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## Taiwan

**Post:** Taipei

### Completion of the 2nd U.S. Rice SBS Tender

**Report Categories:**

Grain and Feed

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**Report Highlights:**

On October 13, Taiwan completed the second U.S. Simultaneous-buy and Sell (SBS) rice tender for 18,000 MT and scheduled two U.S. rice normal tenders for 4,000 MT of medium or short grain and 9,000 MT of long grain for October 20 and 27, respectively.

## General Information:

**Reference:** [TW14051 - Results of the 1st 2015 SBS Tender and the 2015 CSQ Allocation](#)

As of reporting date, Taiwan completed tenders for 36,750 MT of the 2015 U.S. rice country specific quota (CSQ) of 64,634 MT. Of which, 35,600 MT was tendered under a SBS scheme and 1,150 MT under normal scheme. Two additional normal tenders for U.S. origin rice, 4,000 MT of medium or short grain brown rice and 9,000 MT of long grain brown rice are scheduled for October 20 and 27, respectively. 14,884MT of the 2015 U.S. rice CSQ remains to be scheduled for normal tender; the SBS quota of 35,600 MT is complete.

Taiwan also completed tenders for 4,000 MT of Thai-origin and 5,000 MT of Australia-origin SBS tenders.

### **Taiwan's 2015 Rice CSQ for Public Sector Imports, MT on a Brown Basis**

Country	SBS Tender		Normal Tender	2015 Rice CSQ
	1 <sup>st</sup> Tranche for delivery by 12/31/2015	2 <sup>nd</sup> Tranche for delivery by 4/31/2016		
Egypt	0	0	2,500	2,500
Thailand	4,000 (completed 12/31/2014)	4,300 (1 <sup>st</sup> tender results pending)	0	8,300
Australia	5,000 (completed 01/22/2015, but 2,500 went global)	5,300 (failed 1 <sup>st</sup> tender)	8,334	18,634
USA	17,600 (completed 01/07/2015)	18,000 (completed 10/13/2015)	29,034 (1,150 completed 04/21/2015)	64,634
Subtotal	26,600 (completed)	27,600	39,868	94,068
Note: The total U.S. SBS allotments increased 9,600 MT from 2014.				

#### **I. Result of the 1<sup>st</sup> Tranche SBS tender, for December 31, 2015 delivery, is as follows.**

*GF4-103-121 for 17,600 MT of U.S.-origin: 9,100 MT was completed at its first tender on December 24, 2014 (refer to TW14051) and 8,500 MT was completed on the 2<sup>nd</sup> tender on January 7.*

The tender was completed at its second tender after awarded the remaining 8,500 MT to five successful bidders out of eleven, who participated in the bid. One received 4,600 MT at NT\$1.609/kg

(US\$50.33/MT), two received 1,150 MT each at NT\$1.859/kg (US\$58.15/MT) and NT\$1.708/kg (US\$53.43/MT) respectively, and the other two received 1,030 MT at NT\$1.566/kg (US\$48.98/MT) and 570 MT at NT\$1.521/kg (US\$47.58/MT).

## **II. Result of the 2<sup>nd</sup> Tranche SBS Tender, for April 30, 2016 Delivery, is as follows.**

*GF4-104097 for 18,000 MT of U.S. –origin: completed at its second tender on October 13.*

Although 12 U.S. rice handlers participated in the bid, the tender still failed at its first tender on September 30 because offered bidding prices were allegedly below pre-set flooring price level. The tender succeeded at the second tender on October 13.

Competition at the second tender included 16 U.S. rice handlers participating in the bid. 9,550 MT was awarded to five winning bidders at NT\$3.100/kg (US\$96.06/MT) and 8,450 MT was awarded to another five successful bidders at NT\$2.600/kg (US\$80.57/MT).

GF4-104098 for 5,300 MT of Australia-origin: failed at its first tender on October 7.

Three Australian rice handlers participated in the bid but the tender failed at its first tender on October 7 due offered bidding prices were all below pre-set flooring price level. The second tender has been scheduled for October 20.

GF4-104099 for 4,300 MT of Thai-origin: its first tender result is pending.

Twelve Thai rice handlers participated in the bid on October 7. However, the tender result is pending because of suspicious on credibility of two checks for bidding bond payments.

## **III. Update on Taiwan's 2015 Rice CSQ under Normal Tender Scheme.**

*GF4-104-025 for 1,000 MT (1,150 MT brown equivalent) of U.S.-origin short grain milled glutinous rice for delivery during the period of October 15-December 10, 2015: has completed at its first tender on April 21.*

Three U.S. rice handlers participated in the bid. The tender was successfully awarded to two out three bidders 500 MT each at NT\$38,466/MT (\$1,237/MT) and NT\$42,800/MT (US\$1,376/MT), respectively. The ceiling price was NT\$44,800/MT (US\$1,440.51/MT) published on May 18 [on the Public Construction Commission website](#).

Taiwan recently announced four tender schedules for October 20 and October 27:

**October 20 -** GF4-104-105 for 4,000 MT of U.S.-origin medium or short grain brown rice, GF4-104-106 for 4,000 MT of Australia-origin medium or short brown rice, and GF4-104-107 for 2,500 MT of Egypt-origin medium or short grain brown rice for delivery by March 31, 2016

**October 27 - GF4-104-115** for 9,000 MT of U.S.-origin long grain brown rice for delivery by April 30, 2016

**IV. Referenced Exchange Rates:**

US\$1 to NT\$31.99 on 12/31/2014

US\$1 to NT\$31.97 on 01/07/2015

US\$1 to NT\$31.42 on 01/22/2015

US\$1 to NT\$31.39 on 03/04/2015

US\$1 to NT\$31.10 on 04/21/2015

US\$1 to NT\$32.27 on 10/13/2015