



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Myanmar

The Ministry of Commerce (MOC) allows foreign and joint-venture companies to export rice and other commodities.

The MOC allowed a total of seven items consisting of rice, meat and fish, value-added crops, pulp and paper, seeds, refined metals, semi-finished and finished fruit products and wood-based furniture. Notably, foreign companies in Myanmar will be allowed to export value-added rice and broken rice, beans, pulses, and corn. The aim is to raise the quality of Myanmar exports and boost international demand for local goods as well as to increase earnings for domestic producers. The government's move will attract more foreign investments in the agriculture sector, which is important for growth and export quality. Regarding this, competition for local producers is likely to become more intense; however, it will be good for farmers and producers as there will be more buyers in the market.

Source: The Myanmar Times. (2019, Jun 13). *Govt allows foreign companies to export rice, other commodities.*

Philippines

The country's rice imports are seen to hit 3 million tonnes in 2019.

According to the United States Department of Agriculture (USDA), the Philippine rice imports this year are projected to rise by 20 percent to a record high of 3 million tonnes, after the government removed the quantitative restriction (QR) on rice with the implementation of the Rice Tariffication Act (RA 11203) or the rice trade liberalisation law. Regarding this, the USDA revised upwards its 2019 import forecast for the Philippines from the earlier estimated 2.8 million tonnes as it has observed the rapid pace of shipments from Viet Nam in particular. Consequently, the country would become the second-biggest rice buyer for the second consecutive year.

Source: Business Mirror. (2019, Jun 13). *Rice imports this year seen reaching 3 MMT.*

The Philippines' rice inventory increased by 1.3 percent in May 2019.

According to a report from the Philippines Statistics Authority (PSA), the country's total rice inventory as of 1 May 2019 stood at 2.94 million tonnes, a 1.3 percent increase from the previous year's record of 2.90 million tonnes. Likewise, rice stock inventory for the said period was up 12.2 percent from the previous month stock's level of 2.62 million tonnes. Of the total rice inventory, about 42.9 percent were in the households, 38.1 percent were in commercial warehouses, and 18.9 percent were in the National Food Authority (NFA) depositories. Comparing to the previous month, stocks in households and commercial warehouses increased by 7.6 percent and 28.4 percent, respectively. In contrast, stocks in NFA depositories down by 3.1 percent. Year-on-year, stocks in households and commercial warehouses displayed a decrease of 9.0 percent and 25.9 percent, respectively. Meanwhile, there was a substantial surge of 15,952.4 percent in NFA depositories.

Source: The Myanmar Times. (2019, Jun 13). *Local rice, corn stocks higher in May – PSA.*

Thailand

Thailand's rice exports would be threatened by China's low-priced rice.

Thai rice exporters are worried about their prospects this year as China plans to rapidly increase its rice shipments to other markets, notably to Africa, as it is now a potential target market for China. According to the honorary president of the Thai Rice Exporters Association (TREA), China produces an estimated 120 million tonnes of rice each year, while the country is likely to raise exports to 3 million tonnes of old grains this year from 1.5 - 2 million tonnes last year. Chinese rice is very cheap compared with others. For instance, China's 5-percent white rice quoted at 300 USD per tonne, meanwhile similar grain from Thailand, Viet Nam and India is quoted at 390 USD, 360 USD, and 370 USD, respectively. Moreover, China has continued to develop rice varieties with higher yields, meaning the country could expand its rice exports to other Asian countries in the future at relatively low prices. As long as China is capable of exporting its grains to Asia, especially to Hong Kong, Indonesia, Malaysia, and the Philippines, Thailand's rice market will hit the hardest. Therefore, the Thai government should promote the development of new rice varieties and support more research and development to add value to Thai rice and reduce production costs for farmers, said the TREA honorary president.

Source: Bangkok Post. (2019, Jun 13). *Eyes on Africa, China strides into rice arena.*

Japan

Duck robot helps rice farming in Yamagata prefecture, northeastern Japan.

A robot inspired by duck farming is playing an active part in reducing weed growth in terraced rice paddies in Yamagata prefecture. The duck-farming robot was developed, reflecting a wish of growing rice without using pesticides. It shaped like a robotic vacuum cleaner with about 60 centimetres square and 1.5 kilograms of weight. The robot automatically moves on the water as well as muddies with its two screws to hinder the photosynthesis of weeds. It identifies its location mainly through the Global Positioning System (GPS) to navigate across rice paddies.

Source: The Japan News. (2019, Jun 16). *Duck robot helping rice farming in Yamagata*; and Jiji Press. (2019, June 13). *Duck Robot Helping Rice Farming in Northeastern Japan.*

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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