



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Cambodia

Cambodia has developed a new rice variety better adapted to resist drastic changes in weather conditions.

"Mey Tey" is a premium fragrant rice variety developed by the Cambodian Agricultural Research and Development Institute (CARDI) that can survive in severe droughts and floods, which have become more common in the country in recent years. The work of CARDI in developing new rice varieties is now more important than ever due to climate change as the country needs new rice varieties to help increase rice production and maintain the price to meet market demand, said the vice president of Cambodia Rice Federation (CRF).

Source: Khmer Times. (2018, May 3). *Premier welcomes climate-resilient rice.*

Philippines

The country accepted 250,000-tonne rice offers from Thailand and Viet Nam.

The National Food Authority (NFA), on 4 May 2018, successfully awarded the government-to-government (G2G) procurement for the supply of 250,000 tonnes of rice from the governments of Thailand and Viet Nam after a reopening of offers from both countries. The NFA's reference price was set at 531 USD per tonne for the 50,000 tonnes of 15 percent broken rice and

520.50 USD per tonne for the 200,000 tonnes of 25 percent broken rice, based on the current world market prices and peso-dollar exchange rate as of 3 May 2018. For the 15 percent broken rice, Viet Nam will supply the whole amount of 50,000 tonnes at 526.50 USD per tonne. For the 25 percent broken rice, Thailand will supply 120,000 tonnes at 517.50 USD per tonne, while Viet Nam will supply 80,000 tonnes at the same price. In addition to the delivery of the 200,000 tonnes of 25 percent broken rice, the first 100,000 tonnes should arrive by the end of May 2018, and the other 100,000 tonnes should be delivered not later than 15 June 2018. Meanwhile, the 50,000 tonnes of 15 percent broken rice should be delivered by the end of June 2018.

Source: National Food Authority. (2018, May 4). *NFA AWARDS SUPPLY OF 250,000 MT RICE TO THAILAND AND VIETNAM*; and Reuters. (2018, May 4). *PHILIPPINES ACCEPTS 250,000T RICE OFFERS FROM VIETNAM, THAILAND.*

Thailand

Thailand was the world's No.1 rice exporter from the largest rice shipments during the first four months in 2018.

From the first January to 17 April 2018, Thailand was the world leader in rice shipments with the largest quantity about 3.31 million tonnes, followed by India - 3.21 million tonnes, Viet Nam - 1.61 million tonnes, and Pakistan - 1.28 million tonnes. Of the total rice shipments, white rice made up 48.74 percent, followed by parboiled rice at 27.70 percent, and Hom Mali rice at 16.19 percent. According to high demand from global markets at present, especially China and the Philippines, Thailand's rice exports in the second quarter of 2018 are tended to increase, while the rice export target in 2018 was also raised to 10 million tonnes from the initial target of 9.5 million tonnes, said the director-general of the Foreign Trade Department.

Source: Bangkok Post. (2018, May 5). *Rice export target raised*; Prachachat.Net. (2018, May 6). *Thailand's Rice Exports Ranked No. 1 in the World, Target for this year is 10 million tons*; and Department of Foreign Trade.

Viet Nam

Viet Nam exported 2.16 million-tonne rice worth 1.1 billion USD during January to April 2018, up 21.7 percent in volume and 35.7 percent in value.

According to the Ministry of Agriculture and Rural Development (MARD), China was the main importer, accounting for 29.1 percent of the market share. The average export price showed a year-on-year increase of 15 percent to 501 USD per tonne due to better quality when high-quality rice comprised of 81 percent of the rice export volume, said the ministry. According to the Viet Nam Rice Market Development Strategy from 2017 to 2020 with a vision to 2030, the country gradually reduces rice export volume while increases rice export value. In addition to rice export target for 2018, Viet Nam is expected to ship 6.5 million tonnes abroad, up by 700,000 tonnes compared to 2017.

Source: Viet Nam News. (2018, May 4). *VN earns US\$1.1bn from rice exports in Jan-Apr*

China

Rice imports in South China increase steadily, according to the US Department of Agriculture (USDA).

Although China is the world's largest rice producer, it is also the biggest importer. Rice imports in South China have steadily continued to rise in recent years, reaching nearly 1.4 billion USD in 2017. South China imports the largest share of rice in the country, accounting for three-quarters of the total. Viet Nam is the largest supplier to South China, accounting for about half of total imports, followed by Thailand and Cambodia. One reason for the increase in rice imports is that imported rice continues to be priced favorably compared to local domestic rice prices, which remain high due to domestic policy programs and high costs of production.

Source: USDA Report. (2018, May 4). *China: Monthly Agricultural Market News of South China – 21.*

Japan

The government will support exports of precooked rice by upgrade packaging.

The Ministry of Agriculture, Forestry and Fisheries (MAFF) is set to introduce a subsidy program aimed at helping improve plastic containers for precooked white rice in an effort to increase exports. The ministry hopes to extend the best-before periods to 12 months from 6-10 months in general as the product's shelf life in stores is shortened by sea transportation and customs procedures which usually take 1-3 months. Due to this, entities including the National Agriculture and Food Research Organization (NARO) and a food-maker in the central prefecture of Niigata - a major rice growing area - will start to work jointly on improving the plastic containers for such rice products as early as this month, aiming to deliver results by 2021.

Source: The Japan Times. (2018, May 7). *Government to support growing exports of precooked rice with project to upgrade packaging.*

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