



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Cambodia

Cambodia will firstly export rice to South Africa because of the recent Memorandum of Understanding (MoU). On 3 December 2019, the Cambodian milled rice exporter named Mekong Oryza Trading Co. Ltd signed the MoU with South African-based Green Shield African Group, and Hong Kong-based Zhonghui Taifu International Co. Ltd. According to Minister of Agriculture, Forestry and Fisheries, the MoU will help boost Cambodia's milled rice exports to South Africa, the new market, and China as well as Europe. The MoU will last for three years. During the period, the company plans to export some 100,000 tonnes of milled rice to South Africa, China, and Europe. The initial shipment between 3,000-5,000 tonnes is planned to export by the end of December 2019, while about 70,000 tonnes are set for the second batch. The remaining amount is for the last shipment, said Mekong Oryza Trading president.

Source: Vietnam News Agency. (2019, Dec 4). *Cambodia is set to export rice to South Africa*; and The Phnom Penh Post. (2019, Dec 3). *Cambodian rice set for export to South Africa*.

Indonesia

Indonesia aims to export 100,000-500,000 tonnes of premium rice by 2020. From January to November 2019, Indonesia has exported around 200 tonnes of rice, according to the statistics agency. Therefore, following the President's order to increase the country's rice exports, Indonesia plans to

export about 100,000-500,000 tonnes of premium rice by 2020. To achieve the aim, the government will prepare for the rice exports by giving supports to farmers and businesses in January 2020, while the export plan will be started in March or April. Both state-owned and private enterprises can engage in rice export, expecting that private firms can play a crucial part in improving the export value of Indonesian rice. On top of that, Indonesian rice must be competitive with those from other countries, adding that the government has to study the market demand and strive to meet quality standards of importers.

Source: Vietnam News Agency. (2019, Dec 5). *Indonesia aims to export up to half a mln tonnes of rice in 2020*.

Thailand

The measures to maintain paddy prices for the crop year 2019/2020 were approved. According to Permanent Secretary of Ministry of Commerce (MOC), the National Rice Policy Committee has approved the measures to maintain the paddy prices for the production year 2019 to 2020 with a budget of 31.49 billion baht (1.03 billion USD) in order to help rice farmers. The measures will be operated in parallel with the project of income guarantee for rice farmers. The measures are divided into three categories; i.) payment of harvest fee and improving rice quality with the budget of 27.45 billion baht (905 million USD), ii.) loans to delay the sale of paddy rice with the allocation of 1.37 billion baht (45 million USD) for the Bank for Agriculture and Agricultural Cooperatives (BAAC), and iii.) the payment period extension for farmers in other regions from 31 December 2019 to 30 April 2020 with the approved budget of 2.66 billion baht (87 million USD) in order to reduce costs for farmers.

*1 USD = 30.30 baht

** 1 hectare = 6.25 rai

1 rai = 0.16 hectare

Source: The Nation. (2019, Dec 7). *Projects to help rice farmers approved*.

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