Ethiopia

Country Overview

Politics

Ethiopia is a federal parliamentary republic located in East Africa. A coalition of four ethnically based political parties named the Ethiopian People’s Revolutionary Democratic Front (EPRDF) controls the government, and in May 2015 elections they secured all 547 House of People’s Representatives seats with the help of affiliated parties. This marks the fifth consecutive 5-year term that the coalition will hold power in the legislative branch. In October of the same year, Hailemarian Desalegn became prime minister through a parliamentary election. Independent observers were barred from monitoring the proceeding, and according to the U.S. Department of State, the few NGOs that observed the lead up to the election reported that the preconditions for a free and fair process were not in place. 2015 saw protests in which hundreds of protestors were killed by security forces. In 2016, the government implemented a state of emergency that restricted rights to freedom of association and assembly. There are credible reports of voter intimidation, violence against protestors, and the arbitrary detention of political rivals during both election periods.

Economy

Ethiopia is classified by the World Bank as a low-income economy. Ethiopia is the fifth-fastest growing economy among member nations in the International Monetary Fund, with a reported GDP growth rate of 9.6 percent in 2015. Ethiopia has had steady and broad-based growth over the past 10 years due to agriculture and service industry expansion, with manufacturing experiencing moderate growth. The agricultural sector employs 85 percent of the labor force, industry makes up 5 percent, and services make up 10 percent. The service industry generates 46.8 percent of the GDP, while agriculture and industry generate 36.2 percent and 17 percent respectively. National development plans prioritize the export economy with a focus on light manufacturing and commercial agriculture.

Social/Human Development

The Ethiopian population is growing rapidly, with more than 40 percent of the population under the age of 15. Eighty percent of the population lives in rural areas and are reliant on agriculture for survival. According to the United Nations Development Programme, over 88 percent of Ethiopians are living in multidimensional poverty and the country ranks 174 out of 188 on the Human Development Index.
2015, droughts and floods led to the displacement of approximately 585,540 people and humanitarian aid was required.  

Ethiopia is home to over 80 different ethnic groups. The largest are: Oromo (34.4 percent), Amhara (27 percent), Somali (6.2 percent), Tigray (6.1 percent), Sidama (4.0 percent), Gurage (2.5 percent), Welaita (2.3 percent), Hadiya (1.7 percent), Afar (1.7 percent), Gamo (1.5 percent), Gedeo (1.3 percent), Silte (1.3 percent), and Kefficho (1.2 percent).  


U.S. Department of State TIP Ranking: Tier 2

Trafficking was reported in potentially exported supply chains including agriculture, construction, and weaving.

Read the full TIP Report at: https://www.state.gov/j/tip/rls/tiprpt/countries/2017/271186.htm

Migrant and Other Vulnerable Populations

Ethiopia experiences net negative migration at a rate of -0.2 migrant(s) for 1,000 people. About one percent of the country’s total population is migrants. The largest source countries for migrants are Somalia and South Sudan.

There were an estimated 739,156 persons of concern at the end of 2015. Refugees made up 99.6 percent of the total estimated persons of concern according to UNHCR. Ethiopia is the largest host of refugees in Africa and one of the largest refugee hosts in the world. Refugees arrive in Ethiopia from countries including Eritrea, Somalia and Sudan.
Top destination countries for migrants from Ethiopia were the United States, Saudi Arabia, and Israel. \(^{15}\)
Migrants From Ethiopia

- **United States of America**: 184,022
- **Saudi Arabia**: 124,347
- **Israel**: 80,474
- **Sudan**: 60,734
- **South Africa**: 44,891

Legend:
- United States of America
- Saudi Arabia
- Israel
- Sudan
- South Africa
Exports and Trade

Ethiopia’s top exported goods in 2016 were coffee, vegetables, oil seeds, flowers, and gold.\textsuperscript{16}

**Top Commodity Exports (USD/Thousands)**

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electrical Machinery</td>
<td>117,578</td>
</tr>
<tr>
<td>Trees and Plants</td>
<td>216,156</td>
</tr>
<tr>
<td>Oil, Seeds, and Fruit</td>
<td>516,851</td>
</tr>
<tr>
<td>Vegetables</td>
<td>526,952</td>
</tr>
<tr>
<td>Coffee, Tea, Mate, and Spices</td>
<td>757,312</td>
</tr>
</tbody>
</table>

The top importers of goods from Ethiopia according to mirror data were China, the Netherlands, the United States, Switzerland and Germany.\textsuperscript{17}
Ethiopia was the 98th largest supplier of goods to the United States in 2015. Top exports to the U.S. included coffee, footwear, seeds and knit apparel.18
Trafficking in Persons Risk Factors Analysis

Legal/Policy Risk Factors

Level of Legal Protection for Civil Liberties and Workers’ Rights

Freedom of Association

Although the law provides for workers’ rights to form and organize unions, the U.S. Department of State noted that this right is significantly limited by government-enforced restrictions made on the grounds of state of emergency regulations in effect since October 2016. The government reserves the right to deny registration of a union if requirements are not met, and was alleged to use anti-terrorism grounds to interfere with peaceful organization and assembly, despite anti-union discrimination.

The law prohibits freedom of association rights for public sector employees, managerial workers, care workers, educators, and volunteers, and does not protect informal workers. The ITUC reports that collective bargaining is authorized by ministry approval upon major economic change, and can be initiated by employer or employees.19

Working Conditions

Ethiopia has no national minimum wage. The law limits the workweek to 48 hours with a 24-hour rest period, but it was reported that many foreign, migrant, and informal sector workers worked hours that exceeded this limit in practice. The U.S. Department of State reports that workers excluded from freedom of association laws were unable to benefit from health and safety regulations. Migrant and informal sector workers worked over 48 hours per week which is the legal limit under labor laws. The Ministry of Labor and Social Affairs’ inspection department was reportedly unsuccessful in standards enforcement.20 Approximately 80 percent of the population was employed in agriculture, which typically is not covered by labor laws.

Discrimination

According to the U.S. Department of State, the law prohibits discrimination based on race, ethnicity, national origin, nationality, gender, marital status, religion, political affiliation, political outlook, pregnancy, socioeconomic status, disability, or “any other conditions.” The law does not explicitly prohibit discrimination based on sexual orientation, gender identity, and HIV-positive status.21

The U.S. Department of State reported that national law contained regulations that discriminated against women, such as regulations on marriage and divorce. Women also reported discrimination in traditional judicial systems used in rural areas.22
Forced Labor

Any form of forced or compulsory labor is prohibited by law, though courts are permitted to use forced labor as a disciplinary means.\(^23\)

Child Labor

The legal minimum age for employment is 14, although this did not apply to children who were self-employed or performed unpaid work. Hazardous or night work is prohibited for children between 14 and 18 years of age, however children under the age of 16 attending vocational school are exempt from the hazardous work restriction. Education is not compulsory by law.\(^24\)

Civil Society Organizations

Civil society organizations and NGOs operate within Ethiopia with significant government restriction. A law which bars foreign-funded organizations from participating in certain activities, known as the CSO law, was reported to effectively deter the ability of people to operate associations. Unclear policy regarding NGO activity led to referrals for clearance to the federal government. The U.S. Department of State reported that the state of emergency greatly affected NGOs’ ability to operate.\(^25\)

Immigration Policies Limiting the Employment Options or Movement of Migrants

The state of emergency put into force in October of 2016 hindered refugees’ movement within Ethiopia, although some exceptions were made for Eritrean refugees, who were permitted to live outside of refugee camps and to work informally. According to the UN, in 2016, the government of Ethiopia pledged to begin providing work permits to refugees “in the areas permitted to foreign workers,” and “to allow local integration for refugees who have lived in Ethiopia for over 20 years.”\(^26\)

Entry to the country is not permitted without a visa. Migrant workers reportedly face discrimination in work environments.\(^27\)

According to the U.S. Department of State’s 2016 *Trafficking in Persons Report*, the Ethiopian government provides some assistance to migrants at border crossings, including but not limited to medical assistance, food and water, and temporary accommodations working jointly with International Organizations (IOs).\(^28\)
Ratification of ILO Conventions Related to Human Trafficking or Rights of Workers and Migrants

<table>
<thead>
<tr>
<th>Convention</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>ILO 29 Forced Labor</td>
<td>In force</td>
</tr>
<tr>
<td>ILO 87 Freedom of Association and Protection of the Right to Organize</td>
<td>In force</td>
</tr>
<tr>
<td>ILO 98 Right to Organize and Collective Bargaining</td>
<td>In force</td>
</tr>
<tr>
<td>ILO 100 Equal Remuneration</td>
<td>In force</td>
</tr>
<tr>
<td>ILO 105 Abolition of Forced Labor</td>
<td>In force</td>
</tr>
<tr>
<td>ILO 111 Discrimination</td>
<td>In force</td>
</tr>
<tr>
<td>ILO 138 Minimum Age</td>
<td>In force</td>
</tr>
<tr>
<td>ILO 181 Private Employment Agencies</td>
<td>In force</td>
</tr>
<tr>
<td>ILO 182 Worst Forms of Child Labor</td>
<td>In force</td>
</tr>
<tr>
<td>ILO 97 Migration for Employment</td>
<td>Not ratified</td>
</tr>
</tbody>
</table>

Political Risk Factors

Political Instability or Conflict

Ethiopia scored a 97.2 in the 2016 Fragile States Index, placing it in the “Alert” category. It was ranked as the 24th most fragile state in the world. Hundreds of protestors were killed by security forces in 2015. In 2016, the government implemented a state of emergency that restricted rights to freedom of association and assembly.

Level of Crime and Violence

The World Economic Forum Global Competitiveness Report ranked Ethiopia at 91 out of 138 and 93 out of 138 for business costs of violence and crime and organized crime respectively. Ethiopia has a homicide rate of 12 homicides per 100,000 people, above the African regional average, according to the United Nations Office on Drugs and Crime. Al-Shabaab has a presence on the Somali side of the border, contributing to violence in that region.
State Persecution

In 2016, Amnesty International reported that the Ethiopian government used counter-terrorism law to persecute political dissenters and opposition members. Security forces responded to protests, which were mainly in the Oromia and Amhara regions, with arbitrary arrest and excessive force. The U.S. Department of State reported that security forces killed hundreds of protesters in 2015 and arrested thousands of others, with the result that over 10,000 people were estimated to be detained at the end of the year. There are credible reports of voter intimidation, violence against protestors, and the arbitrary detention of political rivals during both election periods.

Level of Corruption

The Transparency International Corruption Perception Index scores Ethiopia as 34 out of 100, where 0 indicates “Highly Corrupt” and 100 indicates “Very Clean.” Ethiopia ranks 108 out of 176 on the index. According to the U.S. Department of State, high levels of corruption remained a problem despite the government citing fighting corruption as a high priority.

Socio-Economic Risk Factors

Level of National Economic Development

The United Nations Human Development Index (UN HDI) places Ethiopia in the low human development category, ranking the country 174 out of 188 countries in 2016, with an index score of 0.448, an increase from 0.283 in 2000.

Level and Extent of Poverty

Ethiopia has a high level of poverty, with 88.2 percent of the population determined to be living in “multidimensional” poverty according to the United Nations. When adjusted for inequality, the Human Development Index Score falls to 0.312, a loss of 30 percent. This demonstrates a higher degree of inequality within the country than noted in the country index score.

Degree of Gender Inequality

Ethiopia was ranked as 109 out of 144 on the 2016 Global Gender Gap Index, indicating a sizeable gender gap.
Because roughly 80 percent of the population resides in rural areas, traditional judicial systems, such as sharia (Islamic law) courts and councils of elders, are relied on in practice. Some women have reported lacking access to free and fair hearings under their communities’ traditional court systems, and have cited strong discrimination in rural areas.43

On a federal and regional level, laws support women’s ability to lease government land and inherit property acquired through marriage. In practice, however, women who are separated or widowed are reportedly likely to lose their house and property. Under the traditional customs of most regions, land is reportedly passed on to sons.44

Women are reportedly disadvantaged in employment, in part due to attaining lower educational levels on average than men, although the law prohibits discrimination based on gender with respect to occupation and employment.45 Equal pay is not mandated.46

Landlessness and Dispossession

The U.S. Department of State has reported that cross-border conflict, natural disaster, political or community resettlement considerations, and limited resources for the relocation of IDPs have all contributed to prolonged internal displacement. In 2015, Ethiopia’s IDP population significantly increased in the wake of El Nino-related environmental issues. The three regions with the most IDPs have been reported to be Somali, Afar, and Oromia; these regions have been the site of conflict and flooding.47

According to the U.S. Department of State, private land ownership does not exist and the government “retains the right to expropriate land for the “common good,” which it defines to include expropriation for commercial farms, industrial zones and infrastructure development.”48

Human Rights Watch has documented forced relocation of Ethiopians in areas where land was being leased by foreign investors for commercial agriculture.49

Environmental Factors

Rural areas in several regions of the country have been reported to be vulnerable to recurring droughts.50 The CIA has described drought as a main factor driving Ethiopia’s internal and external migration since the 1960s.51 In 2015, for example, droughts and floods led to the displacement of approximately 585,540 displaced people.52 Deforestation, overgrazing, soil erosion, desertification, and poor water resource management are additional ongoing environmental concerns that may present livelihood challenges, particularly for rural populations.53
Documented Trafficking in Persons Risk Factors in Key Commodity Supply Chains

Livestock

Livestock Overview

Ethiopia has one of the largest livestock populations in all of Africa, and according to government statistics, there are roughly 50 million cattle, 50 million goats and sheep, and a large number of assorted horses, donkeys, camels, and chickens. The U.S.-based Export.gov claims that the Ethiopian livestock industry is a “best prospect industry sector.”\(^54\) Livestock accounts for a quarter of the country’s GDP, and 40 percent of agricultural GDP. The livestock sector in Ethiopia has been growing rapidly in the past decade, and has seen a 50 percent increase in production since 2010. Mixed crop-livestock farmers account for over 80 percent of the rural population, and are responsible for the majority of the country’s food supply.\(^55\)

Documented Trafficking in Persons Risk Factors in Livestock

The 2016 U.S. Department of Labor *List of Goods Produced by Child Labor or Forced Labor*, notes child labor in livestock herding in Ethiopia.\(^56\) Herding is reportedly culturally viewed as appropriate child’s work.\(^57\) Livestock ownership is a key aspect of social status in some communities. Some analysis has noted that even when families can afford school fees for children, herding may be seen as a preferable activity.\(^58\)

Gold

Gold Overview

While the Ethiopian mining sector is currently underexploited (5.6 percent of GDP in 2014-2015),\(^59\) the country is estimated to have more than 200,000 tons of gold minerals in reserve, and gold mining represents the largest portion of revenue in the Ethiopian extractives sector (40.7 percent).\(^60\) Although the country only has one large-scale gold mine,\(^61\) artisanal mining is the primary form of production, and about 100,000 people were engaged in artisanal mining in the country in 2012.\(^62\) Artisanal miners in Ethiopia tend to be from marginalized and poor populations, many of whom are also subsistence farmers.\(^63\)

Gold is mined in both open-pit and underground shafts.\(^64\)
Documented Trafficking in Persons Risk Factors in Gold Production

According to the U.S. Department of Labor, gold is produced with child labor in Ethiopia. For many, it is their primary source of income. Many miners are internal migrants from other areas in Ethiopia, with 50-70 percent migrants in some mining regions, which tend to be isolated, remote and lacking in basic infrastructure or services. Most small-scale miners are not licensed, and most marketing is conducted by informal traders. The result of this informality is that most of the supply chain operates outside of government oversight. Miners working outside of safety protocols are exposed to “dust, poor ventilation, rock falls/collapse, water-borne diseases, malaria and HIV/AIDS.” Informal traders may act to “undermine the prices of gold by creating confusion about the quality standard of the mineral,” thus depriving miners of a fair price. Deforestation caused by tree clearing around artisanal gold mines may contribute to ongoing environmental degradation in Ethiopia.

Apparel

Apparel Overview

Ethiopian textile exports were worth approximately USD 41.1 million in the 2015-2016 fiscal year. Ethiopia has been cited as the future of African apparel manufacturing, with the manufacturing sector growing at roughly 11 percent per year between 2004 and 2014. The Ethiopian government has been investing heavily in the textile industry and providing competitive incentives such as waiving income tax for expat workers, duty free imports on 15 percent of capital goods (first 5 years of operation), and constructing ten industrial zones throughout the country. These programs, combined with low wages, have brought Ethiopia into competition with textile manufacturing hubs in Southeast Asia, and there are currently firms from the U.S., the E.U., Turkey, and China moving into the country at a rapid clip. There has also been a push to develop the cotton industry in the country to increase competitive advantage on the international market.

Documented Trafficking in Persons Risk Factors in Apparel Production

The U.S. Department of Labor reports that hand-woven textiles are produced with child labor in Ethiopia. Children – particularly boys – begin apprenticing as young as 12.

Low wages have specifically been cited as drawing foreign investment in countries including Ethiopia, where workers may earn as little as USD 35.00 a month. A study among female garment workers in Ethiopia found that most had never worked in the formal sector prior to their apparel sector employment. Migrant workers have not been systematically documented in Ethiopia’s garment production sector. However, a McKinsey survey of sourcing professionals found that, in addition to
Ethiopia’s low wage rates, the low cost of obtaining documentation for migrant workers was considered a benefit.80

Coffee

Coffee Overview

Ethiopia produced 2.4 million (60kg) bags of coffee in 2015/16, and exported 2,984,975 (60 kg) bags in 2015.81 Ethiopia is the largest coffee producer in sub-Saharan Africa, and the fifth largest producer in the world (7-10 percent of world production).82 It is estimated that coffee growing operations use 400,000 hectares of land per year, and that the product directly or indirectly affects the livelihoods of more than 15 million people. There are four methods of growing coffee in Ethiopia: forest, semi-forest, garden, and plantation. There are an estimated 700,000 smallholder-growing operations in the country, and of these small operations, 54 percent exist in semi-forested areas.83 These smaller operations account for 95 percent of the country’s coffee production, while the remaining 5 percent is grown on modern commercial farms.84

Documented Trafficking in Persons Risk Factors in Coffee Production

Casual hired labor was noted as widespread in a 2014 study of coffee production in Ethiopia.85 A 2014 study on workers in Uganda and Ethiopia noted the presence of seasonal migrants, but did not specify their origins.86 However, the research did note that seasonal migrants tended to be workers who lacked access to their own land; some were from land-scarce, poor, rural regions while others were women who could not secure their own property.87

Vegetables

Vegetables Overview

Agricultural production systems include subsistence crops, smallholder farming and larger scale commercial farms.88 Ethiopia has favorable climate conditions for several types of vegetables.89 That said, there is still a component of seasonality, with each crop having a limited harvest period.90 Exported vegetables are primarily irrigated crops harvested during the dry season between September and March.91

Crops produced include lettuce, cabbage, kale, tomatoes, peppers, green beans, potatoes and bulb crops like onions.92 Tubers – including potatoes and sweet potatoes are the dominant crop in terms of production.93 Cabbage is the most-produced crop by small-scale farmers.94 Green beans is the most significant vegetable export crop; they are exported primarily to European markets. Green beans are a labor-intensive crop that also requires machinery and irrigation.95 The vegetable export sector is a
priority for the government’s economic development plans. In fact, the government dedicated over 15 percent of its national budget to development of the sector in 2015. As a result, the sector has grown approximately seven percent annually in the subsequent years.

Documented Trafficking in Persons Risk Factors in Vegetables Production

The U.S. Department of State reports that boys are exploited in forced labor in Ethiopian agriculture, although specific crops or supply chains are not specified. Approximately 80 percent of the labor force in Ethiopia works in agriculture, which is not covered by most of the labor code.

Flowers

Flowers Overview

The cut flower industry is growing rapidly in Ethiopia, thanks to government support and foreign investment. In 10 years, Ethiopia became the second largest cut-flower exporter in Africa. In 2015, five horticulture/cut flower companies shifted their operations from Kenya to Ethiopia. Flower companies are exempted from duties on key inputs such as fertilizer, and receive a corporate tax exemption for their first five years of operation. Varieties include roses, carnations and chrysanthemum. Most companies operating in the sector are foreign, and Europe is the market for 80 percent of Ethiopia’s flowers. Over 16,000 workers are employed in the sector, engaged in tasks such as seeding, cultivating, packing and exporting.

Documented Trafficking in Persons Risk Factors in Flowers

As in other countries, most workers in the cut flower supply chain are low-skilled female workers, suggesting a vulnerable workforce. There are anecdotal reports of sexual harassment of female workers. Broad studies of labor and employment conditions were not available, but workers appear to be highly casualized, lacking long-term contracts and often engaged as day laborers. A more recent study which included workers in the flower sector (although it did not disaggregate findings based on sector) found that nearly 30 percent of female workers did not have an employment contract with their employer.

There is evidence that the hazardous chemicals used in the growing of cut flowers in Kenya and Ethiopia have produced adverse health effects in some industry workers. Specific abuses include spraying pesticides in greenhouses while workers were laboring inside, fumigation of cold storage facilities as workers labored inside of them, and working in extreme heat with little or no breaks. One study of Ethiopian workers in the industry found a “high prevalence of respiratory and dermal symptoms” that
did not exist in control testing, and noted that workers that were laboring inside of greenhouses were significantly more likely to develop symptoms than those who worked outside.\textsuperscript{110}

Workers in the flower sector in Ethiopia have reported that they have been barred from any attempts at organizing or bargaining collectively.\textsuperscript{111}

This report was funded by a grant from the United States Department of State. The opinions, findings and conclusions stated herein are those of the authors and do not necessarily reflect those of the United States Department of State.

Endnotes

\textsuperscript{1} Human Rights Watch. Ethiopia. \url{https://www.hrw.org/africa/ethiopia}.
\textsuperscript{2} Human Rights Watch. Ethiopia. \url{https://www.hrw.org/africa/ethiopia}.
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14 Dahir, Abdi Latif. “Ethiopia is creating 100,000 jobs to tackle its refugee problem.” Quartz Africa. September 26, 2016.
http://www.iom.int/world-migration#source.
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