charge (Birr)	40.00
3	Minimum utilization	600 minute
4	Utilization charge (Birr)	
	Peak -hour	0.10
	Off- peak hour	0.07
	Peak hour (> 1300 minutes)	0.07
	Off- peak hour (> 1300 minutes)	0.04
	PSTN Dial Up connection	Free

Note: Peak- hour from 8 AM - 6 PM, Monday - Friday

Off- peak hour from 6 PM - 8 AM, Monday - Friday, Saturday, Sunday and public holidays.

Guarantee deposit should not be added.

15% VAT will be added on all charges.

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.60 Charges for leased line internet through BBM (Birr)

Item	Detailed charge		Total charge with CPE		Total charge with out CPE	
	Initial	Monthly	Initial	Monthly	Initial	Monthly
For 64kbs						
Internet Service and BBM - BW	1,109.00	1,567.00				
CPE						
ADSL	1,041.52	184.49	2,150.52	1,751.49		
BFWA - Data Only	3,701.06	655.58	4,810.06	2,222.58		
BFWA - Data + Voice	9,197.46	1,629.17	10,306.46	3,196.17	1,109.00	1,567.00
For 128kbs						
Internet Service and BBM - BW	1,109.00	2,350.00				
CPE						
ADSL	1,041.52	184.49	2,150.52	2,534.49		
BFWA - Data Only	3,701.06	655.58	4,810.06	3,005.58		
BFWA - Data + Voice	9,197.46	1,629.17	10,306.46	3,979.17	1,109.00	2,350.00
For 256kbs						
Internet Service and BBM - BW	1,109.00	3,521.00				3,521.00
CPE						
ADSL	1,041.52	184.49	2,150.52	3,705.49		
BFWA - Data Only	3,701.06	655.58	4,810.06	4,176.58		
BFWA - Data + Voice	9,197.46	1,629.17	10,306.46	5,150.17	1,109.00	

Item	Detail Charge		Total Charge with out CPE		Total Charge with CPE	
	Initial	Monthly	Initial	Monthly	Initial	Monthly
For 384kbs						
Internet Service and BBM - BW	1,109.00	4,402.00			1,109.00	4,402.00
CPE						
ADSL	1,041.52	184.49	2,150.52	4,586.49		
BFWA - Data Only	3,701.06	655.58	4,810.06	5,057.58		
BFWA - Data + Voice	9,197.46	1,629.17	10,306.46	6,031.17		
For 512 kbs						
Internet Service and BBM - BW	1,109.00	5,282.00			1,109.00	5,282.00
CPE						
ADSL	1,041.52	184.49	2,150.52	5,466.49		
BFWA - Data Only	3,701.06	655.58	4,810.06	5,937.58		
BFWA - Data + Voice	9,197.46	1,629.17	10,306.46	6,911.17		
For 768 kb						
Internet Service and BBM - BW	1,109.00	6,603.00			1,109.00	6,603.00
CPE						
ADSL	1,041.52	184.49	2,150.52	6,787.49		
BFWA - Data Only	3,701.06	655.58	4,810.06	7,258.58		
BFWA - Data + Voice	9,197.46	1,629.17	10,306.46	8,232.17		
For 1Mb						
Internet Service and BBM - BW	1,109.00	7,923.00			1,109.00	7,923.00
CPE						
ADSL	1,041.52	184.49	2,150.52	8,107.49		
BFWA - Data Only	3,701.06	655.58	4,810.06	8,578.58		
BFWA - Data + Voice	9,197.46	1,629.17	10,306.46	9,552.17		

Note: 15% VAT will be added on all charges

For speed greater than 1Mbps, the following formula will be applied for the monthly charge

$$C = Y + (X * Y).$$

Where,

Y = monthly charge of 256 Kbps i.e. Birr 3,251.00

X = Speed required by customer

C = monthly charge for speed required by the customer

The initial subscription fee will be the same across all speeds, i.e. Birr 1,109.00.

Depending on CPE type, CPE cost will be added on the top of all bandwidth fees.

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.61 Charges for VPN services on the Broadband MM Network - (BB Data - Platinum CoS)(Birr)

SOHO (ADSL)	TOTAL	B.W	(BFWA Data Only) TERAYON	TOTAL	B.W	BFWA (Data + Voice) UBR	TOTAL	B.W	A. Pt to Pt.	TOTAL	B.W	A. Pt to M.Pt.	TOTAL
3,471.75	6,253.53	2,781.78	12,336.88	15,118.66	2,781.78	30,658.22	33,440.00	2,781.78	70,517.02	73,298.80	2,781.78	14,103.40	16,885.18
348.13	938.42	590.29	1,237.07	1,827.36	590.29	3,074.22	3,664.51	590.29	1,077.34	1,667.63	590.29	1,531.73	2,122.02
3,471.75	9,035.31	5,563.56	12,336.88	17,900.44	5,563.56	30,658.22	36,221.78	5,563.56	70,517.02	76,080.58	5,563.56	14,103.40	19,666.96
348.13	1,528.70	1,180.57	1,237.07	2,417.64	1,180.57	3,074.22	4,254.79	1,180.57	1,077.34	2,257.91	1,180.57	1,531.73	2,712.30
3,471.75	14,598.87	11,127.12	12,336.88	23,464.00	11,127.12	30,658.22	41,785.34	11,127.12	70,517.02	81,644.14	11,127.12	14,103.40	25,230.52
348.13	2,709.27	2,361.14	1,237.07	3,598.21	2,361.14	3,074.22	5,435.36	2,361.14	1,077.34	3,438.48	2,361.14	1,531.73	3,892.87
3,471.75	25,725.98	22,254.23	12,336.88	34,591.11	22,254.23	30,658.22	52,912.45	22,254.23	70,517.02	92,771.25	22,254.23	14,103.40	36,357.63
348.13	5,070.41	4,722.28	1,237.07	5,959.35	4,722.28	3,074.22	7,796.50	4,722.28	1,077.34	5,799.62	4,722.28	1,531.73	6,254.01
3,471.75	36,853.10	33,381.35	12,336.88	45,718.23	33,381.35	30,658.22	64,039.57	33,381.35	70,517.02	103,898.37	33,381.35	14,103.40	47,484.75
348.13	7,431.55	7,083.42	1,237.07	8,320.49	7,083.42	3,074.22	10,157.64	7,083.42	1,077.34	8,160.76	7,083.42	1,531.73	8,615.15
3,471.75	47,980.22	44,508.47	12,336.88	56,845.35	44,508.47	30,658.22	75,166.69	44,508.47	70,517.02	115,025.49	44,508.47	14,103.40	58,611.87
348.13	9,792.69	9,444.56	1,237.07	10,681.63	9,444.56	3,074.22	12,518.78	9,444.56	1,077.34	10,521.90	9,444.56	1,531.73	10,976.29
3,471.75	70,234.45	66,762.70	12,336.88	79,099.58	66,762.70	30,658.22	97,420.92	66,762.70	70,517.02	137,279.72	66,762.70	14,103.40	80,866.10
348.13	14,514.98	14,166.85	1,237.07	15,403.92	14,166.85	3,074.22	17,241.07	14,166.85	1,077.34	15,244.19	14,166.85	1,531.73	15,698.58
3,471.75	92,488.69	89,016.94	12,336.88	101,353.82	89,016.94	30,658.22	119,675.16	89,016.94	70,517.02	159,533.96	89,016.94	14,103.40	103,120.34
348.13	19,237.26	18,889.13	1,237.07	20,126.20	18,889.13	3,074.22	21,963.35	18,889.13	1,077.34	19,966.47	18,889.13	1,531.73	20,420.86
3,471.75	163,702.24	160,230.49	12,336.88	172,567.37	160,230.49	30,658.22	190,888.71	160,230.49	70,517.02	230,747.51	160,230.49	14,103.40	174,333.89
348.13	34,348.56	34,000.43	1,237.07	35,237.50	34,000.43	3,074.22	37,074.65	34,000.43	1,077.34	35,077.77	34,000.43	1,531.73	35,532.16
3,471.75	243,817.48	240,345.73	12,336.88	252,682.61	240,345.73	30,658.22	271,003.95	240,345.73	70,517.02	310,862.75	240,345.73	14,103.40	254,449.13
348.13	51,348.78	51,000.65	1,237.07	52,237.72	51,000.65	3,074.22	54,074.87	51,000.65	1,077.34	52,077.99	51,000.65	1,531.73	52,532.38
3,471.75	270,522.56	267,050.81	12,336.88	279,387.69	267,050.81	30,658.22	297,709.03	267,050.81	70,517.02	337,567.83	267,050.81	14,103.40	281,154.21
348.13	57,015.52	56,667.39	1,237.07	57,904.46	56,667.39	3,074.22	59,741.61	56,667.39	1,077.34	57,744.73	56,667.39	1,531.73	58,199.12

Table 4.62 Charges for leased internet service through DDN9 Birr)

No.	Item description	Initial fee (Birr)	Monthly rent (Birr)
1	For 64kbs		
	Internet and DDN Service	1,109.00	1,567.00
	Configuration Fee	100.00	
	CPE Cost	6,923.00	110.00
	Total	8,132.00	1,677.00
2	For 128kbs 27XX DTU		
	Internet and DDN Service	1,109.00	2,350.00
	Configuration Fee	100.00	
	CPE Cost	6,923.00	110.00
	Total	8,132.00	2,460.00
3	For 128kbs 28XX DTU		
	Internet and DDN Service	1,109.00	2,350.00
	Configuration Fee	100.00	
	CPE Cost	9,385.00	141.00
	Total	10,594.00	2,491.00
4	For 256kbs		
	Internet and DDN Service	1,109.00	3,521.00
	Configuration Fee	100.00	
	CPE Cost	9,385.00	141.00
	Total	10,594.00	3,662.00
5	For 384kbs		
	Internet and DDN Service	1,109.00	4,402.00
	Configuration Fee	100.00	
	CPE Cost	9,385.00	141.00
	Total	10,594.00	4,543.00
5	For 512 kbs		
	Internet and DDN Service	1,109.00	5,282.00
	Configuration Fee	100.00	
	CPE Cost	9,385.00	141.00
	Total	10,594.00	5,423.00

No.	Item description	Initial fee (Birr)	Monthly rent (Birr)
6	For 768 kbs		
	Internet and DDN Service	1,109.00	6,603.00
	Configuration Fee	100.00	
	CPE Cost	9,385.00	141.00
	Total	10,594.00	6,744.00
7	For 1Mb		
	Internet and DDN Service	1,109.00	7,923.00
	Configuration Fee	100.00	
	CPE Cost	9,385.00	141.00
	Total	10,594.00	8,064.00

Note: For DDN subscription fee (CPE cost) 2701/2703 DTU = 64 Kbps Birr 6,923.00.

For DDN subscription fee (CPE cost) 2801 DTU or > 128 kbps Birr 9,385.00 .

15% VAT will be added on all charges

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.63Charges for value added services

No.	Service type	Birr
1	For each additional E-mail box	20.00 per Month
2	Hard disk rent for :	
	HTML files	17.00 per MB
	Audio/Video and Database files	42.00 per MB
3	Domain Name Registration:	
	Setup fee	418.00
	Domain Name Rent	Birr 500.00 per Year
4	Uploading fee	25 /file
5	Monthly charge for one IP Address	
	Monthly charge for virtual IP Address	4.00

Note: 15% VAT will be added on all charges

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.64 Charges for DDN dedicated point-to-point and point-to-multipoint (frame relay) circuit

NO.	Access Speed	DTU Type	Subscription fee (Birr)	Monthly rental fee(Birr)		
				CPE	Usage	Total
1	8 Kbps	27 XX	6,923.00	110	126.49	236.49
2	16 Kbps	27 XX	6,923.00	110	252.98	362.98
3	32 Kbps	27 XX	6,923.00	110	505.96	615.96
4	64 Kbps	27 XX	6,923.00	110	1,011.92	1,121.92
5	128 Kbps	27 XX	6,923.00	110	2,023.84	2,133.84
6	128 Kbps	28 XX	9,385.00	141	2,023.84	2,164.84
7	256 Kbps	28 XX	9,385.00	141	4,047.67	4,188.67
8	384 Kbps	28 XX	9,385.00	141	6,071.51	6,212.51
9	512 Kbps	28 XX	9,385.00	141	8,095.34	8,236.34
10	768 Kbps	28 XX	9,385.00	141	12,143.01	12,284.01
11	1024 Kbps	28 XX	9,385.00	141	16,190.68	16,331.68

Note: The customer will be charged subscription fee for each DTU, and for center and branch dedicated point -to-point circuit access speed starts from 64 Kbps.

Dedicated point –to- multi point (Frame Relay) circuit access for internet customers, only internet leased tariff will be added on top of the point-to-point tariff and its speed starts from 8 Kbps.

Point- to- point and point -to- multi point (FR) circuits -center will be charged monthly rental only for the CPE cost

27 XX DTU (i.e. 2701 and 2703) - 2701 supports maximum. up to 64 Kbps while 2703 supports maximum up to 128 Kbps.

28xx DTU i.e. 2801 supports 128 Kbps and above

15% VAT will be added on all charges

Source: Ethiopian Telecommunication Corporation (ETC)

4.3.12 Broad Band-VSAT Services

A) Non- internet /data services

Table 4.65 Charges for non-internet/ data users

No speed	Initial payment (Birr)	Monthly rent (Birr)
	80.786	4,614

Note: The tariff does not include VAT

The monthly rent does include usage charge for fixed telephone and fax (i.e. customers will be charged according to their usage bill).

Source: Ethiopian Telecommunication Corporation (ETC)

B) Internet /data services

Table 4.66 Charges for internet/ data users

No	Access Speed	Initial payment (Birr)	Monthly rent (Birr)
1	128 Kbps	83,220	8,683
2	256Kbps	85,654	14,475
3	512Kbps	90,522	26,059

Note: The tariff doesn't include VAT.

The monthly rent does include usage charge for fixed telephone and fax (i.e. customers will be charged according to their usage bill). But charges for internet usage is included in the above charges

The charges include cost for CPE and installation.

Source: Ethiopian Telecommunication Corporation (ETC)

4.3.13 Narrow Band-VSAT Services

Table 4.67 Temporary charges for dial away (two channel) narrow band VSAT

Subscription Fee (Birr)	Monthly rent (Birr)
118,120.00	748.00

Note: VAT is not included in the above charges

Source: Ethiopian Telecommunication Corporation (ETC)

Table 4.68 Temporary charges for far away (eight channel narrow band VSAT)

Subscription Fee (Birr)	Monthly Rental (Birr)
118,120.00	748.00

Note: VAT and Telephone charges are not included

The above charges should be adjusted by zone and regional offices when the actual tariff will be set

Source: Ethiopian Telecommunication Corporation (ETC)

Part 5: TAXES

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

5.1 Customs Duty

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

Table 5.1 Custom duty rates of some selected goods:

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

Note: The rates are not actual but they are averages of various products under one title. For Example NO.1 "Live animals and products" has 15%=13 items, 10%=11 items, 20%=111, items and 30%=82, items. So we considered the 20% rate as an average of all since it has the larger number of items. Same to others items.

Source: Ethiopian Revenues and Customs Authority

5.2 Value Added Tax (VAT)

In the Value Added Tax (VAT) Proclamation No.285/2002, it is indicated that sales tax is replaced VAT to enhance economic growth and improve the ratio relationship between Gross Domestic Product (GDP) and government revenue. VAT is paid at a rate of 15% of the value of every taxable transaction by a registered person and all imports of goods and services other than those exempted.

Exemptions and Zero- ratings

A) Exempted Items

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

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

B) Zero-rated items

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

- The export of goods or services to the extent provided in regulations;
- The rendering of transport or other services directly connected with international transport of goods or passengers, as well as the supply of lubricants and other consumable technical supplies taken on board for consumption during international flights;
- The supply of gold to the National Bank of Ethiopia;

- The supply by a registered person to another person in a single transaction of substantially all of the assets of a taxable activity or an independent functioning part of a taxable activity as a going concern, provided a notice in writing signed by the transferor and transferee is furnished to the Ethiopian Revenue and Customs Authority (ERCA) within 21 days after the supply takes place and such notice includes the details of the supply;
- Goods and services supplied to or imported by accredited diplomats.

5.3 Turnover Tax

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

The turnover tax rates are:

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

Note: The ministry of Finance and Economic Development has exempted, by its directives, the following products from turnover and value added taxes.

- Bead and milk;
- Medicine, medical supplies and medical services.

5.4 Excise Tax

Excise Tax Proclamation No. 286/2002 indicates that, excise tax is levied on selected items when produced locally or imported. The tax rate ranges from 10% to 100% depending on the nature of the goods. List of all goods currently liable to excise tax along with their tax rates is shown below:

Table 5.2 Excise tax rates by types of goods

No.	Items	Excise tax (%)
1	Any type of sugar in solid form excluding molasses	33
2	Drinks	
	2.1 All types of liquid soft drinks except fruit juices	40
	2.2 Powder soft drinks	40
	23 Bottled or canned water	30
	2.4 Alcoholic Drinks	
	2.4.1 All types of beer and stout	50
	2.4.2 All types of wine	50
	2.4.3 Whisky	50
	2.4.3 Other Alcoholic drinks	100
3	All types of pure alcohol	75
4	Tobacco and tobacco products	
	4.1 Tobacco leaf	20
	4.2 Cigarettes, cigar, cigarillos, pipe tobacco, snuff and other products	75
5	Salt	30

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

Source: Ethiopian Revenues and Customs Authority

5.5 Business Income Tax

According to Proclamation No.286/2002, taxable business income shall be determined per tax period on the basis of the profit and loss account or income statement which shall be drawn in compliance with the generally accepted accounting standards provisions of directives issued by ERCA.

5.5.1 Income Tax on Individual Entities /Unincorporated Business/

According to Income Tax Proclamation No. 286/2002, taxable business income of unincorporated businesses shall be taxed in accordance with the following table:

Table 5.3 Income tax rates of unincorporated businesses by income category

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

Source: Ethiopian Revenues and Customs Authority

5.5.2 Corporate Income Tax

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

5.6 Rental Income Tax

Income derived from renting of houses or office buildings, manufacturing plants, materials and goods, etc. is taxable in accordance with the following table.

Table 5.4 Rental tax rates by income category

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

Source: Ethiopian Revenues and Customs Authority

5.7 Personal Income Tax

Any income derived from employment, including any payments or gains in cash or in kind is taxable in accordance with the following schedule.

Table 5.5 Personal income tax rates by income category

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

Source: Ethiopian Revenues and Customs Authority

5.8 Export Tax

With the exception of few products (e.g. semi-processed hides and skins), there are no taxes on export products.

5.9 Mining Income Tax

According to the Mining Tax Proclamation No. 23/1996 (Amendment), a holder of large-scale or small -scale mining license shall pay 35% income tax on the taxable income

5.10 Other Income Taxes

Table 5.6 Incomes tax rates by type of income

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

5.11 Withholding Tax

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

In Ethiopia, the withholding tax rates are:

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

The services that are subject to withholding taxes are:

- ♦ consultancy;
- ♦ designs, written materials, lectures and dissemination of information;
- ♦ the services of lawyers, accountants, auditors, etc.
- ♦ salesmanship, arts and sports professionals and brokers, including insurance brokers and other commission agents;

- ♦ advertisements and entertainment programmes for television and radio broadcasts;
- ♦ construction;
- ♦ advertisement services;
- ♦ patents for scientific and intellectual works;
- ♦ rent for lease of machineries, buildings and other equipment including computers;
- ♦ maintenance services;
- ♦ tailoring;
- ♦ printing;
- ♦ insurance.

5.12 Stamp Duty

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

Table 5.7 Stamp duty charges by types of instruments

No.	Instruments	Basis of valuation	Stamp duty charges
1	Memorandum and Articles of Association of any business organization or any associations		
	(a) Upon first execution	Flat	Birr 350
	(b) Upon any subsequent execution	Flat	Birr 100
2	Memorandum and Articles of cooperatives		
	(a) Upon first execution	Flat	Birr 35
	(b) Upon subsequent execution	Flat	Birr 10
3	Award	On Value	(a) With determinable value 1 %
			(b) With undeterminable value Birr 35
4	Bonds	On Value	1 % of value
5	Warehouse Bond	On Value	1 % of value
6	Contracts and agreements and memoranda thereof	Flat	Birr 5
7	Security Deeds	Flat	1 % of value
8	Collective Agreement		
	(a) On first execution	Flat	Birr 350
	(b) On any subsequent execution	Flat	Birr 100

No.	Instruments	Basis of valuation	Stamp duty charges
9	Contract of Employment	Salary	1 % of salary
10	Lease including sub-lease and transfer thereof	On Value	0.5% of value
11	Material Act	Flat	Birr 5
12	Power of Attorney	Flat	Birr 35
13	Register title to property	On Value	2 % of value

Source: Ethiopian Revenues and Customs Authority

Table 5.8 Special customs tariff rates applicable to goods produced in and imported from COMESA member countries

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

Source: Ethiopian Revenues and Customs Authority.

Part 6: TRANSPORT COSTS

6.1 Road Transport Tariffs

6.1.1 Dry Cargo Transport Charges

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

6.1.2 Passenger Transport Charges

Passenger transport charges from Addis Ababa to some selected towns of the country are presented in the following table.

Table 6.1 Passenger transport charges by destination and grade transportation

Departure	Arrival	Distance (Kms)	Grade 2	Grade 3
			charge (Birr / person)	charge (Birr / person)
Addis Ababa	Adarkay	927	203.47	199.83
	Addis Alem	55	11.70	11.42
	Adigrat	898	190.97	186.48
	Adwa	1006	220.54	216.54
	Akaki	20	4.25	4.15
	Alemaya	507	107.82	105.28
	Arba Minch	505	107.39	104.87
	Asayita	670	145.23	142.31
	Asebe Teferi	326	69.33	67.70
	Assala	175	37.22	36.34
	Assosa	661	140.57	137.26
	Awassa	273	58.06	56.69
	Axum	1024	221.98	217.53
	Bahir Dar	487	113.38	112.49
	Bure	411	87.40	85.35
	Chagni	504	109.09	106.87
	Chancho	40	8.51	8.31
	Combolcha	376	79.96	78.08
	Debarik	841	182.30	178.64
	Debre Birihan	130	27.65	27.00
	Debre Markos	299	63.59	62.09
	Debre Zeit	47	10.00	9.76
	Dejen	229	48.70	47.55
	Desse	401	85.28	83.27
	Dilla	359	76.34	74.55
	Dire Dawa	515	109.52	106.94
	Dukem	37	7.87	7.68
	Gambella	766	179.45	177.34
	Gebre Guracha	156	33.17	32.39
	Ginchi	89	18.93	18.48
	Goba	427	99.25	98.44
	Gonder	738	156.94	153.25
	Gore	625	137.47	135.06

Departure	Arrival	Distance (Kms)	Grade 2	Grade 3
			charge (Birr / person)	charge (Birr / person)
Addis Ababa	Hagere Mariam	467	99.31	96.98
	Harar	526	111.86	109.23
	Jimma	346	73.58	71.85
	Kaliti	15	3.19	3.11
	Kibre Mengist	471	105.19	103.62
	Kulibi	464	98.67	96.35
	Lalibella	701	155.10	152.55
	Mekele	783	166.51	162.60
	Metehara	193	41.04	40.08
	Metema	929	197.56	192.92
	Metu	600	131.31	128.90
	Mille	531	112.92	110.27
	Mizan Tefferi	561	126.50	124.83
	Mojo	73	15.52	15.16
	Moyale	771	163.96	160.11
	Nazereth	98	20.84	20.35
	Nekemite	328	69.75	68.11
	Robe	412	95.56	94.74
	Semera	588	125.04	122.10
	Shakiso	495	111.10	109.54
	Shashemene	253	53.38	52.12
	Sodo	383	81.45	79.53
	Woldiya	521	110.80	108.19
	Wondo	337	72.20	70.60
	Zal Anbessa	933	198.41	193.75
	Ziway	163	34.66	33.85

Source: Road Transport Authority.

6.2 Sea Transport Tariffs

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

Table 6.2 Revised FOB tariff rates

No.	Country/port of loading	Charge (USD)	
		20'DV	40'DV
1	Turkey		
2	Ambarli	1600	2650
3	Evyap	1650	2650
4	Gemlik	1775	2875
5	Hydrapassa	1600	2650
6	Istanbul	1600	2650
7	Kumport	1600	2650
8	Izmir	1700	2950
9	Izmit Korfezi	1650	2650
10	Mersin	1750	2875
11	Greece		
12	Pireaus	1475	2700
13	Thessaloniki	1700	2800
14	Spain		
15	Bilbao	1750	3050
16	Castellon	1350	2750
17	Barcelona	1625	2800
18	Valencia	1650	2800
19	Taragona	1600	3250
20	Italy		
21	Genoa	1400	2475
22	Gioia Tauro	1400	2525
23	Revenna	1625	2725
24	Trieste	1625	2725
25	Livorno/Leghorn	1625	2725
26	Naples	1400	2475
27	Venice	1625	2725
28	Ancona	1625	2725

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

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

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

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

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

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

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

IMCO (international maritime code) Sur charge:

-for IMCO class, other than 1.1 and 5.1, USD 200/TEU additional on basic freight

-for IMCO class 5.1 cargo, 40% additional on basic rate of 20'and 40'DV

-for IMCO class 1.1 cargos, rate shall be advised on case by case basis

Source: Ethiopian Shipping Lines S.C

Table 6.3 FOB tariff rates (UK ports)

No	Country/port of loading	Charge (USD)	
	UK	20'DV	40'DV
1	Felixtowe	1500	2600
2	Grangmouth	1950	3175

Note: BAF- Banker Adjustment Factor will be levied as per prevailing rate, currently 4%.

CAF- Currency Adjustment Factor will be levied as per prevailing rate, currently 2.5%.

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

Open Top/Flat Rack- USD 600/TEU additional, if within gauge.

For Open Top and Flat rack out of gauge cargo, to be negotiated on case by case basis.

SOC-For Shippers own Container, a discount of USD 100/20' & USD 150/40'.

IMCO (international maritime code) Sur charge:

-for IMCO class, other than 1.1 and 5.1, USD 200/TEU additional on basic freight

-for IMCO class 5.1 cargo, 40% additional on basic rate of 20'&40'DV

-for IMCO class 1.1 cargos, rate shall be advised on case by case basis

Source: Ethiopian Shipping Lines S.C

Table 6.4 FOB tariff rate (NC ports)

NO.	Country/port of loading	Charge (USD)	
		20'DV	40'DV
1	Denmerk		
2	Aahrus	1600	2875
3	Copenhagen	1800	3200
4	Belgium		
5	Antwerp	1450	2475
6	Zeebruges	1450	2475
7	Ireland		
8	Belfast	1800	3175
9	Dublin	2075	3375
10	Cork	2075	3375
11	Germany		
12	Hamburg	1450	2475
13	Bremerhaven	1450	2475
14	France		
15	Fos Sur Mer	1500	2475
16	Marsielle	1400	2575
17	Le-Havre	1500	2475
18	Polland		
19	Gdansk	1600	2950
20	Finland		
21	Helsinki	1775	2775
22	Kotka	2175	3275
23	Portugal		
24	Lisboa/Lisbon	2050	3200
25	Lexioes	1800	2900
26	Sweden		
27	Gothenburg	1675	2875
28	Helsinborg	1925	3200

NO.	Country/port of loading	Rate (USD)	
29	Norway		
30	Oslo	1775	2875
31	Slovenia		
32	Koper	1500	2550
33	Netherlands		
34	Rotterdam	1450	2475
35	Russia		
36	St.Petersburg	2175	3375
37	Australia		
38	Sydney	2150	4000

Note: BAF- Banker Adjustment Factor will be levied as per prevailing rate, currently 4%.
CAF- Currency Adjustment Factor will be levied as per prevailing rate, currently 2.5%.
40'HC -USD 100 additional on basic freight of 40'DV.
Open Top/Flat Rack- USD 600/TEU additional, if within gauge.
For Open Top and Flat rack out of gauge cargo, to be negotiated on case by case basis.
SOC-For Shippers own Container, a discount of USD 100/20 ' & USD 150/40 '.

IMCO (international maritime code) Sur charge:

- for IMCO class, other than 1.1 and 5.1, USD 200/TEU additional on basic freight
- for IMCO class 5.1 cargo, 40% additional on basic rate of 20'&40'DV
- for IMCO class 1.1 cargos, rate shall be advised on case by case basis

Source: Ethiopian Shipping Lines S.C

Table 6.5 Freight rates

No	Route	Item	Type of cargo		Freight rates (USD)	
1	South East and Far East Asian trade route	Import	Containerized per (TEU)	20ft	Pre-paid	Collect
				40ft	1775=BAF	1775+BAF+CAF
			Break bulk (per ton)		3425+BAF	3425+BAF+CAF
			Vehicle (per Cbm)		85+BAF	85+BAF+CAF
		Export	Containerized (per TTEU)	20ft	85	85
				40ft	900	900
2	North Europe and Mediterranean trade route	Import	Containerized (per TEU)	20ft	900	900
				40ft	1400	1400
			Break bulk (per Ton)		1500+BAF	1500+BAF+CAF
			Vehicle (per Cbm)		2500+BAF	2500+BAF+CAF
		Export	Containerized (per TEU)	20ft	75+BAF	75+BAF+CAF
				40ft	72+BAF	72+BAF+CAF
3	Gulf and Red Sea trade route	Import	Containerized (per TEU)	20ft	900	900
				40ft	1400	1400
			Break bulk (per Ton)		1100=BAF	1100+BAF+CAF
			Vehicle (per Cbm)		2000+BAF	2000+BAF+CAF
		Export	Containerized (per Teu)	20ft	35+BAF	35+BAF+CAF
				40ft	55+BAF	55+BAF+CAF

No	Route	Item	Type of cargo		Freight rates (USD)	
4	Indian Sub - continent trade route	Import	Containerized (per TEU)	20ft	1550+BAF	1550+BAF+CAF
				40ft	2575+BAF	2575+BAF+CAF
			Break bulk (per ton)		55+BAF	55+BAF+CAF
			Vehicle (per Cbm)		55+BAF	55+BAF+CAF
		Export	Containerized (per Teu)	20ft	850	850
				40ft	1150	1150

Note: BAF- Banker adjustment factor
CAF- Currency adjustment factor
TEU- Twenty equivalent
Cbm-cubic meter

Source: Ethiopian Shipping Lines S.C

6.3 Clearance and Delivery Costs

Estimates of The Maritime and Transit Services Enterprise consolidated port and inland import and export cargos and handling and clearing transit charges are shown in the following tables.

Table 6.6 charges for import cargo

Cargo type	Birr
Import Cargoes	7945/20 feet container
	1638/document
	15815/40 feet container
	1638/document
General Cargo	1357/packages
	1638/document

Note: The above charges do not include transport, storage and survey Charges.

Table 6.7 Charges for export cargo

Cargo type	Birr
Export general cargoes	4636/20 feet container
	514/document
	9189/40 feet container

Note: Bill of lading fee at cost

- Any additional fee incurred at cost, if any
- The above charges doesn't include transportation fee from client warehouse to Djibouti Port.

Source: Maritime and Transit Services Enterprise.

6.4 Air Transport Tariffs

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

Table 6.8 Freight air transport charges to Europe/ America

No.	Export Item	Weight (kg)	Region and Price / kg (USD)						
			Stockholm	Paris	Frankfurt	Rome	London	Amsterdam	Washington
1	Food stuff	+100	1.85	2.00*	2.00*	2.00*	2.20	-	-
		+250	1.35	-	-	-	-	-	-
		+300	-	-	-	-	2.00	-	-
		+500	1.25	1.85*	1.80*	1.80*	66.00	-	-
		+1000	1.15	-	-	-	-	-	-
2	Textile Products	+100	-	-	-	-	-	-	2.50*
		+300	-	-	-	-	-	-	2.00*
		+1000	-	-	-	-	-	-	1.75*
		+2500	-	-	-	-	-	-	1.65*
		+3000	-	-	-	-	-	-	1.55*
		+5000	-	-	-	-	-	-	1.45*
		+10000	-	-	-	-	-	-	1.35
3	Leather and Leather Products	+45	1.90*	-	-	2.65*	2.50	-	-
		+100	-	2.00*	2.00*	2.00	1.85	-	2.50*
		+300	-	-	1.80*	-	1.65	-	2.00*
		+500	-	-	-	1.30*	1.35	-	-
		+1000	-	-	-	1.25*	1.50*	-	1.75*
		+2500	-	-	-	-	-	-	1.65*
		+3000	-	-	-	-	-	-	1.55*
		+5000	-	-	-	-	-	-	1.45*
4	Flower Fruits and vegetables	+10000	-	-	-	-	-	-	1.35*
		+45	-	-	-	-	2.50*	-	-
		+100	-	-	1.95*	-	2.00*	-	-
		+200	1.65*	1.85*	1.90*	1.85*	1.85*	-	-
		+300	-	-	1.85*	-	-	-	-
		+500	-	-	1.40*	1.65*	-	-	-
		+1000	-	-	-	1.45*	1.60*	-	-
5	Handicrafts and Traditional Products	+1500	-	-	-	-	1.55*	-	-
		+100	-	-	2.00*	2.00*	2.20	-	2.00*
		+200	-	-	-	1.90*	2.00	-	-
		+250	-	-	1.90*	1.80*	-	-	-
6	Coffee	+500	-	-	1.80*	1.80*	1.40	-	-
		+100	-	-	1.65*	1.65*	1.25	-	-
	Injera	+100	1.85	-	-	-	-	-	-
		+200	-	-	1.95*	-	-	-	2.00*
		+250	1.35	-	-	-	-	-	-
		+500	1.25	-	-	-	-	-	-
		+1000	1.15	-	-	-	-	-	1.75*
	Chat	+100	-	-	-	-	2.20	-	-

Note: Rates with * are inclusive of fuel and insurance sur charges.

Table 6.9 Freight air transport charges to Africa

No.	Export Item	Weight in kg	Region and price per kg (USD)						
			Kharto um	Brazzav ille	Johannes burg	Kinshasa	Nairobi	Dar es Salaam	Luanda
1	General Cargo	+100	1.20*	-	-	-	-	-	-
		+500	0.90*	-	-	-	-	-	-
2	Meat	+1000	-	1.45	-	-	-	-	-
3	Fruits & Vegetables		-	-	-	-	-	-	-
			-	-	-	-	-	-	-
4	Handicrafts	+100	-	-	1.10	-	-	-	-
		+500	-	-	1.00	-	-	-	-
		+1000	-	-	0.85	-	-	-	-
5	Flower	+200	-	-	1.40*	-	-	-	-
6	Coffee	+500	-	-	1.15	-	-	-	-
		+1000	-	-	1.00	-	-	-	-
7	Sanitary Napkin		-	-	-	-	-	-	-
			-	-	-	-	-	-	-
8	Pharmaceutical s	+45	-	-	-	-	1.10	-	-
		+100	-	-	-	-	0.80	2.40*	-
		+250	-	-	-	-	0.70	-	-

Note: Rates with * are inclusive of fuel and insurance surcharges.

Table 6.10 Freight air transport charges to the Middle East and Asea

No.	Export Item	Weight in kg	Region and Price per kg (USD)				
			Dubai	Jeddah	Bombay	Sanaa	Beirut
1	Meat	+1000	0.70*	0.70*	-	-	-
2	Injera	+300	0.70*	-	-	-	-
		+500	0.65*	-	-	-	-
3	Fish	-	-	-	-	-	-
		-	-	-	-	-	-
4	Flower	+100	1.20*	1.30	-	-	1.20
		+250	1.00*	-	-	-	-
		+500	0.95*	1.00*	-	-	-
		+1000	0.85*	0.90*	-	-	-
		+2000	-	0.70*	-	-	-
		+2500	0.75*	-	-	-	-
5	Food Stuff	+5000	0.60*	-	-	-	-
		+100	-	1.30	-	-	-
		+1000	-	0.90*	-	-	-
		+2000	-	0.70*	-	-	-
6	Honey	+100	-	1.30	-	-	-
		+1000	-	0.90*	-	-	-
		+2000	-	0.70*	-	-	-
7	Fruits & Vegetables	+100	-	-	-	-	1.20
		-	-	-	-	-	-
		-	-	-	-	-	-
8	General Cargo	+45	-	-	-	1.10*	-
9		+100	-	-	0.85*	1.00*	-
10	Leather Products	M	40.00	40.00	40.00	40.00	40.00
		-100	3.50	3.50	3.50	3.50	3.50
		+100	2.30	2.30	2.30	2.45	2.45
11	Leather Products	M	40.00	47.00	-	-	-
		-100	3.50	3.50	3.00	3.00	3.00
		+100	2.45	2.30	2.30*	2.30*	2.60*
		+500	-	-	2.00*	2.00*	2.00*
		+1000	-	-	1.75*	-	1.75*

Note: Rates with * are inclusive of fuel and insurance surcharges.

Source: Ethiopian Air Lines

Part 7: FUEL PRICES

The government revises fuel prices (except butane) every month in accordance with the price changes in the world market. Fuel prices in Addis Ababa starting from November 6, 2010 for the 1 month are as follows:

Table 7.1 Fuel retail prices for one month in Addis Ababa as of November 7, 2010

NO.	Product	Retail price Birr/Liter
1	Benzene (ethanol blended)	14.87
2	Automotive diesel oil	12.69
3	Industrial light fuel oil	11.67
4	Industrial heavy fuel Oil	11.30
5	Kerosene	11.27
6	Air plane fuel oil	14.53

Note: Fuel prices for other towns vary depending on their distances from the sea port.
Fuel prices are revised monthly.

Source: Ministry of Trade and Industry.

Part 8: HOTEL ROOM AND HOUSING RENTAL CHARGES

8.1 Hotel Room Charges

Charges for hotel rooms are usually negotiable and visitors who stay long may benefit from special discounts. Room charges for some hotels in Addis Ababa are presented in the following table:

Table 8.1 Hotel room charge by type of room

No.	Hotel	Room charge (including room rate, service charge, VAT and breakfast					
		Single	Double	Suite	Twin	Class	Phone
1	AdotTina Hotel	100.00	125.00	160.00 Ex.suite	125.00	4 star	0114674101
2	Addis View Hotel	70.00	80.00	-	-	-	0111249766
3	Ararat Hotel	50.00	70.00	98.00	-	3 star	0116461166
4	Atlas Int. Hotel	50.00	55.00	125.00	55.00	2star	n.a
5	Awraris Hotel	30.00	40.00	-	50.00	n.a	0116614933
6	Axum Hotel	52.00	63.00	106.27	94.00	n.a	0116613916
7	Ayma Int. Hotel	60.00	80.00	100.00	-	n.a	0116604265/66
8	Beer Garden Inn	76.00	101.00	-	101.00	n.a	n.a
9	Beshale Hotel	75.00	90.00	140.00	110.00	4 star	n.a
10	Bole international Hotel	40.00	45.00	50.00	50.00	n.a	n.a
11	Bole Rock	68.75	-	93.75	81.25	n.a	0116188171
12	Central Shewa Hotel	40.00	-	-	50.00	3 star	0116611454
13	Ceasars Court Hotel	75.00	-	100.00	-	n.a	n.a
14	DE Leopol Hotel	86.00	96.00	150.00	-	4 star	n.a
15	Damu Hotel	60.00	72.50	110.00	100.00	n.a	0115509828
16	Desalegne Hotel No.2	66.00	132.00	-	80 .00	3 star	0116624524
17	Desalegne Hotel No.3	66.00	132.00	-	80.00	n.a	0116183030
18	Dreamliner Hotel	100 .00	114.00	284.00	132.00	n.a	n.a
19	Ethiopia Hotel	50.00	70.00	85.00	-	3 star	0115517400
20	Embilta Hotel	63.25	-	101.20	75.90	n.a	n.a
21	Faro Hotel	93.80	106.30	-	162.50	n.a	n.a
22	GG. Roual Hotel	45.00	50.00	65.00	55.00	1 star	n.a
23	Global Hotel	84.00	92.00	122.00	--	4 star	n.a
24	Ghion Hotel	77.00	89.00	117.00	-	4 star	0115513222
25	Harmony Hotel	120.00	150.00	260.00	150.00	4 star	0116183100
26	Hilton Addis Ababa	220.00	250.00	345.00	-	5 star	n.a
27	Hotel De france	45.00	-	55.00	65.00	n.a	n.a
28	Ibex Hotel	52.00	60.00	77.00	60.00	3 star	n.a
29	Imperial Hotel	80.00	100.00	125.00	-	4 star	n.a
30	Sheraton Addis (luxury collection)	449.08	626.18	1328.25-8987.83		5 star	0115171717

Source: Ministry of Culture and Tourism and the hotels.

8.2 Housing Rental Charges

The government and the private sector are engaged in renting dwelling houses and office buildings. Rental charges may vary from location to location or from building to building depending on the quality of the building and the distance from the center of town. The minimum rental prices set by the Agency for Government Houses are shown in the following tables.

Table 8.2 Minimum rental prices of dwelling houses

No.	Area (M ²)	Birr/ M ² /month
1	Up to 60	750
2	61-100	1180
3	>100	2870

Source: Calculated from the data supplied by Agency for Government Houses

Table 8.3 Discounts for dwelling house by grade of housing and location

No.	Housing grade	Discount	Location grade	Discount
1	1 st	-	1 st	-
2	2 nd	15%	2 nd	15%
3	3 rd	30%	3 rd	30%

Source: Agency for Government Houses.

Table 8.4 Minimum rental prices of business buildings

NO	Area(M2)	Birr/ M ² /month
1	Below 30	1950.00
2	30-60	1951.00-2632.50
3	61-100	2633.00-3160.00
4	101-160	3161.00-4000.00
5	Above 160	4000.00

Source: Calculated from the data supplied by Agency for Government Houses

Table 8.5 Discounts for business buildings by grade of location

No.	Location grade	Discount
1	1 st	-
2	2 nd	15%
3	3 rd	30%

Source: Agency for Government Houses.

Part 9: COSTS OF ADVERTISING

9.1 Advertising on Television

Commercial

Table 9.1 Amharic and English

NO.	Type	Local Products		Foreign products					
		Birr/sec.	Birr for 30 seconds (with VAT)	Level 1 Birr per sec.	level 1 Birr for 30 seconds	Level 2 Birr per sec	Level 2 Birr for 30 seconds	Level 3 Birr per sec	Level 3 Birr for 30 seconds
1	PT1	69.33	2,392.00	97.50	3,363.75	86.66	2,990.00	75.83	2,616.25
2	PT2	54.82	1,891.18	91.00	3,199.50	75.83	2,616.25	72.58	2,504.13
3	NT1	47.66	1,644.50	81.25	2,803.13	67.17	2,317.25	65.00	2,242.50
4	NT2	30.25	1,043.63	65.00	2,242.50	59.58	2,055.63	54.17	1,868.75
5	SR	86.66	2,990.00	108.33	3,737.50	108.33	3,737.50	108.33	3,737.50

Note: PT- Prime time (after news)

NT- Normal time

PT1- 8:00-9:25 evening, between football match, Ethiopian Epiphany, Mauled and Arafa holidays Eve, and public holidays.

PT2- 9:30-9:55 evening, Saturday 01:00-6:00 day and Sunday 06:00 morning - 06:00 evening.

NT1-9:55-10:30 evening, 01:00- 02:00 day Monday through Friday; 06:00 morning - 01:00 day Saturdays

NT2-Monday-Friday morning 06:00-01:00, and day 02:00-06:00; Monday-Sunday evening 10:30- morning 06:00

SR- Monday-Sunday evening 10:30- morning 06:00

Source: Ethiopian Radio and Television Agency

Table 9.2 Tigrigna and Oromiffaa

No	Type	Birr/ second	Birr for 30seconds (with VAT)
1	PT	27.50	948.75
2	NT	22.50	776.25

Source: Ethiopian Radio and Television Agency

Table 9.3 Frequency discount

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

Source: Ethiopian Radio and Television Agency

Table 9.4 Production charges

No.	Type of production	Amount (Birr)
1	Editing	1,782.50
2	Script (caption)	575.00
3	Dramatized advertising	3,047.50
4	Full production	2,357.50

Source: Ethiopian Radio and Television Agency

9.2 Advertising by Radio

9.2.1 National Service

Table 9.5 Amharic

Transmission day	Local products				Foreign products					
	Normal time (NT)		Prime time (PT)							
	Birr /sec.	Birr for 30 seconds (with VAT)	Birr /sec.	Birr for 30 seconds (with VAT)	Level 1 Birr /sec.	Level 1 Birr for 30 seconds	Level 2 Birr /sec	Level 2 Birr for 30 seconds	Level 3 Birr /sec	Level 3 Birr for 30 seconds
Monday - Friday	14.16	488.75	23.33	805.00	25.00	862.50	23.33	805.00	22.50	776.25
Saturday and Sunday	15.00	517.50	25.83	891.25	26.91	928.62	25.25	871.13	23.58	813.63
Best Wish	25.00	1,725.00	25.00	1,725.00	25.00	1,725.00	25.00	1,725.00	25.00	1,725.00

Source: Ethiopian Radio and Television Agency

Table 9.6 Other Languages

Transmission day	Local products				Foreign products	
	Normal time (NT)		Prime time (PT)			
	Birr /sec	Birr for 30 seconds (with VAT)	Birr / sec.	Birr for 30 seconds (with VAT)	Birr /sec.	Birr for 30 seconds (with VAT)
Monday - Friday	9.16	316.25	--	--	10.00	345.00
Saturday and Sunday	--	--	10.00	345.00	10.00	345.00

Source: Ethiopian Radio and Television Agency

9.2.2 FM Addis 97.1

Table 9.7 Amharic

Transmission day	Local Products				Foreign products	
	Normal Time (NT)		Prime Time (PT)			
	Birr /sec	Birr for 30 seconds (with VAT)	Birr / sec.	Birr for 30 seconds (with VAT)	Birr /sec.	Birr for 30 seconds (with VAT)
Monday -Friday	10.50	362.25	-	-	12.50	431.25
Saturday and Sunday	-	-	11.66	402.27	12.50	431.25

Source: Ethiopian Radio and Television Agency

9.3 Advertising in Newspapers

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

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

Table 9.10 Charges for advertising in the Ethiopian Herald and Addis Zemen

No.	Page size	Charge with VAT (Birr)	
		Normal	Urgent
1	Full page	10,626.00	13,282.50
2	Half page	5,409.60	6,762.00
3	Quarter page	2,704.80	3,381.00

Source: Ethiopian Press Agency

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

Table 9.11 Charges for advertising in Fortune News Paper

No	Space	Size (height x width) (cm)	Charge (Birr)
1	Ear front colour	5 x 6	1322.5
2	Quarter inside	17 x 13.5	1058.00
3	Half inside	17 x 26	1983.75
4	Full inside	34 x 26	3703.00
5	Full back colour	34 x 26	9200.00

Source: Fortune

Part 10: COST OF POSTAL SERVICE

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

10.1 Domestic Postal Service Charges

Table 10.1 Ordinary postal service charges

No	Item	Weight (gms)	Charge(Birr)
1	Letters	Up to 20	0.80
		Over 20 but not exceeding 50	1.55
		Over 50 but not exceeding 100	1.60
		Over 100 but not exceeding 250	1.65
		Over 250 but not exceeding 500	1.80
		Over 500 but not exceeding 1000	2.10
		Over 1000 but not exceeding 2000	2.70
2	Post card		1.50
3	Printed papers	Up to 20	1.50
		Over 20 but not exceeding 50	1.55
		Over 100 but not exceeding 250	1.65
		Over 250 but not exceeding 500	1.80
		Over 500 but not exceeding 1000	2.10
		Over 1000 but not exceeding 2000	2.70
		for each additional 1000	2.10
4	Small packets	Up to 100	4.40
		Over 100 but not exceeding 250	4.50
		Over 250 but not exceeding 500	4.70
		Over 500 but not exceeding 1000	5.00
		Over 1000 but not exceeding 2000	5.65
5	Aerogramme	-	1.20

Source: Ethiopian Postal Service

Table 10.2 Charges for documents

Weight	(Birr)
For the 1 st ½ KG	30.00
For each additional ½ KG	5.00

Weight	0.5	1	1.5	2	2.5	3	3.5	4	4.5	5	5.5	6	6.5	7	7.5	8	8.5	9	9.5	10
Birr	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100	105	110	115	120	125

Weight	10.5	11	11.5	12	12.5	13	13.5	14	14.5	15	15.5	16	16.5	17	17.5	18	18.5	19	19.5	20
Birr	130	135	140	145	150	155	160	165	170	175	180	185	190	195	200	205	210	215	220	225

Source: Ethiopian Postal Service

Table 10.3 Charges for packages

Weight	Birr
For the 1 st ½ KG	35.00
For each additional ½ KG	10.00

WEIGHT	0.5	1	1.5	2	2.5	3	3.5	4	4.5	5	5.5	6	6.5	7	7.5	8	8.5	9	9.5	10
Birr	35	45	55	65	75	85	95	105	115	125	135	145	155	165	175	185	195	205	215	225

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WEIGHT	10.5	11	11.5	12	12.5	13	13.5	14	14.5	15	15.5	16	16.5	17	17.5	18	18.5	19	19.5	20
Birr	235	245	255	265	275	285	295	305	315	325	335	345	355	365	375	385	395	405	415	425

Source: Ethiopian Postal Service

Table 10.4 Charges for other postal services

No.	Service type	Charge (Birr)
1	Registration (per item)	2.55
2	Express (per item)	24.65
3	Advice of delivery	1.50
4	Withdrawal of letter post item or alteration of address	2.20
5	Power of attorney for collection of mail	20.00
6	Inquiry	Free
7	Request of redirection	Free
8	Unpaid or underpaid ordinary letter post item	Double the amount of deficiency in postage
9	Indemnity for a registered letter	25.00

Note: A parcel when requested to be returned from the delivery area it will be charged the original amount plus its transport cost

Source: Ethiopian Postal Service

10.2 International Postal Service Charges

Table 10.5 Ordinary postal service charges

NO	Item	Weight (gms)	Air mail		
			International zones		
			Zone 1 (Birr)	Zone 2 (Birr)	Zone 3 (Birr)
1	Letters	Up to 20	3.35	3.60	4.30
		Over 20 but not exceeding 50	5.90	6.75	9.15
		Over 50 but not exceeding 100	9.95	11.75	16.90
		Over 100 but not exceeding 250	20.10	24.30	36.35
		Over 250 but not exceeding 500	40.45	49.40	75.25
		Over 500 but not exceeding 1000	78.55	96.45	148.20
		Over 1000 but not exceeding 2000	154.75	190.55	294.05
2	Post card		3.35	3.60	4.30
3	Printed papers	Up to 20	3.35	3.60	4.30
4		Over 20 but not exceeding 50	5.90	6.75	9.15
		Over 50 but not exceeding 100	9.95	11.75	16.90
		Over 100 but not exceeding 250	20.10	24.30	36.35
		Over 250 but not exceeding 500	40.45	49.40	75.25
		Over 500 but not exceeding 1000	78.55	96.45	148.20
		Over 1000 but not exceeding 2000	154.75	190.55	294.05
		For each additional 1000	78.55	96.45	148.20
5	Small packets	Up to 100	9.50	10.70	14.15
		Over 100 but not exceeding 250	22.20	26.35	38.45
		Over 250 but not exceeding 500	42.50	51.45	77.35
		Over 500 but not exceeding 1000	80.60	98.50	150.30
		Over 1000 but not exceeding 2000	156.85	192.60	296.15
6	Aerogramme	-	2.70	2.80	3.10

Note: Zone 1: Africa
Zone 2: Middle East & Europe
Zone 3: America, Far East and others

Source: Ethiopian Postal Service

Table 10.6 Charges for packages

TYPE OF ITEM	ZONE A (Birr)	ZONE B (Birr)	ZONE C (Birr)	ZONE D (Birr)	ZONE E (Birr)
For the 1 st ½ KG	204.00	205.00	222.00	215.00	233.00
For each additional ½ KG	60.00	72.00	107.00	111.00	127.00

Source: Ethiopian Postal Service

Table 10.7 Inclusive charges for packages(Birr)

WEIGHT	0.5	1	1.5	2	2.5	3	3.5	4	4.5	5	5.5	6	6.5	7	7.5	8	8.5	9	9.5	10
ZONE A	204	264	324	384	444	504	564	624	684	744	804	864	924	984	1044	1104	1164	1224	1284	1344
ZONE B	205	277	349	421	493	565	637	709	781	853	925	997	1069	1141	1213	1285	1357	1429	1501	1573
ZONE C	222	329	436	543	650	757	864	971	1078	1185	1292	1399	1506	1613	1720	1827	1934	2041	2148	2255
ZONE D	215	326	437	548	659	770	881	992	1103	1214	1325	1436	1547	1688	1769	1880	1991	2102	2213	2324
ZONE E	233	360	487	614	741	868	995	1122	1249	1376	1503	1630	1757	1884	2011	2138	2265	2392	2519	2646

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WEIGHT	10.5	11	11.5	12	12.5	13	13.5	14	14.5	15	15.5	16	16.5	17	17.5	18	18.5	19	19.5	20
ZONE A	1404	1464	1524	1584	1644	1704	1764	1824	1884	1944	2004	2064	2124	2184	2244	2304	2364	2424	2484	2544
ZONE B	1645	1717	1789	1861	1933	2005	2077	2149	2221	2293	2365	2437	2509	2581	2653	2725	2797	2869	2941	3013
ZONE C	2362	2469	2576	2683	2790	2897	3004	3111	3218	3325	3432	3539	3646	3753	3860	3967	4074	4181	4288	4395
ZONE D	2435	2546	2657	2768	2879	2990	3101	3212	3323	3434	3545	3656	3767	3878	3989	4100	4211	4322	4433	4544
ZONE E	2773	2900	3027	3154	3281	3408	3535	3662	3789	3916	4043	4170	4297	4424	4551	4678	4805	4932	5059	5186

Source: Ethiopian Postal Service

Table 10.8 Charges for documents

TYPE OF ITEM	ZONE A (Birr)	ZONE B (Birr)	ZONE C (Birr)	ZONE D (Birr)	ZONE E (Birr)
For the 1 st ½ KG	195.00	196.00	212.00	206.00	224.00
For each additional ½ KG	55.00	57.00	77.00	76.00	97.00

Source: Ethiopian Postal Service

Table 10.9 Inclusive charges for documents (Birr)

WEIGHT	0.5	1	1.5	2	2.5	3	3.5	4	4.5	5	5.5	6	6.5	7	7.5	8	8.5	9	9.5	10
ZONE A	195	250	305	360	415	470	525	580	635	690	745	800	855	910	965	1020	1075	1130	1185	1240
ZONE B	196	253	310	367	424	481	538	595	652	709	766	823	880	937	994	1051	1108	1165	1222	1279
ZONE C	212	289	366	443	520	597	674	751	828	905	982	1059	1136	1213	1290	1367	1444	1521	1598	1675
ZONE D	206	282	358	434	510	586	662	738	814	890	966	1042	1118	1194	1270	1346	1422	1498	1574	1650
ZONE E	224	321	418	515	612	709	806	903	1000	1097	1194	1291	1388	1485	1582	1679	1776	1873	1970	2067

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WEIGHT	10.5	11	11.5	12	12.5	13	13.5	14	14.5	15	15.5	16	16.5	17	17.5	18	18.5	19	19.5	20
ZONE A	1295	1350	1405	1460	1515	1570	1625	1680	1735	1790	1845	1900	1955	2010	2065	2120	2175	2230	2285	2340
ZONE B	1336	1393	1450	1507	1564	1621	1678	1735	1792	1849	1906	1963	2020	2077	2134	2191	2248	2305	2362	2419
ZONE C	1752	1829	1906	1983	2060	2137	2214	2291	2368	2445	2522	2599	2676	2753	2830	2907	2984	3061	3138	3215
ZONE D	1726	1802	1878	1954	2030	2106	2182	2258	2334	2410	2486	2562	2638	2714	2790	2866	2942	3018	3094	3170
ZONE E	2164	2261	2358	2455	2552	2649	2746	2843	2940	3037	3134	3231	3328	3425	3522	3619	3716	3813	3910	4007

Source: Ethiopian Postal Service

Table10.10 Lists of countries and postal zones

COUNTRY	Z O N E	COUNTRY	Z O N E	COUNTRY	Z O N E	COUNTRY	Z O N E	COUNTRY	Z O N E	COUNTRY	Z O N E
ALGERIA	A	CHILE	C	GHANA	A	KENYA	A	NORWAY	B	SYRIA	C
ARGENTINA	C	CHINA PEP; SREP.	C	GRE. BRITAIN	B	KORIA REP	C	PAKISTAN	C	SUDAN	A
AUSTRALIA	C	COLOMBIA	C	GUERNESEY	B	KUWAIT	B	PAPUA NEW GUINEA	C	SWAZILAND	A
AUSTRIA	D	CONGO BRZ.	A	ISLE OF MAN	B	LAOS	B	PANAMA REP.	C	SWEDEN	D
ANGOLA	A	COSTARICA	C	JERSEY	B	LESOTHO	A	PARAGUAY	C	SWITZERLAND	D
BAHAMAS	C	COTE DIVORE	A	GREECE	B	LIBERIA	A	PERU	C	TAIWAN	C
BAHRAIN	B	CROATIA	B	GIBRALETER	B	LIECHTENSTEIN(CH)	B	PHILIPPINES	C	TANZANIA	A
BANGLADESH	B	CUBA	C	GUATEMALA	C	LUXEMBOURG	B	POLAND	B	THAILAND	C
BARBADOS	C	CYPRUS	B	GUINEA(CKY)	A	MACOA	C	PORTUGAL	B	TOGO	A
BELARUS	C	CZECK R. &SLOVAKIA	B	GUINE BISSAU	A	MACAU	C	PORTO RICO (USA)	C	TRINIDAD&TOBAGO	C
BELGIUM	B	DENMARK	E	GUYANA	C	MADAGASCAR	A	QUATAR	B	TUNISIA	A
BENIN	A	DJIBOUTI	A	HONDURAS	C	MALAWI	A	REUNION	A	TURKEY	B
BOLVIA	C	DOMINCAN REP.	C	HONG KONG	C	MALAYSIA	C	ROMANIA	B	UGANDA	A
BOTSWANA	A	ECUADOR	C	HUNGARY REP.	B	MALDIVES	C	RUSSIAN FED	C	UAE	B
BRAZIL	C	EGYPT	A	ICELAND	B	MALI	A	RWANDA	A	USA	C
BRUNEI	C	EL SALVADOR	C	INDIA	B	MALTA	C	SAOTOME	A	URUGUAY	C
BULGARIA	B	EQA.GUINEA	A	INDONESIA	C	MAURITANIA	A	S. LUCIA	C	UKRAINE	C
BURKINAFASO	A	ERTRIA	B	IRAN	B	MEXICO	C	SRI LANKA	C	VENEZUELA	C
BURUNDI	A	FUGI	C	IRAQ	B	MOZAMBIQUE	A	SENEGAL	A	VIETNAM	C
CAMEROUN	A	FINLAND	B	IRELAND	B	NETHERLANDS	D	SYCHELLES	A	YEMEN ARAB REP	B
CANADA	E	FRANCE	D	ISRAEL	B	NEWZELAND	C	SEIRRALEONE	A	YEGOSLAVIA	B
CAPEVERDE	A	GABON	A	ITALY	D	NICARAGUA	C	SINGAPORE	C	DR. CONGO	A
CEN. AFRICA .R.	A	GAMBIA	A	JAPAN	C	NIGER	A	SOLOMON ISLANDS	C	ZAMBIA	A
CHAD	A	GERMANY	D	JORDAN	B	NIGERIA	A	SPAIN	B	ZIMBABWE	A

Source: Ethiopian Postal Service

10.3. Charges for Other Mail Services

Rental charges for:

- small size box (out of Addis Ababa) : Birr 48 per year
- medium size box: Birr 85 per year for Individuals and Birr 170 per year for Enterprises
- large size box: Birr 170 per year for Individuals and Birr 340 per year for Enterprise

Charge for modification of lock : Birr 15

Key deposit : Birr 15

Source: Ethiopian Postal Service

Part 11: INSPECTION AND MARKING FEES OF ETHIOPIAN STANDARDS

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

Table 11.1 Inspection and marking fees by type of products

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

Source: Quality and Standards Authority of Ethiopia.

Part 12: CHARGES FOR INVESTMENT SERVICES RENDERED BY THE ETHIOPIAN INVESTMENT AGENCY (EIA)

The Ethiopian Investment Agency (EIA) provides one-stop shop services for foreign investors. The charges for the different services it renders are shown in the following table.

Table 12.1 Service charges by types of services and delivery time

No.	Service type	Delivery time (hours)	Fee (Birr)
1	Issuance of Investment permit <ul style="list-style-type: none"> New investment Expansion investment 	4 4	600 300
2	Renewal of Investment permit <ul style="list-style-type: none"> New investment Expansion investment 	1 1	200 100
3	Substitution of lost / damaged investment permit	1	100
4	Issuance of trade registration certificate <ul style="list-style-type: none"> Principal registration Summary registration 	4 4	80 10
5	Issuance of business license	4	80
6	Issuance of work permit	1	600
7	Notarization of memorandum and articles of associations	4	600
8	Investment permit amendment/ change	3	100
9	Construction contracting grading	2	-
10	Investment permit revocation	2	-
11	Registration of technology transfer agreement	2	200
12	Renewal of technology transfer agreement	1	50
13	Registration of non- equity forms of foreign enterprise collaboration	1	100
14	Renewal of non- equity forms of foreign enterprise collaboration	1	50
15	Issuance of domestic status certificate to a foreign national permanently residing in Ethiopia taken for domestic investor	1	100

Part 13: BANKING CHARGES AND LENDING RATES

The National Bank of Ethiopia serves as the central bank while the government owned Commercial Bank of Ethiopia, Construction and Business Bank, Development Bank of Ethiopia and several other private banks perform commercial banking functions. Banking charges levied by the Commercial Bank of Ethiopia are shown in tables 13.1 and 13.2 below.

13.1 Banking Charges

The current banking charges by the Commercial Bank of Ethiopia are presented in the following tables.

Table 13.1 Domestic banking charges

No.	Service type	Charges (in Birr and %)			
		Telephone charge	Commission	service charge	Total charge
1	Transfer of funds				
	▪ Telegraph transfer	10	1 / million minimum 3	-	≥ 13.00
	▪ Demand draft transfer	-	1 / million minimum 3	-	≥ 13.00
	▪ Mail transfer	-		-	-
2	Cash payment order and certified checks - in cash - from A/C	-	15.00 5.00	-	15.00 5.00
3	Replacement of lost saving passbook	-	-	25.00	25.00
4	Stop payment orders	-	-	10.00	10.00
5	Re- transfer of funds	10.00	-	10.00	20.00
6	Cancellation and /or amendment on transfers	10.00	-	10.00	20.00
7	Standing instructions within same branch and same customer (inter- account), and for loan repayment purpose	-	-	-	-
8	Standing instructions for transfers between branches within same location (city)	-	-	10.00	10.00
9	cancellation and / or refunding of demand draft lost	-	-	50.00	50.00
10	Cancellation and /or refunding of CPO lost	-	-	50.00	50.00
11	Opening and closing an account	-	-	-	-
12	Interest Rate				
	▪ Saving deposit	-	4%	-	-
	▪ Demand deposit	-	-	-	-
	▪ Special demand deposit	-	-	-	-
	▪ Time deposit				
	○ Up to 1 Year	-	4%	-	-
	○ 1-2 Years	-	4%	-	-
	○ Over 2 Years	-	4%	-	-

Source: Commercial Bank of Ethiopia

Table 13.2 Foreign banking charges

No	service Category	Services	Existing Charges (Birr)	Remark
1	Export letter of credit	Advising commission	Free	
		Extension commission		
		Amendment		
		Confirmation		
		Negotiation commission		
2	Import letter of credit	Opening commission	0.50% (Min=100)	Per Quarter or part there of
		Service charge	1% (Min=100)	
			For Values:	per Quarter of part thereof
			A) up to 1,000,000=0.250%	
			B) 1,000,001-4,000,000=0.245%	
			C)Over 4,000,000=0.240%	
		Extension commission	D)Min =30	
		Amendment	Flat 30	
Cancellation	Flat 30			
3	Inward bill collection	Service Charge upon purchase order approval	0.25% (min+50)	per. Quarter or part thereof
		Service charge upon collection of the document	1%(min=50)	
		Extension commission for expired pos	0.25%(min=50)	
		Documents Released free of payments	Flat 10	
4	Guarantee	Type A	0.5% for 3 months or part there of	
		- UP to USD 200,000		
		- USD 200,001-400,000		
		- USD 400,001-600,000		
		- Over 600,001 USD	0.25% " " " " " "	
		Amendment	0.20%For months or part there of	
		- Extension		
		- Other terms of Guarantee		
		Type B	USD 10 Per bond	
		- Bid bond passed by us with our authentication		
		Type C		
		Indirect foreign bid bond at request of local customer	0.125% for 3 months or part thereof minimum 20 USD	
		- Against 100% deposit		
		- with credit facilities		
			0.5 % for 3 months or part thereof minimum 20 USD	
5	Cheque & Foreign Transfer	Outgoing transfer	1% (Minimum = 10)	
		Traveler's Cheque		
		- Service Charge	1% (Min=5)	
		- Commission	1% (Min =5)	
		Incoming Transfer		
		Cheques Negotiated Service charge	0.5%(Minimum = 5)	

Source: Commercial Bank of Ethiopia

13.1 Lending Rates

The Development Bank of Ethiopia (DBE) provides mainly long and medium- term loans for agricultural, agro- processing and manufacturing investment projects which are preferably export focused. It also avails short term working capital loan for its clients. Its current interest rate is 7.5%.

On the other hand the existing interest rate of the Commercial Bank of Ethiopia for short, medium and long term loans is 8.5%. However, the bank may apply different interest rates based on customer classification, type and nature of credit product, customer's credit risk rate and collateral position.

Part 14: EXCHANGE RATES

The wholesale exchange rate is determined through auction in which the National Bank of Ethiopia (NBE) sales foreign currency to private and government commercial banks, investors intending to import goods for investment and to effect invisible payments. The Commercial Bank of Ethiopia and private commercial banks participate in the selling and buying of foreign currency. In the Inter-bank foreign exchange market there is a slight variation of exchange rate between banks.

**Table 14.1 Indicative exchange rates for major currencies against the Birr
(Applicable on 2010-11-09)**

No.	Currency code	Buying rate	Selling rate
1	South African Rand	2.3957	2.4005
2	EURO	22.9075	22.9108
3	SDR	25.904511	25.904511
4	Saudi Riyal	4.387	4.3874
5	UAE Dirham	4.4792	4.4796
6	Canadian Dollar	16.3993	16.4108
8	Australian Dollar	16.641	16.6492
9	Kenyan Shilling	0.2041	0.2049
10	Japanese Yen	0.202958	0.202983
11	Indian Rupee	0.370453	0.370536
12	Norwegian Kroner	2.8326	2.8373
13	Danish Kroner	3.0727	3.075
14	Swiss Franc	17.0273	17.0361
15	Swedish Kroner	2.4679	2.4682
16	US Dollar	16.4518	16.6163
17	Pound Sterling	26.5713	26.5795

Source: National Bank of Ethiopia, <http://www.nbebank.com>