Constraints of the export of agricultural products of Ethiopia from supply chain management perspective

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Key words

Agro-industry, constraints, International logistics, Ethiopia, polynomial trend estimation model, trade flow process.

Abstract

All the research papers agreed that that the export trade of Ethiopia mainly depends on (in descending order) the export of few agricultural products, and skin & leather across the continents. Using models of international logistics and empirical models of polynomial regression trend estimation approach this paper is aimed at identifying the constraints of the Export sector of agricultural products of Ethiopia. The data for this study are secondary which obtained from Ministry of Trade, Custom Authority, the Central Statistical agency and Commercial Bank of Ethiopia (annual data from 1970 to 2007). The paper is organized by assessing the possible constraints of the export trade by making systematic trade process of the country. The process started from the raw materials which utilized by the farmers of the country, then structured a product flow for both governmental and non-governmental exporters. Finally the response is the revenue collected from the export sector of the country from different countries. The result of the study from the supply chain perspective suggested that the principal constraint of the export trade of Ethiopia in descending order is the lack of expansion of Agro-industry, domestic consumption of agricultural products and the traditional way of production from farm land.