



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

No. 59

31 January - 6 February 2018

Cambodia

The ceremonial turnover of 178 tonnes of rice contributed by The Republic of Korea (ROK) through ASEAN Plus Three Emergency Rice Reserve (APTERR) to help people affected by drought and flash flood was held during 29 - 31 January 2018.

The donated rice is part of 250 tonnes of rice. The ceremonies were hosted by the General Directorate of Agriculture (GDA), Ministry of Agriculture, Forestry and Fisheries of Cambodia and held in five provinces, including Svay Rieng, Tbong Khmum, Preah Vihear, Kampong Thom and Banteay Meanchey. The GDA in cooperation with the Provincial Department of Agriculture, Forestry and Fisheries (PDAFF) distributed rice to 4,450 households with an amount of 40 kilograms each. After the 178 tonnes of rice were released, there are still 72 tonnes of rice remaining in the country, according to the APTERR Secretariat.

Source: APTERR Secretariat. (2018, Feb 2). *Distribution of 178-MT rice in Cambodia.*

Rice storage facilities funded by the government under a lending scheme will be ready in March and April 2018.

Previously, the government has disbursed more than 30 million USD in loans to build silos, depots, and warehouses in four rice-growing provinces, including Battambang, Kampong Thom, Prey Veng and Takeo. The silos and depots will be finished by late February, while warehouses are expected to be ready by April, according to director-general of state-owned Rural Development Bank (RDB), the institution that disbursed and manages the loans. Each silo can store up to 1,500 tonnes of paddy, while the warehouses have a capacity of 5,000 tonnes. The new infrastructure will help the rice sector business to expand the amount of rice for export. The great capacity of the storage facilities will help curb the outflow of paddy to neighboring countries, adding that millers will have at their disposal a year's worth of rice, said CEO of Amru Rice, one of Cambodia's largest rice exporters who is one of the beneficiaries of the lending scheme.

Source: Khmer Times. (2018, Feb 1). *Rice storage facilities ready next month.*

Myanmar

Myanmar will adopt genomic rice breeding practices with Japan International Cooperation Agency (JICA) support.

On 30 January 2018, Department of Agricultural Research (DAR) under the Ministry of Agriculture, Livestock and Irrigation (MOALI), and JICA signed a Record of Discussions (R/D) in Nay Pyi Taw to launch a five-year project to strengthen rice breeding based on developed traditional genomic technology. This JICA-funded project will introduce paddy genetic breeding to the country in order to develop high-yield and pest and disease-tolerant rice varieties. In the five-year span, research institutions in both countries will carry out joint activities to create promising rice lines suitable to rainfed (farming that relies on

natural rainfall rather than irrigation) lowlands and uplands, as well as to enhance Myanmar's existing breeding method. As a result, new rice varieties, resistant to disease and insects and having high yields even in environments such as rainfed paddy fields, will be created and widely used to improve the production level and farmers' income.

Source: The Myanmar Times. (2018, Feb 6). *Myanmar to adopt genomic rice breeding practices with JICA support.*

The Myanmar Rice Federation (MRF) will hold a multi-stakeholder forum for sustainable development of rice industry.

The forum will be titled "Rice Trade Development Forum". The event aims to maintain the status of Myanmar's rice sector and exchange ideas with the government to set plans for a three-year short term plan for the country's rice sector. This forum will include discussion on controlling the rice price, farmer's problem, gaining appropriate profits for rice millers, rice merchants and exporters, and providing assistance by making policies for small and medium enterprises (SMEs). The forum will be held in Nay Pyi Taw in February 2018. However, the date for this event is still under negotiation, according to the MRF officials.

Source: The Global New Light of Myanmar. (2018, Feb 2). *MRF calls for suggestions to enhance Myanmar's rice sector;* and Xinhua. (2018, Feb 3). *Myanmar to hold rice trade forum.*

Thailand

The exported target of 9.5 million tonnes of rice for 2018 may be hard to achieve, according to the strong baht.

This is the greatest threat to Thailand's rice exports in 2018. Due to the president of the Thai Rice Exporters Association, traders have submitted a letter to the Bank of Thailand to help keep the exchange rate at 33-33.5 baht against the US dollar, keeping Thai exports competitive. However, there is no further response and the exchange rate today is at 31 baht. As a

result, most Thai rice exporters are likely to avoid selling rice for fear of foreign exchange losses. This will eventually affect Thai farmers' income as they fail to sell their output as exporters delay their purchases. Another concern is the production of Viet Nam's main crop, which will be started in February. This may weaken overall global rice prices, said the president of the Thai Rice Exporters Association.

Source: Bangkok Post. (2018, Feb 1). *Rice exporters fear strong baht may bite shipments.*

Viet Nam

About 524,000 tonnes of rice was exported in January 2018, bringing 249 million USD, according to the Ministry of Agriculture and Rural Development (MARD).

The figures represented increases of 56.5 percent in volume and 74.2 percent in value as compared with the same month in 2017. Additionally, increasing in demand from Southeast Asian countries, especially from the Philippines and Indonesia, would help boost Viet Nam's rice export volume in 2018 to 6 million tonnes, according to the Vietnam Food Association (VFA). During 2017-2020, the country's rice export volume was set at 4.5 - 5 million tonnes per year, at an average value of 2.2 - 2.3 billion USD. Meanwhile, during 2021-2030, Viet Nam plans to export 4 million tonnes of rice per year, with the average value of 2.3 - 2.5 billion USD, according to the Ministry of Industry and Trade's rice export strategy, which aims to decrease rice export volume but increase rice export value.

Source: Vietnam Plus. (2018, Feb 2). *Rice export surges 74.2 percent in January;* and Viet Nam News. (2018, Feb 5). *2018 rice export to hit 6m tonnes.*

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.