

Over View of ETHIOPIAN COFFEE SECTOR



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ETHIOPIAN
COFFEE AND TEA AUTHORITY

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Addis Ababa



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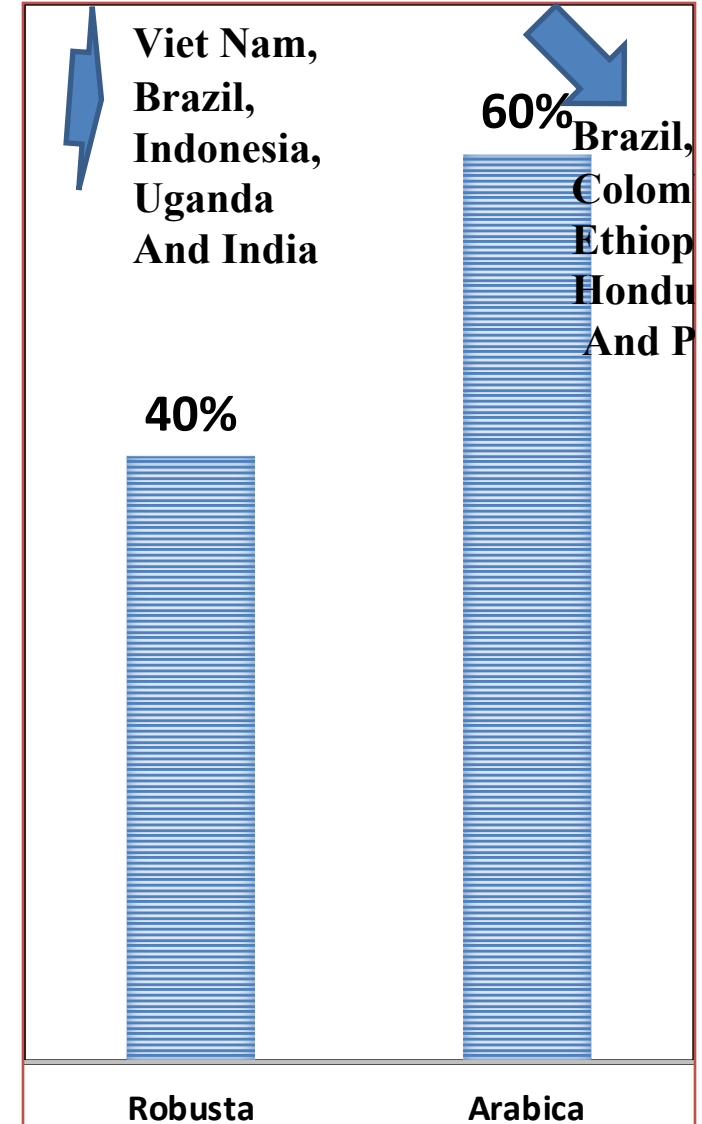
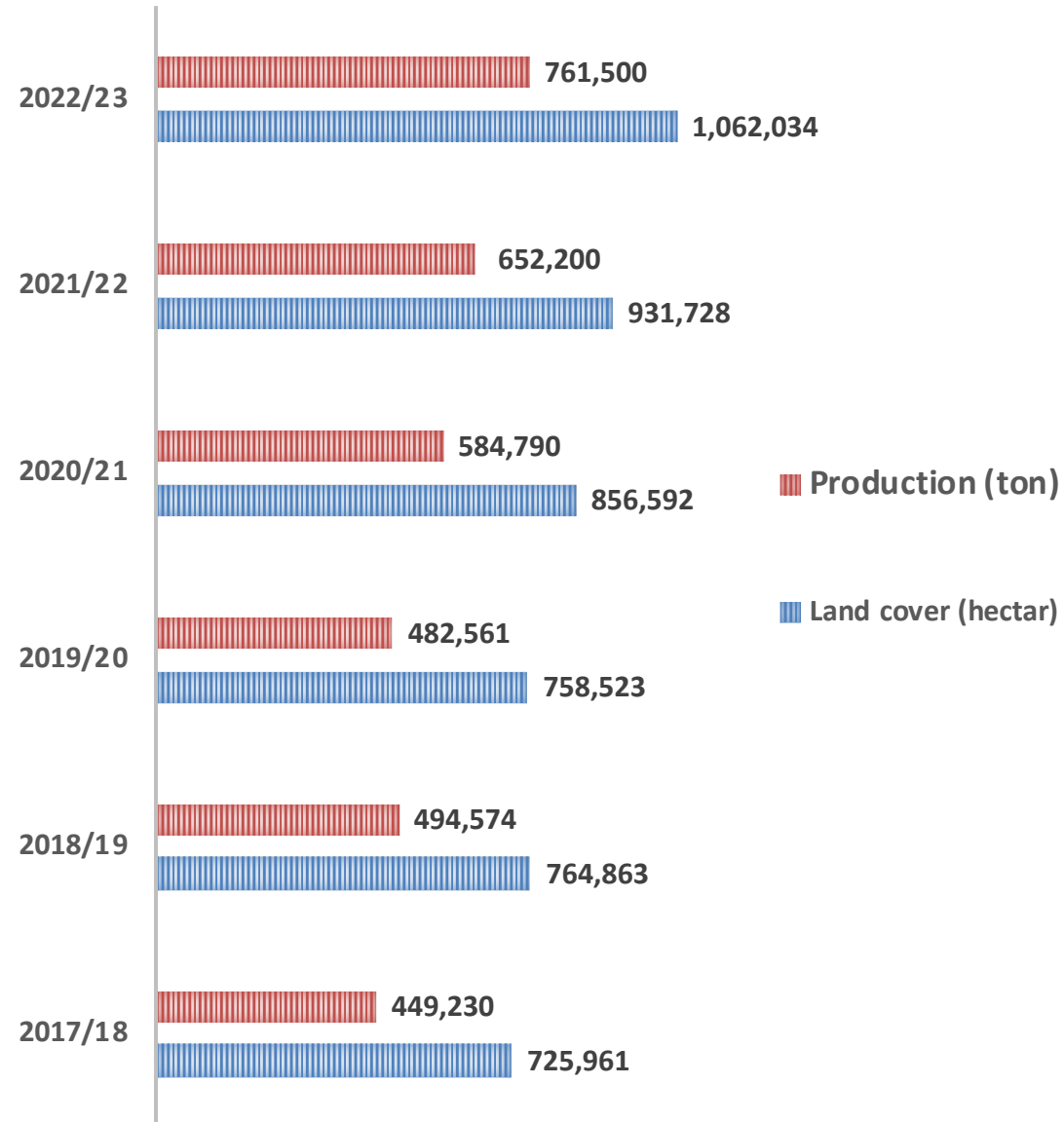


JAPAN

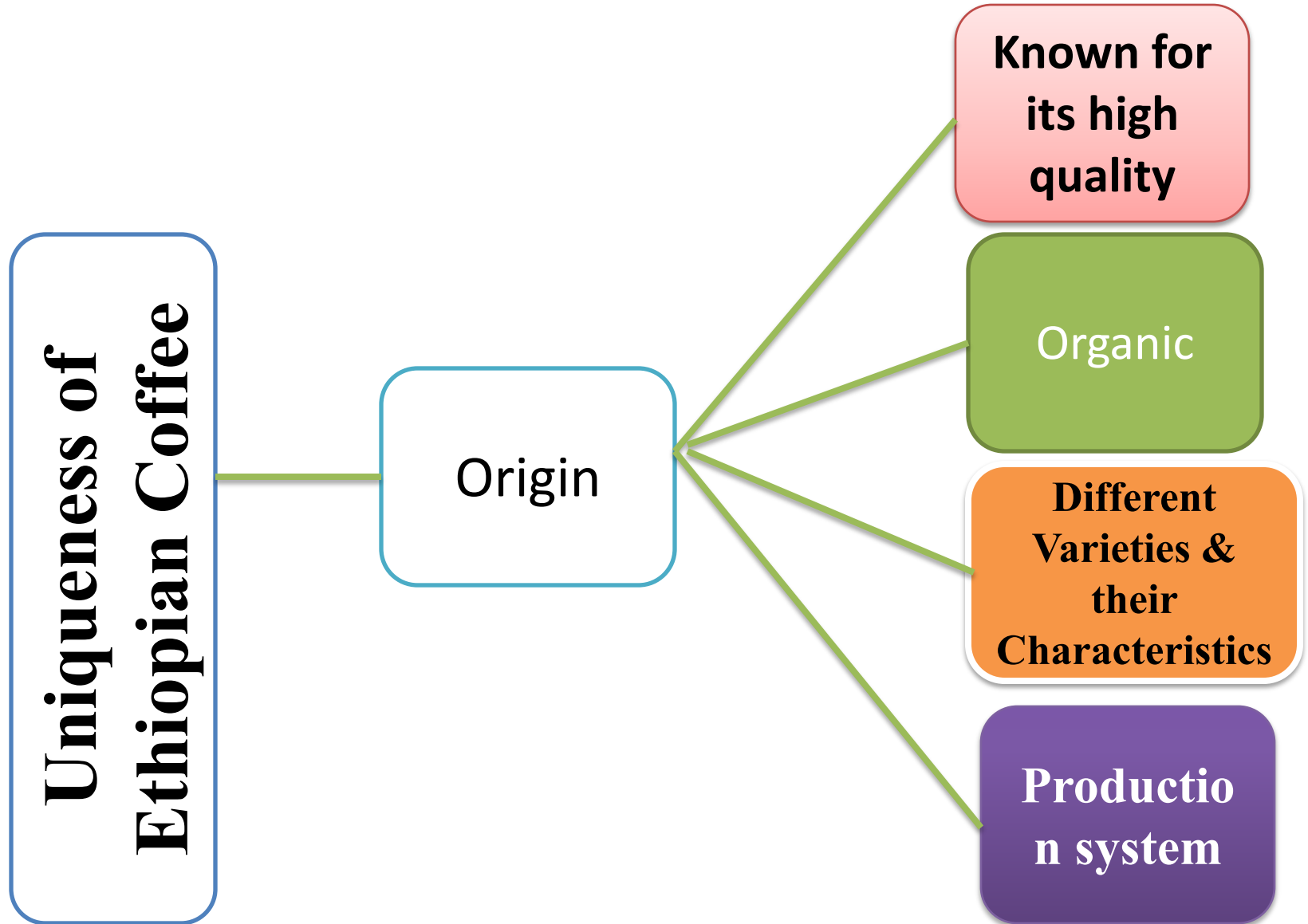
Asia's Biggest Coffee Market

1.1 Ethiopian's position in Global coffee Production

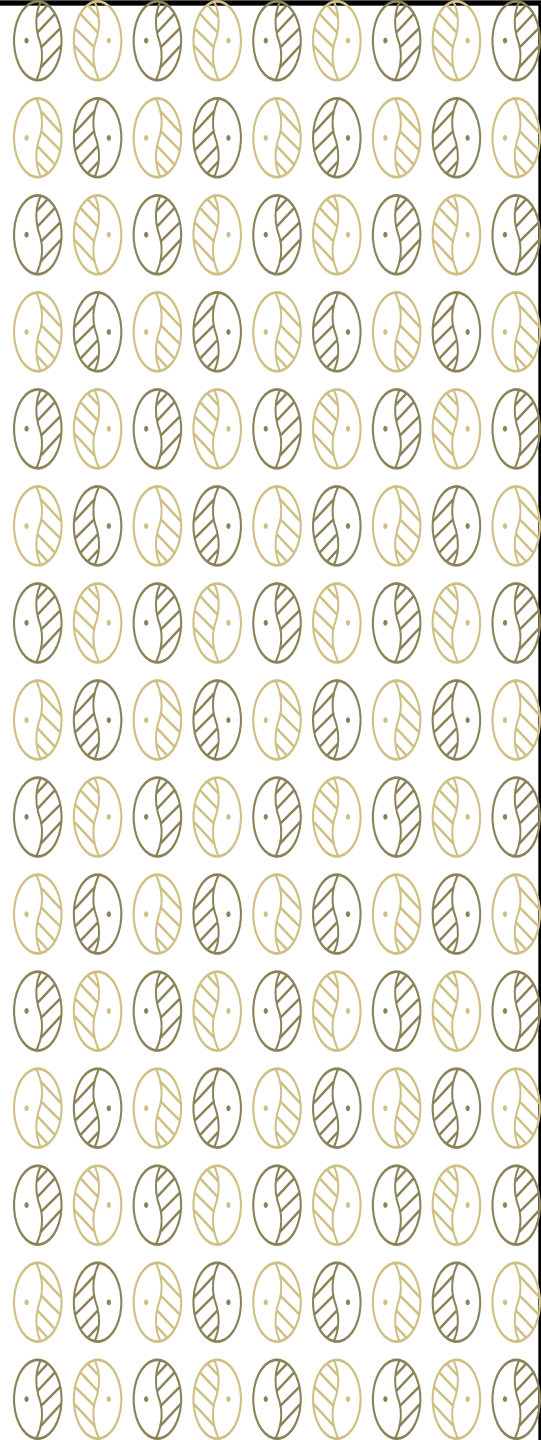
- ❖ Over 70 countries by almost **25 million farmers** worldwide produce coffee in significant amounts
- ❖ **17%** of the Global Coffee producers' are Ethiopian Coffee Producers' share in number.
- ❖ **5th** coffee producer next to Brazil, Vietnam, Colombia & Indonesia. Accounts up to **4.46** percent of worldwide production.
- ❖ **Largest & 1st producer in Africa**, > **43.15** % of continent (ICO, 2020).



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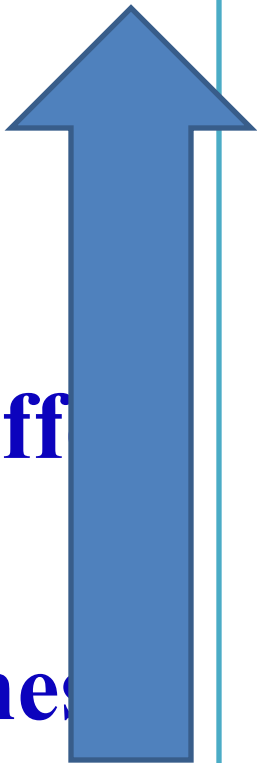
2. Ethiopian Coffee Reform (policy intervention)



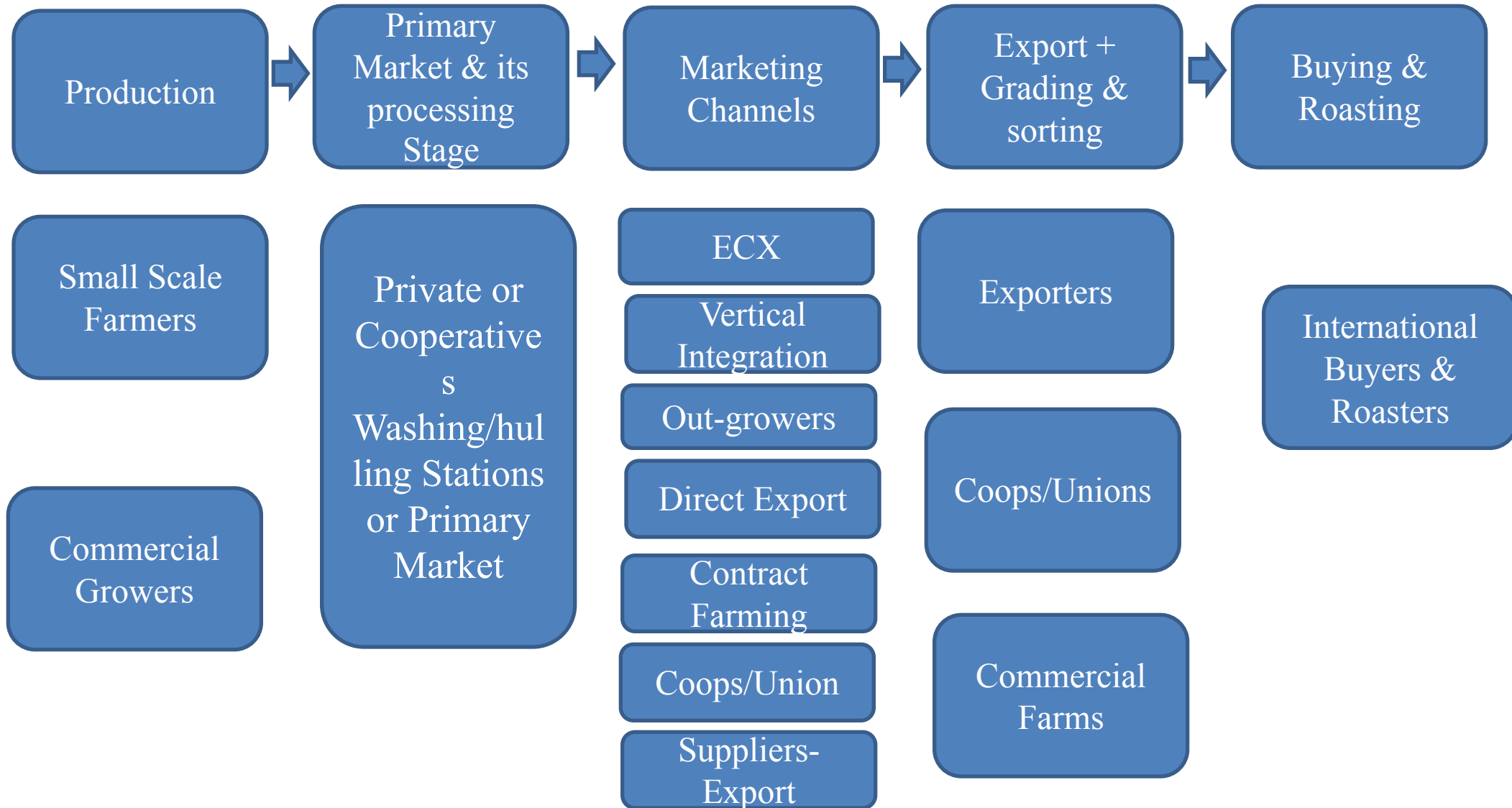
2. Coffee Reform & its Benefits

- ❖ New proclamation
- ❖ Direct export (small scale farmers)
- ❖ Value added coffee transaction (contract farming)
- ❖ Out grower scheme
- ❖ Direct export (coffee supplier)
- ❖ Vertical integration
- ❖ Ensure traceability (washing & hulling station)

It's Main objectives

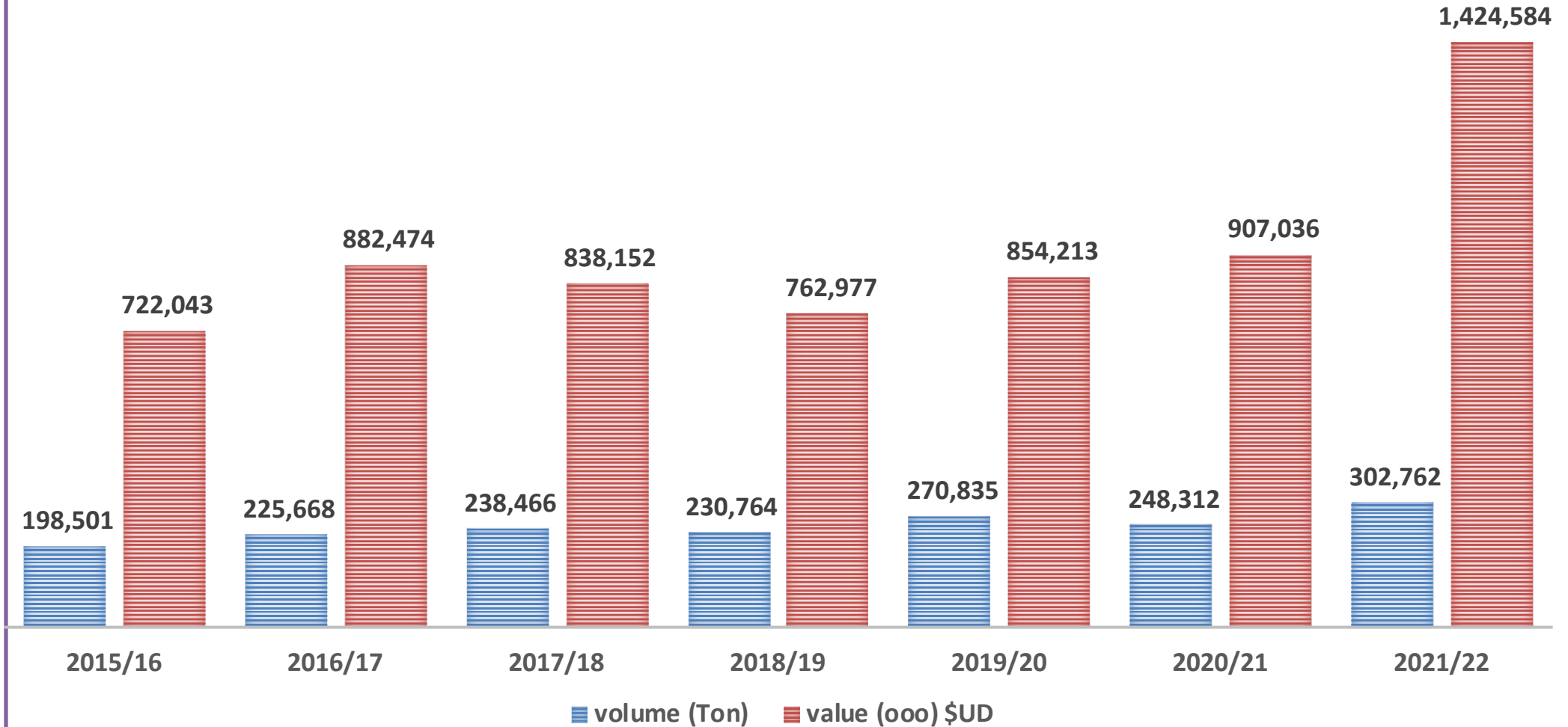
- **marketing efficiency & insure the benefits of coffee actors,**
 - **Competitiveness in world coffee market**
- 

3. The current structure of Ethiopian coffee value chain



4. Ethiopian Coffee Export performance

- ❖ It starts increasing from **2017** (after the coffee reform)
- ❖ **35-40%** of the coffee is washed Coffee
- ❖ **Sidama.Nekemte & Jimma** coffee types were the top 3 having a share **70-75%** exported



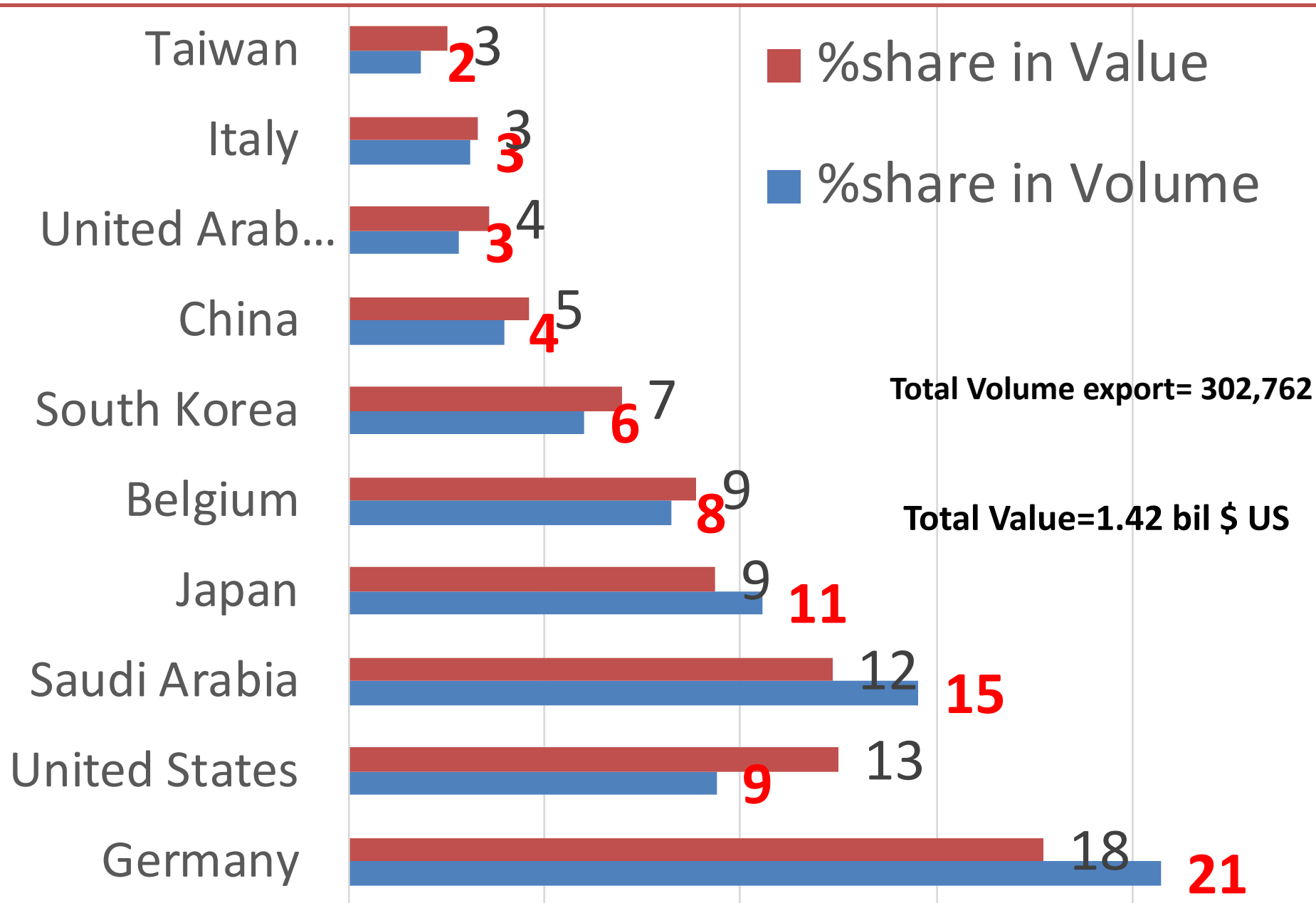
Source:ECTA,2022

4.1 Ethiopian Coffee Destination Countries (2021/22)

❖ 60 countries importing Ethiopian Coffee

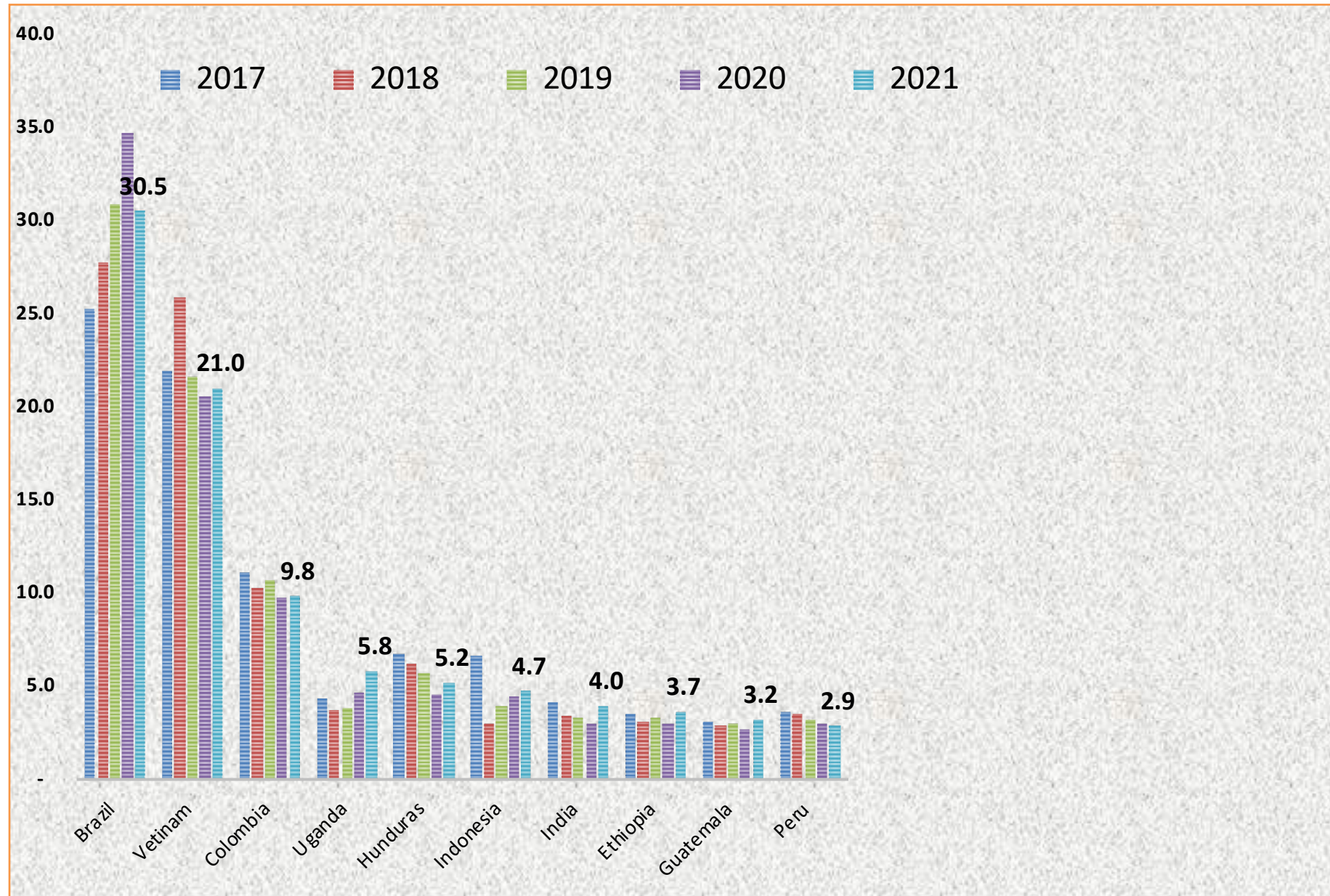
❖ By Value **Germany**, **USA**, **Saudi Arabia**, **Japan**, **Belgium**, **South Korea**, **China**, **United Arab emirates**, **Italy** & **Taiwan** respectively were the top ten Destinations. A share of **84%** of the total

❖ **Japan** now **4th** place for coffee destination in 2021/2022 where **6th** place in 2020/21.

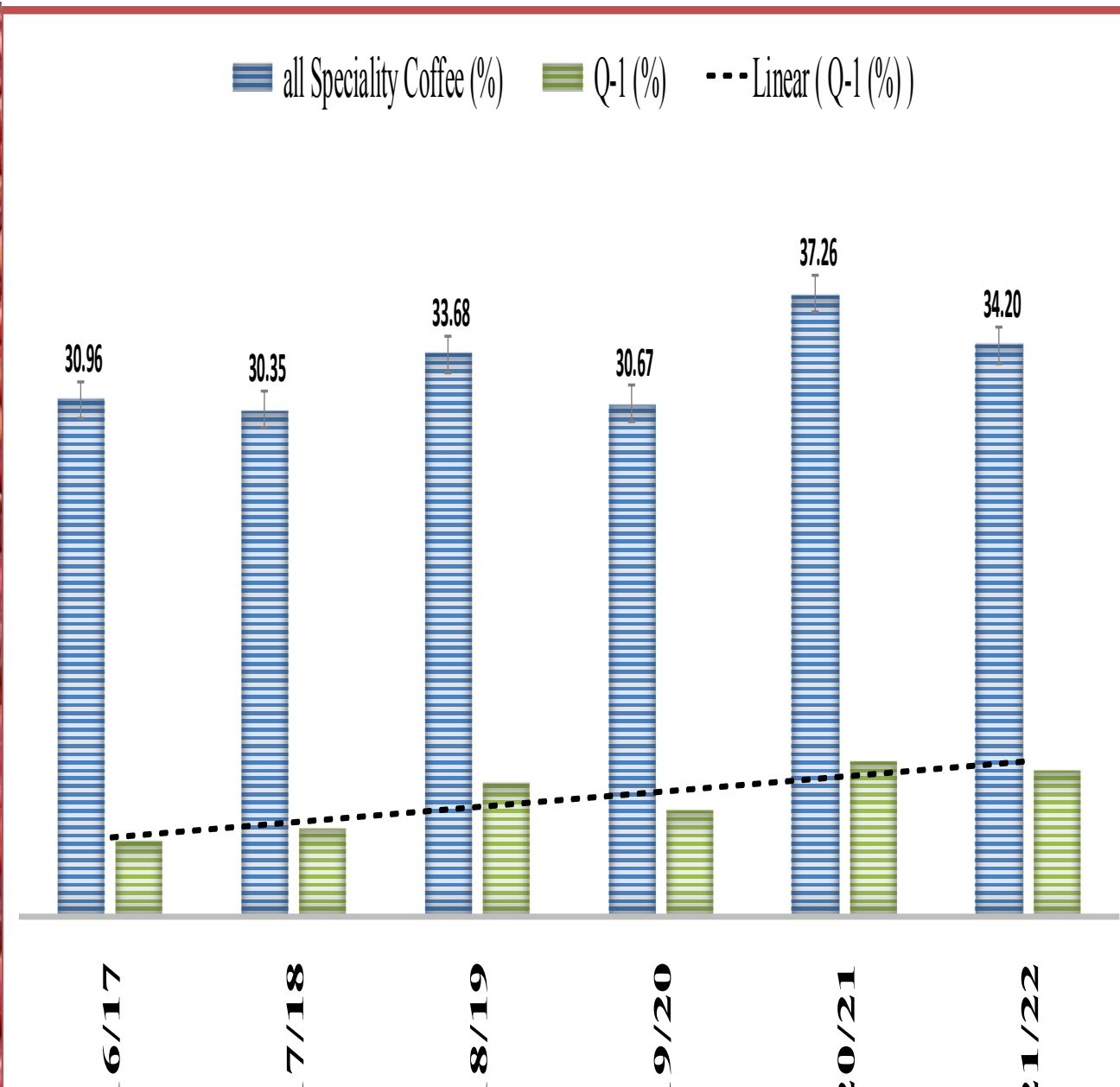


4.2 Ethiopia's Position in the Global Coffee Market (2017-2021)

- ❖ The top three (**Brazil, Vietnam & Colombia**) together > **60%** share of world Coffee
- ❖ Ethiopia has the **8th** position in coffee supply to Global market .
- ❖ It has a share of **3 to 3.7 %**



5. Speciality coffee export trend

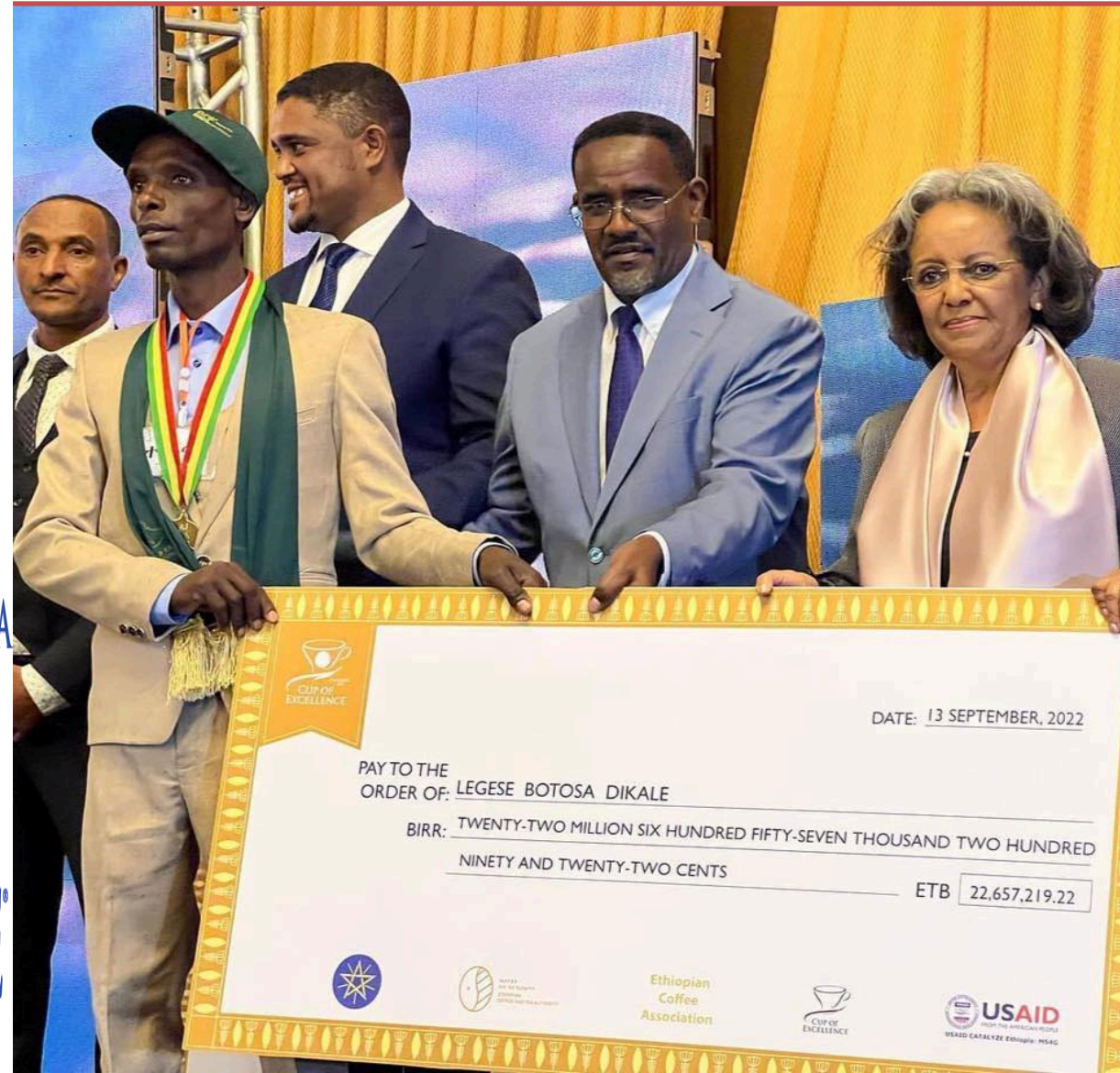


6. Opportunities in Ethiopia's coffee industry

- ❖ Government's commitment and favorable policy environment.
- ❖ Diverse agro-ecology and distinct characters of coffee quality,
- ❖ Efficient and effective domestic marketing system.
- ❖ Well established brand-positive image of the country as Origin of coffee
- ❖ Especial intervention by the government (e.g. COE)
- ❖ Demand & willingness of international NGO & Others organizations in Supporting especially in coffee productions.
- ❖ Investment opportunity.

Ethiopian Cup Of Excellence

Year	per pound (\$US)	Per kg(\$US)	per kg (Eth birr)
2020	185	407	13,838
2021	150	330	14,533
2022	400	884	47,236



8. Some Challenges of the Ethiopian Coffee Market

- ❖ Global Coffee price fluctuation & unpredictable nature
- ❖ Low Value addition of Coffee.
- ❖ World economic crisis 1/3 of the world economy to be in recession(IMF,2023)

9. Ways forward

- Keeps the quality of Coffee to be sustainable
 - Traceability and transparency along the value chain
- Due attentions for Value added Coffee (Ethiopian Roasted coffee export <1%
- Enhanced international promotion (Emerging and on niche market) .
- Others interventions (COE)



I Thank You!

