



El Niño in Ethiopia Pulses Price Trends - May 2016

Introduction

This Food Price Brief analyses nominal Ethiopia Grain Trade Enterprise (EGTE) price data for pulses from May 2014 to May 2016. Pulses play an important role in household food security being an important protein source, especially for poorer households who cannot afford animal protein source. Pulse price trends are a useful proxy indicator for diet quality in poorer households for when pulse prices are high, poorer households typically eat fewer pulses and so protein intake is reduced.

Pulse Prices

Since May 2014 the price trends for most pulses have been upward. For example, aggregate year-on-year pulse prices from May 2015 to May 2016 have increased by 25.5%.

Disaggregated by crop, the year-on-year prices to May 2016 show price increases for chickpea, field pea, horse bean and lentil of 54%, 32%, 29% and 27% respectively, while in contrast, the price for haricot bean has decreased by 15%. Haricot bean is the cheapest pulse in Ethiopia (Figure. 1).

Month-on-month prices to May 2016 also confirm continued upward price trends with an average aggregate nominal price increase for all pulses of 1.5%. However, individual pulse price trends are more variable with prices increases of 2.3% and 6.7% for lentil and chickpea, and price decreases of 0.2%, 0.25% and 1.2% for haricot bean, horse bean and field pea respectively. The price of lentils remains almost double other pulses.

As mentioned in previous Food Price Briefs, the long-term pulse price trend is driven by a combination of domestic and international factors. Domestically, less land is planted to pulses as more land is taken into cereal production, coupled with the failed spring *belg* and erratic and poor summer *kiremt* rains that resulted in poorer than normal 2016 pulse production. Internationally, India – typically the largest pulse importer in the world – has also been buying internationally and therefore driving-up international prices.

Conclusion

Pulses are important in household food security because they are an affordable protein source for poorer households. While high pulse prices may benefit surplus producers, high pulse prices also lead to lower protein intake among poorer households. From a purely nutritional perspective high pulse prices remains problematic and every effort should be made by emergency and Productive Safety Net Program (PSNP) food assistance providers to ensure transfers include adequate amounts of pulses that will help increase protein intake, at least until the next *meher* harvest when locally produced pulses can be expected to start reaching the market.

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