



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

No. 136
18 - 24 September 2019

Myanmar

Myanmar will export the first 500-tonne rice to China under barter trade system.

The Mandalay Rice Development Company (MRDC) had an agreement with a company in China to export 100,000 tonnes of rice to the country under the barter trade system through the border. In this regard, the MRDC decided to export the initial 500 tonnes of rice to China this September, aiming to learn the advantages and disadvantages of sending rice officially. If the first delivery works, the MRDC will continue the exports. Meanwhile, under this agreement, China agreed to export fertilisers, iron and steel products, construction materials, electronic appliances, and farm machinery with the five-percent discounts. To create a win-win situation, traders also plan to cooperate with exporters and importers on the issues of exporting rice and importing goods, respectively.

Source: Eleven News. (2019, Sep 20). *Myanmar to export 10,000 bags of rice to China in a few days.*

Philippines

The Department of Agriculture (DA) will impose the general safeguard duties on rice imports by early October 2019.

According to the Agriculture Secretary, the DA has already started the process of investigations that would lead to the imposition of general safeguard duty on rice imports, while curbing the inflow of the upcoming main harvest season. Regarding this, the DA expected to complete the process by this early October at the latest. The imposition of the safeguard duty on rice imports is one of the measures that the DA is relying on to stabilise the supply and price of rice. This measure is in line with the Republic Act 8752 (Anti-Dumping Act of 1999), which the government can impose anti-dumping duties on imports of rice, as well as other basic food items, priced way below the current fair market value. At present, 2.4 million tonnes of rice are imported. The DA will protect the Filipino farmers by not allowing additional imports, especially the forthcoming main harvest season, to benefit them with respectable farmgate prices of paddy set by the government through the National Food Authority (NFA), said Agriculture Secretary.

Source: GMA News. (2019, Sep 23). *DA to impose 'safeguard duty' on rice imports*; Philstar Global. (2019, Sep 22). *Rice safeguard duties to be imposed next month.*

Philippines

The 2 million bags of high-yielding paddy seeds will be distributed to farmers.

The Philippines Rice Research Institute (PhilRice) is set to distribute the 2 million bags of paddy seeds, weighing 20 kilograms each, to local farmers before the end of this year. This plan is under the Rice Competitiveness Enhancement Fund (RCEF) in connection with the implementation of the Rice Tariffication Law (Republic Act 11203), which the government shall allot 30 percent of the RCEF for the production and distribution of high-yielding rice seeds over six years. According to the Agriculture Secretary, the PhilRice would focus on provinces with high potential for competitiveness, while the seeds to be distributed are high-quality inbred paddy

seeds, including NSIC RC 216, RC 160, RC 222, and the two location-specific inbred strains. So far, 57 provinces have been identified based on the size of harvested area, yield level, cost of production, and share of irrigated area. These selected sites must also have more than 500 hectares of annual planted area for dry season 2019-2020. The bags of seeds were meant for planting around one million hectares of rice land, which can contribute the yield up to six tonnes per hectare in high-producing provinces by 2024. Currently, the Philippines average yield for rice is at four tonnes per hectare, significantly lower than rice-producing neighbours.

Source: The Manila Times. (2019, Sep 20). *Farmers to get 2 million bags of palay seeds*; and Philrice. (2019, Sep 18). *Seed distribution under RCEF ready to go*.

Thailand

Thai rice exports are likely to stay below the set target, due to the strong baht.

According to the honorary president of the Thai Rice Exporters Association (TREA), Thai rice shipments this year may slump to 8 million tonnes, lower than the prior set target of 9 million tonnes, due mainly to a sharp drop in white rice exports. Normally, Thailand's rice exports average 10 million tonnes a year with white rice making up half of the amount. With the continued baht appreciation, white rice shipments will be lowered by 35 percent to only 3 million tonnes this year from 5.49 million tonnes last year. Accordingly, the major buyers like the Philippines, Indonesia, and Malaysia may switch to buy rice from Viet Nam instead as the Vietnamese currency has been quite stable since 2018. Compared to Viet Nam, prices of Thai 5 percent white rice are quoted at 400 USD a tonne, while 320 USD a tonne for Vietnamese rice. As reported by the Ministry of Commerce (MOC), Thailand's rice exports from January to August 2019 fell by 26.3 percent in volume to 5.3 million tonnes and 22 percent in value to 2.87 billion USD. At the end of this September, Thai rice exports totalled only 6 million tonnes, said TREA.

Source: Bangkok Post. (2019, Sep 23). *Strong baht battering rice shipment*.

China

China has set up the first sea rice breeding station in the cold region.

The Chinese scientists from the Qingdao Saline-Alkali Tolerant Rice Research and Development Center and a team led by Yuan Longping, the Father of Hybrid Rice, have set up the country's first cold region breeding station for sea rice in the northeastern province of Heilongjiang. The breeding station was established in Tieli city, which is one of the world's three major soda saline-alkaline soils. Hence, it has obvious advantages for rice breeding in the frigid zone. The program will help meet the demand of rice-growing areas in the northeastern provinces, as well as the Inner Mongolia Autonomous Region. Also, it will help contribute to a better study of cold- and alkali- resistance rice. Sea rice is a strain of long-grained hybrid which has a stronger survival ability than ordinary rice and is resistant to water-logging, saltwater, alkaline diseases, and insects. To date, there are eight experimental planting bases have been established in five major saline-alkaline areas in China. About 1,333 hectares have been planted with sea rice varieties.

Source: Xinhua. (2019, Sep 20). *China sets up sea rice breeding station in cold region*; and Yicai Global. (2019, Sep 19). *China's 'Father of Hybrid Rice' Sets Up China's First Sea Rice Cold Breeding Station*.

Gathered by the APTERR Secretariat
Tel: +66 (0) 2579 4816-17 Fax: +66 (0) 2579 4840
Email: nattakarn.san@apterr.org
Website: <http://www.apterr.org/>

* This Weekly Update on ASEAN Plus Three Rice Situations is based on all available sources during the period. The APTERR Secretariat shall take no responsibility for data accuracy in this publication and any consequence of their use.