

Ethiopia National Human Development Report

ROUND TABLE

13 OCTOBER 2017

Ethiopia's human development progress

- Among fastest growing economies in the world—maintaining a **10.6 percent average real GDP growth rate** over the last thirteen years.
- Poverty declined from 38.7 per cent in 2005 to 29.6 per cent 2011 and estimated to have further declined to 23.4 per cent by 2015.
- Ethiopia's **Human Development Index (HDI)** increased from 0.283 in 2000 to 0.448 in 2015—a 58.3 percent rise.
- **Per capita GDP doubled** from \$377 in 2010 to \$794 in 2016.
- From 1990 to 2015, Ethiopia's **life expectancy at birth has increased by 17.5 years**, while mean years of schooling and expected years of schooling increased by 1.1 years (from its level in 2000) and by 5.3 years (from its 1990 level) respectively.

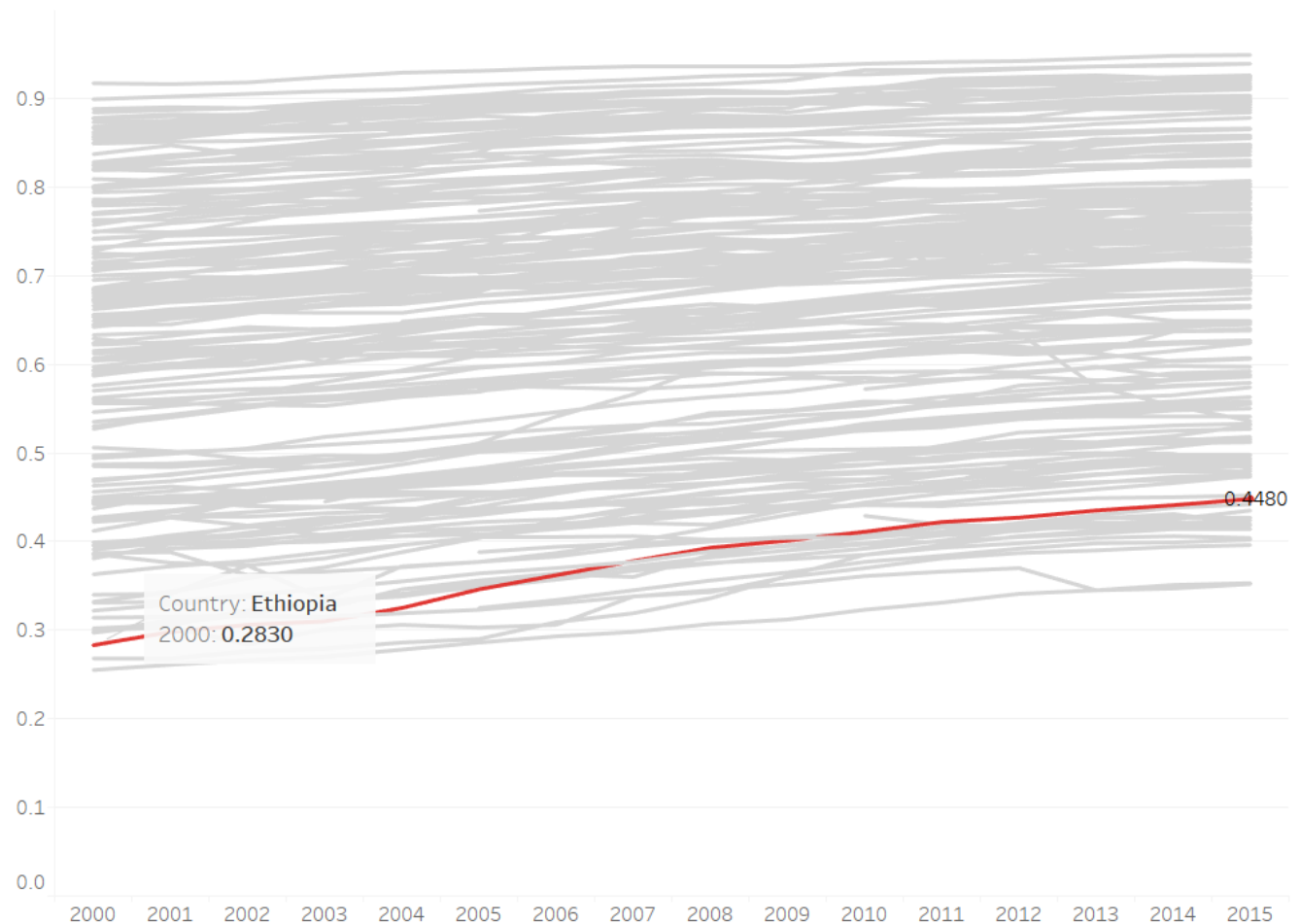
How to accelerate progress?

Ethiopia remains among the low human development countries, and has seen little change relative to other countries.

A key concern is that economic growth has been led by the agriculture and services sectors, contributing 37 and 47 percent of GDP, respectively, and agriculture accounting for over 70 percent of export earnings and 73 percent of work.

In order to accelerate human development progress, **structural transformation** to higher value-added and more sustainable growth patterns is needed.

Human development index, 2000-2015

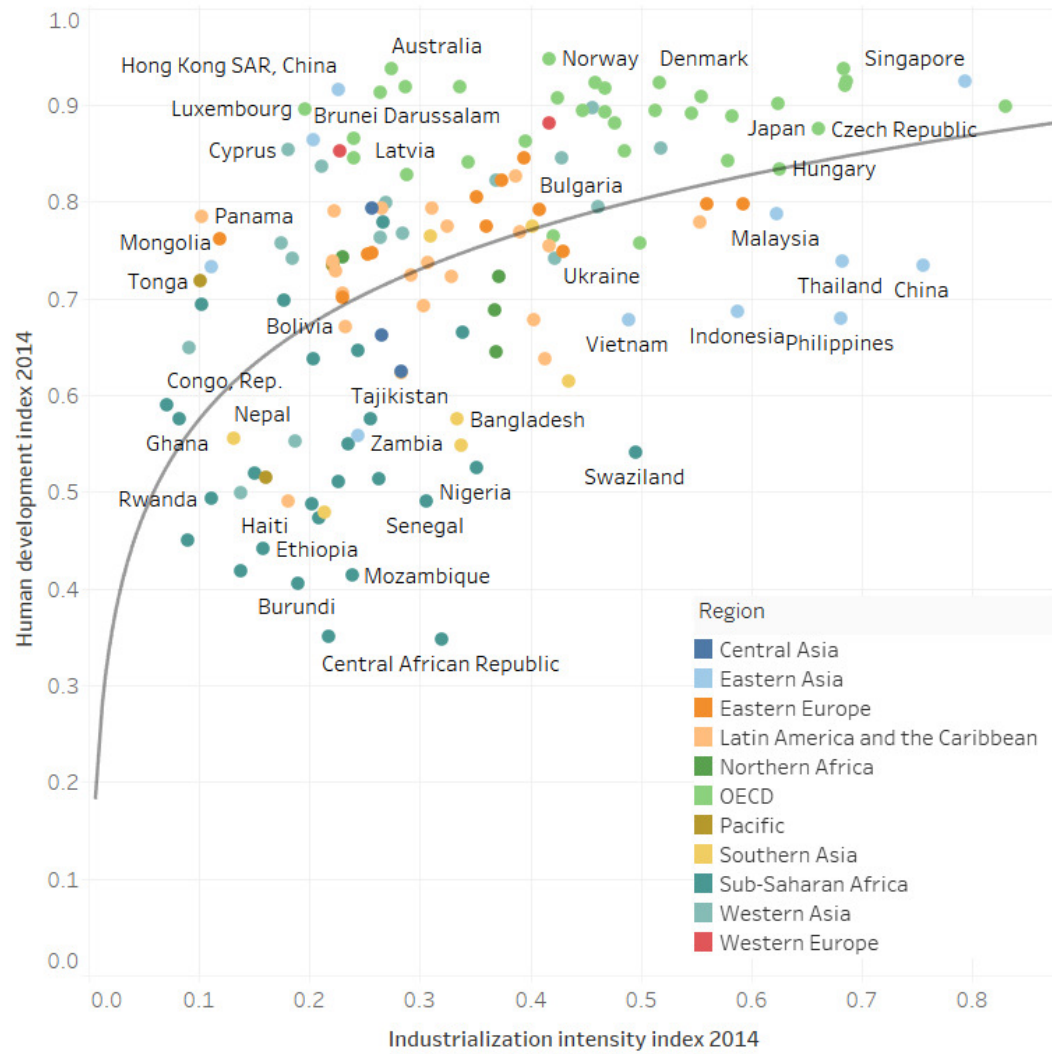


Reaching lower middle-income status + carbon neutral by 2025 requires Industrial growth

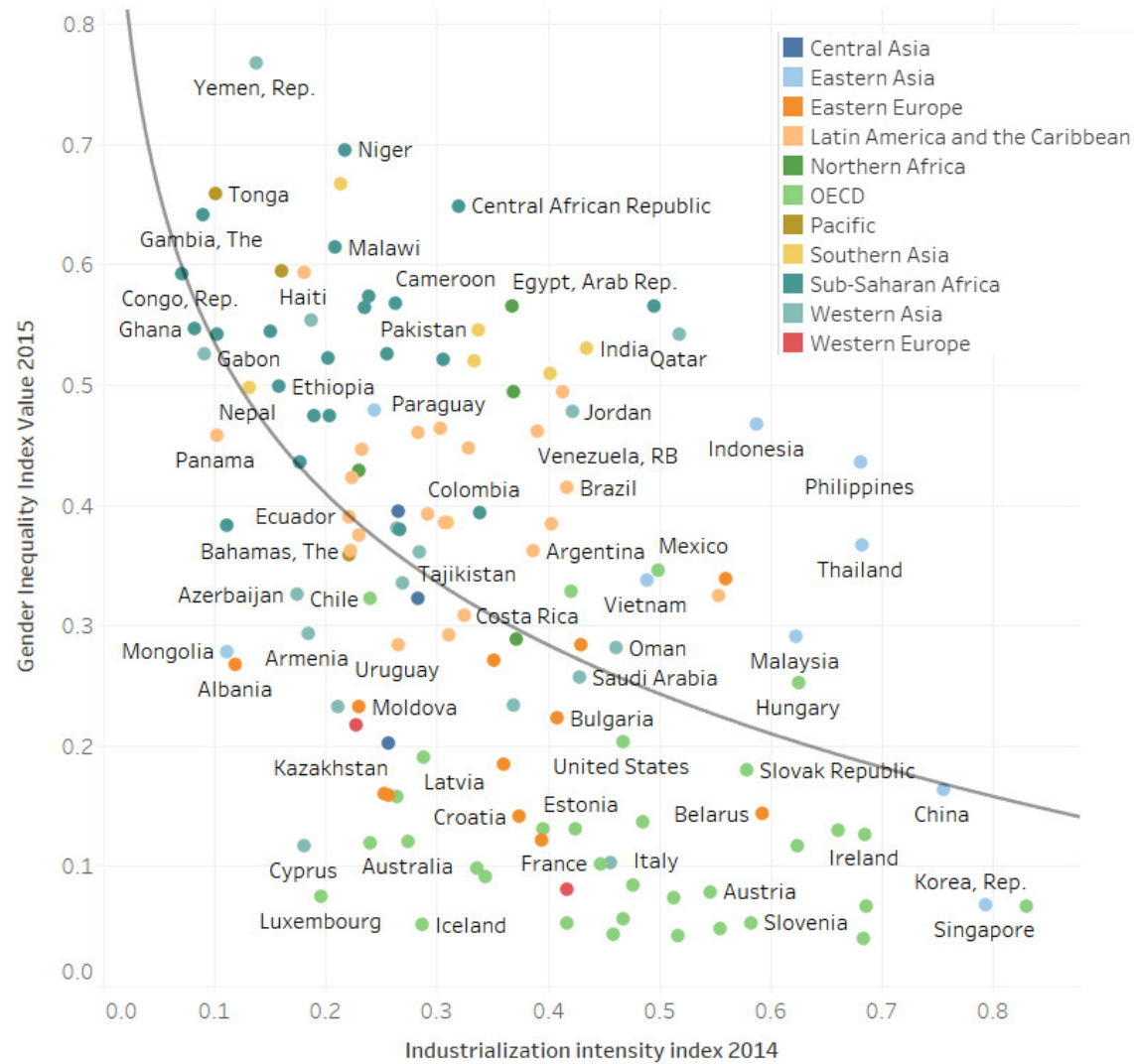
An **inclusive industrialization** process is pivotal for:

- Providing work for more than 70 percent of Ethiopians under 30 years of age, with urban youth unemployment at 22 percent compared to 16.5 percent for all ages
- Advancing women's empowerment and gender equality: unemployed young women 29.6% compared to 12.9% for young men
- Moving the more than one-third of all jobs from informal to formal
- Transforming unfettered urbanization into sustainable urban planning

Human development and Industrialization: not automatic...



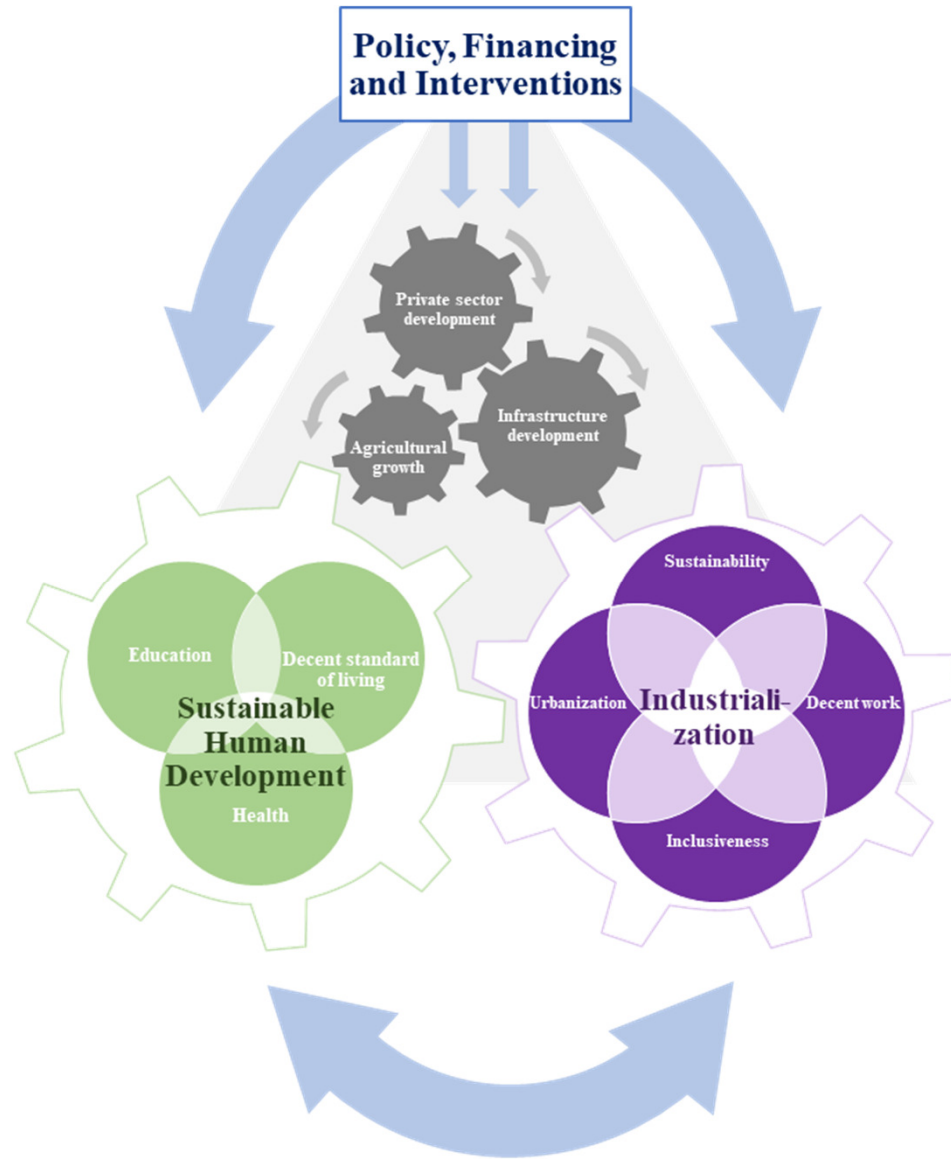
... nor is Gender equality and industrialization



NHDR focus –

- How to leverage the potential of industrial growth *for* human development, gender equality and environmental sustainability?
- How to maximize opportunities and minimize risks?

Proposed conceptual framework



Research areas

- Human development and industrialization patterns, trends and issues in Ethiopia
- Industrial development and sustainability – with a focus on understanding how to minimize negative environment consequences and to strengthen pathways for industrial development that are carbon neutral.
- Industrial development and urbanization: viewing in what ways industry can minimize unfettered urbanization and strengthen the provision of public services.
- Industrial development and decent work – detailing the linkages of industrial growth with more and higher quality work, especially for Ethiopia's youth demographic.
- Industrial development and inclusiveness – how to make industrial growth a force for leaving no one behind and achieving national and global goals and aspirations.

Methodology...

- **Desk research and literature review**
- **Statistical indicators and data collection**
- **Human interest stories – profiles:**
 - Women in informal sector
 - Women in industrial sector
 - Industrial managers
 - School administrators, etc
- **Background papers...**
 - Urbanization and industrialization
 - Informality and SMEs
 - Decent work, youth and gender

Chapterization

- Introduction: Conceptual framework and Ethiopia's Industrialization Patterns
- Making human development work for industrial transformation
- How Industrialization can drive youth employment and decent work
- Fostering Green Industry and Inclusive Urbanization
- Enabling environment for inclusive industrialization
- Conclusion and policy recommendations