



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Lao PDR

Floodwaters have inundated six districts of Khammuan province after tropical storm Doksuri wreaked recently.

The six districts affected are Bualapha, Xaybuathong, Yommalath, Nongbok, Mahaxay and Xebangfay. Initial reports reveal that flooding has affected 290 hectares of rice fields in Nongbok, 148 hectares of rice fields in Xebangfay, 827 hectares of rice fields in Mahaxay, and 1,917 hectares of rice fields in Yommalath. The rest two districts, Xaybuathong and Bualapha, have not yet submitted any report of damage, said the provincial authority.

Source: Vientiane Times. (2017, Sep 21). *Storm wreaks havoc in six districts of central Laos.*

Myanmar

Myanmar is in discussion with Sri Lanka to export rice under a government-to-government agreement, according to the Ministry of Commerce.

In 2017, Myanmar has exported rice to 65 countries, amounting to 1.3 million tonnes of rice which is more than the same period of 2016. Recently, on 7th September 2017, Myanmar signed an agreement to sell 300,000 tonnes of rice to Bangladesh that Myanmar agreed to export 250,000 tonnes of white rice and 50,000 tonnes of parboiled rice annually for a five-year period starting from 2017. Furthermore, Myanmar expects to export 2 million tonnes of rice in the 2017-2018 fiscal year.

Source: Eleven Myanmar. (2017, Sep 20). *Myanmar to export rice to Sri Lanka.*

Philippines

The Philippines suffered rice supply disruptions anew as only 68 percent of the expected 250,000 tonnes of rice imports have arrived.

Rice should have been delivered on a staggered basis from August to September 2017, with a total of 120,000 tonnes in August and 130,000 tonnes in September. Only 169,892 tonnes of rice have arrived in the country as of 29 September 2017. Despite the delay and National Food Authority's dwindling buffer stock, the grain agency assured that there are still enough rice stocks at the national level good for 65 days.

Source: The Philippine Star. (2017, Oct 3). *NFA rice imports hit by delays.*

Thailand

The cabinet of Thailand has approved rice support packages, worth 87.2 billion baht (2.6 billion USD), to support rice farmers and stabilise prices ahead of the 2017/18 harvest.

This will officially take effect on 1 November 2017 and assist 3.7 million farmers. The package includes a loan of 33.5 billion baht (1 billion USD) from the Bank for Agriculture and Agricultural Cooperatives for farmers to delay rice selling time. Another loan worth 53.7 billion baht (1.6 billion USD) was allocated for farmers to store rice. Accordingly, the programmes are designed to stockpile 12.5 million tonnes of rice.

* 1 USD = 33.341 baht

Source: VietnamPlus. (2017, Sep 27). *Thailand: Cabinet approves rice support package.*

Viet Nam

Farmers in Nam Dinh Province despair as virus attacks rice fields.

Many farmers have suffered huge losses already when the “southern rice black-streaked dwarf virus” has been ravaging rice fields in the country since the beginning of July 2017, according to the Ministry of Agriculture and Rural Development (MARD). The reason for the widespread damage was the high density of white-backed plant hoppers that transmit the virus. The virus stunts the plants’ growth and stops them from “heading stage”, which is when pollination occurs, resulting in badly affected plants and die. Besides, farmers in Thai Binh Province are also suffering, with more than 18,000 hectares infected with the virus and some 2,400 hectares have been totally ruined.

Source: Vietnam News. (2017, Sep 30). *Farmers despair as virus attacks rice fields.*

Viet Nam exported more than 4.5 million tonnes of rice in the first nine months of 2017, worth 2 billion USD, up 19.6 percent in rice export volume and 18 percent in rice export value year on year.

According to the Vietnam Food Association (VFA), China consumed 38 percent of total rice exported from Viet Nam with more than 1.5 million tonnes, worth over 700 million USD, followed by the Philippines with over 400,000 tonnes and Malaysia with more than 360,000 tonnes. A surge in demand in Asia from June 2017 pushed rice prices to above 400 USD per tonne, which also helped boost the domestic rice price.

Source: VietnamPlus. (2017, Sep 26). *Rice exporters advised to diversify markets.*

The Vietnam Food Association (VFA) has revised the 2017 rice export target from 5.2 million tonnes to 6.5 million tonnes for the second time this year, due to favorable market conditions.

In the first seven months of 2017, Viet Nam exported 1.38 million tonnes of rice, worth 623 million USD, to China and 288,700 tonnes of rice, worth 111 million USD, to Malaysia, surging twofold in volume and 78 percent in value from 2016. Ghana is another key African market for Vietnamese rice. However, this market is showing signs of slowdown when Vietnamese rice exports to Ghana from January to July 2017 dipped 29 percent over the same period of 2016. In January to August 2017, Viet Nam exported a total of 3.96 million tonnes of rice, worth 1.75 billion USD, up nearly 20 percent in volume and 17.5 percent in value year-on-year. Presently, China is now Viet Nam’s largest rice importer.

Source: The Saigon Times. (2017, Sep 22). *Rice exporters heavily reliant on Chinese market.*

Republic of Korea

Korean government plans to purchase 720,000 tonnes of rice in 2017 for price stabilisation, which exceeds the expected surplus production.

The government will purchase 350,000 tonnes of rice for its reserve and 370,000 tonnes of rice to help maintain market prices at a certain level, said the ministry of agriculture. In 2016, there was an excess of 300,000 tonnes of rice, as the 4.2 million tonnes supply far exceeded the 3.9 million tonnes consumed, and the glut will likely be around 200,000 tonnes of rice in 2017.

Source: Korea Herald. (2017, Sep 28). *Govt. to purchase 720,000 tons of rice this year.*

The government will purchase 350,000 tonnes of rice for reserve.

The country will increase the purchase of local rice for reserve purposes of 2017 to help stabilise prices on the domestic market. Moreover, some 10,000 tonnes of rice will be set aside for ASEAN Plus Three Emergency Rice Reserve (APTERR) as South Korea plans to send rice aid to developing nations, said the ministry of agriculture.

Source: Korea Herald. (2017, Sep 21). *Govt. to purchase 350,000 tons of rice for reserve.*

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