

## National Coffee Growth Prospect Remain Optimistic

Ethiopia's economy has continued to sustain a ten percentage growth rate over past four successive years.

Data shows that, the agriculture sector is the main pillar of this growth.

Access to market information and availability of agricultural extension workers at the door step of the farmer have filled a knowledge gap of the farmer who can now to focus on cash crops: production for export is now getting the attention of the farmers.

Economic growth has created many employment opportunities in urban areas, and in particular a sharp rise in a grown employment has been registered in the construction sector.

Another effect as been, commodity price rises in the urban areas. This has been aggravated by external shocks resulted from high oil and construction equipment prices in the international market.

The Government has put out policy directions to distribute wheat for the low income urban population and has increased the increasing banks' deposit interest rate at the National Bank to control the problem.

The following two tables show the prices of import and export items during three successive years, from 1996 to 1998 E.C.

Table 1 :- 1996 - 98 E.C. Budget Years Export Price

Item	1996		1997		1998		Average (1996-1998)	
	Price	Share from Total (%)	Price	Share from Total (%)	Price	Share from Total (%)	Price	Share from Total (%)
Coffee	208.3	34.9	337.4	42.6	360.2	36.3	205.0	38.0
Cattle and Meat	8.7	1.5	28.9	3.6	46.0	4.5	27.9	3.5
Cereals	24.9	4.2	35.5	4.5	37.4	3.7	32.6	4.1
Oil Seeds	91.0	15.3	102.9	13.0	211.8	20.8	135.2	16.9

## National Coffer

Fruits and Vegetables	6.9	1.2	16.0	2.0	12.8	1.3	11.9	1.5
Chat	88.1	14.8	83.8	10.6	89.2	8.8	87.0	10.8
Gold	55.0	9.2	44.6	5.6	65.3	6.4	55.0	6.9
Flower	5.0	0.5	8.3	1.1	22.2	2.2	11.9	1.5
Others	65.6	11.0	68.2	8.6	88.0	8.6	73.9	9.2
Total Sum	596.5	100.0	792.4	100.0	1017.74	100.0	802.2	100.0

Table 2

1996 - 98 E.C. Budget Years Import Price

Item	1996		1997		1998		Average (1996-1998)	
	Price	Share from Total (%)	Price	Share from Total (%)	Price	Share from Total (%)	Price	Share from Total (%)
Raw Materials and Other Inputs	461.2	17.8	996.1	27.5	1242.6	29.0	900.0	25.7
Oil and Oil Products	310.5	12.0	739.9	20.4	629.1	14.7	559.9	16.0
Capital Goods	876.6	83.9	1129.0	31.2	1450.3	33.8	1157.0	32.9
Consumption Goods	895.6	34.6	431.0	11.9	567.5	13.2	631.3	18.0
Others	43.1	1.7	324.6	9.0	100.7	9.3	256.1	7.3
Total Sum	2586.9	100.0	3620.5	100.0	4290.3	100.0	3499.2	100.0