

Ethiopia: We're open for business says mining minister

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The mining sector in Ethiopia is on the brink of evolutionary growth and progress as the country's first modern gold mine – KEFI Minerals' Tulu Kapi moves into development in October.

Ethiopian Mines and Petroleum minister HE. Dr **SAMUEL URKATO** says the country is looking to drive significant growth from its mining sector and believes it could ultimately contribute 10% towards the country's GDP. He spoke to **LAURA CORNISH** on the sidelines of the *Africa Downunder* conference in Perth, Australia in September.

The investment policy in Ethiopia is generally established under the principle and practices of a free market driven economy and the government believes it has enacted a very competitive legal and fiscal regime that has attracted many local and foreign mining companies from exploration through to mining activities.

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According to the mining ministry, the country is undergoing significant transformation with progressive change.

“The reformist prime minister is in charge and is [implementing] profound economic and political reform, driven by a strategy to shift the engine of economic activity to private sector development,” it states.

Beyond this, the ministerial cabinet now comprises 50% female ministers and parliament has appointed its first female head of state HE. president Sahele-Werk, federal supreme court president and the head of Ethiopia's electoral board.

The ministry boasts that the country is also well known known for its social stability and low crime rate, as well as its strong public institutions and reliable police service.

The onset of construction at Tulu Kapi – a 140 000 ozpa gold mine scheduled to start producing in 2021 – will at US\$250 million be the largest single export revenue generator in the country. It is situated 360 km west of Ethiopia's capital, Addis Ababa.

The government's aspirations are in the right place and should enable investors to consider the country open for business says **KEFI Minerals** chairman Harry Anagnostaras-Adams.

“We would like to express our appreciation of the enormous efforts made by the ministry of finance, the Ethiopian central bank and other authorities to establish regulatory frameworks to oversee and support policies and actions being dealt with for the first time, as the Tulu Kapi gold project fulfills its first-mover position in modern Ethiopian mining.”

To stimulate economic growth further, Ethiopia is also building a large-scale, 550 MW hydro-electric dam that will boost power supply and industrialisation.

“With the largest airline in Africa, [we are] playing a profound role in the integration of Africa by connecting several African towns,” the mining ministry states.

Mining has been identified as the key contributor which will narrow down the country's trade deficit by generating foreign currency while enabling regional development as well.

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