



**July 2013**

***Volume XVI - Issue No. 3***

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***FAO***

***Rice Market Monitor***

Trade and Markets Division

Food and Agriculture Organization of the United Nations

**Contact or enquiries**

Facsimile: ++(39-06) 570-54495

Telephone: ++(39-06) 570-54136

E-mail: [\*\*Commodity-Queries@fao.org\*\*](mailto:Commodity-Queries@fao.org)

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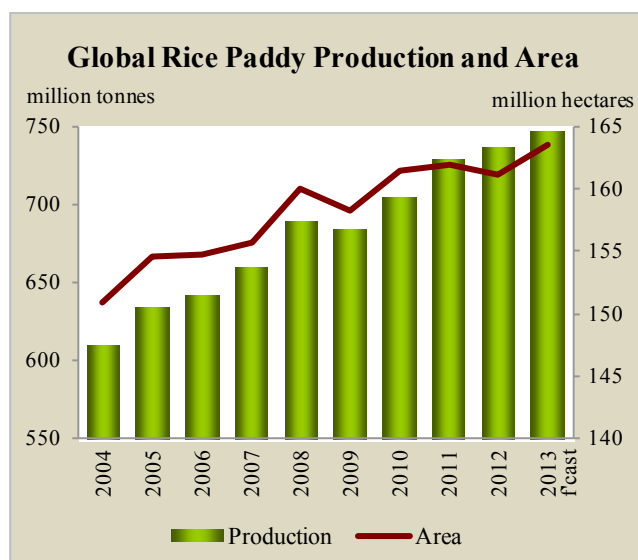
## ROUND UP

- The 2013 paddy season is well advanced, as the main crops have been already garnered along and south of the equator, while in the major producing countries, mostly located in the northern hemisphere, these are at the reproductive or, in some cases, ripening stage. FAO's forecast for **global paddy production in 2013** has been set at 746.4 million tonnes (497.6 million tonnes, milled basis), roughly 300 000 tonnes less than anticipated in April. The downward revision mainly concerns Indonesia, but output figures for Cambodia, China (Mainland), the European Union, Madagascar and the United States were also slashed. On the other hand, prospects for 2013 crops in the Islamic Republic of Iran, Peru, Thailand and Viet Nam improved. At 746.4 million tonnes, global paddy output in 2013 would stand 1.4 percent, or 10.2 million tonnes, above a revised 2012 figure. Much of the expected growth would stem from favourable weather conditions, which has fostered a recovery of plantings. Yet, subdued prospects for prices and rising costs are dampening the sector's expansion.
- Early and abundant monsoon rains have boosted prospects for main crops in *Asia*, which may produce 677.9 (452.0 million tonnes, milled basis), up 1.5 percent from a revised 2012 outcome. Provided weather conditions hold, India together with China (Mainland) are forecast to lead the region's growth, but virtually all countries in the region are heading towards larger crops, with particularly sizable gains foreseen in Bangladesh, Myanmar, Pakistan, the Philippines and Thailand. In Indonesia, the increase is likely to fall short of the target, reflecting excessive rainfall and a rise in the price of subsidized fuel. In *Africa*, the sector is expected to yield 27.2 million tonnes (17.8 million tonnes, milled basis), 2 percent above the 2012 outturn, but some 500 000 tonnes less than last foreseen. West African countries along with Egypt would drive much of the growth, but a strong recovery is also anticipated in East Africa. These contrast with projected falls in Southern Africa, especially in Madagascar, where prospects have been marred by widespread locust outbreaks. In *Latin America and the Caribbean*, production may witness a 2 percent rebound to 27.9 million tonnes, too modest for a complete recovery, as more attractive prices are fostering a shift to other crops. The forecast remains subject to much uncertainty, given predictions of an active to very active Atlantic hurricane season, which may impact crops in Central America and the Caribbean. A recovery in Brazil is forecast to contribute most to the region increase, although the Dominican Republic, Ecuador, Guyana and Paraguay are also expected to witness sizeable gains. The outlook is less favourable in Argentina, Colombia and Peru, where little to no production growth is expected, while output may fall in Bolivia, Chile, Uruguay and Venezuela. In the other regions, production is seen to contract in the EU and the United States, where adverse weather conditions and low price prospects prompted a cut in plantings, while it may rise in the Russian Federation and Australia.
- FAO's forecast of **world trade in rice in calendar 2013** has been upgraded by 200 000 tonnes to 37.5 million tonnes (milled basis) on expectations of larger imports by China (Mainland) and Nepal and, on the export side, on larger expected deliveries by India, China (Mainland) and Myanmar. Put together, these changes more than compensated for lower export forecasts for Brazil, Thailand, the United States and Viet Nam. At 37.5 million tonnes, the 2013 forecast would imply a 2.5 percent, or 1 million tonne contraction in the volume of rice traded internationally, resulting from weaker African import demand, amid prospects for good crops and stepped up protection. Countries in Asia too are expected to cut their rice purchases, whereas deliveries to countries in Latin America and the Caribbean, North America and Europe may increase. On the supply side, falling exports by India are behind much of the anticipated world contraction, but shipments from Argentina, Brazil, the Russian Federation and Uruguay are also likely to be cut. By contrast, Australia, Cambodia, China (Mainland), Egypt, Paraguay, Pakistan, and the United States all look set to export more, while consignments by both Thailand and Viet Nam remain little changed relative to levels registered in 2012.
- **Global rice utilization** in 2013/14 is now forecast in the order of 490.7 million tonnes, 3 percent more than in 2012/13. Accounting for 83 percent of projected world use, consumption of rice as food is seen increasing to 408.8 million tonnes, with per caput rice intake steady at 57.0 kilos per person. Rice consumer prices have been stable to weaker in the past three months, with only a few countries in Eastern Africa and in Latin America and the Caribbean witnessing two digit surges.
- FAO's forecast of **world rice stocks at the close of marketing seasons ending in 2014** has been raised by 3.3 million tonnes, reflecting expectations of build ups in India, but also, Egypt, Thailand and Viet Nam. Stocks forecasts in Indonesia, Mali, Myanmar and the Philippines, however, were subject to a cut. World rice inventories are now expected to increase by 4 percent, or 7.2 million tonnes, to 181.2 million tonnes, which would mark the ninth consecutive year of world stock accumulation. As a result, the global stocks-to-use ratio would rise from 35.5 percent in 2013 to 36.2 percent in 2014. Developing countries are expected to end their season with stocks 4 percent larger, at 176.9 million tonnes, while developed countries are seen to cut theirs by 2 percent to 4.4 million tonnes. Individually, China (Mainland) is forecast to account for much of the season's build-up, with the country's reserves bulging by a further 5 percent to 99.4 million tonnes amid prospects of steady output gains and large purchases from abroad.
- **International rice prices** have been stable in recent months, with the FAO All Rice Price Index (2002-04=100) steady since April 2013 around 241 points. This apparent stability masked diverging price trends across the various rice segments and sources. Pressured by weak demand, Indica rice quotations fell steadily, with the High and Low quality Indica Indices each shedding 2 percentage points to 223 and 237 points, respectively, between May and July. This contrasted with a firming of Japonica prices, which were sustained by strong demand from Far East countries and the retreat of Egypt from exports. Meanwhile, the Aromatica Index tended to stabilise around the high values reached in March 2013, supported by rising Basmati quotations. The tendency for prices to fall has been particularly pronounced in Thailand, where uncertainties over the paddy pledging programme compounded the downward pressure exerted by a weak external demand and a depreciating Baht.

## I. PRODUCTION

### *Global paddy production in 2013 seen expanding by 1.4 percent to a new record*

Since the last issue of the RMM, FAO has raised its estimate of global production over the 2012 season, now fully concluded, by 5.0 million tonnes. The upward adjustment primarily mirrors a larger crop estimate in India, but also in Pakistan and Thailand. As a result, world paddy output is now gauged at 736.2 million tonnes (490.8 million tonnes, milled basis), 1.1 percent above the 2011 outstanding result. The expansion was made possible by higher average yields, which compensated for an estimated 760 000 hectare area retrenchment resulting from erratic rains over Asia and low price prospects in Latin America and the Caribbean.



As to the 2013 season, countries located south of the equator have by now already gathered the bulk of the year's crop, while main crop planting activities are ongoing or have just been concluded in the northern hemisphere.<sup>1</sup> FAO's global paddy production forecast for 2013 is now set at 746.4 million tonnes (497.6 million tonnes, milled basis), roughly 300 000 tonnes less than anticipated in April. Behind the relatively stable projection lie important revisions to production figures. The largest concerned Indonesia, which is now forecast to gather a smaller crop. Production prospects were also downgraded for Cambodia, China (Mainland), the European Union, Madagascar and the United States, but higher

projected outcomes in India, the Islamic Republic of Iran, Peru, Thailand and Viet Nam largely compensated for the reductions.

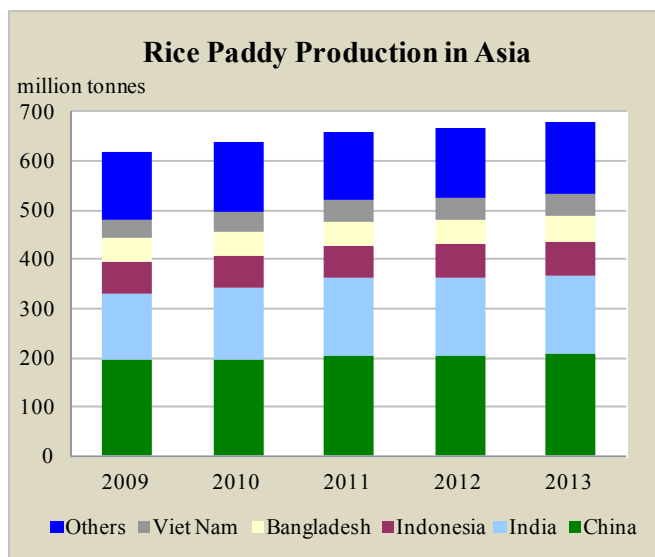
At 746.4 million tonnes (497.6 million tonnes, milled basis), global paddy output in 2013 would stand 1.4 percent, or 10.2 million tonnes, above the revised 2012 figure and at a new record. All of the projected increase is forecast to stem from a recovery in area under paddy to 163.5 million hectares, while yields remain largely stable at a high of 4.6 tonnes per hectare. Looking at the various regions, early and abundant monsoon rains have boosted prospects for main crops in northern hemisphere Asian countries and, although the pattern and distribution of the rains over the coming months will still prove decisive, early indications point to production gains in Asia driving much of the season's growth. In Oceania, Australia has already concluded the season with output fully returning to pre-drought levels, while positive outturns are also expected in much of Africa. The production outlook is less favourable elsewhere in the world. In the United States and Europe, poor weather at planting time have compounded on prospects of reduced crops due to lower expected margins. In Latin America and the Caribbean, output is expected to stage an only modest recovery, as important producers in South America continue to face high production costs.

<sup>1</sup> The 2013 rice production season normally includes rice from the main paddy crops whose harvests fall in 2013, to which rice from all subsequent secondary crops, if any, is added. In the case of northern hemisphere countries, this principle implies that production in 2013 comprises the main rice crop, which is usually collected in the latter part of the year, plus the volume obtained from the successive secondary crops, commonly harvested in the first half of 2014. In the case of southern hemisphere countries, production in 2013 normally comprises rice from the main paddy crops assembled in the first part of 2013, plus rice from the secondary crops, generally gathered in the latter part of 2013. This approach to assess rice production is applicable to any given season.

## A. ASIA

### *Improved growing conditions forecast to lift production in Asia by 10.0 million tonnes*

The June arrival of the monsoon rains has opened the 2013 paddy campaign in northern hemisphere *Asia*, where the leading rice producers are located. Overall, production in the region is foreseen to reach 677.9 (452.0 million tonnes, milled basis), up 1.5 percent from the revised 2012 outcome. The expansion is expected to be supported by recovery in area planted to paddy, especially in India, where an early arrival and favourable progression of the rains have boosted production prospects. Provided weather conditions hold, **India** together with **China (Mainland)** are forecast to lead much of the region's projected growth. The outlook is also positive for **Bangladesh, the Chinese Province of Taiwan, Nepal, Pakistan, the Republic of Korea, Sri Lanka and Thailand**, all of which are expected to make up losses incurred the previous year. Further gains are anticipated in **Malaysia, Myanmar, the Philippines, Timor Leste and Turkey**. By contrast, production is foreseen to remain fairly stable in **Cambodia, Indonesia, the Lao PDR and Viet Nam**, while **Afghanistan and Japan**, which benefited from very favourable growing conditions last season, may experience some reduction, as yields return to more normal levels.



In **Bangladesh**, harvesting activities of the Aus crop, the smallest of three crops cultivated each year, are ongoing, while the second most important Aman crop is being planted. Production in the country remains tentatively forecast at 51.2 million tonnes (34.1 million tonnes, milled basis), up 1 percent from the somewhat depressed outturn of 2012. The favourable outlook rests on expectations that the area cut incurred in 2012 amid negative price prospects and rising production costs will be recovered. Public support to the sector in Bangladesh has primarily taken the form of fertilizer price controls and input subsidies, extended to small and medium holders through an agricultural input assistance card since 2010.

As part of its 2013/2014 budgetary allocations, the Government has set aside Taka 90 billion (USD 1.2 billion) to fund agricultural subsidies, down 25 percent from allocations under a revised 2012/2013 budget.<sup>2</sup> Officials expect that agricultural growth over the coming year will continue to be underpinned by greater cultivation of high yielding varieties, a stable supply of power for irrigation, as well as greater credit, research and extension services. Initiatives to assist producers cover irrigation costs and expand storage capacity are also set to remain in place.

In **Cambodia**, a slow establishment of the seasonal rains delayed plantings of the 2013 main crop, not due for harvest until December. Based on official assessments, by the end of June area coverage stood nearly 93 000 hectares behind last year's level at 850 700 hectares. Although great scope still exists for planting activities to regain pace, overall, Cambodia is now expected to reap 9.3 million tonnes (6.0 million tonnes, milled basis) in 2013, 200 000 tonnes below previous expectations, but still a replication of the 2012 record achievement.

According to the China National Grain and Oils Information Center, 2013 paddy production in **China (Mainland)** may reach 206.7 million tonnes (141.6 million tonnes, milled basis), 300 000 tonnes less than previously foreseen by FAO, but 1.2 percent higher than in 2012. All of the three

<sup>2</sup> All currency conversions are based on exchange rates as of 1 July 2013.

paddy crops, including the early rice crop currently at harvest stage, are seen boosted by increasing yields and area coverage, consistent with the strong public support that the sector enjoys, including successive years of increases in minimum support prices. The local rice industry has, however, been at the centre of safety concerns this year, after traces of cadmium, a carcinogenic heavy metal, were found to exceed the national standard of 0.2 milligrams per kilograms in rice from central and southern provinces. In response, officials have declared that a national survey of soil would be carried out to probe the extent of soil pollution, believed to be linked to the contamination.

Since the last issue of the RMM, officials in **India** have raised estimates of 2012 output by 3.9 million tonnes to 156.6 million tonnes (104.4 million tonnes, milled basis), which is 1 percent below the 2011 record. The revised figure suggests that the erratic unfolding of the 2012 monsoon bore little effect on Kharif crop performance, as all of the season's 1.4 million tonne shortfall stemmed from a cut in secondary (Rabi) output due to shortages of water and energy for irrigation. On the other hand, the 2013 season was opened in India with a timely arrival of the southwest monsoon over the coast of Kerala on 1 June. Since then, a fast progression of the rains, which covered the whole of India a month ahead of normal, has facilitated an early advancement of Kharif crop plantings and, by 19 July, 15.5 million hectares were reported under paddy, 11 percent more than in the corresponding time in 2012. Based on the second long-range forecast released by the India Meteorological Department, precipitation levels during the June to September period are likely to remain within 98 percent of the Long Period Average ( $\pm 4\%$  model error), with all broad geographical regions forecast to receive normal rainfall amounts. Expectations that the favourable climate will endure through the critical months of July and August raise prospects of a recovery of Kharif crop plantings to more normal levels. This is so, even as authorities encourage producers in states such as Punjab and Haryana to move away from paddy cultivation so as to preserve ground water resources. Concerns over the size of public grain inventories also led the authorities to limit the increase in minimum support prices for paddy to 5 percent this season. For the full season, FAO now anticipates production in India to reach 159.0 million tonnes (106.0 million tonnes, milled basis), which would surpass the 2012 level by 1.5 percent and imply a new record.

<b>India – Minimum Support Prices (MSP) for Paddy (Rupees/tonne)</b>						
	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>
<b>Common</b>	8,500 <sup>1/</sup>	9,500 <sup>2/</sup>	10,000	10,800	12,500	13,100
<b>Grade 'A'</b>	8,800 <sup>1/</sup>	9,800 <sup>2/</sup>	10,300	11,100	12,800	13,450

1/ Subject to an additional incentive bonus of Rs. 500 per tonne.

2/ Subject to an additional incentive bonus of Rs. 500 per tonne.

Source: Ministry of Agriculture, Department of Agriculture & Cooperation.

Prospects for 2013 paddy production in **Indonesia** have been downgraded by 2.8 million tonnes following the release of the first official forecast of 69.27 million tonnes (43.64 million tonnes, milled basis). If confirmed, this volume would represent an only marginal increase from the previous year, as expectations of output gains in the first and last four months of 2013 would compensate for reductions between May and August. Since the conventional start of the dry season in April, planting activities of offseason crops have indeed been hindered by unusually wet conditions, particularly in the Island of Java. Official weather forecasts have warned that the unseasonable climate could last until August, much like in 2010 when above-average precipitation facilitated a spread of diseases and affected secondary crop yields and their quality. The unfavourable conditions also fuelled concerns over the sector's ability to meet the 10.0 million tonne surplus targeted by the Government for 2014, particularly when faced with poor infrastructure, in particular concerning the irrigation system. This year, rice producers will also face higher costs, following a 22-44 percent rise in the prices of subsidised fuel, which came into effect in June.

Producers in **Japan** have by now completed planting activities of the 2013 paddy crop. FAO has left the 2013 production outlook for the country unchanged at 10.6 million tonnes (7.7 million tonnes, milled basis). This would represent a 0.5 percent year-on-year output shortfall, based on expectations of average yields returning to more normal levels.

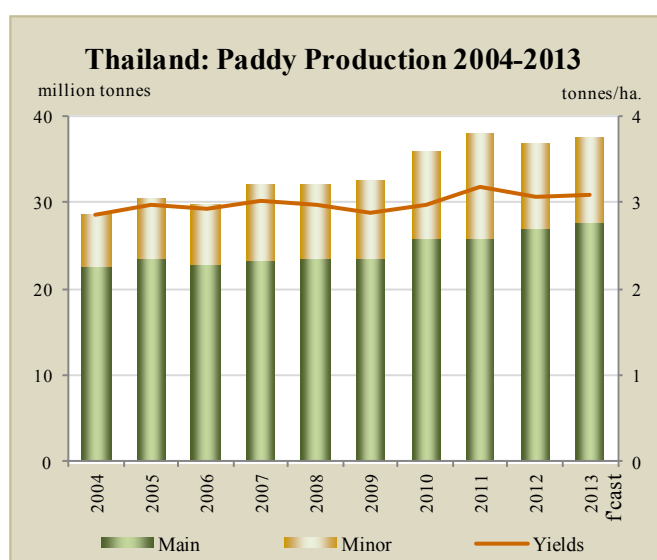
The production forecast for the **Republic of Korea** has been similarly left untouched at 5.7 million tonnes (4.2 million tonnes, milled basis), up 5 percent from the poor 2012 outturn. The forecast upturn rests on anticipation of a recovery in yields, which were affected by storms, ensuing floods and strong winds during the previous season.

In **Nepal**, transplanting activities of the main season crops, due for harvest between August and September, were reported to be proceeding smoothly thanks to a timely and abundant seasonal rainfall. After reaching a 2011 high of 5.1 million tonnes (3.3 million tonnes, milled basis), in 2012 production in the country was negatively impacted by erratic rainfall and shortages of fertilizers. Assuming favourable production conditions prevail for the remainder of the season and based on reports of an improved input supply situation, FAO anticipates 2013 production in Nepal to recover by 2 percent to 4.6 million tonnes (3.0 million tonnes, milled basis).

Officials have raised their estimate of 2012 production in **Pakistan** by close to 260 000 tonnes to 8.3 million tonnes (5.5 million tonnes, milled basis). The revised figure still implies 10 percent year-on-year output reduction, imputable to losses incurred to floods. Meanwhile, sowing of the 2013 crop has already been completed in the country. This season, crops are expected to benefit from increased availability of water for irrigation in the main producing regions of Punjab and Sindh, with increased local fertilizer production also contributing to somewhat lower fertilizer prices. Based on expectations that these factors will prove supportive of both area and yield recoveries and provided no major setbacks are incurred, Pakistan is forecast to gather 12 percent more rice than in 2012, or 9.3 million tonnes (6.2 million tonnes, milled basis).

The June harvest of secondary crops marked a closure to the 2012 paddy season in the **Philippines**. Overall production in the country is gauged to have stricken a new record of 18.0 million tonnes (11.8 million tonnes, milled basis), up 6 percent year-on-year, thanks to both area and yield improvements. For the 2013 season, FAO forecasts the Philippines to outdo this level by 5 percent, harvesting 18.90 million tonnes (12.4 million tonnes, milled basis). The forecast is still preliminary, however, as the season has just been launched with the planting of main paddy crops. Production in the Philippines has averaged an annual growth rate of 3 percent over the past ten years. Achieving the goals set out under the Food Staples Sufficiency Program (FSSP) would, however, require the country to double its current pace of production expansion to reach the 22.7 million tonne (14.9 million tonnes, milled basis) output targeted for 2016.

After contracting in 2012 as a consequence of drought, production in **Sri Lanka** is forecast to rebound by 7 percent to 4.1 million tonnes (2.8 million tonnes, milled basis), a level that would stand second only to the 2010 record. The country has already collected the main Maha crop which, despite flooding problems, is estimated to have remained largely stable relative to the previous year. Prospects are more positive for the secondary Yala crop, which is targeted to extend over 500 500 hectares this season. On expectations that area coverage will indeed expand from the 2012 drought-constrained level of 364 500 hectare, FAO projects the 2013 offseason crop to amount to 1.4 million tonnes (938 000 tonnes, milled basis). Authorities anticipate the Paddy Marketing Board will buy between 75 000 tonnes to 100 000 tonnes from this volume starting in July. This is after a record of close to 140 000 tonnes of paddy were reported procured by the state agency from the main crop harvest.



In **Thailand**, estimates of 2011 production have been raised by 2.8 million tonnes to 38.1 million tonnes (25.2 million tonnes, milled basis), 6 percent more than in 2010 and a new record. The adjustment primarily reflects official assessments of main crop production, which point to a steady output level of 25.9 million tonnes (17.1 million tonnes, milled basis). Authorities indicate that losses from the severe floods that affected over a million hectares of plantings that season were largely compensated by greater output in north-eastern areas, which were less affected by the inundations. Compared to figures reported in April, estimates of 2012 output in Thailand are also higher at 36.9 million tonnes (24.4 million

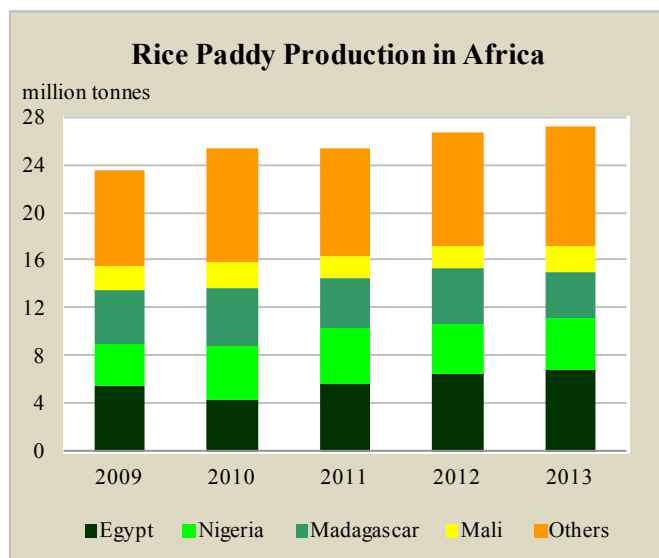
tonnes, milled basis). This level would, nevertheless, imply a 3 percent contraction from the 2011 record harvest, mirroring a reduction in secondary crop output caused by shortages of water for irrigation. Prospects for the 2013 season are more positive. Good weather has permitted planting of main paddy crops to proceed smoothly, with favourable rains also expected to replenish major reservoirs for the irrigated off-season crop. Assuming climatic conditions remain conducive for the remainder of the season and considering the strong public support extended to the sector, Thailand is forecast to gather 37.5 million tonnes (24.8 million tonnes, milled basis), 2 percent more than in 2012.

Indeed, little question remains over the Thai Government's intention to extend the controversial paddy pledging scheme for a third consecutive season. However, the terms of its implementation, and especially the prices to be offered to producers, have yet to be defined. Mounting pressure over the financial weight of the programme after the scheme was found to have accumulated losses worth of Baht 137 billion (USD 4.4 billion) in the 2011/12 season alone, prompted the authorities in June to abruptly cut mortgaging prices by 20 percent for what was left of the 2012/13 secondary-crop run of the programme. Yet, faced with strong opposition from farmers, the Government reverted its decision less than two weeks later, re-establishing prices at Baht 13 800-15 000 (USD 444-482) per tonne. With the country's competitiveness on international markets severely eroded by the high domestic prices and the Government having to shoulder the costs of maintaining enormous public stocks, it would appear increasingly likely that pledging prices will be decreased. Decisions to these effects are, however, likely to be accompanied by the institution of alternative support measures, including efforts to assist producers cut production costs and raise yields, or move into cultivation of more profitable crops as already encouraged in June.

The 2013 season is well advanced in **Viet Nam**, with the winter-spring crop already collected and the summer-autumn harvest nearing a close. The country is now anticipated to gather 43.8 million tonnes (29.2 million tonnes, milled basis) in 2013, only marginally above the 2012 record. Officials assess output from the winter-spring crop to have amounted to 20.3 million tonnes (13.5 million tonnes, milled basis), down nearly 30 000 tonnes year-on-year, as insufficient water availabilities in parts of the country depressed yields slightly, offsetting a small area increase. Growth prospects for the ongoing summer-autumn harvest have also been tempered by a late arrival of rains over southern areas and low price prospects. In this connection, authorities have launched the second procurement round of the season, in a bid to shore up prices which have come under increasing pressure from successive bumper harvests and staunch competition in export markets. The plan targets to purchase 1.0 million tonnes of summer-autumn rice from farmers between 15 June and 31 July 2013.

## B. AFRICA

### *Locust outbreaks in Madagascar mar prospects for 2013 production in Africa*



Countries in Eastern and Southern Africa have by now completed their main crop harvest or are in the process of doing so. The season is less advanced elsewhere in the continent: in Egypt, the main crop is still in the ground, while various West African countries are only now engaged in crop planting activities. Based on the latest assessment, production in the region may reach 27.2 million tonnes (17.8 million tonnes, milled basis) in 2013, 2 percent above the 2012 outturn, but roughly 500 000 tonnes less than previously foreseen. West African countries are envisaged to drive much of the season's growth, with a strong recovery also anticipated in East Africa and continuous inroads projected for Egypt. Expansions in these areas contrast with

anticipated falls in the southern parts of the continent, especially in Madagascar, where prospects have been compromised by a widespread locust outbreak.

In Northern Africa, the 2013 crop was planted between April and June in **Egypt**. FAO's production outlook for the country indicates a likely 3 percent expansion over the season to 6.8 million tonnes (4.7 million tonnes, milled basis). The increase is expected to rely on larger area coverage, stimulated by strong local prices and loose enforcement of cultivation limits.

The 2013 season in West Africa is still at early stages, as many countries are in the process of planting their main paddy crops, for collection over the third and fourth quarters of the year. With no major disruptions reported to have affected agricultural activities thus far, on the whole, production in the sub-region remains forecast at 13.4 million tonnes (8.5 million tonnes, milled basis), outdoing the good 2012 performance by nearly 700 000 tonnes. Based on current prospects, **Burkina Faso, Chad, Cote d'Ivoire, Ghana, Gambia, Guinea, Guinea-Bissau, Liberia, Mauritania, Niger, Senegal, Sierra Leone** and **Togo** are all likely to gather larger crops. Individually, however, the largest increase is foreseen in **Mali**, where the government has recently underlined its commitment to continue assistance to the sector, namely through subsidized inputs scheme. Assuming normal growing conditions, FAO forecasts the country to gather 2.2 million tonnes (1.5 million tonnes, milled basis), up 15 percent year-on-year. **Nigeria** is also expected to recuperate much of the losses incurred to floods in 2012, collecting a total of 4.4 million tonnes (2.6 million tonnes, milled basis). The forecast is consistent with the strong support that the sector receives from Government, including increased border protection, efforts to boost processing capacity and attract private investment. Officials, moreover, indicate a successful end to the dry-season support programme. Through the provision of subsidised inputs, the scheme is reported to have facilitated the production of 1.1 million tonnes of paddy in 2012/13 over 264 000 hectares in ten northern states.

In Central Africa, the 2012 production estimate for **Cameroon** has been subject to a near 40 000 tonne upward revision, now pointing to an output level of 139 000 tonnes (91 000 tonnes, milled basis). The revised figure stands 20 percent below the previous year's outcome, reflecting losses inflicted by floods in northern parts of the country. Paddy production in Cameroon is highly concentrated on the Far North region, where irrigated schemes spanning over 11 500 hectares are operated by SEMRY (Société d'Expansion et Modernisation de la Riziculture de Yagoua). Further to

causing crop losses, the 2012 inundations inflicted significant damage to embankments and dams directly connected to the irrigation schemes. Works to rehabilitate the infrastructure are underway as part of a financial assistance package provided by the World Bank. Assuming growing conditions normalise over the season, Cameroon is preliminarily forecast to gather 170 000 tonnes (111 000 tonnes, milled basis).

Production prospects for *Eastern Africa* have changed little since the last issue of the RMM. All combined, countries in the sub-region are forecast to gather 2.0 million tonnes (1.3 million tonnes, milled basis), up 17 percent year-on-year. Much of the anticipated growth reflects prospects of an output recovery in the **United Republic of Tanzania**, where 2013 main crop harvesting activities are about to conclude. A more normal weather pattern over the season is forecast to raise production to 1.4 million tonnes (910 000 tonnes, milled basis), up nearly 300 000 tonnes from the 2012 weather-affected outcome. Within the sub-region, the outlook is also positive for **Ethiopia, Kenya and Uganda**.

In *Southern Africa*, **Madagascar** has been affected by an outbreak of migratory locusts, which was favoured by climatic conditions developing after the landfall of tropical cyclone Haruna in February. The central, southern and south-western parts of the country have been worst hit by the plague so far, but swarms are expected to begin moving northwards, potentially threatening 1.5 million hectares of land by September. First assessments indicate the losses inflicted on rice and maize crops over central and south-western parts of the country have been uneven but severe, reaching 70 percent, if not 100 percent in some cases. As a consequence and pending the results of field missions assessing the severity of crop damages, which are soon to be released, the 2013 production forecast for Madagascar has been preliminarily lowered to 3.9 million tonnes (2.6 million tonnes, milled basis), 15 percent less than the 2012 result. Elsewhere in the sub-region, inclement weather is also behind an estimated 53 000 tonne season decline in output in **Mozambique** to 290 000 tonnes (193 000 tonnes, milled basis), still the second largest outcome on record. In other Southern African producing countries, officials report only marginal year-to-year changes in output in **Malawi and Zambia**. Area gains were largely cancelled out by yield depressions in both countries, keeping production at 110 000 tonnes (71 000 tonnes, milled basis) in the former and at 45 000 tonnes (30 000 tonnes, milled basis) in the latter.

## C. CENTRAL AMERICA AND THE CARIBBEAN

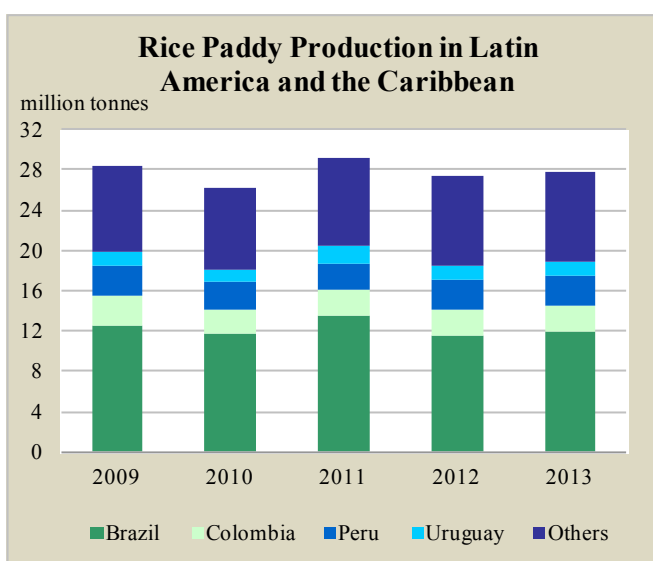
### *An output recovery in the Dominican Republic to lead a 7 percent upturn in 2013 production*

Many *Central American and Caribbean* countries were still engaged in main crop planting activities when the hurricane season began on 1 June. As a result, and given the susceptibility of crops to damages from storms, production prospects for the sub-region remain preliminary at this stage. According to a May monitoring report by NOAA's Climate Prediction Center, the 2013 Atlantic hurricane season, spanning from June to November, could prove active-to-extremely active, given a 70 percent probability that 13-20 named storms develop, 7-11 of which could become hurricanes and 3-6 major hurricanes. Nevertheless, assuming normal conditions prevails, the sub-region is forecast to produce 3.0 million tonnes (2.0 million tonnes, milled basis), a 7 percent year-on-year upturn. The increase primarily mirrors a recovery in the **Dominican Republic**, where the season is more advanced, having already reached the main-crop harvest stage. Boosted by both improved yields and greater area coverage, the latter in part facilitated by higher support prices, the country is foreseen to gather 860 000 tonnes (568 000 tonnes, milled basis), 90 000 tonnes more than in 2012, when crops were damaged by the passage of hurricanes in August and October.

The outlook is also positive for **Cuba**, where paddy production might reach 650 000 tonnes (434 000 tonnes, milled basis). This is up from an even higher estimate of 2012 output, which officials now assess to have stricken an all time record of 642 000 tonnes (428 000 tonnes, milled basis). Production in **Haiti**, which was constrained in 2012 by the passage of storms and high input costs, is anticipated to recuperate losses and garner 130 000 tonnes (87 000 tonnes, milled basis) in the course of this season. The forecast recovery is notwithstanding early concerns over potential shortfalls in irrigation water supplies following late and erratic precipitation and successive flooding problems in June. Driven by favourable prices prospects, a significant output growth is anticipated in **Honduras** to 92 000 tonnes (61 000 tonnes, milled basis). Expectations in **Mexico, Nicaragua** and **Panama** also point to an increase, unlike prospects for **Costa Rica**, which is foreseen to undergo a second consecutive season of contraction to 230 000 tonnes (150 000 tonnes, milled basis). The reduction in part reflects headway made by authorities in their efforts to eliminate the price support system in place for rice. Starting in May 2013, the paddy producer price will be fixed at Colones 22 604.41 for 73.6 kilo bag (USD 608 per tonne), which is lower than the temporary price of Colones 23 131 (USD 622 per tonne) set by a court order in July 2012. The reform was first launched in 2010 with the objective to bring the country's agricultural subsidies within limits committed under the WTO. Officials have announced that it is to culminate on 1 March 2014, when the fixed producer prices will be eliminated and replaced with an alternate framework to be devised along with sector representatives.

## D. SOUTH AMERICA

### *Unattractive prices dampen the production recovery in the South America*



The production outlook for South America, where many countries have already concluded their 2013 season harvest, has improved somewhat since the last issue of the RMM, although it continues to point to an overall weak output recovery. On aggregate, production is forecast to reach 24.9 million tonnes (16.7 million tonnes, milled basis), which, while 2 percent higher than the poor 2012 result, remains well below the high levels attained in 2009 and 2011. A recovery in **Brazil** is forecast to contribute most to the increase, although **Ecuador, Guyana** and **Paraguay** are also expected to gather larger crops. Prospects for the other countries in the sub-region are less favourable. In **Argentina, Colombia** and **Peru**,

little to no production growth is expected, while output may fall in **Bolivia, Chile, Uruguay** and **Venezuela**, primarily in reaction to unremunerative prices and burdening production costs.

The latest Government assessments of production in **Argentina**, where the 2013 season harvest was concluded in May, gauged output at 1.6 million tonnes (1.1 million tonnes, milled basis). The estimate stands 80 000 tonnes higher than previously forecast and only 0.6 percent above the 2012 poor outcome. The small upturn was of a result of higher yields having largely compensated for retrenchments in plantings, as producers reacted to prospects of low margins.

FAO's estimate of 2013 production in **Bolivia** remains at 450 000 tonnes (309 000 tonnes, milled basis), 13 percent less than the previous year, with the fall imputable to poor weather and low prices.

On the backdrop of a reduced local harvest, rice quotations in the country staged a sudden jump during the second quarter of the year and, while prices reversed their escalation by June, these remained between 42 and 62 percent above their year-earlier levels in the main producing region of Santa Cruz. The price spike and fears of supply shortfalls prompted authorities to announce a number of remedial measures, including their readiness to bring in supplies from abroad and suspend all rice exports.

CONAB's July crop survey has only slightly adjusted estimates of production in **Brazil**, where the bulk of the 2013 season harvest has already been reaped. The country is anticipated to harvest 2 percent more than in 2012, or 11.9 million tonnes (7.9 million tonnes, milled basis), thanks to higher yields, which offset cuts in area. A 2.5 percent production increase in Rio Grande do Sul contributed to the season's upturn, while output in the second largest producer, Santa Catarina, dropped by 4.9 percent, constrained by cold temperatures, diseases and a lack of water for irrigation. The two southern states, which normally account for 70 percent of Brazil's production, have been responsible for much of the national output gains over the last decade, compensating for declines elsewhere, particularly in the centre-west region where rice is grown under rainfed conditions and competes with other crops, such as soy. The Government's latest step to raise minimum support prices (MSP) for rice for the 2014/15 season (2013/14 season for Brazil), in June, highlighted official concerns about this over-reliance on the two southern producing states: in a bid to reduce that reliance, the floor prices for long grain paddy were left unchanged in Rio Grande do Sul and Santa Catarina, while they were raised by 7 - 13 percent in all other regions.

Brazil – Minimum Support Prices (MSP) for Paddy						
Commodity	Regions and States covered	Type	2013/14		2014/15 <sup>1/</sup>	
			BRL/MT	USD/MT	BRL/MT	USD/MT
Fine long-grain paddy	Southern region (except Paraná)	Type 1-58/10	516	232	516	232
	Southeast, Northeast, Centre West regions (excepting Mato Grosso) and Paraná State		516	232	550	247
	Northern Region and Mato Grosso		471	211	531	238
Long-grain paddy	Southern region (except Paraná)	Type 2-55/13	378	170	378	170
	Southeast, Northeast, Centre West regions (excepting Mato Grosso) and Paraná State		315	141	355	159
	Northern Region and Mato Grosso		361	162	408	183

1/ Effective February 2014 to January 2015.

Source: Ministry of Agriculture.

According to officials in **Chile**, insufficient availabilities of water for irrigation at planting time resulted in a 13 percent cut in area coverage to 21 000 hectares. Assessments of crop development in May indicated favourable yields in the main producing region of Maule, although elsewhere crops were impacted by untimely rains and low temperatures. As a result, FAO estimates the May ended harvest in Chile to have amounted to 145 000 tonnes (98 000 tonnes, milled basis), 3 percent less than in 2012.

Forecasts of 2013 production in **Peru**, where the crop harvest is underway, have been raised by 150 000 tonnes, based on field reports indicating that plantings have remained stable notwithstanding difficulties in marketing crops. Considering the current favourable climate and sufficient water supplies for irrigation, average yields are also expected to remain close to last year's level. As a result, Peru is now forecast to gather 3.0 million tonnes (2.0 million tonnes, milled basis), unchanged from the 2012 level.

In **Uruguay**, production is forecast to contract by 3 percent to 1.4 million tonnes (970 000 tonnes, milled basis), reflecting cuts in area planted, prompted by rising production costs, which were only partly compensated by a recovery in average yields to 8.0 tonnes per hectare.

Production prospects are similarly negative for **Venezuela**, where summer crops have already been collected and winter crops are in the process of being planted. Reflecting expectations of reduced plantings due to a lack of profitability, shortages of inputs, as well as lingering pest attack problems, output in the country is forecast to decline by 8 percent to 850 000 tonnes (595 000 tonnes, milled basis). In an effort to stimulate production this season, in May, officials approved a one-time subsidy of Bolívares 1.1 per kg (USD 175 per tonne) for the 2013 summer crop cycle, to be paid to farmers by 1 July 2013, on top of producer prices. With the subsidy payment period now expired, producers have requested that officials re-examine floor prices for the remainder of the season. According to their assessments, these would need to be raised by 106 percent from their current level of Bolívares 2.50 -2.58 per kg (USD 397- 410 per tonne), in order to cover production costs and allow a level of profitability.

## E. NORTH AMERICA, EUROPE AND OCEANIA

### *Poor weather behind deteriorating prospects in the United States and the European Union*

In **North America**, the USDA's latest production forecast indicates that output in the **United States** is likely to be roughly 260 000 tonnes less than foreseen by FAO in April at 8.14 million tonnes (5.7 million tonnes, milled basis). This would imply a 10 percent year-on-year contraction, primarily imputable to reduced cultivation. Based on the agency's June survey of plantings, 999 600 hectares were put under paddy this season, 8.5 percent less than in 2012, with all producing states except Mississippi, cutting area under rice. The retrenchment was fostered by competition with other crops and was compounded on by unseasonably wet and cold weather at planting time. The unfavourable climate delayed sowing activities by weeks in southern producing states, causing crop development to fall behind pace. As a result, by 21 July, 24 percent of crops were reported headed, compared to a five year average of 32 percent. At the same time, 72 percent of crops were rated in good to excellent conditions, which compares with 69 percent in same period last year.

In **Europe**, the production outlook has also deteriorated in the **European Union**, following prospects of a smaller crop in Italy, the largest producer in the area. Adding to likely area declines on low price prospects, plantings in the country were hindered by excessive rains and cold spring temperatures, which caused considerable delays in sowing activities and crop development. Although improved weather in the second half of June permitted crops to partly make up for the initial delays, output in Italy is forecast to slide by 16 percent to 1.35 million tonnes (810 000 tonnes, milled basis). Based on current prospects, the production decline in Italy, coupled with smaller crops in France and Greece, would outweigh recoveries in Hungary, Romania and specially Spain, where crops were constrained last year by a prolonged drought. As a result, on aggregate, paddy production in the EU is forecast at 2.9 million tonnes (1.7 million tonnes, milled basis), down 10 percent year-on-year. By contrast, on prospects of a larger coverage, officials anticipate the **Russian Federation** to gather 1.1 million tonnes (723 000 tonnes, milled basis), outdoing the 2012 performance by 3 percent.

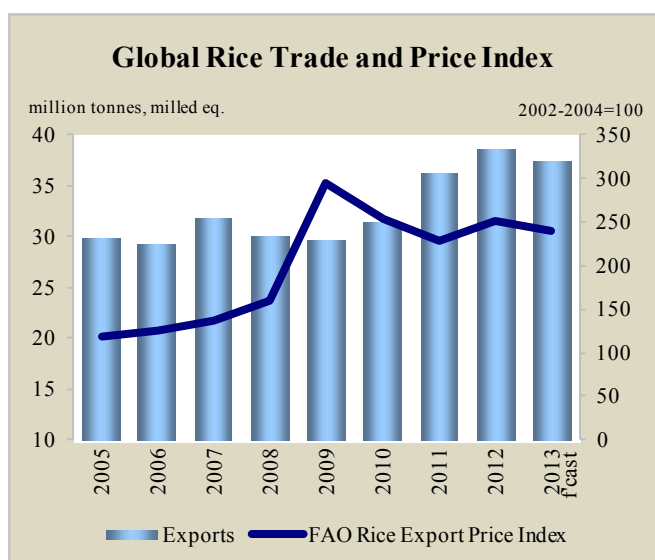
In **Oceania**, the 2013 season harvest is long concluded in **Australia**. The latest available assessment from ABARES confirms an excellent seasonal turnout for the country. Production rose to 1.2 million tonnes (774 000 tonnes, milled basis), its highest since 2002 and 26 percent more than the already

good 2012 result. The achievement was made possible by greater availability of water for irrigation, which permitted plantings to expand by 13 percent to 116 000 hectares, and by a 12 percent increase in yields to 10.0 tonnes per hectare.

## II. INTERNATIONAL TRADE IN RICE

### *Faltering import demand to depress 2013 trade in rice by 2.5 percent*

Following adjustments to production figures, FAO's forecast of world trade in rice in calendar 2013 has been upgraded by 200 000 tonnes to 37.5 million tonnes (milled basis). The revision primarily reflects expectations of larger consignments to China (Mainland) and Nepal, which more than offset reduced flows into, primarily, Bangladesh and Nigeria. As for exports, upward revisions namely concerned India, with projected deliveries also raised for China (Mainland) and Myanmar. Put together, these changes more than compensated for lower export forecasts for Brazil, Thailand, the United States and Viet Nam.



At 37.5 million tonnes, world trade in rice in 2013 would stand 2.5 percent short of the previous year's record. From a regional perspective, the contraction is forecast to be driven by weaker import demand in Africa, a reflection of the generally good crops gathered in the area and policy stances adopted by countries engaged in self-sufficiency drives. With important buyers in the region also looking inwards to meet much of their consumption needs, Asia too is expected to take fewer shipments, whereas, current expectations point to a likely increase in volumes delivered to Latin America and the Caribbean, North America and Europe. On the supply side, India is still forecast to absorb much of the

anticipated contraction, but prospects also indicate a likely reductions in shipments from Argentina, Brazil, the Russian Federation and Uruguay. Fewer deliveries by these countries would more than outweigh expected expansions by Australia, Cambodia, China (Mainland), Egypt, Paraguay, Pakistan and the United States, while consignments by both Thailand and Viet Nam remain little changed relative to levels registered in 2012.

### A. IMPORTS

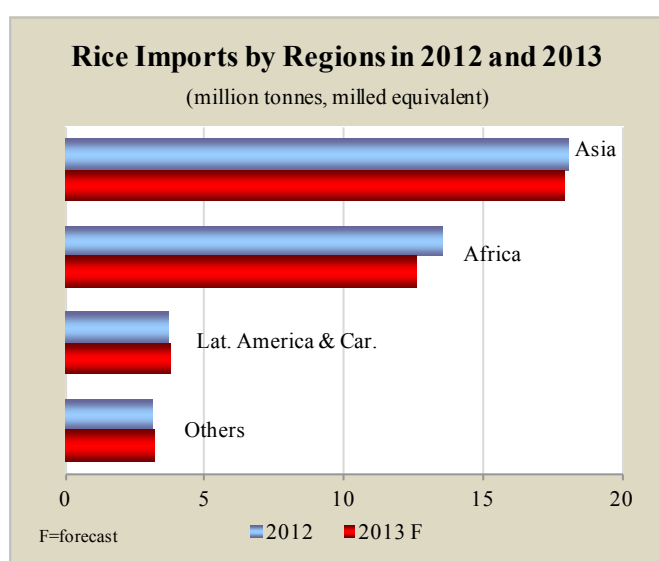
#### *Higher expected deliveries to China (Mainland) raise import forecasts for Asia*

Based on the latest forecasts, global trade in rice in calendar 2013 is set to decline by 2.5 percent to 37.5 million tonnes. From a regional perspective, a 1 percent reduction in deliveries to **Asia** to 17.9 million tonnes would explain much of this retrenchment. Compared to figures released in April, however, Asian countries' imports have been raised by 400 000 tonnes, to account for expectations of larger consignments to **China (Mainland)**. Based on official statistics, cumulative shipments to the country amounted to 1.3 million tonnes in the first six months of 2013, surpassing their year-

earlier level by 12 percent. Imports by the country, largely sourced from with Viet Nam and Pakistan, continue to be stimulated by large price differentials with foreign supplies. Reports of cadmium contamination in rice produced in some central and southern provinces have also fuelled speculation that health concerns could eventually propel Chinese import demand further. On the whole, China (Mainland) is now forecast to purchase 2.6 million tonnes, nearly 250 000 tonnes more than in 2012 and 600 000 tonnes more than previously anticipated. However, the forecast volume only takes into account expectations of formal deliveries to the country, even though large quantities are also reported to be traded unofficially across China's borders, especially since 2012.

Compared to figures reported in April, shipments to **Nepal** in calendar 2013 are also foreseen to end higher at 400 000 tonnes. With foreign supplies needed to make-up for production shortfalls, the pace of rice deliveries have also remained strong, particularly from India its foremost supplier. At a forecast level of 520 000 tonnes, shipments to the **Republic of Korea** would stand considerably higher than in 2012, reflecting efforts by authorities to expedite Minimum Market Access consignments and curb price increases. Shipments to **Japan** are similarly foreseen to rise to 700 000 tonnes. Prospects also point to increased deliveries to **Iraq, Jordan, Kuwait, Saudi Arabia, Turkey** and the **United Arab Emirates**, confirming *Near East Asian* are among the most important and fast growing destinations for rice.

Based on current expectations, larger shipments to these countries combined, would only partly compensate for diminishing imports elsewhere in Asia. Among individual countries, **Indonesia** is forecast to drive the contraction in world trade, cutting rice purchases from 1.8 million tonnes in 2012 to 1.3 million tonnes this year. This volume is expected to include supplies brought into the country by private operators as well as purchases by Government via Bulog. Indeed and notwithstanding the less buoyant production outlook for the season, local procurement by the Agency is reported to proceed smoothly. The domestic purchases are expected to assist Bulog in its price stabilisation operations and distribution under the Raskin program. Requirements for the latter have, however, been placed higher than the 2.8 million tonnes originally foreseen, following announcements in June that three additional monthly rations of 15 kilos each would be distributed to the scheme's 15.5 million family beneficiaries. The initiative is part of official efforts to compensate poor families for the increase in subsidised prices of fuel last June.



Based on early expectations of a favourable production outcome and fewer state imports, FAO anticipates 2013 deliveries to **the Philippines** to fall by 9 percent to 1.0 million tonnes. Officials in the country have also been engaged in an aggressive local procurement campaign since the start of the year, which, by 25 of June, was reported to have enabled the National Food Authority to meet 45 percent of its annual paddy procurement target of 616 000 tonnes. Efforts to bolster domestic purchase operations come as officials attempt to realize their self-sufficiency ambitions this year, capping rice imports at 350 000 tonnes, the minimum the country has to import under its WTO commitments. Among the other major

rice markets in the region, rice consignments to the **Islamic Republic of Iran** are anticipated to fall 15 percent short of the 2012 high to 1.3 million tonnes. Cumulative deliveries to the country in the

first five months of the year, were officially reported 12 percent lower year-on-year, at 705 500 tonnes, with consignments from India alone accounting for two thirds of this volume.

Elsewhere in the region, rice purchases by **Malaysia** are anticipated to remain stable at 1.0 million tonnes. In **Bangladesh**, imports might be halved to 100 000 tonnes, 45 000 tonnes more than the low level of imports recoded in 2012. Authorities in the country intend to maintain import duty exemptions on rice during the 2013-2014 fiscal year and while they have set an import target of 260 000 tonnes, direct Government purchases are anticipated to remain small on expectations that officials will continue sourcing domestic supplies to run welfare schemes. A favourable production outcome is also behind prospects of rice purchases by **Sri Lanka** remaining small and in the order of 40 000 tonnes. Indeed, encouraged by a favourable pace of official purchases, officials have announced that they would release 50 000 tonnes of paddy of excess stocks to the export market.

Current forecasts point to *African countries* driving much of the anticipated decline in world rice trade in 2013. All combined, imports by the region are projected to drop to 12.6 million tonnes, or 7 percent short of the 2012 record. Much of this contraction reflects expectations of reduced deliveries to West African countries, especially **Cote d'Ivoire**, **Guinea**, **Sierra Leone** and **Togo**, many of which could count on greater domestic availabilities to meet their needs. Self-sufficiency remains at the centre of many West African countries' rice policies, with various nations opting to curtail purchases from abroad in parallel to running production support programmes. **Gambia** is the latest of such cases, having announced its intentions of prohibiting rice imports as of 2016. More notorious has been the protective stance adopted by **Nigeria**, which raised duties and levies on imported husked and milled/semi-milled rice to 110 percent, while also maintaining a ban on imports via land borders. The high tariff policy, however, continues to be undermined by large unofficial inflows from neighboring countries. Even though authorities have recently renewed their commitment to step-up border protection, FAO envisages purchases by Nigeria to remain large, in the order of 2.5 million tonnes, but 500 000 tonnes less than in 2012. Output recoveries and refurbished stocks through substantial imports in 2012 are also seen depressing import demand in **Senegal** and **Mali**. In the latter, the decline would also be consistent with the Government's June decision to forego the temporary suspension of import duties that had been passed in previous years to curb domestic price increases during Ramadan and lean months.

After a high level of imports in 2012, deliveries to South Africa are also expected to be trimmed, while elsewhere in the continent, import demand is expected to remain firm. In the case of **Cameroon**, higher purchases might be required to compensate for flood related output losses, while in the case of **Burundi**, **Kenya** and **Rwanda** imports are expected to be facilitated by a continuation of exemptions on the East African Community's 75 percent tariff on rice. After incurring successive weather-induced output shortfalls, the **United Republic of Tanzania**, too, is reported to have recurred to EAC duty exemptions to bring in supplies from outside the community. Over the year, FAO anticipates deliveries to the country to remain largely steady at 200 000 tonnes.

Import demand in *Latin America and the Caribbean* is similarly foreseen to remain strong, with cumulative deliveries to the region surpassing the 2012 level by 3 percent to 3.8 million tonnes. *Central America and the Caribbean* is projected to be responsible for much of the growth, fed primarily by larger deliveries to **Costa Rica**, **El Salvador**, **Haiti** and **Mexico**, while those directed to **Cuba** and **Honduras** may fall thanks to steady production inroads. In **Haiti**, greater supplies are needed to make up for the 2012 output shortfall, with the increase also reflecting a Government initiative to import rice at preferential rates from Viet Nam. In the case of **Mexico**, deliveries are expected to reach 640 000 tonnes. The country has historically relied on the United States to supply virtually all of its import needs, but in recent years, consignments from Uruguay and Pakistan to

Mexico have gained ground. However, the detection of khapra beetle in containers arriving from Pakistan in June prompted Mexican authorities to step-up inspection and quarantine measures and suspend import authorisation for Pakistani rice. Under expectations of only small production upturns, aggregate imports by *South America* are also expected to remain close to the 2012 high level. Within the sub-region, rice imports by **Brazil** are foreseen to end somewhat higher than previously anticipated at 750 000 tonnes, based on a strong pace of purchases registered to date. Together with **Colombia**, **Brazil** looks set to sustain much of the sub-region imports, offsetting reductions mainly in **Peru** and **Venezuela**.

In the *other regions*, purchases by the **European Union** are forecast to reach 1.35 million tonnes in 2013, based on prospects of steady demand growth and stagnating output. Poor production results, combined with strong internal demand are also behind official expectations of a 9 percent increase in purchases by the **United States** to a high of 700 000 tonnes. By contrast, FAO anticipates the successful end to the paddy season will permit **Australia** to slash its level of imports by 33 percent to 90 000 tonnes.

## B. EXPORTS

### *India and Brazil to stand most affected by contraction in 2013 trade in rice*



On the export side, the anticipated contraction in global rice deliveries in 2013 is forecast to affect mostly shipments by **India**, as the country is faced with higher offering prices. Current prospects also indicate a likely sharp reduction in deliveries by **Brazil**, with exports by **Argentina**, the **Russian Federation**, and **Uruguay** similarly expected to fall short of 2012 levels. Combined with expectations of a largely stable level of deliveries by both **Thailand** and **Viet Nam**, reductions in these countries look set to more than outweigh expansions by **Australia**, **Cambodia**, **China (Mainland)**, **Egypt**, **Paraguay**, **Pakistan** and the **United States**, all of which are expected to hold sufficient supplies to step-up shipments

over year.

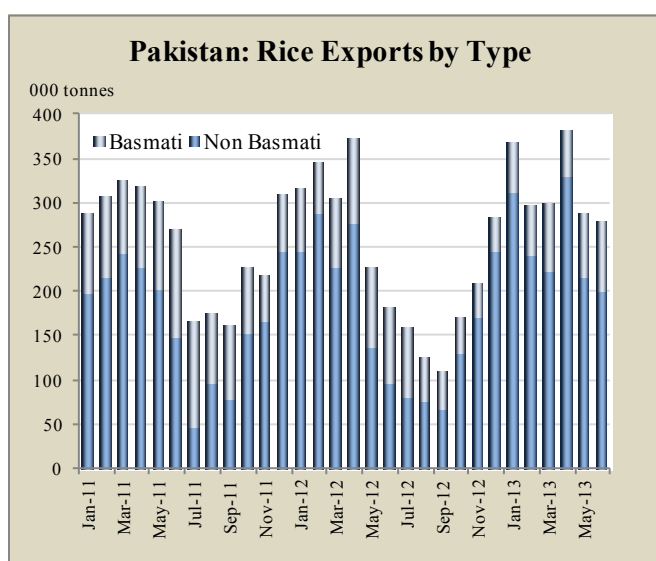
There have been no changes to **Cambodia's** rice export forecast since the last issue of the RMM, with the country still expected to count on sufficient availabilities to deliver to 1.3 million tonnes in 2013, much of which through border trade and in the form of paddy. Cambodia continues to make steady headway in raising its direct milled rice exports through growing deliveries to European markets. An April agreement has also opened the possibility to deliver rice to the Philippines' National Food Authority, with a more recent deal reached for a small consignment to Brunei.

Forecasts of deliveries by **China (Mainland)** in 2013 now stand at 500 000 tonnes, up considerably from the 279 000 tonnes shipped in 2012 and 200 000 tonnes more than previously envisaged. Based on officials statistics, shipments by the country in the first six months of the year stood 43 percent ahead of their pace the previous year at 277 000 tonnes. The upbeat performance primarily reflects a

revival of demand in the Republic of Korea, one of its traditional Japonica outlets, which accounted over 70 percent of Chinese volumes delivered during the period.

Consistent with an improved production outlook, rice export forecasts for **India** have also been upgraded by 500 000 tonnes to 8.8 million tonnes, which would still be 15 percent below the 2012 record. On the common variety segment, higher offering prices are expected to hinder the country's ability to maintain the pace of sales recorded last year. Indian export performance in the basmati market has, however, remained strong, sustained by large sales to the Near East and in particular to the Islamic Republic of Iran. Cumulative deliveries to the latter were reported to have crossed 600 000 tonnes in the first four months of the year, reflecting the advantage provided over that market by the Rupee payment mechanism put in place in 2012.

By contrast, at 700 000 tonnes, FAO's forecast of 2013 deliveries by **Myanmar** would stand some 15 percent above estimated consignments in 2012. The figure, however, does not take into account volumes traded by the country across its borders, which are reported to have neared the 700 000 tonne mark in 2012. Mostly comprised of lower quality rice, these outflows would have been primarily destined to China (Mainland), with high support prices under the paddy pledging program also sustaining an increase in exchanges across the Thai border. Assuming that the significant processing and logistical constraints faced by the country are gradually addressed, Myanmar's formal rice exports could receive a boost from the June reinstatement of duty-free and quota free access to the European Union under the Everything-but-Arms initiative.



Forecasts of 2013 exports by **Pakistan** remain set at 2.9 million tonnes, 4 percent above the 2012 result, but below the record 3.5 million tonnes shipped in 2010. The partial upturn is expected to be sustained by larger shipments of its competitively priced non-basmati rice, which have helped compensate for falling aromatic rice deliveries. Pakistan's basmati exports continue to be constrained by tight availabilities, in the wake of growing substitution of hybrid rice for aromatic varieties at the farm level. Processing operations have also been impaired by severe energy shortages. Some encouragement has, however, been provided to the industry by the inclusion of rice in a barter agreement with Islamic Republic of

Iran, which would help circumvent the financial sanctions that impede settlement of payments with the country.

Depressed by uncompetitive prices and tight availabilities, exports by **Thailand** between January and May fell to 2.6 million tonnes, 13 percent short of their already low level in 2012. The disappointing pace primarily reflected a reduction in parboiled shipments, which have additionally suffered from reduced import demand by Nigeria. Official customs data indicates direct Thai shipments to the country to have fallen to 54 000 tonnes during the period, down from 685 000 tonnes in the corresponding time in 2012, although part of the shortfall is likely compensated by greater shipments to other West African countries for delivery across borders. Thailand's competitive advantage has been severely undermined by the paddy pledging programme, which has kept supplies away from the market and pushed prices well above those of competing origins. An

escalation of controversy over financial losses incurred by the scheme recently encouraged officials to adopt a more proactive stance and to announce the release of 500 000 - 1.0 million tonnes of rice from public reserves on a monthly basis to make room for new crop pledges and secure funds for the continuation of the scheme. On expectations that the offloading of supplies from Government granaries will assist sales overseas to regain pace during the second half of the year, FAO anticipates Thailand to ship 7.0 million tonnes, marginally above the poor 2012 performance, but 700 000 tonnes less than previously envisaged.

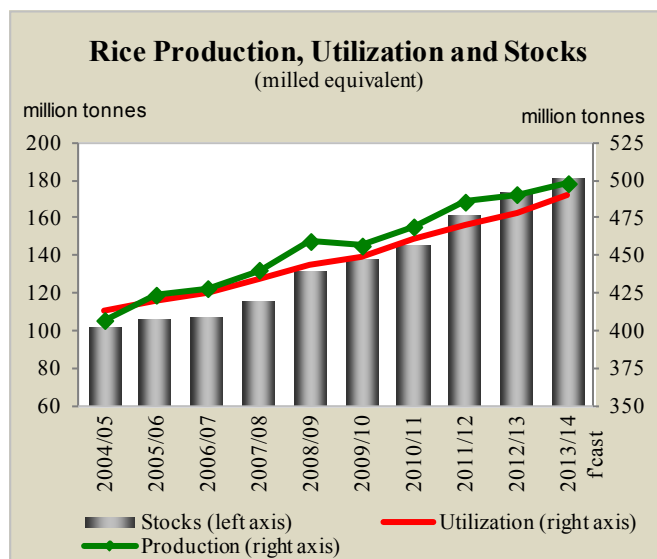
The export outlook for **Viet Nam** is also 100 000 tonnes lower than last reported, based on a slow pace of deliveries in the first half of the year. Exports by the country to June are officially reported to have fallen 3.4 percent short of 2012 levels to 3.7 million tonnes, depressed by sluggish demand in its traditional Asian outlets. However, considering that ample local availabilities will likely permit the country to maintain its competitive edge over other origins during the second half of the year, FAO anticipates Viet Nam to ship 7.7 million tonnes of rice in 2013, unchanged from the 2012 record performance.

Among the non-Asian suppliers of rice, **Egypt** is now forecast to deliver 450 000 tonnes, which would be 80 000 tonnes more than in 2012, but down somewhat from previous expectations. This follows the May official decision to halt rice exports until the September start to the 2013 season harvest, in order to ensure sufficient local availabilities for the public distribution program and ease pressure on local quotations. Officials forecasts in the **United States** point to 3.4 million tonnes being shipped by the country in 2013, up 2 percent year-on-year, primarily on expectations of strong sales to Latin American and Caribbean markets. FAO also anticipates **Australia** to hold sufficient supplies to raise shipments by 11 percent to 500 000 tonnes in 2013, whereas greater competition over Near Eastern markets may cause deliveries by the **Russian Federation** to slide by 27 percent to 200 000 tonnes.

Among the major South American origins, the export outlook has deteriorated in **Brazil**, which is now forecast to ship 28 percent less than a year earlier, or 800 000 tonnes. Brazil is faced with a comparatively small crop this year, which has kept prices firm, notwithstanding a currency depreciation. These factors have contributed to a 53 percent drop in sales by the country in the first half of the year to 331 000 tonnes, with much of the shortfall reflecting smaller sales to Cuba and to African countries, especially Nigeria. Likewise, exports by **Argentina** and **Uruguay** are forecast to fall, amid supply constraints from consecutive small harvests. Instead, prospects for exports by **Paraguay** have been upgraded in light of strong demand from its major trading partner, Brazil, which has supported an upbeat pace of deliveries in the first half of the year. Paraguay is now foreseen to export 350 000 tonnes of rice in 2013, up 28 percent from 2012.

### III. RICE UTILIZATION AND DOMESTIC PRICES

#### *Consumption of rice as food to keep pace with population growth*



Largely based on current prospects for 2013 crops, FAO's latest forecast of **global rice utilisation in 2013/14** now stands at 490.7 million tonnes, implying a 3 percent year-on-year increase. Accounting for 83 percent of projected world use, consumption of rice as food is seen increasing to 408.8 million tonnes. Although small, volumes destined to animal feed are also projected higher at 13.7 million tonnes, while use of rice as seeds, non-food industrial uses and post harvest losses, combined, absorb 68.2 million tonnes. Based on these trends, the anticipated rise in global food consumption in 2013-2014 will be sufficient to keep pace with projected population growth, maintaining average **global per caput**

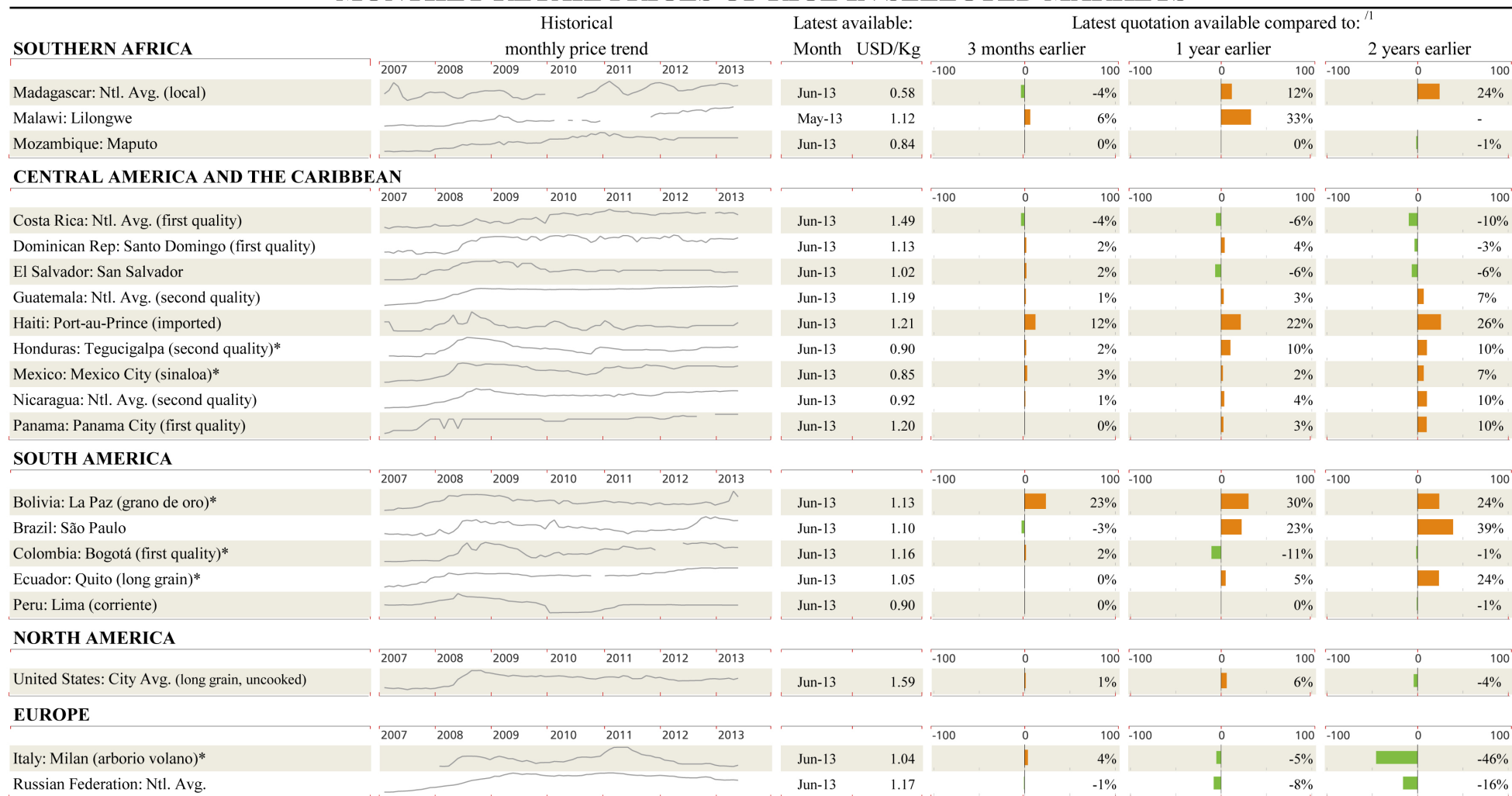
**consumption** steady at 57.0 kilos per person. The anticipated stability reflects expectations of a 2 percent decline in average intake in developed countries to 12.0 kilos, while per caput consumption in developing countries rises somewhat to 67.9 kilos per person.

As for domestic rice prices, there was a tendency for them to stabilize or even fall in recent months, while still remaining higher than one year ago. Among the exceptions, Bolivia, Haiti, Rwanda and Somalia saw prices in June jump by between 12 percent and 29 percent compared to March. Although several other countries saw prices rise over the period, the increases were modest and generally inferior to the prevailing inflation rates.

## MONTHLY RETAIL PRICES OF RICE IN SELECTED MARKETS

ASIA	Historical monthly price trend						Latest available:		Latest quotation available compared to: <sup>/1</sup>								
	2007	2008	2009	2010	2011	2012	2013	Month	USD/Kg	3 months earlier		1 year earlier		2 years earlier			
Bangladesh: Dhaka (coarse)							Jun-13	0.41	-100	0	100	-100	0	100	-100	0	100
Bhutan: Samdrup Jongkhar (white)							Apr-13	0.36		-			0			0	
Cambodia: Phnom Penh (mix)*							Jun-13	0.45		0%			0			0	
China: 50 City Avg. (japonica second quality)							Jun-13	0.93		0%			0			0	
India: Delhi							Jun-13	0.48		1%			0			0	
Indonesia: Ntl. Avg. (medium quality)							Jun-13	0.84		-1%			0			0	
Mongolia: Ulaanbaatar							Jun-13	1.13		-5%			0			0	
Myanmar: Yangon (Emata, Manawthukha FQ)*							Jun-13	0.40		8%			0			0	
Nepal: Kathmandu (coarse)							May-13	0.43		6%			0			0	
Pakistan: Karachi (irri)							Jun-13	0.52		0%			0			0	
Philippines: Ntl. Avg. (well-milled)							Jun-13	0.83		1%			0			0	
Sri Lanka: Colombo (white)							Jun-13	0.47		1%			0			0	
Thailand: Bangkok (5% broken)*							May-13	0.52		-6%			0			0	
Viet Nam: Dong Thap (25% broken)							Jun-13	0.32		-6%			0			0	
<b>WESTERN AFRICA</b>																	
Benin: Cotonou (imported)							May-13	1.05		0%			0			0	
Burkina Faso: Ouagadougou (imported)*							Jun-13	0.78		3%			0			0	
Cape Verde: Santiago (imported)							Jun-13	1.20		7%			0			0	
Chad: N'Djamena (imported)							May-13	1.02		3%			0			0	
Mali: Bamako*							Jun-13	0.70		-7%			0			0	
Mauritania: Nouakchott (imported)							May-13	0.82		1%			0			0	
Niger: Niamey (imported)*							Jun-13	0.86		0%			0			0	
Senegal: Dakar (imported)							May-13	0.92		-1%			0			0	
<b>CENTRAL AFRICA</b>																	
Dem. Rep. Congo: Kinshasa (imported)							Jun-13	1.09		-9%			0			0	
<b>EASTERN AFRICA</b>																	
Burundi: Bujumbura							Jun-13	1.02		-12%			0			0	
Rwanda: Kigali*							Jun-13	1.32		29%			0			0	
Somalia: Mogadishu (imported)							Jun-13	0.67		13%			0			0	
Uganda: Kampala*							Jun-13	0.98		-8%			0			0	
United Rep. of Tanzania: Dar es Salaam*							Jun-13	0.94		-11%			0			0	

## MONTHLY RETAIL PRICES OF RICE IN SELECTED MARKETS



<sup>1/</sup> Quotations in the month specified in the third column were compared to their levels in the preceding three, twelve and twenty-four months. Price comparisons were made in nominal local currency units.

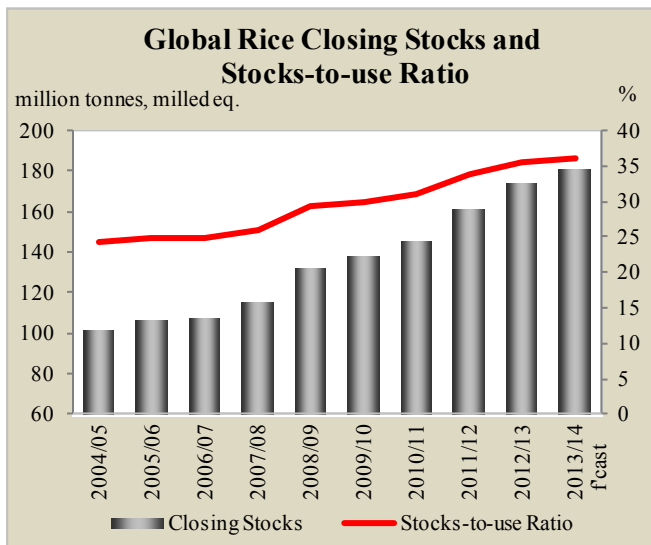
\* Wholesale prices.

Sources: FAO/GIEWS GIEWS Food Price Data and Analysis Tool; U.S. Bureau of Labor Statistics (BLS); Associazione Industrie Risiere Italiane (AIRI).

## IV. CLOSING STOCKS

### *Global ending stocks set to rise for the ninth consecutive year*

FAO's April forecast of *global stocks at the close of marketing years falling in 2013* has been raised by 2.2 million tonnes to 174.1 million tonnes (milled basis). The revision was primarily on account of upward adjustments to inventories figures for India and Thailand, consistent with higher estimated outputs in both countries. Smaller upward revisions concerned Cambodia, Egypt and Viet Nam, whereas estimates were lowered in the case of Bangladesh and Myanmar.



Compared to figures released in April, FAO's forecast of *world closing stocks in 2014* is also 3.3 million tonnes higher, reflecting expectations of larger inventories in India, but also Cambodia, China (Mainland), Egypt, Thailand and Viet Nam, which more than compensated for lower forecasts for Indonesia, Mali, Myanmar and the Philippines. As a consequence, world rice inventories are now expected to close at 181.2 million tonnes, 4 percent, or 7.2 million tonnes, higher than their opening level. This would mark the ninth consecutive year of world stock refurbishment, propelling the global **stocks-to-use ratio** from 35.5 percent in 2013 to 36.2 percent in 2014.

Current expectations are that **developing countries** will continue to build stocks, accumulating 4 percent more or 176.9 million tonnes, while **developed countries** are to cut inventories by a further 2 percent to 4.4 million tonnes. Individually, **China (Mainland)** is forecast to account for much of the season's build-up, with the country's reserves bulging by a further 5 percent to 99.4 million tonnes amid prospects of steady output gains and large purchases from abroad.

From a trade perspective, the **five major rice exporters**<sup>3</sup> overall are forecast to end their marketing seasons with 2.7 million tonnes more in reserve, or 48.6 million tonnes. The expansion would underpin the group's **stock-to-disappearance ratio**<sup>4</sup> from 27.4 percent to 28.4 percent. At a country level, an anticipated 13 percent boost to inventories in **Thailand** to a record of 19.9 million tonnes accounts for much of the expansion. Thai officials have already announced their intentions of extending the paddy pledging programme for a third-consecutive year and, provided the terms of the scheme remain advantageous to farmers, offering prices at above market levels, the Thai government is likely to continue absorbing much of the local harvest. This is even as the growing controversy over the financial weight of the scheme has recently encouraged authorities to take a more proactive stance in releasing part of the 17-18 million tonnes estimated in public granaries. Inventories in **Viet Nam** are expected to be boosted by successive bumper harvests and a slow-down in export growth while **Pakistan** may see them recover somewhat under current prospects of a rebounding output. By contrast, officials foresee the **United States** to trim stocks by 12 percent to 910 000 tonnes, a draw down necessary for the country to meet local and foreign demand in the face of a reduced crop. FAO anticipates inventories in **India** to remain largely steady at 23.4 million tonnes notwithstanding the

<sup>3</sup> India, Pakistan, Thailand, the United States and Viet Nam.

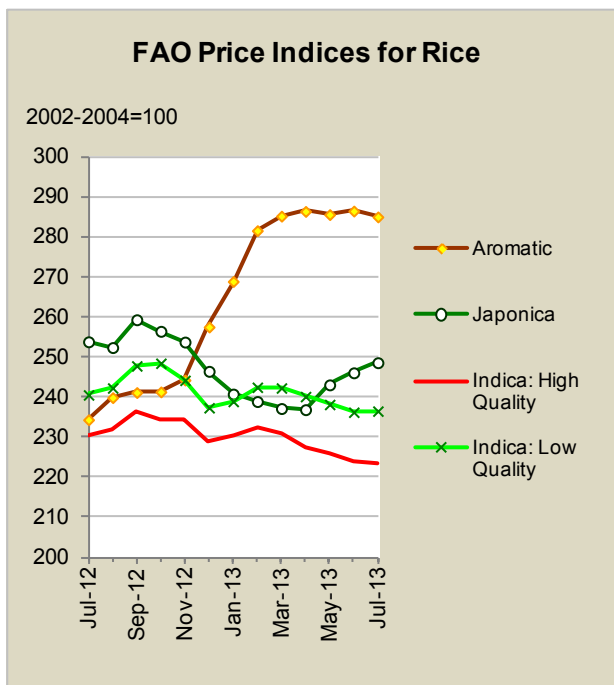
<sup>4</sup> Defined as the sum of the five major exporters' stocks divided by the sum of the five countries' domestic utilization plus exports.

favorable production outlook for the season, as the country readies to expand coverage under the public distribution system to 67 percent of the population. India's National Food Security Bill was passed through an executive order in July and, while still needing parliamentary approval, it may require six months to be implemented, following the identification of eligible households by States and Union Territories. Annual grain requirements for the implementation of the program have been placed at 61.23 million tonnes, which compares to the 73.9 million tonnes of rice, wheat and coarse grains held in stock by the central government on 1 July 2013.

On the other hand, **traditional rice importing countries** look set to end the season with 27.3 million tonnes of rice in reserve, 3 percent less than in 2013. Among the major buyers, **Indonesia** is expected to draw its inventories down by 9 percent to 5.9 million tonnes, amid little production growth and import cuts. Reduced purchases from abroad may similarly force the **Philippines** to cut its reserves for the fourth consecutive year. The drawdown is likely to concern primarily public reserves in the wake of diminishing state imports, which are expected to drop from a high of 2.0 million tonnes in 2010 to 400 000 tonnes in 2014. In **Bangladesh** rice reserves are forecast to remain largely stable, with increased requirements for the public welfare scheme, expected to be met through domestic purchases. Little change is similarly foreseen in **Brazil's** stock levels, whereas rice reserves are officially anticipated to end lower in the **European Union**, consistent with the poor production outlook for the season.

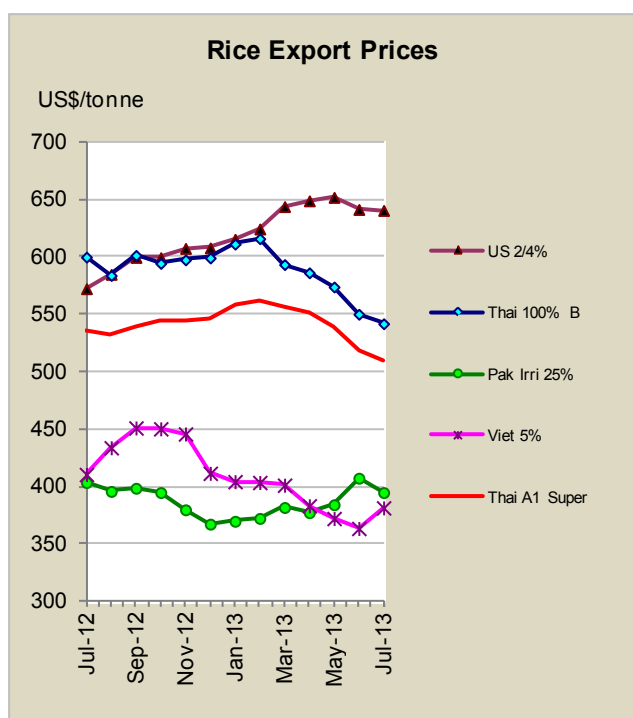
## V. INTERNATIONAL PRICES

*Diverging tendencies across the various rice market segments keep the FAO All Rice Price Index stable*



The FAO All Rice Price Index (2002-2004=100) has remained largely steady since April, hovering around a value of 241 points. Underlying this general stability have been diverging price tendencies across the various rice market segments. Pressured by generally weak demand, Indica quotations have witnessed steady declines over the past three months, with the High and Low quality Indica Indices each shedding 2 percentage points between May and July to 223 and 237 points, respectively. This downward tendency has been contrasted by a firming of Japonica prices in the wake of steady demand from Far Eastern countries and the retreat of Egypt from the market. Meanwhile, the Aromatica Index has tended to stabilise around the high values reached in March 2013, with support provided by a continued strengthening in Basmati quotations. The effects of a firming of prices in the aromatic segment is also

evident in the January-July average of FAO All Rice Price Index, which has remained close to 2 percent above its value during the corresponding time a year earlier, notwithstanding declines in low quality Indica and Japonica quotations.



Looking at the various origins, the tendency for prices to fall has been particularly pronounced in **Thailand**, where benchmark Thai 100% B was quoted at USD 542 per tonne in July, 8 percent below prices in April and the lowest since June 2011. The price weakness has coincided with growing uncertainties over the paddy pledging programme, which compounded on downward pressure exerted by a weak demand and a depreciating Baht. In June, an escalation of controversy over financial losses incurred by the scheme prompted officials to announce a 20 percent cut in mortgaging prices, a decision that was reverted less than two weeks later, but followed by announcements that large stock releases (between 500 000 tonnes and 1.0 million tonnes per month) would soon take place to secure funds for the scheme's continuation and to make room for new crop pledges in October. The first of such sales, of 350 000 tonnes, is scheduled

to take place on 29 July 2013, with a subsequent tender expected to offload another 200 000 tonnes of paddy.

In the **United States**, quotations of US N.2 4% were 1 percent lower compared to April at USD 641 as pace of sales eased compared to previous months. Notwithstanding the recent decline, an increasingly tight supply situation and sustained demand from Latin American markets have kept US long-grain quotations 12 percent above year earlier values, which combined with weak sentiment in Thailand, served to widen the gap between quotation in the two countries to 18 percent. Firm demand from Far Eastern countries have also tended to support the US medium grain rice quotations.

Weighed down by large stock availabilities and slowing buying interest in its major outlets, prices tended to soften in **Viet Nam** through much of May and June, when 25% broken prices hit a 33 month low of USD 341 per tonne. The downward trajectory of prices ended only in July, when purchases under the season's second round of official procurement gained momentum. In tandem with these trends, the Viet Nam Food Association introduced a minimum export price for 25% broken rice at USD 365 per tonne in June, which it subsequently raised by 3 percent to USD 375 per tonne.

By contrast, quotations of non-aromatic varieties in both **India** and **Pakistan** stand higher than in April, notwithstanding the effects of weaker national currencies. Pakistan is faced with smaller crop harvests this season, with the price firmness in India also reflecting support provided by large domestic purchases by the state. Tight supply availabilities have been particularly supportive of Basmati quotation in Pakistan, whereas in India aromatic prices mirrored sustained buying interest from Near Eastern markets.

In the coming months, international rice export prices are expected to be influenced by the progress of the south-west monsoon over Asia, which will in turn determine the success of main crop harvest in several major exporting and importing countries. Still, considering that supply availabilities remain generally ample and that rice from these harvests will not start entering the market until September/October, buying decisions and policies will continue to be determining factors. In this

connection, policies in Thailand are likely to remain at the centre of attention, as the Government begins offloading supplies from its overflowing granaries. However and while expectations of large volumes of Thai rice entering the market may alone sway market sentiment, it remains to be seen whether officials will be willing to release these supplies at competitive enough prices to revive sales abroad. In this context, efforts by competing suppliers to prop-up prices may need to be monitored, as will final decisions regarding the implementation of the National Food Security Ordinance in India.

FAO Rice Price Indices					
	All	Indica		Japonica	Aromatic
		High quality	Low quality		
2002-2004 = 100					
<b>2009</b>	<b>253</b>	<b>229</b>	<b>196</b>	<b>341</b>	<b>232</b>
<b>2010</b>	<b>229</b>	<b>211</b>	<b>212</b>	<b>264</b>	<b>231</b>
<b>2011</b>	<b>251</b>	<b>237</b>	<b>250</b>	<b>274</b>	<b>231</b>
<b>2012</b>	<b>240</b>	<b>230</b>	<b>242</b>	<b>248</b>	<b>236</b>
<b>2012</b> July	241	230	241	254	234
August	242	232	242	252	240
September	247	236	248	259	241
October	246	234	248	256	241
November	244	235	244	254	244
December	240	229	237	246	258
<b>2013</b> January	240	230	239	241	269
February	242	232	242	239	282
March	242	231	242	237	285
April	240	228	240	237	286
May	241	226	238	243	286
June	241	224	236	246	286
July	241	223	237	249	285
<b>2012</b> Jan.-Jul.	237	228	241	245	229
<b>2013</b> Jan.-Jul.	241	228	239	242	283
<b>% Change</b>	1.7	0.0	-0.6	-1.2	23.5

Source: FAO

N.B. - The FAO Rice Price Index is based on 16 rice export quotations. "Quality" is defined by the percentage of broken kernels, with high (low) quality referring to rice with less (equal to or more) than 20 percent broken. The Sub-Index for Aromatic Rice follows movements in prices of Basmati and Fragrant rice.

EXPORT PRICES FOR RICE														
	Thai White 100% B Second grade	Thai Parboiled 100%	U.S. Long Grain #2, 4%	Thai 5%	Viet 5%	Uru 5% 1/	India 25%	Pak 25%	Thai 25%	Viet 25%	Thai A1 Super 2/	U.S. California Medium Grain #1, 4%	Pak Basmati 3/	Thai Fragrant 4/
	<i>(US \$/tonne, f.o.b.)</i>													
<b>2008</b>	695	722	782	682	614	742	345	498	603	553	506	947	1 077	914
<b>2009</b>	587	619	545	555	432	530	...	351	460	384	329	1 068	937	954
<b>2010</b>	518	532	510	492	416	559	...	372	444	387	386	737	881	1 045
<b>2011</b>	565	563	577	549	505	546	409	433	511	467	464	821	1 060	1 054
<b>2012</b>	588	594	567	573	432	584	391	396	560	397	540	718	1 137	1 091
<b>2012</b>														
July	600	584	572	588	411	575	394	404	564	379	536	715	1 150	1 062
August	584	601	585	568	434	579	391	396	552	407	532	756	1 142	1 069
September	602	605	600	585	451	625	405	399	566	421	540	770	1 149	1 093
October	594	600	600	578	450	638	410	395	565	420	544	755	1 120	1 111
November	598	603	608	582	446	638	396	380	567	418	545	746	1 185	1 111
December	599	580	608	583	412	620	390	368	568	384	546	712	1 312	1 098
<b>2013</b>														
January	611	603	616	595	404	600	398	370	579	373	558	660	1 350	1 171
February	616	604	624	599	404	580	420	372	584	369	562	650	1 369	1 197
March	594	577	644	576	401	584	415	382	570	369	557	670	1 365	1 216
April	586	566	649	569	384	592	418	378	564	361	551	685	1 362	1 244
May	574	560	652	557	372	606	418	384	552	352	539	707	1 375	1 220
June	550	552	642	534	364	602	416	408	529	341	518	720	1 415	1 187
July	542	547	641	525	382	605	432	395	521	348	509	740	1 407	1 178
<b>2012 Jan.-Jul</b>	583	592	543	569	428	559	386	402	557	387	538	748	1 104	1 087
<b>2013 Jan.-Jul</b>	582	573	638	565	387	596	417	384	557	359	542	700	1 378	1 202
<b>% Change</b>	-0.1	-3.3	17.5	-0.6	-9.4	6.6	7.9	-4.3	0.0	-7.3	0.7	-6.4	24.7	10.6

Sources: Livriceindex.com, Thai Department of Foreign Trade (DFT) and other public sources.

1/ Long grain white rice, fob fcl. 2/ White broken rice. 3/ Basmati ordinary up to May 2011. Super kernel white basmati 2% from June 2011 onwards. 4/ Hom Mali rice, grade A.

... = unquoted

Note: Please note that data may have been subject to revision due to temporary unavailability and/or late publishing of weekly price quotations.

## VI. POLICY DEVELOPMENTS<sup>5</sup>

Area	Date	Policy Instrument	Description
Bangladesh	Jun-13	Budgetary allocations, production support, Government procurement, import tariffs, food subsidies	As part of its 2013/2014 budgetary allocations, set aside Taka 90 billion (USD 1.2 billion) for agricultural subsidies, down from the Taka 120 billion (USD 1.5 billion) allocated under a revised 2012/2013 budget. Additional provisions foresee the maintenance of import duty exemptions on rice and agricultural inputs, the continuation of energy subsidies for irrigation, improved access to credit, distribution of high yielding varieties as well as efforts to expand storage capacity. An import target of 260 000 tonnes of rice was set for the 2013/2014 fiscal year (July-June), with a further 1.45 million tonnes of rice to be officially procured from local markets. Distribution of foodgrains is to be raised to 2.73 million tonnes, up from the 2.48 million tonne revised target for the 2012/13 fiscal year.
Bolivia	May-13	Import quota	Announced that it would import 9 200 tonnes of rice from regional suppliers and impose sanctions on traders found hoarding supplies. The measures are geared at reining in domestic rice prices.
Bolivia	Jun-13	Export restrictions	Announced that rice export permits would not be issued in 2013, in order to ensure sufficient availabilities in the local market.
Brazil	Jun-13	Minimum support prices	Approved new minimum support prices (MSP) for the 2014/15 season (2013/14 season for Brazil) to be effective from February 2014 to January 2015. For the Southeast, Northeast, Centre West regions (excepting Mato Grosso) and for the state of Paraná, the MSP was raised by 6.6 percent to Reals 550 (USD 247) per tonne for, fine, long grain paddy and by 12.7 percent to Reals 355 (USD 159) per tonne for regular, long grain paddy. For the Northern Region and for Mato Grosso, MSPs for fine long grain paddy and for long grain paddy were raised by 12.9 percent each to Reals 531 (USD 238) and Reals 408 (USD 183) per tonne, respectively. MSPs for both fine long grain and long grain paddy in the Southern region

<sup>5</sup> Previous policy developments can be accessed at: <http://www.fao.org/economic/est/est-commodities/commodity-policy-archive/en/?groupANDcommodity=rice>

Area	Date	Policy Instrument	Description
			(excepting Paraná) were left unchanged at Reals 516 (USD 232) and Reals 378 (USD 170) per tonne. The price differentials are meant to reduce reliance on the main producing states of Rio Grande do Sul and Santa Catarina.
Burundi	Jun-13	Import tariff	Decided to apply an import duty of 30 percent for milled/semi-milled rice until 30th June 2014, instead of reintroducing the 75 percent rate applicable under the Common External Tariff of the East African Community.
Cambodia	May-13	Development of producer organizations	Adopted a law on farmer cooperatives, laying down guidelines for their establishment and recognition. Cooperatives are expected to strengthen producer bargaining power and to support them in gaining access to financial and technical support.
China (Mainland)	Jun-13	Food safety measures	Declared that a national soil survey would be carried out to probe the extend of soil pollution, which is believed to be linked to cadmium contamination of rice originated from the provinces of Hunan and Guangdong.
Costa Rica	May-13	Sector policy framework, production support, consumption and marketing	Set in place a transitional mechanism to phase out the price support system for rice. Fixed producer prices will be completely eliminated by 1 March 2014 and replaced with an alternate framework to be devised along with sector representatives. This mechanisms will seek to address the industry's constraints by, among other things, lowering input costs and raising average productivity levels. Until this new framework is implemented, producer prices will be temporarily set at Colones 22 604.41 for 73.6 kilo bag (USD 608 per tonne). In addition, effective from 23 of May 2013 and until 1 March 2014, prices of all qualities of rice along the entire value chain will be subject to price floors and ceilings. In the case of the widely consumed 80/20 rice, previously the only quality subject to price controls, retail prices will pass from a fixed level of Colones 691 (USD 1.37) per kilo to a floor of Colones 657 and a ceiling of 661 (USD 1.30 -1.31) per kilo.
Dominican Republic	Apr-13	Support prices	Paddy support prices set at Pesos 2 150 – 2 250 per 120 kilo fanega (USD 428 - 448 per tonne) by National Rice Commission.
Egypt	May-13	Export restrictions	Announced that rice exports would not be permitted until the September start to the 2013 season harvest. The measure is geared at ensuring sufficient local availabilities and easing

Area	Date	Policy Instrument	Description
			pressure on local quotations.
European Union	Jun-13	Import requirements, treatment of Genetically Modified crops	Extended an earlier decision laying down testing requirements for presence of unauthorized genetically modified strains in rice from China (Mainland). Testing requirements will now extend to all food and feed products containing rice originated or delivered from China (Mainland).
European Union	Jun-13	Preferential trade arrangement	Reinstated trade preferences for Myanmar under the Generalized System of Preferences (GSP). The measure grants Myanmar duty and quota free access to European markets under the Everything-But-Arms initiative retroactively from 13 June 2012.
Gambia	Jun-13	Import ban	Announced plans to prohibit rice imports starting in 2016, in line with efforts to promote local produce and attain self-sufficiency in rice.
Guyana / Venezuela	May-13	Trade agreement	Agreed to renew the PetroCaribe rice trade agreement for an additional year. Under the accord, Guyana is to provide 140 000 tonnes of paddy and 70 000 tonnes of rice to Venezuela in 2013, payment for which will be deducted from Guyana's oil arrears to Venezuela.
India	May-13	Food subsidies	Approved an additional allocation of 4.2 million tonnes of wheat and 2.0 million tonnes of rice for distribution to Above Poverty Line (APL) families under the public welfare scheme.
India	Jun-13	Support prices	Raised minimum support prices by 5 percent to Rupees 13 100 (USD 220) per tonne of common varieties and to Rupees 13 450 (USD 225) per tonne of Grade A paddy.
India	Jun-13	Stock release	Approved the release of 10.0 million tonnes of wheat and 500 000 tonnes of rice from public stocks through the Open Market Sales Scheme. In the case of rice, the supplies will be released to retail buyers at a price of 18.75 (USD 0.31) per kilo, plus freight costs. The measure is geared at containing upward pressure on domestic prices and freeing up storage space in public granaries.

Area	Date	Policy Instrument	Description
India	Jul-13	Food subsidies	Approved the National Food Security Bill through an executive order. Parliamentary approval is still required for the ordinance to become law and it is expected to require six months to be implemented, following the identification of eligible households by States and Union Territories. The ordinance will grant legal entitlement of 5 kg of grains per person per month to the general population at highly subsidized prices, with more vulnerable families receiving a monthly ration of 35 kg of foodgrains per household. Up to 75 percent of the rural population and 50 percent of urban dwellers are expected to be covered under the scheme. Grain requirements for its implementation have been placed at 61.23 million tonnes per year and overall costs at Rupees 1.25 trillion (USD 21 billion).
India	Jul-13	Food subsidies	Approved an additional allocation of 5.0 million tonnes of subsidized wheat and rice for distribution to Below Poverty Line (BPL) families under the public welfare scheme, effective until 31 March 2014 or until the National Food Security Bill is implemented in States and Union Territories.
Indonesia	May-13	Food subsidies	Announced that the State Logistics Agency (Bulog) would distribute three additional monthly rations of rice under the public subsidized distribution scheme (Raskin) in 2013. The measure is geared at compensating vulnerable groups for the 22-44 percent rise in prices of subsidized fuel, which came into effect in June.
Iran, Islamic Republic of	May-13	Self-sufficiency plan	Development strategy for rice approved by Parliament. The document envisages the country attaining self-sufficiency in rice by 2016, replacing an earlier target of 2013. Interventions foreseen to achieve the goal will include capacity development, introduction of high yielding varieties, promotion of mechanization and improved farm management.
Kenya	Jun-13	Import tariff	Lowered the 75 percent rice import duty applicable under the Common External Tariff of the East African Community. Rice imports will accrue a reduced duty of 35 percent (or USD 100 per tonne) for an additional year.
Mali	Jun-13	Import tariffs	In light of sufficient local stock availabilities, decided not to suspend import duties on rice ahead of Ramadan and lean months, as was done in previous years to curb pressure on domestic prices. Instead, officials are to concentrate their efforts in raising local output by continuing assistance programs to the sector.

Area	Date	Policy Instrument	Description
Mexico	Jun-13	Sanitary/phytosanitary measures, import restrictions	Stepped-up inspection and quarantine measures on rice originated from Pakistan, following found presence of khapra beetle in consignments arriving from the country. Contaminated vessels are to receive treatment and be returned to Pakistan, with future consignments permitted to enter the country following results of a risk assessment evaluation and the reestablishment of mitigation measures in Pakistan.
Nigeria	May-13	Import restrictions	Announced that it would step-up border protection in order to curb rice smuggling. All rice brought into Nigeria via land borders will be considered contraband, with rice imports only permitted through seaports after applicable duties are paid.
Pakistan /Iran, Islamic Republic of	Jul-13	Trade agreement	Clenched a barter agreement that will see wheat and rice shipped to the Islamic Republic of Iran as payment for Pakistan's electricity arrears to the country.
Philippines	Apr-13	Import agreement	Signed a Memorandum of Understanding with Cambodia, enabling the National Food Authority to import rice through the Cambodian state-owned enterprise Green Trade.
Philippines	Jul-13	Food subsidies	Gave approval to the National Food Authority to sell well-milled rice, in addition to regular milled rice, in order to ensure markets are well supplied and prices remain stable during lean months. The supplies will be released at a price of Pesos 32 (USD 0.74) per kilo in major markets in Metro Manila, starting on 19 July 2013.
Rwanda	Jun-13	Import tariff	Lowered the 75 percent rice import duty applicable under the Common External Tariff of the East African Community. Rice imports will accrue a reduced tariff of 30 percent for a period of one year.
Senegal	May-13	Consumer prices	Set ceiling prices on non-fragrant broken rice along with other products. In the case of rice, ceiling prices for the Dakar region were set at FCFA 240 000 (USD 478) per tonne at importer level, at FCFA 245 000 (USD 488) per tonne at wholesale level and at FCFA 260 000 (USD 517) per tonne at the retail level. Price ceilings in other regions were determined taking into account costs of transport.

Area	Date	Policy Instrument	Description
Sri Lanka	Jul-13	Stock release	Announced that the Paddy Marketing Board would release 50 000 tonnes of paddy for processing and export in order to free up storage space ahead of the launch of the Yala 2013 procurement round.
Tanzania	Jun-13	Import tariff	Decided to apply a duty rate of 25 percent when importing rice to cover shortages in the domestic market, up from a previous rate of 10 percent. Rice imports accrue a duty of 75 percent under the Common External Tariff of the East African Community.
Thailand	Apr-13	Stock release	Announced a plan to release 500 000 tonnes of white rice from Government stocks through tender.
Thailand	Apr-13	Stock release	Delayed plans to release 500 000 tonnes of white rice from government stocks through tender, given declines in domestic prices and a local currency appreciation.
Thailand	May-13	Government procurement	Confirmed intentions to extend the paddy pledging program to 2013/14 crops. The scheme is expected to require a similar budgetary allocation as in 2012/13, with eventual changes to pledging prices to be determined by Cabinet.
Thailand	Jun-13	Government procurement	Reduced pledging prices for secondary paddy crops by 20 percent to Baht 11 040 - 12 000 (USD 355-386) per tonne, in a bid to contain financial losses derived from the implementation of the paddy pledging program. The new prices are to be applicable from 1 July 2013 to the end of the 2012/13 secondary-crop run of the program on 15 September 2013, with a pledging ceiling of Baht 500 000 (USD 16 100) per household also applicable. Pledging prices will be subject to eventual review, based on global price developments. The 200 000 farmers expected to be negatively affected by the price cut will be provided with credit and other financial assistance through the Bank for Agriculture and Agricultural Cooperatives (BAAC). Rice producers are to be encouraged to consider switching to alternative products, including production of higher quality rice, cassava and/or sugar cultivation.

<b>Area</b>	<b>Date</b>	<b>Policy Instrument</b>	<b>Description</b>
Thailand	Jul-13	Government procurement	Revoked the 20 percent price cut on paddy pledging prices, which had been approved twelve days earlier. Mortgaging prices will remain set at Baht 13 800 -15 000 (USD 444-482) per tonne for the remainder of the 2012/13 secondary-crop run of the program, scheduled to end on 15 September 2013. Pledging volumes will, however, still be subject to a value ceiling of Baht 500 000 (USD 16 100) per farming household.
Thailand	Jul-13	Stock release	Announced that it would accelerate public stock releases. Starting in July, between 500 000 tonnes to 1.0 million tonnes of rice are expected to be offloaded from public inventories each month. The supplies would be sold via open tenders to the private sector and through the Agricultural Futures Exchange of Thailand (AFET), with government-to-government deals also to be pursued.
Thailand	Jul-13	Stock release	Announced that it would open bids to auction 350 000 tonnes of rice from Government stocks on 26 July 2013. The volume would comprise 150 000 tonnes of 5% broken rice and 200 000 tonnes of A1 Super, for use in the domestic market and export. A separate tender, to be held on 30 July, will offer an additional 200 000 tonnes of paddy for parboiling and export.
Turkey	Apr-13	Import quota, import tariffs	Allocated a 100 000 tonne, free of duty, import quota to the Turkish Grain Board (TMO). The rice is to be brought by 1 September 2015.
Venezuela	May-13	Production support	Approved a one-time subsidy for the 2013 summer crop cycle. Producers are to receive Bolívares 1.1 per kg (USD 175 per tonne) of Type A or Type B paddy produced, between 1 January and 30 June 2013, on top of support prices of Bolívares 2.50 -2.58 per kg (USD 397-410 per tonne).
Viet Nam	May-13	Government procurement	Announced plans to purchase 1.0 million tonnes of summer-autumn rice from farmers, starting 15 June 2013. Enterprises participating in the purchase drive are to receive credit at subsidized rates for the purpose.
Viet Nam	Jun-13	Minimum export prices	Lowered the minimum export price for 35 percent broken rice by USD 5 to USD 360 per tonne and set the floor price for 25 percent broken at USD 365 per tonne.
Viet Nam	Jul-13	Minimum export prices	Raised the minimum export price for 25 percent broken rice by USD 10 to USD 375 per tonne.

TABLE 1: WORLD PADDY PRODUCTION

	2008-2010	2011	2012	2013	Annual Change		2013 Forecast	
	Average		Estimate	Forecast	2013 over 2012		Previous	Revision
	<i>million tonnes</i>				<i>million tonnes</i>		<i>million tonnes</i>	
						%		
<b>WORLD</b>	692.1	728.1	736.2	746.4	10.2	1.4	746.7	-0.3
Developing countries	666.4	703.4	710.3	721.5	11.2	1.6	721.5	0.0
Developed countries	25.6	24.7	25.9	24.9	-1.0	-3.9	25.2	-0.4
<b>ASIA</b>	626.5	660.0	667.8	677.9	10.0	1.5	677.5	0.3
Bangladesh	48.4	50.8 G	50.6	51.2	0.6	1.2	51.2	-
Cambodia	7.7	8.8 G	9.3 G	9.3	0.0	0.1	9.5	-0.2
China	195.7	202.7	205.9	208.4	2.5	1.2	208.7	-0.3
of which China (Mainland)	194.3	201.0 G	204.3 G	206.7 G	2.4	1.2	207.0	-0.3
India	142.1	157.9 G	156.6 G	159.0	2.4	1.5	156.7	2.3
Indonesia	63.7	65.8 G	69.1 G	69.3 G	0.2	0.3	72.1 G	-2.8
Iran, Islamic Rep. of	2.2	2.3	2.4	2.5	0.1	5.8	2.4	0.1
Japan	10.7	10.5 G	10.7 G	10.6	-0.1	-0.5	10.6	-
Korea Rep. of	6.3	5.6 G	5.4 G	5.7	0.3	5.5	5.7	-
Lao PDR	3.0	3.1 G	3.1	3.1	0.0	0.3	3.1	-
Malaysia	2.4	2.7 G	2.7	2.7	0.0	1.5	2.7	-
Myanmar	32.6	29.0 G	31.5	32.5	1.0	3.2	32.5	-
Nepal	4.3	5.1 G	4.5 G	4.6	0.1	2.1	4.6	-
Pakistan	9.3	9.2 G	8.3 G	9.3	1.0	11.9	9.3	-
Philippines	16.4	17.0 G	18.0 G	18.9	0.9	4.9	18.9	-
Sri Lanka	3.9	3.9 G	3.8 G	4.1	0.3	6.6	4.1	-
Thailand	33.5	38.1 G	36.9 G	37.5	0.6	1.6	36.5	1.0
Viet Nam	39.2	42.4 G	43.7 G	43.8	0.1	0.3	43.5 G	0.3
<b>AFRICA</b>	24.1	25.4	26.7	27.2	0.5	2.0	27.7	-0.5
<b>North Africa</b>	5.8	5.7	6.6	6.8	0.2	3.5	6.8	0.0
Egypt	5.7	5.7 G	6.5 G	6.8	0.2	3.5	6.8	-
<b>Western Africa</b>	11.1	12.2	12.7	13.4	0.7	5.5	13.4	-
Côte d'Ivoire	0.7	0.7 G	0.7	0.7	0.0	2.1	0.7	-
Guinea	1.5	1.8 G	1.9 G	2.0	0.0	1.6	2.0	-
Mali	2.0	1.7 G	1.9 G	2.2	0.3	14.9	2.2	-
Nigeria	3.8	4.6 G	4.2	4.4	0.2	4.8	4.4	-
Sierra Leone	0.9	1.0 G	1.1 G	1.2	0.0	2.5	1.2	-
<b>Central Africa</b>	0.5	0.5	0.5	0.5	0.0	6.4	0.5	0.0
<b>Eastern Africa</b>	1.9	2.0	1.7	2.0	0.3	17.3	2.0	-
Tanzania	1.5	1.5 G	1.1 G	1.4	0.3	24.1	1.4	-
<b>Southern Africa</b>	4.8	4.8	5.1	4.3	-0.7	-14.5	4.9	-0.5
Madagascar	4.4	4.3 G	4.6 G	3.9	-0.7	-15.0	4.4	-0.5
Mozambique	0.2	0.3 G	0.3 G	0.3	-0.1	-15.4	0.3	-
<b>CENTRAL AMERICA &amp; CAR</b>	2.7	2.8	2.8	3.0	0.2	6.9	2.9	0.1
Cuba	0.5	0.6 G	0.6 G	0.7	0.0	1.3	0.6	0.1
Dominican Rep.	0.8	0.8 G	0.8 G	0.9	0.1	11.3	0.9	-
<b>SOUTH AMERICA</b>	24.5	26.4	24.5	24.9	0.4	1.6	24.8	0.1
Argentina	1.3	1.7 G	1.6 G	1.6 G	0.0	0.6	1.5 G	0.1
Brazil	12.1	13.6 G	11.6 G	11.9 G	0.3	2.2	11.9 G	-0.1
Colombia	2.7	2.5 G	2.6 G	2.6	0.0	1.3	2.6	-
Ecuador	1.6	1.5 G	1.4	1.5	0.1	10.0	1.5	-
Peru	2.9	2.6 G	2.9 G	3.0	0.0	0.5	2.8	0.2
Uruguay	1.3	1.6 G	1.4 G	1.4	0.0	-3.1	1.4	-
<b>NORTH AMERICA</b>	10.1	8.4	9.0	8.1	-0.9	-10.0	8.4	-0.3
United States	10.1	8.4 G	9.0 G	8.1 G	-0.9	-10.0	8.4	-0.3
<b>EUROPE</b>	4.0	4.4	4.4	4.1	-0.3	-6.4	4.3	-0.2
EU	3.0	3.2 G	3.2 G	2.9	-0.3	-9.9	3.1	-0.2
Russian Federation	0.9	1.1 G	1.1 G	1.1 G	0.0	3.0	1.1 G	-
<b>OCEANIA</b>	0.1	0.7	0.9	1.2	0.2	25.7	1.1	0.1
Australia	0.1	0.7 G	0.9 G	1.2 G	0.2	26.2	1.1 G	0.1

## FOOTNOTES:

The 2012 paddy production season normally includes rice from the main paddy crops whose harvests fall in 2012, to which rice from all subsequent secondary crops, if any, is added. In the case of northern hemisphere countries, production in 2012 comprises the main rice crop, usually collected in the latter part of the year, plus the volume obtained from the successive secondary crops, commonly harvested in the first half of 2013. In the case of southern hemisphere countries, production in 2012 normally comprises rice from the main paddy crops assembled in the first part of 2012, plus rice from the secondary crops, generally gathered in the latter part of 2012. This approach to assess rice production is applicable to any given season.

Totals computed from unrounded data.

G Official figure.

TABLE 2: WORLD RICE IMPORTS (MILLED BASIS)

	2008-2010	2011	2012	2013	Annual Change		2013 Forecast	
	Average		Estimate	Forecast	2013 over 2012		Previous	Revision
	<i>million tonnes</i>				<i>million tonnes</i> %		<i>million tonnes</i>	
<b>WORLD</b>	30.3	36.3	38.5	37.5	-1.0	-2.5	37.4	0.2
Developing countries	25.6	31.5	33.4	32.3	-1.0	-3.1	32.2	0.2
Developed countries	4.7	4.7	5.1	5.2	0.1	1.3	5.2	-
<b>ASIA</b>	14.2	18.0	18.1	17.9	-0.2	-1.1	17.5	0.4
Bangladesh	0.8	1.5 G	0.1 G	0.1	0.0	81.8	0.2	-0.1
China	1.0	1.2	3.0	3.2	0.2	8.2	2.6	0.6
of which China (Mainland)	0.3	0.6 G	2.4 G	2.6	0.2	9.8	2.0	0.6
Indonesia	0.5	2.9	1.8	1.3	-0.5	-28.2	1.3	-
Iran, Islamic Rep. of	1.2	1.1 G	1.5 G	1.3	-0.2	-15.4	1.3	-
Iraq	1.0	1.3	1.4	1.4	0.0	3.7	1.4	-
Japan	0.6	0.7 G	0.6 G	0.7	0.1	11.6	0.7	-
Malaysia	1.1	1.0 G	1.1	1.1	0.0	0.0	1.2	-0.1
Philippines	2.2	1.2	1.1	1.0	-0.1	-9.1	1.0	-
Saudi Arabia	1.0	1.3	1.3	1.4	0.0	3.1	1.4	-
United Arab Emirates	0.5	0.7	0.6	0.7	0.0	4.7	0.7	-
<b>AFRICA</b>	9.7	11.8	13.6	12.6	-1.0	-7.0	12.9	-0.3
Côte d'Ivoire	0.9	1.1	1.3	1.3	-0.1	-3.8	1.3	-
Nigeria	2.0	2.4	3.0	2.5	-0.5	-16.7	2.7	-0.2
Senegal	0.8	0.8 G	1.2	0.9	-0.3	-25.0	0.9	-
South Africa	0.8	0.9	1.3	1.2	-0.1	-7.7	1.2	-
<b>CENTRAL AMERICA &amp; CAR</b>	2.1	2.2	2.1	2.1	0.1	3.5	2.1	0.0
Cuba	0.5	0.5	0.4	0.4	0.0	-3.6	0.4	0.0
Mexico	0.6	0.7 G	0.6 G	0.6	0.0	6.0	0.6	-
<b>SOUTH AMERICA</b>	1.1	1.1	1.6	1.7	0.0	1.3	1.6	0.1
Brazil	0.6	0.6 G	0.7 G	0.8	0.0	4.3	0.7	0.1
<b>NORTH AMERICA</b>	1.0	1.0	1.0	1.1	0.1	7.1	1.1	-
United States	0.6	0.6 G	0.6 G	0.7 G	0.1	9.4	0.7 G	-
<b>EUROPE</b>	1.7	1.6	1.7	1.8	0.1	3.3	1.8	-
EU 1/	1.2	1.2	1.3	1.4	0.1	3.8	1.4	-
Russian Federation	0.2	0.2 G	0.2 G	0.2	0.0	-2.2	0.2	-
<b>OCEANIA</b>	0.5	0.5	0.5	0.4	0.0	-8.2	0.4	-

**FOOTNOTES:**

Totals computed from unrounded data.

1/ Excluding intra-trade.

G Official figure.

**TABLE 3: WORLD RICE EXPORTS (MILLED BASIS)**

	2008-2010	2011	2012	2013	Annual Change		2013 Forecast	
	Average		Estimate	Forecast	2013 over 2012		Previous	Revision
	<i>million tonnes</i>				<i>million tonnes</i> %		<i>million tonnes</i>	
<b>WORLD</b>	30.3	36.3	38.5	37.5	-1.0	-2.7	37.4	0.1
Developing countries	26.4	32.1	34.0	32.8	-1.1	-3.3	32.7	0.1
Developed countries	3.9	4.1	4.6	4.6	0.1	1.5	4.7	-0.1
<b>ASIA</b>	23.7	28.5	30.2	29.5	-0.8	-2.5	29.2	0.2
Cambodia	1.0	1.1	1.1	1.3	0.2	22.6	1.3	-
China	0.9	0.6	0.3	0.5	0.2	64.1	0.3	0.2
of which China (Mainland)	0.8	0.5 G	0.3 G	0.5	0.2	79.1	0.3	0.2
India	2.6	4.8 G	10.3 G	8.8	-1.5	-14.6	8.3	0.5
Myanmar	0.7	0.8 G	0.6 G	0.7	0.1	14.7	0.5	0.2
Pakistan	3.1	3.1 G	2.8 G	2.9	0.1	3.5	2.9	-
Thailand	9.3	10.7 G	7.0 G	7.0	0.0	0.7	7.7	-0.7
Viet Nam	5.9	7.1 G	7.7 G	7.7	0.0	-0.3	7.8	-0.1
<b>AFRICA</b>	0.6	0.2	0.5	0.5	0.1	16.0	0.6	-0.1
Egypt	0.5	0.1	0.4	0.5	0.1	21.6	0.5	-0.1
<b>SOUTH AMERICA</b>	2.3	3.6	3.4	3.1	-0.4	-10.8	3.1	0.0
Argentina	0.4	0.7 G	0.6 G	0.6	-0.1	-12.6	0.6	-
Brazil	0.5	1.3 G	1.1 G	0.8	-0.3	-27.6	0.9	-0.1
Guyana	0.2	0.3 G	0.3 G	0.3	0.0	-4.2	0.3	-
Uruguay	0.8	0.9 G	1.0	0.9	-0.1	-9.3	0.9	-
<b>NORTH AMERICA</b>	3.4	3.2	3.3	3.4	0.1	2.2	3.5	-0.1
United States	3.4	3.2 G	3.3 G	3.4 G	0.1	2.2	3.5 G	-0.1
<b>EUROPE</b>	0.3	0.4	0.5	0.5	-0.1	-14.9	0.5	-
EU 1/	0.2	0.3	0.3	0.3	0.0	0.0	0.3	-
Russian Federation	0.1	0.1 G	0.3 G	0.2	-0.1	-26.7	0.2	-
<b>OCEANIA</b>	0.0	0.3	0.5	0.5	0.0	10.6	0.5	-
Australia	0.0	0.3 G	0.5 G	0.5	0.0	10.6	0.5	-

**FOOTNOTES:**

Totals computed from unrounded data.

1/ Excluding intra-trade.

G Official figure.

TABLE 4: END OF SEASON STOCKS (MILLED BASIS) 1/

	2009-2011	2012	2013	2014	Annual Change		2013 Forecast	
	Average		Estimate	Forecast	2014 over 2013		Previous	Revision
	<i>million tonnes</i>				<i>million tonnes</i> %		<i>million tonnes</i>	
<b>WORLD</b>	138.0	161.3	174.1	181.2	7.2	4.1	171.8	2.2
Developing countries	133.7	156.7	169.6	176.9	7.3	4.3	167.3	2.3
Developed countries	4.4	4.6	4.5	4.4	-0.1	-2.0	4.5	0.0
<b>ASIA</b>	130.2	153.9	167.4	175.0	7.5	4.5	165.2	2.2
Bangladesh	5.8	7.0	6.7	6.8	0.1	1.5	6.8	-0.1
Cambodia	1.5	1.8	1.9	2.1	0.2	9.4	1.8	0.1
China	70.0	84.7	94.4	99.6	5.1	5.4	94.3	0.1
of which China (Mainland)	69.8	84.5	94.3	99.4	5.1	5.4	94.2	0.1
India	22.4	23.8	23.5	23.4	-0.1	-0.4	22.0	1.5
Indonesia	4.4	6.2	6.5	5.9	-0.6	-9.2	6.4	0.1
Iran, Islamic Rep. of	0.3	0.5	0.5	0.5	0.0	0.0	0.5	-
Japan	2.5	2.6	2.6	2.7	0.0	1.9	2.7	-0.1
Korea Rep. of	1.4	1.6	1.7	1.7	0.1	5.5	1.7	-
Lao PDR	0.3	0.3	0.3	0.3	0.0	-4.7	0.3	-
Malaysia	0.3	0.2	0.3	0.3	0.0	3.7	0.3	-
Myanmar	6.0	4.7	4.5	4.6	0.1	2.2	5.5	-1.0
Nepal	0.2	0.4	0.4	0.4	0.0	0.0	0.3	0.0
Pakistan	0.8	0.6	0.3	0.4	0.2	60.0	0.3	-
Philippines	3.0	1.9 G	1.5	1.4	-0.1	-8.8	1.5	0.0
Sri Lanka	0.3	0.3	0.2	0.1	-0.1	-33.3	0.2	-
Thailand	6.4	13.2	17.6	19.9	2.3	13.1	16.3	1.3
Viet Nam	3.6	2.9	3.5	3.9	0.4	11.4	3.3	0.3
<b>AFRICA</b>	2.9	3.3	3.0	2.8	-0.3	-8.3	3.0	0.0
Egypt	1.0	0.6	0.8	0.9	0.1	12.5	0.7	0.1
Nigeria	0.3	0.7	0.3	0.3	-0.1	-19.4	0.3	-
<b>CENTRAL AMERICA &amp; CAR</b>	0.4	0.3	0.3	0.3	0.0	0.7	0.3	0.0
Dominican Rep.	0.1	0.1	0.1	0.1	0.0	0.0	0.1	-
<b>SOUTH AMERICA</b>	2.8	1.8	1.6	1.6	0.0	-0.8	1.6	0.0
Argentina	0.1	0.0	0.0	0.1	0.0	140.0	0.0	0.0
Brazil	1.7	1.1 G	0.9 G	0.9	0.0	0.2	0.9 G	0.0
Ecuador	0.1	0.1	0.0	0.0	0.0	0.0	0.0	-
Peru	0.4	0.3	0.3	0.3	0.0	-6.3	0.3	-
<b>NORTH AMERICA</b>	1.3	1.3	1.1	1.0	-0.1	-7.2	1.1	-
United States	1.2	1.3 G	1.0 G	0.9 G	-0.1	-12.0	1.1 G	0.0
<b>EUROPE</b>	0.5	0.6	0.6	0.5	0.0	-7.9	0.5	0.0
EU	0.5	0.5 G	0.5 G	0.5 G	-0.1	-10.0	0.5 G	0.0
Russian Federation	0.0	0.0	0.0	0.0	0.0	16.7	0.0	-
<b>OCEANIA</b>	0.0	0.1	0.0	0.0	0.0	59.8	0.1	0.0
Australia	0.0	0.1	0.0	0.0	0.0	105.9	0.0	0.0
<b>GOVERNMENT STOCKS</b>								
Bangladesh	0.4	1.2	1.0	1.0	0.0	0.0	1.0	-
India	18.0	23.4 G	23.0	22.8	-0.2	-0.9	21.5	1.5
Japan	0.8	0.9 G	0.9	0.8	0.0	-5.9	0.7	0.2
Korea Rep. of	0.8	0.8	0.9	0.9	0.1	5.9	0.9	-
Philippines	1.7	0.6 G	0.4	0.4	0.0	0.0	0.4	-

## FOOTNOTES:

Totals computed from unrounded data.

1/ Data refer to carry-overs at the close of national crop seasons ending in the year shown.

G Official figure.

**TABLE 5: RICE SUPPLY AND UTILIZATION IN MAIN EXPORTING COUNTRIES**

	Opening Stocks	Production	Imports 1/	Total Supply	Domestic Use	Exports 1/	Closing Stocks
<i>thousand tonnes, milled basis</i>							
<b>CHINA</b> <sup>2/</sup>							
2011-12	75 575	138 902	2 969	217 446	132 447	329	84 670
2012-13 est.	84 670	141 103	3 211	228 984	133 999	540	94 445
2013-14 f'cast	94 445	142 794	2 911	240 150	139 960	640	99 550
<b>INDIA</b>							
2011-12	21 500	105 310 G	100	126 910	92 806	10 304 G	23 800
2012-13 est.	23 800	104 400 G	100	128 300	96 000	8 800	23 500
2013-14 f'cast	23 500	106 000	100	129 600	98 500	7 700	23 400
<b>PAKISTAN</b>							
2011-12	250	6 160 G	60	6 470	3 068	2 802 G	600
2012-13 est.	600	5 541 G	60	6 201	3 051	2 900	250
2013-14 f'cast	250	6 200	60	6 510	3 210	2 900	400
<b>THAILAND</b>							
2011-12	7 400	25 224 G	670	33 294	13 140	6 954 G	13 200
2012-13 est.	13 200	24 397 G	350	37 947	13 347	7 000	17 600
2013-14 f'cast	17 600	24 792	200	42 592	13 692	9 000	19 900
<b>UNITED STATES</b>							
2011-12	1 514 G	5 866 G	640 G	8 020	3 391	3 326 G	1 303 G
2012-13 est.	1 303 G	6 334 G	700 G	8 337	3 903	3 400 G	1 034 G
2013-14 f'cast	1 034 G	5 720 G	740 G	7 494	3 484	3 100 G	910 G
<b>VIET NAM</b>							
2011-12	2 900	28 280 G	600	31 780	21 120	7 720 G	2 940
2012-13 est.	2 940	29 122 G	600	32 662	21 462	7 700	3 500
2013-14 f'cast	3 500	29 215	550	33 265	21 665	7 700	3 900

**FOOTNOTES:**

Data refers to national crop years: October-September for China and India, November-October for Pakistan, Thailand and Viet Nam and August-July for the United States. Totals computed from unrounded data.

1/ Rice trade data refer to the calendar year of the second year shown.

2/ Including Taiwan province.

G Official figure