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## Impact of import restriction on rice production in Nigeria

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This research paper on the impact of import restriction on rice production in Nigeria, is aimed at finding/proffering valid solutions to the age long problem of rice self-sufficiency, through a better understanding of policy measures used in the past and in this case the effectiveness of rice import restriction of the early 90's. It tries to answer the questions of; import restriction boosting rice domestic production and the macroeconomic determining factors of Gross Domestic Rice Product (GDRP). The research probe is investigated through literature and analytical frameworks, such that time series data on the GDRP, are Gross Fixed Capital Formation (GFCF), average foreign rice producers' prices (PPF), domestic producers' prices (PPN) and the labour force (LABF) are collated for analysis (with an import restriction dummy variable, POL1). The research objectives/hypothesis are analyzed using; Cointegration, Vector Error Correction Model (VECM), Impulse Response Function (IRF) and Granger Causality Test (GCT) methodologies. Results show that in the short-run error correction specification for GDRP, a percentage (1%) deviation away from the long-run equilibrium in a current quarter is only corrected by 0.14% in the subsequent quarter. Also the rice import restriction policy had no significant effect on the GDRP at this time. Other findings show that the policy period has in fact had effects on the PPN and LABF. The choice variables used are valid macroeconomic factors that explain the GDRP of Nigeria, as adduced from the IRF and GCT, and in the long-run. Policy recommendations suggests that the import restriction is not disqualified as a veritable tool for improving domestic rice production, rather better enforcement procedures and strict adherence to the policy dictates is needed. Furthermore, accompanying policies, which drives public and private capital investment and accumulation, must be introduced. Also employment rate and labour substitution in the agricultural sector should not be drastically changed, rather its welfare and efficiency be improved.

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