



## WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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### Cambodia

#### ***The government distributes rice seeds to help flood-hit farmers.***

Minister of the Ministry of Interior delivered more than 1,000 tonnes of rice seeds to 10,210 families in Battambang province, as aiming to revive the agricultural sector affected from the recent floods. Each family received 100 kilogrammes of rice seeds for planting and the Minister also encouraged local officials to offer an additional assistance for farmers, such as ploughing rice fields, to speed up rice and crop production as quickly as possible. Also, the 17,000 farmer families in Pursat province received the rice handed over by the Deputy Head of the Royal Cambodian Armed Forces.

**Source:** Phnom Penh Post. (2020, Nov 8). *Rice seed distributed to flooding victims.*

### Thailand

#### ***Cabinet approves the rice price guarantee scheme for the year 2020-2021.***

At the mobile cabinet meeting on 3 November 2020, the cabinet approved a total budget of 51.858 billion baht (1.7 billion USD) for the rice price guarantee schemes together with the parallel measures for 2020-2021. To be eligible for the benefits, the applicants must register as rice farmers in the said growing season. For the rice price guarantee scheme, it is set to implement from October 2020 - May 2021 and farmers will be offered compensation if market prices fall below the benchmark. The five types of paddy with 15 percent moisture will be covered under the scheme, including white rice with the price at 10,000 baht (326 USD) per tonne and up to 30 tonnes; Hom Mali rice in the promoted area at 15,000 baht ( 489 USD) per tonne and up to 14 tonnes; Hom Mali rice from elsewhere at 14,000 baht per tonne and up to 16 tonnes; Pathumthani fragrant rice at 11,000 baht (359 USD) and up to 25 tonnes; and Sticky rice at 12,000 baht (391 USD) per tonne and up to 16 tonnes. The limitation is 40 rai (6.7 hectares) per family. Furthermore, government compensation will be paid to farmers through the Bank of Agriculture and Agricultural Cooperatives (BAAC).

*\*1 USD = 30.675 baht*

*\*\*1 hectare = 6.25 rai*

*1 rai = 0.16 hectare*

**Source:** Bangkok Post. (2020, Nov 5). *Cabinet approves price guarantees for rice and rubber*; and Nation. (2020, Nov 5). *Cabinet gives nod to Bt62bn rice, rubber price guarantees.*

#### ***Cabinet gives a green light to the parallel measures to stabilise rice prices.***

Apart from the rice price guarantee scheme, the parallel measures and a cash subsidy were also approved as an aim to stabilise the prices of rice. The measures include i) the interest-free loans for farmers who agree to delay the sales of

seasonal paddy. Besides, farmers who own a warehouse will receive a deposit cost at 1,500 baht (49 USD) per tonne, while farmers who keep their rice with the farming cooperatives will receive at 500 baht (16 USD) per tonne and farming cooperatives will receive 1,000 baht (33 USD) per tonne; ii) the soft loans at one percent interest rate for farming institutions and cooperatives who add value to rice; and iii) the three percent interest rate compensation for rice merchants who store their rice for 2-6 months. Furthermore, the government will allot a cash subsidy to farmers through the BAAC for supporting rice management and development cost at 500 baht per rai and not exceeding 20 rai (3.2 hectares) per family.

\*1 USD = 30.675 baht

\*\*1 hectare = 6.25 rai

1 rai = 0.16 hectare

**Source:** Bangkok Post. (2020, Nov 5). *Cabinet approves price guarantees for rice and rubber*; Nation. (2020, Nov 5). *Cabinet gives nod to Bt62bn rice, rubber price guarantees*; and เกษตรกร ได้เส ครม. อนุมัติประกันรายได้ข้าว-ยางพารา สูงสุดตันละ 15,000 บาท.

### ***Thai rice export in 2020 is likely to drop by 50 percent and the situation could even worsen in 2021.***

The Thai Rice Exporters Association estimates the total rice exports for 2020 at 5 million tonnes, only half of the last year's figure of 10 million tonnes. Furthermore, the situation in 2021 could be worse because the water level in the 35 major dams is lower than the previous year while the rainy season will end soon. The rice output in 2021 could be lower than in 2020 due to the mentioned issue. The drought this year drove the production cost of Thai rice relatively high at 8,000 baht (261 USD) per tonne, causing more expensive prices, compared with around 6,000 baht (196 USD) per tonne in other rice-producing countries, such as Myanmar, Viet Nam, China, and India. To solve the problems, Thai farmers and

related authorities need to focus on cost reduction and developing water resources for rice paddy to reduce extra cost on the water pump. Also, the research on new breeds should be conducted to penetrate the new markets.

\*1 USD = 30.675 THB

**Source:** Nation. (2020, Nov 5). *Rice exports likely to drop 50% this year, situation could even worsen in 2021.*

## **Viet Nam**

### ***The ST 25 fragrant rice recently won the 2020 Viet Nam Best Rice Contest.***

The ST25 fragrant rice variety conquered the 2020 Viet Nam Best Rice Contest after previously winning the World's Best Rice Contest 2019. The recent contest was organised by the Vietnam Food Association, Department of Crop Production, and the Nong Thon Ngay Nay Newspaper, with an aim to promote high-quality rice varieties that could compete with other countries. All rice products participating in the contest must be made in Viet Nam, submitted for the national test at least one crop, and have a minimum purify of 98 percent.

**Source:** Viet Nam News. (2020, Nov 4). *ST25 fragrant rice wins first prize.*

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