



Ethiopia 2020/21

Crop Report

November 2020

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ABBREVIATIONS USED

UNITS OF MEASUREMENT



EXECUTIVE SUMMARY

2019/20 crop (off-year)

The crop was forecast lower than the previous crop by 5% and ended up being even lower at 402 K MT (we had estimated 411 K MT). Split between Washed and Natural 20% and 80%, due to the sharp decline in production in the South where a higher % of the crop is washed viz-a-viz other producing areas of Ethiopia. We also revised down our carry out stocks by approximately 155 K bags to just over 1 Million bags, which is the lowest carry out stock figure in past few years. The pace of sales at ECX has been very low this 2020 Calendar year lagging behind 2019 by 30% in volume. Exported volumes started to lose pace from July and we expect this trend to continue until 20/21 crop coffee starts to come to market in earnest (from December onwards at ECX and March onwards FOB). Quality has also been disappointing due to excessive rain during the maturation period and wet weather post-harvest. Sundried qualities had many defected beans (blacks, mouldy and sours) and in the cup the coffee was found to be Earthy, Musty and Phenolic. Exports were consequently also lower than the previous 12 month period by 3%.

2020/21 (on-year)

We are expecting a greatly improved crop in 20/21 both in terms of quality and quantity. Production is expected about 9% higher than in 19/20; the weather in the last 12 months has been much more beneficial for quality, harvesting started early and the weather post-harvest (so far) has been much more conducive to producing better quality coffee. Particularly Djimmah quality is expected to show big improvements viz-a-viz 19/20. The estimated split Washed to Natural is 19% to 81% reflecting the pick up in production in the more Natural growing areas of the West (Wellega, Illubabor and Djimmah). We also expect more volume of Natural from the South. Notwithstanding the usual political issues that plague this part of the world and the current global pandemic, we expect that the pace of sales from farmers to agrabe and on to the ECX to be constant and steady. The time that Agrabes are permitted to hold coffee unsold at ECX warehouses has been extended from 30 to 60 days which could cause some disruption however increased volumes will pressurize coffee to change hands along the value chain. The harvested started much earlier this year (compared to 2019) and we are already seeing New Crop Washed coffees trading at ECX, in December we expect much more coffee to be available. Cherry prices started from a much higher level this season compared to last. However, these seem to be stable at around 20 Birr/kg Red Cherry.

The introduction of a minimum price caused some disruption to the flow of coffee to Export markets. However, after a few weeks with far too high Minimum prices and consequently no sales registrations, the powers that be, lowered prices and more normal trade resumed. New Crop Minimum registration prices have again been set at overly optimistic levels however we expect that a happy balance will be struck at some point in the coming weeks.

The General Election that was postponed from 2020 to 2021 due to the pandemic is expected in June 2021. We pray for a rapid and satisfactory solution to the current conflict in the North of the country and a peaceful election in the summer of 2021.

2021/22 (off-year)

The 2021/22 crop is projected, under normal conditions, at 435,277 MT (7.26 M bags) and the weighted production probability is 403,088 MT (6.72 M bags).



1. INTRODUCTION

1.1. General thoughts on the 2020/21 crop survey (on-year)

2020/21 crop is estimated at **439,217MT (7,320k bags)**, which is **9%** higher than 2019/20 crop estimate ,and about **3%** higher than 2018/19 crop. 2020/21 crop production volume of washed and sundried is estimated at **82,592 MT(19%) and 356,625MT(81%)** respectively.

Harvesting is estimated to be peak during Nov across coffee producing region; and about 92% of country's production will be harvested up to end of Dec 2020. Most washing stations along southern region started washing during Oct; Starting cherry price was 15-18 Birr/kg along Southern region, reaching 20 and higher recently. The crop in the **South is estimated 30% higher** than in 19/20. In the **South-West**, 2020/21 is an off-cycle year and the crop in Kaffa, Benchi Maji and Sheka will be **lower this year by 35%**; since the quality of the coffee from the South West is generally poorer than in the West, Grade 5 coffee quality should be greatly improved. In the **West** (Jimma, Illubabor and Wellega) the crop is expected **up by 20%** and with improved weather this year and no repeat of the armed skirmishes in Lekempti areas that we experienced in 2019, improved quality will be assured.

1.2. Methodology

Pre-harvest survey of 2020-21 crop is started on 13 Sept 2020 in the southern region, and conducted across all coffee growing regions, except Eastern region, so as to reliably estimate the production ,stock, harvesting pace and selling pace of the country. Total numbers of 470 samples were visited out of 500 target samples along planned coffee growing regions.

Table.1) Samples distribution

Regions	Samples Visited Sept,2019	Samples Visited Sept,2020
West	205	205
South-west	62	67
South	196	198
East	20	0
Ethiopia	483	470



The survey was conducted to estimate the overall production of coffee in the country. Effort was made to cover all coffee growing belts of the country except Eastern Harar and Bale areas. The coffee regions are defined as follows (see Figure 1.1 below):

West: Jimma, Ilubabor, Wellega.

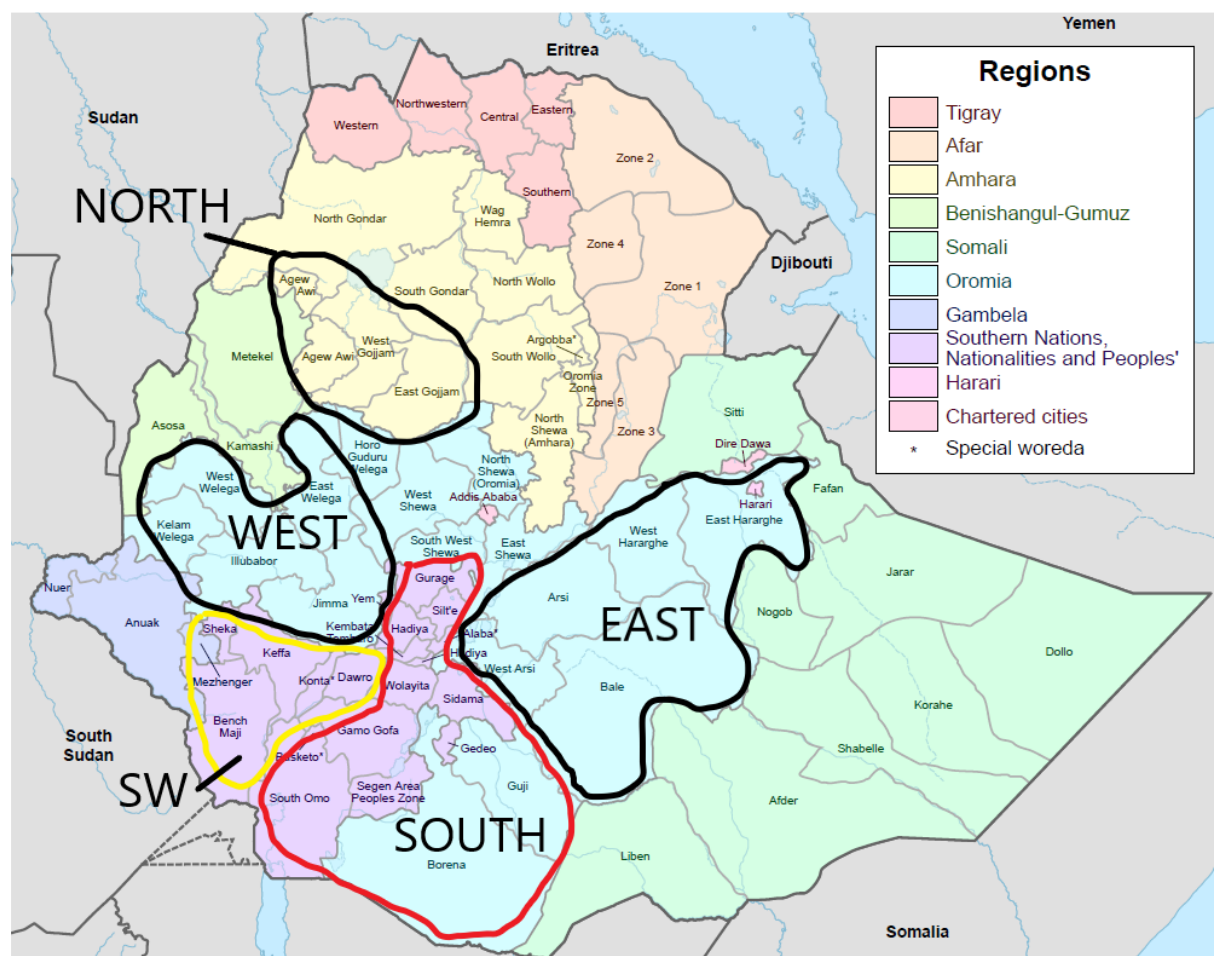
South-west: Gambella, Bench Maji, Kaffa, Sheka, Dawero.

South: Wolaita, Gurage, Kembata Tembaro, Sidamo, Gedeo, Borena, Amaro, South Omo, Gamo Gofa, Yirgacheffe, Gudji.

East: West Arsi, Bale, West Harar, East Harar.

North: Awi, Zege and Gojam.

Figure 1.1. Ethiopia's Coffee Regions.



1.3. Production, Exports, Domestic Consumption and Stocks

2019/20 Crop was revised down by 9 K MT compared to the figure presented in our 2019/20 Crop Estimate published in November 2019; Carry Out stocks 2019/20 are very low at 1,000 MT; shipments 2020/21 expected lower but still above 4 K MT. Some stock build up over the coming 12 months.



Table.2) Supply and Demand

October to September ('000 Bags)								
	SUPPLY			DEMAND			Cycle	
	Carry In	Production	Total	Dom. Use	Exports	Carry Out		
15/16	1,438	5,662	7,100	2,616	3,297	1,187	Off	
16/17	1,187	6,730	7,917	2,634	3,785	1,498	On	
17/18	1,498	6,477	7,975	2,706	4,030	1,239	Off	
18/19	1,239	7,116	8,355	2,799	4,201	1,355	On	
19/20	1,355	6,697	8,052	2,924	4,063	1,065	Off	
20/21*	1,065	7,320	8,385	2,997	4,023	1,365	On	*Estimate
21/22**	1,365	6,718	8,083				Off	**Projection

2. REVIEW OF 2019-20 CROP

2.1. Internal market situation

As previously mentioned the 2019/20 season was adversely affected by excessive rain and armed conflict in Wellega. The reduced crop in the South increased competition for cherries; this situation was exasperated by the increase in Vertical Integration arrangements between Agrabes and Exporters that flooded the countryside with ready cash to buy cherries at any price! Cherry prices soared in Guji, Sidamo and Yirgacheffe during the 2019 harvest. A lot of Sidamo contracts had to be covered with coffee from other regions (Tepi and Limu) for Exporters to avoid huge losses and have something to stuff in containers. There has been a huge shortage of coffee in the local market, “Mercato” prices have consistently been higher than FOB prices and exporters have been able to sell their rejects in the local market at higher prices than those fetched in the overseas market for export quality coffee. As a result of these market pressures 2019/20 Carry Out stocks are greatly depleted.

2019/20 crop is revised slightly downward to 401,835MT (6,697k bags), which is about 6% lower than 2018/19 crop. Revision of the crop number is based on reconciliation of stock balances along coffee supply chain, volume of coffee traded at ECX and volume of actual coffee exports for the season.



Table.3) Review of 2019-20crop

Region	Area (Ha)		% Var	Yield (MT/Ha)		% Var	Production (MT)		% Var
	2018-19	2019-20		2018-19	2019-20		2018-19	2019-20	
West	352,799	353,916	0%	0.57	0.44	-22%	199,759	156,113	-22%
S-West	108,312	113,580	5%	0.45	0.72	62%	48,280	82,234	70%
South	195,722	197,572	1%	0.76	0.66	-13%	149,586	130,853	-13%
East	65,155	65,237	0%	0.44	0.48	11%	28,494	31,571	11%
North	1,008	1,288	28%	0.86	0.83	-4%	868	1,065	23%
Ethiopia	722,995	731,593	1%	0.59	0.55	-7%	426,987	401,835	-6%
K Bags							7,116	6,697	

2.2. 2019/20 Export Performance

October to September Export figures 2019/20 viz-a-viz same 12 month period in 2018/19 is **4% lower**. However exports figures from Oct to March will be for the previous crop and April to September mostly for the of the Current crop. Therefore analysing export figures for the Coffee Year (Oct to Sep) do not really capture the fluctuations in production. The sharp decline in exports during the quarter ending Sep 2020 is likely to continue for the subsequent 6 months until 2020/21 Crop starts to be exported in earnest April 2021 onwards.

During 2019-20 trading season, the Birr lost 30% of it's value to the USD and is currently trading at just under 38 Birr to the USD.



Table.4) Comparison of exports figures

Month	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21*
Oct	11,375	15,108	13,923	18,902	17,674	19,966	13,256
Nov	10,184	13,453	12,547	17,409	13,263	18,328	13,263
Dec	8,328	10,420	11,013	15,167	12,992	14,188	14,115
Jan	6,807	12,652	11,259	13,508	11,166	16,570	17,872
Feb	12,462	13,044	16,196	16,607	16,199	17,456	16,754
Mar	18,497	18,020	27,214	22,236	20,739	26,949	23,308
Apr	21,530	17,984	19,443	25,588	21,809	25,135	24,178
May	23,628	24,614	30,441	26,142	28,449	25,967	26,853
Jun	28,324	24,555	29,262	27,082	29,294	25,790	27,389
Jul	15,555	16,265	18,412	17,928	26,512	19,015	21,152
Aug	18,964	19,198	20,722	23,694	30,279	19,995	24,656
Sep	14,295	12,450	16,692	17,557	23,696	14,433	18,562
Total	189,949	197,764	227,124	241,819	252,072	243,791	241,356
Production-MT	347,265	339,691	403,785	388,645	426,987	401,835	439,217

*Estimate

We do not expect that the pace of exports during the 6 month period April to Sep 2021 to match the performance of 2 years ago in 2019 and therefore Exports will not reflect the larger crop. We believe that there will be a rebuilding of stocks from 1 K MT at Oct 2020 to a more comfortable and normal 1.3 K MT by Sep 2021.

2.3 Reconciliation of Supply, Demand and Stocks

Our Production figure for 19/20 has been reduced by 155 K bags or 2% of our estimated production as of this time in 2019. This represents a production decrease between 18/19 and 19/20 of 9% and a reduction between 19/20 Carry In and Carry Out stocks of 290K bags. Since Y-O-Y ECX sales (to November) are down by 30% we believe that a higher proportion of coffee is by-passing ECX, with most of this growth coming from Vertical Integration deals rather than increased production on large farms or increased exports by Cooperatives.



Table.5) Reconciliation of Balance stock

2019-20	MT	K bags
Carry in	81,321	1,355
Production 19/20	411,119	6,852
Total Supply	492,440	8,207
Dom Use (Oct `19-Sept`20)	175,437	2,924
Exports (Oct `19-Sept`20)	243,791	4,063
Total Physical Disappearance	419,228	6,987
Implied stocks	73,212	1,220
Estimated stocks	63,928	1,065
Exporters	8,362	139
ECX warehouses	3,330	56
Upcountry traders	10,453	174
Domestic market	29,239	487
Farmers	12,544	209
Surplus/Deficit	-9,284	-155
Revised production 19/20	401,835	6,697

3. 2020/21 CROP ESTIMATE

3.1. 2020/21 Crop Production Estimate

The 2020/21 crop estimate is revised downwards compared to our projections a year ago, it is still higher than 2019/20 production. The growth in production figure is mainly due to the higher yields observed in the South and Western regions, specifically Sidama, Gedeo, Guji, Wolaita and Wellega areas. In South-western areas, the crop had been affected by CBD infestation during the fruit development stage. Furthermore, this region is in an off-cycle year. In the western regions, the pattern of rain distribution was normal to higher than normal between August and October 2020. This contributed to some instances of CBD infestation and fruit dropping in some farms in Jimma, Ilubabor and Wellega.



Table.6) 2020/21 Crop Estimate

Region	Area (Ha)		% Var	Yield (MT/Ha)		% Var	Production (MT)		% Var
	2019-20	2020-21		2019-20	2020-21		2019-20	2020-21	
West	353,916	355,028	0%	0.44	0.52	19%	156,113	185,965	19%
S-West	113,580	116,097	2%	0.72	0.45	-37%	82,234	52,647	-36%
South	197,572	199,439	1%	0.66	0.86	29%	130,853	170,556	30%
East	65,237	65,338	0%	0.48	0.43	-11%	31,571	28,110	-11%
North	1,288	2,108	64%	0.83	0.92	11%	1,065	1,938	82%
Ethiopia	731,593	737,310	1%	0.55	0.60	8%	401,835	439,217	9%
K Bags							6,697	7,320	

Washed and Unwashed coffee estimate

The washed coffee production of the 2020/21 crop is estimated to be 82,592 MT, which is 19% of the total production and 3% higher than washed coffee production estimate of 2019/20 Crop. The increment in amount of washed coffee of Southern and Western regions over these two years has been mainly attributed to higher Red Cherry prices offered to farmers and the increased number of coffee washing stations. The substantial growth in Sundried coffee in 2020-21 crop in the South is mainly due to the biennial effect of the crop cycle in wolaita, Guji and Gedeo (Yirgacheffe). Wellega, Sidamo, Borena, wolaita, Hadiya, kembata and Amaro will all have good crops in 2020/21.

Table.7) Washed and Unwashed coffee production estimate

Region	2019-20 washed & unwashed (%)		2020-21 washed & unwashed (%)		2019-20 washed & unwashed (MT)		2020-21 washed & unwashed (MT)		% change 20-21 Vs19-20	
	Wet	Dry	Wet	Dry	Wet	Dry	Wet	Dry	Wet	Dry
West	14%	86%	10%	89%	21,457	134,656	19,365	166,600	-10%	24%
South-West	5%	95%	5%	95%	4,353	77,881	2,779	49,868	-36%	-36%
South	42%	58%	35%	65%	54,547	76,306	60,448	110,109	11%	44%
East	0%	100%	0%	100%	-	31,571	-	28,110	0%	-11%
North	0%	100%	0%	100%	-	1,065	-	1,938	0%	82%
Ethiopia	20%	80%	19%	81%	80,356	321,479	82,592	356,625	3%	11%



Table .8) Production breakdown between Washed and Sundried

Areas	2019-20			2020-21			Δ 19 to 20
	Washed	Sundried	Total	washed	Sundried	Total	Total
Jimma	12,296	42,910	55,206	10,752	40,448	51,200	-7%
Ilubabor	7,644	46,648	54,292	5,626	53,732	59,358	9%
Wellega	1,517	45,098	46,615	2,987	72,420	75,407	62%
West	21,457	134,656	156,113	19,365	166,600	185,965	19%
Gambella	113	6,337	6,450	83	4,690	4,773	-26%
Bench Maji	1,263	31,824	33,087	796	20,049	20,845	-37%
Kaffa	1,578	13,112	14,690	1,026	8,523	9,549	-35%
Sheka	1,224	23,863	25,087	759	14,795	15,554	-38%
Others	175	2,745	2,920	116	1,812	1,928	-34%
South-West	4,353	77,881	82,234	2,779	49,868	52,647	-36%
Wolaita		1,908	1,908		2,461	2,461	29%
Kembata Tembaro	4,704	7,057	11,761	4,350	11,528	15,878	35%
Sidamo	27,360	16,769	44,129	31,295	25,632	56,927	29%
Gedeo	16,618	28,840	45,458	17,933	44,799	62,732	38%
Borena	5,732	16,180	21,912	6,706	18,931	25,637	17%
Amaro	102	1,353	1,455	126	1,678	1,804	24%
South Omo	30	748	778	37	905	942	21%
Gamo gofa		3,450	3,450		4,175	4,175	21%
South	54,547	76,306	130,853	60,448	110,109	170,557	30%
Bale		5,219	5,219		4,371	4,371	-16%
West Harar		17,115	17,115		15,316	15,316	-11%
East Harar		9,237	9,237		8,423	8,423	-9%
East		31,571	31,571		28,110	28,110	-11%
Others		1,065	1,065		1,938	1,938	82%
Ethiopia	80,356	321,479	401,835	82,592	356,625	439,217	9%

3.2. Farmers Harvesting pace of 2020/21 crop

Farmers in the South-west region started harvesting the crop at the beginning of Sep 2020. Horizon coffee farms and Tepi coffee plantations started their washing operations mid Sep 2020. About 3% of the 2020/21 crop was harvested in Sep and 26% of the crop harvested in Oct. Peak harvesting will be in Nov. Harvest of the crop will be completed in Feb as a result of late and extended harvest pace in the Wellega. This season's harvesting has a much more normal timing to it than last harvest in 19/20. As a result we expect better quality. The earlier start to the harvest will mean that processing capacity should not come under too much pressure despite the increased volumes.



Table.9) 2020/21 Crop harvesting pace

Zone	Harvesting pace of 2020-21 crop (%) -TOTAL					
	20-Sep	20-Oct	20-Nov	20-Dec	21-Jan	21-Feb
West	0%	19%	36%	30%	12%	2%
S-West	3%	27%	41%	27%	2%	0%
South	6%	33%	39%	19%	4%	0%
East	5%	36%	35%	21%	3%	0%
Ethiopia 2020-21	3%	26%	37%	25%	7%	1%
Cumulative	3%	29%	67%	92%	99%	100%

3.3. Farmers' Selling pace of 2020/21 Crop

Selling of fresh cherry started in Sept 2020 in the Southern and South-western regions. About 9% of the 20/21 crop in the Southern region is expected to be sold during Oct 2020. Most washing stations in the traditional washed coffee supplying regions will buy fresh cherry during Nov 2020. Parchment will begin arriving at ECX second half Nov and in larger volumes in Dec.

Table.10) Farmers selling pace of 2020-21crop estimate

Zone	2020-21crop Selling Pace-Total(%)										
	20-Sep	20-Oct	20-Nov	20-Dec	21-Jan	21-Feb	21-Mar	21-Apr	21-May	21-Jun	Stock 31st June
West	0%	3%	8%	12%	11%	13%	14%	13%	12%	7%	8%
South-West	1%	4%	11%	14%	15%	15%	12%	11%	7%	5%	6%
South	2%	9%	16%	15%	13%	13%	9%	9%	7%	4%	3%
East	0%	0%	8%	15%	18%	17%	18%	11%	7%	2%	4%
Ethiopia 2020-21	1%	5%	11%	14%	12%	13%	12%	11%	9%	5%	6%
Cumulative	1%	6%	17%	31%	43%	57%	69%	80%	89%	94%	100%

3.4. Farm Gate Prices

2019 saw a greatly improved farm gate coffee price due to devaluation of the local currency against US dollar and very strong competition between agrabes to secure volume in a lower crop year and in a scenario of increased Vertical Integration agreements which guaranteed profitable returns for washing station owners. In addition, exporters financed agrabes to secure coffee for their customers. The result was a higher proportion of Washed coffee vs Natural in the South, with much of this coffee by-passing the ECX moving from the growing areas in the South directly to Exporters Warehouses and on to Export markets. We adjusted our 19/20 Washed vs Natural split to accommodate this.

Farmers in the Southern region have started selling Red Cherry at 15 to 18 Birr/kg at the beginning of harvest. Currently the prices for Red Cherry in the Southern region is between 20 and 24 Birr/kg cherry; Farmers are expecting the price in the south to reach 25-30 Birr/kg during peak harvest in



late Nov/early Dec; however, it remains to be seen if the higher crop will dampen agrabe spirits to pay up. So far it would appear that there is less aggression in price setting compared to last year even if the starting price was already quite high!

The starting red cherry selling price for Jimma area is within the range of 12-15 Birr/kg. Farmers in South-west region, Benchi Maji area, started selling fresh red cherry by 10 to 11 Birr/kg.

Table.11) Comparison of farm gate coffee price

Region	2019-20 Price (ETB/KG)					2020-21 Price (ETB/KG)					2020 vs 2019 %	
	Birr	Red Cherry		Dry	Green	Birr	Red Cherry		Dry	Green	Birr	Red Cherry
		start	End	Sep 19	Sep 19		start	current	current	current		Dev. Start
West		8	24	28	60		14	21	47	98		75%
S-West		6	15	22	53		11	15	36	84		83%
South		9	26	31	75		15	20	52	120		67%
1 US Dollar	29					37					28%	

Local coffee price (“Mercato” price) is within range of 100 Birr to 150 Birr/kg in the non-coffee growing parts of the country; this equates to a price of around 150 c/lb for very low quality coffee and reflects the shortage of coffee supply for local consumers.

Conversion rate

Red Cherry 100kg=18kg Green Bean, Dry Cherry 100 kg=50kg Green Bean

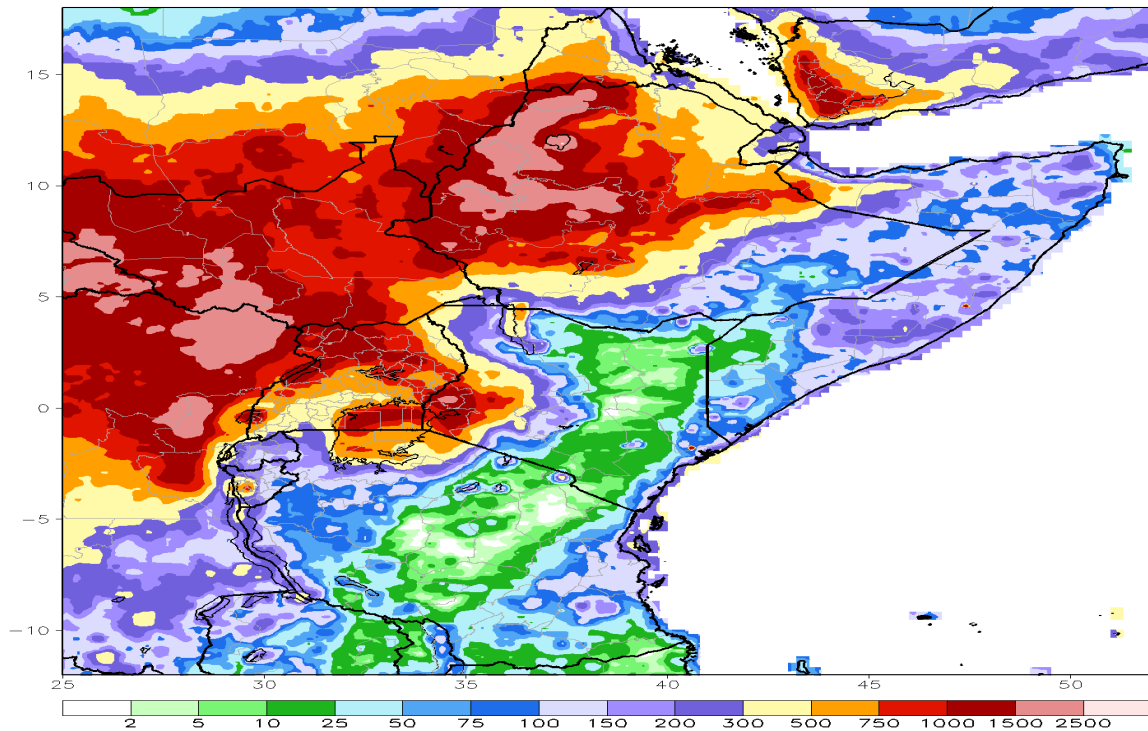
1 US dollar=37 Birr currently, 1 US dollar=29 Birr for 2019



3.5. Comments on Weather, Farm Gate Prices and Current Stocks in Farmers hands

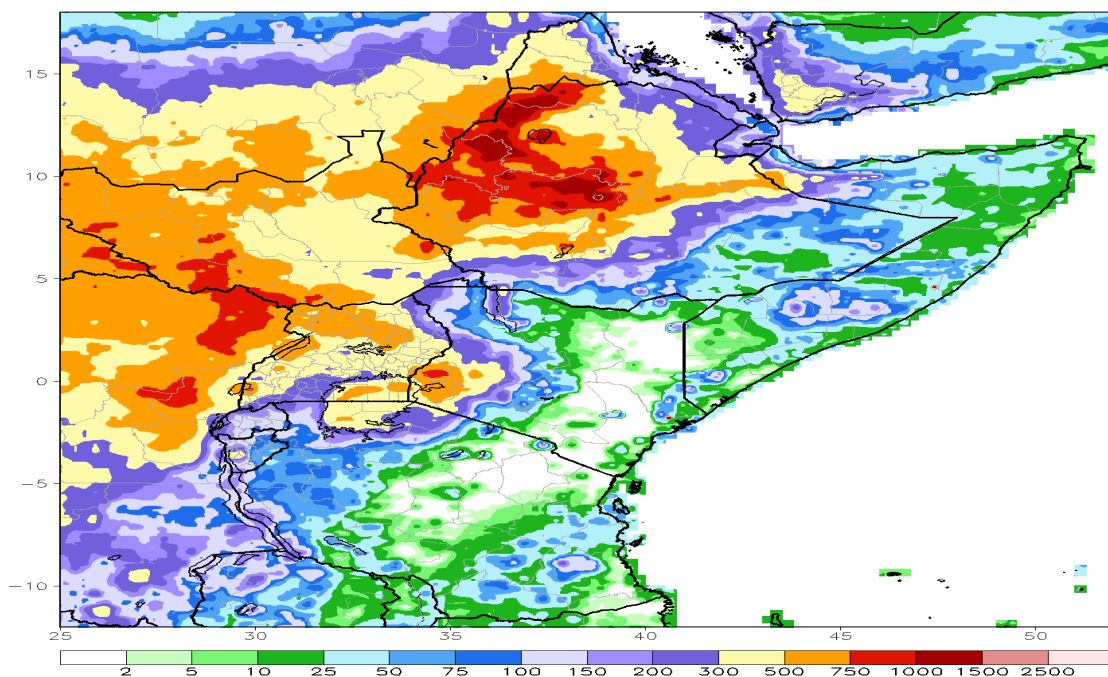
There was normal to above normal rainfall during 2020/21crop development period. But the pattern of rainfall distribution along the central parts of the country was above normal to excessive, which had destructive effects in the non-coffee growing areas of Ethiopia.

RFE2 180-Day Total Rainfall (mm)
Period: 29Apr2020 – 25Oct2020



There was normal to normal rainfall distribution during 2020-21crop maturation stage.

RFE2 90-Day Total Rainfall (mm)
Period: 28Jul2020 – 25Oct2020



Below we further analyse the weather impact and current situation in the Main coffee growing areas.

Southern region

The crop in the South is expected higher due to On-cycle, improved and favourable weather conditions with higher than normal rainfall crucially at the right time for crop development and good husbandry following the very high prices paid last year motivating farmers to look after their coffee trees. In 2019 prices reached 25 Birr/kg at the peak of the season. Stocks in farmers hands are very low and lower than usual.

Sidamo prices for Dried Cherries are between 47-50 Birr/kg, and the price of green bean 110birr/kg at farmer gate level. The ending 2019/20crop red cherry selling price was 25birr/kg. Farmers are super happy at existing coffee price. 2019crop Stock with farmers is nil.

South-west region

In **Kaffa** the crop along Bonga is sharply down viz-a-viz 2019 by 40%, harvesting started in September and past crop stocks in the hands of farmers were minimal.

The price of 2019/20 Green Bean price 90 Birr/kg, and the price of Dry Cherry is 35 Birr/kg. The price of fresh red cherry was about 15 Birr/kg. Some farmers in Wushwush area are expanding tea planting, and some tea firms establishing out-grower scheme for buying tea leaves from out grower farmers; this could have an impact on coffee production in coming years.

In **Bench Maji** the current crop will be lower than in 2019, farmers started picking red cherry during the first week of September. The price of fresh red cherry is 10 to 11birr/kg. Current Green Bean price is 80-90birr/kg. The level of CBD infestation is about 8%.

In **Sheka** the crop is also lower, so we are expecting less coffee from Tepi, likewise here there are instances of CBD

Western region

In **Jimma** the crop is expected slightly lower than in 2019, however the crop along Limu kossa/Agaro/Beshasha/Gera is larger. There is about 5% crop loss for CBD infestation in the area.



Crop harvesting started at the beginning of Oct, and the starting Red Cherry price was 15 Birr/kg. Rainfall in the area was normal to about normal. There is no significant area expansion.

2019/20 Red Cherry prices ranged between 15-24birr/kg. The price of red cherry in Limu Genet and Limu Kossa area was 12birr at the beginning of the 2019 harvest and climbed to 24 Birr/kg during the season. Current Dry Cherry price is 47 Birr/kg, while the price of Green Bean is 85 to 90 Birr/kg. Farmers are happy with current coffee prices and stocks are minimal.

Overall the 2020 crop in **Ilubabor** area is higher than 2019/20, however, the crop along Suphee/Darimu is much lower than in 2019, and the crop along Mettu and Gore area is also lower than the previous season. There has been normal rainfall distribution. About 3% of the crop has CBD damage. Crop harvesting started in Nov.

There is very small percentage of 2019/20 crop in farmers hands'; we estimate that upcountry traders are holding about 6% of the crop.

In **Wellega** there is a bumper crop 60% higher than in 2019/20. Rainfall has been normal to above normal. There is about 2% area expansion. There is very good crop along Nejo /Gimbi area. The crop along Guliso /Billa did not ferry so well, however it is still decent. The level of CBD infestation is 4%, which is lower than last year. Crop harvesting will start in Dec 2020.

The 2019/20 crop harvesting period was a difficult time for coffee farmers due to internal conflict and ongoing fighting between Government troops and fighters from the Oromo Liberation Front. Consequently a high proportion of the crop fell to the ground and quality of the crop was negatively impacted. Probably because of security concerns in the region Carry Out stocks in the hands of farmers are much lower than usual. Farmers are holding about 6% of the crop and local suppliers 8%. The current Green Coffee price is 100 Birr/kg. The price of Dry Cherry price is 47 Birr/kg.



4. 2021/22 CROP PROJECTION

4.1. 2021/22 Crop Projection

Based on the bud wood growth and crop condition, the 2021/22 crop is forecasted at 435,277 MT, which is 1% lower than the current 2020/21 Crop estimate. To watch are the potential effects of La Nina in East Africa during the first quarter of 2021.

Table.12) 2021-22crop production projection

Region	Area (Ha)		Var	Yield (MT/Ha)		Var	Production (MT/Ha)		Var
	2020-21	2021-22		2020-21	2021-22		2020-21	2021-22	
West	355,028	359,992	1%	0.50	0.53	6%	185,965	189,682	2%
S-West	116,097	119,135	3%	0.45	0.56	24%	52,647	67,156	28%
South	199,439	202,037	1%	0.86	0.73	-14%	170,556	148,135	-13%
East	65,338	65,653	0%	0.43	0.44	3%	28,110	29,125	4%
North	1,408	2,028	44%	1.38	0.58	-58%	1,938	1,178	-39%
Ethiopia	737,310	748,844	2%	0.58	0.58	0%	439,217	435,277	1%
K Bags							7,320	7,255	



ABBREVIATIONS USED

CBD – Coffee Berry Disease, caused by the fungal pathogen *Colletotrichum kahawae*

ECX – Ethiopian Commodity Exchange

ETB – Ethiopian Birr, Ethiopia’s national currency (= 1/29 USD in 2019 and 1/37 USD in 2020)

NBE – National Bank of Ethiopia

SNNP – Southern Nations, Nationalities, and People’s Region (Sidamo is part of it)

USD – United States Dollar (= 29 ETB 2019 and 37 ETB 2020)

UNITS OF MEASUREMENT

bag – 60-kg bag of green coffee (without parchment, not roasted)

ct – United States Dollar cent (= 0.01 USD)

ct/lb – USD cents per pound

frs – Feresula (= 17 kg)

ha – hectare (= 10,000 m² or 2.471 ac)

kg – kilogram (= 2.20462 lb)

lb – pound (= 0.4536 kg)

MT – Metric ton (= 1,000 kg)

NB: in this document, a point (.) will be used for decimals, whereas a comma (,) will be used to separate thousands/millions.

