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Ethiopia

Post: Addis Ababa

Ethiopia Inks Deals to Purchase 800 TMT of Imported Wheat

Report Categories:

Grain and Feed

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Report Highlights:

In late 2017, Ethiopia contracted to buy 800,000 metric tons of imported wheat, valued at \$225 million. Half of the wheat is for food assistance and the remainder for the government's bread subsidy scheme. The contracted wheat will likely be sourced from the Black Sea region.

Ethiopia Contracts to Buy 800,000 Metric Tons of Imported Wheat

According to local news sources, the Ethiopian government finalized two separate deals in the final months of 2017 to purchase a total of 800,000 metric tons of imported wheat, valued at a little more than \$225 million. The imported wheat will likely be sourced from the Black Sea region with delivery expected in early 2018. Payment for the wheat is to be made six months after delivery.

The contracted wheat purchase was made up of two separate tenders each for 400,000 metric tons each. The [first tender](#) was for imported wheat to feed more than 5 million people requiring food assistance. It was announced in October and awarded in November. The winning bid price was about \$300/MT. The [second tender](#) was for imported wheat for the government's bread subsidy scheme. It was announced in November and awarded in December. The winning bid price was about \$240/MT.

Considering this purchase and imports to date, wheat imports are expected to go a little beyond Post's original MY17/18 (Oct-Sep) forecast of 1.2 million metric tons. Last year, wheat imports reached about 1 million metric tons.