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THE LIBERIA RICE MARKET BULLETIN

Volume 1
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PICTORIAL VIEW

From the National Agricultural Fair 2024
Booker Washington Institute (BWI)
December 5 – 7, 2024

Booker Washington Institute (BWI) Campus
Margibi County, Liberia

Display of locally produced rice at the
National Agricultural Fair 2024

Display of locally produced rice at the
National Agricultural Fair 2024

WE EAT IT, WE LOVE IT, BUT WE DON'T PRODUCE ENOUGH OF IT.

WHY?

We are pleased to present our second quarterly **Liberia Rice Market Bulletin.** This issue comes out as we end the celebration of the Holiday Season. We hope all our readers had a wonderful CHRISTMAS and we extend very best wishes for a great New Year - 2025.

In our first Bulletin, we had articles on the Rice Market in Liberia. That issue carried information on export volumes and prices of the commodity from Rice Producing Countries as well as Rice Importing countries' imports. In this issue we are turning to domestic production.

It is quite a challenge to come up with a precise figure of just how much rice is being produced in Liberia presently. Technicians involved with the commodity often refer to the number of acres or hectares under cultivation and sometimes you would find the projected yield per hectare or acre but it is hard to come up with actual production figures. In the Central Bank of Liberia's Study on "Increasing Rice Production in Liberia", carried out in 2015, it was stated that in the year 2000, 143,500 ha of rice farming land were under cultivation. In 2005, 120,000 ha were under cultivation and in 2010, 251,000 ha were under cultivation. Those figures were reportedly sourced from the Ministry of Agriculture's "National Rice Development Strategy of Liberia, Doubling Rice Production by 2018" which was published in May 2012. The table from which the figures came also indicated that yield in 2000 was 1.28 tons per ha, and in 2010, the yield was 1.18 tons per ha. Those figures would have resulted in a production of 183,600 metric tons and 296,000 metric tons of paddy rice respectively. The equivalent amount of milled cleaned rice would be roughly half.

What we do not know is whether the areas reported under cultivation included all the small village families, consisting of two or three pairs of farm hands or the cooperating coos' production areas around the country, from Foya to Plebo. Could the figures have been collected from only the larger farms with connections, with information that are more measurable? The recent Agriculture Census, undertaken by LISGIS is yet to report so, there we are, somehow speculating.

At the end of 2024, the Honorable Minister of Agriculture, Dr. J. Alexander Nuetah, released some achievements of his Ministry. The Notes indicated that during the first year of his tenure, 2024, some 4,683.01 ha were under rice cultivation. Those, we believe, were all new fields of cultivation, and based on what we saw in Bong, during the National Agriculture Fare in nearby Kakata, yields could certainly be higher and more impressive than what we have had in the past. All of that is encouraging. There are, however, some fundamentals yet to tackle.

With an annual per capita consumption of about 133 kgs, Liberians will have to compliment local production by Importing rice from other producing countries. With neighboring countries, including Sierra Leone, stepping up and increasing their local production, we in Liberia must do more.

Minister Nuetah and his team at the Ministry of Agriculture, in Monrovia and in the field around the country, are pursuing a robust program as part of the "Liberians Feed Yourself Agenda." They are aware that it may take different development and investment strategies to achieve the objective of 70% self-sufficiency of rice in five years and 70% reduction in the importation of foreign grown rice. Take for example the farmers associated with the Rural National Women Network, an incremental development approach would be very suitable to keep them involved and benefitting. For the targeted clusters the Ministry plans to develop, the great leap forward development approach, like what is being done at FUAMAH in Bong County, would be good.

The Ministry plans to have under cultivation, in the next five years, 50,000 ha of lowlands for irrigated rice. There is an advantage of concentrating on lowlands. Lowland irrigated cultivation can produce two or more harvests yearly while upland cultivation, using traditional slash and burn methods, produces only a single harvest yearly.

Cultivating the lowlands, of course is not all to it. Dr. Nuetah and his team are aware of that. They plan to make substantial investments in the entire Rice Value Chain. That would include investments in land preparation using modern equipment, investment in storage and processing equipment, capacity development for farmers as well as investments in logistics and marketing.

Increased productivity from 1.3 MT/ha to 3.2 MT/ha, with a projected yield of 6,400 metric tons.

- *Strengthening Farmer-Based Organizations (FBOs) and cooperatives, increasing their cultivated land from 8 to 20 hectares per group.*
- *To ensure sustainability, the government is fostering local and international partnerships through:*
- *Improved financial access for farmers via credit facilities and grants.*
- *Expansion of rural infrastructure, including irrigation systems, warehouses, and roads.*
- *Strengthened research and development to drive agricultural innovation.*
- *Enhanced private sector engagement in commercial rice production and value chain development.*

A Call to Action:

These initiatives signal a nationwide commitment to agricultural transformation. The government welcomes collaboration from development partners, investors, and stakeholders to support this historic journey toward food security. With continued dedication and strategic investment, Liberia is poised to achieve self-sufficiency in rice production.

Conclusion:

As Liberia advances toward 2030, the Ministry of Agriculture remains committed to modernizing rice farming, reducing import dependence, and fostering economic growth. The Ministry of Agriculture's vision, under the leadership of Minister Dr. J. Alexender Nuetah, is clear: a Liberia where every citizen has access to homegrown, affordable, and nutritious food. Now is the time for action, Liberians must feed themselves, and the world must stand with Liberia in this bold endeavor.

A MESSAGE FROM MINISTRY OF AGRICULTURE (MOA)

Liberia is at a critical juncture in its agricultural transformation, with the government steadfastly committed to achieving food security and self-sufficiency. Under the leadership of Dr. J. Alexander Nuetah, the Ministry of Agriculture (MOA) is driving innovative strategies to ensure a steady supply of rice, Liberia's staple food. As a key member of the Rice Committee, Minister Nuetah is implementing policies that align with the National Agriculture Development Plan (NADP) 2024-2030, known as the "Liberians Feed Yourselves Agenda."

Reducing Rice Import Dependency:

Liberia imports a staggering 300,000 metric tons of rice annually, costing the nation US$200 million and rendering it vulnerable to global market shocks. To address this pressing challenge, the MOA spearheads an initiative to cultivate 50,000 hectares of lowland rice, targeting a 70% reduction in imports over the next five years.

Key Strategic Interventions:

- ***Mechanization and Technology*** *- Deployment of tractors, power tillers, and other modern equipment to enhance productivity.*
- *Adoption of precision agriculture and climate-smart practices for sustainable production.*
- ***Improved Seeds and Inputs*** *- Development of five high-yield rice varieties: NERICA L19, NERICA 14, LAC 23 (Red & White), and SUAKOKO 8.*
- *Multiplication of 8 metric tons of certified seed rice for distribution to 240 farmers.*
- *Increased access to fertilizers and agrochemicals to boost yields.*
- *Support for 2,000 smallholder farmers across three counties cultivating 2,000 hectares. This support includes training in modern technology and market linkages. By empowering these farmers, the government increases rice production and contributes to poverty reduction and rural development, creating indigenous wealth.*

There is one other point that has to be made. Many of our lowlands that are useable for rice cultivation have infestation. Working in those lowlands would require long rubber boots and gloves. We should also not minimize the important issue of land tenure in Liberia. Our land tenure system, maybe not all but certainly some, require serious transformation so that private investments do not waste money behind protracted land issues, which are sometimes not resolvable.

One of the key objectives of the RICE COMMITTEE is to support the increase of rice production in the country. What measures are under consideration to pursue that objective? This article suggests that we are certainly giving thought to that critically important objective.

The RICE COMMITTEE has been and plan to continue to work with the six primary Rice Importers and the others who are bringing in some 400,000 metric tons of rice into the country annually. Trying to involve the importers is a good starting point. All the six big importers have been able to raise some capital in their current trade. With access to capital, they may be willing to consider making further investments to help the Country increase local production. They may decide to participate anywhere along the rice value chair, including but not limited to land preparation, warehousing and silos construction, logistics, marketing, all those areas need substantial investments. They may even co-invest in actual production. Our aim is to join hands to ensure food security in the land.

The RICE COMMITTEE has spent months studying various costs that drive the price of rice on the market. Last December the Chairman and members of the Secretariat met with some local rice farmers at the National Agriculture Fair at BWI in Kakata. The farmers had an impressive showing of their local rice in 25 kilo bags. They were selling each bag of 25 kilos between US$23.00 and US$25.00. It is very difficult to imagine that a consumer, interested in buying a bag of rice, would enter a shop selling both the Liberian grown rice and Indian imported rice, will buy the Liberian rice for US$25 and leave the imported Indian rice selling for US$17.50. However patriotic he may be, the reality is he will buy the Indian imported rice and save the difference to buy something else. That is natural and pure economics.

What is really happening here is that the Government is providing a subsidy to bring the imported rice price down by taking away the duty on an import called rice for consumer to be able to buy it cheap, giving its importance in our diet and in our politics.

In neighboring countries, that is not the case. If you went across our border, a 25 kg bag of rice is far more expensive than what we can get it here in Liberia.

In the medium term, we may have to shift the paradigm. The following will have to be considered:

Make stronger efforts to provide more income generating jobs for our urban dwellers, enabling them to have adequate disposable income to pay for their rice;

Our people including market women and the less fortunate young unemployed especially in urban areas should be made to understand and know the basic facts and not be mis-led that rice can be sold to them for US$9.00 a 100 lb. bag;

Impose an appropriate tariff on imported commodity like rice so that its selling price would increase, and the Liberia grown rice will have a chance to compete in the market and give the Liberian farmer the opportunity to earn a remunerative income and gain some prosperity.

That, in time will give us some self-sufficiency of our stapple food as well as greater level of food security.

In this edition of the BULLETIN Madam Kebeh Monger, President of the Rural National Women Network, a Member of the Rice Committee, writes about her organization's role in motivating all rural women to remain in the forefront of climate smart agriculture and rural development. Dr. H.C. Thomas, who for several years worked with the Food & Agriculture Organization (FAO), and is a rice farmer himself, is suggesting, in his article a strategy to get supporters of the school and children feeding program to demand-pull into existence an attractive outlet for local farmers, who can meet the demand, to receive remunerative prices for their product (RICE) to facilitate their growth and expansion. Janak Vaswaney, an Indian business executive, contributes an article on the Indian Rice impact worldwide and on the Liberian market.

We also have four of our young professional friends, who were at the launching of the National Agriculture Development Plan, giving, what in their views are the challenges of the Plan.

We trust that you, our readers, will find this edition useful and informative.

WAYS FORWARD TO THE CHALLENGES

The ways forward to these challenges are to engage local authorities in various rice producing regions to either remove or relax those norms that are binding constraints to the participation of women in rice farming. Engage the financial sector to develop regulations and products that enhance women's access to finance.

If there is not already one, the National Steering Committee on Rice is advised to clearly outline its mandate, scope, objectives, activities, and other important aspects in of the committee in a document that is perhaps approved by the President. If necessary, a meeting with various stakeholders of the rice value chain to make a presentation that clearly articulates the mandate and other key aspects of the committee will be a good way to galvanize support for the committee's work and ensure that all stakeholders are on the same page in terms of how the committee is going to function relative to its mandate. Develop an Implementation Framework with targets and timelines and socialize same with all relevant stakeholders – it must be validated by the key stakeholders involved at a validation meeting before implementation starts.

Develop a monitoring and evaluation framework to track performance of the Implementation Plan. All gaps identified from this analysis that are not part of the NADP should form part of the Implementation Plan.

The operation hubs must have experts in machine and equipment operations for rice farming. The operation hubs are ancillary institutions to provide value-added services. They must not engage in direct farming activities. The operation hubs must pay keen attention to transferring skills to the local population. For this reason, these hubs must have targets and a well-defined life span before they start to operate.

Develop an off taking framework to be validated by key stakeholders. Encourage more local businesses to get involved into off taking. Evaluate the framework and make amendments as necessary. Conduct an assessment to identify specific areas of the rice value chain that could be improved using digital technologies. Develop simple, user-friendly technologies and disseminate same with key stakeholders. Cybersecurity and data privacy are key features to such technologies and they require strict policies and adherence.

This model has proven to be one of the best ways to increase output, provide economic means for farmers, and improve farm-to-market linkages in developing and emerging economies. The rice farmers and cooperatives will continue to face challenges selling their produce if there are no off takers in the market. As a result, their produce will continue to spoil, leaving them with losses. This will continue to demotivate farmers and keep production at subsistence level. In agriculture, off takers can be seen as a bridge between the producers and consumers – without them, the producers will continue to experience challenges in selling their products to the consumers.

Leveraging Digital Technologies

Digital technologies are a key ingredient to agriculture in most developing economies, and it could also be a gamechanger to efficiently managing the rice value chain and ensuring quality data collection and information sharing. However, the NADP does not mention how it intends to leverage digital technologies to improve productivity of the rice value chain. With the presence of off takers in the market, there would be a critical need to introduce a tracking framework that collects data on rice farming activities in various regions of Liberia. The tracking tool will collect data from each region on various indicators like number of rice farmer/cooperatives, location of farmlands, output per farmland, output per region, grade of rice produced, regions of high output concentration, expected output for the coming season, expected losses, major challenges, etc. Such data can be collected and managed using a digital platform and used for policy making and decision making about rice. The NADP may experience challenges in accessing, monitoring, and analyzing data from the rice value chain if it does not adequately employ digital technologies. This challenge may negatively impact the interventions of the NAPD in the rice value chain. There is currently no framework in the rice value chain to provide data on local production of rice and other indicators. This has for a long time been a serious challenge in the rice value chain and it continues to be.

LOCAL PRODUCTION OF RICE

Rice is the staple food of Liberia. Liberia has one of the highest per capita consumptions of rice in Africa. National rice consumption is estimated to be about 133 kilograms (kgs) of rice, per year. As of 2021, rice consumption per person relative to the size of the population of Liberia, is estimated to be about 165 kgs per year.[1] This rate of rice consumption is an indication of the dietary significance of rice in the national food basket of the country.[2] Rice consumption forms about 50 percent of the national calorie adult intake of the country.[3]

Despite the significance of rice consumption in the dietaries, the country imports nearly 300,000 metric tons of rice that cost around US$200 million, per year. This reliance on imports affects food security and economic stability, particularly considering Liberia's recent past experiences with the Ebola epidemic, and COVID-19 pandemic that impacted air and sea transport of international trade of goods and services.

Liberia faces constraints on the supply side of domestic production that is transmitted to the demand side of consumption of the staple food. Domestic production of rice is mainly by subsistence farming, with some level of mechanized farming. On an annual basis, Liberia relies heavily on importation of huge quantities of metric tons of rice for consumption.

Subsistence farming in Liberia is carried out by rural farmer households. It is characterized by shifting cultivation or migratory farming per farming season, use of small acres or hectares of land, slash and burn method, and low yield per hectare. Total output is consumed with little left for income generation.

Farmers cultivate their rice under rain-fed upland and lowland ecosystem. Average farm sizes for upland and lowland farms are 1.1 hectares and 0.2 hectare, respectively, and average yield per hectare is about 0.8 ton for the upland farms, and 1.1 tons for lowland farms[4].

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[1] *Helgi Library, Rice Consumption Per Capita in Liberia, https://www.helgilibrary.com/*

[2] *Government of Liberia (GoL), National Agricultural Development Plan (NADP), July, 10, 2024*

[3] *Africa Rice, Baseline Survey in the Rice Sector Development Hubs of Liberia, Final Report, July 2017.*

[4] *Africa Rice, Baseline Survey, Final Report, 2017*

According to the Africa Rice's study report of subsistence farmers, only 0.3 percent of the household farmers have access to modern equipment like power tillers, through the Ministry of Agriculture (MoA) located in their areas of farming.

Family workforces rely mainly on crude farming implements, such as hoes, cutlasses, and axes. And land preparation is mainly carried out by using these simple implements since most farmers do not own or have access to modern equipment.

According to Africa Rice study's report of subsistence farmers conducted in eleven (11) of the fifteen (15) counties, Margibi, Montserado, Grand Bassa, River Cess, Bomi, Gbarpolu, Grand Cape Mount, Grand Gedeh, River Gee, Grand Kru, and Maryland Counties, respectively, the rural farmer households have composition of family workforce, comprising of household heads of husband with wife, single woman or mother, along with the children of sons or daughters, or both and in-laws of sons or daughters.

How can Liberia reduce the huge importation of parboiled rice and comparatively step up local production of rice on large scale is a major consideration of the National Agricultural Development Plan (NADP).

In July 2024, the Government of Liberia (GoL) launched the National Agricultural Development Plan. The NADP's rice value chain analysis indicates that the Government of Liberia (GoL) intends to reduce dependency on rice imports and increase the production of locally produced parboiled rice. Over the next five years, rice importation is to be reduced by 70 percent. Over the same period, 50,000 hectares of irrigated land will be cultivated for rice production.

The GoL has intervention in the rice value chain which covers the Margibi Rice Scheme. The Scheme is a major irrigation project initiated in 1973 with the support of the Food and Agriculture Organization (FAO) of the United Nations. The scheme covers approximately 2,500 hectares of land and provides irrigation facilities to over 5,000 farmers. There is also the Cecil Dennis Rice Scheme covering about 1,500 hectares of land located in Grand Bassa County. This irrigation project was established in 2014.

This is a better approach than introducing machinery and equipment to farmers that they are not skilled in operating and maintaining. The need for the operation hubs will wear away gradually as rice farmers start to operate and machines independently. The government can decide whether to let them fade away entirely when the farmers are owning and operating machines for themselves or let a small number of operation hubs to keep around to provide additional support to farmers when needed.

Without operation hubs that will facilitate operation of machine and equipment for farmers; while transferring knowledge of using the machines to the farmers, it will be difficult transition to mechanize rice farming. For us to achieve the targeted production level in the NADP, we must move to mechanized farming methods, using more equipment and machines for large scale and commercial output. However, if the machines are equipment are bought and given to farmers, they will be poorly utilized due to the lack of expertise. The operation hubs will provide the services at a fee while training more people to operate and maintain the machines and equipment. As farmers and cooperatives grow more independent, they can procure and operate machines independently with support from government and partners, with little need for the hubs.

The Need for Structured Offtaking Framework

The NAPD focuses on the development of storage facilities and efficient logistics in the rice value chain, but it does not capture the need for a structured off taking framework to reduce post-harvest loss. In addition to storage facilities and efficient logistics, the rice value chain needs a well-coordinated network of off takers that will purchase rice produced by farmers and cooperatives. In this way, rice farmers and cooperatives will be sure that their produce will be bought, and they don't have to worry about selling the rice produced. In other markets, off takers are usually bigger private sector players that purchase from farmers and sell to the market. They make a margin of profit by adding a reasonable markup to the total cost incurred in getting the produce from farmers. They sometimes maintain storage and warehousing and ensure the produce are preserved at highest quality before it is sold to the market.
Before the farming season, farmers and off takers go into an Offtake Agreement that specifies the expected quantity to be purchased, time produce will be available, price, and other relevant terms.

Although the National Rice Committee was recently formed by the President, at the time the NADP was developed, it did not recognize that a coordinating body of this nature would be needed in implementation of the NADP. Fitting the scope of National Rice Committee into the implementation of the NADP may require some redefinition of roles for some of the stakeholders involved in implementing the NADP, adjustment of the NADP's budget, restructuring of the NADP's objectives, theory of change, action plan, etc. This may be a bit of a challenge trying to fit the National Steering Committee into the implementation of policy recommendations preferred by the NADP when the steering committee was not even mentioned as a part of the stakeholders to be involved with implementation. Such policy gaps can sometimes lead to clashes or non-collaboration among stakeholders, which can impact project implementation.

Establishment of Agri (Rice)-Operation Hubs in Strategic Regions of Rice Production

The NADP does not mention how the use of modern machinery and equipment could be used alongside improved seed production and irrigation methods to improve rice yield. Introducing agri(rice)-operations hubs is an excellent way to massively increase rice yield and transform rice farming from subsistence to mechanized/commercial along with the improved irrigation and seedling methods mentioned in the NADP. The agri(rice)-operations hubs could be private sector institutions or some sort of public-private partnership arrangements that set up hubs in the strategic regions of rice production to provide various kinds of mechanized farming services to farmers in different regions. These hubs will have the machines, trained operators for the machines, and be available to provide mechanized agri-service to rice-producing farmers and cooperatives in their various regions.

The rice-producing farmers and cooperative will pay fees for procuring these services as the maintained must be maintained and the skilled operators must be paid. This model will enable us to transform our rice farming methods from subsistence to mechanized/commercial rice farming while transferring mechanized farming skills to local farmers until they have well equipped them to operate and maintain machines for rice farming.

At the National Agricultural Fair (NAF), and trade fair, December 6 – 7, 2024, on the campus of the Booker T. Washington Institute (BWI) in Kakata, Margibi Country, the domestic mechanized farmers brought varieties of locally produced rice. The prices of the locally produced parboiled rice ranged between US$23.00 and US$25.00, per kg bag, as compared to the retail price of US$17.00 per 25 kgs bag of imported parboiled rice. That price range indicates that domestic produced rice is being sold at 1.47 times above the price of imported parboiled rice per 25 kg bag. The rice from subsistence farming households was also showcased in husked form tied in bunches. These core grains of rice, not yet dressed or cleaned, were presented in their natural state.

Domestic retail price change, comparatively between the locally produced parboiled rice and the imported parboiled rice is imperative to sustain local production. An eminent Liberian who was attending the NAF, was touring a number of booths of local rice producers on the agricultural fair ground on the campus of BWI. The eminent Liberian personality observed the different retail prices for the locally produced parboiled rice on display in the booths. He made a comment. "How can you place the locally produced 25 kgs bag parboiled rice, being sold at price of US$23.00 or US$25.00, side by side 25 kgs imported parboiled rice, being sold at price of US$17.00, and expect a buyer to leave the imported rice and buy the locally produced rice? By raising this rhetorical question, certainly what the eminent person meant is that the Government of Liberia (GoL) has to stop subsidizing urban consumption of imported parboiled rice, by reinstituting the normal custom duties on imported rice, as Governments in the neighboring countries of the Mano River Union basin are doing, so that the retail price for imported rice can be competitive with the retail price for locally produced rice on the market. "We have got to significantly reduce the price variance between the imported parboiled rice and the locally produced rice and make the locally produced rice competitive with the imported rice."; he said.

Retail price for the imported parboiled rice has to be stepped up to make the locally produced parboiled rice favorable to purchase by the consumers, and to keep locally produced parboiled rice farmers in business with the rice importers of imported parboiled rice. Because rice is the staple food of the Republic of Liberia, raising the retail price

for imported rice in favor of locally produced rice is aimed at sustaining local rice production. The Rule of the World Trade Organization, WTO, called "Trade remedies", supports the argument on ground of trade among trading nations.

FOB Prices of Rice and Global Rice Market

Developments of the export prices, free on board (fob) prices, of parboiled rice are reported in Tables 1. Monitoring the global rice market for information on the fob prices for rice export, supply and demand conditions, trading conditions in the rice producing and exporting countries is one of the steps in ensuring the normalization of supply and demand conditions of rice in Liberia. Presently, Liberia depends significantly on the importation of rice for domestic consumption.

India is the main source of import of parboiled rice to Liberia, the 25 kilograms (kgs) bag of rice, according to the wholesale rice importers. The parboiled rice of India is Indica variety. Indica varieties come from India, Pakistan, The Philippines, Indonesia, Malaysia, China, Thailand, Brazil, United States of America, Côte d'Ivoire, Egypt, Nigeria, Madagascar, among other countries in Asia, and rest of the world.

Table 1 covers the export prices, free on board (fob) prices, for rice on the global rice market. The table covers prices in the last three months, October, November, and December, in the quarter fourth of 2024, compared to prices in three months back, July, August, and September, the third quarter in 2024. And prices in the fourth quarter 2024, are compared year-on-year to prices in the fourth quarter 2023.

For the forward-looking review of July to December 2024, if these prices fluctuate in the near term and in the future, the price change is not expected to change significantly from the current six months' fob prices, considering the developments of food prices reported by the FAO.

These reviews indicate fluctuations in the prices of the varieties of rice indicated as follow. The table covers (1) India's IR64 Long Grain parboiled Rice, 5% broken, and IR64 Long Grain parboiled Rice, 25%broken, (2) Thailand's milled White Rice, 5% broken, milled White Rice, 25% broken, and Vietnamese milled white rice, 5% broken and milled white rice, 25% broken.

That's why leveraging private sector funding opportunities from the financial sector would be crucial for improving local rice production. Lending to agriculture is currently very low, about 5% of the total loan portfolio of the financial sector. This may involve working with CBL to publish a regulation on agri-lending and encouraging financial institutions to increase their portfolios for agriculture, among other interventions.

Without proper engagement with the financial sector to ensure that it understands the vision of the rice value chain and designs financial policies and products that will stimulate lending to players in the rice value chain with favorable repayment, maturity, and interest terms, increasing local production of rice to achieve the baseline, midline and endline targets mentioned in the NADP would be a distant dream. Without loans from banks and microfinance institutions, rice farmers, cooperatives, off takers, operation hubs would struggle to source funds to finance their operations and improve local rice production at the targeted levels. Funding plays a key role in achieving these targets, and the financial sector could be a major help in that regard.

Recognizing the Need for a Coordinating Body

The NADP does not recognize the need for a coordinating body to steer the reforms it proposes in the rice value chain. The MoA already has a lot of activities per its mandate and may not have the manpower to coordinate all the proposed reforms in the rice value chain. CARI is mainly the research arm of the rice sector and also may not have the manpower to coordinate these reforms. A coordinating body like the National Rice Steering Committee, which was established by the President is well positioned to be a fulcrum, liaising with government institutions, private sector, donor partners, research institutions, farmers, and local stakeholders to lead, coordinate, implement, and track the implementation of reforms. However, at the time of developing the NADP, the crafters apparently did not think of recommending the establishment of such body (if there was none at the time of developing the NADP) and made no mention of its role among the stakeholders. A separate firm could be hired for monitoring and evaluation of the baseline, midline, and endline targets as will be defined.

AN ANALYSIS OF THE NATIONAL AGRICULTURAL DEVELOPMENT PLAN (NADP)

CHALLENGES AND WAYS FORWARD

By Mr. J. Antoine Dayrell, Mr. Festus Sando and Mr. James W. Russell

CHALLENGES

Restrictions & Biases Toward Women

National Agricultural Development Plan (NADP) identifies that women are involved in the rice value chain face the challenge of social norms, gender roles, that are limiting their access to land, credit, and extension services. But the NADP does not specifically identify remedial approaches to these challenges. Women are a pivotal component of the rice value chain, and if the challenges preventing the full participation and access to important opportunities for increased yield are not addressed, the implementation of other recommendations of the NAPD may be hindered.

Without the right remedial approaches to curbing the challenges of limited access to land, credit, and extension services caused by social norms, limited gender roles, women's contribution to improving the rice value chain can be handicapped. Women make up majority of the workforce in the agricultural sector and limiting the access to major elements like land, credit, and extension services can impede the overall productivity of the rice value chain. Consequently, interventions through the NADP from the development partners for the rice value chain cannot achieve their desired outcomes without empowering women full participation in the value chain.

Access to Finance as an Enabler of Increased Local Production

The NADP does not identify access to finance as one of the main issues facing the rice value chain. As such, it does not have a specific approach towards ensuring that participants in all aspects of the rice value chain can access finance from the financial sector at affordable rates and realistic maturities to fund agricultural activities on a massive and sustained scale. The public sector, donors, and the international NGO community may not be able to provide all the financial support needed for the rice value chain.

Table 1: Prices of Selected Rice on the Global Markets

		US$ Prices (FOB) per Metric ton1		
Commodity	**Commodity Description**	**Nov-Dec[2] 2023**	**Aug-Sep 2024**	**Nov – Dec[3] 2024**
Indian Rice	IR64 Long Grain parboiled Rice, 5% broken	501.0	534.4	445.8
Thailand Rice	Milled White Rice, 5% broken	644.00	632.00	632.00
Thailand Rice	Milled White Rice, 25% broken	609.2	556.0	487.8
Vietnamese Rice	Milled white rice, 5% broken	639.6	546.5	505.6
Vietnamese Rice	Milled white rice, 25% broken	609.4	511.5	474.0

Sources: UN FAO Rice Price Update, World Bank Commodity Price Data (The Pink Sheet) and Index Modi
[1]/Note: These are the overseas prices, free on board (FOB), for rice in the foreign export markets.
[2]/Note: End of month of end of the quarter
[3]/Note: End of November 2024 for reporting constraint

Rice production for 2023/2024 given in Table 2 below indicates China is the main rice producing country among the top 10 global rice producing countries.

Table 2: Global 10 Top Rice-Producing Countries

Name of Countries	% of Global Production	Total Production in Metric Tons 2023/2024
1) China	28%	144.62 million metric tons
2) India	26%	137.00 million metric tons
3) Bangladesh	7%	37.00 million metric tons
4) Indonesia	6%	33.02 million metric tons
5) Vietnam	5%	27.00 million metric tons
6) Thailand	4%	20.00 million metric tons
7) Philippines	2%	12.50 million metric tons
8) Burma	2%	11.95 million metric tons
9) Pakistan	2%	9.00 million metric tons
10) Japan	1%	7.27 million metric tons

Source: U. S. Department of Agriculture (USDA), Foreign Agricultural Services

And in Table 3 is on rice producing countries in Sub-Saharan Africa. Nigeria is the main rice producing country among the top 10 rice producing countries in Africa.

Table 3: Top 10 Rice Producing Countries in Africa (2023)

(In Millions Metric tons, unless otherwise stated)

Countries	
1) Nigeria	5.23 million metric tons
2) Egypt	3.78 million metric tons
3) Madagascar	2.82 million metric tons
4) Tanzania	2.40 million metric tons
5) Mali	1.82 million metric tons
6) Guinea	1.65 million metric tons
7) Cote D'Ivoire	1.13 million metric tons
8) DR. Congo	1.01 million metric tons
9) Sierra Leone	975,000 metric tons
10) Senegal	952,000 metric tons

Source/Index Mundi

Although China is the major rice-producing country in the global rice market (Table 2), is also major rice-importing country after Iran in the global rice market as indicated in Table 4 below.

Table 4. Major Global Rice Importing Countries

(In 000 US$)

Names of Countries	Rice Import (US $000)
1. Iran	1,628,522
2. China	1,599,660
3. Saudi Arabia	1,314,680
4. Indonesia	1,037,128
5. United States	966,569
6. Benin	936,122
7. Philippines	736,649
8. United Arab Emirates	700,209
9. Cote d'Ivoire	688,422
10. Iraq	676,422

Source/World Atlas, 10 Largest Rice Importers in the World

This year the disruption of logistics in the Red Sea was minimal and the situation is at a moderate level, so the movement of rice cargo and other grains has been smooth without any particular disturbance. So, shipments from India are happening on a regular basis to several destinations worldwide.

In the past 8 years, the Liberian market has developed a preference for Indian rice taste due to its aroma and sweetness. These characteristics have led this product to increase the consumption by local consumers and capture a significant share in the market. At present Indian rice dominates the rice market in Liberia where customers are becoming more demanding and require high quality of products.

Indian rice producers have been working extensively to acquire cutting-aged technology to use in their factories. That has made a huge difference in the production and quality of rice exports overseas.

India's geographical location at the crossroads of Asia offers an advantage as a supplier to foreign buyers due to its good connectivity to ship grains and other commodities to any destination globally and the vast logistics options and availability of vessels from all Indian Ports.

In order to satisfy and meet the high requirements of the Liberian customers, strategic partnerships between Liberian companies for example A-Z Corporation Liberia and the Indian rice producer Sri Sai Nath Agri Industries Private Limited have taken place to ensure the good quality of products expected by the consumers.

IMPACT OF THE INDIAN RICE WORLDWIDE AND IN THE LIBERIAN MARKET

By Mr. Janak Vaswaney
GUEST CONTRIBUTOR

The Government of India has estimated a record of 119.93 million tons of rice production for the year 2024-25 of the Kharif crop which is 20% more compared to last year. This increase of 6.67 million tons over the previous year's production comes amid surplus stocks in government warehouses and is attributed to favorable rainfall this year. The quality of this year's crop is comparably better than expected and in terms of volume is much more as inventories are rising. As a result, the demand for Indian rice has increased drastically in the past months.

During the month of September, the Indian authorities had eased restrictions on rice exports removing the ban on Non-basmati White rice and reducing the export duty on parboiled rice as well, Due to these actions taken by the Government of India, it made the Indian rice more in the competitive market.

In recent months, the demand for Indian rice has increased considerably as it has become a very popular product worldwide and its prices are more attractive than other countries. For instance, Parboiled Rice is one of the non-basmati varieties that are considered by customers overseas one of the most economical products in the market compared to a similar product from other producers.

The popularity of the Indian rice in the market has attracted the attention of buyers from China and other regions to procure volumes of White rice and Parboiled rice which is unusual for them to procure from India.

A STRATEGY FOR ACCELERATED LOCAL PRODUCTION OF RICE AND IMPORT SUBSTITUTION IN LIBERIA
A PROPOSAL

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Introduction: Contextual Realities

Any strategy to accelerate the local production of rice in Liberia and reduce the share of imports in national rice consumption must consider four (4) realities:

- The social and political imperative of low prices for rice;
- The fact that imported rice is on average cheaper, and consistently of higher milled quality, than locally produced rice;
- The need for remunerative prices to attract and sustain local farmers and investors in rice production; and
- The current underdeveloped state of the country's rice production sector – (and therefore the need for its nurturing to become a self-sustaining supply chain).

The strategy articulated in this paper emphasizes demand-side interventions to entice local farmers and investors into rice production. However, it also sees supply-side assistance as playing a supporting role, mainly to assist actors in the local supply chain to adjust rapidly to meet specific secure market demands.

What is required to attract local farmers and investors into rice production?

Local farmers and investors need presently two things on the demand side in order to be attracted into rice production in Liberia:

- an assured market for locally produced rice that readily absorbs the output of the sector; and,
- remunerative producer prices that cover the cost of production plus provide a return on investment

These two things together will ensure profitability, which is not only the inducement for investing in any activity but also the condition for a business viability – survival in the short- and long-run.

A Demand-side Strategy for Supporting Local Rice Producers

Accordingly, what is needed is a strategy that creates and provides, over the medium term, an assured market for locally produced rice at remunerative prices for producers (which are higher than current market prices for imported rice), without raising the overall level of the price of rice in the country.

The creation of such a market can start with, and build upon, the existing institutional procurement market for locally produced rice.

For some time now, several international donors have been implementing school feeding programmes in Liberia restricted to purchases of home-grown, locally produced foodstuffs, particularly rice. This market can be built upon and expanded to provide an assured market with the effective demand required to support local rice producers from the demand side.

The price on this market, which is basically equal to the average costs of production for local rice plus a small margin for profit, is much higher on average than the price for imported rice.

Thus, this assured procurement market at higher prices could be leveraged and expanded, at limited cost to the government, to accelerate local production of rice and drive import substitution.

The current size and possibility for expanding the procurement market for homegrown school feeding

Presently, the institutional procurement market for school feeding is already providing a major lifeline to domestic rice producers with access to this market. More than $10 million USD is estimated to be spent annually by donors on such programmes, impacting approximately 200,000 schoolchildren.

WFP estimates that at present only about 17% of schoolchildren in Liberia benefit from school meals. Accordingly, there remains a large unfulfilled need, and much scope for expanding the coverage of school feeding programmes in the country.

Few examples of vital information conveyed by labels are: origin, destination, quantity, quality, date of manufacture and expiry date.

Climate Change Impact on Rural Dwellers

Due to the effect of Climate Change, Rural Farmers have been advised and trained not to plant one set of crops or plants on a particular farmland every year as is a regular practice in Liberia. For example, it is advised that if you planted rice this year, after harvest, you should plant eddoes or plantains the next year.

The United Nation Sustainable Development Goal (SDG) 13 is to take immediate action to combat climate change and its impacts. Its goal is to call for action to mitigate climate change, adopt to its impacts, and build resilience. Moreover, it is a threat to the planet's long-term sustainability and affects every country and continent. Climate Change is disrupting economies, causing more extreme weather events, and raising sea levels.

With these phenomena, it is imperative that rural farmers are trained and empowered in mitigating the effect of climate change. The education must be local and simple.

Fertilizers should be provided to order maintain the soil. Without fertilizer, farming on the same farmland repeatedly wouldn't yield its desire results.

Rice Farm

Margibi County, Liberia

Harvested Rice

Maryland County, Liberia

Food Security is very vital. With domestic food security, Liberia can be able to grow more local food including our stable food help feed our country. Against this backdrop, the Rural Women in these various counties and districts have produced variety of local food.

Eat What You Grow and Grow What You Eat

Liberians should learn to eat what they grow and grow what they eat. With the vast land and rainforest, we have, it is just important that we grow what we eat. However, this can only be achieved with the help of National Government by ensuring that the below items are provided to farmers if we must feed our nation:

- The provision of local fertilizer;
- Provide modern equipment or machines to till the soil and fell the trees;
- Provide rice, cassava and other crops processing machines;
- Good road connectivity; and
- Ensure a national market day through a National Policy to purchase local products.

Value Addition

When the farmers (Up Stream in the Supply Chain) produce the food, there is a need for value addition before reaching the final consumers. Value added to a product can give them good taste and standards so that our local goods can be comparable to international standards.

Value added process in the Supply Chain is very essential. This is the 21st century; we need to act like people living in it instead.

Packaging

Packaging is a form of value addition. The way we package our products will give it an international standard. We can transform our cassava into fufu dust, gari, chips, etc., and package them in a plastic or can containers.

Labelling

After packaging our local products, it is more attractive when labelled. When the products are labelled, the buyers or consumers won't find it difficult finding or locating the products.

To this end, targets could be set to raise the percentage of schoolchildren benefiting from school meals to 40% in the next two years, and to 60% by 2029. An increase in expenditure for school feeding to say $50 million USD a year from current levels would make a significant contribution to achieving these targets.

If 500,000 to a million schoolchildren were to be fed every school day with locally produced rice, this demand would be a sufficient catalyst to modernize, transform, and launch the rice production sector of Liberia on a long-term, self-sustaining, growth path.

How can the expansion of this market be funded?

The institutional procurement market for homegrown, locally produced, rice could be expanded by promoting and implementing a nation-wide National School Feeding programme.

It should be noted that although the focus here is on school feeding because of the relative size and scope for expanding such programmes, the institutional procurement market for rice has also other potentially important actors. These include private companies with workers feeding policies (e.g., daily meals and/or monthly bags of rice) and some governmental institutions. If such entities were to adopt an explicit home-grown procurement policy like that practiced by institutions involved in school feeding, this would contribute further to the demand for locally-produced rice – and in this case it would be self-financed.

In the case of school feeding, an expanded programme on a nationwide level could be funded with additional resources mobilized from donors, together with contributions from the government.

Many donors, international organizations and NGOs view school meal programmes as a systemic solution that accomplishes multiple priority aid objectives. Indeed, it helps fight child hunger and poverty; supports learning and education, child nutrition, health and long-term wellbeing; promotes gender equality by keeping girls in school; and supports the strengthening of food systems, including smallholder farmer incomes, and the reduction of food insecurity and hunger in the country.

Thus, given the multiple objectives that this one policy intervention can serve, leveraging expanded support from the donor community for a national school feeding programme should not be too difficult a challenge.

Fueling a Dynamic Process of Growth in the Rice Sector

A larger procurement market for home-grown school feeding, dispensing around $50 million USD per year, would impact a larger number of local farmers and investors, and fuel a dynamic process of growth and development in the domestic rice sector of the country.

There are several channels for the dynamic impact. An assured market with remunerative prices will provide a predictable cash flow and income stream for rice producers. These in turn will allow rice producers not only to cover their operational costs, thus ensuring short-run viability, but also to reinvest and grow their businesses through internal funds generated as well as from borrowing because of the ability to service bank loans. Since bank financing is likely to be one of the primary means for financing investments in the sector, the ability of rice producers to service bank loans will ensure continuing access to bank financing for further growth and development of the sector.

Boost to Smallholder Incomes

The principal producers of rice in Liberia are smallholder farmers, whether as members of cooperatives, individual farmers or farm labourers. The emerging structure of the rice sector in country is such that smallholder farmers are increasingly linked to one or more aggregators or processors/millers at the county or regional level who provide an assured off-take market for smallholder paddy producers.

To the extent that such processors/millers have access to the school feeding procurement market and can achieve economies of scale, they are able to offer higher prices in off-take contracts with their smallholder partners on whom they rely for paddy supplies. Therefore, all participants in the rice value chain, including smallholder farmers, stand to benefit from an expansion of the institutional procurement market for school feeding.

Supporting Role of Supply-side Interventions

Although the strategy proposed here emphasizes the demand side as the driving force, there is also a need for supply-side interventions to assist local supply chains to adjust rapidly to meet the specific demand of the assured procurement market for local, home-grown rice.

EAT WHAT YOU GROW AND GROW WHAT YOU EAT

By Madame Kebeh Monger
PRESIDENT
NATIONAL RURAL WOMEN NETWORK OF LIBERIA

Food Security in Liberia

Liberia is a country situated on the West Coast of Africa blessed with a great rainforest. It has two seasons – raining season and dry season. With the vegetation of Liberia, crops easily grow on its soils. The Rural Women of Liberia are exploring every avenue to provide for the nation. Rural women constitute a significant portion of the world's population, yet they face numerous challenges, including limited access to resources, economic opportunities, and decision-making power. Climate change further exacerbates these challenges, disproportionately affecting rural communities. Women are at the forefront of climate-smart agriculture, employing innovative and sustainable practices to mitigate environmental degradation and ensure food security.

Some of their objectives include the following:

1. To raise awareness about the pivotal role of rural women in climate-smart agriculture and sustainable development.
2. To highlight the need for increased access to finance and resources for rural women's empowerment.
3. To foster partnerships and collaborations among stakeholders, including governments, NGOs, financial institutions, and private sector entities, to support rural women.

What is mostly worrisome is that the education, technical knowhow, tools and resources to get involved in mechanize (industrial) farming are lacking. As such, food security is a fundamental problem. At current, most of our farming produces, though not enough to feed our nation, are mostly consumed by dwellers in the same locality, town or villages. This, primarily, is due to the lack of access to market, good road connectivity, and wholesale buyers like the government who will buy the produce form the farmers thereby empowering them to produce more.

It is devised taking into account the contextual realities of Liberia with respect to rice production and consumption noted at the beginning of this paper.

The basic proposition is that an assured market for locally produced rice with remunerative prices for producers will be the catalyst, in a pump-priming way, to kickstart a flow of investments by local farmers and investors into the rice production sector of Liberia. This will accelerate the growth and development of the sector in the quickest possible time, with spillover effects which reduces the share of imports in national rice consumption.

The proposed instrument to bring this about - an expanded home-grown National School Feeding programme – will not only create an assured market for the domestic rice sector in the medium term, from which it would grow and develop, but will also serve other national priority objectives directly – for example, in the areas of health and nutrition, education, food insecurity and hunger reduction, particularly with respect to the school-age population of the country.

These multiple objectives should make it possible to attract funding assistance from a wide range of international partners. Thus, external assistance could be counted on to relieve some of the financing burden on the government for the implementation of the proximate school feeding programme and, thereby, for the implementation of the underlying demand-side strategy for the development of the rice sector.

The focus should be on assisting actors at all levels in the supply chain to overcome constraints and challenges on their ability to perform their role efficiently within the supply chain to meet this specific demand.

Interventions to help local rice producers meet the specific demand for home-grown rice for school feeding might be in relations to: farm infrastructure development (e.g., land preparation, the development of irrigated paddy fields, storage facilities, etc.); farm machinery for mechanization of production and quality assurance (such as tractors, harvesters, paddy dryers, mills with graders and quality sorters, as well as, other equipment to reduce harvest and post-harvest processing losses); critical agricultural inputs (such as high-yielding seeds, fertilizers, fuel); transportation; technical knowledge/extension services provision (to improve yield and product quality, as well as the training of farm workers to enhance their efficiency); and a conducive policy environment (fiscal and regulatory measures) in favour of rice production.

Any supply-side intervention which contributes to greater productivity and efficiency in production, as well to higher quality outputs, at any place in the chain, will lower the average cost of production and increase the competitiveness of the local supply chain. These in turn will enhance the profitability of local rice producers - from smallholder farmers to large processors/millers.

Thus, if properly focused and timed, appropriate supply-side interventions can play an important supporting role in assisting local rice producers to meet quickly, with growing efficiency over time, an increased demand for quality, locally-produced, rice for the assured procurement market.

The efficacy of Alternative Policy Approaches

The relative efficacy of two policy approaches for achieving rapid growth of the rice production sector of Liberia needs to be highlighted. Which approach is more efficient, cost effective and quicker: one, build capacity first, and then look for the demand to supply with that capacity; or, two, start first with a concrete demand, and then build the capacity to supply it?

The "build capacity first" approach is based on the assumption that any supply capacity that can be generated will find a demand out there, somehow.

The reality is that after many decades of rice sector development plans in Liberia based on this approach, the results have been meagre and disappointing. For example, all around the country, many rice fields developed, facilities built, sophisticated rice mills installed, and tractors and farm machineries supplied under these plans remain today largely abandoned or grossly under-utilized. Even fertilizers that are continuing to be provided under some of these plans are often sold by their recipients to others rather than deployed for the intended purpose. The principal reasons are the lack of demand at remunerative prices for the rice produced and the unaffordable operational as well as maintenance costs faced by most smallholder rice farmers, including smallholder cooperatives.

In essence, the "build capacity first" approach has focused almost exclusively on capacity building without a complementary strategy for the full and effective utilization of that capacity.

The alternative approach which is advocated here starts with a concrete demand which is "locked in", and then the supply chain in the domestic rice production sector is strengthened and built up to rapidly meet that demand. All actors in the supply chain - from the smallholder farmer to the off-taker/processor/miller – have a part to play.

Given the underdeveloped state of the country's rice production sector as noted above, government assistance (supply-side interventions) has also an important role to play. Such assistance could focus on bolstering the capacity of producers (from farmers to off-takers/processors) to rapidly meet the demand (in quantity and quality) of the assured market and with rising levels of efficiency (i.e. at lower costs). Thus, supply-side support is a necessary part of the strategy proposed in this paper. However, the difference is that the capacity building requirements of producers in this case are demand driven and fit to immediate purpose.

Further, on this approach, the immediate benefits of learning-by-doing, improvements in productivity, cost control and quality are quickly recognized and exploited by producers to maintain the viability and growth of the business. An interdependence is also established and quickly recognized among the actors in the chain, from the smallholder farmer to the processor/miller/distributor. This mutual dependence ensures not only a sharing of knowledge to promote efficiency (more output with better quality at lower average costs) throughout the chain, but also an equitable sharing of benefits, or the system breaks down and everybody loses.

Thus, this approach is a more efficient, equitable and cost-effective route to put the rice sector of the country on a self-sustaining growth path in the shortest possible time.

Impact on Import Substitution and Prices

An increase of half-a-million to a million persons (albeit schoolchildren) consuming locally produced rice every day, in a population of 5 million, will dramatically increase the share of local rice in national consumption in both the short-run and the long-run.

Moreover, the dynamic effects on the growth and development of the domestic rice sector from this stimulus will bring about efficiency gains which will permit domestic production to remain viable even at lower prices. This will make possible direct price competition with imports and a lowering of the price of rice generally for ordinary consumers. The result will be a further and sustained long-term erosion of the share of imports in national consumption.

Lastly, the efficiency gains will also permit, over time, a phase out of the producer price support implicit in the institutional procurement market.

Conclusion

A practical, immediately implementable, demand-side strategy has been put forward in this paper for accelerating local production of rice in Liberia and reducing the share of imports in national rice consumption.