

Deloitte opens office in Ethiopia

Professional services firm, Deloitte, have announced the opening of its Ethiopia office in the country's capital Addis Ababa. The opening follows a signing, in July 2012, of a merger agreement between Deloitte and leading Ethiopian accountancy and advisory firm HST. With this opening, Deloitte now enjoys a presence in one of Africa's richest countries, in mineral wealth, culture and history.



"The Deloitte commitment to Africa is evidenced by our long established presence on the continent," says Lwazi Bam, CEO of Deloitte Southern Africa. "We have a number of clients that have been our clients for as long as we have existed. We believe that they have stayed with us because of the value that we continue to add."

The merger brings together the firm's East Africa practice with accountancy and advisory firm HST, which was the first partnership of professional Accountancy services firm in Ethiopia and brings with it a combined experience of over 20 years in the local market.

Based in Addis Ababa, Deloitte Ethiopia will provide assurance, consulting, financial, tax and risk advisory services to clients in both the private and public sectors. This will be achieved by bringing together a team of highly qualified experts from diverse industries to provide clients with relevant advice and assistance.

The launch of the new office is in line with the advice that Deloitte gives to its clients, which is to strengthen on the ground presence and local knowledge of any market they wish to enter.

Deloitte East Africa is a cluster of offices located in Ethiopia, Kenya, Tanzania and Uganda that have joined together to provide seamless cross-border services to clients in the region. Clients enjoy access to the firm's global presence. This means access to approximately 200 000 people from more than 150 countries around the world. "This means we have a pool of local experts that can solve any problem in any industry area, leveraging off global expertise," says Sammy Onyango, CEO of Deloitte East Africa.

The deal also cements the firm's position as a leading revenue earner among professional services firms on the continent. Deloitte revenues in Africa for 2012 amounted to US\$664m. "We believe this is a result of our investment in the growth of our African practices throughout the long history of Deloitte in Africa, which stretches back a century," says Onyango.

Africa and Ethiopia in particular, offer a compelling case for investment and expansion. African economies are set to continue growing faster than many developed economies and, with shifting trade patterns towards China and India

continuing to gain momentum, Deloitte's on the ground presence and expertise make it ideally positioned to partner with clients as they pursue new opportunities.

For its part, Ethiopia is one of Africa's most uplifting growth stories of the past two decades. With its sizeable population of just under 100 million people, arable land takes up 10% to 15% of its land area. This places agriculture at the centre of economic life, accounting for about 80% of employment while Ethiopia is now one of the top ten cattle exporters in the world, according to The Economist. Ethiopia is expected to join the World Trade Organisation within the next decade.

One of the critical growth areas that Deloitte can help Ethiopia explore is how to extract mineral resources. Last year, Deloitte acquired 100% of South African based mining consultancy firm Venmyn Rand. This acquisition will see the establishment of a new technical and economic mineral advisory business called Venmyn Deloitte. The division will offer unmatched expertise throughout the life cycle of a mining project.

Ethiopia boasts a wide range of mineral deposits. These range from gold, tantalum, niobium, platinum, iron ore, to cement, salt, gypsum, clay, shale, and soda ash, to mention a few. In spite of this potential wealth, the mining sector in Ethiopia remains relatively underdeveloped.

Venmyn Deloitte has already been involved in techno-economic advice on a world-class potash deposit in the Danakil depression. The project will provide infrastructure, upgraded transportation routes and employment for the relatively impoverished region. "This is just one of a number of areas in which Deloitte can work with Ethiopia to realise its full development potential," says Bam.

With its entry into Ethiopia, and recent office openings in South Sudan and Libya, Deloitte now has a presence in 34 African countries.

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