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## Taiwan

**Post:** Taipei

### Completion of the 2016 U.S. Rice SBS Tender

**Report Categories:**

Grain and Feed

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**Report Highlights:**

Taiwan completed the 2016 U.S. rice Simultaneous Buy and Sell (SBS) tender GF4-104-164 for 35,600 MT at the first scheduled tender which was held on February 18.

**General Information:**

Instead of the usual two tranches of Simultaneous Buy and Sell (SBS) tenders, Taiwan authorities held only one SBS tender of 2016 U.S. tariff rate quota (TRQ) rice imports. The SBS delivery term is changed to May 1, 2015 thru April 30 of the following year accordingly. With a high number of bidding participations, Taiwan completed the 2016 rice SBS for 35,600 MT of U.S.-origin and 6,500 MT of Thai-origin at the first scheduled tender held on February 18. However, an Australian SBS failed at the February 18<sup>th</sup> tender; the second tender is anticipated in March.

Regardless of the country of origin, if a Taiwan importer decides to use an SBS quota to import medium and/or short grain rice, only #1 U.S.-equivalent rice is eligible. Long grain and glutinous rice are not subject to quality grade conditions. According to Taiwan's Agriculture and Food Agency (AFA), Taiwan importers are required to submit a grain quality inspection certificate to AFA to apply for an import permit and for a refund of performance bond for the corresponding medium and/or short grain rice shipment. The grain quality inspection certificate is expected to accompany the rice shipment for Taiwan Customs clearance.

Result of February 18<sup>th</sup> Rice SBS Tender is as follows.

GF4-104-164 for 35,600 MT of U.S.-origin: completed at its 1<sup>st</sup> tender on February 18.

The entire allocated SBS quota amount was successfully awarded to ten out of seventeen who participated in the bid at the same price level of NT\$4.001/kg or US\$120/MT. Each winning bidder received ,6010 MT, 6,000 MT, 4,500 MT, 4,000 MT, 3,680 MT, 3,450 MT, 3,220 MT, 2,980 MT, 1,380 MT and 380 MT each.

GF4-104-166 for 6,500 MT of Thai-origin: completed at its 1<sup>st</sup> tender on February 18.

The entire allocated SBS quota amount was successfully awarded to seven of thirteen who participated in the bid. Out of the winning bidders, four received 2,000 MT, 1,106 MT, 1,000 MT and 290 MT each at NT\$10.700/kg or US\$ 320/MT and other three received 1,000 MT, 550 MT and 500 MT each at NT\$10.259/kg or US\$307.80/MT.

GF4-104-165 for 6,500 MT of Australian-origin: failed at its 1<sup>st</sup> tender on February 18.

Three Australian rice handlers participated in the bid but failed the tender due to offered bidding prices were all below the preset floor price level. The highest offered at NT\$8.08/kg or US\$24/MT. The second tender is likely in early March.

Exchange rate is US\$ 1 to NT\$33.33 on 02/18/2016.