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Ethiopia

Post: Addis Ababa

Ethiopia Looking Again to Buy More Sugar

Report Categories:

Sugar

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Report Highlights:

In an effort to alleviate marketplace shortages, the state-run Ethiopian Sugar Corporation (ESC) bought 100,000 metric tons of sugar this past November. A few months later, in February, ESC announced its intention to buy an additional 100,000 metric tons. Bids for this tender are due March 20 and the shipment delivery date is June-August.

Ethiopia Floats Tender for 100,000 Metric Tons of Sugar:

In an effort to alleviate marketplace shortages, the state-run Ethiopian Sugar Corporation (ESC) is buying imported sugar. In November, according to a <u>local press report</u>, ESC bought 100,000 metric tons of sugar at about \$497 per metric ton from a UAE-based company. The first shipments started arriving in January. Shortly thereafter, in mid February, the ESC floated a tender to buy another 100,000 metric tons of sugar. Bids are due on March 20 and delivery is expected between June-August.

The sugar purchased in November combined with this latest tendered amount, if contracted, will help close some of the gap between supply and demand. However, the current shortage remains, which is forcing some consumers and manufacturers to limit consumption. Based on projected market conditions, Post expects Ethiopia will continue importing sugar for several more years.

Table 1: Summary of ESC Sugar Tenders from 2015-2018				
Year	Month Tendered	Tender Quantity (MT)	Delivery Period	
2018	Feb	100,000	Jun-Aug	
2017	Nov	100,000	Jan	
	Jul	70,000	Aug-Sep	
2016	Jun	160,000	Sep	
	Mar	140,000	Jun	
2015	Aug	75,000	Sep	
	Apr	100,000	Jun	
	Mar	100,000	May	

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

Table 2: Summary of ESC Sugar Tenders from 2015-2018 (MT)				
2015	2016	2017	2018 (Jan-Feb)	
275,000	300,000	170,000	100,000	

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