



PURPOSE AND PROSPERITY

HOW U.S. BUSINESSES ARE
CREATING IMPACT IN ETHIOPIA



U.S. CHAMBER OF COMMERCE

U.S.-Africa Business Center



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ACKNOWLEDGEMENTS

The U.S. Chamber of Commerce and American Chamber of Commerce Ethiopia graciously acknowledge our members for contributing to this inaugural Corporate Social Responsibility report. This report was commissioned by the U.S.-Africa Business Center and the AmCham Ethiopia Board of Directors. Production and design was led by Brionne Dawson, Senior Director for Southern and East Africa, with support from Rebecca Araya, General Manager of AmCham Ethiopia.

ABOUT THE U.S.-AFRICA BUSINESS CENTER

The U.S.-Africa Business Center is the preeminent voice advocating for increased trade between the United States and Africa, with a focus on leading the U.S. business community in a new period of unprecedented engagement with Africa's regional economic communities, the established African private sector, as well as small and medium-sized enterprises. Its relationships with key members of Congress, the administration, and foreign governments open doors for strategic dialogues that advance private sector involvement in Africa.



ABOUT AMCHAM ETHIOPIA

The American Chamber of Commerce (AmCham) in Ethiopia is an independent, non-governmental and not-for-profit organization that works to strengthen bilateral trade and investment between the United States and Ethiopia. AmCham Ethiopia brings together government stakeholders, private sector leaders, innovative changemakers and civil society to create equitable business opportunities and contribute to the sustainable economic development of Ethiopia.

The project submissions contained in this report were provided by staff of the profiled companies. Where necessary and relevant, the U.S.-Africa Business Center modified the submissions to ensure consistency. These modifications were approved by the companies. This report is intended for informational purposes only. The U.S. Chamber and companies profiled herein do not accept any liability if this report is used for an alternative purpose from which it is intended.

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PURPOSE AND PROSPERITY



LETTER TO STAKEHOLDERS

SCOTT EISNER
PRESIDENT, U.S.-AFRICA BUSINESS CENTER

REBECCA ARAYA
GENERAL MANAGER, AMCHAM ETHIOPIA

Dear Business Colleagues and Stakeholders,

On behalf of the U.S. Chamber of Commerce's U.S.-Africa Business Center (USAfBC) and the American Chamber of Commerce in Ethiopia (AmCham Ethiopia), we are delighted to share with you the report, *Purpose and Prosperity: How U.S. Businesses are Creating Impact in Ethiopia*. This is our inaugural report on sustainable business impact in Ethiopia and the extension of a multi-year Corporate Social Responsibility (CSR) initiative.

Over recent years, significant dialogue has arisen around sustainability, corporate citizenship and shared value. Ethical, responsible and sustainable business practices are a source of competitive advantage for American companies and a cornerstone of business values espoused by the U.S. Africa Business Center and AmCham Ethiopia.

By documenting case studies and best practices in four thematic areas—skills transfer and workforce development, education, health and wellness, and environmental stewardship and sustainability—we showcase the contribution our members are making towards advancing inclusive economic growth in Ethiopia.

The case studies offer a sample of approaches in use by multinational and Ethiopian companies, highlighting ethical business practices in use by leading firms in the market. Across Ethiopia, our members and their strategic partners are contributing towards economic growth, job creation, and poverty reduction outcomes that in turn strengthens Ethiopian communities.

As the second most populated country in Africa with immense potential to contribute to global supply chains, a young and entrepreneurial population, and renewed commitment to the rule of law, Ethiopia is well poised for economic growth that can enhance the shared prosperity of the country and the wider region.

Whether firms export, source goods and services from Ethiopia, or invest in the market, the private sector recognizes the upside potential and is engaging for the long haul. As one of the fastest growing economies in the world, no greater

HOW U.S. BUSINESSES ARE CREATING IMPACT IN ETHIOPIA

opportunity exists to adapt and create new business models that are inclusive and responsive to the tremendous potential that exists in the market and brings shared value to local communities.

As the preeminent voice in the global business community advocating for increased trade and investment between the U.S. and Africa, we are grateful to our board of directors that commissioned the report, and graciously acknowledge our members who made contributions to the report.

As we further develop our CSR initiative, the U.S.-Africa Business Center and AmCham Ethiopia remain steadfast in our commitment to support companies to grow their presence and profitability, while also managing risks, and positively impacting the communities in which they operate.

We look forward to your feedback and support as we strengthen this body of work to enhance shared prosperity.

Sincerely,



Scott Eisner
President, U.S.-Africa Business Center



Rebecca Araya
General Manager, AmCham Ethiopia



SKILLS TRANSFER AND WORKFORCE DEVELOPMENT



HILTON ADDIS ABABA

Region: Addis Ababa

Project: Providing Opportunities for Youth

Total estimated project value (in USD): \$10,000

Hilton Addis Ababa values skill development and higher education opportunities for young Ethiopians interested in careers in the hospitality sector. The leading international brand holds an annual apprenticeship program, which gives students the opportunity to acquire practical on-the-job skills and learn how to be successful in the hotel business. In some cases, the Hilton Hotel offers high-performing apprentices a full-time job and provides global training standards to further their career in hospitality.



The leading international brand holds an annual apprenticeship program, which gives students the opportunity to acquire practical on-the-job skills and learn how to be successful in the hotel business.

In collaboration with the Catering and Tourism Training Institute (CTTI), Hilton Addis Ababa fashioned a mock-up guest room in the Housekeeping Laboratory of the training college. This mock up guest-room serves as a simulation for students to gain first-hand experience in upholding international housekeeping standards. In conjunction with the training program, the hotel also hosts career days with prospective Addis Ababa University Business School graduates. The career day event includes a site visit to the hotel as well as career development discussions to encourage careers in hospitality.

In partnership with Education for Needy People (ENPA) school, a low-income kindergarten program, Hilton Addis Ababa financially assists the school in procuring educational materials, food supplies and kitchen equipment to support child development while the students are at school. Furthermore, hotel team members occasionally visit the school

to ensure supplies are properly managed and allocated to students. Hilton Addis Ababa also works to support healthy and clean habits for students through its Soap for Hope program. Soap for Hope provides a machine that recycles used soaps to new soap, allowing ENPA to enforce a healthy and hygienic environment where students can learn. Moreover, Hilton offers hotel educational tours, briefings and entertainment shows to over 500 students at Ms. Ford Memorial Government Elementary School in an effort to expose young students to career opportunities in hospitality.



HYATT REGENCY ADDIS ABABA

Region: Addis Ababa

Project: Catering and Tourism Training Institute Cooperative Training Program

Total estimated project value (in USD): \$49,990

In the beginning of 2019, Hyatt Regency Addis Ababa partnered with the Catering and Tourism Training Institute (CTTI) to launch a cooperative training program as part of its social responsibility outreach. The program is designed to offer more hands-on hospitality learning opportunities for 60 CTTI trainees on a semester basis. The curriculum offers on-the-job training in front office procedures, food preparation and food and beverage operations.



All expenses to run the program are covered by Hyatt Regency and play a very significant role in producing a well-trained workforce that can contribute to the nation's fast-growing hospitality sector.

Hyatt Regency Addis Ababa understands the value of industrial exposure and real-life learning situations and therefore, has entered into an agreement with CTTI to split the curriculum 50/50 so that trainees attend theoretical hospitality classes at the institute three days a week and spend the remaining time at the hotel for practical training. All expenses to run the program are covered by Hyatt Regency and play a very significant role in producing a well-trained workforce that can contribute to the nation's fast-growing hospitality sector.

The program will help improve the trainees' employability in the hospitality market in Ethiopia and will run until January 2021. The objective is to enroll a total of 150 CTTI students in the cooperative training program with hopes that they will join the hotel upon completing the program.



EDUCATION



SUNSHINE INVESTMENT GROUP

Region: Tigray

Project: Community Development through Education and Skills Training

Total estimated project value (in USD): \$350,000

Sunshine Investment Group is leading Ethiopian conglomerate that models exemplary diversity and social responsibility in Ethiopia through its four main businesses in infrastructure and commercial construction; hotels and hospitality, consumer goods and services trading; and philanthropy.



The foundation believes that the path to creating meaningful and lasting change in the world begins with grassroots community impact.

Sunshine Investment Group established a CSR implementer wing of the group company called Sunshine Philanthropy Foundation, registered under the Ethiopian Civil Society Agency in 2009. This philanthropic organization institutes a public-private partnership model that incorporates a knowledge-sharing framework to ensure sustainable development for the most vulnerable communities in Ethiopia. Since its establishment, the foundation has helped over 12,000 orphans and vulnerable children (OVC), built four schools in rural areas and constructed a center for the elderly in Addis Ababa. The foundation has various philanthropic projects throughout three regional states of Ethiopia with a total budget of close to one million US dollars. In the northern region of Tigray, the foundation supports educational and

social support programs that provide skills training to young girls to learn practical engineering skills to make simple household products and innovative construction equipment using recycled materials.

Sunshine Investment Group's approach to philanthropy is grounded on the principle of creating a platform for transparent engagement and continuous coordination between local government officials, school principals, teachers, parents and other community leaders. This unique model not only helps deliver sustainable results, but also spurs innovative ways for the community to work together to achieve greater prosperity. The foundation believes that the path to creating meaningful and lasting change in the world begins with grassroots community impact. Therefore, the Sunshine Philanthropy Foundation, together with its partners invest in innovative community programs to help improve the quality of life for thousands of Ethiopians.



HEALTH AND WELLNESS

CATERPILLAR FOUNDATION

Region: Tigray

Project: Providing Clean and Safe Drinking Water for Communities in Ethiopia

Since 1952, the Caterpillar Foundation has focused on improving the lives of people around the world. As Caterpillar works to build a stable societal infrastructure, the Caterpillar Foundation helps build human infrastructure. To date, the Foundation has championed programs that support education, environment and basic human needs—helping to build stronger individuals, communities and economies.



Through its work, the Foundation strives to play a role in the development of the country by partnering with organizations that address the need for basic human services such as clean drinking water and sanitation in rural communities.

The Caterpillar Foundation has worked with charity: water, a nonprofit organization dedicated to bringing clean and safe drinking water to people in developing nations. To date, charity: water has impacted more than 6.1 million people across 24 countries. Through its partnership with charity: water, the Caterpillar Foundation has helped support various programs providing more than 800,000 people across nine countries with clean and safe drinking water.

Caterpillar has a long history in Ethiopia and is committed to this important and growing economy. Through its work, the Foundation strives to play a role in the development of the country by partnering with organizations that address the need for basic human services such as clean drinking water and sanitation in rural communities. The Foundation's investments in charity: water's programs in Ethiopia have supported the rehabilitation of 25 existing water points and the implementation of 522 new water points. These 547 impacted communities where charity: water works are also benefiting from education on improved sanitation and hygiene practices.

The Caterpillar Foundation's most recent investment in 2018 will expand and sustain water, sanitation and hygiene (WASH) coverage in Tigray.

Access to clean water means the potential for increased levels of family income. For example, women will have more time to start businesses, improve their homes and take charge of their future, and young girls can spend more time in school and invest in their education.



GENERAL ELECTRIC (GE) FOUNDATION

Region: Amhara

Project: Amhara Region Oxygen Centre (Safe Surgery 2020)

Total estimated project value (in USD): \$2,000,000

GE Foundation, the philanthropic organization of GE, is committed to transforming communities and shaping the diverse workforce of tomorrow by leveraging the power of GE.

The Foundation's seed-funded Safe Surgery 2020 program was launched in Ethiopia in 2016, with a commitment of \$10 million over three years, to strengthen surgical systems in Ethiopia. The global program introduces innovation, global expertise, and local experience to make surgical care safe and accessible for all. Medical oxygen is essential to providing safe surgical care and treating many critical conditions, including pneumonia, a leading cause of deaths in children. Yet, in 2016, less than half of the hospitals and health centers across Ethiopia had medical oxygen available.



The Foundation's seed-funded Safe Surgery 2020 program was launched in Ethiopia in 2016, with a commitment of \$10 million over three years, to strengthen surgical systems in Ethiopia.

Through a public-private partnership under Ethiopia's National Oxygen Roadmap, which was developed with funding contributions from the U.S. Agency for International Development (USAID), the Amhara Oxygen Center was created to provide affordable and reliable medical oxygen to hospitals across the Amhara Region, bringing the lifesaving medical treatment within reach of millions of patients. With leadership from the Amhara Regional Health Bureau, the Center in Bahir Dar, is a flagship program of the Safe Surgery 2020 initiative and addresses the issue of medical oxygen scarcity. Across sub-Saharan Africa 25 percent of health facilities do not have oxygen available and 32 percent have an irregular supply. The facility features two plants that will produce medical oxygen for 40 hospitals serving 8 million patients.

The project contributed to the development and implementation of Ethiopia's national strategy for surgery and offers a model that can be replicated elsewhere in the country. As part of Safe Surgery 2020, the Saving Lives Through Surgery (SaLTS) program has implemented a range of workforce development and infrastructure programs, including developing 60 surgical leaders and mentors, and training over 500 hospital staff on sterilization and surgical infection prevention across Ethiopia.



PFIZER

Region: East Africa (Ethiopia)

Project: International Trachoma Initiative

Pfizer believes that all individuals deserve access to quality healthcare and the opportunity to lead healthy lives. Pfizer combines traditional philanthropic methods with novel approaches to create an enduring and meaningful impact on public health systems to facilitate access to healthcare for underserved communities around the world. Through its Corporate Responsibility team, Pfizer makes the best use of its resources—people, products, and funding—to help build healthcare capacity, expand access to medicines and offer community support.



One of Pfizer's key initiatives is working to help end the suffering and cycle of poverty caused by trachoma, the world's leading cause of preventable blindness. Trachoma is an infectious eye disease that causes eyelids to turn in and lashes to scrape the eyeball, causing great pain, corneal ulcers and irreversible blindness unless treated with antibiotics or a simple

One of Pfizer's key initiatives is working to help end the suffering and cycle of poverty caused by trachoma, the world's leading cause of preventable blindness.

surgical procedure. Trachoma affects the poorest of the poor and nearly 232 million people are living in trachoma-endemic areas in 58 countries. Africa represents 76.8 percent of the global population estimated to live in trachoma endemic areas. Ethiopia carries over 50 percent of the global trachoma burden. Data from the National Survey on Blindness, Low Vision and Trachoma (2005–2006), indicate that Ethiopia is the most affected country in the world with a national active trachoma prevalence of 40.1 percent.

In 1998, Pfizer and the Edna McConnell Clark Foundation co-established the International Trachoma Initiative (ITI), an independent nonprofit organization dedicated to eliminating trachoma by 2020. The ITI initiative is now housed at The Task Force for Global Health, an independent not-for-profit, where the ITI manages Pfizer's donation of the antibiotic Zithromax® (azithromycin), the antibiotic used to treat trachoma. ITI collaborates with governmental and

nongovernmental agencies at local, national, and international levels to implement the World Health Organization (WHO) recommended SAFE strategy for trachoma control.

Ethiopia received the first donation of Zithromax® in 2002. The cumulative dose of Zithromax® that the country received to date reached over 406.2 million treatments (47 percent of the global donation). Currently there are 583 districts in Ethiopia that require intervention and through ITI, Pfizer is donating the antibiotics to treat trachoma in these areas.



PROCTOR & GAMBLE (P&G)

Region: Addis Ababa, Afar, Amhara, Beneshangul Gumuz, Dire Dawa, Gambella, Harari, Oromiya, Southern Nations, Nationalities, and People's Region, Somali, Tigray

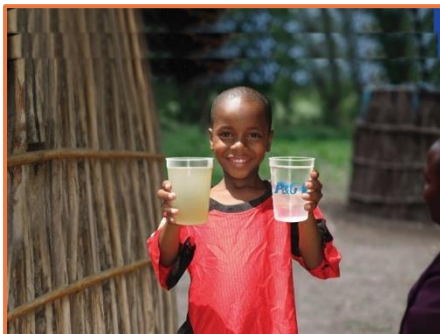
Project: Children's Safe Drinking Water (CSDW) Program

Every day P&G works to be a force for good and a force for growth. P&G aspires to positively impact all stakeholders in each area of our Citizenship efforts: Ethics and Corporate Responsibility, Community Impact, Diversity and Inclusion, Gender Equality and Environmental Sustainability.

P&G has been in operations for over 180 years and reaches over 50 million children in 17 African countries, including Ethiopia.



In 2015, the company opened its offices in Ethiopia, laying the foundation for P&G to increase its footprint in Ethiopia and effectively partner in the stable business environment provided by the Ethiopian government. Directly and indirectly, our local operation employs more than 2,000 people and aims to grow as P&G operations expand and drive value down the chain.



PROVISION OF SAFE DRINKING WATER:

More than fifteen years ago, P&G scientists, in collaboration with the U.S. Centers for Disease Control, invented a 4-gram packet that can transform dirty water to clean, drinkable water in only 30 minutes.

Today, with the help of more than 150 partners, this technology is delivering clean drinking water to those who need it most. P&G has exceeded its goal to provide 15 billion liters of clean water by 2020 through our Children's Safe Drinking Water (CSDW) Program a year early.

In Ethiopia alone, P&G donated over 2.5 billion liters of clean drinking water over the last 14 years and is committed to delivering 25 billion liters around the globe by 2025. Our CSDW efforts are implemented in rural communities that don't have access to clean drinking water. In Ethiopia, our efforts were focused in Addis Ababa; Afar; Amhara; Beneshangul Gumuz; Dire Dawa; Gambella; Harari; Oromiya; SNNPR; Somali and Tigray.



P&G also signed a 3-year program with USAID in Ethiopia to provide basic amenities, as well as Water Purifier packets in care kits specifically targeted at people living with HIV and their families.

MOTHER AND BABY HEALTHCARE PROGRAM:

Introduced in 2015, P&G's Pampers Mother and Baby Health and Hygiene programs in hospitals has reached over 500,000 mothers and their babies with baby care, hygiene education and basic health checks across the country (specifically in Addis Ababa, Mekelle, Sodo, Hawassa). These programs are provided by registered doctors and health personnel.



ENVIRONMENTAL STEWARDSHIP AND SUSTAINABILITY



DOW CHEMICAL IMEA (DOW)

Region: Addis Ababa and Amhara

Project: Project Butterfly

Total estimated project value (in USD): \$81,000

Dow is helping to create jobs and reduce plastic pollution in Africa through the Project Butterfly social initiative. Introduced in 2017, Project Butterfly works with nonprofit organizations and local communities to tackle poor waste management through education, cleanup and innovation-focused initiatives. Together with community partners, Project Butterfly aims to preserve the environment for future generations by reshaping how communities perceive and engage with plastic waste. The initiative is also advancing a circular economy in Africa, one that redesigns, recycles, reuses and remanufactures to keep materials at their highest value use for as long as possible.



In Ethiopia, Project Butterfly helps raise awareness and influence positive behavior in waste disposal and recycling. This demonstrates Dow's commitment to developing regional packaging industries by helping communities understand waste management, or end-of-life, packaging challenges and issues that affect them most. The key values of Project Butterfly

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include upholding STEM education, sustainability, and value chain collaboration by creating an educational platform to inspire, educate and ultimately transform mindsets and local communities. The project bridges the gap between recycling buy-back centers, sorting facilitators, collectors and recyclers; creates meaningful and useful objects from re-use; and explores practical opportunities to improve structural waste management.

In Addis Ababa, Dow worked with two cooperatives to economically empower women to become role models in leading waste management and plastic recycling initiatives. The women obtained skills in sustainable waste collecting, sorting, recycling process, personal safety standards, and business management. The project directly impacts jobs creation and income generation for communities and empowers local grassroots organizations and NGOs with inroads for tackling poor waste management in their communities by assisting them with resources and visibility through key projects.

With support from the City Administration of Bahir Dar (Amhara region), Dow organized a city-wide clean up and awareness session that incorporated scientific workshops and community theater in partnership with Meskere school, Cifa Onlus and ChildFund Ethiopia.

PVH CORP.

Region: Southern Nations, Nationalities and People's Region

Project: Protecting Lake Hawassa

Total estimated project value (in USD): \$670,000

With a history going back over 135 years, PVH Corp. has excelled at growing brands and businesses with rich American heritage, becoming one of the largest apparel companies in the world. With over 36,000 associates operating in over 40 countries and nearly \$9 billion in annual revenues, PVH owns the iconic Calvin Klein, Tommy Hilfiger, Van Heusen, IZOD, ARROW, Speedo, Warner's and Olga brands, as well as the digital-centric True & Co. intimates brand, and markets a variety of goods under these and other nationally and internationally known, owned and licensed brands.



As one of the largest global apparel companies, PVH values access to safe water as a human right that is essential for communities to thrive. Through a multi-stakeholder collaboration to improve water security for communities and users of Lake Hawassa, PVH leads the "Protecting Lake Hawassa" project, which is jointly funded by PVH and the German Aid agency, GIZ, in joint leadership with the Rift Valley Lakes Basin Authority (RVLBA).

In 2019, the water stewardship program incorporated three major initiatives to safeguard Lake Hawassa for the communities and livelihoods that depend on this shared resource the most.

In 2019, the water stewardship program incorporated three major initiatives to safeguard Lake Hawassa for the communities and livelihoods that depend on this shared resource the most.

1. Solid Waste Management: to reduce the amount of solid waste discharged by city residents into the lake;
2. Afforestation and Soil Erosion Control: to improve integrated catchment and landscape management, thereby enhancing biodiversity, reducing siltation of the lake and supporting sustainable livelihoods; and
3. Community and Stakeholder Engagement: to improve education and community awareness on the importance of protecting the lake.

NOTES



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