

Regardless of the 11 companies torched, FDI moving to Ethiopia making it

top 10 Garment Sourcing Destinations

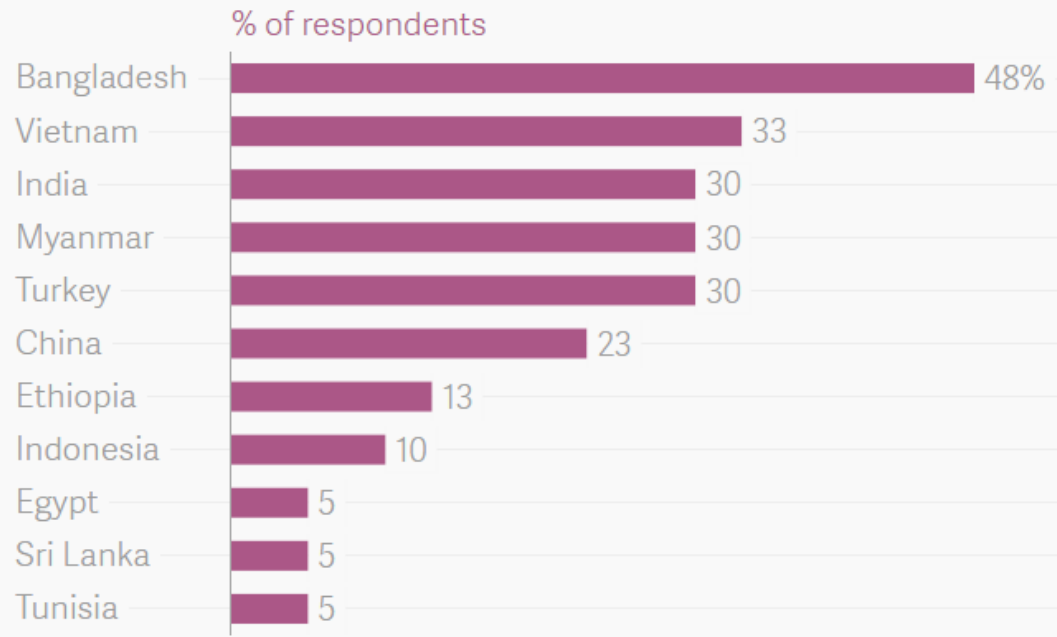
Compiled by Zeslasa Gediai (Mekell)

Fana Broadcasting Corporation attributed foreign media said at least 11 companies, including textile and plastic factories, were torched in recent days in the town of Sebeta by "anti-peace forces". But today Other Foreign Direct Investment (FDI) owners inquire to invest in Ethiopia in the assertion of Ethiopia ability to avert such anti peace forces action.

Of course, Ethiopia has emerged as Africa's biggest hub for textile manufacturing. Yesterday companies like H&M and Primark have begun sourcing apparel from Ethiopia, taking advantage of cheaper production costs and the government's investment in industrial zones and recent availability of industrial parks. That is why Ethiopia was included, for the first time, on a McKinsey annual list of top 10: in fact, top 9 major sourcing destinations, based on a survey of chief purchasing officers.

The head of Huajian Group, a Chinese shoe manufacturer that produces for the Trump's eponymously named brand, Yesterday discussed plans to relocate the company's production to Ethiopia, where labor is cheaper. "My goal is to create 30,000 jobs in Ethiopia by 2020, with exports reaching \$1 billion to \$1.5 billion," Zhang Huarong told the French news agency AFP. Zhang is building a "light industrial city" complete with production facilities, dorms, and its own hospital in Addis Ababa. Keeping in theme, the complex will be in shape of a woman's shoe.

Top future garment sourcing destinations



According to Huajian, the shoe company has supplied about 100,000 pairs to Ivanka Trump collection. Under the recently renewed African Growth and Opportunity Act (AGOA), goods made in Ethiopia are exempt from US import duties when certain labor and other criteria are met. Foreign Media label the story as Ivanka Trump’s shoe collection may be moving from “made in China” to “made in Ethiopia”