



SADC intervention in the Rice Sector

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Background Information

- About the Southern African Development Community (SADC and CARD)
 - CARD member countries: Angola, Democratic Republic of the Congo, Madagascar, Malawi, Mozambique, United Republic of Tanzania, and Zambia
- The development of regional value chains and their integration into global value chains remains the main fulcrum for regional integration, sustained growth and industrialisation of the SADC region.
- The Costed Action Plan of the SADC Industrialisation Strategy and Roadmap as approved by Summit in March 2017, identifies six priority value chain clusters namely; **Agro-processing, Mineral Beneficiation, Pharmaceuticals, Capital goods, Consumer goods and Services.**
- Specific to the profiling of the agro-processing cluster, a total of 14 value chains with great potential for regional upgrading were identified. Among these the rice was found to have the greatest potential for development as the region continues to import huge amounts despite having potential to produce the same
- Building on the findings of the profiling study, the Secretariat is keen to undertake a detailed mapping and analysis of selected value chains, with the view to, among others, determine the actual performance and identify opportunities for further development.

Importance of Rice in the SADC Region

- Most **rice consumed** → **imported** from RoW – a total of \$898 m p.a. (2015-2017) - 95% imported by SADC MS – result of **low levels of rice production** in region
- **SADC a net importer of rice** (2015-2017) - \$1,12 bn → **negative trade balance** of \$1,03 bn with the RoW
- **\$1,12 bn** of rice **imported** into SADC, only **7%** (\$81 m) was sourced from within the region
- **'Rice in the husk'** (paddy or rough) - only \$6 m product imported from RoW
- Same applies to **husked (brown rice)** where only \$2 m imported from RoW
- **Demand is low** & most of the rice is not being traded a **'rice-in-husk'** and **brown rice**
- **'Semi-milled or wholly milled rice, whether or not polished or glazed'** SADC imports from RoW - \$895 m p.a. (2015-2017)
- **'Broken rice'**: SADC imports from RoW - \$128 m (2015-2017)

Regional Detailed Mapping and Analysis of the Rice Value Chain

Overall Objective

- To conduct a detailed analysis and mapping of the four agro-processing value chains (cotton, rice, soya and wheat) at national and regional levels in the SADC Region.
 - The analysis will support evidence-based value chain development by different stakeholders in the region with the view of promoting value added agro-exports.
 - Mapping to include potential and current cross-border regional industrial clusters.

Specific Objectives

- To map, quantify and analyse value chains at both national and regional level
- To assess and analyse actual regional performance of the value chains using actual production and export figures
- To identify Strengths, Weaknesses, Opportunities, and Threats for the growth of the selected value chains.
- To provide specific recommendations that should be undertaken at both national and regional levels for optimisation and potential upgrading of the value chains.
- To identify and map current and potential regional industrial clusters of the value chains and make recommendations on which clusters should be prioritised in order to enhance the growth and development of cross border collaboration in the development of regional value chains.

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What Is Being Done

1. Map core processes in each value chains (the transformation from raw materials to final products)
2. Identify and map the main actors (key market actors, buyers and businesses including service providers, and institutions) involved
3. Map the flow of products (including what and where are the key markets and customers (buyers) in the region - including Intra-SADC and Extra-SADC export potential of the value-added products.
4. Map flows of information and knowledge
5. Map relevant overlays in the Value Chain, including (areas under production, volumes produced and traded, productivity, number of actors/enterprises, number of jobs, numbers of women and youth participating, sales, income distribution, returns to labour and technologies used)
6. Map the geographical flow of the product or service and location of actors
7. Map value at different levels of each value chain
8. Map the relationships and linkages between value chain actors
9. Map Business Services that feed into the value chains
10. Map constraints (and gaps) and potential solutions in each value chains

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Approach

- Consultative approach – engage as many stakeholders as possible / active actors
 - Interviews, workshops and meetings (online)
 - Secondary quantitative data and primary qualitative data
- Timelines
 - Data Collection timing – June to September
 - Analysis the Reporting – Sept to December

Next Steps

- Finalization and Validation of the Regional Detailed Mapping and Analysis of the Rice Value Chain Study Report
- Coordinate with SADC Member States and Partners in the
 - Development of the SADC Regional Rice Value Chain Strategy
 - Implementation of the SADC Regional Value Chain Strategy



ASANTE SANA

MERCI BEAUCOUP

MUITO OBRIGADO

THANK YOU.

