

Revitalized Sector

Ethiopia has taken bold measures to revitalize the textile manufacturing and apparel sector. Eventhough Ethiopia has got a comparative advantage in the sector, its contribution to the national foreign currency earnings has been insignificant.

Ethiopia has got a large labor force and increasing productivity in cotton production optimizes the condition which is necessary for the development of the sector. Textile industry stands second after the agro-processing industry.

In the past nine years, there was an average increment of 30 percent. Currently, its share in the national foreign currency earnings stands at 1.01 percent.

The table below indicates the growth a scored in the development of the sector.

Year (E.C.)	Investment in Textile and Apparel (Birr)	Share in Total Investment
1994	20,703,000	0.3
1995	793,203,000	12.2
1996	829,339,000	12.7