

USAID looking to introduce sea freight for Ethiopia horticulture Zimbabwe postpones

CONTINUED FROM PAGE 2

BY Dereje Berhanu

ADDIS ABEBA, Ethiopia - USAID's agribusiness department is looking at increasing Ethiopia's exportation of horticultural products by sea.

According to a study, air freight is more expensive than sea freight: one kilo by air costs about two USD, but the price of sea freight for the same weight is about 0.8 USD.

The main problem for Ethiopian horticulture is the price of transport, as most produce is exported by air. Ethiopian Airlines in this fiscal year announced that they are not making a profit on horticultural exports.

Ethiopia has been developing a horticulture sector to secure, foreign currency and the government has been highly supportive of the sector.

Mr. Gebermichael Hubete, coordinator in the horticulture sector, said: "In the first pilot run, frozen strawberries were sent to Europe and the result were very good. Now we want more growers to work in this way."

USAID is supporting key clients with technical and agronomic assistance, post-harvest handling and infrastructure development, while a follow up visit to Ethiopia was conducted by Mr. Kees Poortvliet, of The Greenery marketing organization in Holland to discuss plans for this winter's import season.

Crop programs for the upcoming export season include: fresh herbs for the EU market; snow peas (mangetout) and sugar snaps for the EU and Middle East markets; fine beans for the UK and bobby beans for Holland; strawberries, capsicums

and especially tomatoes for the Middle East markets; and table grapes and avocados for longer term export by sea.

Bobby beans, Ethiopia's major horticultural export after flowers, which are marketed through the Van Oers Organization in Holland, have been the foundation of the air-freighted vegetable industry in Ethiopia for many years. Increases in freight costs have eroded the financial viability of this crop over the last few years, while competition in the form of sea-freighted beans from Morocco and Egypt leave little room for value-added functions. The challenge for the Ethiopian industry is to identify and develop alternative entry level crops for emerging exporters and smallholder suppliers.

The existing low value and high volume exports of potatoes, onions and tomatoes to Djibouti from eastern Ethiopia is representative of local regional market production.

In order to achieve a sustainable value-added approach for export growth, there is a need for considerable modernization. Some of the project's major clients are investing in infrastructure, such as EthioVegfru which has invested heavily in drip irrigation and extensive mechanized production to increase yields and reduce unit costs, helping to offset increases in the cost of freight.

As horticulture exporters finalize investments and launch successful export programs, associated smallholder-based production schemes will be developed around them. •

harmonisation of CETS OF COMESA and EAC. It is against this background that it has been deemed prudent to postpone the COMESA Summit to a future date during the first six months of 2009 to enable the harmonisation process and consultations to be completed,' he said.

However sources differed saying the Government was not sure how other countries in COMESA would view the political developments in the country considering that Mugabe the parties were still to implement the deal. •

EU committed ...

CONTINUED FROM PAGE 2

Nairobi, and officials from, among other countries, France, he said: "Today [our visit to Somaliland] is to share with our friends, brothers and colleagues in Somaliland the tough time they face from extremist."

"I hope that incident won't effect the commitment of its people, and I am proud to praise Somaliland for what it has done all by itself."

The EU envoy to Somaliland and Somalia also talked about problems that could effect the registration of voters and added: "We will do everything possible with Somaliland - either the Electoral Commission or the government - to fulfill the commitment we have determined together to implement; which is upgrading the democratization process." •

African financial ...

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attention be given to improving the quality of aid consistent with the principles agreed in the Paris Declaration and the Accra call to Action. "We call upon the forthcoming Financing and Development Conference in Doha from November 29 to December 2, 2008 to endorse these issues and confirm the sustained commitment of the international community to development."

The ministers also asked the forthcoming G20 meeting in Washington to consider issues of international financial architecture and governance and asked South Africa, which is going to represent the continent during the meeting, to convey the view of Africa.

Towards the end of their com-

munique, the ministers noted that they welcomed the assurance given by the European Union through the current presidency (France) that it will maintain its commitments to increased aid and commended the president of the World Bank for his commitment to increase support to Africa.

The global financial crisis also featured in discussion held at the third African Economic Forum, which was held from November 12-14. It is running parallel to the ministerial conference organized by ADB and ECA and aims to mobilize Africans, with the aim of seeking answers to the global financial crisis. •

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