



## WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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### Brunei Darussalam

***The country has targeted to increase paddy production from 2,000 tonnes in 2015 to 7,700 tonnes by 2020, aiming to better achieve self-sufficiency of rice.***

According to Minister of Primary Resources and Tourism, the new target was set to respond to His Majesty Sultan Haji Hassanal Bolkiah's concern on domestic food security. This is going to be achieved with the help of introduction of China's hybrid paddy varieties which can produce at least 12 tonnes per hectare in irrigated areas. The hybrid paddy technology will provide a significant impact on rice production, generate more revenue for farmers and ensure sustainability of the country's rice industry, said the minister.

**Source:** Xinhua. (2018, Mar 7). *Brunei expects substantial increase in domestic rice production by 2020.*

### Indonesia

***Indonesia strives to stabilise domestic rice prices before dry season.***

Coordinating Economic Minister has called on the State Logistics Agency (Bulog) to distribute imported rice which is currently stored at its warehouses to push rice prices down before dry season, starting from May to December, when the prices will start to

increase from April. In January, the government decided to import 500,000 of rice to curb rice price hikes due to supply shortage since late 2017. However, according to Bulog procurement director, the country was able to import only 346,000 tonnes, equivalent to 69.2 percent of the planned amount, due to time constraints.

**Source:** The Jakarta Post. (2018, Mar 19). *Minister calls for distribution of imported rice to push down prices;* and Vietnam Plus. (2018, Mar 20). *Indonesia strives to stabilise domestic rice prices.*

### Lao PDR

***225 tonnes of rice under the APTERR Tier 3 programme were handedover to Lao PDR for helping the poor who affected by flood in Khammoune and Savannakhet provinces.***

The ceremonial handover of 225 tonnes of rice donated by the Japanese Government through the APTERR Tier 3 programme was held on 12 March 2018 in Lao PDR. Representatives from the Ministry of Agriculture and Forestry, Ministry of Labour and Social Welfare of Lao PDR, the Japanese Embassy, the World Food Programme, and the APTERR Secretariat attended this event. The distribution of 225 tonnes of rice to 22,500 beneficiaries who affected by typhoon Songka and Dorksouri, in Khammoune and Savannakhet provinces is expected to be completed in April 2018. The Lao Government expressed a sincere thanks to Japanese Government for a generous rice contribution under the APTERR's Tier 3 programme as well as the APTERR for cooperating in the programme.

**Source:** APTERR Secretariat. (2018, Mar 13). *The APTERR Project: Implementation of Tier 3 in Lao PDR.*

### Myanmar

***Rice exports are forecast to hit 4 million tonnes by the 2020-21 fiscal year, earning 1.5 billion USD in value, due to Myanmar Rice Federation (MRF).*** During the 11 months, between April and

February of the current 2017-18 fiscal year, Myanmar exported around 3 million tonnes of rice, the highest export volume in 70 years, worth 900 million USD, according to the Ministry of Commerce. The country is forecast to export around the same volume, 3 million tonnes, in the 2018-19 fiscal year, but expects to earn over 1 billion USD in revenue. By the 2019-20 fiscal year, as production methods improve, the country is expected to export around 3.5 million tonnes worth 1.2 billion USD, according to the MRF. Presently, Myanmar rice is mainly exported to China, Bangladesh, Sri Lanka, Western Africa and parts of Europe.

**Source:** The Myanmar Times. (2018, Mar 8). *Rice exports forecast to hit 4 million tonnes in two years.*

## Philippines

***Paddy production in the first quarter of 2018 is expected to remain above 4.5 million tonnes.*** According to the Philippine Statistics Authority (PSA), the probable paddy production for January-March 2018 based on standing crop as of 1 February 2018 is forecast to hit 4.59 million tonnes, down from 4.67 million tonnes projected in January. Meanwhile, average paddy yield in the first quarter would be settled at 3.85 tonnes per hectare, slightly decline from 3.92 tonnes per hectare projected yield in January. The possible factors contributing to the decrease of paddy output may be due to effects of typhoon damages last December 2017 and pest infestations in some rice-producing provinces, said the PSA.

**Source:** Business Mirror. (2018, Mar 18). *Q1 palay output expected to remain above 4.5MMT*; and Philippine Statistics Authority. (2018, Mar 15). *Updates on January-March 2018 Palay and Corn Estimates, 01 February 2018.*

***The National Food Authority (NFA) is ready to buy local paddy to increase its dwindling buffer stock during the summer crop harvest from March to May 2018.*** This year, NFA targets to buy 300,000 tonnes of paddy from local farmers to boost the government's buffer stock and rice

distribution requirements. Regarding to this, NFA will focus in terms of logistics, funds, and personnel on aggressive paddy buying as harvest starts to peak in some areas. In January, paddy procurement funds had already been remitted to areas, which are expected to start harvesting earlier than the others. The NFA also plans to deploy mobile procurement teams to directly buy paddy from farmers in far-flung areas. Additionally, all NFA buying stations will be opened and utilised during the whole harvest period.

**Source:** The National Food Authority. (2018, Mar 13). *NFA READY FOR AGGRESSIVE PALAY BUYING.*

## Thailand

***The Ministry of Commerce plans to set an auction for inedible-grade rice of remaining state stockpiles to eliminate storages and maintenance costs.*** According to the director-general of the Foreign Trade Department, the auction is scheduled to start from April this year. The total of inedible-grade of state rice stocks includes 1.5 million tonnes for animal feed production, and 500,000 tonnes for industrial processing such as fuel or energy production. The bidding plan will be proposed to the National Rice Policy Committee at its meeting on 29 March 2018, adding that this will have no impact on the market, as the existing stocks being put up for the auction are low quality, said the director-general.

**Source:** Bangkok Post. (2018, Mar 13). *Auctions mulled for poor stocks*; National News Bureau of Thailand. (2018, Mar 13). *Govt eyes release of all rice stocks by year's end.*

***Thai jasmine rice harvest is set for the first decline in a decade.*** Premium-grade white rice, fragrant variety called Hom Mali or jasmine rice, is normally sold in China, Singapore, Hong Kong, as well as in Europe. In 2018, the premium rice production has fallen for the first time since the country began growing the crop more extensively ten years ago. The drop is due to both unfavorable weather conditions and

government policy. This will have an impact on overall rice exports for 2018 when presently challenge by the Thai baht's strength against US dollar. According to the Thai Rice Exporters Association, total output of premium rice (in paddy base) is expected to fall by 40 percent to around 4 million tonnes from 6.1 million tonnes in 2017. The reduce outlook has pushed up the price to 1,150 USD per tonne this week, up 50 percent from 750 USD per tonne last year.

**Source:** Nikkei Asian Review. (2018, Mar 8). *Thai jasmine rice harvest set for first decline in a decade.*

## **Viet Nam**

***Japonica rice is set to become one of the main rice varieties for Viet Nam's export in the coming time, due to the Vietnam Food Association (VFA).***

This variety earlier accounted for a small share of the rice export structure, but, nowadays, it has grown significantly over the past year, reaching 4.4 percent of the country's total rice export in 2017, said the VFA. In recent years, the variety and quality of Vietnamese rice export has remarkably changed. Fragrant rice has seen with a dramatic growth from 6.6 percent in 2011 to 23.5 percent in 2017, while shipments of sticky rice also have seen the same growth during the same period. This is a positive trend as the country will gradually reduce low-grade rice and enable the switch to high-quality rice, improving the efficiency of rice production and export business, according to the VFA.

**Source:** Viet Nam News. (2018, Mar 12). *Japonica to become Viet Nam's leading export rice*; and Vietnam Plus. (2018, Mar 12). *Japonica rice to become one of main rice varieties for export.*

***Rice output during the 2017-2018 winter-spring crop in the Mekong Delta is estimated to reach 11 million tonnes, up one million tonnes from last year.***

According to the Ministry of Agriculture and Rural Development (MARD), the region has planted rice on a total area of 1.6 million

hectares with an expected average yield of 6.66 tonnes per hectare, 454 kilogramme higher than last year. Fragrant, specialty, and high-quality rice varieties have been planted on around 62 percent of the total area, glutinous rice varieties on 9.8 percent, and other varieties on the rest. In addition to the 2018 summer-autumn crop, the region will cultivate rice on a total area of 1.74 million hectares with an estimated yield of 9.7 million tonnes, up 277,000 tonnes from last year.

**Source:** Viet Nam News. (2018, Mar 9). *Mekong Delta harvests bumper rice crop*; and Vietnam Plus. (2018, Mar 8). *South region harvests 11 million tonnes of Winter-Spring rice.*

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