



## WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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### Indonesia

***A new rice procurement scheme will help the State Logistics Agency (Bulog) purchase more rice from farmers.***

The government will begin the implementation of a new rice procurement scheme in January 2019 which is designed to ensure stable rice stocks and purchase more rice produced by farmers. Under the new rice procurement scheme, the government would allow the use of funds originally allocated to procure the government's rice reserve (CBP) to cover the difference between the market price and the rice price under the government program. As an example, rice sold by Bulog is at 8,000 rupiah (0.55 USD) per kilogram under the government program, while the market price is at 10,000 rupiah (0.68 USD) per kilogram. For that, Bulog will receive 2,000 rupiah (0.13 USD) of each kilogram it sells from the fund allocated for procuring the CBP. Therefore, without incurring any losses because of the price differences, this new rice procurement scheme will help Bulog purchase rice from farmers as much as possible.

\* 1 USD = 14,517 rupiah

**Source:** The Jakarta Post. (2018, Nov 29). *New scheme introduced to help Bulog buy more rice from farmers.*

### Malaysia

***Self-sufficiency level in rice production is expected to increase, as well as fresh milk and ruminants.***

According to Agriculture and Agro-based Industry Minister, the government aims that the self-sufficiency level in the production of rice, fresh milk, and ruminants will continue to increase in the next five years. Self-sufficiency level for production of rice is expected to increase from 70 percent to 75 percent, fresh milk from 58 percent to 100 percent, and ruminants from 24 percent to 30 percent. The government's goal is to increase the productivity and self-sufficiency level of production in all sectors, while reducing dependence on imports, said the Minister.

**Source:** BERNAMA. (2018, Nov 30). *Self-sufficiency level of fresh milk, rice, ruminants to increase.*

### Philippines

***The rebidding of 203,000 tonnes of rice importation was finally succeeded.***

On 28 November 2018, the National Food Authority (NFA) successfully bid out contracts for the supply of 203,000 tonnes of 25 percent broken rice from Viet Nam and Thailand under government-to-government (G2G) scheme to boost the country's buffer stocks. This followed the two failed bidding attempts. The NFA's reference price was finally adjusted to 470 USD a tonne, from the reference prices of 428.18 USD and 447.88 USD per tonne in the first and second biddings respectively. For this bidding, Thailand won a supply deal for 80,000 tonnes at 469.80 USD per tonne, while Viet Nam won a bigger 123,000-tonne deal at the same price. Based on the Terms of Reference (TOR), the first 50,000 tonnes should be delivered not later than 15 December 2018, while the 153,000 tonnes should arrive the country not later than 31 December 2018. The 203,000-tonne rice

represents the unawarded portion of the previous government-to-private (G2P) tender on 18 October 2018 for 250,000 tonnes, which the NFA secured only 47,000 tonnes from the three suppliers who submitted compliant offers with the NFA's reference price.

**Source:** Inquirer.Net. (2018, Nov 29). *Vietnam, Thailand to supply 203,000 tons of rice to PH*. Philippine News Agency. (2018, Nov 28). *Vietnam, Thailand to supply 203,000 MT rice to PH*;

## **Thailand**

### ***Thailand struck deals to supply 324,000 tonnes of rice to China and the Philippines, boosting rice export 2018 to reach the set target of 11 million tonnes.***

Of the total volume, the 100,000-tonne rice will be exported to China, while the 224,000-tonne rice will be exported to the Philippines. According to Director General of Foreign Trade Department, the latest rice deal to export 100,000 tonnes to China is the seventh batch in a series that China agreed to buy 1 million tonnes of rice from Thailand under a government-to-government (G2G) contract. Meanwhile, Thailand awarded to supply 144,000 tonnes of rice under government-to-private (G2P) scheme, and another volume of 80,000 tonnes of rice under G2G scheme to the Philippines, following the recently successful biddings. The exports, set to be delivered during December 2018 to January 2019, are expected to help the government achieve its rice export target for 2018 of 11 million tonnes. From 1 January to 27 November 2018, Thailand had exported about 9.89 million tonnes of rice, worth 4.88 billion USD.

**Source:** Bangkok Post. (2018, Nov 29). *Good news for farmers as rice export deals clinched*; and Commerce News Agency. (2018, Nov 28).

## **Japan**

### ***A Japanese firm has formally launched ready-to-eat rice in the Philippines, suitable for use in emergency.***

The Japanese firm named Biotech Japan Crop. held an event on 27 November 2018 in the Philippines to formally introduce the market to its product, Rice-to-Go, the ready-to-eat packed rice. This product is mainly intended for using in emergency and disaster situations. With technology from Japan in Rice-to-Go, the rice does not need heat entirely in order to consume and can be kept for a prolonged period of time with quality. Rice-to-Go will be sold in the Philippines as early as next year at a retail price of 35 pesos (0.67 USD) per 200 gram per pack with a shelf life of 12 months. This is the perfect response to such emergencies, said chairman of the company.

\* 1 USD = 52.52 pesos

**Source:** The Japan Times. (2018, Nov 28). *Japanese firm launches ready-to-eat 'emergency rice' in the Philippines*; ABS-CBN News. (2018, Nov 27). *Japanese firm launches ready-to-eat 'emergency rice' in PH*; and Philippine Primer. (2018, Jul 16). *BiotechJP Corp. Ushers in New Products of Ready-to-Eat Rice*.

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