

Welcome to Ethiopia, and thanks for letting me spend some time with you this morning.

I'm happy to be joined by our embassy's Deputy Chief of Mission, David Renz, and our senior Economic Officer, Daniel Streitfeld.

David's a senior Foreign Service Officer who's spent most of his distinguished career doing economic and commercial work in the developing world, including here in Africa.

Daniel, also a Foreign Service Officer, is our embassy's lead economic officer, and this is his second posting in the Horn of Africa doing economic work.

We're lucky to have them both on our embassy team, and thrilled to have you here in Ethiopia.

If this moment in Ethiopia is distinguished by nothing else, it's distinguished by opportunity.

A little over a year ago, Ethiopia's new Prime Minister, Dr. Abiy Ahmed, created unprecedented opportunities by launching a stunningly ambitious and comprehensive reform agenda that galvanized the Ethiopian people, the United States, and the world.

Ethiopia is working hard to turn these opportunities into outcomes, and we're working hard to help them.

From a U.S. Government perspective, this is the most pivotal and promising moment in Ethiopia's exceptionally long and rich history.

We're committed to fully supporting Ethiopia as it pursues political and economic reforms that we believe represent the surest path to Ethiopia's prosperity, political inclusiveness, and long-term stability.

On the economic side, these reforms are moving Ethiopia past decades of policies that were mistrustful of free-market economics, and that prioritized State-led investments that drove up the country's external debt while squeezing out private sector opportunities.

On the political front, Ethiopia's reforms have already lifted decades of entrenched repression, laying the groundwork for true multi-party democracy, a free and robust media, and new trust between the people and their government.

And as these reforms take root, they'll bring to Ethiopia a new kind of durable and organic stability: not the stability imposed, though never for long, by repression, but the kind that arises from common cause and shared purpose.

Of course, none of these things – political inclusion, durable stability, and economic prosperity – can happen without the others.

They're far too intertwined and interdependent.

But of the multitudes of moving parts that make up Ethiopia's extraordinarily ambitious reform agenda, the economic piece is arguably the most important.

That's because, first and foremost, it's what the Ethiopian people themselves care about most: having jobs and economic opportunity, for themselves and their children.

They care about seeing, in their communities, the kind of responsible economic activity that fuels even greater economic activity, through job creation, fair wages, training programs, and responsible environmental standards.

Over the past 15 months, the Ethiopian government has made significant strides toward facilitating this kind of economic activity.

They're reshaping public investment through privatization of telecommunications and other large state-owned enterprises, and shifting to a Public Private Partnership investment model.

Though there's more to be done, they're taking steps to address capital constraints by easing banking restrictions on diaspora investors; moving to create financial markets; overhauling the investment law; improving the certainty of access to land, especially for investors; and revisiting

key commercial agreements and treaties, notably the New York Convention.

They're working to improve logistics, including access to alternative ports and investment in road and rail infrastructure.

They're promoting trade, for example by reducing tariffs on agricultural tools and equipment, by reinvigorating WTO accession negotiations, and by ratifying the Africa Continental Free Trade Area Agreement.

And they're improving governance: reforming and revitalizing domestic revenue mobilization efforts; arresting officials involved in corrupt procurement practices; transferring large contracts away from corrupt and under-performing entities; and accepting technical advisers from bilateral and multilateral donors to help shape future policy and operations in a free-market-friendly direction.

These stand to be transformative changes, but the transformation won't succeed as fully or as quickly as it can, and must, without the support of both the international community and the private sector.

Among the international community, we in the U.S. government are working hard to do our part.

We're doing this both by supporting U.S. businesses pursuing opportunities in Ethiopia, and by helping Ethiopia create the kind of business climate U.S. companies need to invest at scale.

We've redoubled our support to U.S. business in light of the promise of Ethiopia's reforms, because we strongly believe that the resulting business opportunities will only grow in the days ahead.

We hosted a major delegation of U.S. government economic and commercial leaders, as well as an impressive roster of U.S. corporate executives, during a visit last year by the President's Advisory Council on Doing Business in Africa, and we're supporting several of those companies as they pursue follow-up opportunities.

Among the outcomes of that trip was a memorandum of understanding between our two countries agreeing to specific support for U.S. commercial activity in Ethiopia.

Over the past year, we've supported multiple trade missions, in both directions, focusing on specific sectors and regions, including delegations from the states of Florida and Illinois.

A couple of months ago, we hosted the Ethiopian Partnerships Forum at the State Department in Washington, a two-day event focused solely on doing business in Ethiopia, that attracted senior Ethiopian officials and over 400 U.S. business representatives.

The U.S. Chamber of Commerce was an important supporter of that event, for which we remain very grateful.

But while we've been promoting U.S. commercial engagement in Ethiopia, we've also been acutely aware that top U.S. firms can do business anywhere in the world, and need a strong case for doing business in Ethiopia.

So we've focused much of our efforts over the past year on supporting the implementation of Ethiopia's economic reforms and developing the strong business climate that U.S. and other top-tier firms want to see.

We're doing this in a multitude of ways.

Ethiopia was recently selected for a Millennium Challenge Corporation Threshold program.

This selection happened far sooner than MCC normally acts, and is a strong recognition of how far Ethiopia has come, and how quickly.

Beyond being a strong vote of confidence in Ethiopia's future, the Threshold program is a powerful tool that will not only help Ethiopia prioritize its economic policy reforms, but will also provide a multi-million dollar infusion of U.S. government support to help implement those reforms.

The U.S. Trade and Development Agency is working with Ethiopia to adapt procurement processes to improve transparency and implement life-cycle value analysis in the selection process.

USAID is partnering with the Harvard Kennedy School and Ethiopian economic leaders to conduct a constraints analysis that will identify the

key factors inhibiting Ethiopia's growth and provide a roadmap for addressing them.

As the Ethiopian government makes a welcome shift toward Public Private Partnerships for infrastructure projects, announcing 17 new opportunities in recent months, the United States is working with Ethiopia to support the development of PPP projects that meet Ethiopia's needs while offering fair opportunities to U.S. and other high-quality firms.

We've just placed a senior U.S. Treasury Department advisor into the Ethiopian Finance Ministry's PPP unit to support these efforts.

USAID has concluded a project with Ethiopian Electric Power, the state power provider, to create a competitive tender process for power generation and transmission projects that focuses on public-private partnership mechanisms.

Our efforts also seek to support a transparent and level playing field for all companies, because we know that when the odds are fair, American companies compete and win against the best of the competition.

These are some of the steps the U.S. government is taking to help Ethiopia create the business climate needed to attract world-class investments.

But for U.S. companies to win in Ethiopia, more of them need to compete.

While we certainly don't minimize the challenges to doing business in Ethiopia, we encourage U.S. companies to look hard at how their own corporate interests can benefit from investing in this time and place, in this country:

- with almost 110 million people (the second largest population in Africa);
- with a burgeoning middle class;

- with the largest air transportation hub in Africa and the surrounding region;
- with Africa's fastest-growing economy over the past dozen years (averaging around 10 percent growth each year, and that before fully embracing free-market economics);
- and, now, with a deep and durable new commitment to unleashing its full economic potential through private sector engagement and a comprehensive set of political and economic reforms.

From a U.S. government perspective, I freely acknowledge a confluence, though not a conflict, of interests.

The United States wants to see U.S. firms invest, compete, and win in Ethiopia, first of all because we know that the right U.S. firms can do well in this context, to their benefit and the benefit of their shareholders.

But we also want to see more U.S. firms in Ethiopia because a critical mass of high-quality foreign investment is essential to the success of Ethiopia's reforms – political as well as economic.

And we want these reforms to succeed not just for the sake of Ethiopia, its citizens, and the surrounding region, but because the success of Ethiopia's reforms lies squarely in the best interests of the United States and our own political, security, and commercial interests as well.

Simply put, the United States wants this new Ethiopia, this Ethiopia of shared values and priorities – a compelling new proponent of democracy, stability, and prosperity within and beyond its borders – to be as strong and successful as possible.

And for all of this to happen, Ethiopia needs much greater levels of high-quality private sector engagement on the ground.

Which brings me back to you.

Ethiopians are eagerly looking for more U.S. private sector involvement.

We see sharply rising appreciation, among the Ethiopian government and people alike, for what sets U.S. businesses apart: world-class technology; top-quality products; total-cost price advantages;

responsible training, labor, and environmental practices; long-term commitments; and respectful win-win partnerships.

The U.S. businesses already on the ground in Ethiopia model these values, and they tell us repeatedly that they're proud to do well in Ethiopia while also doing good.

Ethiopians see that U.S. businesses don't just bring value, but values.

They want U.S. investment, products, and services.

But at the end of the day, if U.S. companies don't step in to meet the demand, there are others who will.

We know that U.S. firms can do business anywhere in the world, and only you can parse Ethiopia's opportunities from your own firms' optics.

We also know that, as Ethiopia pursues its stunning reinvention, there will be challenges along the way.

Nothing of this scale, complexity, and ambition has ever come easy.

But these challenges do not come without enormous opportunities.

And so I encourage you to give Ethiopia a very close look, but not just from the perspective of near-term potential and payoff.

And not just from the potential to plant your corporate flag at this country's most pivotal moment, as it lays the groundwork to unleash its full economic potential, and before the take-off yet to come.

I would also suggest, as your corporate interests and ethos allow, that you consider the merits of having your company be a part of one of the most unambiguously positive, ambitious, and consequential re-inventions of a major country in world history.

A re-invention which, not incidentally, includes one of the most significant and potential-filled economic transformations underway anywhere in the world today.

U.S. businesses that are on the ground in the coming days will not only stand to benefit from Ethiopia's transformation, but will contribute to it as well.

They'll help guide and support the business climate reforms underway; they'll demonstrate the durable value of top-quality products, processes, and investments; and they'll model the value and impact of dynamic and ethical business practices for a country that has seen too little of this for too long.

And most of all, they'll validate the faith that both the Ethiopian and U.S. governments have placed in the transformative power of the private sector, not only to improve individual lives and lift individual fortunes, but to put whole countries -- and even regions -- on a path to democratic inclusiveness, durable stability, and lasting prosperity.

So back to where I started, what we have here, today, in Ethiopia, is a new era of opportunity, and we're very happy that you're here to take a look.

If and when you explore possibilities for doing business in Addis, my embassy team and I are here to support you.

In fact, the U.S. Embassy's highest priority lies at the intersection of your commercial success and the success of Ethiopia's reforms.

Because there too lie the best interests of the government and people of the United States.

Thanks very much for your attention, and I hope you have a great day today and a very enjoyable time in Ethiopia.