



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.07

Required Report - public distribution

Date: 11/21/2003

GAIN Report Number: IV3010

Cote d'Ivoire

Grain and Feed

Annual

2003

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Report Highlights:

Post forecasts a fall in 2003/2004 rice production due to poor rainfall, lingering political instability and reduction in planted hectares. Cote d'Ivoire's rice consumption rose in 2003 and is expected to continue to increase in 2004 due to rising population and continued urbanization. Likewise, rice imports are expected to continue to increase in 2003 and 2004 due to the civil unrest that has weakened the country's food production base. The U.S. has made a significant advance in the commercial sale of 16-35 percent broken rice to Cote d'Ivoire. It exported 11,681 MT in 2002 and 43,000 MT in 2003.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Annual Report
Abidjan [IV1]
[IV]

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Executive Summary

Post forecasts a fall in 2003/2004 rice production due to poor rainfall distribution, lingering political instability and reduced plantings. The rainfall in 2003 was poorly distributed during the growing period. The unsettled political situation with its attendant insecurity did not permit a full scale farming activities in rebel-occupied northern areas. Also, in some government-controlled areas, migrant farmers are having difficulties in getting access to cultivable lands.

The 2003/2004 rice marketing has been lackluster. The activities of small cottage mills suffered a decline due to insufficient supply of paddy for milling. Paddy prices are high between 90-95 F CFA/kg at farm gate and 100-105 F CFA/kg at cottage mills.

Rice consumption rose in 2003 and is expected to continue to increase in 2004 due to the increasing population coupled with the political crisis that has led to growing migration from rural areas to major cities. Despite the availability of other food crops such as cassava, yams, plantain and cocoyam during the harvest period, the last trimester of 2003, the price of rice is relatively cheap. In addition, the availability of these crops is only seasonal and their price escalation in the lean season favors continued expansion in rice consumption.

Rice imports rose in 2002 and are expected to continue to increase in 2003 and 2004 due to the civil unrest that has weakened the country's food production base. Rice imports for the first 9 months of 2003 were 554,868 MT compared to 502,182 MT for the same period in 2002. Exports fell in 2002 and are expected to continue to be down in 2003 and 2004 due to the unstable political situation. Exports for the first 9 months in 2003 were down nearly 50 percent, from 2,187 MT compared to 4,158 MT for the same period in 2002.

In 2002, Asian rice accounted for about 90 percent of Ivorian imports due to its competitive price. India became the leading supplier of rice to Cote d'Ivoire surpassing Thailand. Since 2002, the U.S. has made a significant inroad into the market of 16-35 percent broken rice by exporting 11,681 MT. In 2003, exports attained about 43,000 MT. In 2003, U.S. sold about 43,000 MT milled rice under commercial sales and 9,648 MT under the monetization program of OICI (Opportunities Industrialization Center – Cote d'Ivoire).

In 2003/2004 planting period, the government launched its rice development program of "RIZ POUR TOUS" (RICE FOR ALL). This is part of the government's contingency plan to increase local rice production and avert hunger during this crisis period.

Exchange Rate: U.S. \$1 = 555 F CFA on November 26, 2003.

PSD Table

Country Commodity	Rice, Milled				(1000 HA)(1000 MT)		
	2001 USDA Official [Old]	Revised Post Estimate [New] 08/2001	2002 USDA Official [Old]	Estimate Post Estimate [New] 08/2002	2003 USDA Official [Old]	Forecast Post Estimate [New] 08/2003	
Market Year Begin							
Area Harvested	600	600	500	460	500	340	
Beginning Stocks	234	69	264	143	239	156	
Milled Production	580	580	450	390	450	280	
Rough Production	1055	1055	818	709	818	509	
MILLING RATE (.9999)	5500	5500	5500	5500	5500	5500	
TOTAL Imports	575	618	700	806	700	850	
Jan-Dec Imports	700	641	650	718	650	750	
Jan-Dec Import U.S.	31	28	0	28	0	45	
TOTAL SUPPLY	1389	1267	1414	1339	1389	1286	
TOTAL Exports	0	4	0	3	0	1	
Jan-Dec Exports	0	5	0	5	0	1	
TOTAL Dom. Consumption	1125	1120	1175	1180	1195	1240	
Ending Stocks	264	143	239	156	194	45	
TOTAL DISTRIBUTION	1389	1267	1414	1339	1389	1286	

Production

Post forecasts a fall in 2003/2004 production due to poor rainfall distribution, lingering political instability and reduced plantings. Rainfall in 2003 was poorly distributed. It started early in April, but came to an abrupt halt in the latter part of June, during the growing period. The ensuing drought caused much upland rice to whittle. In lowland rice areas too, poor drainage due to blocked canals caused flooding which impaired growth in many rice fields.

The unsettled political situation has made it impossible for many farmers who fled the rice-producing areas in rebel-held territory, especially in the west, to return. Similarly, the north of the country now under rebel control, general anxiety and uncertainty have not also permitted full-scale farming activities. In other parts of the country, the political situation has caused shortage of farm workers because many migrant workers were chased out or otherwise forced to return to their country of origin. The hostile political atmosphere marked by parochial interest has also made some landowners refuse to lease land to migrant farmers for cultivation, contributing to the reduced planted area in 2003/2004.

Field travels in mid-November in the southern part of the producing area indicated that crop harvest is in process, and interviews with farmers, millers and traders show that the current crop will be lower than that of 2002/2003. Crop harvesting is almost completed for upland rice but still continues for lowland and irrigated rice. Travel to rice-producing areas also indicated that many areas have been left uncultivated. Piles of rice normally found dried along the main roads were conspicuously absent and only a small amount was being dried in front of cottage mills.

The 2003/2004 marketing year has been lackluster. The activities of small cottage mills seemed considerably reduced due to insufficient supply of paddy for milling. Paddy prices are high between 90-95 F CFA/kg at farm gate and 100-105 F CFA/kg at cottage mills in villages and towns depending on the distance from the farms. Milled rice varied between 225 F CFA/kg and 250 F CFA/kg. Comparative prices in 2002/2003 marketing year before the advent of the political crisis were about 80-90 F CFA/kg at farm gate and 100-110 F CFA/kg at the mills. Milled rice was sold 215-250 F CFA/kg at the mills.

Consumption

Rice consumption rose in 2003 and is expected to continue to increase in 2004 due to increasing population and the political crisis that has led to upsurge in rural exodus to major cities. Despite the availability of other food crops such as cassava, yams, plantain and cocoyam during the harvesting period, the last trimester of 2003, the price of rice is relatively cheap. In addition, the availability of these crops is only seasonal and their price escalation in the lean season favors continued expansion in rice consumption. Rice is readily available at relatively stable and low price throughout the year, and also ideal for mass consumption in this crisis period.

Consumption Subcategory

In 2002/2003 marketing year, the proportion of imported rice to total domestic consumption was over 50 percent and is expected to be over 60 percent during the 2003/2004 marketing year due to falling domestic production. The slight recovery in rice consumption pattern towards high quality rice observed in 2001 has slipped in 2002 and 2003 due to the civil unrest with its attendant poverty. The 16-35 percent broken rice accounted for 77 percent of consumption up from 67.6 percent in 2001. The over 35 percent broken rice rose to 22 percent from 18 percent in 2001. The 0-15 percent broken rice and brown rice were small about 0.2 and 0.8 percent respectively.

In 2003, large imports of rice induced by the political crisis have maintained rice retail prices at low levels. Up to July 2003, the retail price on the urban markets of local rice has been between 288-306 F CFA/kg; imported rice of 16-35 percent broken rice was 204-213 F CFA/kg; Milled U.S. brown remained at 430-450 F CFA/kg; and deluxe rice between 490-507 F CFA/kg.

Retail Market Price (F CFA/kg) in 2002 in Abidjan

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Local Rice	284	273	273	276	208	289	282	285	282	283	287	285
Imported Rice*	223	208	203	201	200	205	206	207	210	206	204	211
Deluxe Rice	581	540	503	503	500	498	494	505	500	503	494	483

* Imported Rice for mass consumption

Source: Institut National de la Statistique (INS)

Retail Market Price (F CFA/kg) in 2003 in Abidjan

	Jan	Feb	Mar	Apr	May	Jun	Jul
Local Rice	288	292	294	289	298	304	306
Imported Rice	215	210	213	212	204	210	208
Deluxe Rice	491	493	490	496	494	507	501

Source: INS

Trade

Rice imports rose in 2002 and are expected to continue to increase in 2003 and 2004 due to the civil unrest that has weakened the country's food production base. Rice imports for the first 9 months of 2003 were 554,868 MT compared to 502,182 MT for the same period in 2002.

Exports fell in 2002 and are expected to continue to be down in 2003 and 2004 due to the unstable political situation. Rice exports in 2002 were 4,803 MT and mainly re-export, comprising brown rice (1,946 MT) mostly to Liberia (1,903 MT); 16-35 percent broken rice (2,606 MT) mostly to Ghana (1,694 MT) and Niger (751 MT); and over 35 percent broken rice (250 MT) all to Liberia. Exports for the first 9 months in 2003 were 2,187 MT compared to 4,158 MT for the same period in 2002.

Types of Imported Rice (MT) in Jan-Sept, 2002 and 2003.

	2002	2003
Brown Rice	18,717	4,871
0-15% brokens	2,080	1,539
16-35% brokens	380,855	429,047
Over 35% brokens*	100,530	119,411
Total	502,182	554,868

* A larger proportion is 100 percent broken rice.

Source: Statistiques du Commerce Exterieur de la Cote d'Ivoire.

Origin of Rice Imports (MT), Jan-Sept.

	2002	2003
U.S.	13,525	47,702
China	42,491	115,512
Pakistan	5,208	1,124
Vietnam	3,986	81,687
Thailand	134,790	154,004
Taiwan	22,681	0
Egypt	225	5,501
Burma	102,031	18,567
India	176,114	128,652
Others	1,131	2,119
Total	502,182	554,868

According to the Port of Abidjan statistics, 925,517 MT of rice transited the Port Of Abidjan in 2002 and 560,811 MT for the first nine months of 2003.

Destination of Rice (MT) transiting the Port of Abidjan in 2001 and 2002.

	2001	2002
Cote d'Ivoire	640,599	743,559
Burkina Faso	127,499	110,506
Mali	39,338	68,394
Niger	0	1,002
Others	1,504	2,383
Total	808,940	925,844

Source: Port Autonome d'Abidjan (PAA)

There was a difference in the Customs statistics and Port statistics for the 2002 Cote d'Ivoire's rice imports due to administrative bottlenecks in Customs' goods clearance. Post used Customs statistics for its trade estimate because they represent goods that have really entered the country.

Destination of Rice (MT) transiting the Port of Abidjan in 2002 and 2003.

	Jan-Sept 2002	Jan-Sept 2003
Cote d'Ivoire	539,604	516,416
Burkina Faso	108,452	8,819
Mali	61,385	35,576
Niger	1,002	0
Others	2,383	0
Total	712,826	560,811

Source: PAA

Trade Subcategory

In 2002, Asian rice accounted for about 90 percent of Ivorian imports due to its competitive price. India became the leading supplier of rice to Cote d'Ivoire surpassing Thailand. India's sales only comprised 16-35 percent broken rice. Thailand maintains its grip on the markets for the 0-15 percent broken rice and the over 35 percent broken rice. The U.S. remains the only source for brown rice and also exports small quantities of deluxe rice, 0-15 percent broken rice. Since 2002, it has made a significant step in the market of 16-35 percent broken rice by exporting 11,681 MT, and in 2003, exports attained about 43,000 MT.

In 2003, U.S. sold about 43,000 MT milled rice under commercial sales and 9,648 MT under the monetization program of OICI (Opportunities Industrialization Center – Cote d'Ivoire). In 2002, sales of 11,657 MT of brown rice and about 12,000 MT milled rice were all under commercial sales. In 2004, OICI has received approval for 12,000 MT of brown rice for its monetization program.

Import Trade Matrix

Country
Commodity

Rice, Milled

Time Period	Jan-Dec
Imports for:	2001
U.S.	27793
Others	

Units:	MT
	2002
U.S.	28235
Others	

	China	162856	China	59490
	Thailand	165013	Thailand	191058
	Pakistan	88842	Pakistan	5313
	India	16555	India	259641
	Vietnam	87315	Vietnam	12824
	Burma	61021	Burma	131409
	Taiwan	8153	Taiwan	26681
	Egypt	22909	Egypt	2225
	Total for Others	612664		688641
	Others not Listed	143		1086
	Grand Total	640600		717962

Export Trade Matrix Country

Commodity Rice, Milled

Time Period Units: Exports for: **2002**U.S. U.S.

Others

Others

Liberia	3636	Liberia	2190
Ghana	809	Ghana	1734
Mali	80	Mali	120
		Niger	754
Total for Others	4525		4798
Others not Listed	<input type="text" value="82"/>		<input type="text" value="5"/>
Grand Total	4607		4803

Stocks

Stocks level increased in 2002/2003 due to the rise in imports. Stocks level is expected to fall in 2003/2004 due to increased consumption and the drop in local production.

Policy

In 2003/2004 planting season, the government launched its rice development program of "RIZ POUR TOUS" (RICE FOR ALL). This is part of the government's contingency plan to increase local rice production and avert hunger during this crisis period. The program is expected to produce about 26,000 MT of paddy rice and recover about 600 MT of seeds for the 2004/2005 planting. The total cost of the program is estimated at 4.256 billion F CFA to be financed by both the government of Cote d'Ivoire and Japan.

Marketing

The number of legitimate rice importers increased from 15 in 2001 to 17 in 2002. However, only 3 importers accounted for 60 percent of total imports. For the first half of 2003, the number of importers was only 9, and only one importer accounted for about 75 percent of the total rice imports. This is because most of the exporters were hesitant due to the political situation.

Small cottage mills continue to ensure the processing of the entire local paddy. The only operating large mill, UNIRIZ, processes only imported brown rice from the U.S. It also polishes a small amount of local rice purchased from the cottage mills. In 2002/2003, it

processed 15,607 MT of brown rice and polished 540 MT of local rice. Brown rice is processed and packaged under the brand name "Uncle Jo".