

Ethiopia

Proclamation No. 849/2014 a Proclamation to Amend the Investment Proclamation (2014)

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Proclamation No. 849/2014 a Proclamation to Amend the Investment Proclamation

WHEREAS it has become necessary to amend the Investment Proclamation No 769/2012;

NOW, THEREFORE, in accordance with Article 55(1) of the Constitution of the Federal Democratic Republic of Ethiopia, it is hereby proclaimed as follows:

1. Short Title

This Proclamation may be cited as the "Investment (Amendment) Proclamation No. 849/2014".

2. Amendment

The Investment Proclamation No. 769/2012 is hereby amended as follows:

1/ sub-articles (14), (15) and (17) of Article 2 of the Proclamation are deleted and replaced by the following new sub-articles (14), (15) and (17):

"14/ 'Commission' means the Ethiopian Investment Commission to be established by regulation of the Council of Ministers;

15/ 'Investment Board' means the Ethiopian Investment Board to be established by regulation of the Council of Ministers;

17/ 'industrial development zone' means an area with distinct boundary designated by the appropriate organ to develop identical, similar or interrelated industries together or to develop multifaceted industries, based on a planned fulfillment of infrastructures and various services such as road, electric power and water, and having special incentive schemes, with a broad view to achieving, planned and systematic, development of industries, mitigation of the. impacts of environmental pollution and development of urban centers, and includes special economic zones, industrial parks, technology parks, export processing zones, free trade zones and the likes designated by the Investment Board;"

2/ any reference to the "Agency" appearing anywhere in the Proclamation is deleted and replaced by the "Commission";

3/ Article 27 of the Proclamation is deleted and replaced by the following new Article 27:

"27. Investment Administration Organs

The organs of investment administration shall comprise the Investment Board, the Commission and regional investment organs to be defined by the laws of the respective regions."

4/ sub-articles (5), (6) and (7) of Article 29 of the Proclamation are deleted and replaced by the following new sub-articles (5), (6) and (7):

5/ decide on appeals submitted to it by investors against decisions of the Commission;

6/ where, necessary, authorize the granting of new or additional incentives other than what is provided for under the existing regulations;

7/ where necessary, and without prejudice to the provisions of Article 6 of this Proclamation, authorize the opening of investment areas for foreign investors, otherwise exclusively reserved for domestic investors."

5/ sub-article (2) of Article 33 of the Proclamation is deleted and replaced by the following new sub-article (2):

"2/ Without prejudice to the provisions of Article 6 of this Proclamation, industrial zone development shall be undertaken by the federal government or, where deemed necessary, by joint investment of the government and a private investor or by private investors."

6/ sub-articles (1) and (2) of Article 34 of the Proclamation are deleted and replaced by the following new sub-articles (1) and (2):

"1/ The Investment Board shall oversee the administration and supervision of industrial development zones.

2/ The Investment Board shall, in conformity with the procedures provided for under this Proclamation and regulations issued hereunder and the approved investment plans and agreements of the country, decide the reduction or expansion of the boundaries of industrial development zones."

7/ The phrase "Where the recommendation specified under sub-article (2) of this Article is approved a leasehold land within or adjacent to industrial development zones may be possessed by negotiation or decision for the purpose of:" appearing at the beginning of sub-article (3) of Article 34 of the Proclamation is deleted and replaced by the new phrase "Where the reduction or expansion of the boundary of an industrial zone is decided pursuant to sub-article (2) of this Article, a leasehold land within or adjacent to industrial development zones may be possessed by negotiation or decision for the purpose of:"

8/ sub-articles (2) and (3) of Article 35 of the Proclamation are deleted and replaced by the following new sub-articles (2) and (3):

"2/ Measures concerning designation, allocation standard and boundary delimitation of industrial development zones, the rights and duties of investors engaged therein, the services expected from the government and supervision thereon, execution of construction activities and supervision thereon, incentives other than those granted under this Proclamation and the implementation of the provisions of this Part, shall be determined by directives of the Investment Board.

3/ Without prejudice to exceptions made by the provisions of this Part and directives of the Investment Board issued pursuant to sub-article (2) of this Article, other provisions of this Proclamation and regulations issued hereunder shall be applicable to industrial development zones."

3. Effective Date

This Proclamation shall enter into force on the date of publication in the Federal Negarit Gazette.

Done at Addis Ababa, this 22nd day of July, 2014

MULATO TESHOME (DR.)

PRESIDENT OF THE FEDERAL

DEMOCRATIC REPUBLIC OF ETHIOPIA

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