



ETHIOPIA COMMODITY EXCHANGE
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STATEMENT TO THE PRESS

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The Bell Rings for Sesame-- ECX Announces the Launching of Sesame Trading on its Floor

Addis Ababa— One year into its establishment, the Ethiopia Commodity Exchange (ECX) announced today that it will launch sesame trading on its floor on Monday, 4 May 2009.

As a major producer of sesame, Ethiopia stands fourth in the global sesame market following China, India, and Burma, respectively. Ethiopia exports almost all of its produce and is poised to become one of the top two leading sesame exporting countries in the world, with a rapidly growing export performance in recent years, destined for markets in China, Japan, Korea, Israel and Turkey.

The contribution of sesame to the Ethiopian economy is rapidly growing. The total Ethiopian sesame export and the revenue it generated over the past three years exceeds that of the preceding eight years by 435% and 807%, respectively. However, despite its ideal location and favorable climatic conditions for producing top quality sesame, the internal marketing system has constrained the Ethiopian sesame sector from reaching its full potential. In particular, domestic marketing has been challenged by payment default which often forced sellers to wait for months to get their money paid, and problems related to quality and delivery which have significantly undermined the country's reputation in the global market. The sector has also suffered from lack of price bidding mechanism making the price discovery process very lengthy and unreliable.

In recognition of these challenges, the Ethiopian Pulses, Oil seeds and Spices Processors and Exporters Association (EPOSPEA). has recently endorsed the trading of sesame in ECX as a greatly needed innovation for the domestic market. Regarding this endorsement, EPOSPEA's president Mussie Yacob (PhD) said "We have been asking for the establishment of such a responsible body to take control of the market and maintain a fair trade system at least for 14 to 15 years... ECX provides more than what we expected".

ECX has commenced warehouse operations for handling of sesame deposits and delivery in major producing areas, Humera, Gondar, and Nekempte and will open an additional warehouse in Metema in the next season. Sesame will be traded daily on the ECX Trading Floor.

Given that the sesame marketing season is in its final months, it is anticipated that the current launch will be a soft launch to demonstrate the powerful benefits that ECX brings, in anticipation of larger trading volumes in the next season starting in October.

ECX. Growing the market and growing Ethiopia.

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