

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## **Nigeria**

### **Rice Trade - Quarterly**

#### **Nigeria's Rice Imports Increase**

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**Report Highlights:**

Nigeria's rice imports have increased largely because imported parboiled rice competes with other basic food staples. The decision of Government of Nigeria (GON) to ban rice imports through its land borders has somehow reduced cross-border smuggling. Furthermore, rice importers have indicated interest in turning to India following the recent reentry of that country into the non-basmati rice trade.

**Post:**  
Lagos

**Executive Summary:**

Nigeria's rice imports are trending upwards. Post is revising import estimates for 2010/11 to 2.3 million tons, up from 1.75 million tons in 2009/10. The increase reflects the fact that rice is well established as a basic food staple and the price of imported parboiled rice competes effectively with local alternatives. These local alternatives, such as yam, cassava, maize are in short supply and cost more than in years past. Nigeria's rice imports are expected to rise in tandem with increased demand associated with yearend festivities. Traditionally, importers increase purchases during the September to December period. Importers are interested in Indian rice following the re-entry of that country into the non-basmati rice trade.

Trade sources indicate that cross-border smuggling of rice has reduced significantly following the decision of the Government of Nigeria (GON) to restrict rice importation to just the sea ports and prohibit imports through land borders. The GON took this decision to reduce evasion of duty payments and to ensure that the commodity continues to come into the country fairly taxed.

There is a renewed drive by the GON to increase domestic rice production and to make the country self-sufficient. On August 17, 2011, President Goodluck Jonathan inaugurated the National Economic Management Team to drive national economic revival. The team unveiled an Agriculture Transformation Action Plan which has listed rice as one of the five commodities to attract special focus to increase production. Under this program, the GON intends to increase the production of high quality processed rice from 2.6 million tons presently to five million tons by 2015, adding one million additional jobs to the agricultural sector in the process.

Rice, Milled Nigeria	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: Oct 2011	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	2,100	2,100	2,150	2,150	2,170	2,170
Beginning Stocks	569	569	469	469	469	469
Milled Production	2,600	2,600	2,670	2,670	2,700	2,700
Rough Production	4,333	4,333	4,450	4,450	4,500	4,500
Milling Rate (.9999)	6,000	6,000	6,000	6,000	6,000	6,000
MY Imports	1,750	1,750	1,900	2,300	1,950	2,250
TY Imports	2,000	2,000	1,900	2,200	1,950	2,150
TY Imp. from U.S.	74	74	0	60	0	70
Total Supply	4,919	4,919	5,039	5,439	5,119	5,419
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Consumption and Residual	4,450	4,450	4,570	4,970	4,650	4,949
Ending Stocks	469	469	469	469	469	470
Total Distribution	4,919	4,919	5,039	5,439	5,119	5,419

1000 HA, 1000 MT, MT/HA