

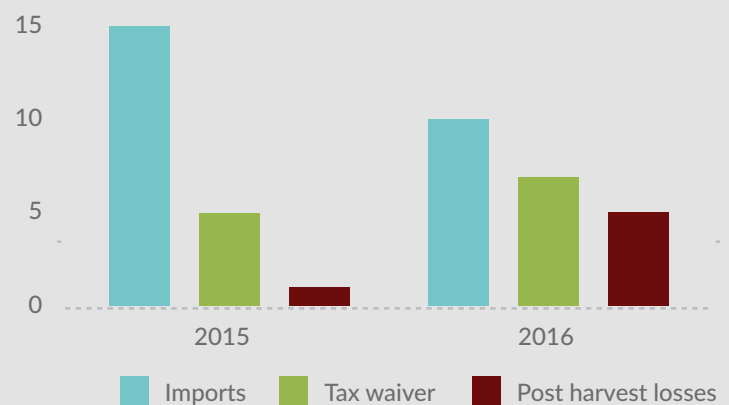


POLICY BRIEF

ISBN: 978-0-9947056-2-4

Reducing Rice Importation in Liberia

A Means to Promoting Equal Economic Growth and Development in Liberia



Situation Analysis:

In Liberia, investment in Agriculture Rice Value Chain is one of the most effective ways to end hunger, improve nutrition, and drive economic growth and development in country. This can only be done if all the key stakeholders work together to address the issue of high quantity rice importation in Liberia.

On August 1, 2016, a food balance sheet and rice importation bulletin was released by the Ministry of Commerce and Industry. The release highlights a steady growth in rice importation across the country over the past 5 years. There is little to celebrate as citizens or a government because the country still spends about US\$20 million (15% of National GDP) on food import

every year, and loses another US\$5 million every year due to post-harvest wastage.

At the regional and continental front, the “African Agriculture Status Report 2016: Progress Towards Agricultural Transformation” by AGRA also points to a stable growth in food importation across the continent over the past 10 years. The continent still spends about US\$35 billion on food import every year, and loses another US\$4 billion every year due to post-harvest losses. If the current trends continue without significant action, Africa will spend US\$110 billion on food imports by 2025 and this will lead to increased poverty on the continent.



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Recommendations to policy makers:

In view of the foregoing, it is imperative that important considerations are made in policy decision making processes geared at reducing rice importation in Liberia. Government, through the lead sector and working with technical support from the ECOWAS Commission, NEPAD Agency, rice producers and traders as well as other development partners, should identify Liberia-specific pathways towards a viable and globally competitive rice value chain with clear links to addressing the Malabo/ Agenda 2063 and SDG commitment to Zero hunger. The strategy should also contribute to job creation for Liberians. The value chain should highlight, among others:

- a) Production/acquisition, supply and access to improved and adapted (to local conditions) seed varieties by providing incentives to research institutions. Equally important is ensuring access to other inputs including fertilizers, improved technologies such as irrigation, electricity and related infrastructure;
- b) Development of a national seed policy to stimulate locally produced and certified seed;
- c) Policy options to stimulate and facilitate public, private partnerships to increase investments and implementation capacity in the rice value chain in Liberia;
- d) Appropriate tax regimes that will help attract investments in technologies, infrastructure and human development along the Agriculture-rice value chain;

- e) Recommended investment procedures and regulations to encourage /attract increased local and external investors collaborating with local entrepreneurs and farmers;
- f) Ensure an enabling environment that will promote, support and build the capacity of more Small and Medium Enterprises (SMEs) in the agriculture sector to growth and development;
- g) Potential pathways for Government to partner with financing institutions to de-risk lending to the agriculture sector, including smart/innovative financing such risk-sharing facilities along value commodity chains; and
- h) Private sector-led agriculture development.

Implementation of these recommendations will not only protect Liberia's rice farmers but also strengthen the relationship with importers and investors in the value chain. Furthermore, the sector's GDP will attract more resources and make more savings that will be used to support other components of the sector (farm to market road, storage, transportation and post-harvest amongst others along the rice value chain), and ultimately contribute significantly to Liberia's development agenda.

Source of Data:

- MOA and MOCI, Liberia
- African Agriculture Status Report 2016, AGRA
- www.ecdpm.org
- www.slideshare.net/ecdpm

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