



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

No. 41
6-12 September 2017

Indonesia

The Trade Ministry of Indonesia has issued retail prices for medium rice and premium rice, looking to maintain stability in the cost of the commodity.

The decree, issued last week with immediate effect, puts ceiling prices at between 9,450 rupiah to 10,250 rupiah (0.71 to 0.77 USD) per kilogram for 25-percent broken rice or medium rice. The maximum prices for 15-percent broken rice or premium rice was set at 12,800 rupiah to 13,600 rupiah (0.95 to 1.01 USD) per kilogram. Other types of rice, special rice, are exempt from the new rules.

* 1 USD = 13,336 rupiah

Source: BlackSeaGrain. (2017, Sep 6). *Indonesia caps rice prices.*

Philippines

Despite Philippine government's intense campaign towards rice self-sufficiency, investments to make the country's yield more globally competitive are still not enough.

The probable production of palay (paddy) for July to December 2017 is now seen to rise to 6.76 percent. For the entire calendar year, palay outputs may even accelerate by 9.06 percent, compared with 2016. These projections came after the palay yielded impressive production in the first half of 2017. However, despite higher yields, farmers across the country still struggle of high production cost. The rice production cost in the Philippines is more expensive than neighboring exporting countries, such as Viet Nam and Thailand, due to the labor cost and machinery, low yield per hectare, and high marketing costs. Therefore, the government needs to invest more in agricultural research and development (R&D) to achieve rice competitiveness, said the economist.

Source: Manila Bulletin. (2017, Sep 10). *PH needs more investments for rice R&D.*

Viet Nam

Viet Nam expects to produce 44.1 million tonnes of rice in 2017, according to the Department of Cultivation.

Unfavourable weather conditions shrank winter-spring rice yield by 300,000 tonnes. However, southern localities are estimated to enjoy a surge in rice production of 400,000 tonnes. Farmers have already harvested 1.08 million hectares of rice, or 56.2 percent. Furthermore, rice fields in the north are developing well, while the rice output of the autumn-winter crop in the

Mekong Delta region is forecast to increase by 250,000-300,000 tonnes from the same crop in 2016, said the Department of Cultivation.

Source: VietnamPlus. (2017, Sep 8). *Vietnam's 2017 rice production estimated at 44.1 million tonnes.*

If approved, the state plans to ship about 50,000 tonnes of rice, worth 46 billion won (40.5 million USD), in 2018.

* 1 USD = 1,132.7 won

Source: The Korea Herald. (2017, Sep 6). *Korea to give rice aid to developing nations.*

Japan

Japan aims to boost annual rice exports to 100,000 tonnes by 2019.

Amid a slump in domestic consumption, the government aims to step up sales campaigns for Japanese rice in overseas markets to sustain farmers' incomes. The export target figure is for rice consumed as a staple food, as well as for processed products, such as snacks and sake, in which rice is used as the main ingredient. In 2016, Japan totally exported 10,000 tonnes of rice for the staple food alone and 24,000 tonnes of rice and processed items.

Source: The Japan News. (2017, Sep 8). *Japan Aims to Boost Annual Rice Exports to 100,000 Tons.*

Republic of Korea

South Korea plans to give rice to developing nations after it joins the Food Assistance Convention (FAC).

South Korea is preparing to join the FAC as part of its ambition to stabilise the local rice supply and help the needy around the world, expecting parliamentary approval for the membership by the end of this 2017, said the government. The country had some 300,000 tonnes of excess rice in 2016, as the 4.2 million tonnes of staple grain it produced exceeded the 3.9 million tonnes consumed, and the level of overproduction will likely stay at 200,000 tonnes in 2017.

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