



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Indonesia

Indonesia rice production cost in 2016 - 2017 is the highest in Asia, more expensive than Thailand, Viet Nam, India, and China. Indonesia paddy rice production cost reached to 4,079 Rupiah (0.306 USD) per kilogram while Viet Nam, Thailand, India, and China is only 1,619 Rupiah (0.121 USD) per kilogram, 2,291 Rupiah (0.172 USD) per kilogram, 2,306 Rupiah (0.173 USD) per kilogram, and 3,661 Rupiah (0.275 USD) per kilogram respectively. Thanks to high cost of using pesticides and excessive watering in irrigation system.

* 1 USD = 13,317 Rupiah

Source: Antara News. (2017, Jul 20). *Indonesia's rice production cost much higher: KTNA.*

Lao PDR

Xayaboury, Borikhamxay, and Khammuan, three provinces are at risk and warned to be alert for potential

floods and heavy rains. The government has called residents living along the Xebangfay River and Mekong River to be alert for floods and heavy rains, which were forecasted to increase further. On July 21, In Khammuan province, Borikhamxay province, and Savannakhet province, Mekong River had risen to 10.45 meters, 10.65 meters, and 8.98 meters respectively. In addition, the government also warned people in related locations to be vigilant for catastrophes including the possibility of falling trees and damage to houses and other buildings, especially from now until the end of July.

Source: Vientiane Times. (2017, Jul 22). *Flood risk for three provinces, nation's weather bureau warns.*

Philippines

19 ASEAN companies have signified interest in government to private (G2P) importation of 25 percent broken, well-milled, long grain white rice 250,000 tonnes. In accordance with the National Food Authority (NFA) announced the auction for rice supply contract, the total of interested companies including ten firms from Viet Nam, six from Thailand, two from Singapore, and one from Myanmar. The total volume is divided into eight lots: six lots of 25,000 tonnes each, as minimum, and two lots of 50,000 tonnes each, as maximum. The reference price for the importation had been set at 451.08 USD per tonne based on the foreign exchange rate of 1 USD = 50 pesos. Rice deliveries shall be conveyed from August to September in the amount of 120,000 tonnes and 130,000 tonnes respectively.

Source: Miraflor, M. (2017, Jul 25). *NFA rice suppliers to be known today.*

Thailand

Flooding in 16 provinces has eased but 4 provinces remain inundated, while Kalasin is on full alert. As a result of floods triggered by days of heavy rain, between 5 and 19 July 2017, ravaged 20 provinces which affecting 704 villages in 51 districts. However, 4 provinces including Nan – total of 67 households were affected, Yasothon – 5,500 rai of farmland and 961 households were affected, Ayuttaya – total of 9,402 households were affected, and Trat – 30 households were affected, remain inundated. Furthermore, Kalasin province was ordered to be on full alert for possible flash floods which reservoirs have reached its storage capacities and rain is continuing in several areas.

Source: Phupuangphet, Y. (2017, Jul 22). *Four provinces flooded, Kalasin reservoirs full.* Bangkok Post.

Floodwater covered some 200 rai (32 hectares) of rice fields in Na Khun and Khao Wong districts of the north-eastern province of Kalasin on July 20th.

Owing to the heavy downpours in following days, which caused by tropical storm Talas. Farmers are worried about their rice paddies which had been heavily flooded for days and started to rot. Even now, neither local administrators nor related agencies had yet visited to assess the damages or provide aid.

* 1 rai (Thai system) = 0.16 hectare

Source: The Nation. (2017, Jul 20). *Rice rots, homes flood in the north.*

Thailand has agreed to sell 100,000 tonnes of parboiled rice to Sri Lanka, responding to the country's urgent demand. Sri Lankan officials have placed an immediate order for 100,000 tonnes of parboiled rice with the Thai

government at a price of 425 USD per tonne. However, another order of white rice 100,000 tonnes from Thailand was held back for the time being, due to comparing prices between Thailand and Myanmar.

Source: Sri Lanka Internet Newspaper. (2017, Jul 19). *Sri Lanka purchases 100,000 MT rice from Thailand.*

11 rice exporters of Thailand has planned to buy all 160,000 tonnes of edible rice in national reserves, which was put for the Thailand 3rd rice auction 2017. Thailand could earn 1.1 billion baht (32.7 million USD), If the state agrees to sell the entire lot. Moreover, the govt. is planning to hold the 4th auction of inedible rice in 2017, with an estimated volume of 2.6 million tonnes.

* 1 USD = 33.603 baht

Source: Vietnamplus. (2017, Jul 25). *Thailand likely to sell out all rice reserves in July.*

Source: Arunmas, P. (2017, Jul 19). *State clears nearly all of rice supply.*

Viet Nam

Thousands of hectares of farming crops was submerged, due to floodwater from the swollen Red River. Long lasting heavy rainfalls have released the water level of Red River surged to 6.5 meters on July 22, 2017, resulting in thousands of square meters of crop fields was completely inundated and 127 riverside houses were flowed, forcing local residents displaced to another area.

Source: Sài Gòn Giải Phóng (SGGP) Online. (2017, Jul 23). *Heavy rains, floodwater release swells Red River.*

China

China started to allow rice imports from the United States for the first time as part of the latest effort to enhance bilateral trade in agricultural products. Increasing imports from the U.S. can help China enhance its grain security and make more arable land available for agricultural products. In accordance with China planned to increase its grain imports during the 13th Five-Year Plan 2016 – 2020 while also continuing to increase its farming capacity. Additionally, China's annual demand for grain is expected to rise from 600 million tonnes in 2014 to 700 million tonnes in 2020, owing to the growing population and accelerating urbanization.

Source: Nan, Z and Xiaojin, R. (2017, Jul 22). *Rice deal opens up huge market.* China Daily.

Source: Petroff, A. (2017, Jul 21). *China will import American rice for the first time.* CNNMoney

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