**World Bank Group's Country Partnership Framework for Ethiopia**
**Private Sector Consultations Summary**
**March 24, 2026**

The consultation on the World Bank Group's proposed 10-year Country Partnership Framework (CPF) with 31 representatives from the private sector. The participants represented various sectors, including agribusiness, manufacturing, healthcare, finance, and housing, and were from 11 sectoral associations, including the country's two largest chambers of commerce.

Key Points Discussed:

**Governance, Regulatory Environment, and Access to Finance**

- Private sector confidence is being constrained by the unpredictable implementation of reforms, particularly in tax administration, customs, and competition-related practices. This uneven playing field undermines investment decisions.
- **Access to finance remains inadequate across all firm sizes and sectors.**
    - Long-term finance is scarce, especially for manufacturing, agribusiness, and housing.
    - MSMEs and startups face prohibitive collateral requirements.
    - The limited availability of de-risking instruments constrains the mobilization of private capital.
    - The capital market is welcomed but is viewed as a medium-term solution that requires sustained support.

**Infrastructure, Digitalization, and Logistics**

- Reliable power supply has emerged as the most critical constraint across all sectors.
- Inefficiencies in logistics, which are exacerbated by limited competition, raise costs and reduce competitiveness.
- Gaps in digital connectivity further contribute to increased costs.
- The potential of Special Economic Zones (SEZs) is unrealized due to weak trade facilitation, warehousing, and access to finance.

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**Human Capital, Education, and Health**

- A significant skills mismatch exists, with a weak alignment between education outcomes and the needs of the labor market, which constrains productivity and job creation.
- There is a growing demand for sector-specific skills, apprenticeships, and stronger private sector participation in training, alongside a need for greater gender inclusion and attention to early learning.
- A healthy workforce is viewed as a prerequisite for sustainable growth. Priorities in this area include early nutrition, health insurance, WASH, family planning, and stronger support for private healthcare service delivery and pharmaceutical manufacturing.

**Sector-Specific Support and Value-Chain Constraints**

- Systemic bottlenecks are undermining key growth sectors such as agribusiness, manufacturing, and housing.
- These constraints include weak seed systems, low productivity, import dependence, limited long-term finance, and skills gaps, all of which inhibit scaling and job creation.

**Cross-Cutting Priorities**

- Participants stressed the need to embed resilience across all CPF outcomes.
- There is a need to promote competition through regional integration.
- Interventions should be aligned with HGER 2.0.
- Collaboration with CSOs and development partners needs to be strengthened.

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