

New Decade Marks New Opportunities for Ethiopia-D.C. Relations

By Lafayette Barnes

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Mayors Bowser and Benti exchange the renewed Sister City Agreements that they signed at the Addis Ababa Municipality Building on November 11 and witnessed by over 100 officials including U.S. Ambassador Michael Raynor and Ethiopian Ambassador Fitsum Arega.

The year 2020 marks a new decade and golden opportunity for District of Columbia business and government leaders to build stronger diplomatic and trade relations between Ethiopia and Washington, D.C.

This follows Mayor Muriel Bowser's historic diplomatic and trade mission to Ethiopia on Nov. 8-13. Bowser is the first District mayor to lead 70 delegates consisting of Ethiopian Diaspora and District of Columbia business, education and nonprofit leaders to Addis Ababa, where some 3.5 million Ethiopians live.

The purpose of the trip was to renew the Sister City Agreement with Addis Ababa, thus fulfilling the mayor's commitment made to the District's estimated 30,000 Ethiopian residents and Ethiopian Prime Minister Abiy Ahmed during his visit to D.C. on July 20, 2018.

The new agreement signed on Nov. 11 by Bowser and Addis Ababa Mayor Takele Uma Banti symbolizes their strong intent to achieve real outcomes that will benefit the residents of both cities. Bowser stated that "we particularly value our special relationship with Ethiopia, which has been strengthened by the substantial Ethiopian population in our city and region. This mission gave our delegation the opportunity to build relationships and explore innovative strategies to grow the District's economy through tourism, transportation, health care, and more."

Tourism is an important industry for Ethiopian and D.C. businesses to develop partnerships that promote more inbound and outbound touring and travel opportunities. Both cities have numerous world heritage destinations for their residents to visit. Ethiopia is the home of the Orthodox Christian religion with its historic 900-year-old rock-cut churches in the town of Lalibela.

Bowser and her delegation went to the holy town of Lalibela for a day trip on Ethiopian Airlines while there. The country has the largest number of UNESCO's World Heritage Sites in Africa.

Bowser has tasked her Executive Office with working with the D.C. Chamber of Commerce to implement actions that will lead to real benefits in the District of Columbia. During the visit, Vincent Orange, former D.C. Council member and chamber president and CEO, signed Memorandum of Understandings (MOUs) with both the American Chamber of Commerce Ethiopia and the Ethiopia Chamber of Commerce to support Bowser's efforts to develop long-term business investment and trade relations with Addis Ababa.

"The signing of these MOUs provides a great opportunity for further dialogue, joint initiatives and contract opportunities for our collective memberships," Orange said. "Clearly our Chambers working together can successfully promote trade, investment, tourism and assist local and global businesses in the challenges and opportunities of today's globalized world."

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The Sister City Agreement also aims to establish educational partnerships between universities in D.C. and Addis Ababa. In support of this educational initiative, Dean Barron Harvey at Howard University School of Business submitted a letter of interest to President Tassew Woldehanna at Addis Ababa University to establish faculty, student and research exchange programs between both universities. Both universities have subsequently, agreed in principle, to formalize educational exchanges between their respective institutions in 2020.

Delegates from the Carlos Rosario School, a national model for adult and immigrant education in D.C., were also able to establish a partnership with the Catering and Tourism Training Institute (CTTI) in Addis Ababa. Allison Kokkoros, CEO of Carlos Rosario School, and Aster Dawit, CTTI director, signed an MOU to strengthen English language training for Ethiopian students on Nov. 12.

“CTTI requested that we work with their English teachers to enhance their English skills program to better support CTTI graduates in accessing good jobs in the rapidly growing hospitality and tourism sectors in Addis Ababa and elsewhere in Ethiopia,” Kokkoros said.

Andres Hayes, international business manager in the Office of the Deputy Mayor for Planning and Economic Development, organized the diplomatic and trade mission and said he is very optimistic about the District’s future in Ethiopia.

“We were able to renew our sister city agreement, gain a better understanding of their government structure, and network with more than 27 Ethiopian businesses,” Hayes said. “Since returning in November, we are already starting to see positive results especially in terms of enhancing business between D.C.-based businesses and Ethiopian companies.”

Though Hayes’ optimism for future District business opportunities in Ethiopia is shared by many delegates, U.S. companies must be aware of the National Bank of Ethiopia’s tight controls on foreign exchange reserves. NBE has instituted forex controls to assist the government in acquiring the supply of foreign exchange needed to finance its large trade deficit. Although the bank adopted new measures in 2019 to ease restrictions on foreign exchange transactions, it is still very difficult for many U.S. companies to get paid in U.S. dollars for goods and services sold in Ethiopia.

The Executive Office of the Mayor and D.C. Chamber of Commerce need to work closely with U.S. government and private sector officials to monitor the changing foreign exchange environment in Ethiopia to effectively advise District companies about prospects for doing business there. Nevertheless, the newly signed Sister City Agreement with Addis Ababa does provide the pathway to golden opportunities for D.C. companies willing to step out of the box and expand their businesses globally.

Written by Lafayette A. Barnes, a member of the mayor’s delegation.

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