

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Ethiopia

Post: Addis Ababa

Ethiopia in the Market to Buy 200000 Metric Tons of Sugar

Report Categories:

Sugar

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Report Highlights:

The Ethiopian Sugar Corporation (ESC) recently announced an international competitive tender to purchase 200,000 metric tons of white cane sugar. Bids are due on February 26, 2019. Delivery of shipments is expected for April, May, June, and July at Port of Djibouti. ESC has vowed to halt sugar imports after July 2019 in anticipation of increased local productions from recently inaugurated sugar factories.

General Information:
Ethiopia Looking Again to Import Sugar

At the end of January 2019 the state-run Ethiopian Sugar Corporation (ESC) announced an international tender for supply and delivery of 200,000 metric tons of white cane sugar. Bids are due February 26. Delivery of consignments is expected for April, May, June, and July via Port of Djibouti. This is the first tender announced in 2019. From October to December 2018 Ethiopia imported 200,000 metric tons of sugar from India.

The country hopes to meet sugar demand with local productions and to cease imports after July 2019. This is in expectation of increase in local productions from a couple of newly inaugurated sugar plants (Omo Kuraz II and III sugar projects). Annual production of sugar is estimated at 400,000 metric tons and demand ranges between 600,000-650,000 metric tons.

Imported sugar helped the country to stabilize serious supply shortages in both household consumption as well as industrial use. Food and beverage manufacturers have great difficulty of sourcing sugar and have been forced to operate below capacity. Post foresees at least another round of sugar import in 2019 before the country becomes self-sufficient with local productions.

Table below summarizes Ethiopia’s tender for sugar imports (volume in metric tons).

Summary of ESC Sugar Tenders from 2015-2019 (MT)				
2015	2016	2017	2018 (Jan-Dec)	2019 (Jan)
275,000	300,000	170,000	300,000	200,000

Source: ESC as compiled by www.tender.2merkato.com