



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

No. 90
10 - 16 October 2018

Cambodia

Cambodian rice exports fell 8.4 percent in the first nine months of 2018.

In accordance with General Directorate of Agriculture, Ministry of Agriculture, Forestry and Fisheries (MAFF), rice exports during January to September 2018 fell 8.4 percent to 389,264 tonnes from 421,966 tonnes in the same period last year. This was the result of steep drops in exports to major markets, such as China, Poland, and United Kingdom due to decreasing of rice production as well as uncompetitive prices. In addition, poor logistics and transportation infrastructures, limited storage capacity, and a lack of working capital also negatively impact rice exports.

Source: The Phnom Penh Post. (2018, Oct 15). *Exports of rice fall in first nine months*; Reuters. (2018, Oct 15). *CAMBODIA RICE EXPORTS FELL 8.4 PERCENT IN JAN-SEPT*; and USDA. (2018, Oct 10). *Cambodia: Grain and Feed Update*.

Myanmar

Myanmar exports over one million tonnes of rice from April to September 2018.

According to Myanmar Rice Federation (MRF), from 1 April to 30 September 2018, Myanmar exported over 1.12 million tonnes of rice and broken rice to more than 60

countries globally with the earning nearly 391 million USD. Rice and broken rice exports through border checkpoints earned around 226 million USD, while the sea trade fetched about 163 million USD. Myanmar is expected to ship 2.5 million tonnes of rice abroad in 2018. Last 2017-2018 fiscal year, due to the market expansion, Myanmar was able to export 3.6 million tonnes of rice and broken rice worth around 1.1 billion USD, reaching the record high in more than 50 years.

Source: Vietnam Plus. (2018, Oct 15). *Myanmar exports over 1 million tonnes of rice in fiscal transition period*.

Philippines

The Philippines' rice imports this year may hit 2.4 million tonnes, reaching the second highest on record.

According to Agriculture Secretary, the National Food Authority (NFA) Council has approved the proposal of the Department of Trade and Industry (DTI) to allow big retailers to import rice up to 350,000 tonnes in order to boost supplies and reduce high prices of the staple. This would potentially bring the country's total rice importation this year to 2.4 million tonnes, reaching the second highest on record since 2010. The mentioned 350,000 tonnes of rice will be on top of the 750,000 tonnes which is set by NFA to import before the end of 2018. Earlier this year, the NFA already imported 500,000 tonnes of rice via both government-to-government (G2G) and government-to-private (G2P) schemes, and also allowed private traders to import up to 805,200 tonnes under an annual quota scheme (Minimum Access Volume: MAV).

Source: GMA News Online. (2018, Oct 10). *NFA Council approves DTI proposal to allow big retailers to import rice*; ABS-CBN News. (2018, Oct 8). *Rice imports may hit 2.4-M tons, second biggest on record*.

Viet Nam

Viet Nam seeks to reduce reliance on Asian markets, but raise rice exports to African and American markets.

The Vietnamese government aims to reduce rice shipments to Asian markets to 50 percent of its total exports by 2030, from the current of 60 percent. Meanwhile, the government will seek to boost rice exports to African markets to 25 percent, and to 10 percent for American markets. Also, according to the Ministry of Industry and Trade (MOIT), Viet Nam is trying to increase the quality and variety of the rice as well as branding to improve rice exports value. To achieve this, the ministry plans to open the rice market, enhance negotiations, promote rice trading and build Vietnamese rice brand. Besides, Viet Nam plans to reduce the amount of low-quality rice and increase exports of fragrant, speciality, and Japonica rice without giving an estimate of 2018 rice export volume, said the ministry.

Source: Reuters. (2018, Oct 11). *Vietnam seeks to reduce reliance on Asian rice markets, raise exports to Africa, Americas.*

Republic of Korea

The Republic of Korea (ROK) government will push to raise the target price of rice to improve income for farmers.

The Ministry of Agriculture, Food and Rural Affairs (MAFRA) will push to raise the target price of rice in line with inflation to guarantee a stable level of income for local farmers, and also push for a revision of the rice subsidy system that meets public expectations. According to Minister of MAFRA, the ministry will submit the new target price to the parliament in early November this year. However, the specific price range has not been disclosed. The government annually purchases homegrown rice to stabilise the domestic market, which is coping with oversupply, and provides subsidies for rice farmers. The chronic oversupply of rice comes as people have been reducing their rice

consumption and diversifying their diets with alternatives, such as wheat, barley, beans and corn.

Source: Yonhap. (2018, Oct 10). *S. Korea pushes to raise target price for rice.*

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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