



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Thailand

Severe drought could effect to the off-season rice crop in 22 provinces.

Minister of the Ministry of Agriculture and Cooperatives (MOAC) has expressed concern that rice farmers in 22 provinces around Chao Phraya River basin might not have enough water for off-season rice paddy of 2.25 million rai (360,000 hectares), which was started growing. The Royal Irrigation Department (RID) reported that the organisation could not provide adequate water due to the severe drought. Regarding this, the MOAC has suggested farmers switch from growing rice to crops that require less water. According to the Office of Agricultural Economics (OAE), the 800,000 rai (128,000 hectares) of off-season rice paddy fields could be damaged. Actually, the Chao Phraya River basin has 7.89 million rai (1.26 million hectares) of available farmlands. Currently, the 2.25 million rai (360,000 hectares) were already used for off-season rice whereas the remaining of 5.64 million rai (902,400 hectares) could available for other crops.

* 1USD = 30.42 baht

**1 hectare = 6.25 rai
1 rai = 0.16 hectare

Source: The Nation. (2020, Jan 14). *Off-season rice crop in 22 provinces threatened by drought.*

Thailand seems unworried from the Republic of Korea's (ROK) reducing quota on Thai rice imports this year.

According to the Department of Trade Negotiations (DTN), the ROK had reduced rice imports to 408,700 tonnes annually, which includes Thailand's quota ceiling of 28,494 tonnes from 29,963 tonnes in 2019. The reasons are Thai rice has higher price than the competitors and the ROK prefer short-grain rice, whereas Thai rice is long-grain. While reducing rice imports overall, the country will import more from some countries based on cost. However, the Thai Rice Exporters Association (TREA) was unperturbed by this issue since the ROK never import a huge amount of Thai rice. In 2019, the ROK imported only 10,000 tonnes of Thai rice from the quota of 29,963 tonnes.

Source: The Nation. (2020, Jan 8). *Thai rice industry unfazed as Seoul trims imports.*

Viet Nam

Prices of Vietnamese rice slightly decreased this week due to weak demand.

As of 9 January 2020, Prices of Viet Nam's 5 percent broken rice fell to 355 USD per tonne from 340 USD per tonne last week. The demand remains weak and trade has been very slow. Additionally, the Ministry of Industry and Trade (MOIT) added 47 companies to a list of eligible rice exporters this week, raising the number of licensed Vietnamese Exporters to 182 companies. The move is aiming to facilitate rice exports, promote rice production, and enhance the competitiveness of Vietnamese rice.

Source: Business Recorder. (2020, Jan 14). *Rice export prices steady in major Asian hubs.*

China

China is set to expand the cultivation area of saline-alkali rice by 2020.

On 13 January 2020, Yuan Longping, a famous agronomist for developing the first hybrid rice strains, launched a plan to expand the growth of rice in saline-alkali soil in the north China's Inner Mongolia Autonomous Region. For this, Yuan's team, together with the digital agriculture division of Alibaba, will plant 200,000 mu (13,333.33 hectares) of

saline-alkali soil rice in the next three years in Hinggan League. In September 2019, Yuan's team completed an experiment planting rice on 1,000 mu (66.67 hectares) of saline-alkali soil in Hinggan League. The yield reached 508.5 kilogrammes per mu, exceeding the goal of 300 kilogrammes per mu.

*1 hectare = 15 mu
1 mu = 0.067 hectare

Source: Xinhua. (2020, Jan 14). *Yuan Longping launches plan to expand growth of saline soil rice.*

The Heilongjiang province of China will reduce the use of the chemical on three million hectares of farmland by 2020.

The Heilongjiang province, China's major grain producer, plans to further reduce the use of chemical fertilizers, pesticides, and herbicides on farmland in 2020. The province is aiming to boost green agricultural and food security. Farmland featuring reduced chemical use will be expanded to 3 million hectares in 2020 from 2.67 million hectares in 2019. In 2019, the province has reduced the use of chemical fertilizer and pesticides by 15,200 tonnes and over 2,000 tonnes, respectively, compared with the previous year.

Source: China daily. (2020, Jan 13). *China's major grain producer to further reduce pesticide use.*

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