

Meta Abo Brewery S.C., a Diageo company, announced last week that it will source 100% of all cereal raw material needs in Ethiopia locally in time for Meta's 50th Anniversary, by the end of 2017. This local sourcing strategy will serve as a commitment across the entire Meta business and will not be limited to specific products or brands.

According to a statement from the company, currently, more than half of the brewery's raw materials are sourced locally. It also said that for the past three years, Meta has pioneered local sourcing in the Ethiopian beer industry, being the first multinational brewery to engage in the contract farming of barley through its "Partnership for Agricultural Growth in Ethiopia."

"Together with partners such as the Ethiopian Agricultural Transformation Agency, the Oromia Bureau of Agriculture, Technoserve, Syngenta, BASF, Nyala Insurance, and local distributors, Meta has contracted 6,113 farmers across Arsi, West Arsi and South West Shewa Zones of Ethiopia and works with 5 farmer unions and 39 farmer cooperatives as part of this contract farming agreement."

By 2016, the brewery plans to engage 10,000 smallholder farmers, increasing this number to 20,000 by 2017.

Francis Agbonlahor, Meta Abo Brewery's Managing Director, stated that, "Diageo continues to demonstrate its long term commitment to the socio-economic development of Ethiopia. Locally sourcing 100% of our raw material needs is a major milestone on this journey and I am deeply proud about the phenomenal progress we have made thus far." I am looking forward to continuing to partner and collaborate with the Government of Ethiopia, our numerous farmers, and our key partners to deliver even greater successes in the years to come."

The scope of Meta's work in local sourcing addresses many aspects of the supply chain, including barley varieties, seed availability, input sourcing and mechanization. All farmers that Meta contracts receive a comprehensive "Meta Package" that includes seeds, DAP and Urea fertilizers, herbicides, fungicides, training and crop insurance which is pre-financed by Meta and repaid by farmers after they sell

their harvested barley. In addition to these inputs, capability building is carried out for farmer groups, cooperatives and unions in the areas in which farmers are contracted.

Meta's local sourcing work is part of Diageo Africa's strategy to source at least 70% of raw materials locally by 2015 and an even greater percentage by 2017.

"The brewery's pledge to sourcing locally is a key piece of Meta's overarching strategy of growth and sustainability in Ethiopia. One pillar of this strategy is investment in the communities in which it operates," the company said. The business is also committed to promoting responsible drinking, most recently launching the first fully-fledged Don't Drink & Drive campaign in Ethiopia, Shoom Shufair. On a global level, Diageo was one of the 13 leading global producers of beer, wine and spirits to sign the "CEO Commitments" to implement the World Health Organization's global strategy to reduce the harmful use of alcohol.

Diageo is the world's leading premium drinks business with a collection of beverage alcohol brands across spirits, wines and beer categories. These brands include Johnnie Walker, Crown Royal, J&B, Buchanan's, Windsor and Bushmills whiskies, Smirnoff, Cîroc and Ketel One vodkas, Baileys, Captain Morgan, Tanqueray, Meta Beer, and Guinness. Diageo is a global company, with its products sold in more than 180 countries around the world. The company is listed on both the New York Stock Exchange (DEO) and the London Stock Exchange (DGE).

Source: AddisStandard