Investment opportunities in the Ethiopian Oilseeds and pulses sub-sector

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On behalf of the Ethiopian Embassy, I would like to warmly welcome you to the business event organized by both the Ethiopian Embassy in Brussels and the Embassy of the Kingdom of the Netherlands in Addis Ababa. The Ethio-Netherlands Business Event, being first of its kind, is aiming at enforcing the ever-growing friendly relations between the two countries. It is my strong believe that both the Ethiopian and Dutch private sectors shall benefit from this important business forum as it creates a unique opportunity for new networks and acquaints the Dutch private sector with valuable insights about business opportunities in Ethiopia.

Not many people realize how much Ethiopia has changed over the last two decades. Ethiopia combines strong economic growth with impressive results in poverty reduction and other social indicators, for Ethiopian products and infrastructure; a structural transformation of the economy is underway, with an increasing role for manufacturing and industrialization. For the coming years, the perspective for future private sector investment is promising in many areas, especially in sectors where more value can be added and where large numbers of jobs can be created.

Many Dutch companies have discovered the potential in Ethiopia; at present we have over 100 companies active in horticulture/agriculture, there is also Dutch increasing. Although the majority of these companies are active in horticulture and horticulture/agriculture, there is also Dutch presence in other sectors like transport, construction, tourism, food & beverages etc.

Opportunities in Ethiopia are almost endless and one of the promising areas is the Agro-sector of Oilseeds and Pulses. The Netherlands Embassy in Addis Ababa therefore felt the need to commission a Business Opportunity Report to provide further insight into the opportunities in oilseeds and pulses sub-sector and specific information for companies that are interested in investing in this sector in Ethiopia.
### 1.1 Oilseeds

A variety of oilseeds are grown in Ethiopia and sesame is by far the most important, both in terms of volume and export earnings.

#### Oilseeds export trend in Ethiopia

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<tbody>
<tr>
<td>1</td>
<td>Sesame seeds</td>
<td>238,832</td>
<td>320,983</td>
<td>218,105</td>
<td>300,665</td>
<td>331,187</td>
<td>436,754</td>
<td>222,705</td>
<td>390,625</td>
<td>270,234</td>
<td>619,033</td>
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<td>2</td>
<td>Noug seed</td>
<td>49,614</td>
<td>31,659</td>
<td>25,552</td>
<td>16,773</td>
<td>15,183</td>
<td>11,716</td>
<td>29,782</td>
<td>23,640</td>
<td>16,630</td>
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<td>3</td>
<td>Ground nut</td>
<td>168</td>
<td>160</td>
<td>2,823</td>
<td>2,829</td>
<td>14,424</td>
<td>18,199</td>
<td>12,609</td>
<td>14,335</td>
<td>592</td>
<td>581</td>
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<tr>
<td>4</td>
<td>Castor seed</td>
<td>1,953</td>
<td>942</td>
<td>3,004</td>
<td>2,475</td>
<td>3,613</td>
<td>2,793</td>
<td>8,343</td>
<td>6,030</td>
<td>8,240</td>
<td>6,343</td>
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<tr>
<td>5</td>
<td>Pumpkin seed</td>
<td>190</td>
<td>224</td>
<td>138</td>
<td>450</td>
<td>183</td>
<td>324</td>
<td>461</td>
<td>855</td>
<td>613</td>
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<tr>
<td>6</td>
<td>Rape seed</td>
<td>1,564</td>
<td>288</td>
<td>654</td>
<td>151</td>
<td>406</td>
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<td>2,309</td>
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<td>37</td>
<td>434</td>
<td>295</td>
<td>204</td>
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<tr>
<td>8</td>
<td>Linseed</td>
<td>4,098</td>
<td>2,276</td>
<td>71</td>
<td>64</td>
<td>391</td>
<td>223</td>
<td>3,729</td>
<td>2,588</td>
<td>3,340</td>
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<td>Cotton seed</td>
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<td>384</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>10</td>
<td>Veronica</td>
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<td>0</td>
<td>20</td>
<td>15</td>
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<tr>
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<td>Mustard seeds</td>
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<td>3</td>
<td>7</td>
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<td>-</td>
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<tr>
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<td>Watermelon seed</td>
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<td>1</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>13</td>
<td>Jathropa seed</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>14</td>
<td>Others</td>
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<td>0</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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</tr>
<tr>
<td></td>
<td>Grand total</td>
<td>296,973</td>
<td>357,009</td>
<td>250,570</td>
<td>323,526</td>
<td>365,441</td>
<td>470,154</td>
<td>280,371</td>
<td>439,570</td>
<td>300,905</td>
<td>642,747</td>
</tr>
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</table>

The oilseeds produced are supplied to the domestic and international markets, and sesame in particular has become a major foreign currency earner for Ethiopia, with exports worldwide, especially to China, India and the European Union (EU). Sesame accounts for over 90% of the value of oilseed exports from Ethiopia and is second only to coffee in terms of foreign exchange earnings. The country is the second largest sesame exporter in the world after India.
The potential for Ethiopian sesame on the world market is still significant because of the high-quality seed varieties produced that are suitable for a wide range of applications.

Despite the high export figures for sesame, Ethiopia still imports a variety of oil substitutes. In particular, palm oil imported from Malaysia is widely used for cooking, given its superior price-to-quality ratio compared to domestically produced oil. Dr. Daniel Dauro from the Agricultural Transformation Agency states:

“One policy that is hindering the domestic processing of oilseeds is the duty-free importation of foreign edible oils. Palm oil is not taxed, while locally produced oil is. Imported palm oil from, for example Malaysia and Indonesia, is duty-free in order to make it affordable to the majority of the population. Less than 5% is produced in Ethiopia itself.”

Thus, the need for affordable edible oils cannot be met by domestic production alone, but largely through duty-free imports from Asia. At the same time this hinders efforts to develop Ethiopian production of edible oilseeds from oilseeds.

1.1.1 Production

3.1.1 Sesame

Among the important oil crops grown in Ethiopia, sesame is highly adapted to arid and semi-arid lowlands. Main areas of production are located in the semi-arid and lowlands of North-West Ethiopia which include Humera, Tsegede and Woqayit in Tigray and Metemma, Quara, Tach Armachito, Mirab Armachito and Tsegede in Amhara Regional State. These production zones account for more than 70% of the national production.

Wijnands et al. (2009) provide important information about production of sesame and linseeds in Ethiopia. Sesame production systems are generally rain-fed and characterized as very labor-intensive, with low external input use. Reports on average land size and production vary depending on which source is used, but generally range from 0.2-1.5 ha of land and average yields of 400 to 600-800 kg/ha. The potential to increase productivity per hectare through higher input levels and improved technologies is huge. Moreover, arable virgin and fertile lands are available that offer good opportunities for organic and sustainable sesame production.

Sesame is fairly droughtresistant and about 300–750 mm of rainfall is considered sufficient, but the crop can also grow in areas with over 1000 mm of rainfall. Too high humidity will cause major problems with leaf blight. In the Awash Region, which is exposed to relatively little rainfall, using irrigation can more than double sesame yields compared to rain-fed production: 1600 kg/ha with irrigation and 600 kg/ha with rain-fed production using the best-adapted sesame variety. Sesame has a high temperature requirement for germination. Soil temperatures should be above 26°C and sesame should therefore be grown in the tropical climates of Ethiopia. Sesame can be grown at altitudes between 500 m and 1500 m, but higher altitudes are possible if the temperatures are high enough for good germination. Soils should be well drained, but with sufficient water retention capacity.

Sesame requires normal labor input for land preparation and sowing, a similar labor input for weeding as linseed and a high labor input during harvesting. Harvesting should be carried out within a two- to four-day window, and therefore in many places labor input from outside the region is used during harvesting. Labor input per hectare for harvesting is about 30-40 person-days.

As the Ethiopian varieties are shattering types, the seedpods need to be partially open at harvest to avoid difficulties during threshing. In other countries with higher labor costs, mechanical harvesting is used, but this is only possible with non-shattering types with ‘paper shell’ pods. These are currently not used in Ethiopia, but introducing such varieties could present an interesting opportunity.

Humera, Gondar and Wollega type sesame seeds are varieties produced in Ethiopia that are well known on the world market. They have their own respective features, which make them suitable for different uses. Humera and Gondar are mainly suitable for bakery and confectionery purposes, while Wollega sesame has a major competitive advantage for edible oil production because of its high oil content. The Humera variety originates from the Humera zone in North-West Ethiopia and constitutes about 60% of the country’s annual sesame seed production. The total area under cultivation is around 450,000-500,000 ha, involving both commercial and smallholder farmers (Oscar Geerts, SBN, interviews; UN data).

3.1.1.2 Linseed

For linseed, the characteristics of suitable agro-ecological zones can be summed up as follows:

- Total rainfall should preferably be between 500 mm and 1000 mm. If linseed is grown in areas with a water supply of less than 500 mm, the seed and oil yield reduces and there is a tendency towards more saturated fatty acids and more protein in the seed.
- Day temperatures should be below 30°C, night temperatures above −5°C during seedling stage, and above 0°C during flowering and seed set. Total temperature sums are needed of 1600-1850 °C days. Preferred average daytime temperatures are between 19.5°C and 24°C. The total crop duration is between 90 and 110 days. High temperatures and low rainfall during flowering and seed set lead to lower seed yields, lower oil content, lower content of unsaturated fatty acids and increased saturated fatty acids and protein content.
- Linseed needs vernalization—a cold period that induces flowering—which can be realized with a temperature of 2°C over 5 to 20 days. Through vernalization, flowering starts around two weeks earlier.
- Linseed grows best on medium-heavy soils. Unsuitable soils are dry sandy soils, wet and compact clays and marshy soils, or very acid soils. The preferred pH of the soil is between 6 and 7. Linseed is moderately tolerant to salinity. Linseed often only gives a small response to fertilizer application as it can produce well on the residual nutrients that remain in the soil after fertilized crops like wheat.
- Altitudes should be between 1200 m and 3500 m, although the main production areas are between 1600 m and 2000 m in the South-West of Ethiopia, and between 2200 and 2600 m in Bale and Arsi. Agro-ecological zones suitable for linseed cover an area of about 2,500,000 ha.

The current practices in linseed primary production are:
- Linseed in Ethiopia is only grown as an oilseed crop (not as fiber). Farmers use seed from the previous harvest as sowing seed. These mainly local varieties are not uniform.
- Land preparation on the smallholdings is done with oxen. Tillage is recommended to take place three times to create a fine seedbed, but in practice, labor and oxen are limited during the sowing season. This often leads to allocation of the ploughing capacity to crops such as wheat which have higher economic yields. Often only one phase of land preparation is carried out, which creates a coarse seedbed and a lower initial development of linseed. Farmers compensate for this by applying higher levels of sowing seed (up to 80 kg/ha), whereas with optimal tillage 25-40 kg/ha sowing seed is sufficient. The large state farms use modern equipment like tractors and combine harvesters.
- Linseed is normally sown as the last crop in a rotation system, without fertilizer application. With the average yields in Ethiopia of 1200-1400 kg/ha, the crop will take up in the above ground an amount of 50–75 kg N/ha, 10–16 kg P/ha and 40–60 kg K/ha.
- Care should be taken when nutrients are exported from the field; replenishment of the soil nutrients should take place.

Lake Tana

500 meters

Addis Ababa

max 25 °C

300–750 mm

400–800 kg/ha

average yields

1500 meters

Sesame production areas
Source: Getahun Bikora, Ministry of Trade (2013)
1.1.2 Challenges in the Value Chain

Getting sesame from producer to end (international) buyer in Ethiopia often involves a range of players, partly depending on whether the sesame is organic or non-organic.

The figure below gives an idea of the value chain for non-organic sesame. In one possible chain, farmers sell their produce to the primary market (spot market), where all the sesame is bulked. Sometimes there are traders between the farmer and the primary market, although this is illegal practice.

In almost every Kebele (smallest administrative zone in Ethiopia), a primary market has been allocated where legal trade may take place. From the primary market the sesame goes to the Ethiopian Commodity Exchange (ECX), where it is graded into different quality groups (on a scale of 1 to 5). From the ECX the graded sesame goes to the Ethiopian Commodity Exchange (ECX) - Grading and Warehouses - Primary Market/Transaction Center - Exporters - Medium and large scale producers - Domestic Wholesalers/Agro processors - International Market - Suppliers/Traders - Small scale Producers/Farmers.

Another value chain, not shown in the above figure, involves primary cooperatives. In this case, farmers are organized in a primary cooperative to which they sell their produce. The cooperative then sells to the ECX, which means no differentiation will be made between sesame types. The cooperative can also sell to the Union, which can directly sell to the international market. Important examples of unions in Ethiopia are Tseshay, Selam, Metemma, Dansha and Setit.

Only a small number of investor farmers avoid the whole chain and sell their produce directly to international buyers, either before or after processing. The Ethiopian-Dutch joint venture Selet Hulling is one example of an integrated investment, which includes production and processing (cleaning and hulling), after which organic produce is sold directly to the international market. Another example is Dipasa Agro Plc which hulls and roasts sesame for the export market.

Although a major export producing sector for Ethiopia, the oilseed sector is generally far from efficient. The major challenges for a sector that wants to be world-market competitive are:

- Access to finance for small-holder farmers and primary cooperatives.
- Infrastructure challenges include insufficient or limited rural feeder roads and transportation, and very limited modern warehouses and facilities.
- Some of the challenges related to production include low level of improved input utilization, high postharvest loss, high dependency on rainfall and limited availability of inputs like quality seeds and fertilizers.
- Storage facilities need to be improved; vulnerability of storage to pest, moisture and rodents is common.
- Unreliable contracting due to volatile sesame prices on the world market.
- Lack of institutional capacity: There is a quality check through ECX trading, but it is not infallible. However, an office and mechanism for complaints about quality exists, even though these are not processed in a timely manner. Inside trading and hedging are other problems that exporters face when trading through the ECX. The ECX aims to streamline the purchase of sesame and to provide producers with better prices for their seeds.

With plenty of arable virgin and fertile lands in Ethiopia and an ever-increasing demand for organic oilseeds and pulses products, there are opportunities for good organic and sustainable oilseeds and pulses products. Dutch companies can invest in the production of certified, organic oilseeds and pulses.

One key common challenge is access to traceable and homogeneous raw sesame seed. This has mainly to do with ECX sourcing, which reduces access to traceable, homogeneous and high-quality raw sesame seed for processing.

The ECX website is open to the entire world. This has created a problem of foreign buyers gaining the upper hand. Consequently, Ethiopian exporters do not have much bargaining power on the international market.

For oilseed processors, there is a shortage of spare-parts and skilled manpower for the maintenance of processing machinery in the country.

*Producers can sell either to cooperatives or certified traders or sell to the ECX. It shortens the value chain and creates more transparency.*

Dr. Daniel Dauro, ATA

1.2 Pulses

Like for oilseeds, cultivation of pulses such as chickpeas, red kidney beans and white pea beans is common in Ethiopia. Chilot et al. (2010) have written a lot about pulses production in Ethiopia. Ethiopia produces more than 400,000 metric tons (MT) of chickpea annually and is the sixth largest producer of this pulse in the world. Cultivation of pulses is carried out in both the highland and lowland areas of the country, mainly by peasant farmers. Currently, the country exports a large quantity of pulses to the international market.

There are also a number of factories that process pulses in the country. Pulses, especially red kidney beans, are produced through major cooperatives that exist along the major regions of Ethiopia such as Ras Gayit Union in Amhara and Mercha Union in Oromia. Chickpeas on the other hand, are exported with contract-based linkages between large-sized business and smallholder farmers' organizations (unions) such as ACOS Ethiopia.
10 Major trends in the development of the oilseeds and pulses sub-sector

1.2.1 Production

While pulses are grown throughout Ethiopia and account for 13% of cropped land, production is concentrated in the Amhara and Oromia regions, which together account for 92% of chickpea production, 85% of faba bean production, 79% of haricot bean (including white pea bean production), and 79% of field pea production. Amhara region is also the largest producer of three out of the four major pulse varieties in the country. The primary producers are smallholders with small and dispersed plots under rain-fed conditions. Women are also heavily involved in production, conducting the majority of on-farm labor during both planting and harvesting, with additional activities in value-addition.

In recent years, various policy initiatives have been undertaken to increase the competitiveness of smallholder farmers and develop the potential of the sector to supply high-quality products for both the domestic and export markets. These policies paved the initial path for private-sector participation in the pulse sector, contributing to the majority of on-farm labor during both planting and harvesting, with additional activities in value-addition.

The pulses value chain in Ethiopia is far from efficient and fraught with challenges. It is not well integrated and does not function as a unified system in a way that maximizes the welfare of all actors involved, from production up to consumption. Furthermore, it is filled with informal actors and multiple traders and middle-men.

The chickpea value chain

For chickpea, one of the major pulses grown in Ethiopia, the value chain is even more complex. First, it is important to make a distinction between the smaller chickpea types that are used for local consumption, especially in one of the country’s major dishes shiro. This type of chickpea is normally not exported outside Ethiopia. Here we will focus on the value chain of the larger chickpea type that was originally imported from Mexico, Ethiopia’s major competitor on the world market for large chickpeas.

As shown in the figure below, chickpea farmers in Ethiopia can supply to numerous stakeholders in the sector, depending on accessibility to them. According to Eyerusalem Regassa from SNV’s Cooperatives 

- **1.2.2 Challenges in the value chain**

The pulses value chain in Ethiopia

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2. Very limited availability of improved seeds (most pulses are grown from unimproved cultivars with low genetic potential): Despite the release of a large number of improved pulse varieties which are adapted to a wide range of rainfall, soil and altitude regimes, the use of certified improved seeds by farmers is very low. A combination of factors explain low adoption. On the one hand, supply-side constraints including extension, limit the knowledge of smallholders of production practices and benefits of diversification. On the other hand, a set of market-led demand constraints, particularly the price instability in 2008, have led to diminished trust in the pulses sector following declining market returns.

3. The use of conventional agronomic practices (e.g. sub-optimal crop rotations, poor seedbed preparation): While agronomic practices such as the timing of ploughing, fertilizer and insecticide applications, crop rotation, and weeding and harvesting are critically important to achieve optimum productivity, many farmers seem unaware of their benefits. Limited knowledge of best agronomic practices and post-harvest management has resulted in poor quality, low-yielding pulses.

In particular, the lack of crop rotation is a key issue with respect to farm management practices. Currently, 13% of the land area used for grain production in any one year is devoted to pulses, suggesting a significant portion of the remaining cultivated area for grain is under mono-cropping. The adoption of optimal rotations not only increases the productivity of pulses and the subsequent cereal crop through improving soil fertility, but can also increase farmer incomes as the area devoted to pulses increases.

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As shown in the figure below, chickpea farmers in Ethiopia can supply to numerous stakeholders in the sector, depending on accessibility to them. According to Eyerusalem Regassa from SNV’s Cooperatives 4 Change (C4C) program, not more than 10% of agricultural products are sold to private cooperatives and this holds for chickpeas as well. Still, the far majority is sold to traders or brokers, who subsequently sell to woreda or urban wholesalers. Most of the retailers, both woreda and urban, get their chickpeas from these wholesalers.

1. **Limited or no use of chemical fertilizers for pulses (e.g. phosphates): Studies in Ethiopia and elsewhere have demonstrated the productivity benefits for pulses from phosphorus fertilizers (e.g. super-phosphates) in particular. Fertilizer use in Ethiopia is comparatively low, averaging 25 kg/ha of nutrients, and much of this is currently applied to cereals. Lack of fertilizer use can be subscribed to a limited access to credit, lack of imports (especially of phosphate fertilizers) into the country and currency awareness of the benefits of using such fertilizers. Fertilizer use is especially important in light of multiple Ethiopia-specific studies that assert that soil fertility depletion is one of the fundamental causes of declining per capita production.**
1.4 Trade and logistics

Key findings
- The cost of sesame seed to the collector amounts to ETB 56 per 100 kg, which is around 10% of the producer’s value.
- The collector’s and exporter trader’s gross margins (rent for own labor and capital) is 2–3%; the rest are direct costs.
- The exporters’ costs without logistics are between ETB 38 and 56 per 100 kg.
- Logistic costs are around ETB 0.05 per 10 kg/km. (Journal of Economics and Sustainable Development, 2015)

Intermediaries (middlemen, collectors, traders, wholesalers and retailers) are active between producers and consumers. The time aspect refers to the inventory and sourcing functions. Due to the seasonality of agricultural production patterns and an even seasonal demand pattern for edible oils, storing products bridges the time between harvest and consumption. Wholesalers have the function of bulking—collecting large quantities of oilseed for the processing plants. Oilseeds are transported mainly by trucks from the producing region to the port of export, mainly Djibouti and Port of Sudan. Most of the exporting companies have well-maintained or new IVECO trucks. The distance between the sesame production regions and Djibouti is about 1,500 km. For instance, the distance from Bahir Dar in the Amhara region to Addis is 560 km, and from Addis Ababa to Djibouti 900 km. Although road density is very low in Ethiopia, most of the main roads are in good condition. Transport costs to Djibouti port are estimated at 50 USD per ton. Moreover, distributors are bulk breakers and variety assemblers, providing retailers or consumers with small quantities of a large number of products. Intermediaries provide services in the marketing channel that enables producers to focus and to specialize. In addition to the above-mentioned functions (collecting, storing, logistics, bulk breaking, assortment assembling), they also perform other tasks like quality control, financing stock, price negotiation, invoicing or matching supply and demand.

1.3 Brokers/wholesalers/ECX

An estimation made by SNV mentions over 300 whole- sellers involved in the sesame seed trade for the capital city of Addis Ababa alone. This indicates that the number of collectors and wholesalers for the whole country might run into the thousands. The relative fragmentation, corresponding transport costs and difficulties for tracking and tracing systems, might cause difficulties for large-scale international trade.

In 2008, the Ethiopian Commodity Exchange (ECX) was established to facilitate trade between producers and wholesalers and exporters, and to increase transparency. The ECX is a marketplace, where buyers and sellers come together to trade, assured of quality, delivery and payment. Its vision is to transform the Ethiopian economy by becoming a global commodity market of choice. Sesame and red kidney beans are both traded on the ECX.

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**1.3 Brokers/wholesalers/ECX**

An estimation made by SNV mentions over 300 whole- sellers involved in the sesame seed trade for the capital city of Addis Ababa alone. This indicates that the number of collectors and wholesalers for the whole country might run into the thousands. The relative fragmentation, corresponding transport costs and difficulties for tracking and tracing systems, might cause difficulties for large-scale international trade.

In 2008, the Ethiopian Commodity Exchange (ECX) was established to facilitate trade between producers and wholesalers and exporters, and to increase transparency. The ECX is a marketplace, where buyers and sellers come together to trade, assured of quality, delivery and payment. Its vision is to transform the Ethiopian economy by becoming a global commodity market of choice. Sesame and red kidney beans are both traded on the ECX.
1.5 Marketing

1.5.1 Domestic

Edible oils

Despite the large production of sesame and linseed, Ethiopia still imports large amounts of edible oils, mainly palm oil from Malaysia, Singapore, and the United Arab Emirates. Local production is only able to meet about 5% of the national demand. There are only 15 oil-producing plants processing 40,000 tons of good quality edible oils annually, whilst about 850 informal, micro- and small-scale cottage processors are involved in extracting crude oil.

In the high-end market, especially in Addis Ababa, sesame seeds are used in bakery products and sprinkled on bread, bagels, and hamburger buns. Linseeds are crushed and used locally in a dish called telka. Noug seeds are mainly used for oil extraction. The oilseed crushing and refining industry produces for the domestic market and most of the oil is consumed as crude oil for cooking. Oil that has been produced from crushed oilseeds in small-scale manufacturing is used mainly in the urban areas. Similarly, crushing of seeds for oil at home, is a very common activity in less urbanized areas. Furthermore, oilseed cakes are used as animal feed (ingredients), while soya is one of the two major raw material inputs for animal feed, together with maize.

The estimated actual domestic production of edible oil is between 5,000 and 8,000 tons annually for medium- and large-scale enterprises. This production is less than half of the full capacity, providing an opportunity to increase production for domestic consumption as substitution for imports.

The result has been an available amount of edible oils of less than 0.5 kg per capita in 2000, to around 2.0 kg per capita in 2009. The increase in imports suggests a potential large domestic market, with rising incomes. The main import of edible oil is palm oil. Substitution of these oils by domestic production from especially sunflower, soybean or maize oils seems feasible, encouraged by high domestic prices. Imports show large variations between years, which can partly be explained by food aid of specific edible oils.

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Pulses

Pulses, which constitute approximately 13% of cultivated land and account for approximately 10% of the agricultural value addition, are critical to smallholder livelihoods in Ethiopia. Pulses contribute to smallholder income as a higher-value crop than cereals, and to diet, as a cost-effective source of protein that accounts for approximately 15% of protein intake. Moreover, pulses offer natural soil maintenance benefits through nitrogen-fixing, which improves yields of cereals through crop rotation, and can also result in savings for smallholder farmers from less fertilizer use.

Traditionally, pulses such as chickpeas, are processed at home to make dawa stew. However, there are two companies that sell humus (processed peas): La Viva Fresh and Ambasel Trading. Additionally, Guts Agro and several other small- to medium-sized enterprises called Baltinas, process chickpeas locally into shiro for local supermarkets.

Oil millers

Sesame oil is hardly produced locally, since the export price of seed is usually very attractive and sesame oil is rarely consumed locally. It is seen as a business opportunity to increase the local capacity to produce sesame oil for export, increasing added value and foreign exchange.

The main challenges for the oil-crushing sector in Ethiopia are to ensure adequate and steady supply of oilseeds and to compete with world market prices. Local production of oilseeds and local crushing exceeds world market prices. A great concern for Ethiopian oil millers lies in the unequal taxation of edible oils. Whereas palm oil can be imported without import tax and VAT, domestically produced oil is subject to VAT. Another reason for low competitiveness used to lie in the high value of the Ethiopian Birr (ETB) to the US Dollar and Euro. IMF and World Bank estimated in 2009 that the ETB is 40–50% overvalued and needs gradual depreciation. The currency depreciated by 25% in 2009. Further depreciation of the ETB in the period from 2010 until 2013, respectively 8.12%, 33%, 23.33% and 8.07%, has improved export competitiveness in oilseeds and given more incentives for import substitution (mainly in palm oil).

The association of oil millers in Addis Ababa (AAOMA) increasingly looks for ways to enhance the existing refining capacity at the nine bigger factories (currently lower than 20% due to critical shortage of oilseeds), while at the same time promoting a cooperative, joint refinery for 40 of its smaller members.
"China takes large quantities, but it wants products as cheap as possible. And sales of organic farming cannot be sustainable with China, as its focus is more on price than on quality."

Mr Asrat Balcha, Ki Hedam Trading Plc

1.5.2 Export

Oilseeds

Ethiopia exports almost all of its produce and is the second leading sesame-exporting country in the world. China is the number one importer of Ethiopian seeds. Other countries including Israel, Vietnam, USA and Turkey also import oilseeds from Ethiopia but in smaller quantities. In past years, demand for sesame was high, but incentives for quality production and value addition were weak. Global production has increased, and a price decline is anticipated with increased competition and greater demand for quality.

The Sesame Business Network (SBN) is trying to help various cooperatives sell to European importers. Currently most cooperatives are too weak to sell to Europe. They lack basic business knowhow and European market knowledge. The government wants organic seeds to be bought directly from cooperatives. The policy of the government is for cooperatives and companies to add value to the seeds before they are exported. However, the cooperatives do not have the capacity as yet to reach a quality level that meets European standards. Consequently, exports to Europe mainly take place via investor-farmers and processors and through the ECV.

The Dutch enterprise agency, CBI specialises in pre-selling companies in developing countries to supply the demanding European market. It has an oilseeds program in Ethiopia working with 12 companies to prepare companies in developing countries to supply the demanding European market. It has an oilseeds program in Ethiopia working with 12 companies to make them export ready for the European market. The program aims to help the companies enter the European market within 2 years. The poor reputation of the Ethiopian exporters following contract defaults on sesame seed in 2008 and 2009 is a barrier that the program is addressing. Seven out of these twelve companies want to build supply chains directly with growers and cooperatives.

"Sesame seed has always been in demand in Europe; linseed demand is now growing. Consumption of linseed for food has increased in recent years. Unlike the volatile sesame seed market - price wise the linseed market is relatively stable. Increasingly, European food ingredients buyers are looking for new sources of linseed and other specialist oilseeds. There is an opportunity for Ethiopia to fill that need."

Jim Fitzpatrick, CBI

Most companies importing sesame are also active in the import of other oilseeds and pulses like white-pea beans. According to Rene de Baaij, colleague of Jim Fitzpatrick at CBI, quality is not the issue with imports from Ethiopia:

"Logistics, poor reputation for contract fidelity, building long term relationships and general business practices are the major hurdles. Exporters cannot expect European buyers to simply come to them. For success in Europe they need to build capacity to meet the buyers’ requirements."

Pulses

The most important export pulses include haricot beans, chickpeas (large type), fava beans, lentils and field peas. Ethiopia exports pulses to many countries in Africa, the Middle East, Europe, Asia and America. Chickpeas, on the other hand, are exported with contact practices are the major hurdles. Exporters cannot expect European buyers to simply come to them. For success in Europe they need to build capacity to meet the buyers’ requirements."

ACOS Ethiopia P.L.C. is Ethiopia’s leading quality pulses export company. It has introduced a number of new varieties, aiming to enter the international market. One of these varieties is ACOS Dube which, due to its larger chickpea seed size, has the potential to fetch premium European market prices. Despite past undeliverable experiences working with cooperatives, with help from SNV/C4C-program and with a better sustainable business arrangement, ACOS scaled up its operations providing more in kind Dube Seeds to more unions.

The experience has also built the confidence of the unions to take control of their marketing. The experiences of this progressive union and the lessons learned will be shared with other unions and their member cooperatives for replication. Next year 3000 quintal of ACOS Dube is expected to be harvested and double that amount in 2016; truly an enrichment of Ethiopia’s current chickpea offering. At the moment however, most of ACOS’ exports to Europe fill the gap where Mexico cannot deliver. The lessons learned from ACOS production and exporting chain has been taken up by the chickpea cluster of Oromia.

"Exports of Ethiopian pulses – ACOS Ethiopia P.L.C.

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The Ethiopian oilseeds and pulses sector provides opportunities for European businesses involved in the production and processing of oil crops, extraction of food oils, trade and investment. On the one hand, the Dutch and European state-of-the-art technology and solution-based mentality, the advanced quality of seeds, the elaborate trainings on sustainable production and the experience in marketing and business management could be beneficial to the Ethiopian oilseeds and pulses sector. On the other hand, the high quantity of available arable land, the good climate for oilseed and pulse production and the improved infrastructure and diversity of varieties could be an opportunity for European companies to start doing business with the Ethiopian oilseeds and pulses sector.
2.1 SWOT

There are still challenges to overcome. Below is an overview of the strengths, weaknesses and related opportunities for Dutch and European companies interested in the Ethiopian oilseeds and pulses sector. The information listed below is obtained from the previous chapters and the interviews with Dutch and Ethio-

- **STRENGTHS**
  - High quantity of arable land in Ethiopia. 49% of the total 112 million hectares is arable, but just 1% was irrigated in 2011
  - High quality soil
  - The prevalence of diverse agro-climatic zones makes Ethiopia a one number one choice for production of a wide array of pulse crops
  - Large diversity of varieties of sesame seeds (organic) including the world famous Humera type
  - Cheap labor and high rural population
  - Research in progress for the development of non-shattering mechanization
  - New warehouses have been established by the government (quality control)
  - Dutch hulling companies are present in Ethiopia called Sellet Hulling (joint venture with Dutch Tradin Organic) and Dipasa Agro
  - ECX will play an important role in market transparency, quality, aggregation for exports, but also a weakness for the producer regarding the listing of prices
  - The CBI programme trains 12 exporters in oilseeds and pulses, the Sesame Business Network is improving access to finance together with Teravista and the Cooperatives and Unions together with the Cooperatives 4 Change Program from SNV and Agiterra
  - The government started economic restructuring and investing in road, telephone, and railway infrastructure
  - The Ethiopian government focuses on doubling the agricultural production through the ambitious Growth and Transformation Plan

- **WEAKNESSES**
  - Default of contracts by Ethiopian sesame suppliers in the period 2006–2008
  - Middle men are able to set speculative prices in various parts of the value chain
  - Low quantity of HACCP certified products
  - Some Ethiopian producers do not meet the codes alimentaris (food security standards)
  - EU standards are difficult to be reached for processors and processors
  - Still mostly use backward technologies (e.g. oilmills) and production methods (row planting still has to be developed and use of fertilizer is very limited)
  - Distribution networks need to be further developed
  - Packaging and bottling machinery not present
  - The price of the raw sesame is almost equal to the price of crushed/processed sesame seeds, which means there is a low potential for value addition
  - Increasing demand for palm oil
  - The fragmented smallholders need to unify to be able to produce more in Ethiopia
  - The indigenous production needs more attention
  - Particular legislation/regulation hinders the sector
  - Administrative hassle for exporting oilseeds (experienced by ED Organics)
  - Volatile commodity market (surplus oil and demand for by-product)
  - Prices not determined by supply and demand, but by speculative brokers

- **OPPORTUNITIES**
  - Production needs a boost. This can be done by improving the technology of production and processing equipment. New areas can be cultivated on a large scale with cheap and abundant labor. Crop rotation should be introduced or enhanced
  - There is a high demand for more quality sow- ing seeds, pesticides and farm equipment. However, the sector lacks financing
  - Appropriate machinery for non-shattering varieties needs to be employed for large-scale production
  - The demand for organic oilseeds and pulses in Europe, specifically in the Netherlands, is growing. It would be interesting to produce more certified organic oilseeds and pulses. Arable virgin and fertile lands are available that offer good opportunities for organic and sustainable sesame production

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- **PROCESSORS**
  - Refining companies work at 20% of their capacity, so opportunities abound for processing companies to expand
  - Opportunities exist for companies involved in cleaning, hulling and sterilization of sesame and Noug seed. The overall production capacity of especially hulling and sterilization is still less than 10% of all exports
  - To avoid adulteration of oilseed, oilseed-cleaning facilities are important to facilitate the cleaning of local and exportable oilseed and take advantage of a great business opportunity
  - Most of the oil mills have cottage industries that crush oilseeds and extract crude oils for direct consumption. This is unhealthy and below the standard for human consumption. In general, there are very few oil refineries in Ethiopia. As crude oil mills are prohibited from supplying unrefined oils, the need for proper oil refineries is immense
  - Potential for the production of oil extracts for the local market (e.g. olicake).

**Traders/importers**

- Providing adequate market for exporters and farmers. The ECX will play an important role in market transparency, quality, and aggregation for exports. However, exporters’ associations and other relevant agencies assume the responsibility of tracking both domestic and international markets. The new tracking options will increase the business opportunities for traders

- Ethiopia could be interesting to Dutch/European importers of sesame seed as a new origin country.

**What can the Dutch private sector do?**

- Production needs a boost. There is a high demand for more quality sowing-seeds, pesticides and farm equipment. Similarly, appropriate machinery for non-shattering sesame varieties needs to be employed for large-scale production
- Improved planting materials are scarce and most farmers sow last-season crops of their own and so yield is not satisfactory. The existing private sector and stance of the Ethiopian government cannot satisfy the demand for seed. Improved planting material multiplication is one of the areas of attraction. This would be an opportunity for feed sellers
- Value addition is largely absent in the Ethiopian sesame sector. There are plenty of opportunities for cleaning, hulling and sterilization companies and for investments in sesame and Noug seed production. Moreover, there are very few oil refineries in Ethiopia that crush oilseeds to extract crude oils for consumption, and most do not match a quality that can be used for human consumption

- With plenty of arable virgin and fertile lands in Ethiopia and an ever-increasing demand for organic oilseeds and pulses in Europe, there are opportunities for good organic and sustainable oilseeds and pulses products. Dutch companies can invest in the production of certified, organic oilseeds and pulses
- The ECX has been playing an important role in market transparency, quality, and aggregation for exports. So far, exporters’ associations and other relevant agencies have been assuming the responsibility of tracking both domestic and international markets. This gives opportunities to provide adequate market to the exporters and farmers. The new tracking options will increase business opportunities for traders
- Some by-products from pulses and oilseeds such as olicake, a by-product released during the extraction of oil, are used to produce animal feed. Olicake is an essential input for animal feed production.
- Farmers can even directly use the cakes as feed for their cows. However, due to a high demand for these cakes among Ethiopian feed producers, oilseed processors often hoard the product. Therefore the Ethiopian government has recently put a ban on the export of all oilseed cakes as a temporary measure, to ensure sufficient availability in Ethiopia. This implies that there are opportunities for production targeting the local market
- The sector provides potential for a powerful product/market combination in the specific niche market for organic oilseeds and pulses. The low cost of production and the climatic conditions that allow the production of specific sub-types such as Humera, Gondar and Wollega sesame seed are important potential success factors. Though the industry has grown, more progress is needed to increase yields, improve farm gate prices, and increase income from exports.

Investment opportunities
Points to consider

3
3.1 Ethiopian Commodity Exchange (ECX)

Although the ECX provides producers market price transparency, there are various reasons to avoid selling through the ECX:

▶ No differentiation is made between various sub-regional sesame varieties. Varieties that are recognized as Humera type are acknowledged at the ECX only when produced in certain districts. When Humera-type varieties are produced outside these districts, the seed may be categorized as Wellega type (for example). This also happens the other way around. Wellega-type seeds produced in areas known for Humera production, will eventually be traded and exported as Humera-type seeds.

▶ No differentiation is made between organic and non-organic sesame.

▶ The ECX’s grading system for sesame is not fully transparent.

3.2 Access to finance

3.2.1 Oilseeds

Shortage of working capital in primary cooperatives and unions is a chronic problem that limits the size and profitability of sesame marketing by cooperatives. As loan facilities available at primary cooperative level are limited, farmers are obliged to enter into contract with informal moneylenders with an estimated annual interest rate of up to 400%. The credit supply activities of informal moneylenders is infamous especially for this sector.

The challenge is acknowledged at multiple levels, but large-scale concrete actions to tackle this issue have not taken place. The lack of working capital has not, however, affected the purchase of seeds or fertilizers. Seeds are readily available. Especially for sesame, most farmers use seeds from previous seasons, or obtain them easily from the Ethiopian Institute of Agricultural Research. Other oilseeds, specifically Noug seeds, can be purchased from local seed-producing cooperatives. Similarly, fertilizers can be purchased free of import tax and are subsidized by the government.

Banks cannot easily invest in small-scale producers, but microfinance institutes have an increasing reach though they may find it difficult to reach everywhere with sufficient credit. Moreover, primary cooperatives are not always strong enough to handle their loans. Furthermore, the working capital loan disbursed through the loan guarantee scheme of Regional Governments is not timely, production-wise, as in the case of Tigray, and insufficient to meet the sizable demand of cooperatives in both the Tigray and Western Amhara region. Even so, commercial banks realize the importance of working with cooperatives provided the latter fulfill the basic requirements set by the banks.

3.2.2 Pulses

For pulses, availability of inputs such as quality seeds, fertilizer and credit is crucial for an efficient and effective marketing system. However, consultations with primary cooperatives, unions and government officials, indicated that only about 1% of primary cooperatives and 10% of the unions have access to credit. This suggests that aggregating and trading activity is limited by constrained access to finance, at least for smaller marketing actors. Larger traders in the major cities, however, are able to access formal credit to finance their businesses.
Sources of further information
4.1 List of key companies operating in the sector

ACOS Ethiopia Plc - Export of Ethiopian pulses

ACOS Ethiopia Plc is Ethiopia’s leading quality pulses export company. It has introduced a number of new varieties, aiming to enter the international market. One of these varieties is ACOS Dube which, due to its larger chickpea seed size, has the potential to fetch premium European market prices. Despite past undeliverable experiences working with cooperatives, with help from SNV/C4C-program and with a better sustainable business arrangement, ACOS has scaled up its operations providing more in kind Dube seeds to more unions.

The experience has also built the confidence of the unions to take control of their marketing. The experiences of this progressive union and the lessons learned will be shared with other unions and their member cooperatives for replication. In 2015, 3000 quintal of ACOS Dube is expected to be harvested and double that amount in 2016, truly an enrichment of Ethiopia’s current chickpea offering. At the moment however, most of ACOS exports to Europe fill the gap where Mexico cannot deliver. The lessons learned from ACOS production and exporting chain has been taken up by the chickpea cluster of Oromia.

Selet Hulling Plc – Sesame processing in Ethiopia

Although the processing of oilseeds in Ethiopia is most often confined to cleaning, if at all, a few examples of more advanced processing in the country exist.

The most prominent example is Selet Hulling Plc, a joint venture between the Ethiopian Kaleb Service Farmers House and the Dutch Organic Cooperation B.V., made possible through the Private Sector Investment (PSI) Program of the Dutch government and established in December 2007.

Selet Hulling has two major production units, a production farm and a processing factory. The production farm is located in Humera District in the utmost north-western part of Ethiopia. Sesame is produced there on Selet Hulling’s own 300 ha farm and on the farms of families which are connected to two out-grower cooperatives that Selet Hulling works with: Fane-Limat cooperative (1000 farming families) and Shewit cooperative (500 farming families). These farmers also receive training and go through a certification trajectory.

The Selet Hulling factory is located 20 km outside Addis Ababa and consists of a raw material warehouse, a sesame cleaning line, a sesame dry-hulling line and a finished product warehouse. These facilities have been built according to international food standards and are organic and ISO 22.000:2005 certified. The factory is therefore able to meet the quality standards of many countries.

Selet Hulling makes use of the dry-hulling method, which has advantages over wet hulling methods because of lower water consumption and consequently less impact on the environment. Furthermore, rainwater is collected in the factory for the hulling process, which is filtered in multiple steps and UV-treated before entering the machine line. The sesame seed hulled in this factory is the Humera type, which is popular on the world market due to:
• white and comparatively large, uniform seeds
• sweet and nutty taste
• sweet and aromatic.

Selet Hulling follows an integrated Internal Control System and works according to international quality systems like HACCP. According to the factory’s website, Selet Hulling’s mission is “to be the world food and bakery industry’s premier supplier of top quality, competitively priced, certified organic hulled sesame seeds for a healthier living”. However, Selet Hulling was not available to verify to what extent they can currently adhere to that mission, but it is clear that they can be considered as the major sesame processor in Ethiopia.

Dipasa Agro Plc

Dipasa Agro Plc is part of the Dipasa group and was established in April 2008 as a joint venture company between Dipasa Europe B.V. of the Netherlands and Agro Prom International Plc of Ethiopia. The company has established a modern sesame seed processing factory that meets the quality requirements of high-value markets. It is located in Oromia Regional State at Burayu town, which is 15 km west of Addis Ababa.

Dipasa is engaged in the hulling and roasting of sesame seeds for export to various countries worldwide, including the Far East, Middle East, North America and Europe in particular. Dipasa has its own farmland in Humera and is working intensively in cooperation with sesame seed out-grower farmers’ associations since March 2012. Through this out-grower scheme, it tries to source traceable, organic and conventional sesame seed.

Dipasa processes Humera-type sesame and is currently engaged in exporting the following processed products:
• cleaned natural sesame seeds
• mechanically hulled sesame seeds
• hulled and roasted sesame seeds.

Dipasa Agro Plc has an organic certificate from BCS OKO-GARANTIE, a German organic certifier.

Ambassel Trading

Ambassel Trading processes, cleans, hulls and roasts white sesame and produces sesame paste (tahini). Their products are exported to Middle Eastern, Asian and European markets.

Sheba Trading

The Ethiopian-Israeli Joint Venture Sheba Trading in Gondar makes food products from sesame. Their plant has a processing capacity of more than 250 tons of sesame seeds annually, and their major products are tahini, halva and hulled sesame seeds.

Ethiopian Pulses, Oilseeds and Spices Processors Exporters Association (EPOSPEA)

Most major Ethiopian oilseed and pulses exporters are members of EPOSPEA. This association works to improve its market information system. EPOSPEA also organizes workshops together with SNV and the Private Public Partnership (PPP) on Oilseeds to share knowledge within the supply chain in order to better anticipate critical market issues.

4.2 Government organizations

Ministry of Agriculture

The government also formulated a plan for accelerated and sustained development to end poverty (PASDEP). By promoting, among other things, commercialization of agriculture and growth of the private sector and infrastructure (especially roads, energy, and irrigation). In order to reduce poverty and food insecurity in the country, it is imperative that growth in the agricultural sector is proportional with the growth in domestic demand for food. Significant investments are being made to address these underlying causes of chronic food insecurity in Ethiopia through programs like the Agricultural Growth Program (AGP).

AGP Sesame Activities

AGP (Agricultural Growth Program-Agriculture and Market Development) uses a value-chain approach to strengthen the agriculture sector, enhance access to finance, and stimulate innovation and private sector investment. The project has been able to:
• Reach over 750,000 farmers, influence farm-gate sales worth US$100 million, and facilitate approximately US$90 million in agribusiness loans.
• Help farmers achieve export sales worth over US$120 million and make investments of US$4 million.
• Build lead farmer networks delivering training in agricultural skills, helping farmers with over 150,000 hectares to use improved techniques and management practices.
• Achieve, through training and strategic investments, increased capacity of 51 farmer cooperative unions representing over 2,550 primary cooperatives and 1.9 million members.
Agricultural Transformation Agency (ATA)
The ATA coordinates the identification of bottlenecks in the sector and proposes solutions enacted by the relevant stakeholders, which in this case are the Ministry of Agriculture (MoA) and the Ethiopian Institute of Agricultural Research (EIAR). Dr Daniel Dauro illustrates:

“ATA has been focused on this sector since its establishment. We work with researchers, ministries and other stakeholders in the sector.”

Some of the key strategies the ATA has put forward are:

Sesame Sector Strategy: Sesame production and marketing has been an important agricusiness sector in Ethiopia. The crop was selected as one of the six priority crops in the Agricultural Growth Program (AGP). Although it already has a significant turnover, the sector has substantial potential for further growth and development.

Chickpea Cluster: ATA developed a strategic roadmap to address systemic issues in the chickpea value chain, while also recommended a set of immediate interventions. The ATA was developing an agricultural cluster approach. Each region was equipped with an Agriculture Commercialization Cluster (ACC) secretariat, with the support of ATA under the direct supervision of the regional government. The program focused on strengthening access to markets through capacity-building efforts of selected cooperative unions, helping them to secure forward contracts with large local and international chickpea buyers.

4.3 Research and education

Ethiopian Institute of Agricultural Research (EIAR)
The agricultural research at the Ethiopian Institute of Agricultural Research (EIAR) is divided into federal research institutes and several regional research institutions. Recently, the focus has shifted to a more thematic and interdisciplinary approach and to the impact on the sector.

The EIAR has divided up and allocated its resources among its major centers across Ethiopia to specialize in one specific study. Examples include:
- EIAR in Humera and Werer for sesame seed
- EIAR in Debre Zeit for chickpeas and linseed
- EIAR in Holeta for horse pea, Noug seed and rape seed.

With funding from the Bill & Melinda Gates Foundation, N2Africa began a second phase on 1st January 2014. The project will run for five years and is led by Wageningen University together with the International Institute of Tropical Agriculture (IITA) and the International Livestock Research Institute (ILRI). We have many partners in Ghana, Nigeria, Ethiopia, Tanzania and Uganda (Core countries), and in DR Congo, Rwanda, Kenya, Mozambique, Malaysia and Zimbabwe (Tier 1 countries).

In the first phase, N2Africa reached more than 230,000 farmers who evaluated and employed improved grain legume varieties, rhizobium inoculants and phosphate-based fertilizers. In the second phase, the program remains focused on research on, and dissemination of, major grain legumes in selected areas in the Core countries. (http://www.n2africa.org/)

4.4 Development partners and programs

N2AFRICA
N2AFRICA is a large-scale, science-based “research-in-development” project focused on putting nitrogen fixation to work for smallholder farmers growing legume crops in Africa. Our vision for success is to build sustainable, long-term partnerships to enable African smallholder farmers to benefit from symbiotic N2-fixation by grain legumes through effective production technologies, including inoculants and fertilizers.

SNV
SNV, in partnership with Agriterra, is implementing the Cooperatives for Change (C4C) program, which seeks to build the capacity of cooperative unions and their members in output marketing, improve their business performance and enable them to access more profitable markets. The program will achieve this through the establishment of pilot business arrangements with buyers and service providers, an increase in inputs, technologies and other services, and building critical capacities to meet the market requirements, ultimately resulting in improving the livelihoods of smallholder farmers’ households in Ethiopia. The program works with 16 farmer cooperative unions in Amhara and Oromia across cereals, pulses and oilseed crops.

Sesame Business Network (SBN)
The SBN is largely an informal innovation network in north-west Ethiopia that is driven by local entrepreneurs and other stakeholders working in the sesame production and business sector. The building blocks of the SBN are the Sesame Business Clusters (SBCs).

Currently CBI is running four Export Coaching Programs (ECPs) in Ethiopia. An ECP guides the participating small and medium enterprises in the different phases towards exporting to the European market.

CBI is working on a program which started in 2013, and will run until the end of 2016, focusing on export development and promotion to the European market with 12 selected exporting companies and the EPOSPEA.

The CBI ECP program will focus on “exporters” such as exporting companies and processors. These entities have a “trading”, logistical, commercial and value-addition role in the value chain.

CBI has included a train-the-trainer component in activities with EPOSPEA. The idea is that the participants will be available for EPOSPEA, but can also be hired through other organizations.
32 Sources of further information