



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Lao PDR

The start of the Laos-China Agricultural Research and Cooperation Project will help encourage rice exports from Laos to China.

The project is being implemented by the National Agriculture and Forestry Research Institute (NAFRI) of Laos, China's Hunan Academy of Agricultural Sciences, and Xuanye (Lao) Co., Ltd., with supporting from governments of both nations. This project will serve as a supporting project to the under-construction Laos-China railway, enabling trade in agricultural products between the two countries, especially rice exports to China. According to Minister of Agriculture and Forestry of Laos, this cooperation will help bolster Laos-China relations and will also improve rice research and organic rice production as well as food security in Laos, with providing of technical expertise from China during the project implementation. The goal is to achieve export-standard rice for sale to China, coinciding with the completion of the Laos-China railway in 2021 under the Belt and Road Initiative.

Source: Vientiane Times. (2018, Nov 27). *Laos, China sow seeds in agriculture development cooperation.*

Philippines

Rice importation through the Department of Trade and Industry (DTI) by private sector was partly awarded.

At the height of the rice crisis, the DTI offered itself as a channel for private rice imports with hope that it could directly run large volumes to the retailers and food companies which it regulates to boost supplies and reduce high prices of the staple. Then, the National Food Authority (NFA) Council has approved the importation of the additional 350,000 tonnes of rice through the DTI under the out-quota quantity by the private sector from any source country. The out-quota importation will allow the private sector to bring rice outside the Minimum Access Volume (MAV) with the requirements set by the NFA. However, of the total 350,000 tonnes of rice, only 15,000 tonnes has been awarded. According to Agriculture Secretary, the problem is that private companies failed to understand that importer needs to have a warehouse due to the NFA requirement. So far, DTI has only endorsed Puregold Company as an importer to the NFA, which is in charge of granting import permit to approved companies.

Source: Business World. (2018, Nov 22). *DTI private rice import program only partly awarded*; and Inquirer.Net. (2018, Nov 16). *NFA to ease rice importation process for private sector.*

The bidding of 500,000 tonnes of rice importation under government-to-private (G2P) scheme was succeeded.

According to the National Food Authority (NFA), the 500,000 tonnes of 25 percent broken rice under G2P importation were awarded to five companies from Singapore, Viet Nam, Thailand and Myanmar, whose offered prices were lower than the reference price of 470 USD per tonne. The offered prices ranged from a low of 418.65 USD to a high of 459 USD a tonne, cost and freight. The 500,000-tonne rice were divided into nine lots with 14 designated discharge ports. Olam International Ltd. from Singapore awarded to supply 210,000 tonnes in La Union, Batangas, Tobacco, and Manila.

Tan Long Group Joint Stock Co. from Viet Nam awarded to supply 118,000 tonnes in Subic. Asia Golden Rice Co.,Ltd., from Thailand awarded to supply 99,000 tonnes in Cebu, Tacloban, Zamboanga, Cagayan De Oro, and Surigao. Another Thai company, Thai Capital Crops Co.,Ltd., awarded to supply 45,000 tonnes in General Santos City and Davao. Shwe Wah Yaung Agriculture Production Co.,Ltd. from Myanmar awarded to supply 28,000 tonnes in Iloilo and Bacolod. The first volume of 250,000 tonnes is scheduled for delivery to the Philippines by the end of December 2018, while the remaining of 250,000 tonnes should arrive by the end of January 2019.

Source: The Manila Times. (2018, Nov 21). *NFA: 5 SE Asian firms offer lowest bids at rice tender*; and Reuters. (2018, Nov 20). *Philippines to award 500,000 T rice tender this week*.

Viet Nam

Rice importers from China visited Viet Nam in search of new partners.

According to the Ministry of Industry and Trade's Import-Export Department, Chinese rice importers visited Ho Chi Minh City and Long An province to find trading opportunities with Vietnamese counterparts. This was the second time this year that Chinese business delegation came to Viet Nam to promote cooperation between the two countries in rice sector. Viet Nam and China have great potential to boost their rice trade due to strong capacity in rice production of Viet Nam and favorable location which is next to China. Strengthening trade with China will expand Viet Nam's consumption market, while the Chinese market will have a stable supply of quality rice from Viet Nam with competitive prices and convenient delivery to meet demand, said the department. China is a major importer of Vietnamese rice, accounting for 25 percent of Viet Nam's total rice exports. In the first 10 months of 2018, rice export volume to China reached 1.24 million tonnes, worth 640 million USD.

Source: Viet Nam Net. (2018, Nov 25). *Chinese rice importers visit Vietnam to find new partners*; and Viet Nam News. (2018, Nov 20). *Chinese rice importers visit Viet Nam to find new partners*.

China

Chinese researchers find balance of high yield and good taste in hybrid rice.

The cultivation of hybrid rice has expanded in China for more than four decades. While yields have increased; however, the eating and cooking qualities of many varieties failed in the taste. In recent years, rice breeders have paid more attention to quality. Lately, Chinese researchers have found a balance of yield and quality in hybrid rice varieties, particularly Zhongke 804 which scored higher than Daohuaxiang, regarded for decades as one of China's best rice type. Daohuaxiang has an average yield of 450-550 kilograms per mu (0.067 hectare), while Zhongke 804 achieved the average yield of 745.4 kilograms per mu. Compared with traditional rice varieties, Zhongke 804 also showed more competitive with weeds, and more resistant to diseases and insects.

Source: Xinhua. (2018, Nov 24). *China's new rice varieties feed demand for more*.

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