



## **Ethiopia Chamber of Commerce and Sectoral Associations Greening Ethiopian Manufacturing (GEM) Project**

### **Project Back Ground**

Ethiopia is currently challenged by poor growth performance of micro and small scale manufacturing industries and delay in the implementation of large manufacturing projects, all contributing to the slow growth in the sector. Manufacturing sector contributes to less than 5% of the GDP, while the export share of manufacturing sector to total merchandise export has remained at about 10% on average.

The Greening of Ethiopian Manufacturing (GEM) project is envisioning major opportunities for Ethiopian manufacturing industries in the 'green market segment' to inherit a chunk of the light manufacturing industries currently fleeing rising costs in China. This applies to natural fiber cotton, wool, silk manufacturing, man-made fiber manufacturing and garment manufacturing industries, leather industries, organic food, handicrafts etc. The project is launching 3 pilot clusters to pave the way of green growth, increased sales and sustainable job creation. Project partners have excellent knowledge of challenges faced by the MSMEs in manufacturing sub-sectors in Ethiopia and international experience in SCP practices facilitation.

### **A. Project Objectives**

To support Ethiopian micro and small scale manufacturing industries in adoption of sustainable consumption and production (SCP) practices and seizing green growth opportunities.

### **B. Project Specific Objectives**

1. To conduct assessment of most promising green growth manufacturing industries in Ethiopia;
2. To launch 3 pilot green manufacturing clusters and develop their action plans;
3. To implement actions for green- growth reorientation of MSME's within pilot clusters, build their capacity on SCP practices and contribute to their increased sales and job creation;
4. To facilitate SCP practice-based collaboration among key stakeholders within each cluster's value chain and disseminate lessons learned

### **C. Project Target Groups**

1. Over 100 micro, small and medium enterprises (MSME) in Ethiopia manufacturing industries, including those in the informal economy;
2. MSME support organizations, institutes, universities and other organisations;
3. MSME's business partners, such as buyers, retailers etc.

#### **D. Project Main Services**

1. Design for sustainability and eco-innovation
2. Technical advisory on sustainable sourcing and consumption practices
3. Trainings and capacity building
4. Financial support

#### **E. Criteria to Participate in the Project**

1. The firm must be SME
2. The firm must work in either of the following sectors textile, leather and handicraft
3. The firm should be dedicated to apply SCP practices
4. The firm must commit itself with the project values and principles
5. The firm must Abide to the rules and regulations