



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Cambodia

A new partnership will advance sustainability in Cambodian rice sector, particularly among smallholder farmers.

The new partnership between the International Financial Corporation (IFC), London-based Mars Food, and Cambodia's local company Battambang Rice Investment Co., Ltd, seeks to boost sustainable rice farming standards and practices and make Cambodian rice more attractive to international rice buyers. Under the agreement, Battambang Rice Investment, one of the biggest rice millers in Cambodia, will supply milled rice to Mars Food, the global company who owns one of the world's largest rice brands - Uncle Ben's, meanwhile the three entities will work together to help smallholder farmers in the adoption of sustainable agricultural standards and practices, as well as advanced agricultural technology. The project is expected to result in 20 percent increase in rice yield and 25 percent increase in income by 2025, adding that about 9,000 smallholder farmers are expected to benefit from the project over the next three years.

Source: Khmer Times. (2018, May 25). *IFC to step-up sustainable agriculture in Cambodia*

Cambodia has stockpiled 12,000 tonnes of rice and rice seeds to support victims from natural disasters in rural areas.

This year, the government has reserved 10,000 tonnes of rice, 2,000 tonnes of rice seed, and 50 tonnes of other crop seeds for preparing to support affected people from natural disasters, such as droughts and floods, in rural areas. The risky provinces which had been seriously affected by natural disasters comprise of Banteay Meanchey, Battambang, Siem Reap, Kampong Thom, Prey Veng, Kandal, Takeo, Kampong Speu, and Koh Kong, due to the data from the National Committee for Disaster Management (NCDM).

Source: The Phnom Penh Post. (2018, May 24). *Disaster agency stockpiling rice and seeds for flood prep.*

Philippines

The government-to-private (G2P) tender to import 250,000 tonnes of rice was successful with huge volume from Thailand.

On 22 May 2018, the G2P tender to import 250,000 tonnes of 25 percent broken white rice, in order to prepare food security stocks for the upcoming lean months this year, was successful with the supplying from four rice exporters from Thailand and one from Singapore as both offered the lowest price. The total rice volume was divided into seven lots and the set reference price was at 498 USD per tonne. According to the bidding results, the first lot of 37,500 tonnes went to Olam International Ltd. of Singapore at the price 463 USD per tonne. The rest six lots with the total volume of 212,500 tonnes went to Thai rice exporters, namely Asia Golden Rice Co. Ltd. (25,000 tonnes and 33,500 tonnes at 461 USD and 465 USD per tonne for lots 2 and 3 respectively), Ponglarp Co. Ltd. (36,000 tonnes at 463 USD per tonne for lot 4), Capital Cereals Co. Ltd (18,000 tonnes and 25,000 tonnes at 464 USD and 463 USD per tonne for lots 5 and 6 respectively), and Thai Hua Co. Ltd. (75,000 tonnes at 463 USD per tonne for lot 7).

Rice shipments are expected to arrive the country by the end of July and August 2018, said the National Food Authority (NFA).

Source: The Philippine Star. (2018, May 24). *Thailand to supply bulk of next rice imports*; and Bangkok Post. (2018, May 26). *G-to-G deals for rice in the works*.

Thailand

Rice exports hit 4.27 million tonnes from January to 22 May 2018 worth 2.18 billion USD, up 2.6 percent in volume and 23.3 percent in value.

According to the figures, key export markets were China, South Africa, Indonesia, and the Philippines. Presently, Thailand is waiting for the Chinese government to sign a contract to buy an additional 1 million tonnes of rice this year, as part of an investment package that includes the initial high-speed rail project and sales of 2 million tonnes of rice and 200,000 tonnes of rubber agreed earlier. Moreover, Thai government plans to join the tender to supply rice to Indonesia under government-to-government (G2G) scheme after the country recently announced to import an additional 500,000 tonnes in July 2018. As global rice demand remains strong, Thailand will likely to reach its target of rice exports of 10 million tonnes this year, said Ministry of Commerce.

Source: Bangkok Post. (2018, May 26). *G-to-G deals for rice in the works*.

Viet Nam

With improved product quality and consecutive win of export contracts, global markets open wider for Vietnamese rice.

In the first four months of 2018, Viet Nam exported over 2.2 million tonnes of rice, the high figure over the past five years, earning 1.1 billion USD, up 23.8 percent in volume and 39.7 percent in value from the same period last year, according to the General Department of Vietnam Customs. This was partly attributable to Viet Nam's winning rice

export contracts this year, including 141,000 tonnes in January and 300,000 tonnes in April to supply to Indonesia, and 130,000 tonnes in early May to supply to the Philippines. Moreover, during May 2018, a number of export contracts from the private sector are expected to be signed with hundreds of thousands of tonnes in volume, adding that some countries, such as Republic of Korea (ROK) and Australia, also seek opportunities in rice markets to sign free trade deals with Viet Nam, said the Vietnam Food Association (VFA).

Source: Viet Nam Net. (2018, May 23). *Wide door for Vietnamese rice export*.

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