

# Rice forum examines key policy issues



THE RISE of rice prices was a key item on the agenda of the rice policy forum at IRRI

**I**ncreasing rice productivity is the only long-term solution that can provide high returns to farmers while keeping the price of rice low for poor consumers. This was the consensus of participants at the *Forum on rice policy research: key issues from national perspectives*, held at the International Rice Research Institute (IRRI) in Los Baños, Philippines, on 18-19 February 2008.

The forum, held in the midst of rice-price rises not seen since the 1970s, aimed to identify key policy issues relevant to the rice industry from the perspective of national systems, prioritize the identified policy issues for research, establish a network of rice policy researchers, and develop a collaborative arrangement for conducting policy research on high-priority issues.

Senior policy researchers from Asia (Bangladesh, China, India, Indonesia, Nepal, Philippines, Thailand, and Vietnam) and Africa (Mozambique and Tanzania) attended the forum along with representatives of the Africa Rice Center (WARDA), the Food and Agriculture Organization of the United Nations, and the private sector. Sixteen papers were presented on various aspects of rice policy, and a panel discussion on the implications of rising rice prices was held.

The participants largely agreed that rice is seen by most governments as a “political” commodity although the national perspectives on rice

policy issues varied among countries depending on national incomes and the performance of the rice industry. Most countries viewed the world market

as “thin and unstable,” meaning that a relatively small percentage of total rice produced is bought and sold internationally, and that export prices are prone to large swings. Thus, governments mostly seek a high degree of self-sufficiency.

Given this broad scenario, policy tools to promote the rice industry in different countries were discussed. The policy research agenda identified during the forum included assessment of allocation of resources for research and development, analysis of comparative advantage in rice production in different countries and rice-growing environments, policies to provide adequate returns to farmers while keeping the rice price low for consumers, provision of safety nets for the poor, and reorganization of agriculture for greater efficiency.

Although the current rising rice price was seen as beneficial for farmers who grow a reasonable surplus that they can sell on the market, poor farmers with small or no surplus and poor urban consumers will continue to lose out if the price continues to rise.

Mahabub Hossain, executive director of the Bangladesh Rural Advancement Committee, pointed out that marginal farmers—who are net buyers of rice—are also hurt by increasing fertilizer and pesticide costs, which are climbing in line with rising energy costs.

According to forum organizer Sushil Pandey, who leads IRRI’s Rice Policy and Impact

Program, prices are likely to continue to rise for some time.

“Longer term demand-supply imbalance is clearly indicated by depletion of stock that has been going on for several years,” said Dr. Pandey. “We have been consuming more than what we have been producing and research to increase rice productivity is needed to address this imbalance.”

The importance of research into technologies that boost productivity was underscored by Randy Barker, head of IRRI’s Social Sciences Division. “Even before the spike of prices in the 1970s, high-yield variety technology was well under way to widespread adoption,” said Dr. Barker, who emphasized that effective research and development requires long-term planning.

One implication of this, according to Leo Sebastian, executive director of the Philippine Rice Research Institute, is the need for increased investment in agricultural research.

“Impact of technologies is a driver of increased rice production, whether a country exports or imports,” said Dr. Sebastian. “But everybody is saying that investment in agricultural research is small or limited—and something needs to be done about this.”

Dr. Pandey said that the Institute has identified technological and policy opportunities and challenges for addressing the rising rice prices. “We are tackling the issue head-on by developing and promoting interventions to increase the productivity of the rice industry,” he said.

The forum participants agreed to establish a network of rice policy researchers to facilitate rapid exchange of ideas and information. The network will develop linkages with the existing agricultural policy networks in Asia and Africa. Proceedings of the forum are expected to be published by the end of 2008. 🍌