



## WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

No. 73

30 May - 5 June 2018

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### Myanmar

***Myanmar will likely to export rice under government-to-government (G2G) deal to Bangladesh in July this year.***

According to a memorandum of understanding (MoU) under G2G scheme signed between Myanmar and Bangladesh last year, the country has to purchase 300,000 tonnes of rice from Myanmar annually from 2017-2022. Presently, Bangladesh is planning to purchase 100,000 to 200,000 tonnes in July 2018, said general-secretary of Myanmar Rice Federation (MRF). In 2018-19 fiscal year, from first April until 11 May 2018, Myanmar exported over 270,000 tonnes of rice and broken rice, earning more than 96 million USD, said Ministry of Commerce.

**Source:** Eleven Myanmar. (2018, May 31). *Bangladesh plans to buy more rice from Myanmar in July.*

***New contract will help Myanmar reach the target to export 4 million tonnes of rice and broken rice in the 2020-21 fiscal year.***

On 29 May 2018, International Finance Corporation (IFC) and the Myanmar Rice Federation (MRF) signed a contract to promote Myanmar's rice sector through the cultivation of high quality rice and enhance the local farmers' standard of living. Under the contract, IFC will provide assistance in rice production and quality management, establish rice standard from other countries,

and review the demand in the Myanmar rice market. Therefore, this cooperation will be effective and bring exported volume of rice and broken rice to reach 4 million tonnes in 2020-21 fiscal year as the arrangement will help the country more respond to global market opportunities, said IFC Myanmar Country Manager. In 2017-18 fiscal year, Myanmar exported nearly 3.6 million tonnes of rice and broken rice, earning 1.1 billion USD.

**Source:** Global New Light of Myanmar. (2018, May 30). *Myanmar expects to export 4 million metric tonnes of rice, broken rice.*

### Philippines

***The importation of 805,200-tonne rice under the Minimum Access Volume (MAV) scheme is set in June 2018.***

According to National Food Authority (NFA), private traders can soon import as much as 805,200 tonnes of 25 percent broken white rice under MAV. Rice importation under this scheme is pursuant to Republic Act No. 8178, or an act replacing quantitative import restrictions (QR) on agriculture products with tariffs as a commitment to the World Trade Organization (WTO). Rice importation under MAV scheme shall be imposed with 35 percent tariff to be paid in advance with the Land Bank of the Philippines. Rice traders are allowed to source from countries with a specific quota - MAV Country Specific Quota (MAV-CSQ), including Thailand and Viet Nam with 293,100 tonnes each; China, India, and Pakistan with 50,000 tonnes each; Australia with 15,000 tonnes; El Salvador with 4,000 tonnes; and other rice-producing countries with 50,000 tonnes. The bidding has been scheduled on 14 June 2018. Rice shipments will be divided in two phases - the first batch should arrive the country from 1 July - 31 August 2018, while the second batch should arrive from 20 December 2018 - 28 February 2019.

**Source:** Manila Bulletin Business. (2018, May 31). *MAV importation of 805,000 MT of rice set in June.*

## Thailand

### ***The state auction for the final lot of edible-grade rice stocks has gone to the nine bidders with the highest price.***

After postponing the auction for almost a year, the government has approved the sale of final edible-grade rice stocks totalling 43,700 tonnes with a value of 534 million baht (16.6 million USD) to nine bidders of the 35 bidders, who proposed the highest bidding prices. The lots include 24,000 tonnes of 5 percent white rice, 7,000 tonnes of 100 percent Hom Mali rice grade B, and 6,000 tonnes of provincial fragrant rice. The remaining rice comprises glutinous rice, broken white rice, and broken Hom Mali rice. The winners will sign a contract with the Public Warehouse Organisation (PWO) and the Marketing Organisation for Farmers (MOF) within 15 official working days, according to director-general of the Foreign Trade Department.

\* 1 USD = 32.15 baht

**Source:** Bangkok Post. (2018, June 5). *Final edible stock sale okayed*; and Bangkok Post. (2018, May 19). *Rice auction turns heads*.

### ***Thai rice prices will remain high throughout the second half of 2018.***

Due mainly to strong demand in global markets, Thai rice prices have been up well. According to the president of Thai Rice Exporters Association (TREA), this week, Hom Mali rice is sold at 1,270 USD a tonne, while 5 percent broken and 25 percent broken white rice are sold at 449 USD and 430-435 USD a tonne, respectively. In accordance with the positive outlook, TERA expects that Thailand will export no less than 10 million tonnes of rice this year. However, there remain two risky factors namely the increasing in fuel prices and the strengthening of the Thai baht that could potentially obstruct Thailand's rice exports to reach its target of 10 million tonnes, said the president.

**Source:** National News Bureau of Thailand. (2018, June 2). *Private sector believes rice prices will stay high in second half of 2018*; and TREA.

## China

### ***Chinese team succeeds in planting hybrid rice strain in Dubai's desert.***

In January 2018, the center led by Yuan Longping, Chinese agricultural scientist, also known as "Father of Hybrid Rice", chose dozens of hybrid rice strain, saltwater-tolerant rice, and plant them on suburban desert areas of Dubai in the United Arab Emirates (UAE). After five months of growth, the center invited experts from India, Egypt, the UAE and other countries for evaluation, and found three types of rice yielding more than six tonnes per hectare. It was the world's first successful case of planting rice in a tropical desert area, standing as China's contribution to improve the capability of people in desert areas to be self-sufficient in staple foods, a move that can safeguard global food security and improve the desert ecological environment. With this success, the center and the private investment office of the ruler of the Emirate of Dubai plans to set up a 100-hectare experimental farmland in Dubai to test the production costs and cultivation techniques and prepare for further promotion.

**Source:** China Daily. (2018, May 31). *Chinese team succeeds in planting saltwater rice in Dubai's desert*.

### ***China may welcome Indian rice after pest risk inspection next month.***

Indian rice may soon enter to China after clearing the grain of any risk of alien pests. The decision comes weeks after Prime Minister Narendra Modi visited to China. China has agreed to send a team to India in June 2018 in order to inspect mills and examine rice establishments. Based on the inspection, certain mills would be authorised to export rice to China.

**Source:** The Economic Times. (2018, May 30). *China may open doors to Indian non-basmati rice*.

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