



GIEWS Country Brief The Republic of Indonesia

Reference Date: 05-December-2023

FOOD SECURITY SNAPSHOT

- Drier-than-average weather conditions forecast in coming months
- Cereal production in 2023 forecast slightly below average
- Record cereal import requirements forecast in 2023/24
- Prices of rice higher year-on-year in October

Drier-than-average weather conditions forecast in coming months

Planting of the 2024 main (first) paddy and (rainy season) maize crops, which account for the bulk of annual production, is ongoing at a slow pace due to soil moisture deficits following below-average precipitation amounts and higher-than-average temperatures since October 2023. Remote sensing data, as of mid-November, indicates below-average vegetation conditions (red, orange and yellow colours in VHI map), especially in the key producing Sumatera (southern parts) and Java islands, suggesting unfavourable yield prospects for the early-planted crops. Crops in rainfed areas, covering about 15 percent of paddy sowings and nearly all maize, are expected to be affected by the ongoing dry weather conditions.

Weather forecasts point to a high likelihood of below-average precipitation amounts and elevated temperatures between December 2023 and February 2024, associated with the prevailing El Niño event. If this forecast materializes, production of 2024 main crops as well as irrigation water availability for the 2024 second rice crop may be affected.

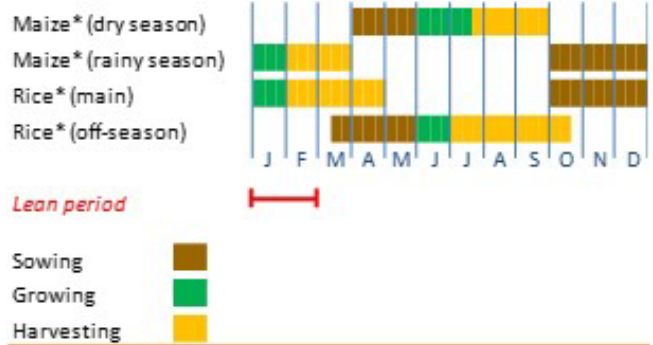
Cereal production in 2023 forecast slightly below average

Harvesting of the 2023 minor (third) paddy crop, which accounts for about 20 percent of the annual output, is underway and will finalize at the end of December. Production is forecast below the five-year average, owing to both reduced sowings primarily on account of scarce precipitation amounts between August and November 2023. The 2023 first and second paddy crops, which account for 55 and 25 percent, respectively, of the annual production, were harvested earlier in the year and were estimated at below-average levels. In aggregate, 2023

Indonesia

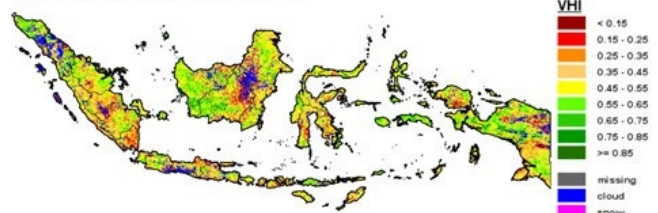
Crop Calendar

(*major foodcrop)



Indonesia - Vegetation Health Index (VHI)

Dekad 2, November 2023



Indonesia

Cereal Production

	2018-2022 average	2022	2023 forecast	change 2023/2022
	000 tonnes			percent
Paddy	55 524	54 750	53 250	-2.7
Maize	21 618	22 000	21 500	-2.3
Total	77 142	76 750	74 750	-2.6

Note: Percentage change calculated from unrounded data.

paddy production is forecast at a below-average level of 53.3 million tonnes.

Production of the 2023 maize crop, harvested last September, is estimated at a near-average level of 21.5 million tonnes as large sowings driven by strong demand by the poultry industry almost entirely offset reduced yields due to dryness.

Record cereal import requirements forecast in 2023/24

Total cereal import requirements in the 2023/24 marketing year (April/March) are forecast at a record level of 14.6 million tonnes, primarily reflecting a strong increase in imports of rice forecast at 3.3 million tonnes, due to substantial purchases by the government, aiming to replenish public stocks and control rising domestic prices. Import requirements of wheat, accounting for the bulk of the country's cereal imports and used for both food and feed, are projected at a near average level of 10.1 million tonnes. Import requirements of maize are forecast at 1.2 million tonnes, slightly above last year's high level, reflecting strong demand by the poultry industry.

Prices of rice higher year-on-year in October

Domestic prices of rice, the country's main staple, gradually increased between August 2022 and March 2023, mostly due to high costs of production and transport, as well as below average production. Since March 2023, the government has implemented several measures to curb the price increases. These measures include large imports of rice through official channels, increased sales of rice at subsidized prices and the free distribution of rice to 21.35 million low-income households. Following improved market availability from the 2023 main harvest, prices of rice stabilized from March to July 2023. However, since last August, prices have resumed their upward trend, as seasonal upward pressure was compounded by expectations of a reduced output of the 2023 third crop and concerns about the ongoing dryness affecting the 2024 crop. Overall, October prices of rice were about 20 percent higher year-on-year.

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This brief was prepared using the following data/tools:

FAO/GIEWS Country Cereal Balance Sheet (CCBS)

<https://www.fao.org/giews/data-tools/en/>

FAO/GIEWS Food Price Monitoring and Analysis (FPMA) Tool

<https://fpma.fao.org/>

FAO/GIEWS Earth Observation for Crop Monitoring

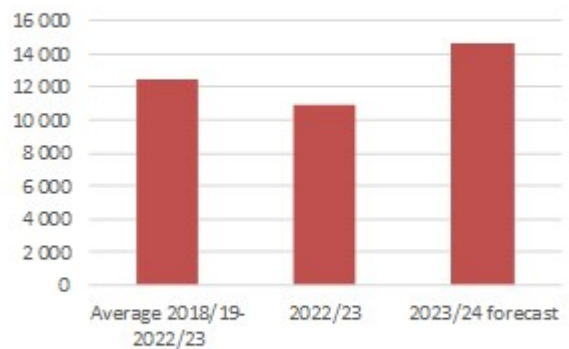
<https://www.fao.org/giews/earthobservation/>

Integrated Food Security Phase Classification (IPC) <https://www.ipcinfo.org/>

Indonesia

Cereals Imports

000 tonnes

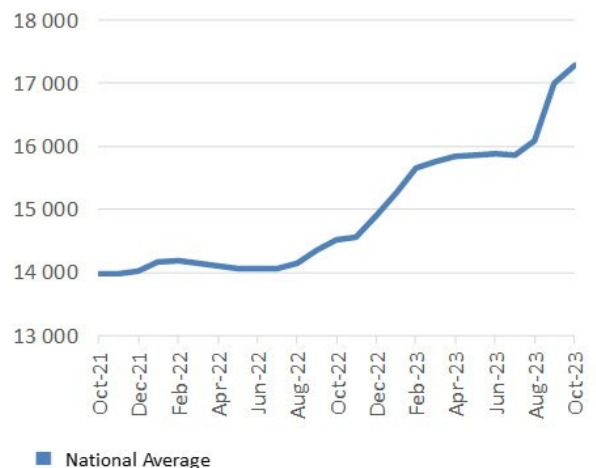


Notes: Includes rice in milled terms. Split years refer to individual crop marketing years (for rice, calendar year of second year shown).

Indonesia

Retail prices of rice

Indonesian rupiah per kg



■ National Average