



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Myanmar

The Myanmar Rice Federation (MRF) purposes 15 billion Kyats (about 9.79 million USD) as an emergency loan. Local rice is now sold at 450,000 - 480,000 Kyats (293 - 313 USD) per 100 baskets of rice or 2,086 kilograms (one basket equals to 20.86 kilograms), lower than the usual 500,000 Kyats (326 USD). As the price of local rice has dropped to below 500,000 Kyats per 100 baskets, the MRF has purposed to borrow 15 billion Kyats (9.79 million USD) from state-owned Myanmar Economic Bank to purchase rice and stabilise prices for 120 days. Currently, some farmers protest to express their frustration with the fall of rice price, which is not to cover production costs. Since harvest time has arrived in the country in some areas like Nay Pyi Taw, the emergency loan is hoped to implement as soon as possible.

* 1 USD = 1,532.70 Kyats

Source: The Myanmar Times. (2019, June 4). *Rice group proposes K15 billion emergency loan*; and The Myanmar Times. (2018, Mar 8). *Myanmar fixes 2018 paddy price at K500,000 per 100 baskets*.

Philippines

The Philippine firm, AgriNurture, Inc. (ANI), will import two million tonnes of rice annually from Viet Nam. Pursuant to a Memorandum of Understanding (MoU) signed in 2018, the state-controlled Viet Nam Southern Food Corporation (Vinafood 2) agreed to become an exclusive supplier of long-grain rice for the Philippine firm named AgriNurture, Inc. (ANI) with the supply deal worth 1 billion USD. Under the MoU, ANI is set to import two million tonnes of rice annually, starting from 2019. This cooperation will help address rice supply issues in the Philippines. In this regard, ANI aims to be a major player in the Philippines' newly liberalised rice trading regime with this potential deal. Moreover, ANI would set inventory depot in Manila as the Vinafood 2 calls for the creation of warehouses in the Philippines to store rice during Viet Nam's harvest season. The shipments would be coursed through secondary ports, such as Legazpi, Batangas, Cagayan de Oro and General Santos because the major ports were usually clogged, said ANI chairman, president and CEO.

Source: Inquirer Business. (2019, Jun 3). *ANI eyes JV with Vietnam rice supplier*; Viet Nam News. (2018, Sep 18). *Vinafood 2 to supply rice for Philippine firm*; Philippine Daily Inquirer. (2018, Sep 18). *AgriNurture to buy rice from Vietnam state firm in \$1-B deal*; and Philippine Daily Inquirer. (2018, Sep 17). *ANI, VINAFOOD ink \$1-B annual rice import deal*.

Viet Nam

Viet Nam-Cuba rice production project starts entering the new phase. The fifth phase of the Viet Nam-Cuba cooperation project on developing rice production started implementing in Havana of Cuba on 29 May 2019. The phase of the project will continue in the 12 provinces and cities and is scheduled to last until 2023. This project is set to cultivate 200,000 hectares of rice with an average productivity of 6 tonnes per hectare, aiming to satisfy 86 percent of the rice demand in Cuba.

The Viet Nam-Cuba cooperation project on developing rice production was launched in 1999. It has helped improve Cuba's research capacity, transfer Viet Nam's technical advances in rice production to the country, build rice seed production and supply models, apply for the advances in non-specialised rice farming areas, as well as develop production models applying technical advances in specialised farming zones. Regarding the fourth phase in 2015, the project had been carried out in 12 cities and provinces of Cuba. It had developed 54,000 hectares of rice production models, a 163 percent increase from the initial plan, with average productivity of 4.36 tonnes per hectare, compared to 2.5 tonnes per hectare prior to the project implementation.

Source: Vietnam Plus. (2019, May 30). *Vietnam-Cuba rice production project enters new phase.*

China

The state grains buyer of Egypt bought 40,000 tonnes of Chinese rice in a tender.

Egypt's state grains buyer named the General Authority for Supply Commodities (GASC) had been seeking an unspecified quantity of broken white rice with 10 - 12 percent with the expected arrival during 25 July - 20 August 2019. As a result, the GASC was able to purchase 40,000 tonnes of Chinese rice in a tender on 30 May 2019 via the Wakalex Company, one of the largest import, export and manufacturers in Egypt, who proposed the lowest price at 405 USD per tonne. The GASC's latest purchase of Chinese rice at a tender in April 2019 was 114,000 tonnes.

Source: ZAWYA MENA Edition. (2019, May 30). *Egypt's GASC buys 40,000 tonnes of Chinese rice in tender.*

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