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## **Report Name:** Grain and Feed Annual

**Country:** Senegal

**Post:** Dakar

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### **Report Highlights:**

Rice production in Senegal, Guinea, Burkina Faso, and Mali is forecast at 8.02 million metric tons (MMT) in MY 2022/23 on average weather, improved irrigation, and enhanced stability in production areas. The 15 percent jump from MY 2021/22 follows a growing season that was plagued by poor weather, militant activity and instability in Mali, and irrigation issues and pest prevalence in Senegal. Regional MY 2022/23 area harvested is forecast to increase about two percent to 3.56 million hectares (HA) on greater access to financing and subsidized inputs which will encourage planting. The boost in domestic production is expected to lower rice import demand in MY 2022/23, forecast at 3.35 MMT, an eight percent drop from MY 2021/22.

## **I. Executive Summary**

In marketing year (MY) 2022/23, area harvested for rice in Senegal, Guinea, Burkina Faso, and Mali is forecast to increase about two percent to 3.56 million hectares (HA) on expectations that local governments will encourage planting to curb food price inflation by supporting greater access to financing and subsidized inputs. MY 2021/22 area is up slightly year-over-year to 3.48 million HA, as increases in Senegal, Guinea, and Burkina Faso outpaced a drop in Mali due to flooding and insecurity.

MY 2022/23 rough production for the region is forecast at 7.67 million metric tons (MMT), 10 percent higher than the previous year assuming average rainfall and low pest pressure. MY 2021/22 production is estimated at 6.99 MMT, down 7.8 percent due largely to a 20 percent production decrease in Mali caused by jihadist attacks on farms causing abandonment. Otherwise in the region, poor weather, which included long dry spells, caused a significant drop in yield. In addition, there was a four percent production decrease in Senegal due to irrigation and drainage issues, rat infestations, and grain-eating birds in the Senegal River Valley (SRV).

A significant boost in domestic production is expected to lower rice import demand in MY 2022/23, forecast at 3.35 MMT, an eight percent drop from MY 2021/22 where imports are estimated at 3.63 MMT. Consumption in MY 2022/23 is expected to reach 8.25 MMT on population growth and governments' reduction of customs tariffs for rice to curb rising food prices, which have gone up 30 percent in West Africa since the beginning of the COVID-19 pandemic.

## **II. Senegal**

### **Production**

MY 2022/2023 area harvested is forecast to increase 2.5 percent to 410,000 HA as the Government of Senegal (GoS) increased paddy farm gate price twenty percent and increased access to subsidized agricultural equipment, inputs, and financing. MY 2022/2023 total rice production is projected up 9 percent from the previous year to 1.36 MMT on increased access to certified seeds, fertilizers, and agricultural equipment.

MY 2021/2022 area is estimated at 400,000 HA, five percent higher than the previous year while rough production is estimated at 1.25 MMT, a four percent drop from MY 2020/2021 due to the aforementioned challenges noted in the SRV. Production of paddy rice is down from the previous year due to delays in the rehabilitation of degraded perimeters. Other contributing factors to the poor harvest included the presence of wild rice, sporadic flooding, non-compliance with the recommended quantities of fertilizers, insufficient intake of urea and diammonium phosphate (DAP), lack of harvesting equipment, hot winds, presence of insects, wild duck attacks, and recurrent power cuts. Many farmers also lacked access to financing due to their inability to pay off their loans from the previous season. Some farmers switched to cultivation of vegetables such as onion and tomato due to their profitability.

For the 2021/22 campaign in Casamance, producers were also plagued by strange weather patterns. The rainy season began late and was punctuated by unusual long breaks in rainfall, then followed by a late return of rains which continued until October. As such, the harvest began manually as machinery had difficulty operating in the high humidity in the plots, keeping some grain from being harvested in time.

In the SRV, \$22 million in loans were provided to rice producers in the 2021/22 campaign. In the Casamance, the General Delegation to the Rapid Entrepreneurship of Women and Youth (DER), whose mission is to improve opportunities for employment and entrepreneurship for women and youth, provided about 990 million FCFA (\$1.8 million) in loans for rice producers in the Irrigated Perimeter of the Anambé Basin during the MY 2021/22 off-season to produce seeds, purchase seeds, and market paddy rice. These loans helped to increase area to 219,009 HA in Casamance in MY 2021/22, up eight percent compared to 2020/21.

According to government extension services, there are two new projects funded by the West African Development Bank to support rice production in the North of Senegal. One of them is implemented in Podor and will aim to increase area planted to 2,000 HA and the French Development Agency has also injected \$38 million to support local rice production. This could increase area and rice production in 2022/23.

### **Consumption**

MY 2022/23 rice consumption and residual levels are forecast at 2.08 MMT total based on population growth, the rising number of milling companies in the SRV leading to increased access to local rice for Senegalese consumers, the removal of the custom duties for rice, and an eleven percent drop in the price for rice (see Trade). Senegal imports up to eighty percent of its rice needs. Average per capita rice consumption is trending up, now estimated at 91 kg per year, according to the Senegal National Agency of Statistics and Demography (ANSD).

Senegalese consumers prefer imported broken rice, which is less expensive than local rice, especially for the regional market surrounding Dakar. Indian broken rice is most prevalent in the market. Prices for both imported and local rice are generally higher than prices for other local grains such as millet, sorghum, and corn, which are seasonal and not usually available to consumers. Rice remains the main grain consumed by Senegalese because of its availability, ease of preparation, and lower cooking time that leads to less fuel consumption than other grain-based meals. However, strong sensitization campaigns on the benefits of consuming domestically produced rice and a growing number of milling companies have brought up local rice consumption gradually, going from 24 percent in 1990 to 40 percent in 2018. The price of local rice has fallen closer to that of imported rice based on greater availability and more efficient production and milling, however, the gap in price is expected to persist.

### **Trade**

MY 2022/23 imports are forecast at 1.2 MMT, nearly an eight percent drop from the previous year due to the expected increase in production. MY 2021/22 imports are estimated at 1.3 MMT, an eight percent boost year-over-year due to lower production and population growth.

According to Trade Data Monitor (TDM), India was the top rice supplier to Senegal in MY 2021/22, with a 55 percent market share, followed by Thailand (22 percent), Brazil (12 percent), and China (4 percent). About 98 percent of Senegal's rice imports are broken rice. Although a large segment of the population in Senegal prefer cheaper imported broken rice, there is growing demand for Senegal's whole grain rice in neighboring countries such as Guinea-Bissau, Mauritania, Mali, and The Gambia.

After the price rise in several foodstuffs, including staple foods such as sugar, rice, and oil, due to the COVID-19 pandemic, GoS decided to lower the prices of oil, rice, and sugar to relieve Senegalese households from the rising costs of necessities. A communiqué of the Council of Ministers stated that the price of a 50kg bag of rice will fall from 15,000 FCFA (\$27.5) to 13,750 FCFA (\$24.7). In addition, GoS has decided to allocate a subsidy of 32 FCFA/kg (\$0.06) of paddy rice to encourage and support local rice production, bringing the producer price to 162 FCFA/kg (\$0.30). Although GoS has also decided to remove the rice import taxes (see Policy), Post projects rice imports will still be hampered by rising freight prices and strong domestic production.

Rice exports from Senegal are small and mainly consist of re-exported rice to neighboring countries. Senegal's leading destinations for rice are Guinea-Bissau, Mauritania, and The Gambia. There was a rice export restriction put into place early in the COVID-19 pandemic to mitigate potential shortages of rice. However, this measure is not an explicit ban as an exporter could request a Special Export Authorization. As this measure was lifted in September 2021, MY 2021/22, exports are estimated at 100,000 MT. For more information on the rice export restriction, please refer to the [GAIN report SG2021-0007](#).

## **Stocks**

MY 2022/23 ending stocks are forecast at 202,000 MT while MY 2021/2022 ending stocks were estimated at 237,000 MT. These stocks are privately held by farmers, traders, and institutions, as the government does not keep any stocks. Imported rice stocks are located mainly in the regions of Dakar, Thies, and Ziguinchor, while Saint Louis stocks are mainly local rice. Imported rice represents more than 90 percent of stocks, mostly non-fragrant broken rice from India.

## **Policy**

The government of Senegal has decided to drastically reduce the rice customs duties from 12.7 percent to 2.7 percent on imported, broken, and unscented rice, a 30 FCFA/kg (\$0.05) drop. The 2.7 percent of customs duties that remains must be maintained by GoS as shares that go to the budget of institutions such as the Senegalese Loaders' Council (COSEC), the West African Economic and Monetary Union (WAEMU) and the Economic Community of West African States (ECOWAS).

On March 9, 2022, President Macky Sall validated the budget for the 2022-2023 agricultural campaign which includes 70 billion FCFA (\$128 million) to subsidize inputs to increase domestic production and reduce imports. This budget which will be distributed as follows: 12 billion FCFA (\$22 million) for groundnut seeds, 12 billion FCFA (\$22 million) for seeds of various species, 41 billion FCFA (\$75 million) for fertilizer, 5 billion FCFA (\$9 million) for the Agriculture and Livestock Competitiveness Program. This is projected to create a five percent boost in production.

In MY 2021/22, fertilizers and urea were subsidized at about 50 percent by GoS and liquid and solid organic fertilizers were subsidized at 100 percent. However, prices of urea and DAP have skyrocketed in the past year. Post will continue to monitor price increases and potential lack of availability going forward.

## Production, Supply and Distribution Table

Rice, Milled Market Year Begins Senegal	2020/2021		2021/2022		2022/2023	
	Oct 2020		Oct 2021		Oct 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	404	380	400	400	0	410
Beginning Stocks (1000 MT)	213	213	291	222	0	237
Milled Production (1000 MT)	918	884	986	850	0	925
Rough Production (1000 MT)	1350	1300	1450	1250	0	1360
Milling Rate (.9999) (1000 MT)	6800	6800	6800	6800	0	6800
MY Imports (1000 MT)	1100	1200	1150	1300	0	1200
TY Imports (1000 MT)	1250	1200	1100	1300	0	1200
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	2231	2297	2427	2372	0	2362
MY Exports (1000 MT)	40	85	100	100	0	80
TY Exports (1000 MT)	90	85	90	100	0	80
Consumption and Residual (1000 MT)	1900	1990	2000	2035	0	2080
Ending Stocks (1000 MT)	291	222	327	237	0	202
Total Distribution (1000 MT)	2231	2297	2427	2372	0	2362
Yield (Rough) (MT/HA)	3.3416	3.4211	3.625	3.125	0	3.3171

### III. Guinea, Burkina Faso, and Mali

#### Guinea

##### Production

Marketing year (MY) 2022/23 area harvested is forecast at 2.02 million HA, up 1.5 percent compared to the previous year based on increased subsidized inputs and agricultural equipment, motivating producers to plant more. MY 2021/22 area harvested is estimated to increase to 1.99 million HA, up four percent from the previous year due to increased access to inputs.

MY 2022/23 rough production is forecast to increase to 2.97 MMT, up 3.1 percent assuming average rainfall and low levels of pest. MY 2021/22 rough production is estimated at 2.88 MMT a 3.2 percent surge compared to 2020/21.

Guinea's annual rainfall is between 1,200 and 3,500 millimeters, and the importance of water resources have favored the extension of rice cultivation to all agro-ecological zones of the country. The production systems are varied but rainfed rice is the most predominant. Most of the rice is produced in Guinée Forestière, Guinée Maritime, and Haute Guinée. About 80 percent of domestic production is in the southern half of the country. Guinean rice is primarily cultivated on small family farms with an average area per farmer of 1.7 hectares. It is based on four major systems: rainfed hillside rice cultivation, mangrove rice cultivation, lowland rice cultivation, and upland rice cultivation. Guinean annual rice production is trending upward mainly due to the greater area planted as opposed to yield gains.

## **Consumption**

MY 2022/23 and MY 2021/22 consumption levels are estimated at 2.68 MMT and 2.60 MMT respectively, up steadily each year based on population growth. Rice, the main staple in Guinea, is consumed more than three times a day in almost all households. Imported rice is mainly consumed in Conakry, the capital of Guinea, and in the mining zones. Average annual per capita rice consumption is estimated 115kg in 2021/22. Rice represents 45 percent of the daily caloric intake provided by plant-based products. Consumers prefer local parboiled rice for its better taste and higher nutritional values. Imported Asian rice, with 25 to 30 percent broken rice, is less popular than local rice.

Demand is met through a mix of domestic production and imports from the international market and neighboring West African countries and is expected to grow despite the high international prices.

## **Trade**

Guinea's main imported rice suppliers are India (about 80 percent), China (13 percent), and Pakistan (5 percent). Indian broken rice is preferred by importers and consumers due to price, while Chinese and Indian parboiled rice is appreciated by consumers for its taste and cleanliness.

MY 2022/23 imports are projected at 800,000 MT, down six percent due to the slight drop in production as well as the expected increase of international freight and transport. MY 2021/22 imports are estimated up by approximately thirteen percent to 850,000 MT year-over-year due to an expected drop in customs tariffs to curb the rising food prices as promised by President Mamady Doumbouya and growing rice demand from the neighboring countries. The importation of rice is encouraged by the Government, which regularly takes tax-free measures for rice imports to reduce the market price, particularly during Ramadan.

MY 2022/23 exports are projected to fall by 33 percent to 100,000 MT as strong demand from the regions has subsided. Conversely, MY 2021/22 rice exports are estimated up 88 percent over the previous year to 150,000 MT due to high demand in nearby countries, especially following ECOWAS sanctions against Mali. In general, local parboiled and imported white rice are exported to neighboring countries such as Senegal, Gambia, Mali, Guinea-Bissau, Sierra Leone, and Liberia. Trade in local agricultural products with all neighboring countries is being carried out as usual since the opening of the border between Mali and Guinea on September 29, 2021.

Various combined factors explain the uninterrupted rise in the price of rice: the increase in the price of rice on the international market, the continuous depreciation of the Guinean currency, and, in recent months, the sharp increase in the price of oil which increases the cost of transport. Now, traders set the prices themselves. The 50kg bag of white rice, which was sold for around 250,000 GNF (\$28), is currently trading between 285,000 GNF (\$32) and 330,000 GNF (\$37) depending on the quality.

## **Stocks**

MY 2022/23 and MY 2021/22 ending stocks are estimated at 203,000 MT and 223,000 MT, respectively. The government does not keep stocks which are reportedly only held by the private sector that maintains a minimal amount per year.

## Policy

Since December 2019, the government has been applying the ECOWAS common external tariff (CET), which sets the custom duty for milled rice at 10 percent. Additional taxes such as statistical fees of 1.0 percent, and a solidarity community levy of 1.5 percent also apply to milled rice. Prior to 2019, imported rice was exempted from customs duties and taxes were set at 2.75 percent which kept imports cheaper than local rice.

A decree of the Minister of the Budget increased the taxation of all rice imports in containers beginning December 1, 2020, which caused a significant increase in the price of a bag of rice on the market. Previously, white rice was taxed at \$100/MT. Now, any import of rice in containers is taxed at \$400/MT, a 300 percent increase. Small importers are having difficulty selling the rice to make a profit.

## Production, Supply and Distribution Table

Rice, Milled Market Year Begins Guinea	2020/2021		2021/2022		2022/2023	
	Oct 2020		Oct 2021		Oct 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	1900	1960	1900	1990	0	2020
Beginning Stocks (1000 MT)	192	192	219	222	0	223
Milled Production (1000 MT)	1782	1840	1820	1901	0	1960
Rough Production (1000 MT)	2700	2788	2758	2880	0	2970
Milling Rate (.9999) (1000 MT)	6600	6600	6600	6600	0	6600
MY Imports (1000 MT)	750	750	800	850	0	800
TY Imports (1000 MT)	940	750	800	850	0	800
TY Imp. from U.S. (1000 MT)	3	2	0	3	0	5
Total Supply (1000 MT)	2724	2782	2839	2973	0	2983
MY Exports (1000 MT)	80	80	80	150	0	100
TY Exports (1000 MT)	80	80	80	150	0	100
Consumption and Residual (1000 MT)	2425	2480	2520	2600	0	2680
Ending Stocks (1000 MT)	219	222	239	223	0	203
Total Distribution (1000 MT)	2724	2782	2839	2973	0	2983
Yield (Rough) (MT/HA)	1.4211	1.4224	1.4516	1.4472	0	1.4703

## Burkina Faso

### Production

MY 2022/23 area harvested is forecast at 230,000 HA, a five percent increase year-over-year on expectations of government measures to boost local production by improving access to certified seeds, water, modern farm equipment, and fertilizer. MY 2022/23 rough production is estimated to increase about 13 percent to 520,000 MT on average rainfall and an increase in subsidized inputs.

MY 2021/22 area is estimated up by approximately 10 percent to 220,000 HA compared to 2020/21 based on official government data. MY 2021/22 rough production is estimated at 460,000 MT, a three percent increase compared to the previous year.

In Burkina Faso, there are 500,000 HA of arable lowlands and 235,500 HA of irrigable land, of which only 14 percent is exploited. Rice is produced in two seasons: May to November (irrigated and rainfed) and January to June (irrigated only). Most of the rice (irrigated and rainfed) is produced in the southwestern part of the country. Upland rainfed rice represents 10 percent of total rice area and five percent of total production with an average yield of 1.0 MT/HA. Upland irrigated rice constitutes 23 percent of total rice area and 53 percent of total production with yields between 4.0 to 7.0 MT/HA. Lowland rice (both rainfed and irrigated) represents 67 percent of total rice area and 42 percent of total production; yields are usually between 2.0 to 2.5 MT/HA.

There were many difficulties encountered by the producers such as no or little rain for periods of up to 30 days at critical periods of crop development. These dry sequences deteriorated rice yields and therefore did not allow higher levels of production to be reached. In terms of inputs, COVID-19 supply chain issues have not facilitated the import of inputs, especially fertilizers. In addition to the difficulties of imports, the surge in the price of fertilizers due to the increase in the cost of freight and the rampant insecurity which has also led farmers to abandon their farms, contributing to this drop in yield.

## **Consumption**

Rice is the fourth most consumed cereal in Burkina Faso. As incomes rise, consumers are switching from traditional cereals (millet or corn) to rice. Total rice consumption is projected to grow from 970,000 MT in 2021/22 to around 990,000 MT in MY 2022/2023 based on population growth and an increasing preference for rice in urban areas. Average annual per capita rice consumption now exceeds 60 kilograms.

## **Trade**

MY 2022/23 rice imports are set to decline slightly to 650,000 MT on greater production and high prices from traditional suppliers. MY 2021/22 rice imports are estimated at 680,000 MT, a 4.6 percent boost from 2020/21 due growing domestic demand. According to TDM, the main rice suppliers to Burkina Faso in MY 2021/22 are India (76 percent), Cote d'Ivoire (12 percent) and the United-States (6 percent).

Rice produced in Burkina Faso is difficult to market for various reasons: the small quantities produced, the absence of rice in the traditional commercial distribution channels where imported rice is available, poor rice quality, supply difficulties with processors, and a lack of consistent rice promotion.

Farmers often reduce their rice production investment and deliberately produce less to lessen the risk of poor sales. This situation is aggravated by the scarcity of labor and suitable equipment. Processors are abandoning rice processing plants due to lack of a regular supply. Traders in the region who are nevertheless willing to market the rice produced in Burkina Faso have difficulty obtaining regular supplies in quantity and quality.

At the same time, in this central-eastern region, Ghanaian traders are introducing significant amount of paddy rice offering prices above 200 FCFA/kg (\$0.36) against 160 FCFA/kg (\$.29) offered by local processors. There are additional issues such as the weak organization of the actors, market access issues, and the weak connection between the activity of production and that of marketing of domestic rice in the country.



## Stocks

MY 2022/23 and MY 2021/22 stocks are estimated at 68,000 MT and 70,000 MT, respectively. In Burkina Faso, the National Society for the Management of Food Security Stock (SONAGESS) manages the stock by purchasing rice for the reconstitution of national security stockpiles.

## Policy

The Government of Burkina Faso's (GoBF) objective under their National Rice Development Strategy (SNDR II-(2021/2030) is to increase rice production by improving access to certified seeds, water, modern farm equipment, and fertilizer. To achieve these goals, GoBF provided rice inputs and agricultural equipment and plans to market the local rice to avoid poor sales. For instance, 22,548 MT of nitrogen (N), phosphorus (P) and potassium (K) known as NPK, 10,830 MT of urea, 1,438 MT of DAP, 6,952 MT of improved rice seeds, and 268 MT improved rainfed rice seeds were distributed at subsidized prices to producers. According to government contacts, there are some measures preventing paddy rice from leaving the country. In addition, there is a decree of the Ministry of Industry, Trade and Handicrafts (MICA) fixing the list of products such as rice subject to special import authorization and special export authorization.

Since January 1, 2015, ECOWAS member countries, including Burkina Faso, have implemented a common external tariff (CET) which set specific rates for different product categories. According to contacts, the GoBF is implementing the CET rate of 12.5 percent for imported milled rice.

## Production, Supply and Distribution Table

Rice, Milled Market Year Begins	2020/2021		2021/2022		2022/2023	
	Oct 2020		Oct 2021		Oct 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Burkina</b>						
<b>Area Harvested</b> (1000 HA)	200	200	210	220	0	230
<b>Beginning Stocks</b> (1000 MT)	41	41	61	61	0	70
<b>Milled Production</b> (1000 MT)	290	290	305	299	0	338
<b>Rough Production</b> (1000 MT)	446	446	469	460	0	520
<b>Milling Rate (.9999)</b> (1000 MT)	6500	6500	6500	6500	0	6500
<b>MY Imports</b> (1000 MT)	650	650	650	680	0	650
<b>TY Imports</b> (1000 MT)	650	650	650	680	0	650
<b>TY Imp. from U.S.</b> (1000 MT)	4	1	0	2	0	4
<b>Total Supply</b> (1000 MT)	981	981	1016	1040	0	1058
<b>MY Exports</b> (1000 MT)	0	0	0	0	0	0
<b>TY Exports</b> (1000 MT)	0	0	0	0	0	0
<b>Consumption and Residual</b> (1000 MT)	920	920	945	970	0	990
<b>Ending Stocks</b> (1000 MT)	61	61	71	70	0	68
<b>Total Distribution</b> (1000 MT)	981	981	1016	1040	0	1058
<b>Yield (Rough)</b> (MT/HA)	2.23	2.23	2.2333	2.0909	0	2.2609

## **Mali**

### **Production**

Mali MY 2022/23 area harvested is forecast at 900,000 HA, three percent higher than the previous year on expectations of average weather, low pest pressure, access to finance, subsidized inputs, and improved security situation. MY 2022/23 rough rice production is estimated to increase 14 percent to 2.82 MMT with average production conditions and low pest pressure.

MY 2021/22 area dropped slightly to 870,000 HA, a 3 percent fall due to the rise in the water level of certain rivers and the heavy rains that led to farm abandonment due to flooding, dry spells and the early end of the rains which caused a significant drop in yield. This situation was aggravated by several jihadists who entered the rice fields located in the villages, burnt rice straws, and set fire to agricultural equipment causing farm abandonment, and displacement of populations that led to lower production.

MY 2021/22 rough production fell 20 percent year-over-year to 2.4 MMT due to lack of rain, insufficient and late application of fertilizers, persistence of rampant insecurity and inter- or intra-community conflicts across the country that caused farm abandonment.

Rice is produced in two seasons, May to December (irrigated and rainfed) and February to May (irrigated only) and is grown in the lowlands and uplands around the Niger Delta. About 100,000 HA of rice fields spread over seven agricultural zones are irrigated in the Ségou region from the Markala dam, located on the Niger River.

### **Consumption**

For MY 2022/23 and MY 2021/22 national consumption is expected to increase to 2.5 MMT and 2.45 MMT respectively based on population growth.

Rice has become a major staple in Mali, although its consumption has evolved differently depending on the region. Urbanization, rising household incomes, changing lifestyles, and food preferences have favored a shift towards rice over traditional cereals. Parboiled rice is preferred to white rice. Broken rice, which is much cheaper than long grain rice, is generally considered an inferior product by consumers. Low-income households largely consume cheap imported broken rice, which has a high swelling rate. High-end imported whole rice is consumed by a small part of the population, made up of senior civil servants, executives from the private sector, and expatriates.

However, armed attacks, clashes between armed groups, robberies, and targeted assassinations continue to disrupt socio-economic activities in some areas. The drop in income linked to these losses of activity and the difficulties of humanitarian access reduce the ability of households to adequately meet their food and non-food needs.

### **Trade**

MY 2022/23 imports are estimated at 700,000 MT, a 13 percent decrease compared to the previous year based on expected increase in production and the ECOWAS embargo impacts on Mali. MY 2021/22

imports up 88 percent over the previous year to 800,000 MT due to the large drop in production and the 50 percent decrease of rice customs duties

In a decree on November 15, 2021, the transitional government through the Department of Industry and Commerce set the ceiling price on the market for certain consumer products in Mali such as imported broken rice at 15,000 CFA (\$27.5) for a 50 kg bag and 350 CFA/kg (\$0.6) in detail. However, the soaring food prices in the markets during Ramadan are worrying consumers.

## **Stocks**

MY 2022/23 stock levels are forecast up 40 percent to 104,000 MT due to strong demand from traders seeking to replenish their stocks as compared to 2021/2022. MY 2021/22 stocks are estimated to drop to 71,000 MT, down 56 percent from the previous year. Flooding, persistent security challenges in the central and northern parts of the country, and the impact of the COVID-19 pandemic greatly reduced Mali's MY 2021/22 food security stock.

The Government of Mali's (GoM) stock is managed by the Office of Agricultural Products of Mali (OPAM) whose mission is to maintain a National Food Security Stock. However, most stocks are held by the private sector.

## **Policy**

Since January 1, 2015, ECOWAS member countries, including Mali, have implemented a common external tariff (CET) which set specific rates for different product categories. According to contacts, the government of Mali is implementing the CET rate of 12.5 percent for imported milled rice.

Following the failure of transitional authorities in the country to organize elections, ECOWAS placed sanctions against Mali on January 9, 2022, including:

- Closure of land and air borders between ECOWAS countries and Mali.
- Suspension of all commercial and financial transactions with Mali except for food, pharmaceutical and medical products, petroleum products and electricity.
- The freezing of Mali's assets in ECOWAS central banks and commercial banks and suspension of Mali from all financial assistance and transactions with all financial institutions, particularly the ECOWAS Bank for Investment and Development (EBID) and Banque Ouest-Africaine de Développement (BOAD). To relieve households faced with the exponential rise in prices due to these sanctions, Mali's National Transitional Council (CNT) has banned the export of rice, maize, cotton cakes, grains, millet, and sorghum. In mid-November, the government, already alarmed by an agricultural campaign below expectations, had lowered the taxable base by 50 percent for imports on 30,000 MT of cooking oil, 60,000 MT of sugar and 300,000 MT of rice. Paddy rice is considered a local product and is therefore exempt from duties and taxes within the WAEMU. The import exemption and government subsidies have made it possible to limit the rise in the price of these foodstuffs.

## Production, Supply and Distribution Table

Rice, Milled Market Year Begins Mali	2020/2021		2021/2022		2022/2023	
	Oct 2020		Oct 2021		Oct 2022	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	909	898	880	870	0	900
Beginning Stocks (1000 MT)	261	261	120	161	0	71
Milled Production (1000 MT)	1959	1950	1658	1560	0	1833
Rough Production (1000 MT)	3014	3000	2551	2400	0	2820
Milling Rate (.9999) (1000 MT)	6500	6500	6500	6500	0	6500
MY Imports (1000 MT)	300	350	550	800	0	700
TY Imports (1000 MT)	300	350	550	800	0	700
TY Imp. from U.S. (1000 MT)	26	0	0	0	0	0
Total Supply (1000 MT)	2520	2561	2328	2521	0	2604
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Consumption and Residual (1000 MT)	2400	2400	2250	2450	0	2500
Ending Stocks (1000 MT)	120	161	78	71	0	104
Total Distribution (1000 MT)	2520	2561	2328	2521	0	2604
Yield (Rough) (MT/HA)	3.3157	3.3408	2.8989	2.7586	0	3.1333

### Attachments:

No Attachments