

MONTHLY UPDATE – FEBRUARY 2010

Agribusiness and Trade Expansion Program

“INCREASING RURAL INCOMES AND EMPLOYMENT”

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ECEA hosts 4th annual Ethiopian Coffee Roundtable Conference and Exhibition

USAID-ATEP, together with the Ethiopian Coffee Exporters Association (ECEA), organized the 4th annual Ethiopian Coffee Roundtable Conference February 18-19 at the Hilton Hotel in Addis Ababa. This year’s theme was Marketing and Promotion Opportunities of Ethiopian Coffee. It focused on linking sellers to buyers and identifying specific market demands.

On the first day, the roundtable conference featured presentations and discussions by local and international experts on the challenges and prospects in Ethiopia’s coffee industry. The industry aims to export more than 300,000 metric tons of coffee this year, and Director Assefa Mulugeta of MoARD reinforced the department’s commitment to meeting that goal.

On the second day, more than 60 coffee exporters exhibited their coffee for visitors. 200 participants took part in the two-day event. Attendees included government officials, roasting companies and importers from Europe and North America, coffee experts and Ethiopian coffee industry stakeholders. The event was a reflection of the modernization of the coffee industry following the introduction of the Ethiopian Commodity Exchange (ECX).

“This forum is a valuable instrument to identify and overcome problems faced by coffee growers, exporters and buyers; and to formulate strategies vital to further enhance exporters’ competitiveness,” said ECEA President Hussien Agraw.



Photos by Fintrac Inc

International coffee buyers cup Ethiopian specialty coffee samples during the 4th Ethiopian Coffee Roundtable Conference and Exhibition.



Coffee buyers visit the Bezuayehu Shone Coffee Plantation stand at the exhibition.

USAID Agribusiness and Trade Expansion Program

This project is implemented by Fintrac Inc., a US agribusiness consulting firm. Consortium members include Boot Coffee Consulting & Training, the Economic Competitiveness Group, Manchester Trade, and the Rainforest Alliance. It covers four agricultural production sectors in four regions of Ethiopia which are supported by business development and health programs.

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First Coffee Cupping Caravan

USAID-ATEP organized the first Coffee Cupping Caravan, held February 21-25. The caravan promotes traceability of high-quality coffees, linking producers, farmer representatives, and cooperative officials to buyers. This helps raise awareness about the coffee’s source on the international marketplace.

Twelve international specialty coffee buyers from the US, Canada, the Netherlands, Greece and Taiwan visited farmer cooperatives belonging to the Sidamo and Yirgacheffee Coffee Unions. At each of the field cupping locations, the buyers selected, roasted, and tasted various coffee samples and gave feedback to the participants on the coffee’s quality and flavor profile. The roasters made use of mobile cupping labs donated by Starbucks to roast and cup coffees onsite.

Upon their return to Addis Ababa, the buyers, along with the leaders of the two coffee cooperative unions, held a press conference. Takele Mamo, general manager of Yirgacheffee Coffee Farmers’ Cooperatives Union, said the caravan gave coffee farmers a chance to secure premium prices. The international buyers emphasized the caravan’s role in raising awareness about the outstanding qualities of Ethiopian coffees.

ECX launches Direct Specialty Trade

The Ethiopia Commodity Exchange (ECX) launched a platform called Direct Specialty Trade (DST), which allows Ethiopian specialty coffee growers to sell directly to international buyers and set up traceability systems. The growers include cooperatives, unions and commercial growers that can directly export to the international market, as stated by the Ethiopian coffee legislation.

“DST is a traceable, reliable and sustainable trade mechanism that enables specialty and price discovery among others,” said Dr. Eleni Gebre-Medihin, CEO of ECX, during her presentation at the 4th Ethiopian Roundtable Coffee Conference.

During the first DST session, 44 primary cooperatives and commercial growers presented coffee. More than 1,600 tons of specialty coffee worth \$562,000 were traded to registered international buyers. Buyers from the 4th Ethiopian Round Table Conference and the Coffee Cupping Caravan also took part in the inauguration of DST.

USAID-ATEP sponsors coffee industry delegates at the 7th EAFCA conference

A delegation from the Ethiopian coffee industry attended the 7th Eastern African Fine Coffees Association (EAFCA) Conference and Exhibition, February 11-13 in Mombassa, Kenya. The event focused on issues facing the African coffee industry.



Ethiopia’s stand at the 7th Eastern Africa Fine Coffees Conference and Exhibition in Mombassa.

Photos by Fintrac, Inc



Yirgacheffee Coffee Farmer Cooperative Union General Manager Takele Mamo talks to journalists.



Paul Mark, an international coffee buyer from Transcend Coffee, visits Hora Trading at the Ethiopian Coffee Roundtable and Exhibition.

The Ethiopian delegates represented the public and private sectors, including the Ethiopian Coffee Exporters' Association (ECEA), Ministry of Agriculture and Rural Development (MoARD), Oromia and SNNPR Bureau of Agriculture and Rural Development (BoARD). The Ethiopian booth displayed coffee samples and information and served premium coffee. The traditional Ethiopian coffee ceremony attracted many visitors. On the last day of the conference, the top five Ethiopian specialty coffees were traded on EAFCA's invitation-only trading floor.

EAFCA is collaborating with USAID-ATEP and other development partners to minimize the knowledge gap in the coffee value-chain in Ethiopia.

USAID official visits Nuredin Strawberry Farm

USAID Official Roberta Cavitt visited USAID-ATEP lead client Nuredin Strawberry Farm on February 9. Discussions were held with the farm owner Nuredin Hussien and farm manager Amsalu Bekri.

Nuredin, a 12-hectare farm, was established in 2006. The farm produces fruit and vegetables mostly for local markets. But recently, Nuredin started exporting strawberries on a trial basis to Dubai and Djibouti.

Smallholders' field day conducted

USAID-ATEP, in collaboration with the CFC project of the Ethiopian Horticulture Producers and Exporters Association (EHPEA), conducted a smallholders' field day in the Ziway/Meki area on February 17. Extension agents, smallholders, NGOs, commercial farmers and agricultural experts took part.

The participants visited USAID-ATEP, IDE and FTC demonstration sites, and shared experiences on crop diversification, low-cost drip irrigation systems, improved cultural practices and onion seed production techniques. They also visited the Ethioflora commercial farm, the Dodicha export green bean production area, and the Adamitulu packhouse. Integrated pest management (IPM), use of hybrid vegetable seeds, postharvest handling techniques and improved nursery and field management were also discussed. ATEP and CFC-EHPEA are providing technical assistance to smallholder farmers organized under Dodicha Water Users' Cooperative and Meki-Batu Union in Ziway and Meki environs.

Training on business development and warehouse management launched

Training on business development and warehouse management started in Gondar on February 15. The first two rounds of trainees were board members of USAID-ATEP partner unions, Zonal Agricultural Experts and USAID-ATEP extension agronomists based in Gondar.

Specific training topics included warehouse management and inventory control, grain grading procedures, cooperative laws, guidelines and marketing, and appropriation of surplus and losses. The training is designed to fill major capacity gaps of the Farmers' Cooperatives in Humera and Metema. Cooperative needs-assessments were conducted in late November 2009. Training will continue with an additional three phases, ending in late March.

Chiquita visited ATEP lead client Gadco

Representatives from Chiquita, one of the world's largest banana companies, visited USAID-ATEP lead client Gadco Farm. Discussions were held on cultural practices and postharvest handling of the fruit. The company also visited other banana growers in Arbaminch area. Chiquita is exploring the opportunities to source bananas from Ethiopia to the Middle East.



Photos By Fintrac, Inc
 Roberta Cavitt (left) tours Nuredin Strawberry Farm packhouse with farm manager Amsalu Bekri.



Mohammed Mimiya, a USAID-ATEP Agronomist based in Meki, talks with farmers about irrigation.