



## WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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### Indonesia

***The Ministry of Agriculture will help farmers by purchasing rice from farmers up to August.*** The prices of paddy grain (unhusked rice) were below Rp 3,700 (USD 0.28) per kilogramme. The programme of buying rice from farmers is known as 'the Farmers's Paddy Absorbance Program (Sergap)' to stabilise rice prices. Bulog had prepared paddy warehouse that have capacity to store 3.9 million tonnes of agricultural commodity.

\*USD 1 = Rp 13,362

**Source:** The Jakarta Post. (2017, Feb 24). *Government continues to buy paddy grain from farmers to stabilize prices.*

***Indonesia attempts to stabilise rice prices and not import rice this year.*** Indonesia's state logistics agency (Bulog) will increase local rice procurement which is about 3.7 million tonnes to distribute to low-income earners. In Central and East Java, rice prices have been falling to Rp 3,100-3,500 (USD 0.23-0.26) per kilogramme. On 2016, Indonesia imported 1.2 million tonnes of rice.

\*USD 1 = Rp 13,362

**Source:** VNA. (2017, Feb 23). *Indonesia upbeat about meeting rice demand this year.*

### Myanmar

***Myanmar rice exports were estimated to drop by 200,000 tonnes. However, the exports figures increased in border trade.*** The trend was disrupted between September and November, during border trade was hit by a crackdown on illegal trade by China. Myanmar exported about 5,000 tonnes of rice a day to China at the Muse border gate, but the volume was reduced less than 1,000 tonnes. A trader said Myanmar has to start looking for new markets or other solutions.

**Source:** Chan Mya Htwe. (2017, Feb 23). *Exports prioritized to meet trade target.* The Myanmar Times.

### Philippines

***The Philippines and Cambodia are looking to work together on rice research for boosting rice production in both countries.*** Cambodia particularly needs to learn alternative ways of developing new seed varieties as well as exchange knowledge on rice farming. Philippines is also looking for ways to ensure sufficient rice production in the country to meet the demand of Filipino consumers.

The Department of Agriculture's rice production program aims to increase the annual yield per hectare of local rice farms by investing on hybrid rice propagation in a bid to locally produce sufficient rice for the country's needs.

**Source:** Talavera, C., Simeon, L M. (2017, Feb 27). *Phil-Cambodia to work together for rice research.* The Philippines star.

## Thailand

**Thailand had secured a deal to sell rice to Iran for the first time in ten years, with delivery of 50,000-100,000 tonnes of white rice due over the next couple months.** In the past, Iran shipped up to one million tonnes of rice from oversea; about 300,000 – 500,000 tonnes came from Thailand. Thailand and Iran signed MOA in 2016 to resume sales of 300,000 tonnes of rice worth 4.3 billion baht (USD 122 million). Iran is Thailand's ninth largest trading partner in the Middle East. In 2016, two-way trade volume totaled USD 421 million, up 36.1 percent from a year before.

**Source:** Arunmas, P. (2017, Feb 25). *Thailand seals Iran rice deal*. Bangkok Post.

## Viet Nam

**Slowing overseas demand is putting the brakes on Vietnam's rice exports this year. Vietnamese rice prices are very high now, making the grain uncompetitive against Thai rice.** Vietnam's 5percent broken rice stands this week at USD 350 - 355 a tone, FOB Saigon Port basis, up nearly 4 percent since the end of 2016, while Thailand offers a similar grade for USD 353 - 355 a ton. Rice exporters say they are facing problems with mounting stockpiles, while the Mekong Delta's winter-spring crop harvest is expected to peak from next month. Rice export firms had nearly 1 million tonnes in stock at the end of January, while sales abroad were slowing.

**Source:** Ho Binh Minh. (2017, Feb 25). *World loses its appetite for pricey Vietnamese rice*. Vn ExpressInternational.

## Republic of Korea

**The average annual consumption of rice per person is forecast to reach a new low at 59.6 kilograms (kg) in 2017, compared with 61.9 kg in 2016.** Republic of Korea's rice consumption per person has been on a steady decline since 1984. The fall comes as the consumers have been reducing their rice consumption and diversifying their diets with other grains. South Korea has been on the rise with increasing harvests in recent years. End of 2016, the government's rice stockpiles reached 2 million tons. For this reason, the price of an 80-kg sack fell below the psychological support level of 130,000 won (USD 115) in 2016, reaching a 21-year low. Experts said to slow the decline; the government needs to make efforts to increase consumption of rice for manufacturing processed foods.

**Source:** Yonhap News Agency. (2017, Feb 27). *Per capita rice consumption forecast to hit fresh low in 2017*.

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\* This Weekly Update on ASEAN Plus Three Rice Situation 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.