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## Senegal

### Rice Trade - Quarterly

#### Rice Imports Fourth Quarter 2010

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**Report Highlights:**

Senegal annual rice imports decreased by nine percent from 2009 to 2010 (714,890 tons vs. 650,632 tons) mainly due to overstocks from the preceding year. Fourth quarter rice imports decreased by 13.5 percent from 187,692 tons to 162,383 tons compared to the previous quarter. Thailand remains the largest rice supplier in the country with 46 percent of the market share followed by Vietnam (30 percent). Brazil market share dropped from 18.5 percent to 6 percent this quarter, likely due to a drop in rice production during the 2008/09 campaign caused by excessive rainfall in the key rice producing state of Rio Grande do Sul. FAS Brazil reported in July 2010 that Brazil milled (white) rice exports from January to June 2010 are 60 percent lower compared to the same period in 2009 to avoid any shortfalls.

**Executive Summary:**

Senegal annual rice imports decreased by nine percent from 2009 to 2010 (714,890 tons vs. 650,632 tons). (See table 1). Imports from the fourth quarter 2010 drop to 162,383 tons compared to 187,692 tons in the previous quarter. This represents a 13.5 percent decline, down 25,309 tons. (See Table 2).

Most shipments to Senegal were broken rice (99.7 percent). (See Table 3). The top suppliers were Thailand (46 percent market share) and Vietnam (30 percent). (See Table 4). We note a loss of 12.5 percent in the market share for rice imports from Brazil compared to the previous quarter. The reason is likely the drop in rice production during the 2008/09 campaign caused by excessive rainfall in the key rice producing state of Rio Grande do Sul. FAS Brazil reported in July 2010 that Brazil milled rice exports from January to June 2010 are 60 percent lower compared to the same period in 2009 to avoid any shortfalls.

In the fourth quarter, Senegal imported 3,000 tons of broken rice from the United States compared to 7,600 tons the previous quarter, representing a two percent market share. (See Table 2 and 4).

Semi and whole milled rice packaged in bags weighting more than 5 kilos (11 lbs.) remains more popular than those weighing less than 5 kilos. (See Table 3)

According to a Senegalese rice importer the reason of the drop in rice imports in the fourth quarter 2010 is due to the overstock of rice from the previous year instead of the increase of the local rice production.

In April 2008, the Government of Senegal (GOS) launched the Great Agricultural Offensive for Food and Abundance (GOANA) program which aims to significantly increase production of rice and other cereals in an effort to improve food security and lessen the dependency on imports.

Through this new initiative, land is being rehabilitated in the *Senegal River Valley* (SRV) increasing from 80,000 hectares in 2007/08 to 125,000 hectares in 2008/09. Senegal paddy rice production also increased dramatically from 193,379 MT in 2007/08 to 408,000 tons in 2008/09 and 508,000 tons in 09/10. In the 2010/2011 year, Senegal expects a production of 350,000 tons of paddy rice representing 230,000 tons of milled rice.

Post notes that the *Millennium Challenge Corporation* (MCC) signed a \$540 million grant with the GOS of which \$170 million will be used to help irrigate and desalinate as much as 36,500 hectares of land in the Senegal Valley River. This opening of new land will contribute to an additional production of 219,000 tons of paddy rice by 2015 (147,000 tons of milled rice equivalent).

Rice consumption in Senegal continues to be very high with per capita consumption at 84 kg per annum, and broken rice is the preferred type of rice eaten in the country. Total consumption was estimated at 800,000 tons in 2007 and imports remain the dominant source of rice for local consumption. With all these new investments in the rice sector from the GOS and international donors including MCC, Senegal could reach a total production level of more than 600,000 tons of paddy rice (400,000 tons of white rice) by 2015 and allow Senegal to meet at least 50 percent of domestic consumption needs. Currently,

Senegal meets only 20 to 30 percent of its consumption.

While the GOS focus is on production, the SRV rice has weak local demand due mainly to the lack of quality and marketing (processing, cleaning and packaging). Producers, millers, wholesalers and retailers will need to address these issues to win over Senegalese consumers who have a preference for the imported broken rice to prepare the most popular dish called *Cebbu Jen* – which translates rice and fish.

**Table 1: Senegal: Annual Imports of Total Rice in Quantity (MT), 2008, 2009, 2010**

Source: ANDS (National Agency for Statistics and Demography), Senegal

	2008	2009	2010
Quantity of Rice imports (MT)	863,371	714,890	650,632

GTAS ( Global Trade Atlas Navigator)

**Table 2: Senegal: Imports of**

**Total Rice, September-December, 2010**

Country of origin by grade	TOTAL value CIF (Dollars)	Quantity (MT)
<b>Semi or whole milled rice packaged in more than 5 Kg</b>	<b>314,401</b>	<b>487</b>
THAILAND	297,696	462
VIETNAM	14,341	23
PAKISTAN	2,159	2
GREAT BRITAIN	205	0
<b>Semi or whole milled rice packaged in 5 Kg or less</b>	<b>3,529</b>	<b>3</b>
CHINA	2,079	2
VIETNAM	796	1
FRANCE	653	0
<b>Broken rice</b>	<b>69,156,050</b>	<b>161,893</b>
THAILAND	31,404,025	68,368
VIETNAM	20,949,030	52,574
URUGUAY	6,293,232	14,152
BRASIL	3,870,870	10,184
PAKISTAN	2,787,443	7,387
ARGENTINA	2,361,718	5,595
USA	1,231,606	3,023
DJIBOUTI	159,590	428
JAPAN	67,049	108
EGYPT	15,460	39
TURKISH	11,340	25
UNITED ARAB EMIRATES	4,687	10
<b>TOTAL</b>	<b>69,473,980</b>	<b>162,383</b>

Source: ANDS (National Agency for Statistics and Demography), Senegal. 1US\$=485 F CFA

**Table 3: Senegal: Market Share of Imported Rice by Grade, September-December, 2010**

Country of origin by grade	TOTAL value CIF	Quantity	Market Share
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	(Dollars)	(MT)	(%)
<b>Broken rice</b>	69,156,050	161,893	99.7
<b>Semi or whole milled rice packaged in more than 5 Kg</b>	314,401	487	0.3
<b>Semi or whole milled rice packaged in 5 Kg or less</b>	3,529	3	0
<b>TOTAL</b>	<b>69,473,980</b>	<b>162,383</b>	<b>100</b>

Source: ANDS (National Agency for Statistics and Demography), Senegal.

1US\$=485 F CFA

**Table 4: Senegal: Country Market Share of Imported Rice, September-December, 2010**

Country of origin	TOTAL value CIF	Quantity	Market Share
	(Dollars)	MT	(%)
THAILAND	31,701,721	68,830	46
VIETNAM	20,964,167	52,598	30
URUGUAY	6,293,232	14,152	9
BRASIL	3,870,870	10,184	6
PAKISTAN	2,789,602	7,389	4
ARGENTINA	2,361,718	5,595	3
USA	1,231,606	3,023	2
DJIBOUTI	159,590	428	0
JAPAN	67,049	108	0
EGYPT	15,460	39	0
TURKISH	11,340	25	0
UNITED ARAB EMIRATES	4,687	10	0
CHINA	2,079	2	0
FRANCE	653	0	0
GREAT BRITAIN	205	0	0
<b>TOTAL</b>	<b>69,471,247</b>	<b>162,381</b>	<b>100</b>

Source: ANDS (National Agency for Statistics and Demography), Senegal.

1US\$=485 F CFA