



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

No. 143
6 - 12 October 2019

Singapore

The Singapore-based company will build the largest rice milling in Myanmar.

The Singapore-based Wilmar International Ltd will build the largest rice mill in Thilawa Special Economic Zone of Myanmar, via the subsidiary Wilmar Myanmar, to capitalise on Myanmar's economic growth. The mill is expected to produce up to 1,200 tonnes of rice a day. Additionally, upon the completion of the rice mill, rice bags will be exported to other countries via Thilawa port. As Myanmar Investment Commission (MIC) grant Willmar International Ltd the right to operate Wilmar Myanmar Port Terminals in Thilawa area, the Willmar Jetty operated by Willmar Myanmar was opened on 25 March 2018 in Thilawa port.

Source: The Edge Market. (2019, Nov 6). *PPB associate Wilmar to build largest rice mill in Myanmar economic zone*; and Myanmar Port Authority. (2019, Mar 8). *Wilmar Myanmar Port Terminal*.

Thailand

Thai rice exporters give full support to ban the three toxic chemicals.

According to the President of the Thai Rice Exporters Association (TREA), the TREA agrees with the Thai government's decision to ban the three toxic farm chemicals, consisting of paraquat, glyphosate, and chlorpyrifos. The TREA also asked farmers to adjust by reducing the use of chemicals as importer countries have tightened the order of crops

based on food safety. Global rice consumption is shifting towards chemical-free products. Several countries, including the United States (US), Japan, and the European Union (EU), have introduced new regulations to protect consumers and tightened food safety rules for chemical residues, especially rice which they require no chemical residue or the least. Japan, for instance, specify its maximum limit for chemical residues on rice from 0.05 parts per million (ppm) to 0.01 ppm. The sampling of Thai rice collected by Overseas Merchandise Inspection Company (OMIC) could not meet Japan's rigid food-safety requirements. Therefore, Thai farmers need to shift to producing safer food and chemical-free products. If later detection finds chemical-tainted products imported from Thailand, not only rice but also overall farm exports will be affected.

Source: Bangkok Post. (2019, Nov 9). *Rice exporters back ban on three toxic chemicals*.

Thailand resumes rice exports to Iraq with quality guaranteed under a Memorandum of Understanding (MoU).

Nearly 10 years after losing contracts with Iraqi rice importers due to quality concerns, Thailand's Ministry of Commerce (MOC) will sign the MoU with the Iraqi government in December 2019. In accordance with the terms of the MoU, the MOC is required by Iraq to guarantee and select the qualified Thai exporters to trade with Iraqi entrepreneurs in order to help regain their conference. The trading will only be done through those companies and not through a government-to-government (G2G) trade. For the future bidding, the Thai Rice Exporters Association (TREA) will nominate 15 to 20 member companies, consisting of the new and existing exporters to Iraq to be approved by the MOC, according to the President of TREA. In 2012, Thailand exported 873,000 tonnes of rice to Iraq. It was the highest volume that Thailand ever achieved.

Source: Nation Thailand. (2019, Nov 6). *Thailand resumes rice exports to Iraq with quality guaranteed under MOU*.

Viet Nam

Viet Nam plans to cut rice output while considering switching to other crops.

Viet Nam is considering shifting to other crops, such as coconuts and rice bran oils, in response to dropping rice prices and uncertainty over rice production's long-term viability. The government plans to reduce 4.1 million hectares of the area used for rice production by 0.5 million hectares, reducing rice production by 3-4 million tonnes a year. During the first three quarters of 2019, the value of Viet Nam rice exports fell by 9.8 percent to 2.24 billion USD, compared with the same period last year. In addition to switching crops, Viet Nam is also seeking to improve the rice sector by producing higher-quality, organic, and more valuable rice strains. Inefficiencies in production, distribution and storage needed to be addressed, while increased reliance on technology and better packaging could also improve the situation.

Source: VN Express. (2019, Nov 7). *Vietnam wants to cut rice production, switch to commercial crops*; and Saigoneer. (2019, Nov 7). *Vietnam Turns to Other Cash Crops to Reduce Reliance on Rice*.

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.*