

# Strengthening Processing Segment of Rice Value Chain in CARD member countries

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## Back(slippery)ground

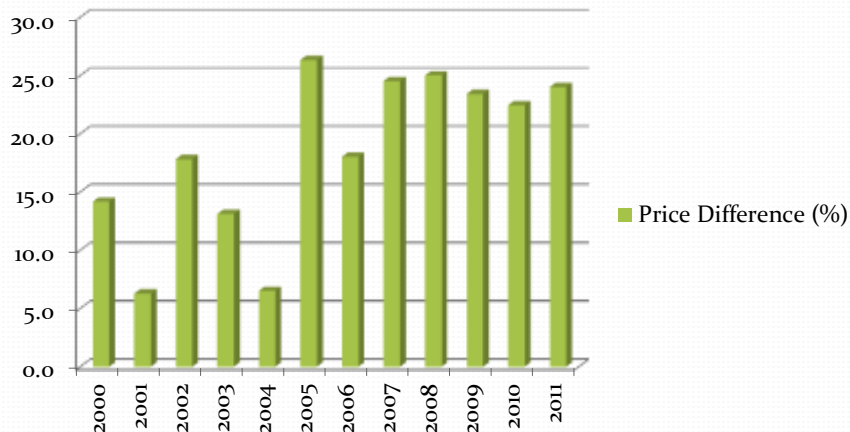
- Gaps between national production and consumption of rice exist in all CARD member countries
- African national rice markets (especially the urban markets) rely on imports from elsewhere
- Such external dependence makes the consumers *contribute* and *succumb* to global food crisis
- Only 7.3% (35.2 million tons) of total global production was traded in 2011
- Global paddy production in 2012 is lowered by 7.8 million tons

## The Challenge

- The differences in quality between domestic- and imported rice causes;
  - Price disparity (e.g. average of 20.2% for the past 11 years)
  - Decrease profitability of rice farming
  - Affect long-term sustainability of rice farming
  - Raise risks of food insecurity
  - Drains foreign exchange reserves
  - Strains national currency
  - Inhibits economic growth and development



## Differential price for imported rice in Rwanda's markets



Data Source: Ministry of Agriculture and Animal Resources, Kigali

## Improving the competitiveness of locally produced rice requires efficient vertical- and horizontal integration of various sub-sectors

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| <ul style="list-style-type: none"> <li>□ <b>On-farm technologies</b> <ul style="list-style-type: none"> <li>• Seed           <ul style="list-style-type: none"> <li>• Varietal improvement</li> <li>• Purity (quality)</li> </ul> </li> <li>• Mechanization           <ul style="list-style-type: none"> <li>• Consistency in land- and crop management</li> <li>• Uniformity</li> </ul> </li> <li>• Harvesting procedures           <ul style="list-style-type: none"> <li>• Water Management</li> <li>• Physiological maturity</li> </ul> </li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>□ <b>Off-farm technologies</b> <ul style="list-style-type: none"> <li>• Post harvest handling procedures           <ul style="list-style-type: none"> <li>• Drying</li> <li>• Cleaning</li> <li>• Storage</li> </ul> </li> <li>• Milling           <ul style="list-style-type: none"> <li>• Standards of milling processes</li> <li>• Grading</li> </ul> </li> <li>• Marketing           <ul style="list-style-type: none"> <li>• Packaging</li> <li>• Branding</li> </ul> </li> </ul> </li> </ul> |
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## The Rationale

Improving the local processing of rice requires greater integration of rice value chain and participation of public- and private sectors through well calibrated technical- and policy decisions



## The Proposal

CARD shall assist member countries in strengthening the processing segment of rice value chain – thereby help realize the aspirations set under ‘quality improvement’ (outlined in the NRDS) through a consultative (advisory) process wherein appropriate technical- and policy interventions are sought in the member countries



## Why CARD should assist in strengthening the processing segment of rice value chain?

- Unique involvement in NRDS process
- Empirical knowledge on strengths and weaknesses of rice sector (and the various sub-sectors) of each country
- Acquaintance with
  - Ministry of Agriculture (and other line Ministries)
  - NRDS task/implementation force
  - Development/Cooperation partners in rice sector (including private sectors and NGOs)
  - R&D Institutions (national, regional and international)

## Goal and Objectives



### Goal:

To improve the quality of domestic rice production in CARD member countries

### Objectives:

- I. establish fact sheets on scenarios (*existing capacities, policies, consumerism, trade, projections/ scopes based on NRDS*) for each participating country
- II. identify technical- and policy options to improve the processing segment

## Expected Outputs



- Formative assessment of technical gaps, milling standards, policy regulations, grades, institutional capacities, milling environments, constraints in rice processing, and scopes for scaling out and/or scaling up the processing capacities in the member countries (*objective 1*)
- Analyses on gaps in rice production (updated; 2011-12), trade volumes, consumer preference, market segmentation, processing capacities, projected production and demands of rice, and prices (*objective 1*)
- Technical- and policy options to improve the quality- and market competitiveness of the locally produced rice (*objective 2*)

# Logical Framework



Objective	Expected Output	Activities	Calendar (months)								
			Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
1. Establish fact sheets	1a. Assessment of current scenarios	i. Data Collection	■	■	■						
		ii. Literature Collection									
		iii. Assessment of technical needs		■	■	■	■				
		iv. Informal surveys through taskforce		■	■	■	■				
	1b. Analyses of projected scenarios	v. Data compilation		■	■	■	■				
		vi. Desktop research			■	■	■	■			
2. Establish guidelines for processing segment	2. Develop policy options for improving the quality of locally produced rice	vii. Brainstorming				■	■	■			
		viii. Policy Options					■	■	■		
		ix. Report Writing							■	■	■