



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Myanmar

Myanmar will sell the country's rice reserves at a fair price in the domestic market.

On 30 April 2020, the authorised organisation of the state and the Myanmar Rice Federation (MRF) implemented the rice reserve scheme, as aiming to ensure the food security, keep domestic price stability, and prevent falling in paddy prices. Under the scheme, the country purchased more than 34,000 tonnes of rice from 123 companies. According to the MRF, this rice reserves would be sold at a fair price with a plan to sell at 22,800 kyats (16.57 USD) per 108-pound bag to the registered retail shops, the maximum of 200 bags per batch. The shops must sell the rice to customers at the price not exceeding 1,000-1,100 kyats (0.72-0.79 USD) per pyi (2.12 kilogrammes), depending on the regions. Meanwhile, there is a separate plan to sell the rice at the labour-intensive factories for workers. To ensure systematic management, the respective Department of Consumer Affairs of the regions and states will monitor the sales.

*1 USD = 1,375.84 kyats

Source: Global New light of Myanmar. (2020, Jul 9). *State's rice reserve to be sold at fairer price: MRF reports.*

Thailand

The drought seems to hit rice farmers in Nakhon Ratchasima again this year.

Drought-hit rice farmers in Nakhon Ratchasima province are once again starting at an uncertain future as rainfall is far short of the normal even though the country has entered the annual monsoon season. In the Phimai district, this is the second year in succession that it faces a severe drought and threatens an estimated 20,000 rai of rice fields. Reserves in the Phimai dam have been depleting and adequate water could not be delivered to farmers. If there are no enough rains in the coming one or two weeks, the rice crop could perish.

Source: Nation. (2020, Jul 12). *Nakhon Ratchasima rice farmers stare at another year of drought as rain play truant.*

Prices of Thai rice decrease this week due to softening currency and low demand.

On 9 July 2020, Thailand's benchmark 5 percent broken rice prices were quoted at 455-485 USD per tonne, the lowest since early-March 2020. Demand for Thai rice remained flat together with the Baht depreciation to a near one-month low, driving rice prices down. However, Thai rice was still expensive compared to competitors like Viet Nam and India.

Source: Reuters. (2020, Jul 9). *Thai rice rates hit four-month low, Vietnam jumps as heavy rain persist.*

Viet Nam

A new Vietnamese rice seed suites for flood and drought-prone areas.

A new rice seed variety named DCG72 is capable of adapting to climate change and suitable for flood-affected areas in the north-central region and drought-prone areas in the south-central region. The seed is also fit for intensive cultivation of three crops per year because it has a short growth period about 100 days, which is 10-12 days shorter than other seeds. With the short growth period, the early harvest would be able to avoid drought and saline intrusion at the end of the crop.

The new variety has a high yield of 5.4 tonnes per hectare and 4.9 tonnes per hectare in the winter-spring crop and summer-autumn crop, respectively. In addition, the DCG72 is resistant to common diseases on rice, such as blight, brown leafhoppers and rice blast caused by fungus.

Source: Viet Nam News. (2020, Jul 8). *New rice variety for flood and drought-prone areas.*

Viet Nam's rice exports are forecast to increase under the Viet Nam-EU Free Trade Agreement (EVFTA).

According to the Ministry of Industry and Trade (MOIT), rice quotas for Viet Nam under the EVFTA are expected to push the country's rice exports up from the second half of 2020. Under the EVFTA, effective from 1 August 2020, the European Union (EU) pledges to provide an annual rice quota of 80,000 tonnes and completely liberalise trade in broken rice. After three to five years, tariffs on rice products will be slashed to zero. Meanwhile, the EU also sets a range of conditions for those quotas such as origin certificates on Vietnamese rice, which was required to be authenticity and issued by Vietnamese authorities. To take advantage, the Ministry of Agriculture and Rural Development and the MOIT are compiling a draft decree guiding the registration process for certification of rice categories exported to the EU to submit to the government for approval.

Source: Viet Nam News. (2020, Jul 8). *Viet Nam to increase rice exports to EU under EVFTA.*

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