**Ethiopian Government Policy and strategy**

Green economy strategy

* The vision: Achieve middle-income status by 2005 in a climate-resilient green economy.
* The challenge: Realize economic development goals in a sustainable way.
* The plan: follow a green growth path that fosters development and sustainability.

**The vision:**

Economically, Ethiopia is one of the world’s fastest growing countries. Building on its positive recent development; it intends to reach middle-income status before 2025.It aims to do so by building a green economy.

**The challenges:**

If Ethiopia were to pursue a conventional economic development path to achieve its ambition of reaching middle-income status by 2025, GHG (Greenhouse gases mainly CO2,N2O and methane) emissions would more than double from 150 Mt CO2e today to 400 Mt CO2e in 2030.Ethiopia’s development could result in unsustainable use of natural resources, being locked into out dated technologies and in losing an ever-increasing share of GDP to fuel imports Ethiopia would lose the opportunity of making its development sustainable.

Regardless of whether the development path is a conventional or sustainable one, Ethiopia faces a critical challenge in attracting the investment needed to support the projected growth. Current and expected domestic savings and foreign direct investments, grants and transfers will not be sufficient to fund these investments.

**The Plan:**

Ethiopia has the ambition to develop along a green economic trajectory. It has consequently outlined a strategy to build the green economy. So far, it has identified and prioritized more than 60 initiatives that could help the country to achieve its economic development goals while at the same time limiting net GHG emissions in 2030 to below today’s 150 Mt CO2e around 250 Mt CO2e less than estimated for the current development path (BAU).Building a green economy will lead to further socio-economic benefits and allow Ethiopia to tap climate finance.

This strategy focuses on four pillars that will support Ethiopia’s developing green economy:

* Adoption of Agricultural and land use efficiency measures.
* Increased GHG sequestration in forestry.i.e protecting and re-establishing forests for their economic and ecosystem services including as carbon stocks.
* Development of renewable and clean power generation.
* Use of appropriate advanced technologies in industry, transport and buildings.

**Rural Development strategy**

The government of the federal democratic republic of Ethiopia has set a basic economic development goal. It is to develop a strong free market economy which will benefit the people at various stages, liberate Ethiopia from being dependent on aid and guarantee rapid economic development. This basic goal has four aspects.Frist; it aims at ensuring rapid economic development. Second, Apart from ensuring rapid economic development, it aims at realizing a condition for making the people benefit from the development.Third; it aims at liberating Ethiopia economy from aid –dependency and at continuously improving its role and position in international economic integration. Fourth, it aims at achieving rapid economic development with the above mentioned properties through the development of free market economy.

In order to achieve the above mentioned basic economic development goals, it is imperative to have a complete vision of rural development and movements to implement the vision. Today, economic development activities taking place in rural Ethiopia are and should be, mainly focused on agricultural development. However, this does not mean that there should not be non-agricultural development, wide-range of infrastructure and social development activities are required. Based on, Agricultural development, it is possible and necessary to take actions to develop trade and industry. Therefore, although it is true that the central focus of rural development is agriculture, it should not bound itself to agricultural development only.

Agriculture-centered rural development is one of the working areas designed to help achieve the basic economic development goals. It should be clear that we have to work hard on other areas as well to achieve our basic economic development goals. However, rural development should be underlined that it is the main tool to achieve our economic goal. Statements like’’ the development direction we are following now is agriculture and rural-centered, it is agriculture-led industrial development strategy, etc.’’Emphasize that rural and agriculture centered development movement is the major tool to achieve our development goal and the leading direction of our efforts for economic development. Agriculture-centered rural development strategy is our major development direction because it will enable us to fully implement the following four major tasks.

**{Development** **should be viewed from the perspectives of equity and alleviation of poverty and illiteracy.}**