



## WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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### Indonesia

**Indonesian government expected the State Logistics Agency (Bulog) to continue boosting the absorption of unhusked rice from local farmers.** As of March 24, Bulog could absorb 19,000 – 20,000 tonnes of unhusked rice a day. Now, it has 1.9 million tonnes of rice in its warehouses, which is enough to last for more than a year. Bulog has allocated Rp 30 trillion (USD 2.25 billion) to buy unhusked rice from local farmers this year. Bulog procurement director said that if the budget not be enough, Bulog would borrow from banks.

\*USD 1 = Rp 13,323

**Source:** The Jakarta Post. (Mar 27, 2017). *Bulog told to absorb more unhusked rice from farmers.*

### Myanmar

**The Myanmar government and private sectors are putting effort to export two million tonnes of rice in FY 2017-2018.** In FY 2016-2017, a total of 1.5 million tonnes of rice has been shipped as of March. Meanwhile, the country gained new international rice and broken rice markets such as Africa due to efforts of government and private sectors.

**Source:** Malaysiandigest. (Mar 24, 2017). *Myanmar Targets to export 2 million tonnes of rice in next fiscal year.*

**Myanmar's rice exports had risen up by about 25,000 tonnes compared with the export volume in the 2015-2016 fiscal year.** This year rice export tends to increase at 1.5 million tonnes. In the fiscal year 2016-2017, shipping exports figure was nearly 600,000 tonnes and cross-border trade fell to about 900,000 tonnes.

**Source:** Htin Lynn Aung. (Mar 21, 2017). *Rice export behind target, to focus on quality.* The Myanmar Times.

### Philippines

**The country's paddy rice production could drop to below 18 million metric tonnes (MMT) after the quantitative restriction (QR) on rice imports will expire on this June 30.** Paddy rice production in MY 2017-2018 could settle at 17.93 MMT, lower than the 18.52 MMT projected for the current MY 2016-2017, which would end on July 31. With the forecast decline in unhusked rice production, imports could double to 2 MMT during MY 2017-2018. Moreover, some farmers are expected to shift from rice to corn as a result of expiration of the QR on rice imports at the turn of 2016-2017.

**Source:** Arcalas, J. Y. (Mar 22, 2017). *Farmers to dump rice for corn when QR ends.* Business Mirror.

## Thailand

### **Thai government plans to sell 8 MMT of white rice stocks within this year.**

This amount of rice combined with three grade of rice: 3 MMT food grade, 3.66 MMT industrial-use grade, and 1 MMT of rotten rice. The stocks are the part of rice stocks of 18 MMT accumulated from the rice subsidy scheme implemented by previous government. On February, the government put up 1.3 MMT of food-grade rice for auction and another 1.5 MMT will be put up for tender in May, 2017.

**Source:** Rewari, G. (Mar 24, 2017). *Thai government to auction 8MMT of white rice stocks this year.* Rice Outlook.

### **Fifteen bidders proposed to a combined 2.07 MMT of state rice stocks that unfit for human consumption, which comprise 56 percent of the total 3.66 MMT of the inedible grain for auction.**

The proposed purchase would fetch about 9.2 billion baht (USD 266 million). The result of the bids on March 28 will be submitted to the panel handling state rice stocks for inspection. For the remaining of 1.59 MMT of the grain unfit for human consumption, the government will call monthly auctions from May until they are sold out.

\*USD 1 = 34.49 Baht

**Source:** Arunmas, P. (Mar 24, 2017). *15 bidders for 2.07m tonnes of inedible state rice stocks.* Bangkok post.

## Viet Nam

### **Viet Nam exported rice at 1.28 million tonnes in the first three months of 2017, worth USD 570 million.**

China is Viet Nam's largest rice importer with 36 percent market share, followed by Philippines with around 25 percent market share. Currently, Viet Nam's 5 percent broken rice prices are ranged from USD 350-355 per tonne, dropped USD 5 compared with previous week. This drop is due to a larger winter-spring crop.

**Source:** Viet Nam News. (Mar 27, 2017). *Viet Nam rice exports drop in Q1.*

## Japan

**Because of thin demand of rice consumption in Japan, rice stocks exceeded 2 MMT in June 2013-2015. In an effort to reduce excessive stocks, MAFF encourage rice farmers to convert from table rice to feed rice in 2015 by providing subsidies for feed rice production.** MAFF continued to engage feed rice production in MY 2016-2017. As a result, the planted area for feed rice increased by 11,000 hectares while the planted area for rice other than feed rice fell 27,000 hectares. For this reason, the total cultivated area for rice in Japan dropped 16,000 hectares. However, rice yield increased from 0.1 MT per hectare to 4.9 MT per hectare higher than average yield of recent years because of favorable weather throughout the production season. Accordingly, total rice production is estimated to increase 1.1 percent to 7.78 MMT in MY 2016-2017.

**Source:** Fujibayashi, K. (Mar 17, 2017). *Japan Grain and Feed Annual.* USDA Foreign Agricultural Service.

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