

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

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Cote d'Ivoire

Post: Accra

2018 Rice Semi-Annual Update

Report Categories:

Grain and Feed

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Report Highlights:

Post projects milled rice production for MY 2018/19 at 1.45 million metric tons (MMT), unchanged from the April 2018 report. Post revises MY 2017/18 milled production down slightly to 1.36 MMT based upon updates to official data. Import demand will remain strong, and Post revises its MY 2018/19 import projection upwards to 1.35 MMT. MY 2017/18 imports are also estimated up to 1.3 MMT due to pace of trade and expectations of steady shipments as the market year concludes. Côte d'Ivoire continues to strive towards achieving its National Rice Development Strategy (SNDR), which seeks self-sufficiency by 2020. Given market conditions and progress to date, Post expects that rice imports will stabilize but continue to play a key role in Côte d'Ivoire beyond this target.

Production:

MY 2018/19 production is unchanged at 1.45 MMT as reports indicate favorable conditions throughout the country’s major growing areas. Official government statements express the intent to increase domestic production to over 1.5 MMT in 2018, and close to 2.0 MMT by 2019. While Post expects sustained growth in domestic production due to continued investment of both public and private resources into the sector, actual figures will likely lag behind these ambitious targets. Post revises MY 2017/18 production downward to 1.36 MMT based upon official statistics, representing a small decline in yield and no change in area harvested.

In recent months, Côte d’Ivoire experienced unusually heavy precipitation even by rainy season standards, as evidenced by deadly floods in the capital, Abidjan, and several other areas. However, the most devastating precipitation was concentrated in the south of the country. There are indications that primary rice growing areas in the western and northern regions received above average but not detrimental precipitation in the same period. Overall, conditions for rice cultivation remain favorable, although seasonal rainfall patterns are proving more difficult to predict year to year; particularly in areas that account for the preponderance of domestic supply.

Figure 1: Côte d’Ivoire National Production by District (2017)



Rice cultivation occurs throughout the country, but there are areas of concentration, primarily in the northern and western districts. In 2017, two northern districts (Denguelé, and Savanes) and four western districts (Bas-Sassandra, Gôh-Djiboua, Montagnes, Sassandra-Narahoué) accounted for nearly 90% of national production. In MY2017/18, rice area was 79 percent rain-fed, 17 percent irrigated, and 4

percent flooded. Although only 17 percent of national area, irrigated rice cultivation accounted for 36 percent of national production. Rain-fed and flooded cultivation accounted for 57 and 7 percent of national production, respectively.

Consumption:

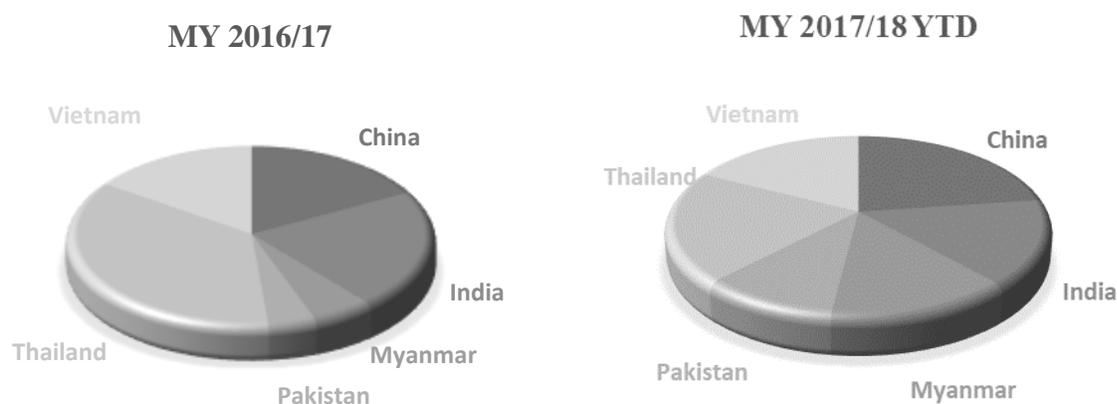
Post expects Côte d’Ivoire’s consumption to continue on a steady upward trajectory of approximately 1.5 to 2% annually as a reflection of changing diets, demographic shifts, and population growth. Post projects MY 2018/19 consumption at 2.6 MMT, up marginally from previous reporting to reflect increased supply. Please refer to Policy section for brief updates on the country’s milling capacity.

Trade:

MY 2018/19 imports are projected at 1.35 MMT, up slightly from Post’s previous estimate, reflecting continued strong import demand and ample availability on world markets. In the long term, an eventual levelling off and potentially even reduced import demand is a realistic possibility, but imports will continue to satisfy nearly half of domestic demand in at least the short term.

At current estimates and projections, Côte d’Ivoire will remain among the top ten rice importers in the world, and second only to Nigeria among African importers. Despite robust economic growth, the country’s average consumer remains quite price sensitive, and importers will source accordingly on the international market. Typically, India, Thailand and Vietnam are primary suppliers, but through June of MY 2017/18, Pakistan and Myanmar are also registering an uptick in exports to the country. China’s robust exports to Côte d’Ivoire also carried over from MY 2016/17. The majority of this trade thus far occurs at the expense of Thailand’s exports, which is not unexpected given the supplier’s estimated year-to-year decline. India’s exports are also weaker than normal, but Post expects India’s market share to rebound slightly based on previous patterns of shipments to Côte d’Ivoire late in the market year.

Figure 2: Year-to-Year Import Origins



Accounting for fractionally lower domestic production, Post revises exports of domestic paddy rice to regional neighbors downwards in both MY2018/19 and 2017/18 to 125,000 and 120,000 MT, respectively.

Note: Precisely estimating rice trade in West Africa remains a difficult endeavor due to porous borders and a lack of robust data. Currently, Post derives its trade estimates and projections from available statistics, analysis of on-the-ground conditions, and assessment of informal trade flows.

Stocks:

Post projects MY 2018/19 ending stocks at 647,000 MT, and estimates MY2017/18 ending stocks at 552,000 MT. This represents a moderate increase from previous reporting, but reflects improved visibility in terms of available data and observations, particularly concerning stocks of domestic paddy rice. Total ending stocks includes both estimates of domestic paddy rice (milled equivalent) held throughout the country and estimated holdings of imported milled rice in major urban centers. Post estimates domestic paddy rice stocks held throughout the country in MY2017/18 at approximately 300,000 MT (milled basis), with imported rice accounting for the remainder. The increase of total ending stocks to 647,000 MT in MY 2018/19 takes into account the confluence of anticipated increases in domestic productivity, and the continuation of strong import demand. The country currently has no formal policies regarding stockpiling of rice, but the establishment of a strategic stock is a stated objective in the current SNDR (see below).

Policy:

Côte d’Ivoire continues to pursue its 2012-2020 SNDR, recognizing that rice is one of the country’s staple foods. The ultimate goal of this policy is to achieve self-sufficiency in rice, and eventually become an exporter to the region. The current SNDR includes the following phases:

- 1) 2012 – 2016: Achieve production levels to satisfy 100% of domestic consumption.
- 2) 2016 – 2018: Create and regulate a national strategic rice stock (target figures unavailable)
- 3) 2018 – 2020: Become a net exporter of rice.

Based upon available data, the country is lagging behind these stated targets. There is moderate progress, however, along with the appearance of domestic political will and both donor and investor interest in advancing towards these objectives. As the country’s economy develops, statements and policies often recognize agriculture as a key component of this growth, both in terms of improved food security and as a source of revenue; the latter evidenced by growing exports of cash crops beyond the country’s traditional reliance on cocoa.

In terms of boosting domestic rice production, the strategy focuses primarily on exploiting lowland valleys, the provision of improved seed varieties to farmers, and a sizeable increase in milling capacity. Estimates indicate that less than ten percent of lowland valleys in the country suitable for rice cultivation are currently in use. In terms of seed development, the country seeks to open up to seven new seed development centers by 2020 with international donor funding. There is also a concerted push to open up to thirty additional modern milling facilities throughout the country, each with 5mt/hour capacity, by the end of 2018. The Export-Import Bank of India is reportedly funding a large share of the improvements to milling capacity and technology. Future reporting will seek to confirm whether these initiatives have a measurable impact upon production and processing capacity.

Production, Supply and Demand Table:

Rice, Milled	2016/2017	2017/2018	2018/2019
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Market Begin Year Cote d'Ivoire	Oct 2016		Oct 2017		Oct 2018	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	900	900	862	862	875	875
Beginning Stocks	517	517	322	567	269	552
Milled Production	1335	1335	1377	1355	1450	1450
Rough Production	2054	2054	2118	2085	2231	2231
Milling Rate (.9999)	6500	6500	6500	6500	6500	6500
MY Imports	1300	1300	1500	1300	1600	1350
TY Imports	1350	1350	1500	1300	1650	1350
TY Imp. from U.S.	4	0	0	0	0	0
Total Supply	3152	3152	3199	3222	3319	3352
MY Exports	30	115	30	120	30	125
TY Exports	30	115	30	120	30	125
Consumption and Residual	2800	2500	2900	2550	3000	2600
Ending Stocks	322	567	269	552	289	647
Total Distribution	3152	3182	3199	3222	3319	3372
Yield (Rough)	2.2822	2.2822	2.4571	2.4188	2.5497	2.5497

(1000 HA) ,(1000 MT) ,(MT/HA)