



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Cambodia

Cambodia's rice exports could hit 800,000 to one million tonnes in 2020 due to the Covid-19 pandemic.

Cambodia could export between 800,000 and one million tonnes of rice in 2020 because of the expanding stockpiles worldwide in response to the Covid-19 pandemic. According to the Secretariat of One Window Service for Rice Export Formality, in the first five months of this year, the country's rice exports to the international market surged 42.34 percent to 356,079 tonnes year-on-year. In May this year alone, rice exports reached 55,845 tonnes, an increase of 53.8 percent compared to the same period last year. Besides, the Ministry of Agriculture, Forestry and Fisheries urged farmers, investors, and exporters to work together to ensure that the country's products meet the quality standard in order to maintain existing markets and secure new ones.

Source: Phnom Penh Post. (2020, Jun 18). *Covid-19 demand for milled rice could mean record exports.*

Indonesia

Indonesia is heading towards a plan to turn 1.4 million hectares of peatland into rice fields as aiming to enhance food security.

The Covid-19 pandemic threatens to create a food crisis across the country. Regarding this, the Indonesia government is pushing ahead with a plan to convert 1.4 million hectares of peat swamps into rice fields through a peatland-to-rice field project in Kalimantan. The initial goal of this project was set at 900,000 hectares of rice fields and it currently increases to 1.4 million hectares. Most of the peatland suitable for converting into rice fields are located on Kalimantan in the districts of Pulang Pisau, Kapuas, and South Barito, according to the Coordinating Ministry of Economic Affairs.

Source: Vietnam News Agency. (2020, Jun 17). *Indonesia to convert 1.4 million ha of peatland into rice fields to address food shortages.*

Thailand

Thailand will focus on promoting seven types of rice and seeds development.

The government is set to promote seven rice products and seed development as part of a marketing-led production strategy for 2020-2024. According to the Minister of the Ministry of Commerce, the four-year strategic plan will focus mainly on seven types of rice and divide the market into three categories; i.) the premium market for Thai jasmine rice and fragrant rice; ii.) the mass market for soft-textured white rice, hard-textured white rice and parboiled rice; iii.) the speciality market for glutinous rice and speciality quality rice. Additionally, the Research and Development for rice seeds would be focused to increase yield and quality. The improvement of rice seeds will raise Thailand's competitiveness in the global market and reach demand while focusing on innovation will add value to rice products and sustain farmer's income in the long run. The panel will have two or three meetings before concluding the rice strategy and proposing it to the National Rice Policy

Committee. After that, the strategy would be sent to the cabinet for final approval, possibly by August 2020.

Source: Bangkok Post. (2020, Jun 23). *Panel to focus on marketing rice, seeds.*

The rice price guarantee scheme for the year 2020/2021 is approved in principle.

On 18 June 2020, the National Rice Policy Committee approved in principle for the rice price guarantee scheme for the 2020/2021 crop year. The scheme would be implemented from 1 September 2020 to 31 May 2021 and it will offer compensation if market prices fall below benchmark. However, the guaranteed price would be decided at the next meeting of the committee but it is likely to be on par with the previous scheme. Additionally, the committee endorsed in principle for measures to stabilise the domestic rice price, with a target of 7 million tonnes of paddy, offering a total of 36 billion baht (1.16 billion USD) in loans. This loan scheme will cover; i.) farmers who agree to delays paddy sales, which worth 19.8 billion baht (638 million USD); ii.) agricultural cooperatives to gather rice and add value to rice, which worth 15.6 billion baht (502 million USD); iii.) the 3 percent interest rate subsidy programme for rice traders, which worth 610 million baht (19 million USD). Moreover, the committee agreed in principle for cash subsidy worth 56 billion baht (1.8 billion USD) to rice farmers. Under this cash subsidy, farmers will get 1,000 baht (32 USD) per rai (0.16 hectare) per farmer family, a maximum of 20 rai (3.2 hectares) or 20,000 baht (644 USD) per family.

*1 USD = 31.03 baht

**1 hectare = 6.25 rai

1 rai = 0.16 hectare

Source: Bangkok Post. (2020, Jun 19). *Rice price scheme renewed.*

Viet Nam

Central provinces of Viet Nam will use drones in rice farming by 2020.

The central province of Quang Nam and the Loc Troi Group have launched the use of drones in agriculture production, which is the first step in boosting hi-tech farming and joining the global farm produce supply chain in the near future. This is a part of demonstrations on the use of drone in rice farming, as aiming to create a sustainable agriculture system in the central province of Khanh Hoa, Binh Dinh, Quang Nam and Quang Tri. A report from the Loc Troi Group showed that a drone could spray fertiliser and pesticide on 25 hectares of crop per day, saving production costs about 200,000 VND (8.7 USD) to 300,000 VND (13 USD) per hectares. Additionally, at least 200 drones would be used for rice farming in four provinces by 2020.

*1 USD = 23,272 VND

Source: Viet Nam New. (2020, Jun 19). *Central province to use drones in rice farming.*

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/>

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