The Consumer Price Index for food in the Asia-Pacific region rose by an estimated 8.3 percent year-on-year in November, with soaring vegetables prices in Pakistan being a contributing factor.

In Indonesia, retail prices increased year-on-year for several commodities including rice, which rose by 4.5 percent, wheat flour by 6.5 percent, chicken by 17.7 percent, and local soybean by 9.5 percent.

The Philippines National Food Authority approved rice imports of up to 500,000 tonnes to improve buffer rice stocks in the aftermath of Typhoon Haiyan. The Department of Agriculture is assisting farmers and fishermen by providing seeds for early crop recovery and nets and equipment for fishing boats.

China approved a “Master Plan” that focuses on balancing urban and rural development, promoting land reforms and securing land rights for rural households.

India is reforming its agriculture insurance sector, by merging various schemes into the National Crop Insurance Program (NCIP) effective since 1 November 2013 and allowing private sector companies to enter the agriculture insurance market.

**FOOD AND GENERAL INFLATION**

The region’s general Consumer Price Index (CPI) rose by an estimated 7.7 percent, and its food CPI increased by an estimated 8.3 percent compared to November last year. General inflation was driven by price rises in Pakistan, Indonesia and the Philippines. In Pakistan, the 10.9 percent rise in general inflation was led mainly by higher food prices. Although general inflation in Indonesia has been decelerating since August, it still increased 8.4 percent in November compared to the previous year. In the Philippines, the destruction caused by Typhoon Haiyan led to price increases for electricity, housing and gas, while in rural areas prices for meat, fish, fruits and vegetables all rose.

Food price inflation in the region was most marked in Pakistan, Indonesia, Bangladesh, and India. Food price rises of 12.9 and 12.3 percent in Pakistan and Indonesia were key contributors to food price inflation in the region. Pakistan’s food price increases were boosted by 216 percent increase in the index price of tomatoes, a 117 percent increase in potato prices and a 73 percent rise in the price for onions (see page 4). Food inflation of 8.5 percent also was a major factor in Bangladesh’s general inflation of 7.1 percent.

**REGIONAL OVERVIEW**

**FOOD AND GENERAL INFLATION**

The region’s general Consumer Price Index (CPI) rose by an estimated 7.7 percent, and its food CPI increased by an estimated 8.3 percent compared to November last year. General inflation was driven by price rises in Pakistan, Indonesia and the Philippines. In Pakistan, the 10.9 percent rise in general inflation was led mainly by higher food prices. Although general inflation in Indonesia has been decelerating since August, it still increased 8.4 percent in November compared to the previous year. In the Philippines, the destruction caused by Typhoon Haiyan led to price increases for electricity, housing and gas, while in rural areas prices for meat, fish, fruits and vegetables all rose.

Food price inflation in the region was most marked in Pakistan, Indonesia, Bangladesh, and India. Food price rises of 12.9 and 12.3 percent in Pakistan and Indonesia were key contributors to food price inflation in the region. Pakistan’s food price increases were boosted by 216 percent increase in the index price of tomatoes, a 117 percent increase in potato prices and a 73 percent rise in the price for onions (see page 4). Food inflation of 8.5 percent also was a major factor in Bangladesh’s general inflation of 7.1 percent.

**HIGHLIGHTS**

- The Consumer Price Index for food in the Asia-Pacific region rose by an estimated 8.3 percent year-on-year in November, with soaring vegetables prices in Pakistan being a contributing factor.
- In Indonesia, retail prices increased year-on-year for several commodities including rice, which rose by 4.5 percent, wheat flour by 6.5 percent, chicken by 17.7 percent, and local soybean by 9.5 percent.
- The Philippines National Food Authority approved rice imports of up to 500,000 tonnes to improve buffer rice stocks in the aftermath of Typhoon Haiyan. The Department of Agriculture is assisting farmers and fishermen by providing seeds for early crop recovery and nets and equipment for fishing boats.
- China approved a “Master Plan” that focuses on balancing urban and rural development, promoting land reforms and securing land rights for rural households.
- India is reforming its agriculture insurance sector, by merging various schemes into the National Crop Insurance Program (NCIP) effective since 1 November 2013 and allowing private sector companies to enter the agriculture insurance market.

**FOOD AND GENERAL INFLATION**

The region’s general Consumer Price Index (CPI) rose by an estimated 7.7 percent, and its food CPI increased by an estimated 8.3 percent compared to November last year. General inflation was driven by price rises in Pakistan, Indonesia and the Philippines. In Pakistan, the 10.9 percent rise in general inflation was led mainly by higher food prices. Although general inflation in Indonesia has been decelerating since August, it still increased 8.4 percent in November compared to the previous year. In the Philippines, the destruction caused by Typhoon Haiyan led to price increases for electricity, housing and gas, while in rural areas prices for meat, fish, fruits and vegetables all rose.

Food price inflation in the region was most marked in Pakistan, Indonesia, Bangladesh, and India. Food price rises of 12.9 and 12.3 percent in Pakistan and Indonesia were key contributors to food price inflation in the region. Pakistan’s food price increases were boosted by 216 percent increase in the index price of tomatoes, a 117 percent increase in potato prices and a 73 percent rise in the price for onions (see page 4). Food inflation of 8.5 percent also was a major factor in Bangladesh’s general inflation of 7.1 percent.

**REGIONAL OVERVIEW**

**FOOD AND GENERAL INFLATION**

The region’s general Consumer Price Index (CPI) rose by an estimated 7.7 percent, and its food CPI increased by an estimated 8.3 percent compared to November last year. General inflation was driven by price rises in Pakistan, Indonesia and the Philippines. In Pakistan, the 10.9 percent rise in general inflation was led mainly by higher food prices. Although general inflation in Indonesia has been decelerating since August, it still increased 8.4 percent in November compared to the previous year. In the Philippines, the destruction caused by Typhoon Haiyan led to price increases for electricity, housing and gas, while in rural areas prices for meat, fish, fruits and vegetables all rose.

Food price inflation in the region was most marked in Pakistan, Indonesia, Bangladesh, and India. Food price rises of 12.9 and 12.3 percent in Pakistan and Indonesia were key contributors to food price inflation in the region. Pakistan’s food price increases were boosted by 216 percent increase in the index price of tomatoes, a 117 percent increase in potato prices and a 73 percent rise in the price for onions (see page 4). Food inflation of 8.5 percent also was a major factor in Bangladesh’s general inflation of 7.1 percent.

**HIGHLIGHTS**

- The Consumer Price Index for food in the Asia-Pacific region rose by an estimated 8.3 percent year-on-year in November, with soaring vegetables prices in Pakistan being a contributing factor.
- In Indonesia, retail prices increased year-on-year for several commodities including rice, which rose by 4.5 percent, wheat flour by 6.5 percent, chicken by 17.7 percent, and local soybean by 9.5 percent.
- The Philippines National Food Authority approved rice imports of up to 500,000 tonnes to improve buffer rice stocks in the aftermath of Typhoon Haiyan. The Department of Agriculture is assisting farmers and fishermen by providing seeds for early crop recovery and nets and equipment for fishing boats.
- China approved a “Master Plan” that focuses on balancing urban and rural development, promoting land reforms and securing land rights for rural households.
- India is reforming its agriculture insurance sector, by merging various schemes into the National Crop Insurance Program (NCIP) effective since 1 November 2013 and allowing private sector companies to enter the agriculture insurance market.
FOOD PRICES

The FAO Food Price Index averaged 206.3 points in November, almost unchanged from the revised value of 206.6 points in October, but 9.5 points (4.4 percent) below its value for November 2012. A sharp decline in sugar prices last month nearly offset the rise in oils. Cereals averaged slightly lower, but meat and dairy values were stable.

International wheat prices declined 4.1 percent from the previous month, but were still roughly 14.6 percent under price levels from the previous year. International prices for Thai rice have continued on a downward trend since July, declining 1.3 percent from the previous month. Overall, the price of Thai rice has fallen 24.5 percent from the same period in the previous year. Maize prices also slipped downward in November, falling just 0.4 percent from the previous month, but 38.2 percent from November in the previous year.

In real terms, the regional rice price index remained unchanged from the previous month, and 2.0 percent lower than the same period in the previous year. The largest yearly decline was in Southeast Asia, where prices fell 5.6 percent from the previous year, led by decreases in rice prices in Vietnam and Cambodia. However, rice prices rose slightly month-on-month on gains in Indonesia and Myanmar. Rice prices in South Asia grew just 0.5 percent month-on-month, but 7.3 percent year-on-year, led by recent increases in Bangladesh.

In nominal terms, the regional rice price index grew 0.3 percent from October, and increased 4.6 percent from the November 2012. The largest month-on-month decline was in India where prices fell 0.5 percent. The biggest increase was in South Asia, whose index excludes India, and which rose by 14.8 percent year-on-year. Southeast Asia and East Asia rice price indices remain relatively unchanged.

In real terms, the regional wheat price index increased 0.4 percent from October, and was 2.3 higher than in November last year. Increases (year on year basis) came mainly from East Asia and India, which grew 4.1 and 6.7 percent, respectively. The Southeast Asia index has been constantly declining over the past few years: in November, the index increased 0.2 percent from the previous month and fell 2.5 from the previous year.

In nominal terms, the regional wheat price index remained relatively unchanged from the previous month, increasing 1.2 percent, but rose 10.3 percent from the same month in the previous year. Increases occurred in all sub regions (year-on-year basis) as East Asia rose by 8.2 percent, Southeast Asia by 6.6 percent, South Asia by 8.9 percent and India’s wheat prices soared by 18.3 percent.

Note: The regional price indices are aggregated using weights defined by the national Food Balance Sheet (FAOSTAT). Weights are defined as the availability of rice and wheat for domestic consumption for each respective index. Sub-regional groupings in the rice index are Cambodia, Indonesia, Lao PDR, Myanmar, the Philippines, Thailand and Vietnam for Southeast Asia; Bangladesh, Nepal, Pakistan, and Sri Lanka for South Asia; China and Mongolia for East Asia.

For the wheat index, South Asia also includes Afghanistan whereas Southeast Asia includes only Indonesia. East Asia is also only represented by China. Retail prices are used where available - with the exception of wholesale prices for Cambodia and Thailand in the rice index; as well as India and Indonesia for the wheat index.
COUNTRY OVERVIEW

FOOD PRICES

In Bangladesh, rice is a primary staple and per capita consumption continues to rise across income groups in both urban and rural areas. Retail prices for coarse rice in Dhaka markets increased 3.4 percent in November from the previous month, and by 18.8 percent from the previous year. Coarse rice prices have been moving in a range between BDT 33 and BDT 34 (US$ 0.42 - 0.44) since July (on average 16.4 percent higher than the same range in the previous year). The government procures rice from farmers at a fixed price to incentivize production and replenish public stocks. The procurement of one million tonnes of irrigated rice (boro) closed on 10 November. For the rain-fed rice (aman) which is planted in July/August and harvested in December, and accounts for 40 percent of the total production, the government procurement target is 200 000 tonnes at a higher price of BDT 30 per kg (US$ 0.39). Total rice output in 2013-14 is forecast at around 34.3 million tonnes, up 1.5 percent from the previous year.

Retail prices for wheat flour (atta) rebounded slightly in November, increasing 2.3 percent from October following a declining trend since March. Overall, wheat flour prices are 4.7 percent lower than during the same month last year.

In Cambodia, one of the countries with the highest per capita rice consumption (about 152 kg per year), rice prices (mixed variety) fell in November by 10 percent from the previous month, following a long period of stability dating to last year. Prices for other rice varieties remained stable in November, and have been stable since they last declined July 2013. Cambodia aims to become a significant exporter of rice after successive years of improved production. The government has set a target of exporting 1 million tonnes a year by 2015. Despite severe seasonal flooding between August and October and conditions exacerbated by Typhoon Usagi, official sources said they do not expect crops to be seriously impacted. FAO anticipates Cambodia will harvest 9.5 million tonnes of paddy (6.1 million tonnes, milled basis), up 200 000 tonnes from the previous year.

The price of chicken fell by 5.8 percent and soy oil slipped by 6.8 percent compared to the previous month.

In China, the world’s top producer and consumer of rice, prices for rice (Beijing markets) remained relatively unchanged in November compared to October, and steady for the past year. Rice production has decreased since July. The revised estimate by the Government stands at 0.7 percent, or 1.5 million tonnes, below the 2012 output level. This is a relatively small reduction for the country but it marks anyway the first output decline registered in China since 2003. The contraction reflects prospects of lower yields, depressed by drought conditions in south-central and eastern provinces.

Prices for chicken and soy oil varied only slightly from October, but were 6.5 percent and 5.3 percent lower, respectively, than at the same time last year. The government has been selling soybean from state reserves through public auctions since August, totalling 2.4 million tonnes. Prices for fresh vegetables prices went up by 31.5 percent and meat (i.e. pork, beef, and mutton) by 5.8 percent over the last year, contributing to increasing food inflation in the country.
In Indonesia, retail prices for several commodities were higher than the same time last year, although price rises are typical at this time of year. Prices for medium rice rose by 4.5 percent, wheat flour by 8.5 percent, chicken by 17.7 percent, and local soybean by 9.5 percent. Since 2003, soybean domestic consumption has constantly increased, surpassing 2.5 million tonnes in 2012 while production declined to about 800,000 tonnes last year. USDA estimates a further output fall of 3 percent this year because of exceptionally wet conditions during the dry season that damaged crops and caused sub-optimal growth. Soybean prices started to rally during July-September. The government took several measures in October to curb soaring prices, including relaxation of import restrictions imposed in May, and suspension of import duties to improve supplies in the market.

In Pakistan, prices increased significantly for both rice and wheat. Wheat and wheat flour prices increased by 29.9 percent and 24.0 percent, respectively, from 2012. Basmati and IRRI rice prices increased by 15 percent and 8.9 percent, respectively, since the second quarter of this year. FAO has estimated that basmati production decreased by 600,000 tonnes to 8.7 million tonnes (5.8 million tonnes milled basis) because of flooding in the two main rice-producing regions of Punjab and Sindh. According to some media reports, supply chain dynamics continued to affect Pakistani white rice prices: shipping companies have announced general rate increases from 1 January 2014, therefore, exporters have been rushing to fulfil contracts before higher rates take effect, boosting demand and leading to further price increases.

Prices (national average) for potatoes, onions and tomatoes rose significantly in the first week of November jumping 7 percent, 12 percent, and 49 percent, respectively, from the last week of October. The price for tomatoes reached an annual peak at PKR 121.76 (US$ 1.13), 171 percent higher than in 2012. Prices for both potatoes and onions continued to increase until the third week of November, reaching their respective annual peaks at PKR 70.63 (US$ 0.66) and PKR 59.44 (US$ 0.55), increasing by 131 percent and 71 percent from the previous year. Prices in the fourth week, however, dropped substantially for all three commodities, signalling that these recent price increases may be temporary with prices trending downward going into the beginning of December.

According to local sources, the government is strengthening food price controls by directing regional commissioners to supervise fruit and vegetable market sales and preventing wholesalers and retailers charging anything above 15 percent of their costs.

Viet Nam is the second biggest consumer of rice in the world on a per capita basis. Paddy production has been constantly expanding since 2005 because of expanding areas under cultivation and yield improvements. The country ranks second in the top rice exporters list after India. Domestic prices for rice have been steady since August, but moved up slightly in November, increasing 3.9 percent from the previous month. This level is still 11.1 percent lower than the previous year. Repeated bumper harvests and greater competition in international markets have contributed to falling prices, and are partially undermining rice farmers’ gains. Pork prices followed a similar trend, growing 1 percent from the previous month, despite being 9.2 percent lower than the previous year.

Note: Month-on-month changes are calculated as the price average of the current publication month from the price average of the previous month. Year-on-year changes are likewise reported as the price average of the current publication month from the price average of the same month in the previous year.
PRICE FORECAST

Afghanistan (wheat, retail, Kabul)
Retail prices for wheat in Afghanistan were AFN 22 (US$ 0.38) per kg in November, with no change from the previous month, but an increase of 2.9 percent from November last year. The benchmark future price for December is forecast to be AFN 22.4 (US$ 0.39) per kg (within a 70% benchmark band of AFN 21.4 – 22.4 [US$ 0.37 – 0.39] per kg), a slight increase of 1.9 percent from November, and an increase of 4.3 percent from the previous year. If prices follow normal seasonal patterns during the next three months, the model forecasts that retail prices for wheat are likely to increase gradually within a benchmark band of AFN 18.9 – 22.9 (US$ 0.32 – 0.39) per kg.

Retail price for wheat

Source: FAO GIEWS and FAO staff calculations

Pakistan (wheat flour, retail, average of four markets)
Retail prices for wheat flour in Pakistan were PKR 42.7 (US$ 0.39) per kg in November, an increase of 3.1 percent from the previous month and an increase of 25.2 percent from November last year. The benchmark future price for November is forecast to be PKR 43.1 (US$ 0.40) per kg (within a 70% benchmark band of PKR 41.5 – 44.6 [US$ 0.39 – 0.42] per kg) a slight increase of 0.6 percent from November, and an increase of 24.4 percent from the previous year. If prices follow normal seasonal patterns during the next three months, the model forecasts that retail prices for wheat flour are likely to increase gradually within a benchmark band of PKR 39.7 – 45.6 (US$ 0.37 – 0.42) per kg.

Retail price for wheat flour

Source: FAO GIEWS and FAO staff calculations. Note: Four markets include Karachi, Lahore, Multan and Peshawar.

Technical notes: The ESA Price Monitoring Model is a simple tool designed to assist policy makers, farmers and traders in assessing whether recent price trends are in line with those typically observed in the past. The purpose of the model is to determine whether short-term price movements of a commodity exceed a benchmark which takes into consideration seasonality, inflation and historic variability. The model uses only data on past prices and the consumer price index (CPI) to capture these characteristics. It establishes an expected level of price for the following month along with a range of uncertainty generated by past deviations from expected prices. Price movements can be interpreted as “excessive” if prices fall outside the benchmark band. The difference between the actual price and the “benchmark price” (1 month in advance) that was forecasted for that same month is also calculated by the model although not shown in the graph. An additional feature of the model is to show the current level of prices relative to an average of past prices during the past four years (adjusted for inflation). For details on the model, please see: http://www.foodsec.org/web/publications/briefs/.
Production oriented policies

On 12 November, the Central Committee of the Communist Party of China approved a “Master Plan” focusing on balancing urban and rural development in an effort to reduce income gaps, improve rural household conditions, rural education and farm business. Among the measures adopted, further land reform will be pursued to give 650 million rural people more secure property rights, including the right to possess, use, benefit from and transfer their contracted land, as well as the right to use land ownership as collateral or guarantee to access financial services. Furthermore, the government will encourage the investment of industrial and commercial capital in rural areas to modernize and support farming businesses, cooperatives and rural companies to better manage agricultural production.

The government of India decided to merge various public agriculture insurance schemes into the National Crop Insurance Programme (NCIP) effective 1 November, and allowed private sector companies to enter the agriculture insurance market. Private insurers with adequate infrastructure and experience will be authorized to implement the NCIP besides the Agriculture Insurance Company of India (AIC) in order to provide better alternatives and financial services to farmers. Loanee farmers will be covered on a compulsory basis under the NCIP, while non-loanee farmers can choose either the component of the Modified National Agricultural Insurance Scheme (MN AIS) that covers losses at all stages of cropping, or the Weather Based Crop Insurance Scheme (WBCIS) that covers weather-related risk.

Bank Indonesia and the Ministry of Agriculture have jointly launched a new insurance scheme for beef cattle in collaboration with a private insurer. The scheme provides coverage for risk of livestock death from disease, accidents and loss, and it will facilitate livestock farmers’ access to credit and other finance facilities. The beef production sector is a priority for the government in light of the large contribution of beef prices to inflation in the country, and its role as a primary imported commodity.

In the Philippines, following the destruction caused by Typhoon Haiyan, the Department of Agriculture (DA) is providing seeds for early crop recovery and support to the municipal fishery sector of the Eastern Visayas Region. The DA is distributing rice, maize and vegetable seeds under the government’s Early Recovery Programme. It has also lifted the seasonal fishing prohibition in the Visayas islands and Palawan until 1 December to enable fishermen to catch marine species for consumption and sale. The DA has also distributed fully equipped fishing boats and nets to affected fishing communities.

Trade and market oriented policies

In Afghanistan, the Ministry of Agriculture, Irrigation and Livestock (MAIL) organized the 2013 AgFair in Kabul, attended by about 70 000 visitors, with the aim to expand trade opportunities for Afghan farmers and traders through exhibition facilities, business-to-business networking sessions and capacity development on production, packaging and marketing of agriculture products.

India launched a Risk Management System (RMS) for exports to reduce customs clearance time and lower transaction costs, which are estimated at around 7-10 percent of total export costs, compared to about 3 percent in China and some other Southeast Asian countries. Under the new system, low-risk consignments will be cleared by Customs based on declarations by exporters. India is the world’s largest exporter of rice for the third consecutive year. Other agricultural products, such as cotton, tea and sugar are important components of its international trade.

The Philippines National Food Authority (NFA) has approved rice imports of up to 500 000 tonnes to improve buffer stocks in the aftermath of Typhoon Haiyan. On 28 November, Viet Nam’s Southern Food Corporation was awarded a contract for the full import total with the requirement to deliver the first 120 000 tonnes by 31 December, and the remainder by March 2014. NFA rice stocks had declined sharply even before the typhoon struck, but the country has imported around 210 000 tonnes of rice so far in 2013, which is down 70 percent from around 692 000 tonnes imported in 2012.

The Government of Thailand continues to sell rice from its stocks, in order to make space for new arrivals from the main crop harvest and to raise money for the 2013-14 rice pledging programme (October-September). It conducted tenders for 576 000 tonnes during November. According to unofficial sources, the Bank of Agriculture and Agricultural Cooperatives (BAAC) is also planning to issue a three-year bond to raise THB 75 billion (US$ 2.3 billion) to finance the scheme and avoid delays in payments to farmers.

Consumer oriented policies

According to media sources, the Government of India has decided to pilot a project in Punjab and Andhra Pradesh to supply subsidized food grains under the Public Distribution System (PDS) in 5-kilo packs, replacing the existing system of distribution in 50-kilo bags to PDS outlets that then sell loose rice. The aim is to prevent corruption in the implementation of the new Food Security Bill, contain leakages and make sure the subsidized food reaches the poorest people.
Decisions reached at WTO 9th Ministerial Conference

After 12 years of negotiations, the 159 member countries of the World Trade Organization completed the Doha Round in early December. At the Ninth Ministerial Conference held in Bali, Indonesia, the WTO members adopted the “Bali Package”, a series of decisions aimed at streamlining trade, allowing developing countries more options for providing food security, boosting least-developed countries’ trade and helping development more generally.

On agriculture, much of the focus was on the public stockholding programmes for food security purposes. Buying food from farmers at supported prices to build up stocks by the government is considered as a form of domestic support that could distort trade by affecting market prices and the quantities produced. Under the Agreement on Agriculture, developing countries are allowed to offer subsidies at a limit of 10 percent of their total agriculture produce. For developed countries the limit is 5 percent.

Countries agreed to put in place an interim mechanism and to negotiate a permanent solution. The mechanism allows the developing countries to pursue public stockholding programmes of traditional staple food crops for food security purposes even if a country’s agreed limits for trade-distorting domestic support were breached. This mechanism is applicable until the 11th Ministerial Conference in 2017. This decision allows India to provide some subsidies to its poor farmers and to buy grain at government-set support prices to build up national food reserves for a food distribution programme for the poor.

Agricultural and fisheries sector needs aid in the aftermath of natural disasters

The United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA) has said the needs of fisheries sector in the Philippines are “immense” in the aftermath of Typhoon Haiyan, the strongest typhoon ever recorded, which swept across the archipelago and Viet Nam in early November. Aside from fishermen, traders and processors - who are predominantly women - are also in dire need of assistance. FAO is calling for US$ 24 million in aid to the fisheries and agriculture sectors. FAO’s assessment in November put damage to the agriculture sector at US$ 225 million, but another assessment is ongoing. While aid is being organized, relief workers have voiced concerns that only registered boat owners are receiving assistance, leaving many others without help. UNOCHA also said that farmers in some affected regions need seeds to plant rice, which they normally do in February and March. The typhoon resulted in the deaths of 5 924 people, 1 779 are missing, 4 million have been displaced and 14 million have been affected. As of mid-December, 4.1 million people in the Philippines affected by Haiyan have received food assistance. In Viet Nam, the storm killed 14 people and damaged roughly 40 000 hectares of crops, according to the government’s assessment in November.

In Cambodia, rainy season flooding caused 168 deaths across 20 provinces and forced the evacuation of 31 000 households and 1.7 million people were affected, according to a report by the Cambodia Daily newspaper. Although no damage assessment for the agriculture sector has been completed, overall damage has been estimated at US$ 1 billion, and government officials said that thousands of hectares of rice paddy and other crops had been destroyed.