

ETHIOPIA'S RECENT EXPORT: TEFF- A GLOBAL SUPERFOOD

How Ethiopia's ancient grain is now its newest export; a report on how 'Teff' is becoming a world favourite niche product.

Growth

Over the past decade, Ethiopia has undergone a notable increase in development, with an annual GDP growth of 10.9% between 2004, and 2014, thus leading experts to estimate the country's rise to lower middle-class status by 2025. While this economic improvement is mostly due to its large-scale projects, such as infrastructure, energy and the privatization of companies, it obtains a significant income from its exports. In 2016, Ethiopia exported \$3.13 billion worth of goods. The top three include coffee (24.4%), oily seeds (15%) and gold (13%).

Teff

Ethiopia is renowned for its coffee exports, with both major companies like Starbucks, and smaller independent cafes, importing coffee beans from the country. However, *Teff* is the most recent export that has taken the West by storm. First originating in Ethiopia as early as 4,000BC, it has been part of the country's production ever since; currently it has over 6 million farmers cultivating it for national consumption. A key staple in the Ethiopian diet, it is ground and made into a flat pancake-like bread: injera.

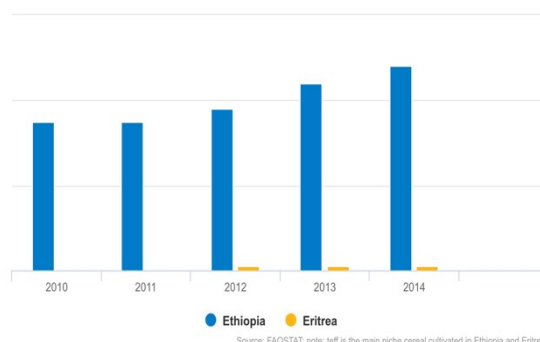


Teff

Export

Fearing that exporting Teff would result in a lack of supply for domestic use, the Ethiopian government banned all export of Teff in 2006, except for injera for diaspora communities in America, Europe and sometimes Australia. However, domestic shortage became less of a worry in recent years for three reasons: A steady domestic price, an influx in Teff production and a gap in the international market for niche grains all contributed to Ethiopia's decision to relax its ban. In 2015, Ethiopia permitted 48 farms to grow Teff exclusively for export.

Figure 3: Production of niche cereals in Ethiopia and Eritrea 2010-2014
in 1,000 tonnes



Production of niche cereals in Ethiopia and Eritrea

There has been a 50% increase in the Teff yield due to more advanced mechanisation in Ethiopia's agricultural sector, as well as smarter farming practices. With 4.3 million tonnes of Teff being produced annually, Ethiopia's abundance in production has eased its anxiety regarding shortage, leading it to enter the market with a more dominant presence. While neighbouring country Eritrea also produces Teff, it is at a much lower rate (50,000 tonnes), as shown in the graph above.

A Niche Market

'Superfood' has recently become a massive global trend, with a 7-10% rise in demand in recent years. Thus, Ethiopia has been able to enter this lucrative market and gain international success by catering to the increasingly health-conscious West. Teff has been placed high on the superfood list due to its balanced nutrition level value: low carb, high protein, rich in fibre and manganese, and a low glycaemic index. Not only does this make it a good grain alternative for those with diabetes, celiac disease and gluten intolerance, its nutritional properties make it an even healthier alternative to its competitors such as quinoa. It has become even more popular in specific niche food sectors, such as health shops and specialised organic aisles.

A New Diet

Western markets may not be able to incorporate Teff into their diet in the way that Ethiopians do through the consumption of injera but integrating it into their own cuisine can make the grain more mainstream. This can be achieved using Teff in the things that usually use flour: bread, pancakes, baked goods such as muffins and cakes. Food bloggers have branded Teff to be "nutritious enough for a 'healthy' food, and tasty enough to be a 'gourmet' food". With Europe having a dominant trend for health food and gluten free products, Teff has potential to be the next big organic superfood alternative.

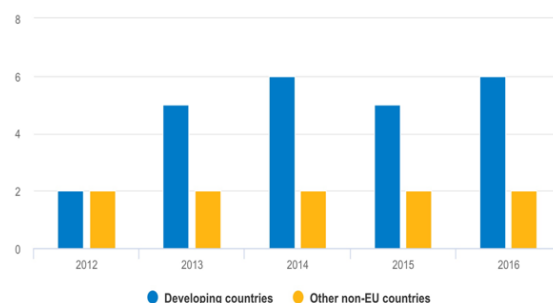


Chocolate Teff Porridge

Competition

With the European import of 'niche' cereals including Teff rising from 3,500 tonnes in 2012, to 7700 tonnes in 2016, Ethiopia now has a wider and ever-growing market to which they can export their goods. However, it must be wary of competitors trying to enter the market, as mass production is easier in countries with mechanised agriculture. Although the interest in Teff is recent, competition already amongst other countries are already taking advantage of this opportunity. The US, Spain, South Africa and Uganda are also main exporters of Teff. However, Europe has been importing niche cereals from developing countries; due to their large bakery industry, countries like Germany and Netherlands are the greatest importers accounting for 70% of the niche cereal import. With Europe importing from developing regions, and Ethiopia branding itself as the originators of Teff, there is a much greater opportunity for Ethiopia to position itself as the leader of Teff production and export.

Figure 1: EU imports of niche cereal grains (HS 100890; for example amaranth, teff, cañihua) by main non-EU origins 2012–2016
in 1,000 tonnes



EU imports of niche cereal

Conclusion

Ethiopia has a long way to go before it becomes a powerful partaker in the global market, but it has made significant steps into securing a position as a well-known contributor to niche cereals. There is international demand for 'superfoods' and Ethiopia have the means of fulfilling that demand. With careful branding and more marketisation and perhaps a patent for the exclusive production of Teff, Ethiopia can perhaps raise its export of Teff to match, and maybe even exceed, its more popular export, coffee.