



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

No. 87
19 - 25 September 2018

Cambodia

Cambodia exported 341,638 tonnes of rice during January to August 2018.

In accordance with Secretariat of One Window Service for Rice Export Formality (SOWS-REF), Cambodia had exported 341,638 tonnes in the first eight months of this year, down by 8.2 percent year-on-year from 372,190 tonnes. Compared to the same period last year, Cambodia exported 169,021 tonnes of premium fragrant rice - up 61.1 percent, 87,056 tonnes of fragrant rice - down 5.1 percent, 63,850 tonnes of long grain white rice - down 49.4 percent, and 21,711 tonnes of long grain parboiled rice - down 56.1 percent. China was still the largest market for rice exports, followed by France, Malaysia, Poland, Netherlands, and the United Kingdom.

Source: Oryza.com. (2018, Sep 21). *Cambodia Rice Exports in First Eight Months of 2018*; and TREA.

Indonesia

The Indonesian government canceled the importation of 600,000 tonnes of rice.

According to Coordinating Economic Minister, as of August 2018, the government had imported 1.4 million tonnes of rice from the full-year plan to import 2 million tonnes this year as decided in April 2018. However, the government has canceled the remaining importation of 600,000 tonnes as the exporting countries could not meet the government's schedule. Besides, the Agricultural Ministry has also stressed that the country does not need to import rice when the warehouses of State Logistics Agency (Bulog) are fully stocked with rice. Bulog's warehouses currently stored about 2.4 million tonnes, while another importation of 400,000 tonnes would arrive the country in October 2018. Bulog is estimated to manage up to 3 million tonnes of rice by year-end as it is purchasing 4,000 tonnes of paddy rice from farmers every day, said Bulog President Director.

Source: The Jakarta Post. (2018, Sep 25). *Agriculture ministry guarantees surplus rice stock*; and The Jakarta Post. (2017, Sep 20). *Government cancels import of 600,000 tons of rice.*

Philippines

The National Food Authority (NFA) Council approved the importation of an additional 750,000 tonnes of rice in 2018.

According to Agriculture Secretary, the NFA Council, the policy-making body of the NFA, approved on Monday, 24 September 2018, the purchase of the additional importation of 500,000 tonnes, on top of the 250,000 tonnes which was previously approved on 4 September 2018. Therefore, the total of the additional rice imports amounting to 750,000 tonnes was expected to arrive the country this year in order to increase the state stocks and stabilise rice prices in the market. The NFA will only allow the 25 percent broken rice for the additional rice imports.

According to NFA spokesperson, the first batch of the approved 250,000 tonnes via government-to-private (G2P) importation is expected to arrive in November 2018 as the bidding will start in October 2018. The remaining of 500,000 tonnes would most likely to be procured via G2P scheme. Besides, the NFA Council has also approved a standby importation of 1 million tonnes in 2019, said Agriculture Secretary. In total, the NFA's rice imports for this year will now reach 1.25 million tonnes.

Source: Business Mirror. (2018, Sep 25). *NFA Council OKs imports of 500K MT more of rice*; Business World. (2018, Sep 24). *NFA Council approves further rice imports of 500,000 MT*; and THE MANILA TIMES. (2018, Sep 24). *NFA council OKs additional 750,000 MT of rice imports*.

The National Food Authority (NFA) auction to import 100,000 tonnes of rice for Western Mindanao was successful.

The auction was conducted by Landbank of the Philippines and NFA Council on 20 September 2018. The government awarded to 21 suppliers to import 100,000 tonnes of rice for the Zamboanga, Basilan, Sulu and Tawi-Tawi (ZamBaSulTa) area in Western Mindanao. Winners of the auction consist of three private companies for the supply of 20,000 tonnes, and 18 farmer cooperatives for 80,000 tonnes as indicated in the Terms of Reference (TOR). This auction is under the Minimum Access Volume (MAV) scheme for crop year 2017-2018 by private sector. Arrival of rice imports is set from 1 October to 30 November 2018. All shipments will be subject to a 35 percent MAV tariff which should be paid in advance with Landbank. This is seen to boost the supply of rice in the area and complement ongoing rice distribution operations of the NFA to mitigate problem of high rice prices amid limited supplies.

Source: National Food Authority. (2018, Sep 21). *GOVERNMENT AUCTIONS 100,000 MT RICE IMPORTS FOR ZAMBASULTA*; and Business World. (2017, Sep 21). *NFA picks groups to bring in 100,000 tons rice for Mindanao*.

Viet Nam

The Ministry of Industry and Trade (MOIT) will host an international conference with the aim to increase opportunity for exporting Vietnamese rice.

The international conference will be held on 10 October 2018 as the subsidiary of the 10th World Rice Conference which will be held in Hanoi, Viet Nam, during 10 - 12 October 2018. With the participation of foreign rice importers, distributors and merchants from major markets, such as China, the Philippines, Malaysia, Indonesia, Singapore, the Republic of Korea, Japan, Africa, Europe and Mexico, the conference is an important opportunity for Viet Nam to seek partners in rice trading and to promote Vietnamese rice products. Moreover, the conference will help raise the image of Vietnamese rice as the country focuses on building an international brand and improving the quality of rice, while implementing a rice export market development strategy and a new legal framework for rice export activities, according to the MOIT.

Source: Vietnam Plus. (2018, Sep 25). *World Rice Conference to be held in Hanoi next month*; and Vietnam News. (2018, Sep 21). *Việt Nam holds international conference on export rice*.

Japan

Heavy rains and prolonged high temperatures in the summer of 2018 are expected to negatively affect both yield and quality of rice produced in Japan.

Depending on varieties and regions, rice in Japan is harvested from late August through late October. For Hokkaido, yields are forecast to be very poor due to a lack of sunshine and low temperatures during the middle of June and July. Prolonged extreme temperatures this summer in Kanto region have accelerated rice maturity and have brought the harvest forward. While yields are anticipated to be normal, the weather is expected to have caused damage to the

quality of the rice, leading to cracked and thinner grains. Additionally, heavy rains and the lack of sunshine since late August in Tohoku region are reportedly causing maturation delays and yields are expected to be lower than last year. Therefore, rice production in the marketing year (MY) 2018/19 is estimated to be lower than last year's reduced crop of 7.7 million tonnes with an increased volume of undersized and damaged grains, according to the report from US Department of Agriculture (USDA).

Source: USDA. (2018, Sep 19). *Japan: Japan Grain and Feed Update.*

Republic of Korea

The Republic of Korea (ROK) government will purchase 350,000 tonnes of rice for reserve proposes and overseas aid.

According to the Ministry of Agriculture, Food and Rural Affairs (MAFRA), the ministry will purchase 350,000 tonnes of local rice this year for reserve proposes and overseas aid. This purchasing will also help maintain the market price of the staple grain at a certain level. Some 10,000 tonnes of the rice will be set aside for the ASEAN Plus Three Emergency Rice Reserve (APTERR) as ROK plans to send rice aid to developing nations. The APTERR participation is part of the ROK government's scheme to deal with a chronic oversupply of rice in the country stemming from a sharp decline in rice consumption, said the ministry.

Source: Yonhap News Agency. (2018, Sep 19). *Gov't to purchase 350,000 tons of rice for reserves; and Yonhap News Agency. (2017, Sep 21). Gov't to purchase 350,000 tons of rice for reserve.*

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/>

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