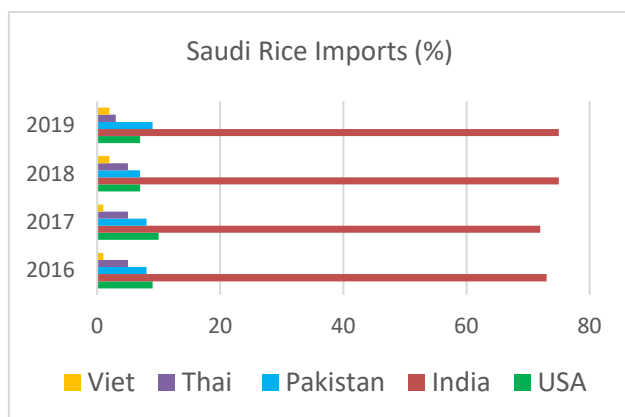


## General Information

**Population:** 33.1 million

**Population Growth Rate:** 1.7%

**Per Capita Rice Consumption:** 95-100 lbs.



Source: TDM

## Rice Trade Data (MT)

	2019	2018	2017	2016
<b>U.S. Exports</b>	103,000*	94,100	120,000	122,600
<i>Data Source: FAS' Global Agricultural Trade System</i>				
<b>Total Imports</b>	1.35M	1.30M	1.2M	1.26M
<i>Data Source: FAS' PSD Online</i>				

\*Jan-Nov

**U.S. Rice Imports (2019): Type and Form**  
72% LG parboiled, 28% MG milled

USA Rice Federation Budget (USD)	2018-2019	2017-2018	2016-2017	2015-2016
FAS Funds: MAP	353,500	323,500	323,500	323,500
FAS Funds: FMD	6,500	6,500	6,500	6,500
FAS Funds: ATP	125,000			
Industry Funds	1,000	1,000	2,000	4,000
<b>Total Budget Expenditure</b>	<b>486,000</b>	<b>331,000</b>	<b>332,000</b>	<b>334,000</b>

## Market Conditions

- Saudi Arabia is a mature market with high population growth and high disposable income. Rice consumption is slightly decreasing among middle and high income consumers who tend to substitute rice with other higher value food items, e.g meat. In general, consumption of rice is expected to grow due to the country's population growth rate and the increase in foreign visitors participating in pilgrims to Makkah to perform the hajj and umrah rituals.
- Rice is imported freely by private companies, with zero import duty and no import subsidies. Rice from South American origin (Brazil) continues to be sold on the market as American rice, confusing the customers.
- Saudi is a predominantly long grain market, with preference for Basmati and strong competition from India and Pakistan, as well as Thai long grain rice. Medium grain rice is preferred for certain types of dishes.
- Saudi Arabia has a very young population- 70% are under 30 years of age, increasingly health conscious, embracing healthy foods as well as Western brands.
- Changing socio-political landscape: the Saudi prince and his Vision 2030 modernization plans to reduce the country's dependence on oil and diversify its economy: introduction of VAT in 2018; women permitted to drive cars

**Goals in this Market:** Maintain and increase current U.S. rice sales, conduct promotional activities in cooperation with the locally available identified U.S. rice brands.

## Marketing Related Issues

### 1. Constraints:

- Consumers in Riyadh & Jeddah unaware of U.S. origin rice's versatility, safety, reliability & healthiness.
- The trade (including importers and retailers) lack knowledge of U.S. rice attributes such as the reliability of supply, as well as high quality and its unique selling points, which limits U.S. rice sales.

### 2. Primary Target Group: Middle and upper-income consumers, importers.

### 3. Strategy: Continue to reinforce the high quality, premium image of U.S. rice

### 4. Activities: Outdoor advertising, in mall promotions including in-store promotions and (Mupis) posters, banners, POS materials, radio and online advertising, trade servicing. In 2019, commenced activities in the Southern provinces of KSA, relaunched the Arabic website and established Arabic social media platforms.

## Major change(s) from last year going into this year's UES:

Augment the Arabic website and expand social media platforms.