



WEEKLY UPDATE ON ASEAN PLUS THREE RICE SITUATIONS

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Cambodia

50 percent of Cambodia's total rice export is bound for China in January 2022.

In January 2022, rice exports to China accounted for 50 percent of Cambodia's total rice export due to high commitments from China to annually import 400,000 tonnes of rice from Cambodia under the sixth Memorandum of Understanding. China is a growing market for Cambodia's rice export, accounting for up to 50 percent of total rice exports in 2021, and likely to grow continually in 2022. According to the Ministry of Commerce, the efforts to expand markets for Cambodian rice and processed rice products have been active through the inclusion of these items in the free trade agreements and bilateral negotiations.

Source: Khmer Times. (2022, Feb 25). *Rice exports to China accounted for 50 percent of total rice exports in January.*

Thailand

Thai rice prices fall this week as the baht depreciates versus the US dollar.

Prices of Thai 5 percent broken rice slipped to 400 USD per tonne from 410-420 USD per tonne last week. Due to the effect of Russia's invasion of Ukraine, the Thai baht weakened to 32.68 baht against the US dollar on 24 February 2022, down by 1.6% from a week ago, which caused lower Thai rice prices.

However, domestic rice prices remained stable, said a Bangkok-based trader.

Source: Reuters. (2022, Feb 24). *RPT-ASIA RICE-Thai rates slip on weak baht; India's demand improves.*

Viet Nam

Viet Nam enjoys rice exports to the Republic of Korea (ROK) at a preferential tax rate under the quota in 2022.

The Korea Agro-Fisheries & Food Trade Corporation (aT) announced a preferential tax rate of 5 percent for 408,700 tonnes of rice imports under the quota. Of the total volume, 388,700 tonnes of rice will be allocated under the Country-Specific Quota (CSQ) to five countries, including China, the United States, Viet Nam, Thailand, and Australia, while the remaining volume of 20,000 tonnes will be applied to open international bidding. Under the CSQ, Viet Nam received a rice quota of 55,112 tonnes. Meanwhile, rice imports volume outside the quota will be subjected to 513 percent of tariff.

Source: VietnamPlus. (2022, Feb 24). *Over 55,000 tonnes of Vietnamese rice exported to ROK to enjoy 5 percent tax rate;* and Congthuong. (2022, Feb 23). *55,112 tons of Vietnamese rice enjoy preferential treatment when exporting to Korea in 2022.*

Prices of Vietnamese rice see a slight decrease while the traders expect higher demand in the next month.

Rates for Vietnamese 5 percent broken rice were quoted at 395-400 USD per tonne, down from 400 USD per tonne a week earlier. Importers are buying moderately as they are waiting for rice prices to fall further when the winter-spring harvest peaks. Rice exports are expected to increase from the next month and the key markets will be the Philippines and Africa, said the traders. According to the preliminary shipping data, there were 219,000 tonnes of rice to be loaded at Ho Chi Minh City port in February 2022 with most of the shipments heading to the Philippines.

Source: Reuters. (2022, Feb 24). *RPT-ASIA RICE-Thai rates slip on weak baht; India's demand improves.*

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