



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

No. 56
10 - 16 January 2018

Indonesia

Indonesia will import 500,000 tonnes of rice from Thailand and Viet Nam to curb rice price hikes as a result of supply shortage since late 2017.

According to the data of National Logistics Agency (Bulog), the country's current rice stocks are about 950,000 tonnes, which most of these is low-grade rice for distribution as food aid to low-income people. Meanwhile, rice stocks for commercial purposes are available only 11,000 tonnes. To strengthen the domestic rice supply and contain rice prices, the government allowed to open for rice imports from Thailand and Viet Nam. The rice importation is open for only premium-quality rice such as Japonica or jasmine rice, a different variety from the local IR 64 variety (Indica-type rice variety), so it will not harm local rice farmers and rice production. Rice will be imported through National Logistics Agency (Bulog) and delivered to the country by the end of January 2018. In addition to the price, the imported rice will be set at a price equivalent to medium-quality rice with the ceiling price of 9,450 Rupiah (0.7 USD) per kilogram, according to the Indonesia Ministry of Commerce.

*1 USD = 13,301 Rupiah

Source: The Jakarta Post. (2018, Jan 11). *Indonesia open for rice imports to contain prices*; The Jakarta Post. (2018, Jan 12). *Govt to import rice amid rising prices*; Netral English. (2018, Jan 12). *Gov't Set to Import 500,000 Tons of Rice by end of January*; Viet Nam Net. (2018, Jan 14). *Indonesia to import rice from Vietnam to curb price hikes*; and ANTARA News. (2018, Jan 15). *Bulog assigned to import 500 thousand tons of rice.*

Myanmar

Rice exports are expected to hit more than 3 million tonnes in 2017-2018 fiscal year, according to joint-secretary of Myanmar Rice Federation (MRF). Myanmar rice already exceeded the original projections of rice export target which was set at 2 million tonnes. As of 5 January 2018, the country had shipped over 2.6 million tonnes of rice this fiscal year, increasing in export value by more than 480 million USD over last fiscal year, due to the assistant permanent secretary of the Commerce Ministry. Additionally, between 1 April 2017 - 15 January 2018, rice exports via border trade increased by more than 700,000 tonnes of rice compared to the same period last year, while rice exports via sea trade was maximum at 900,000 tonnes of rice, added the assistant permanent secretary.

Source: Eleven Myanmar. (2018, Jan 15). *Rice exports expected to hit more than three million tonnes.*

The Myanmar Rice Federation (MRF) will help businessmen in rice sector to obtain government loans.

The MRF has requested the government to provide loans 65 billion Kyats (48.1 million USD) for small and medium enterprises (SMEs) in rice sector during the next fiscal year. As the plan, loans will be offered from 20-30 million Kyats (14,803 - 22,205 USD) up to 200-300 million Kyats (148,038 - 222,057 USD), depending on the business size, with focusing mainly on the business status, potential income, and profit making, said the secretary of MRF.

*1 USD = 1,351 Kyats

Source: The Global New Light of Myanmar. (2018, Jan 15). *MRF to help businessmen in rice sector obtain government loans.*

Philippines

The National Food Authority (NFA) is set to import 250,000 tonnes of rice in 2018, according to the approval of the National Food Authority Council (NFAC).

As early November 2017, the NFA has requested the NFAC for an authority for rice importation to replenish the NFA's dwindling stockpile, due to weather disturbances that hit the country last year. Presently, the NFAC has given the agency a standby authority to import 250,000 tonnes of rice, however, this would still have to pass through the Food Security Committee to specify the volume and the mode of procurement, said NFA spokesperson. The agency is expecting the rice importation will be approved within January, hoping that the shipments may arrive within the first quarter or early second quarter in 2018.

Source: Philippine Daily Inquirer. (2018, Jan 10). *NFA to import 250,000 MT of rice*; and Business Mirror. (2018, Jan 8). *NFAC approves importation of 250,000 MT of rice buffer stock*.

Thailand

Thailand expects to export 9.5 million tonnes of rice in 2018.

According to the acting director general of Foreign Trade Department, the 9.5 million tonnes of rice will bring some 4.7 billion USD in export value throughout 2018 compared to 2017 which Thai rice exports hit 11.48 million tonnes of rice, earning 5.1 billion USD in export value. The forecast drop in the export volume of Thai rice would apparently result from unfavorable weather conditions and the government's policy to cut down the overall production volume due to the anxiety of oversupply to the world market.

Source: Xinhua. (2018, Jan 10). *Thailand to export 9.5 mln tons of rice in 2018*.

Japan

The Ministry of Agriculture, Forestry and Fisheries (MAFF) will support a technological development project to extend the best-before period of precooked rice pack products.

In an effort to boost Japanese rice exports, the best-before period of about 6 months is not long enough. The project is intended to preserve the original taste and quality of the rice pack products, which become ready to eat after being microwaved, for a longer period of time by improving a new packaging material that prevents sunlight and air. As many businesses in the food processing industry, which includes manufacturers of precooked rice products, are small and medium-sized companies that have difficulty individually financing technological development by themselves, the ministry intends to provide financial support for such companies. The project which MAFF, food processing businesses and universities will work together, is set to start in fiscal year 2018.

Source: The Japan News. (2018, Jan 13). *Govt looks to extend shelf life of cooked rice*.

Gathered by the APTERR Secretariat
Tel: +66 (0) 2579 4816-17 Fax: +66 (0) 2579 4840
Email: voraporn.mue@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.