COUNTRY SNAPSHOT

Population: 1,726,170
- Urban: 851,002 (49%)
- Rural: 875,168 (51%)

Rice Availability: 251 (g/c/d)
- Urban: 69-148
- Rural: 500-655

Rice market: Majority 100% broken white rice

Production:
- USDA, 2016: 114,000 MT
- FAO, 2011: 117,000 MT

Domestic industrial rice milling: None

Regional trade: There are reports of some rice imports coming through the port of Banjul in Gambia and crossing Senegal into Guinea Bissau. However, the quantities are unknown.

IMPORTS

Number of importers: Three large importers with at least 75% of the import market.

Mode of imports:
- Largest importers import bulk-vessels of rice.
- Smaller importers import container-loads.

Total imports:
- USDA, 2016: 140,000 MT
- UNC, 2015: 67,991 MT
- FAO, 2011: 65,000 MT

Type & Origins:
- Brown rice: 0.4 (0%)
- Paddy rice: 0.27 (0%)
- Semi/wholly-milled rice:
  - Pakistan: 14,340 (21.1%)
  - India: 11,240 (78.4%)
- Broken rice:
  - Pakistan: 53,650 (78.9%)
  - Thailand: 26,545 (49.5%)
  - Senegal: 11,625 (21.7%)
  - Uruguay: 7,661 (14.3%)
- India: 4,950 (9.2%)
- Paraguay: 1,504 (2.8%)

Sources:
1. CIA Factbook 2015
2. Overall estimate is FAO 2011; Urban/rural availability is FFI estimate assuming the urban population consumes 33% of imported rice and the rural population consumes the remainder as well as 100% of domestic production. The range represents the FAO 2011 estimates (lower bound) and USDA 2016 estimates (upper bound) for rice imports and production.
3. UN Comtrade 2015 exporter data;

Abbreviations: MT = metric tons, USDA = United States Department of Agriculture, FAO = Food and Agriculture Organization, UNC = UN Comtrade

Rice harvest in Guinea Bissau. Photo: David Hecht/IRIN
REPUBLIC OF GUINEA BISSAU

EXECUTIVE SUMMARY
Rice at 251 grams daily per capita makes up around 80% of the cereal carbohydrates in the Guinea Bissau diet. The majority of rice consumption (60%) is imported 100% broken rice.

There is no industrial milling of rice; nearly all domestic rice is husked at the village level. Availability of imported rice is about 50% greater than local rice production.

As the largest export commodity, cashews are an integral part of the economy; the largest exporters have traditionally also been the most important rice importers. Three importers control around 70% of all rice imports. Imported rice is often ‘traded’ with domestically grown cashews in a ratio of 1-3 kg of cashews per 1 kg of rice, depending on the global price of either commodity. As such, timings of imports of rice are also tied with export of cashews, with importers utilizing the empty rice containers to export cashews.

Fortification of imported rice is likely to be feasible given the consolidated rice import industry, but not of domestically grown rice given inadequate milling capacity. Mandates for fortification of imported rice could be complicated by the non-cash relationship to the cashew export industry. Uniquely, as imported rice is traded with rural cashew farmers, fortified imported rice could have reach beyond the urban population.

Table 1: Demographics and annual rice availability (milled equivalent)

<table>
<thead>
<tr>
<th>Population</th>
<th>Urban'</th>
<th>Consumption (MMT)</th>
<th>Imports (MMT)</th>
<th>Exports (MMT)</th>
<th>G/c/d'</th>
<th>Production (MMT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.72 million</td>
<td>49%</td>
<td>0.217</td>
<td>0.150</td>
<td>0</td>
<td>251</td>
<td>0.100</td>
</tr>
</tbody>
</table>

2011-2016 trend

+1.9%/yr' | +4.1%' | +2.5' | +1.8%' | --        | --     | +2.2%' |

G/c/d: grams per capita per day; MMT, million metric tons
1 CIA Factbook
2 FAO Food Balance Sheets, 2011
3 USDA, 2016

GRAIN CONSUMPTION AND FORTIFICATION STATUS
Rice is the staple cereal in Guinea Bissau. Average per capita daily consumption is estimated at 251 grams'. In comparison, average consumption of wheat, maize, millet, and sorghum are only 133 g/c/d combined. No dietary consumption survey describes sub-national dietary patterns.

Table 2: Cereal grain consumption/availability and fortification status

<table>
<thead>
<tr>
<th></th>
<th>FAO 2001' g/c/d</th>
<th>FAO 2011' g/c/d</th>
<th>Mandatory?</th>
<th>% Industrially milled'</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>25</td>
<td>32</td>
<td>No</td>
<td>No mills</td>
</tr>
<tr>
<td>Maize</td>
<td>45</td>
<td>28</td>
<td>No</td>
<td>Unknown</td>
</tr>
<tr>
<td>Rice</td>
<td>265</td>
<td>251</td>
<td>No</td>
<td>0%</td>
</tr>
</tbody>
</table>

G/c/d: grams per capita per day
1 FAO Food Balance Sheets
2 FFI Database
**Urban**

Guinea Bissau’s population is 49% urban. The 492,000 residents of the capital, Bissau, make up about 60% of the urban total.

Rice importer sources estimated that about one-third of the imported rice goes to the urban market. Assuming that domestically grown rice has limited penetration into the urban market, then average availability could be 148 g/c/d.

Lacking dietary consumption data, it is assumed that the urban population consumes more wheat flour than the rural population, where more root crops, maize, millet and sorghum are consumed.

**Rural**

Almost all rural households grow cashews as a cash crop. Cashew exporters have traditionally financed the cashew crop by providing imported rice to households in advance of harvest. Due to low global cashew prices, the repayment rate in 2013 reached a high of 3 kg of cashews for every kg of rice given in advance of harvest. In the past, the exchange has been a 1:1 ratio. A 40-70% increase in global cashew prices since then has improved farmer income to trade or purchase rice. An estimated two-thirds of imported rice is bartered directly for raw cashews, and the remainder sold in the urban markets. This practice may have decreased in recent years, as in October 2015 an importer source cited 15% of the imported rice is bartered for cashews.

If two-thirds of imported rice remains in the rural marketplace, then average availability of imported rice alone among the rural population would be 289 g/c/d. Adding domestically produced rice (assuming consumption only by the rural population) would add another 366 g/c/d for 655 g/c/d total. Dietary consumption data is necessary to confirm whether the rural population indeed consumes such a large quantity of rice in Guinea Bissau. An alternative could be that cashew farmers sell or trade the excess bartered imported rice and it eventually enters the urban marketplace.

**Rice varieties and quality**

Like in neighboring Senegal and Gambia, urban consumers have a strong preference for 100% broken white rice because of its lower price and use in traditional dishes. UN Comtrade reports 79% of rice exported to Guinea Bissau is categorized as broken rice.

**DOMESTIC RICE PRODUCTION**

Guinea Bissau’s is one of the world’s largest raw cashew exporters – 90% of its exports and 45% of its GDP is due to cashews. Its production is tightly linked to rice, which is by far the most important cereal crop. Rice makes up over two-thirds of all cereal production, but it is grown almost entirely for self-consumption.

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Table 3: Guinea Bissau cereals production - 2016

<table>
<thead>
<tr>
<th>Cereals (MMT)</th>
<th>Maize</th>
<th>Sorghum</th>
<th>Millet</th>
<th>Rice (milled)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>0.01</td>
<td>0.020</td>
<td>0.016</td>
<td>0.116</td>
<td>0.162</td>
</tr>
</tbody>
</table>

1 USDA 2016 via IndexMundi

Table 4: Guinea Bissau rice production (milled equivalent), 2012-2016 (MMT)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.119</td>
<td>0.126</td>
<td>0.110</td>
<td>0.102</td>
<td>0.114</td>
<td>0.114</td>
</tr>
</tbody>
</table>

1 USDA 2016 via IndexMundi

Production, area and yields

Rice production has remained flat in recent years. The 2016 crop of 114,000 MT was an 11% increase compared to 2015, but similar to 2014 and 2012 and the overall 5-year average. Farmers have little incentive to invest in rice production since they have little chance to sell at a profit given cheap imports of 100% broken rice.

Per ha yields are very low (0.33-65 MT/ha) and have shown no improvement. Rural households focus on cashew production since it provides them cash to buy or barter for imported rice.

Three types of rice are grown in separate zones of the country: mangrove rice, lowland rice and rain-fed rice. The latter is situated in slightly higher land. There are also small amounts of rice grown in the Autonomous Sector of Bissau (SAB). Each zone requires a different variety of seed.

Table 5: Guinea Bissau rice production by type

<table>
<thead>
<tr>
<th>Cultures</th>
<th>Crop year (MT paddy)</th>
<th>5-year average</th>
<th>Difference 2014/15 versus:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014/15</td>
<td>2013/14</td>
<td>2013/14</td>
</tr>
<tr>
<td>Rain-fed</td>
<td>37,123</td>
<td>66,713</td>
<td>54,092</td>
</tr>
<tr>
<td>Lowland</td>
<td>59,332</td>
<td>103,146</td>
<td>84,517</td>
</tr>
<tr>
<td>Mangrove</td>
<td>33,980</td>
<td>35,858</td>
<td>56,450</td>
</tr>
<tr>
<td>SAB</td>
<td>2,500</td>
<td>4,000</td>
<td>3,750</td>
</tr>
</tbody>
</table>

Autonomous Sector of Bissau, SAB


Urban distribution

The major importers have long-established direct relationships (often times based on trade credits) with large shopkeepers and wholesalers for distribution of imported rice. There is little or no commercialization of domestic rice due to high cost, poor quality, and inadequate supply.

International support

FAO provides some support to agriculture through limited supply of rice seed varieties suited to

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7 Spencer, Dunstan and Rui Djata, Rice Sector Report for Diagnostic Trade Integration Study. 2008
lowland and mangrove swamps as well. It is not clear if FAO was the donor for the seed distributed by the government in 2014.

**IMPORTED RICE INDUSTRY**

Rice is also Guinea Bissau’s most important imported food commodity. USDA figures for rice imports appear to be rough estimates, as is the case with other agricultural data such as rice production.

**Table 6: Annual rice import volumes, 2012-2016 (MMT)**

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rice imports</td>
<td>0.130</td>
<td>0.120</td>
<td>0.120</td>
<td>0.140</td>
<td>0.140</td>
<td>0.130</td>
</tr>
</tbody>
</table>

1 USDA via IndexMundi

**Rice origins**

The two largest importers, *Gomes y Gomes Lda* and *Socobis*, get their rice mainly from Brazil. However, the rice origin changes constantly depending on the sourcing preferences of the international traders who often finance both ends of the transactions. Louis Dreyfus (LD) Company, Archer Daniel Midlands (ADM) and Ameropa are the three global rice traders who are likely to supply the largest rice importers in Guinea Bissau.

Smaller importers buy container loads of already bagged 100% broken and sorted rice from Indian, Pakistan and other origins. Minor rice traders based in Europe also may be involved in brokering these transactions.

In contrast, UN Comtrade 2015 data reports 55% of rice is exported from Pakistan, 17% from Thailand, 11% from Senegal, 7% from Uruguay, 6% from India, and 1% from Paraguay.

**Mode of imports**

The Port of Bissau is the country’s main port. There is a smaller port not far from Bissau, Port Balama. The two largest importers bring in vessel loads of bulk rice. The vessels have a pneumatic unloader on board, and also carry bagging machines that are set down on the dock for bagging while discharge takes place.

Another importer, Commercial Santy, reportedly brings in 10 to 15 containers per month. Half of their imports are 100% broken and half are 50% broken. The general manager said the company would bring in rice by the boatload but does not have sufficient warehouse space for that quantity.

According to local sources, an estimated 15% of the rice imports are bartered in bush villages, sometimes as advance payments for cashews. Commercial Santy prefers to pay cash for cashews and sell rice for cash.

The remaining third of rice is imported in containers in 25 kg and 50 kg bags, mainly from Pakistan. Some Pakistan rice brands in the market include Al Baraka and Big Joe. The same containers may be used for exportation of cashews or peanuts.

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9 Containers on average hold 20-24 MT of rice
Rice importers
The three largest cashew exporters are also the three main rice importers. They are Gomes y Gomes Lda, Socobis and another large importer (name unknown)\(^{10}\).

Table 7: Major rice importing companies in Guinea Bissau\(^{1}\) (partial list)

<table>
<thead>
<tr>
<th>Company</th>
<th>Headquarters</th>
<th>Import share (MT)</th>
<th>Import share</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gomes y Gomes Lda, Bissau</td>
<td>Local</td>
<td>60,000</td>
<td>Major</td>
<td>ADM(^{2})</td>
</tr>
<tr>
<td>So.Co.Bis Lda, Bissau</td>
<td>Lebanese group</td>
<td>60,000</td>
<td>Major</td>
<td>LD Commodities(^{2})</td>
</tr>
<tr>
<td>Santy Commercial, Bissau</td>
<td>Grupo Santy, Equatorial Guinea</td>
<td>4,000</td>
<td>Medium</td>
<td>Containers only (India(^{2}))</td>
</tr>
<tr>
<td>Em-Kaystore TM, Bissau</td>
<td>Local Indian trader</td>
<td>4,000</td>
<td>Medium</td>
<td>Containers only(^{2})</td>
</tr>
<tr>
<td>Small importers</td>
<td>Local</td>
<td>22,000</td>
<td>Minor</td>
<td>Containers only</td>
</tr>
</tbody>
</table>

\(^{1}\)Estimates of author.
\(^{2}\)Conjectures based on interviews but unconfirmed

Imported rice storage
Importers store their rice in bags in warehouses near the port and along the highway leading out of Bissau. The same warehouses are used for storage of raw cashews for export. Consequently there can be a seasonal aspect to rice importation to take advantage of empty rice containers for cashew export.

There is 7,815 m\(^{2}\) of total available storage spread across seven warehouses (presumably at Port of Bissau) but the warehouses are reportedly under repair\(^{11}\).

GOVERNMENT RICE POLICIES AND PROGRAMS
The government of Guinea Bissau does not appear to have any policies to limit imports and promote domestic production and milling. The government in 2014 distributed 143 MT of mangrove rice seed and 47 MT of lowland rice seed.

RICE MILLING

Village milling
A large part of the rural population still husks paddy by hand pounding, though donor programs have provided some husking mills to villages. Where these are available, villagers take their paddy for toll milling.

\(^{10}\)As of 2014, other trading houses also licensed with the government are: Bá Irmãos, Etg-Bissau, Adj Irmãos, Cheta – Guiné, Car Silva, Geta Bissau, Mariama Tunkara. Source: http://publications.dyson.cornell.edu/research/researchpdf/wp/2015/Cornell-Dyson-wp1501.pdf
**Small enterprise milling**
There are no small mills.

**Industrial milling**
There is no industrial milling of rice.

**Domestic rice storage**
There is no industrial rice storage. Rice is stored at the village level using traditional methods.

**WHOLESALE AND RETAIL TRADE**

**Wholesale**
Most trade is from the importers directly to large shopkeepers in the small country, with the importers often providing trade credit.

**Retail**
In cities, small vendors sell rice in traditional markets from open sacks by the scoop. One kg of imported rice and domestic rice both costs 600 CFA (US$ 1.04\textsuperscript{12}) as of November 2014\textsuperscript{13}. In villages traders use rice to barter for delivery of cashews from the coming harvest.

**WORLD FOOD PROGRAMME**
WFP procures and distributes mainly imported rice as the main cereal in its food basket for its Protracted Relief and Recovery Operation (PRRO). This operation has three components: Health and Nutrition, School Feeding, and Rural Development. Approximately 86,000 children receive hot meals through WFP operations\textsuperscript{14}.

Purchases are mostly regionally based under the optional forward purchase agreement with LD Commodities.

**REGIONAL TRADE**
There is some cross border trade to Guinea Bissau of rice imported from Asia or South America through Gambia’s Port of Banjul. The port operates efficiently and the highway from Gambia across the Casemence region of Senegal to Guinea Bissau is adequate.

**REGULATORY MONITORING**
The Guinea Bissau port authority keeps track of rice import volumes, but the general port import data does not differentiate break bulk and containerized cargo.

According to WHO, there is no regulatory authority responsible for implementing and enforcing regulations in Guinea Bissau\textsuperscript{15}.

\textsuperscript{14} World Food Programme. Guinea-Bissau. https://www.wfp.org/countries/guinea-bissau
RICE FORTIFICATION – SWOT ANALYSIS

Strengths
• Rice is a key staple cereal grain, consumed by both the urban and rural population.
• The urban population consumes almost exclusively imported rice.
• The rural population is likely to also consume some imported rice through cashew export bartering or sale.
• Just two companies account for 75% of rice imports.

Weaknesses
• Small import quantities limit economies of scale.
• Domestically grown rice is hand pounded or husked in small village mills where fortification is not feasible. This rice is exclusively grown for subsistence or limited regional sale.
• There is no existing fortification program of any other vehicles.

Opportunities
• The rural population may consume some imported rice due to the practice of cashew-rice trade, but coverage requires confirmation.

Threat
• Because the cashew-rice trade lacks monetization, it is not clear how any cost increases attributable to rice fortification would affect the cashew-rice trade balance.
• Intense price competition among rice importers and thin margins will undermine any willingness to cooperate.
• A regulatory system to implement and enforce fortification may be nonexistent.
Appendix 1. RICE INDUSTRY CONTACTS

Company
Gomes y Gomes Lda
Rua no. 13, Porta 18, R/C Esq
Zona Industrial Bolola
B.P. 878
Bissau, Guinea Bissau
Tel +245 320 3227 or +245 321 41 45
gomesgomes@mail.gtelecom
Date of meeting: October 5, 2016
Participating
Joao Herique Correia, Treasurer
(Tesoureiro)

Company
Grupo Santy / Commercial Santy
Edificio Ex. Volvo
Bairro da Ajuda, Bissau
Guinea Bissau
www.gruposanty.com
Tel: +245 69 87 272
oficina@comercialsantybissau.com
Date of meeting: October 6, 2015
Participating
Sunu Simon, general manager

Company
So.Co.Bis Lda
Bissau
Guinea Bissau

Company
Em-Kaystore TM
Bissau
Guinea Bissau
+245 682 4320

Company
Houssein Farhat Import / Export
Bissau
Guinea Bissau
(small importer)

Company
S.A. Bissua Sarl. / ADG Irmaos Sarl.
Bario Militra Bissau,
Guinea Bissau
Mobile +2455210212
Galaxies Group of Companies
23/ll, 5th Commercial Street D.H.A, Phase-4,
Karachi, Pakistan.
director@galaxiesent.com /
satrade@orange.sn / sscomsarl@gmail.com
Bissau
Guinea Bissau
Other bag markings:
ADG Irmaos / S.A.I. Import-Export Ltd &
Co, KG
Wilhelm-Leuschner Str. 9a
64319 Pfungstadt, Germany
www.galaxiesent.com

Organization
Administracao dos Portos de Guine-Bissau
(APGB)
Av. 3 de Agosto
C.P. 693 – Bissau
Date of meeting: October 6, 2016
Participating
Dr. Mamadu Lamine Sane, Director
Comercial
Mobile: +245 661 55 32 or +245 580 40 69

Organization
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Praca Titina Sila, Bissau, Guinea Bissau
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wfp.bissau@wfp.org
Damieta Mendes, Vulnerability Assessment
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(no meeting)
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Mobile +245 5382285
graciete.cabral@wfp.org

Organization
FAO / FONSECA
Bissau, Guinea Bissau
Rui Jorge, Director