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Ethiopia

Post: Addis Ababa

Ethiopia Selects Three International Companies for Wheat Tender

Report Categories:

Grain and Feed

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Report Highlights:

The Government of Ethiopia (GOE) floated an international competitive tender to purchase 400,000 metric tons of milling wheat. Bids were due on January 31. Three companies have reportedly been selected to supply the milling wheat valued at \$122 million. This is the first wheat purchase in 2019 and delivery of shipment is expected in April /May. From past observations, Post anticipates origin of the wheat would be from the Black Sea region.

General Information:

Ethiopia to Ink Deal to Buy 400,000 Metric Tons of Imported Wheat

According to recent [news](#) reports, the GOE procurement agency has selected three international agribusiness firms to supply 400,000 metric tons of milling wheat at a total value of \$122 million. The companies are Bunge SA, Amropa AG, and ADM International. Bunge SA is reported to have been the first company selected to supply 200,000 metric tons at an average price of \$308.5 per metric ton. Amropa AG and ADM were each selected to deliver 100,000 metric tons at \$308.4 and \$299 per metric ton, respectively.

The bid selections were made despite the GOE procurement agency receiving a lower offer from a Dubai-based grain company to supply the entire tender quantity at \$270 per metric ton. However, it has been disclosed that the company's bid was rejected on the grounds of failure to meet the technical requirements of the bid. The company has disputed the bid selection result and appealed to the board of directors of the procurement agency for a final verdict.

This latest round of international procurement of wheat will help ease shortages of wheat flour in the country. The GOE will distribute the wheat to local milling companies and bakeries enrolled under the GOE subsidized wheat program. Ethiopia's will continue to import wheat in order to satisfy rising consumer demand. Post projects wheat imports to reach 1.7 million MT in MY 2018/19.