

Appendix

Table 11 Maize import parity price calculation, 2005–2017

Description	Maize import parity (2005–2016)													Outlook period	Scenario 2 (a drought)
	Currency	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2017
US (Gulf)_FOB, Maize (US No 2, Yellow)	\$/ton	98	121	163	222	165	185	292	298	260	193	170	159	187	187
Ocean freight (US-Djibouti)	\$/ton	42	37	68	70	58	57	48	48	51	52	51	45	45	45
Insurance – 0.3% of FOB	\$/ton	0.30	0.36	0.49	0.67	0.50	0.56	0.88	0.89	0.78	0.58	0.51	0.48	0.56	0.56
CIF at Djibouti port	\$/ton	141	159	231	293	224	243	340	347	312	246	222	205	233	233
Effective Exchange rate (EER)	ETB/\$	10.4	10.5	11	12.5	15.5	19.3	19.5	20.7	21.5	22.7	23.4	24.5	22.9	22.9
CIF at Djibouti port in ETB	ETB/t	1470	1675	2566	3659	3465	4695	6657	7173	6725	5588	5188	5036	5334	5334
Import tariff (5%)	ETB/t	73.5	83.7	128.3	182.9	173.2	234.8	332.8	358.7	336.2	279.4	259.4	251.8	266.7	266.7
Port handling	ETB/t	233	233	233	233	233	233	233	233	233	233	233	233	233	233
Import parity_Djibouti	ETB/t	1777	1992	2928	4075	3871	5163	7222	7765	7294	6100	5681	5521	5834	5834
Distribution costs															
Transport costs from Djibouti port to Addis Ababa (864 km)	ETB/t	380	380	380	437	527	394	431	435	448	447	427	440	440	440
Unloading	ETB/t	32	32	32	32	32	32	32	32	32	32	32	32	32	32
Import parity_Addis Ababa	ETB/t	2189	2404	3340	4544	4430	5589	7685	8232	7774	6579	6140	5993	6306	6306
Addis Ababa_Maize (white)	\$/ton	169	169	194	426	288	184	268	281	310	253	223	229	250	250
Addis Ababa_Maize	ETB/t	1760	1782	2152	5333	4452	3557	5247	5802	6674	5751	5203	5616	5733	9201

Notes: The cost estimates for port handling, inland transport costs, and unloading are based on USAID Bellmon study (USAID, 2010); freight costs are collected from US wheat associates (www.uswheat.org)

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