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## Volkswagen develops automotive industry in Ethiopia

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- Volkswagen brand expands its business in Sub-Saharan Africa by signing a Memorandum of Understanding (MoU) with Ethiopia
  - Volkswagen is contributing to the fast development of the country by founding an automotive industry
  - MoU is based on: vehicle assembly, localization of automotive components, mobility concepts, opening of a training center
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**Addis Ababa / Wolfsburg –Volkswagen brand continues its engagement in emerging countries in Sub-Saharan Africa. In the presence of Frank-Walter Steinmeier, President of the Federal Republic of Germany, a Memorandum of Understanding (MoU) was signed by Thomas Schaefer, Head of the Volkswagen Sub-Saharan Africa Region, and the Commissioner of the Ethiopian Investment Commission (EIC), Abebe Abebayehu, today. Thereby, Volkswagen is taking the fast development of the country into account. Over the last ten years, the GDP growth rate in Ethiopia was above 8 percent – one of the highest worldwide. Moreover, Ethiopia is a priority and focus country for Germany under the G20-“Compact with Africa” initiative.**

Volkswagen will focus on four key pillars: the establishment of a vehicle assembly facility, localization of automotive components, introduction of mobility concepts such as app-based car sharing and ride hailing as well as the opening of a training center. As such, Volkswagen will work closely with the Ethiopian higher education and training institutions for skills development and capacity building of local talent.

Schaefer commented: “As one of the fastest growing economies and with the second highest population in the continent, Ethiopia is an ideal country to advance our Sub-Saharan Africa development strategy. Additionally, Volkswagen intends on tapping into existing expertise and strategic resources in Ethiopian to help to establish a thriving automotive components industry.”

Ethiopia becomes the third country in Sub-Saharan Africa to sign a Memorandum of Understanding with Volkswagen. It follows Ghana and Nigeria who both signed MoUs with Volkswagen in August 2018. In Ghana, Volkswagen will establish a vehicle assembly facility and conduct a feasibility study for an integrated mobility solutions concept. In Nigeria, Volkswagen implemented a phased approach of vehicle assembly with

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long term view of establishing Nigeria as an automotive hub in West Africa.

Volkswagen has been manufacturing vehicles in South Africa since 1951. In Africa, Volkswagen also has vehicle assembly operations in Algeria, Kenya and Rwanda.

Under its TRANSFORM 2025+ brand strategy, Volkswagen is strengthening the regions and focusing on new up-and-coming markets. The Sub-Saharan Africa region plays an increasingly important role. Although the African automotive market is comparatively small today, the region has a bright look-out to develop into an automotive growth market of the future.

**Note:**

Photos are available from 5 p.m. at [www.volkswagen-newsroom.com](http://www.volkswagen-newsroom.com)

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**About the Volkswagen brand: "We make the future real"**

The Volkswagen Passenger Cars brand is present in more than 150 markets throughout the world and produces vehicles at over 50 locations in 14 countries. In 2018, Volkswagen delivered 6.24 million vehicles including bestselling models such as the Golf, Tiguan, Jetta or Passat. Currently, 198,000 people work for Volkswagen across the globe. The brand also has over 7,700 dealerships with 74,000 employees.

Volkswagen is forging ahead consistently with the further development of automobile production.

E-mobility, smart mobility and the digital transformation of the brand are the key strategic topics for the future.

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