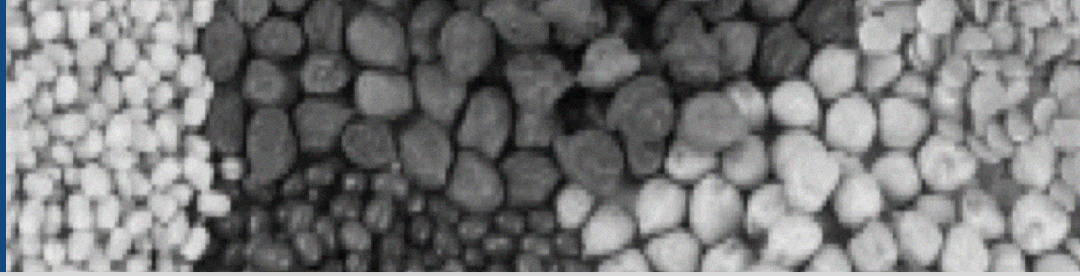
Agriculture Knowledge, Learning Documentation and Policy (AKLDP) Project, Ethiopia

Food Price Brief
November 2016



# El Niño in Ethiopia

## Pulses Price Trends – October 2016

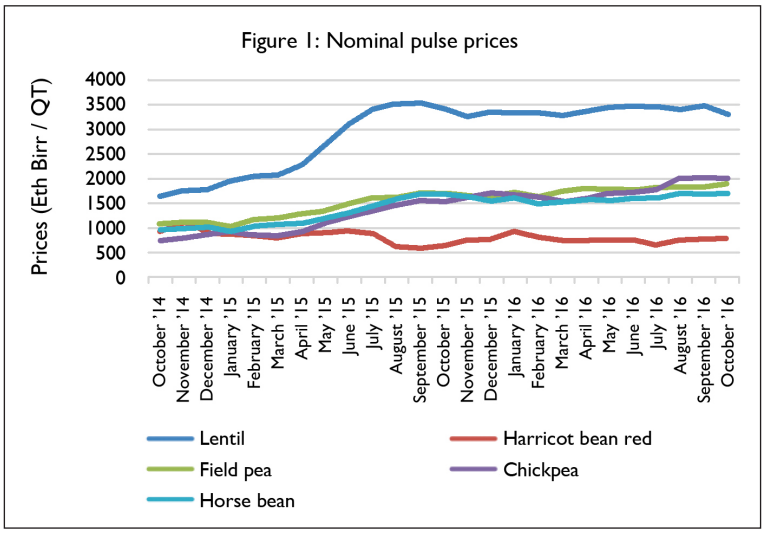
### Introduction

In this October 2016 Food Price Brief, the AKLDP analyzes nominal Ethiopia Grain Trade Enterprise (EGTE) price data for pulses from October 2014 to October 2016. As mentioned in previous Food Price Briefs, pulses provide an important source of protein for poorer households that cannot afford sources of animal protein. Consequently, pulse price trends serve as a useful proxy indicator for the quality of household diet for poorer households – when pulse prices are high, poorer households typically eat fewer pulses and therefore daily protein intake is reduced.

### Pulse prices

With the exception of haricot bean, general price trends for pulses have been moving upward since October 2014, with nominal average year-on-year pulse prices to September 2016 some 11.7% higher than October 2015.

Figure 1: Nominal pulse prices




Disaggregated by crop, year-on-year prices to October 2016 confirm substantial price increases for chickpea and haricot bean of Eth birr 459 (29%) per quintal and Eth birr 141 (21%) per quintal respectively. Similarly, year-on-year prices to October 2016 have increased for field pea by Eth birr 179 (10%) per quintal. In contrast, the year-on-year price of horse bean remained the same, while the year-on-year price of lentil declined by Eth birr 96 (3%) per quintal. That said, the price of lentil stayed almost twice the price of field pea, chickpea, and horse been, and was more than four times the price of haricot bean (see Figure 1).

While remaining high, month-on-month pulse prices to October 2016 showed an average aggregate nominal price decrease of 0.2% across all pulses. Disaggregated by crop, however, the picture is more nuanced, with increases in month-on-month prices for field pea and haricot bean of Eth birr 48 (2.6%) per quintal and Eth birr 13 (1.6%) per quintal respectively, while lentil, chickpea and horse bean prices decreased by Eth birr 163 (4.7%) per quintal, Eth birr 10 (0.5%) per quintal, and Eth birr 2.2 (0.1%) per quintal respectively. The highest month-on-month price decrease for lentil was observed in Nazareth, Oromia region, and Dessie, Amhara region, by Eth birr 371 (10.8%) per quintal and Eth birr 308 (10%) per quintal respectively.

As mentioned in previous Food Price Briefs, the long-term pulse price trend is driven by a combination of domestic and international factors. On the domestic front, factors include a reduction in the area of land planted to pulses – as more land is taken into cereal production – resulting in restricted supply, coupled with the 2015 El Niño drought, from which production and productivity (and hence prices) are only now recovering. Internationally, pulse price trends are driven by the level of demand, in particular by India – which is usually the largest pulse importer in the world.

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**Conclusion**

Haricot bean is a principal pulse food crop in southern and eastern parts of Ethiopia, where it is intercropped widely with maize and sorghum. Other pulses tend to be grown in rotation with cereals and, as mentioned, the area planted to pulses is declining with increasing land pressure. This factor, along with the 2015 El Niño, has resulted in a substantial decline in the availability of pulses, hence resulting in increased prices. However, prices are now expected to ease with the 2016 *meher* harvest. Reduced pulse prices can be expected to result in increased pulse consumption, in particular in poorer households, and associated improvements in nutritional outcomes.