

Executive summary

Rice was introduced to Ethiopia in the late 1970s and has since been growing in cultivation particularly in the areas with suitable climatic conditions. It is an emerging crop in Ethiopia and one of the economically important crops in Amhara region particularly for Fogera woreda. Government declared it as a millennium crop. National Research and Development Strategy has been developed and an implementation plan prepared and endorsed by the region for implementation. The rice sub sector in the country is characterized with very poor quality, which is mainly consumed as rice flour mixed with *teff* to make '*enjera*'. It is mainly consumed by the middle and low-income consumers.

The sector is still at the infant stage to furnish the domestic market and far to compete with the imported rice. This value chain assessment study revealed that local rice production is dominated by smallholders who have no access to adequate extension services and desired inputs. For these households, growing rice is major source of income and livelihood; rice produced is used for both consumption and income to buy household consumables. However, this study explored many constraints. The major constraints were; Access to quality seeds and other inputs, poor agricultural practice; Poor perception of local rice, lack of appropriate post-harvesting technologies and lack of quality control systems.

Based on those facts, it is recommended that the initial interventions should primarily focus on improving the quality and production levels of rice as well influencing consumption patterns of local rice. The long term proposition is improving the competitiveness of local rice with imported rice. The domestic market for local rice seems to be huge considering the high proportion of population of Ethiopia is in the low-income bracket. The export markets for rice are very competitive and considerable investments are required to make locally grown rice in Ethiopia to compete at international markets; this applies especially to rice grown by smallholders.