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GAIN Report

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Burma - Union of

Grain and Feed Annual

2019

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Report Highlights:

Production of rice and corn in Burma is forecast to increase in MY 2019/20 due to expansion of planting areas. Burma's overall rice exports are expected to be stable as decreasing exports to the European Union balance out increasing exports to China. Corn exports in MY 2018/19 and MY 2019/20 are likely to expand in line with continued demand from China. Burma's wheat import demand and consumption is likely to increase in MY 2019/20 in anticipation of renewed demand for snacks, noodles and baked goods derived from wheat flour.

Commodities:

Rice, Milled, Corn, Wheat

Executive Summary:

Rice production in Burma (also called Myanmar) in MY 2019/20 is forecast to increase as farmers increase planting acreage in anticipation of favorable weather and due to attractive prices. Burma's overall rice exports in MY 2019/20 are forecast remain at the same level as MY 2018/19 at 3.0 MMT. There will be some lost market potential in the EU, offset by some increased market potential in China.

Burma's corn production is expected to reach 2.33 MMT in 2019/20 and the domestic corn demand in MY 2018/19 and in MY 2019/20 is expected to increase due the growth in the livestock sector. Overall Burma's corn exports in MY 2018/19 and MY 2019/20 are expected to remain at 1.4 million metric tons.

Wheat production in Burma is estimated to decrease in MY 2019/20 as domestic demand is met with imports. Wheat imports are expected to increase 13 percent MY 2017/18 as a result of changing consumer preferences and resulting higher domestic demand.

1.Rice

Table 1.1: Burma's Rice Production, Demand and Supply

Rice, Milled Market Begin Year Burma (Myanmar)	2017/2018		2018/2019		2019/2020	
	Jan 2018		Jan 2019		Jan 2019	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	7100	7100	7050	7050	0	7100
Beginning Stocks	551	551	811	911	0	771
Milled Production	13200	13300	13050	13100	0	13300
Rough Production	20625	20781	20391	20469	0	20781
Milling Rate (.9999)	6400	6400	6400	6400	0	6400
MY Imports	10	10	10	10	0	10
TY Imports	10	10	10	10	0	10
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	13761	13861	13871	14021	0	14081
MY Exports	2750	2750	2800	3000	0	3000
TY Exports	2750	2750	2800	3000	0	3000
Consumption and Residual	10200	10200	10250	10250	0	10250
Ending Stocks	811	911	821	771	0	831
Total Distribution	13761	13861	13871	14021	0	14081
Yield (Rough)	2.9049	2.9269	2.8923	2.9034	0	2.9269

(1000 HA) ,(1000 MT) ,(MT/HA)

1.1 Production

Rice production in MY 2018/19 is forecasted to decline a total of 1.5 percent because of damage caused by flooding in July and August 2018. The main crop areas in MY 2018/19 experienced reduced output, especially in the central part of country including Mandalay, Sagaing, and Magwe, and the lower part of country including Rakhine, Kayin, Bago and Taninthari. Burma's rice production is expected to recover and to increase from 13.1 MMT in MY 2018/19 to 13.3 MMT in MY 2019/20, assuming favorable weather, due to attractive prices, replacement of pulses areas with rice, utilization of high yielding seeds, and greater farm mechanization. Based on the availability of combine harvesters, about 70 percent of total rice areas are likely to be harvested by machines.

Table 1.2: Burma's Rice Production by Crop Season

Rice	Unit	2017/18			2018/19			2019/20 (forecast)		
		Main crop	Second crop	Total	Main crop	Second crop (forecast)	Total	Main crop	Second crop	Total
Cultivation area	Thousand Hectares	6,150	1,090	7,240	6,100	1,056	7,156	6,150	1,090	7,240
Harvest	Thousand Hectares	6,060	1,040	7,100	6,000	1,050	7,050	6,060	1,040	7,100
Rough Production	Thousand Metric Tons	16,968	3,813	20,781	16,794	3,675	20,469	16,968	3,813	20,781
Milled Production	Thousand Metric Tons	10,860	2,440	13,300	10,748	2,352	13,100	10,860	2,440	13,300
Yield	Thousand Hectares	2.80	3.67	2.93	2.80	3.50	2.90	2.80	3.67	2.93

Source: FAS Rangoon

Note: Main crop rice is mainly cultivated during May-August and harvested during November- December

Note 2: Second crop rice is mainly cultivated during November- January and harvested in March-May.

According to Department of Agriculture (DOA) statistics, in the MY 2017/18 growing season, the Ayeyarwady region encompasses about 29 percent of total paddy (rice) production, followed by the Bago region at about 17 percent, the Sagaing region at 13 percent and the Yangon region and Shan state at seven percent each. National average yields for monsoon paddy were about 3.7 MT/Ha and for summer paddy were 4.7 MT/Ha in 2017/18.

1.1.1 Milling Rate

Out of a total of 11,666 rice mills in Myanmar, 88 percent are small mills with low quality and very old machinery (Table 1.3 and 1.4). According to the Department of Trade, milling recovery rate for Head Rice and Broken Rice is 66 percent. Post used the milling rate as 64 percent according to interviews with rice millers (Table 1.5).

Table 1.3: Number of Median and Large Rice Mills Registered in 2017/18

Regions/States	Capacity				Total
	100MT/day	41-100MT/day	21-40 MT/day	15-20 MT/day	
Yangon	3	30	36	94	163
Ayeyarwady	5	102	295	255	657
Bago	2	46	100	97	245
Mandalay	0	0	0	12	12
Sagaing	0	54	80	146	280
Taninthayi	0	0	2	0	2
Kachin	0	0	6	0	6
Kayah	0	0	0	31	31
Mon	0	0	26	0	26
Rakhine	0	6	0	0	6
Naypyitaw	1	1	3	8	13
Total	11	239	548	643	1,441

Source: Myanmar Rice Miller's Association

Table 1.4: Number of Small Rice Mills Registered in 2015/16 -2017/18

Regions/States	2015/16	2016/17	2017/18
Yangon	897	712	615
Ayeyarwady	2,776	2,555	2,294
Bago	1,901	1,272	1,065
Mandalay	942	742	564
Sagaing	2,059	2,065	955
Magway	1,027	1,146	1,149
Taninthayi	589	377	658
Kayah	54	50	52
Mon	623	598	512
Kachin	0	985	983
Kayin	0	220	74
Rakhine	0	0	722
Shan	396	402	435
Naypyitaw	0	0	147
Total	11,264	11,124	10,225

Source: Myanmar Rice Miller's Association

Table 1.5: Milling Recovery Rate for 25 Percent Broken Rice (by weight)

Items	Products	Weight (Pound)	%
Paddy (100 bushels = 4,600Lb)	Empty grain, waste, dust	50	1
	Husk	1,020	22
	Coarse rice bran	110	2
	Fine Broken Rice	30	1
	Head rice	2,742	60
	Broken rice	288	6
	Rice Bran	360	8
	Total	4,600	100

Source: Department of Trade, Ministry of Commerce

1.2 Consumption

Domestic consumption of milled rice is expected to increase to 10.25 MMT in MY 2018/19 and MY 2019/2020 due to more broken rice demand from the livestock sector, especially poultry, due to higher corn prices. Additionally, as the typical diet in Myanmar diversifies, per capital consumption of rice is forecasted to decline to 175kg for rural households and 150kg in urban households in MY 2017/18. However, although people are eating less rice, trade source reported that consumption of superior quality rice has actually been increasing in the past three years (2017-2019) resulting in higher domestic prices (see Figure 1.1).

1.3 Trade

Total rice exports in MY 2018/19 are expected to increase to 3.0 MMT as a result of higher volumes of official rice exports to China following an expected Memorandum of Understanding (MOU), which would allocate a quota of 400,000 MT of rice for Myanmar in 2019. This idea came after China increased the intensity of inspections along the border in 2018, to intercept smuggled rice, causing rice exports from Myanmar through the border to fall from 1.8 MMT in 2017 to 1.4 MMT in 2018. Myanmar initiated negotiations for an MOU with China, requesting that they create a higher quota for rice, corn and pulse imports. The Minister for Planning and Finance, along with representatives from both the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) and the Myanmar Rice Federation (MRF) attended the second China Myanmar Economic Corridor Forum on February 18-23, 2019 in Yunnan Province and afterwards announced that China agreed on a quota for Myanmar rice of 400,000 MT in 2019, as part of a reciprocal agreement that also covered an equal value of Chinese products going to Myanmar. The Myanmar government expects the deal to be implemented starting in April 2019. The Chinese government informed the Myanmar government that once the deal is signed, they would increase anti-smuggling operations, which may reduce smuggled rice and partially offset the

increase in legal exports under the MOU. Myanmar can continue sending broken rice, which is not part of this agreement, through regular channels.

The anticipated increase in official rice exports to China will likely be offset by reduced exports to the EU. The EU has imposed safeguard measures on rice from Myanmar and Cambodia, citing economic damage to European producers. As a result, in 2019 long-grain *indica* rice from Myanmar into the EU face the normal customs duty of 175 Euros/ton. In 2020, this will be reduced to 150 Euros/ton (see appendix for details). Trade sources report that Myanmar exports about 350,000- 400,000 MT of rice to the EU every year including 100,000 MT of long grain. Myanmar can still enjoy GSP benefits for median grain rice (Nga Sein group), round grain rice (Paw San group) rice, and 100 percent broken rice exports to the EU, but because of this tariff, Myanmar traders are seeking new markets in other countries for their long grain rice.

In summary, there could be negative impacts on exports of long grain rice (Emata) from the withdrawal of GSP preference by the EU and positive impacts on other rice exports once the MOU with China is finalized.

Official Myanmar government forecasts expected rice exports in 2019 to increase and in 2020 to reach 4.0 MMT. However, Post forecasts rice exports in MY 2019/20 to be the same level as 2018/19.

Table 1.6: Imports of Combine Harvesters

Items	No. of Combine Harvester	Small Harvester
	Capacity : 500 acre/yr	Capacity : 150 acre/yr
2015/16	1,930	
2016/17	9,332	
2017/18	3,543	
Total	14,805	17,000

Source: Myanmar Customs Departments

Table 1.7: Utilization of Farm Machinery in Burma

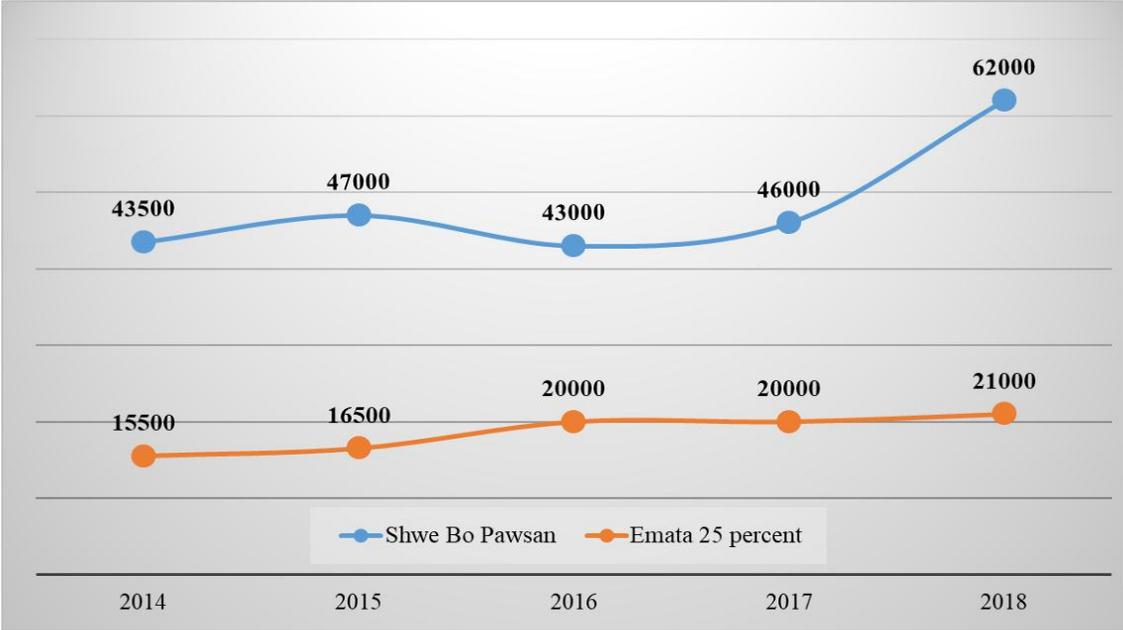
Type of Machinery	2013/14	2014/15	2015/16	2017/18
Tractor	13,345	16,378	20,568	-
Power tiller	257,971	286,097	300,247	305,000
Cultivating roller boat	5,403	6,065	7,467	9,000
Thresher	55,104	61,793	61,997	65,000
Combine harvester	668	1,680	2,521	3,000
Transplanter	122	169	286	350

Source: Department of Farm Mechanization, MoALI

1.4 Prices

According to trade sources, average domestic wholesale prices for Emata rice increased in 2018 due to strong export demand, lower production resulting from flooding in 2018, high prices for paddy, and high inflation rates. Average domestic prices for Shwe Bo Pawsan increased by 35 percent in 2018 due to increasing consumer preference for superior quality rice (see Figure 1.1).

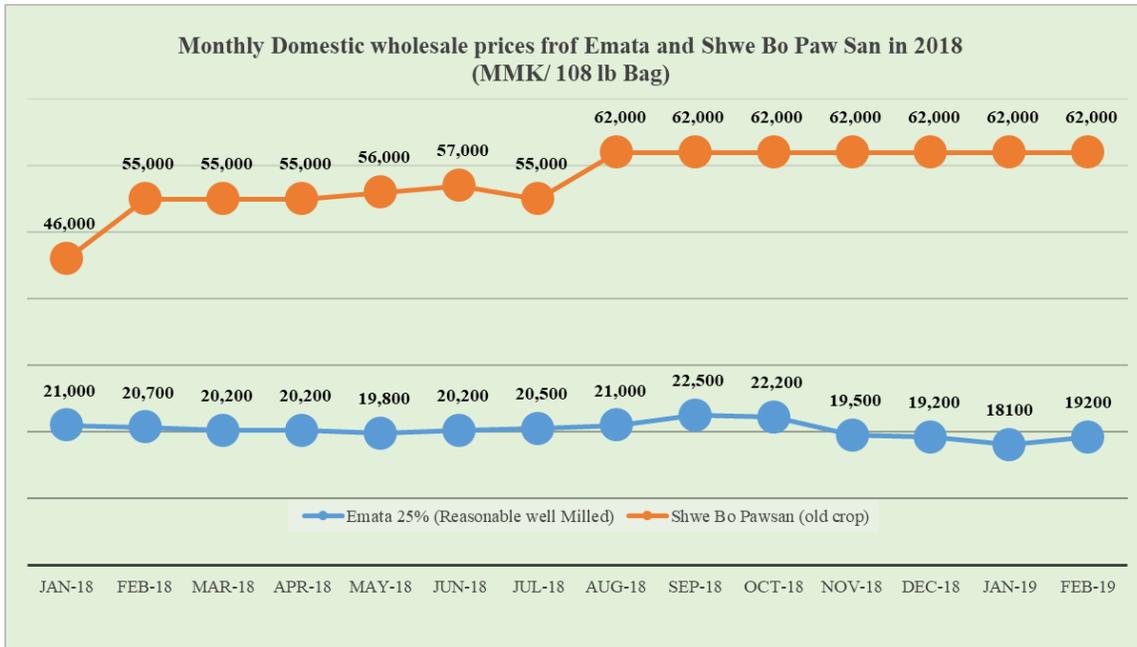
Figure 1.1: Average Domestic Wholesale Prices for Emata and Shwe Bo Pawsan Rice during August of 2014-2018 (MMK/108 lb Bag)



Source: Myanmar Rice Federation

Note: 1. MMK: Myanmar Kyats
2. Rice in Burma is sold in 108 pound (lb) bags

Figure 1.2: Monthly Average Domestic Wholesale Prices for Emata Rice (low grade) in 2018-2019 (MMK/108lb Bag)

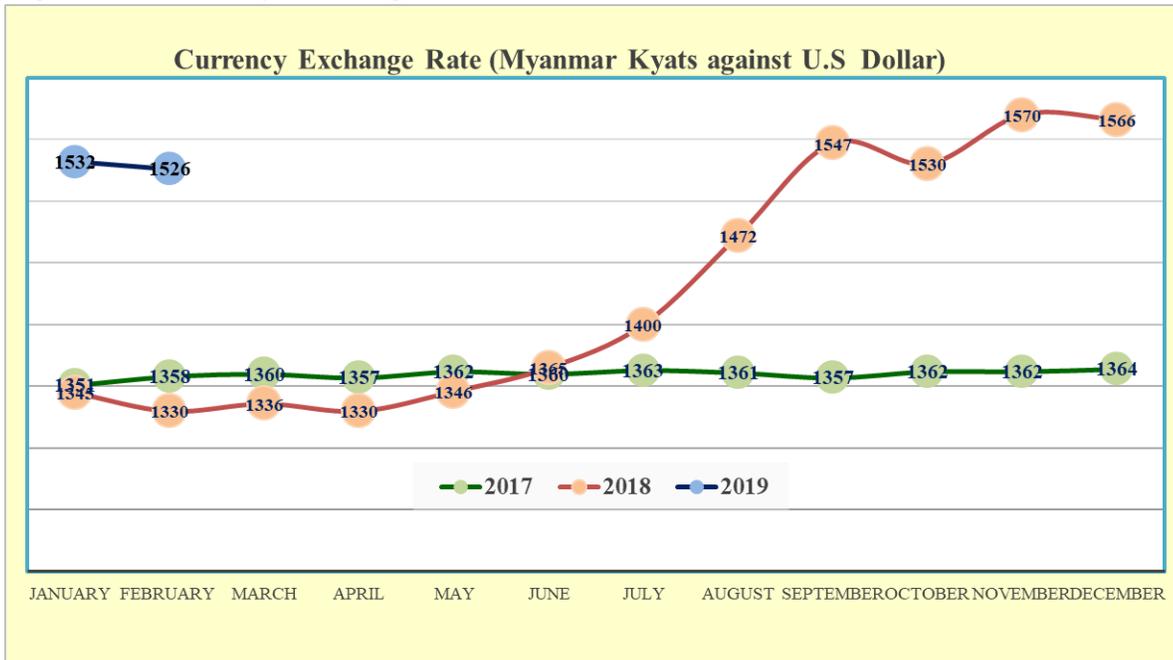


Source: Myanmar Rice Federation

Note: 1. MMK: Myanmar Kyats

2. Rice in Burma is sold in 108 pound (lb) bags

Figure 1.3: Monthly Exchange Rate in 2017, 2018 and 2019 (MMK/US\$)



Source: etrade Myanmar

Note: 1. MMK: Myanmar Kyats

1.5 Production Policy

The Myanmar Agricultural Development Bank (MADB), a government enterprise, currently provides limited seasonal crop production loans to farmers, totaling more than 1,687 billion kyats (US\$ 1.12 billion) in the 2018/19 crop season. MADB provided about 1,457 billion kyats (nearly US\$ 1 billion) in farm loans for rice farmers in 2017/18. The MADB provides credit for rice farmers of up to 150,000 kyat (US\$115) for a maximum of 10 acres with an 8% interest rate. In addition to MADB farm loans, farmers can apply for farm loans under a four year program offered by the Japan International Cooperation Agency (JICA), which offers Two Steps loans (more than 15 billion Yen), under a 4 year project (2017/18-2020/21) with the cooperation of the Japan and Myanmar governments. The Myanmar Economic Bank, with an eight percent interest rate, offers another Two Step loan program. Farmers can also access loans from local cooperatives, the Myanmar Rice Federation, and from various NGOs.

The Myanmar Rice Federation announced a reference price of US\$189/ MT (MMK 250,000/ MT) for paddy with a 14 percent moisture content, which meets certain minimum quality criteria, on March 6, 2018 during the Myanmar Rice Stakeholder Forum in Naypyitaw. If the market price is lower than the minimum support price, the Myanmar Rice Federation (MRF) offered to pay the higher reference price rate, with presumed support from the Ministry of Agriculture, Livestock and Irrigation.

Regarding seed registration, the Department of Agriculture released a notification on the new plant variety registration process on July 2018. According to the notification, only the following 17 new crops are required to do research trials in three different locations for registration of new seed varieties. Plants that are not on the list can be registered upon submission of the remaining required documentation, but do not require the field trial data. Because rice and corn are included on the list, this announcement will not affect seed availability for these crops.

Table 1.7: Crops That Require Research Trials in Three Different Locations

Sr.	Crops
1.	Paddy rice

2.	Corn
3.	Green Gram
4.	Black Gram
5.	Chickpea
6.	Pigeon Pea
7.	Groundnut
8.	Sesame
9.	Sunflower
10.	Pepper
11.	Tomato
12.	Cauliflower
13.	Cabbage
14.	Watermelon
15.	Melon
16.	Cotton
17.	Rubber

2. Corn

Table 2.1: Burma's Corn Production, Demand and Supply

Corn Market Begin Year Burma (Myanmar)	2017/2018		2018/2019		2019/2020	
	Oct 2017		Oct 2018		Oct 2019	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	530	540	540	545	0	550
Beginning Stocks	53	53	108	168	0	204
Production	2250	2250	2300	2300	0	2350
MY Imports	5	5	5	6	0	6
TY Imports	5	5	5	6	0	6
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	2308	2308	2413	2474	0	2560
MY Exports	1200	1350	1200	1400	0	1400
TY Exports	1200	1350	1200	1400	0	1400
Feed and Residual	900	720	1000	800	0	850
FSI Consumption	100	70	100	70	0	70
Total Consumption	1000	790	1100	870	0	920
Ending Stocks	108	168	113	204	0	240
Total Distribution	2308	2308	2413	2474	0	2560
Yield	4.2453	4.1667	4.2593	4.2202	0	4.3636

(1000 HA) ,(1000 MT) ,(MT/HA)

2.1 Production

Corn production in Burma is forecasted to increase to 2.3 MMT in MY 2018/19 from 2.25 MMT in MY 2017/18 due to expansion of the monsoon season crop, as a replacement for pigeon peas (also called toor whole), especially in Shan State. Many farmers from the Shan State are shifting from pigeon beans to

more corn because corn prices have been more stable. Burma's corn production is expected to grow to 2.35 MMT in 2019/20 in anticipation of attractive prices, increased demand from both domestic feed mills and China.

In December 2018, Myanmar confirmed the presence of a new pest, the Fall Army Worm (FAW), which has infested second crop corn (dry season) in many regions, especially the Zalun and Hinthada townships in the Ayeyarwady region. Although this infestation will decrease the harvested areas and yield per unit in affected townships, this will not yet significantly affect the country's overall corn production. Burma typically plants corn in two seasons; starting with the main crop in the monsoon season, which accounts for 90 percent of total corn production, and then the second crop in the dry season. The largest corn production areas in Burma are Shan State in the eastern part of country, which accounts for 50 percent of production, and the Sagaing region in the central part of country, which accounts for 14 percent of total production.

Table 2.2: Burma's Corn Production by Crop Season

Corn	Unit	2017/18			2018/19			2019/20 (forecast)		
		Main crop	Second crop	Total	Main crop	Second crop (forecast)	Total	Main crop	Second crop	Total
Cultivation area	Thousand Hectares	470	70	540	480	75	555	485	80	565
Harvest	Thousand Hectares	466	64	530	475	70	545	475	75	550
Seed Production	Thousand Metric Tons	1,976	274	2,250	2,006	294	2,300	2,015	315	2,330
Yield	MT/Hectare	4.25	4.25	4.25	4.22	4.20	4.22	4.24	4.20	4.24

Source: FAS Rangoon

Note 1: Main crop rice is mainly cultivated during May-August and harvested in November- December

Note 2: Second crop rice is mainly cultivated during November- January and harvested in March-May.

The most common corn varieties currently grown in Myanmar are mostly from Thailand, such as DK 888, CP 808, CP 809, CP 111, DK 111, LK 777, SM 598, SM596, LG 772, Awba NK 621 and Seed Energy sing 007. The seed rate is 12-18.5 kilograms per hectare in the monsoon season and 17-25 kilogram per hectare in the dry season. Farmers primarily use high-yield hybrid seeds, which account for more than 90 percent of corn production. Hybrid corn seeds are provided by Thailand, China, and Vietnam-based companies such as CP, Seed Asia, Ayeyarwady, and Seven Tiger, often through contract farming.

Figure 2.1 : Hybrid Corn Seed Varieties Planted in Myanmar



2.2 Feed Consumption

Myanmar livestock feed demand is estimated at 2.5 MMT in 2018, including 1.2 million metric tons of commercial livestock feed. About 70 percent of raw livestock feed demand comes from the poultry sector, and 25 percent from the swine sector (Source: Myanmar Livestock Federation (MLF)). Burma's domestic corn demand in MY 2018/19 and in MY 2019/20 is expected to increase due the establishment of new feed mills in line with continued development of the poultry sector, which is likely to increase 13-15 percent annually. De Heus Myanmar opened a second feed mill in Mandalay with a capacity of 280,000 MT/yr in May 2018. A Korean backed company, CJ Feed Myanmar Co., Ltd, opened a new feed mill in Yangon, December 2018. Domestic corn fills an estimated 35-40 percent of total feed demand, but varies according to age of poultry, nutrition formula by feed mills, feeding

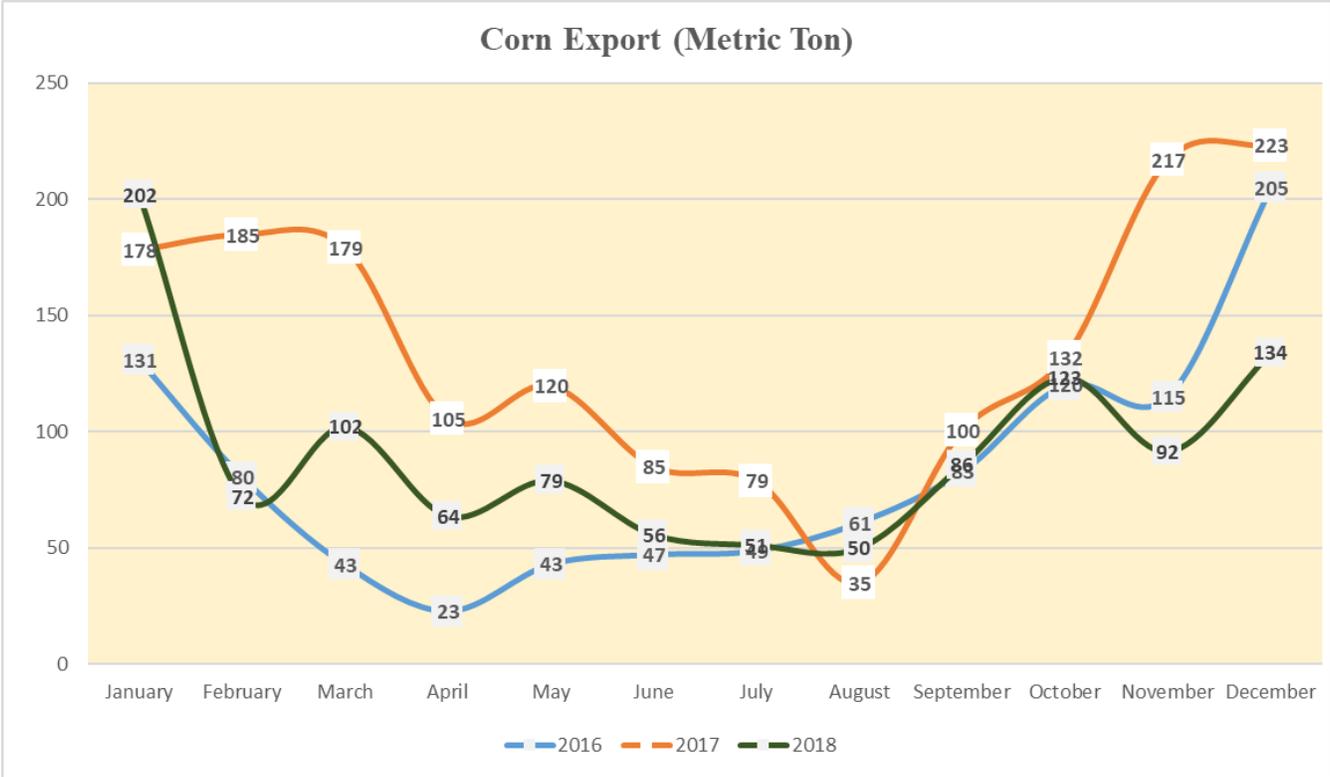
methods and the domestic prices. Burma’s livestock feed demand is forecast to increase to 3.0 million metric tons in 2020.

Due to strong demand from China, domestic yellow corn prices increased in 2018, causing local feed millers to face a supply shortage and high prices. For this reason, and because of the existence of Aflatoxin in local yellow corn, feed millers tried to import yellow corn from other countries like the United States as an alternative. However, the Ministry of Commerce banned corn imports, forcing local feed millers to attempt forward contracting with local growers and traders by offering a guaranteed minimum price.

2.3 Trade

Burma’s corn exports in MY 2019/20 are forecast to rise to 1.4 MMT in anticipation of higher demand from China. According to government and trade sources, 90-95 percent of Burma’s corn exports went across the border between Burma and China. The remaining portion went to Singapore, Malaysia, the Philippines, Vietnam, Taiwan and Hong Kong via sea freight.

Figure 2.2: Monthly Corn Export in 2016-2018 (Metric Tons)

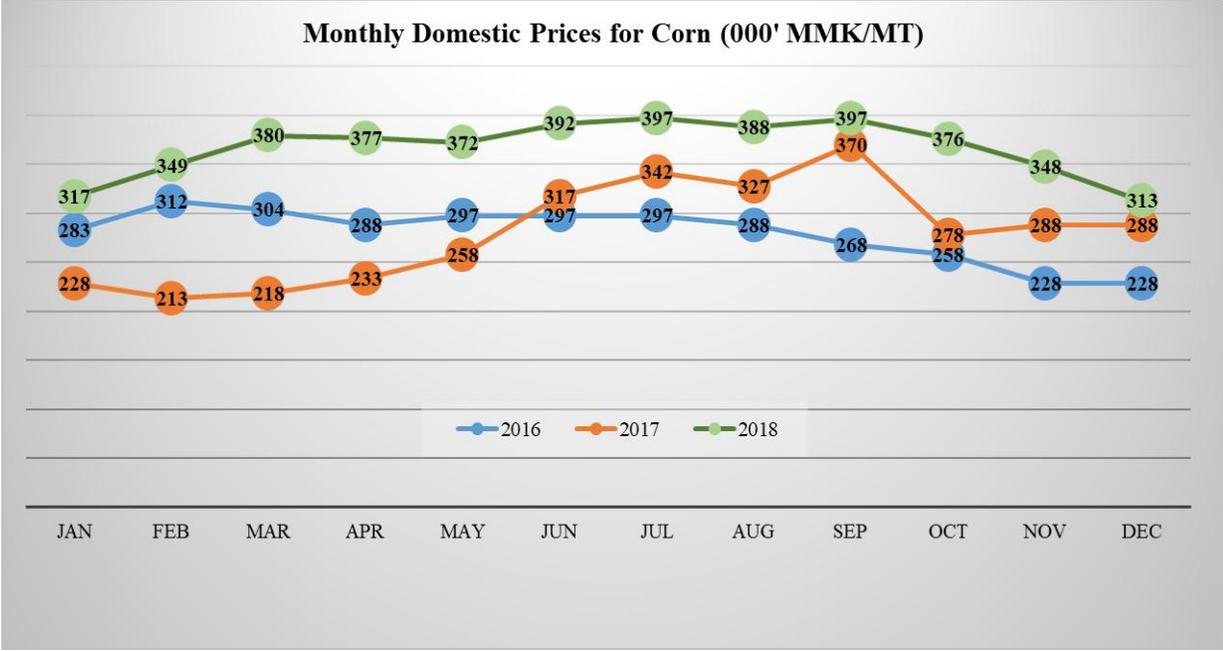


Source: Source: Ministry of Comemrce, Myanmar Custom Department

2.4 Prices

As mentioned above, corn prices in 2018 were higher than in 2017 due to strong demand from China and domestic feed mills.

Figure 2.3: Monthly Domestic Yellow Corn Price (2016-2019) (Thousand MMK/MT)



Source: etrade Myanmar: Myanmar Livestock Federation
Note: Exchange rate: 1 US\$= 1500 Myanmar Kyats

2.5 Policy

The government does not provide any subsidies to corn farmers, however, it provides technical assistance such as training via extension agents on good agricultural practices (GAP) and technical advices on pest and disease control during the corn growing season. There are no trade restrictions for corn exports; however, permits are required for the export of corn thorough sea freight. For border trade, no export permit is needed, but the Chinese or Thai importer has to pay a two percent tax. The Ministry of Commerce banned imports of corn in September 2018 in an attempt to protect local growers and traders.

3. Wheat

Table 3.1: Burma's Wheat Production, Demand and Supply

Wheat Market Begin Year Burma (Myanmar)	2017/2018		2018/2019		2019/2020	
	Jul 2017		Jul 2018		Jul 2019	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	87	70	85	65	0	65
Beginning Stocks	132	132	96	94	0	74
Production	135	112	130	100	0	100
MY Imports	479	470	500	500	0	500
TY Imports	479	470	500	500	0	500
TY Imp. from U.S.	31	33	0	30	0	30
Total Supply	746	714	726	694	0	674
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Feed and Residual	0	0	0	0	0	0
FSI Consumption	650	620	675	620	0	650
Total Consumption	650	620	675	620	0	650
Ending Stocks	96	94	51	74	0	24
Total Distribution	746	714	726	694	0	674
Yield	1.5517	1.6	1.5294	1.5385	0	1.5385

(1000 HA) ,(1000 MT) ,(MT/HA)

3.1 Production

Wheat production in Burma is expected to decrease to 100,000 MT in MY 2018/19 and MY 2018/19 due to the limited areas suitable for wheat cultivation, and lack of good quality seeds. In addition, some wheat farmers from Monywa Townships in the Sagaing region are switching to dry season rice due to attractive returns and the availability of irrigated water.

Table 3.2: Burma's Wheat Production by Region and State

Regions/ States	2016/17			2017/18			2018/19 (up to January 2019)		
	Harvest area (Hectare)	Yield (MT/Ha)/ac	Production (MT)	Harvest area (Hectare)	Yield (MT/Ha)/ac	Production (MT)	Cultivated area (Hectare)	Yield (MT/Ha)	Production (MT)
Kachin	30	1	36	35	1	36	30		
Chin	274	1	162	6	0	3	65		
Sagaing	66,109	2	112,826	48,288	1	68,503	46,219		
Magwe	318	2	565	114	1	149	29		
Mandalay	4,612	2	8,975	2,632	2	4,410	2,159		
Shan	15,207	3	38,141	14,229	2	29,525	13,460		
Total	86,550	2	160,705	65,304	2	102,627	61,962		

Source: Department of Agriculture

3.2 Consumption

Consumption of wheat is forecasted to increase in 2019/20 in anticipation of renewed demand for snacks and baked goods derived from wheat flour. According to local bakeries, consumption of wheat flour has been flat in MY 2017/18 and MY 2018/19 due to a downturn in the economy in 2018. As a result, some small bakeries and cafes have closed, as they cannot keep up with high space rental fees, high inflation, and low demand in 2018. Although there are small scale flour mills in central and upper Burma, the two biggest wheat mills in Myanmar are the U Kyu Family Group, holding about 50-55 percent of the flour market, and Capital Diamond Star capturing about 30-35 percent of the flour market. Both are located in Rangoon. Wilmar Myanmar is setting up new wheat mills and currently importing wheat flour directly and distributing it to local snack and bakery manufacturers.

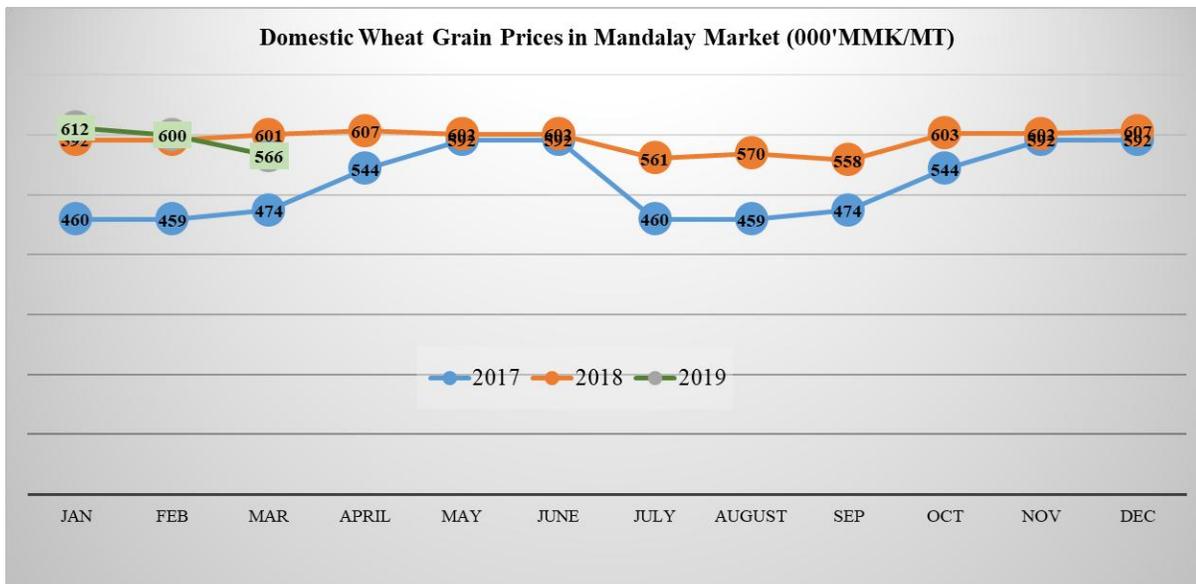
3.3 Trade

Wheat imports are expected to increase to 500,000 MT in MY 2018/19 and MY 2019/20. Burma imports wheat flour from the Philippines, Turkey, Thailand, China, India, Malaysia, Indonesia, Vietnam, Singapore and the Republic of Korea. Burma imports wheat grain from Australia, Canada, the United States, and Moldova. Australia supplied 80 percent of Burma's total wheat grain imports and Malaysia supplied 60 percent of total wheat flour imports in 2018 (January-December). According to government statistics, Burma's wheat flour imports have increased 7-10 percent annually since 2017.

3.4 Prices

Domestic wheat prices mostly depend on demand from the mills in the Mandalay area, as they use local wheat. Sometime the price for local wheat flour is higher than the price for imported flour. Domestic wholesale prices for wheat grain increased in 2018 compared to the prices in 2017 due to low domestic wheat production. Wheat flour prices from U Kyu, Diamond Star and Wilmar ranged from 560,000-600,000 kyats per metric ton in MY 2018/19. Domestic prices for imported wheat flour increased 2-5 percent from in August 2018 due to appreciation of the U.S. dollar, but then decreased in November 2018.

Figure 3.1 Monthly Average Domestic Prices for Wheat grain in Mandalay Market (Thousand MMK/MT)



Source: etrade Myanmar

Currency exchange rate: 1 US\$ =1,320 kyats

3.5 Policy

The government does not have any support programs for wheat producers, but the Department of Agricultural Research is conducting some wheat variety trials. So far this has had not led to an increase in domestic production. There are no trade restrictions for wheat imports; however, import permits are required.

Table 4. Import Tariff in Burma

Commodity	Purpose	Unit of Quantity	MFN Rate (%)
Rice	Consumption	kg	5
Rice seed	Sowing	kg	0
Wheat Grain	Consumption	kg	0
Wheat Flour	Consumption	kg	5
Corn Seed	Sowing	kg	0
Corn Flour	Consumption	kg	5
Beans and Pulses	Consumption	kg	15
Beans and Pulses	Sowing	kg	0

Source: Myanmar Customs Department

Table 5. Crop Calendar for Rice, Corn and Wheat in Myanmar

Crop Calendar	Jan	Feb	Mar	April	May	June	July	Aug	Sep	Oct	Nov	Dec
Rice (Main)						Sowing		Growing			Harvesting	
Rice (Second)	Growing		Harvesting								Sowing	
Maize/Corn (Main)						Sowing				Harvesting		
Maize/Corn (Second)		Harvesting							Sowing			
Wheat	Growing		Harvesting							Sowing		



EU imposes safeguard measures on rice from Cambodia and Myanmar

Brussels, 16 January 2019

An investigation has confirmed a significant increase of imports of Indica rice from Cambodia and Myanmar into the European Union that has caused economic damage to European producers.

The European Commission has therefore decided today to re-introduce import duties that will be steadily reduced over a period of three years.

According to the Commission's decision, to be published in tomorrow's Official Journal, as of 18 January the European Union will reinstate the normal customs duty on this product of €175 per tonne in year one, progressively reducing it to €150 per tonne in year two, and €125 per tonne in year three.

During the investigation launched in March 2018, the Commission found that imports of Indica rice from both countries combined have increased by 89% in the past five rice-growing seasons. At the same time, the investigation found that the prices were substantially lower than those on the EU market and had actually decreased over the same period. This surge in low-price imports has caused serious difficulties for EU rice producers to the extent that their market share in the EU dropped substantially from 61% to 29%.

Cambodia and Myanmar are beneficiaries of the EU's Everything But Arms (EBA) trade scheme, which unilaterally grants duty-and quota-free access to the world's least developed countries (apart from arms and ammunition). This is one pillar of the EU's Generalised Scheme of Preferences (GSP) tariff-reduction scheme for developing countries. Today's action is being taken using the safeguards mechanism of the GSP Regulation.

Background

The initial request for trade safeguards on rice imports was tabled by the Italian government in February 2018 and supported by all other EU rice growing Member States (Spain, France, Portugal, Greece, Hungary, Romania and Bulgaria). The Commission opened a formal investigation on 16 March 2018. The measures will be in place for three years.

The decision will be published in the EU's Official Journal on 17 January and will enter into force the following day.

For More Information

[EU trade relation with Cambodia](#)

[EU trade relations with Myanmar](#)

[Generalised scheme of preferences](#)

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