Overview of Progress in the Rice Sector in sub-Saharan Africa

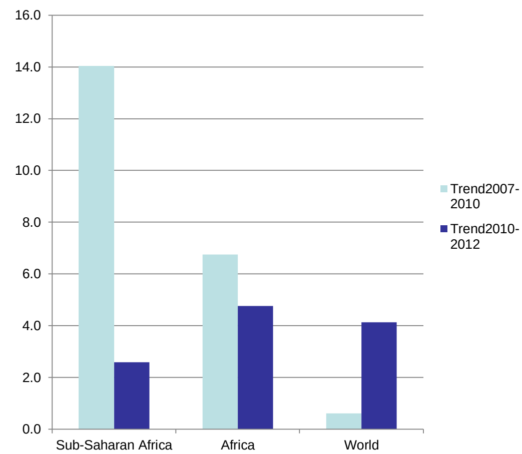
Outline

1. Performances of the rice sector since the 2008 food crisis
2. Remaining Challenges
3. Strategic plan for Research and Development in Africa

Achievements since 2008

- **Very high growth rate of production in SSA during 2007-2010, but recent decline due to weather shocks**

- Significant growth in domestic paddy production during the period 2007-2010: Africa (6.75%), SSA (14.0%), and World (0.6%)
- But, production growth is shrinking during 2010-2012 due to weather shocks (drought, flood) in many sub-Saharan countries



Source of data: FAOSTAT

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5th CARD general meeting, February 2-6, 2013

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Achievements since 2008

- Very high production growth in SSA during the period 2007-2010 (14%) stimulated largely by governments 'investments in rice sector development
- Increase in both yields and areas but higher increase in areas (8%) compared to yields (5 %) over 2007-2010
- Relatively low production growth in 2010-2012 is due to drought in 2011 in most west African countries and erratic weather in 2012 (dry spells and flood) in some countries including Benin, Burkina Faso, Niger
- Lowland rice production was affected by floods and most production was coming from irrigated land in flood-affected countries

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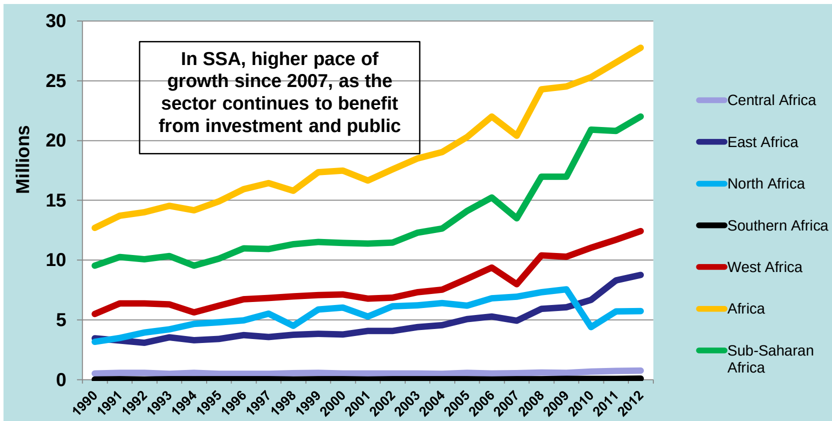
Achievements since 2008

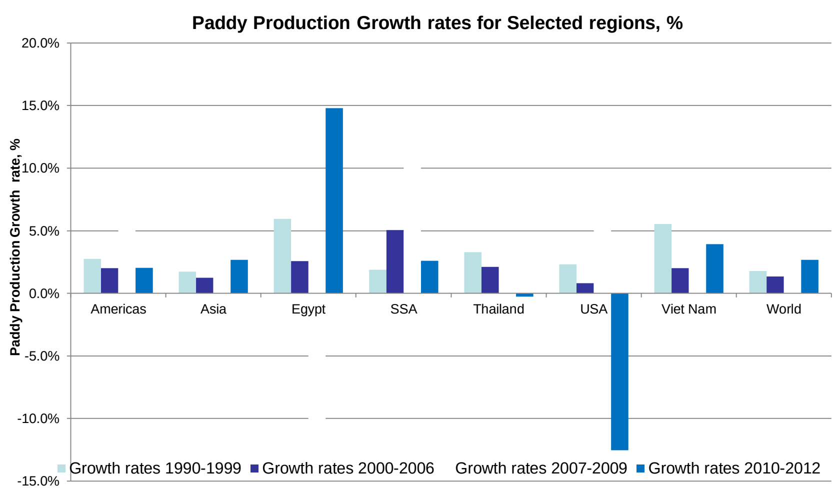
- Despite weather shocks, total production is growing at a satisfactory rate



Source of data: FAOSTAT

Achievements since 2008

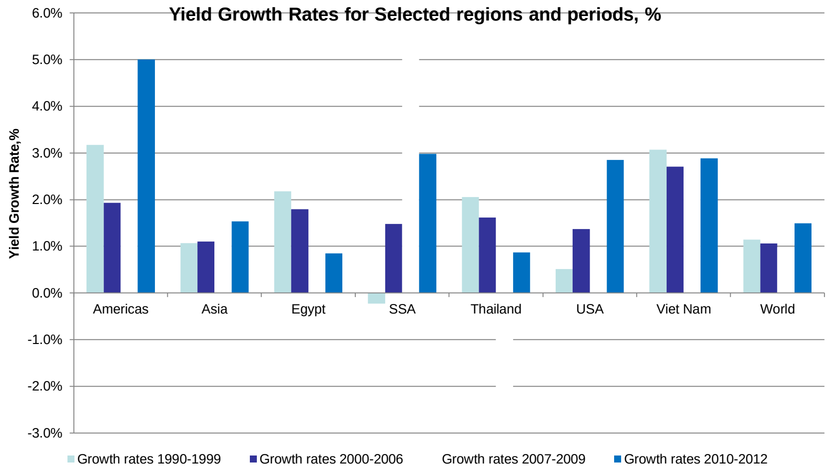
- Highest Production Growth Rate in SSA compared to the World



Source: FAOSTAT

Achievements since 2008

- Highest yield growth rate in SSA compared to the World



Source: FAOSTAT

Achievements since 2008

- **For most countries, it is cheaper to produce rice domestically**

Achievements since 2008

❑ **Sub-Saharan countries on target to double production by 2018**

- In SSA, tremendous increase in the growth rate during 2007-2012 (8%) compared to 2001-2007 (4%) (USDA)
- Paddy production estimated at 19 million tons in 2012 in SSA
- If investment in rice production are maintained, SSA countries are on target for doubling production from 2008 to 2018

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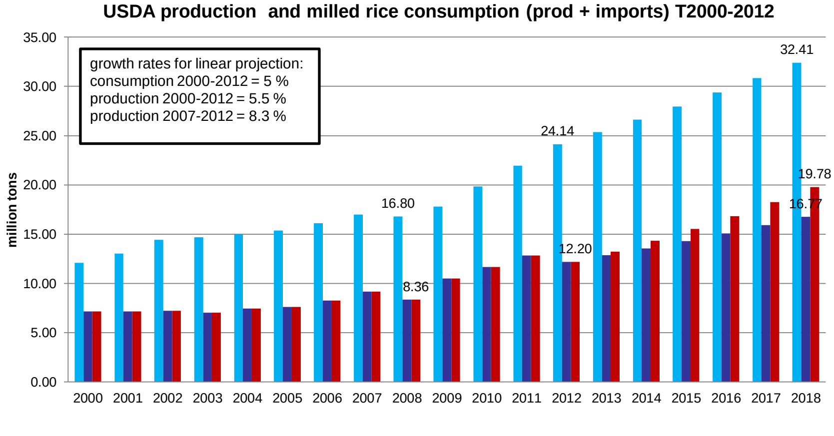
Achievements since 2008

❑ **Reduced gap between production and consumption by 2018 and on target to double production from 8 MT in 2008 to 20 MT in 2018**

USDA production and milled rice consumption (prod + imports) T2000-2012



Source: USDA data

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Achievements since 2008

- Reduced gap between production and consumption by 2018 and on target to double production from 8 MT in 2008 to 20 MT in 2018

- Production is on track to be doubled from 8 MT to almost 20 MT by 2018
- Investments in production have helped to reach the target of doubling production by 2018 and reduce consumption gap by 3 MT
- Even using more conservative growth rates based on USDA data compared to FAO data, ASS is able to achieve its target
- Challenge remains to control for large imports

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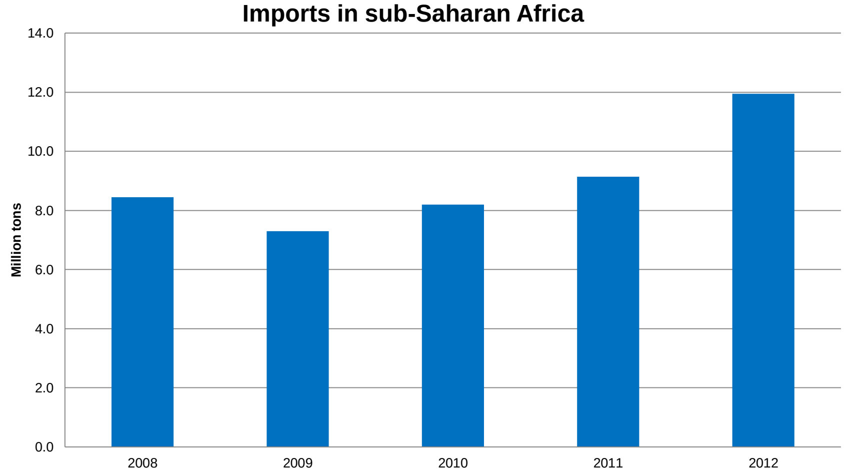
Achievements since 2008

- **Despite growth in production, recent surge in rice imports**

Imports in sub-Saharan Africa



Source: USDA

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Achievements since 2008

❑ Despite growth in production, recent surge in rice imports

- Rice imports into Africa were showing signs of stabilization at about 8 million tons before 2010, but resurgence of high rice imports since 2011
- Also new report from USDA (January 2013) raises 2013 rice import forecast in West Africa by 1 million tons(especially in Nigeria, Ghana, Senegal and Cote d'Ivoire)
- Jump in rice imports can be explained by :
  - Reduction in rice production growth during 2010-2012 due to production setback in 2011 mostly, and strong import demand in some countries in 2012 (Cote d'Ivoire, Nigeria)
  - Flow of imports facilitate by recourse to lower import tariff and ceiling retail price (Liberia, Mali, Senegal, Cote d'Ivoire)
  - Strong local demand in Eastern and Southern Africa
  - Growing rice consumption due to increase in population, urbanization and the shift away from other cereals toward rice consumption during adverse years (2011)

Remaining Challenges

❑ Production Challenges

- **Ensure better water control against drought and flood**
  - In Africa, 23 % of rice grown is irrigated against 57 % in Asia
  - Adopt water control strategies and target less flood-prone areas to mitigate weather risk
- **Improve seed legislation and establish seed control and certification mechanisms**
  - Productivity gains from the use of improved seeds is estimated between 10-30%
- **Narrowing yield gap**
  - Narrowing yield gap through better agronomic practices from land preparation through harvest
- **Revive mechanization programs**
  - Reduce postharvest losses by half
  - Agricultural mechanization to improve labor productivity

Remaining Challenges

❑ Processing Challenges

- Existing processing practices in Africa result in 15–25% physical loss of grain, and further financial loss of 20–30%
- Rice processing is dominated by small rice hullers that fails to meet the quality requirements of urban consumers
- but experimental auctions have demonstrated that consumers prefer local rice to imported rice when the quality is right
- Efforts should target the development of modern rice processing technologies adapted to the need of small producers

Remaining Challenges

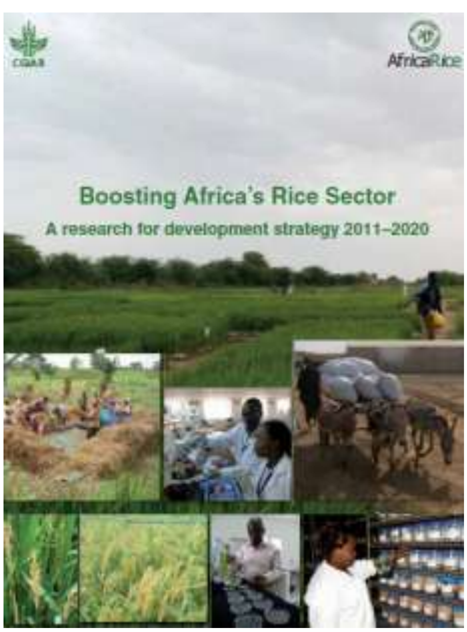
❑ Policy Challenges

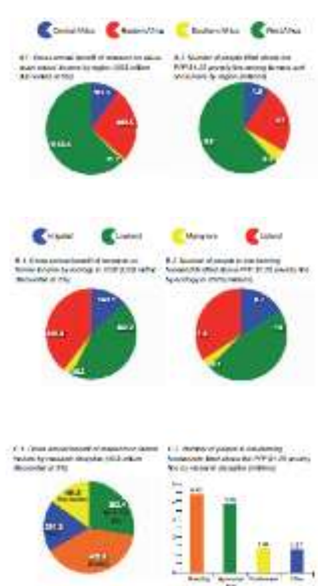
- Rice most protected crop in the world but least protected in Africa, particularly in West Africa
- Common external tariff in East Africa : 75%
- ECOWAS has recently endorsed a 10 % tariff for rice imports
- Increase efficiency along rice-value chain in order to increase rice marketing efficiency and increase the quality of final rice product and by-products
- Ensuring attractive prices for producers during periods of declining rice prices in the international market
- Ensuring reasonable prices for consumers during periods of rising rice prices in the international market

Strategic Plan for Research and Development in Africa

- Adoption of AfricaRice's new strategic plan during the September 2011 COM held in Banjul (Gambia)

- Implementation of the Rice Sector Development Hubs concept (56 Hubs established in 20 countries)

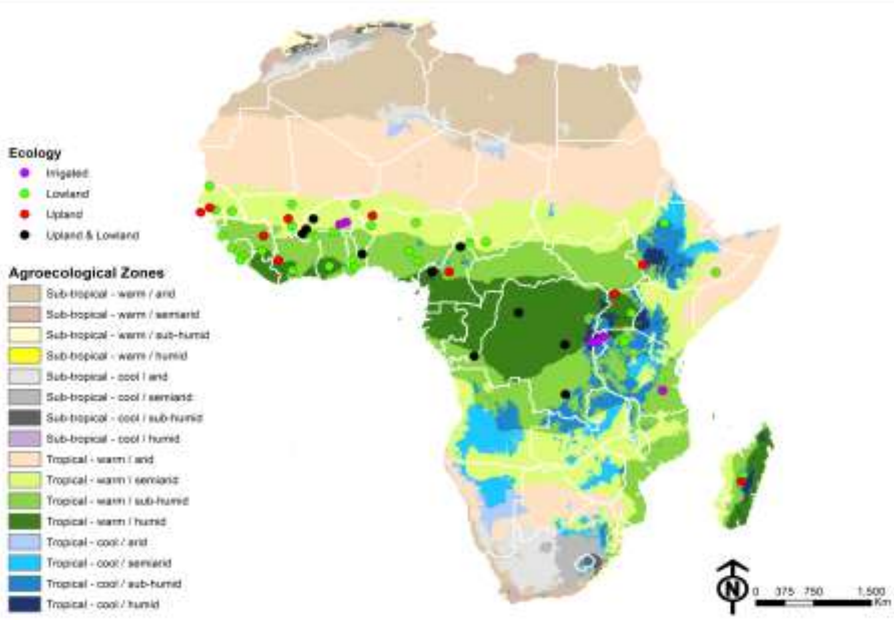




Strategic Plan for Research and Development in Africa

Rice sector development hubs

- Regions of importance to the countries for development of their rice sector
- 'Proof of concept' approach to rice value chain development and sustainable management of natural resources in rice-based systems
- These hubs are testing grounds for new rice technologies and follow a 'reverse-research approach', i.e. starting from the market
- Hubs will represent key rice ecologies and different market opportunities across African countries and will be linked to major national or regional rice development efforts to facilitate out-scaling.



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Conclusion

- Substantial progress on production and yields has been noticed in most CARD countries since 2008 and countries are on target to double production by 2018
- Given increasing consumption in rice, investments across all the value chain should continue to boost significantly production
- Investment in production is not sufficient to reduce imports, appropriate trade policies to protect the domestic sector should be adopted
- Stimulate national and regional efforts to strengthen rice value chain
- Build on country and regional initiatives to boost the rice sector (CAADP, CARD, Rice Sector Development Hub)

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