The effect of the Ethiopian Government investing in the green economy using Biomass in the economy of Ethiopia 2005-2016



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INTRODUCTION



• Due to difficult climatic conditions Ethiopia has had an extended past of far reaching food crisis and famine particularly 1974-1975 and 1984-1985.







• In recent years the Ethiopian Government has embraced techniques for better weather pliability.

• Pledged low carbon growth, taking advantage of renewable energy through biomass to provide energy for industrial development.



OBJECTIVES



- Determine the Ethiopian Government investment in Biomass as a stimulus to power industrial development.
- Evaluate the Ethiopian Government economic growth through investment in Biomass.

• Determine the Ethiopian Government public works program and work food program for biomass production as a stimulus for job creation and poverty alleviation.



RESEARCH METHODOLOGY



- Content analysis has been used to collect data for examining Ethiopia's Productive Safety Net Program with Biomass Investment and South African Government's Expanded Public Works Program.
- Literature review design is a text of scholarly knowledge with current substantive findings.
- In depth literature was reviewed and analysed of the Productive Safety Net Program and Expanded Public Work.



RESULTS AND DISCUSSION



ETHIOPIA'S PSNP

- There is strong indication that the Public Works Programs through PSNP have contributed to better climatic conditions .
- Fenced hills through PSNP has confiscated huge carbon dioxide and biomass.







- KZN Zibambele EPWP was created for rural roads maintenance for sustained job creation & poverty reduction for rural poor.
- Zibambele created permanent employment through labour intensive roads maintenance for 14 000 workers on a part time basis.
- The participants selected by communities targeted poorest households.





PSNP AND ETHIOPIA'S ECONOMIC GROWTH





- PSNP Total number of 7.6 million participants.
- Contributed to community infrastructure, environmental transformation and biomass.
- Ethiopia GDP growth was at 10.6%, 2013-2014. It is amongst the fastest growing non oil economies in the world.

EPWP & SA'S ECONOMIC GROWTH





- SA EPWP has had 2 million participants.
- Contributed to community infrastructure
- South Africa's estimated growth was 1.3% in 2015/2016 and 0.8% in 2016/2017 years.



ETHIOPIA AND SA POVERTY & UNEMPLOYMENT



- 38.7% of Ethiopians lived in poverty in 2004–2005, 5 years later the figure fell to 29.6%.
- 49% of South Africans live below poverty line, while 51% live above poverty line.
- Unemployment in Ethiopia reached a record of high of 26.4% in 1999 and a record of low of 16.8% in 2015.
- Unemployment in South Africa was 26% in 2015 using restricted definition of unemployment and 35% using an expanded definition of unemployment in 2015.



CONCLUSIONS



- The Ethiopian Government through the PSNP invested in community infrastructure, biomass and environmental transformation, this resulted in a double digit economic growth of 10.6%. While South Africa Government through EPWP focused only on community infrastructure and economic growth has been plus minus 1% a negative growth in some quarters of the year.
- The Ethiopia's PSNP investment contributed to a significant reduction in poverty and unemployment, while SA unemployment and poverty has been rising even with SA's EPWP investment





Thank you for your attention !

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