



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

No. 18
8-21 March 2017

Cambodia

More than 40 rice millers applied for quality checks to allow for shipping rice to China. However, most of them has not yet met a high standard. An authority said he was not sure on the time that quality checks would take but the millers who passed the second round will join other 28 millers in shipping 200,000 tonnes a year to China. Cambodia milled rice exports had 109,000 metric tonnes in the first couple months of 2017, increased 14 percent compared with 2016. Of this, 46,000 metric tonnes were shipped to China.

Source: Vannak. C. (Mar 13, 2017). *Checks for rice exporters.* Khmer Times.

Indonesia

The Indonesian National Logistics Agency (Bulog) set a target to implement its on farm programme for cultivating paddy on one million hectares. The paddy under this programme will be bought by Bulog at a standard prices set by the government.

Source: Antara News. (Mar 10, 2017). *Bulog targets cultivating paddy on one million hectares of land.*

Myanmar

The Myanmar Agribusiness Public Corporation (MAPCO) is working on a new deal to ship 100,000 tonnes of rice to China. Myanmar exports most of its rice to China through the Muse border. However, rice exports to China last year had decreased due to instability in the border areas and high security checks. Therefore, MAPCO decided to export rice by sea.

Source: Nilar. (Mar 11, 2017). *Chinese poised to agree to new rice deal.* Eleven Myanmar.

Philippines

The Philippines' food security agency was looking to import 250,000 tonnes of rice as soon as possible for their buffer stock via government-to-government deal with Thailand and Viet Nam. The timing remains uncertain as the NFA still has to approve the terms of references. The planned purchase is part of the 500,000 tonnes import volume the NFA Council approved last year. The NFA had bought only 250,000 tonnes: 150,000 tonnes from Vietnam and 100,000 tonnes from Thailand.

Source: Reuters. (Mar 8, 2017). *Philippines' Food Security Agency Plans to Import 250,000T Rice Soon.*

The Philippines government launched a comprehensive color-coded agricultural guide (CCAG) map that can pave the way for doubling rice production to ensure food security in the country. The map indicated there were six to seven million hectares of rice farms in the country, while only 3.9 million hectares were devoted to rice farming. The color-coded agricultural guide map shows about the most suitable crops farmers could plant in their provinces. The Philippines government spent P 36 million (USD 716,061) to roll out this CCAG map.

*USD 1 = P 50.27

Source: The Manila Times. (Mar 8, 2017). *PH launches agricultural guild map to double rice output.*

Thailand

Thailand is expected to ship 10,000 tonnes of long-grain white rice to Mexico after receiving a free import tariff quota from the Mexican government. Recently, Mexico allowed zero tariff for 150,000 tonnes of imported long-grain white rice from March 2 to December 31 this year as the Mexican government tried to lower the country's food cost and meet higher demand. Mexico also granted free tariff to Argentina, India, Italy, Uruguay, Viet Nam, and the US. The country's import tariff normally is set at 20 percent.

Source: Arunmas, P. (Mar 16, 2017). *Mexico offers zero tariff for rice import.* Bangkok Post.

Minister of Agriculture and Cooperatives had banned the third round of rice cultivating. Each round of rice cultivation takes about 100 days to yield crops. Authorities have been trying to encourage farmers to grow rice only during the rainy season to avoid the risk of water shortage.

Source: The Nation. (Mar 10, 2017). *Chatchai bans third round of rice growing to avoid water shortage.*

Thai government is calling the auction for 3.66 million tonnes of grain unfit for human consumption. Interested bidders will be invited to submit their bidding prices on March 23.

Regarding the unsold rice stock from the previous government's rice pledging scheme estimated at between 5.2-5.3 million tonnes, the government is expected to unload them in May. This year on January 10, there was the first auction for the remaining 2.87 million tonnes that fit for human consumption.

The state officials have pledged to come up with strict controls for poor quality rice auctions to keep the grains separated from the normal rice market. The national rice policy committee on March 7 approved the Commerce Ministry's proposal to sell 1.35 million

tonnes of rice from 127 state warehouses in the first general auction of state rice stocks in 2017 to 41 qualified buyers, worth 13.20 billion baht (USD 380 million) in total.

**USD 1= 34.67 Baht*

Source: Arunmas, P. (Mar 8, 2017). *Industrial grain first up for auction.* Bangkok Post.

Viet Nam

To improve the rice value chain and Vietnamese rice's competitiveness, changes of management institutions are needed. To improve the value of rice production, it needs to clarify the right of property ownership, which is foundation for other activities such as investment, land market, land accumulation for large-scale production.

The rice cultivation in Viet Nam had increased sharply from 2007 and the output rose by nearly 10 million tonnes in the 2005-2015 period. Rice yield per hectare increased to 5.76 tonnes and rice exports grew 14 percent annually on average in volume and 10 percent in value during 1989-2012.

Source: VNA. (Mar 17, 2017). *Changes to institutions urged to improve rice value chain.*

Mekong Delta region harvested 10,259 million tonnes of rice for the winter-spring crop in 2016-2017, increased 188,375 tonnes compared with the same period in 2015-2016.

The region planted the rice over than 1.5 million hectares of rice, increased 22,630 hectares against previous winter-spring crop. In 2017, the region will cultivate 1.6 million hectares of rice in this year summer-autumn crop, the output is forecast approximately at 9.45 million tonnes. Farmers will be provided rice varieties which have resistant to drought and saline for cultivation.

Source: VNA. (Mar 16, 2017). *Mekong Delta's rice yield rises in the winter-spring crop.*

Republic of Korea

Republic of Korea purchased 100,000 tonnes of non-glutinous rice for arrival between May and June.

The state-run agency bought the brown medium rice products via a tender that closed on March 7 from the U.S., the brown short rice from Viet Nam and the brown long rice from Thailand.

Source: Chung, J. (Mar 14, 2017). *S. Korea buys 100,000 T of rice for May-June arrival.* Reuters.

Gathered by the APTERR Secretariat
Tel: +66 (0) 2579 4816-17 Fax: +66 (0) 2579 4840
Email: nisachol.see@apterr.org
Website: <http://www.apterr.org/>

** This Weekly Update on ASEAN Plus Three Rice Situations is based on all available sources during the period. The APTERR Secretariat shall take no responsibility for data accuracy in this publication and any consequence of their use.*