



## WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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### **Cambodia**

#### ***Cambodian rice could be soon exported to Papua New Guinea (PNG).***

On 18 May 2018, Ministry of Agriculture, Forestry and Fisheries (MAFF) held a meeting with representatives of Papua New Guinea's National Agriculture Quarantine and Inspection Agency (NAQIA) to work out a rice deal. Negotiations focused on the quality of Cambodian rice, the amount to be exported, export procedures as well as sanitary and phytosanitary requirements. PNG agreed to purchase Cambodian rice regardless of the price, but concern about quality and safety. This is good for Cambodia as the country can fully comply with these requirements. Rice shipments could begin as soon as both parties sign the agreement, expecting by early June 2018, according to director-general of the General Directorate of Agriculture.

**Source:** Khmer Times. (2018, May 21). *Rice deal with Papua New Guinea on the table*; and Khmer Times. (2018, May 18). *Papua New Guinea wants Khmer rice*.

#### ***Rice storage facilities are nearly ready for the next harvest season.***

Last year, the state-run Rural Development Bank (RDB) provided loans totalling 15 million USD to two companies - Khmer Food and

Amru Rice - for the construction of rice storage and drying facilities in Kampong Thom, Prey Veng and Takeo provinces. Regarding to this, facilities will be ready in July 2018 for the upcoming harvest season. Rice storage and drying facility in Kampong Thom province is on installing and testing process, while almost ready at 90 percent in Takeo and Prey Veng provinces. Each facility has a capacity of 500,000 tonnes of paddy and is able to dry 1,500 tonnes daily. This helps relief stress on Cambodian farmers and millers when stockpiles grow large during the harvest season, adding that it is imperative if Cambodia's rice sector hopes to compete internationally on price when dealing with government-to-government (G2G) bids, said vice president of the Cambodia Rice Federation (CRF) and CEO of Khmer Food.

**Source:** The Phnom Penh Post. (2018, May 21). *Rice storage facilities nearly ready for next harvest season*.

### **Indonesia**

#### ***Indonesia will import additional 500,000 tonnes of rice for this year.***

According to the meeting of ministers under the Office of the Coordinating Economic Minister, the Trade Ministry has issued a permit for State Logistics Agency (Bulog) to import additional 500,000 tonnes of rice in 2018 after it previously issued the permit to import rice in the same amount earlier this year. The 500,000-tonne rice will be imported from several countries, such as Viet Nam, Thailand, Myanmar, Cambodia, India, and Pakistan, and will be delivered to the country in July 2018. The earlier rice importation is to push down price hike, while the second rice importation is to curb price to be not above the price ceiling decided by the government, said the International Trade director-general.

**Source:** The Jakarta Post. (2018, May 17). *Indonesia to import 500,000 tons of more rice*.

## Philippines

### ***Twenty-one Asian trading firms joined the open tender to supply 250,000 tonnes of rice to the Philippines.***

On Tuesday, 22 May 2018, at least 21 companies from various Asian countries participated in the government-to-private (G2P) tender to supply 250,000 tonnes of rice to the Philippines, as the National Food Authority (NFA) prepares food security stocks for the upcoming lean months this year. However, the Terms of Reference (TOR) was amended. The TOR initially required 200,000 tonnes of 25 percent broken rice and 50,000 tonnes of 15 percent broken rice, but a recent NFA-issued bulletin revised it to 250,000 tonnes of 25 percent broken rice. The total volume was divided into seven lots with different quantities and will be discharged at the ports across the country. Winning bidders will be announced as soon as the NFA finalises the results, said the NFA Deputy Administrator.

**Source:** The Manila Times. (2018, May 22). *21 firms join open tender rice bidding*; and National Food Authority. (2018, May 22). *NFA bids out supply of 250,000 MT rice buffer stock*.

## Thailand

### ***The state auction for the final lot of edible-grade rice stocks has drawn active participation from interested bidders.***

Earlier this month, the Commerce Ministry called an auction for the final lot of edible-grade rice stocks totalling 43,700 tonnes after postponing the bid for almost a year. On Friday, 18 May 2018, a total of 35 bidders submitted bidding envelopes and nine of them proposed the highest bidding prices for the entire amount worth around 534 million baht (16.5 million USD). Bidding prices ranged from 6,000 - 22,000 baht (185 - 681 USD) per tonne, depending on grain type. Bidders proposed buying 5 percent white rice in the largest proportion at 24,500 tonnes, followed by 100 percent Hom Mali rice grade B at 7,300 tonnes. The rest proportion comprised of provincial fragrant rice, glutinous rice, broken white rice and broken Hom Mali rice.

According to this, the committee handling the government's rice sales will call a meeting on 22 May 2018 to conclude the proposed rice purchase before submitting the figure to the National Rice Policy and Management Committee (RPMC) for final approval, said director-general of the Foreign Trade Department.

\* 1 USD = 32.29 baht

**Source:** Bangkok Post. (2018, May 19). *Rice auction turns heads*; and Post Today. (2018, May 19). *Nine private companies submit bidding envelopes totalling 4.37 thousand tonnes of rice*.

### ***The government is calling an auction for the final lot of inedible-grade rice stocks totalling 2 million tonnes.***

According to director-general of the Foreign Trade Department, the lot comprises 1.5 million tonnes of rice fit for animal feed production, and 500,000 tonnes suitable for only fuel or energy production. Responsible authorities would announce the Terms of Reference (TOR) on 4 June 2018. Interested bidders will be allowed to hear the TOR and submit bidding envelopes on 14 - 15 June 2018. The winners are scheduled to be announced by the end of June 2018. In order to prevent any abuses and misuse, the winners are required to sign contracts with the Public Warehouse Organisation (PWO), the state enterprise under the authority of Ministry of Commerce. Transport will be closely monitored by an ad-hoc inspection committee and the provincial working committee, said director-general.

**Source:** Bangkok Post. (2018, May 16). *Final lot of inedible stock for sale*.

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