



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Indonesia

Ministry of Social Affairs (MOSA) ensure enough supply for social assistance.

According to the Minister of the MOSA, rice supply of the Bureau of Logistics (BULOG) is adequate for 10 million beneficiaries of the Family Hope Programme, who will receive 15 kilogrammes of rice aid per household per month from August to October 2020. The rice aid will be distributed two times that each household will get 30 kilogrammes in September and 15 kilogrammes in October. This rice assistance is a programme under the Social Safety Net scheme to cater to the social impacts of the Covid-19 pandemic.

Source: Tempo. (2020, Sep 6). *Social Minister Ensures Adequate Rice Supply for Social Assistance.*

Thailand

Rice mills beg for the government aid to deal with high production costs.

According to the Thai Rice Mills Association, the weather conditions in the central region have forced farmers to sow rice in August 2020, delaying the harvest season to between October and November 2020. Meanwhile, the harvest season of the farmers in the north and the northeast are also around the mentioned period. The same harvest period could cause an oversupply in the market and dropping in rice prices. This issue forces rice mills to purchase more rice than they are prepared. Therefore, the rice mills will need financially preparing for buying the upcoming rice production. In addition, the earnings of rice mills have dropped but the production costs have increased because rice mills are not producing at their full capacity this year. Hence, they are calling on the government to grant loans or postpone the repayment of debts.

Source: Nation. (2020, Sep 5). *High production costs force rice mills to beg for government aid.*

Viet Nam

Prices of Vietnamese rice exports reach the highest level in over 9 years due to the Covid-19 pandemic.

The average export price of the Vietnamese rice in the first seven months of 2020 jumped to the highest level since 2011 at 487.2 USD per tonne, up 12.5 percent year-on-year. The Covid-19 pandemic has pushed many countries to increase rice purchasing for national reserves, driving higher rice prices. Currently, the rates for Vietnamese 5 percent broken rice were quoted at 480-490 USD per tonne and it is forecast to continue rising until the next harvest season in October 2020.

Source: VN Express. (2020, Sep 5). *Rice export price hits 9-year high.*

The Republic of Korea

The government of the Republic of Korea (RPK) is set to purchase 340,000 tonnes of rice for the national reserves.

The government will start the annual rice procurement for emergency reserve, as aiming to stabilise the market price and brace for natural disaster. Under the plan, the ROK will purchase 340,000 tonnes of rice for reserves by the end of this year together with 10,000 tonnes of rice for overseas aid, according to the Ministry of Agriculture, Food and Rural Affairs. Annually, the ROK normally buys around 17-18 percent of total rice consumption as a buffer stock. Moreover, the government plans to provide an advance payment of 30,000 won (25.2 USD) per a 40-kilogramme sack of rice and the remaining payment will be paid after setting the this year's prices. The rice sacks are purchased for the overseas aids under the ASEAN Plus Three Emergency Rice Reserve (APTERR).

Source: The Korea Times. (2020, Sep 8). *Korea to start purchasing rice for emergency reserves.*

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