



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Cambodia

Cambodian rice exports increase for more than 21 percent amid the global concern over the COVID-19 outbreak.

According to the Minister of the Ministry of Agriculture, Forestry and Fisheries (MAFF), from January to February this year, Cambodia exported rice to the international markets 136,499 tonnes, an increase of 21.34 percent year-on-year. China is the leading market for Cambodian rice, followed by the European market, ASEAN region, and other destination, with a market share of 37.43 percent, 30.31 percent, 18.48 percent, and 13.78 percent, respectively. In the first two months of this year, Cambodia exported rice to China 51,092 tonnes, up 17.58 percent compare to 43,452 tonnes last year. Meanwhile, the rice shipments to the European market reached 41,373 tonnes, up 21.79 percent from 33,969 last year, the ASEAN region stood at 25,231 tonnes, up 39.77 percent from 18,051 tonnes, and other regions at 18,803 tonnes, up 28.7 percent from 14,609 tonnes. The country's rice exports in early 2020 were positive and it is expected to continue to grow. However, the COVID-19 outbreak in many countries around the world will not affect to the Cambodian rice exports.

Source: The Phnom Penh Post. (2020, Mar 2). *Rice exports up despite global fears surrounding Covid-19.*

Lao PDR

Laos has a chance to gain revenue from rice exports to China under the trade preferential arrangement.

Laos has earned more income from rice exports to China in the past few years due to the trade preferential arrangements between the two countries. China is Laos's biggest market for rice export and it is the country's second-biggest trading partner. According to the Ministry of Industry and Commerce (MOIC), in 2017, the value of Laos's rice sold to China was 5.6 million USD. The figure increased to 7.25 million USD and 14.54 million USD in 2018 and 2019, respectively. Under the trade preferences, the trade growth between the two countries has increased significantly, particularly under the ASEAN-China Free Trade Agreement (ACFTA). Furthermore, Laos has an export quota of polished rice 50,000 tonnes from the Chinese government. However, the effect of natural disaster is a challenge for the rice exporters to reach the target.

Source: Vietnam News Agency. (2020, Feb 26). *Laos earns more from rice exports to China.*

Myanmar

Myanmar contributed 200 tonnes of rice to China for the COVID-19 outbreak.

On 1 March 2020, Myanmar's government contributed rice 200 tonnes to China as humanitarian assistance in the battle against the COVID-19 epidemic. The rice was handed over to China's Ambassador to Myanmar and the shipment is set to deliver to the Hubei province of China. In this regard, the China Ambassador expressed thank to the Myanmar government and people for supporting China during the battle against this issue.

Source: Xinhua. (2020, Mar 1). *Myanmar donates 200 tons of rice to China in fight against COVID-19.*

Thailand

Price of Thai rice is forecast to increase until the middle of 2020.

Rice prices are expected to rise until the middle of this year because the global consumers are backing up their stockpiles. Meanwhile, China is unlikely to rev up its rice exports because of concern over food security for the COVID-19 outbreak. According to the Thai Rice Exporters Association (TREA), the global rice demand has surged due to the outbreak, leading rice prices increase by 30-50 USD since early this year, along with China started halting its shipments, the baht weakened, and Indonesia seems to resume its rice purchases from Thailand, giving a brighten prospects to Thai rice exports. Currently, buyers from several countries are more interested in Thai rice and some importers are willing to buy unlimited amounts to boost their stocks.

Source: Bangkok Post. (2020, Mar 3). *Rice prices to peak mid-year.*

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