

Rice Production and Consumption in Taiwan

April 18, 2017

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- II. Rice Production**
- III. Rice Consumption**
- IV. Rice Import and Export**

I. Introduction (1/2)

■ Characteristics of Rice in Taiwan :

- The staple food.
- The most important crop.
- Has the largest cultivated area.
- In 2002, Taiwan opened its market to rice import after accession to the WTO.

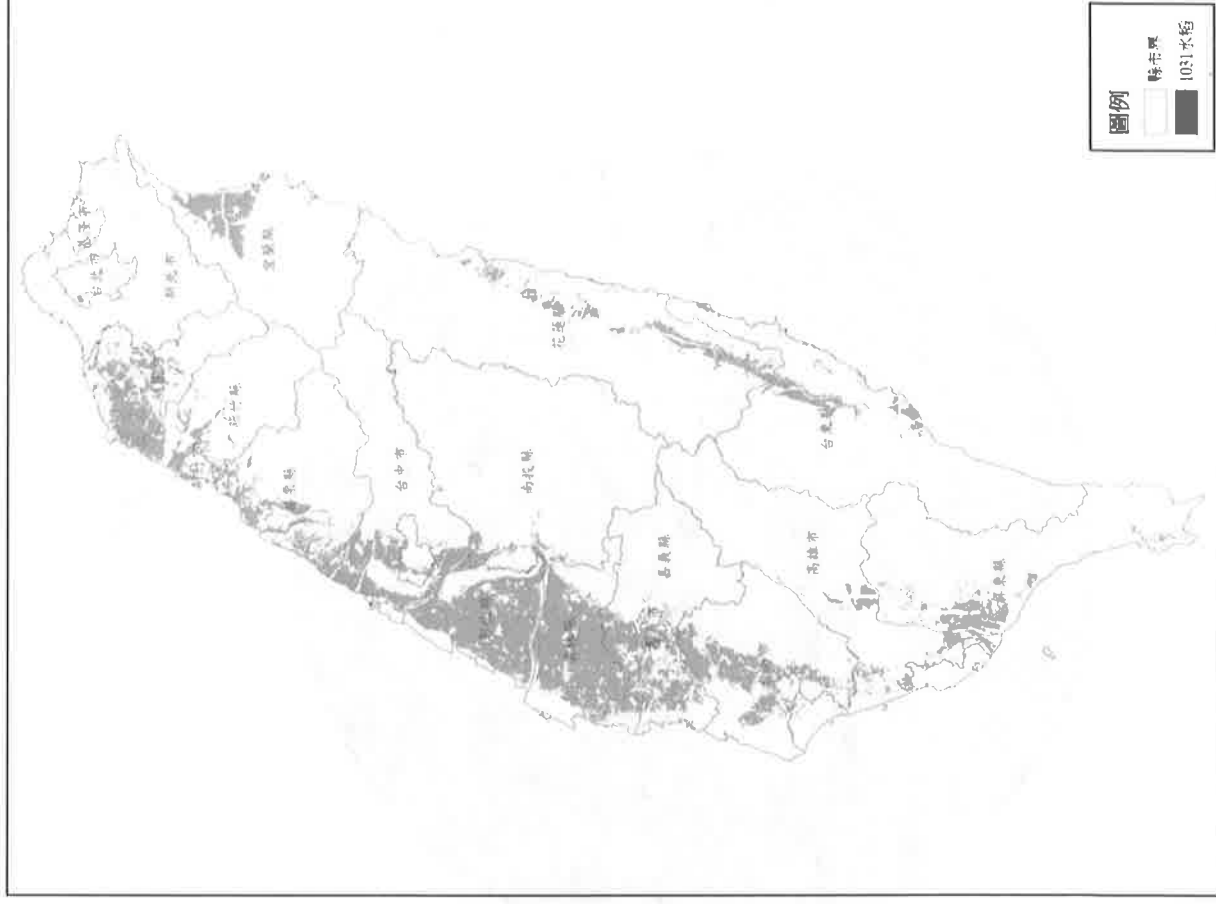
I. Introduction (2/2)

■ Rice Industry in Taiwan (2013-2015):

- **Rice farm households: 212,935 (27.1%)**
- **Cultivated area: 264,409 hectares (total farmland: 798,687 hectares)**
- **Harvested twice a year**
 - **1st harvest: May to August**
 - **2nd harvest: September to December**
- **Quantity: 1,311,737 tons (brown rice equivalent)**
- **Value: 38.6 billion NT dollars (1.2 billion US dollars)**

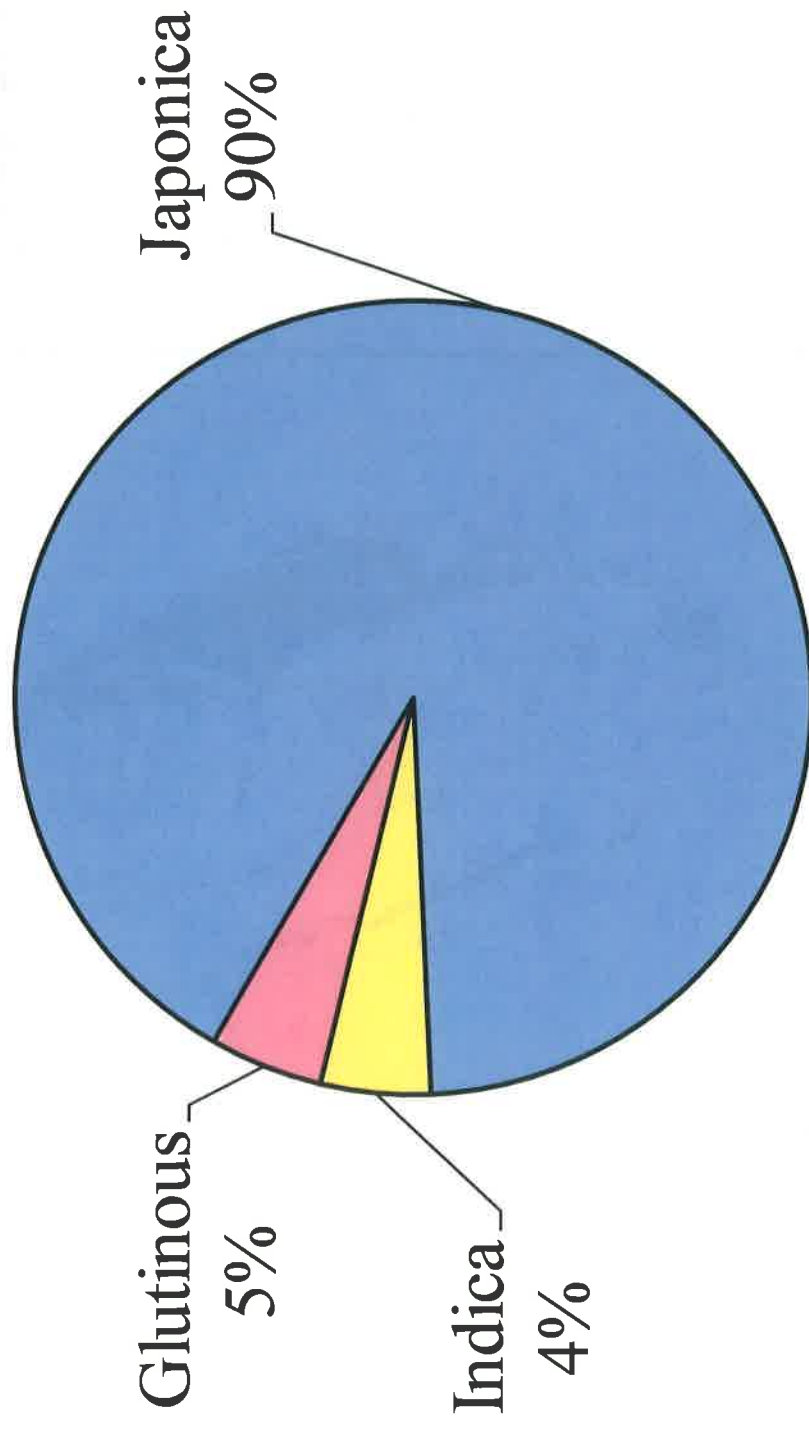
II. Rice Production (1/3)

- Distribution of rice crop



II. Rice Production (2/3)

•Major rice types in Taiwan



II. Rice Production (3/3)

• Annual size of cultivated area (Avg. 2012-2016)

Year	2012	2013	2014	2015	2016	Avg.
1 st Crop	156,662	162,886	166,612	146,602	168,874	160,327
2 nd Crop	104,103	107,378	104,465	105,285	104,992	105,245
Total	260,765	270,264	271,077	251,887	273,866	265,572

Unit: ha

• Annual production volume (Avg. 2012-2016)

Year	2012	2013	2014	2015	2016	Avg.
1 st Crop	867,416	832,860	903,729	850,892	927,424	876,464
2 nd Crop	500,799	442,596	495,663	409,470	336,704	437,046
Total	1,368,215	1,275,456	1,399,392	1,260,362	1,264,128	1,313,511

Unit: tons
(brown rice equivalent)

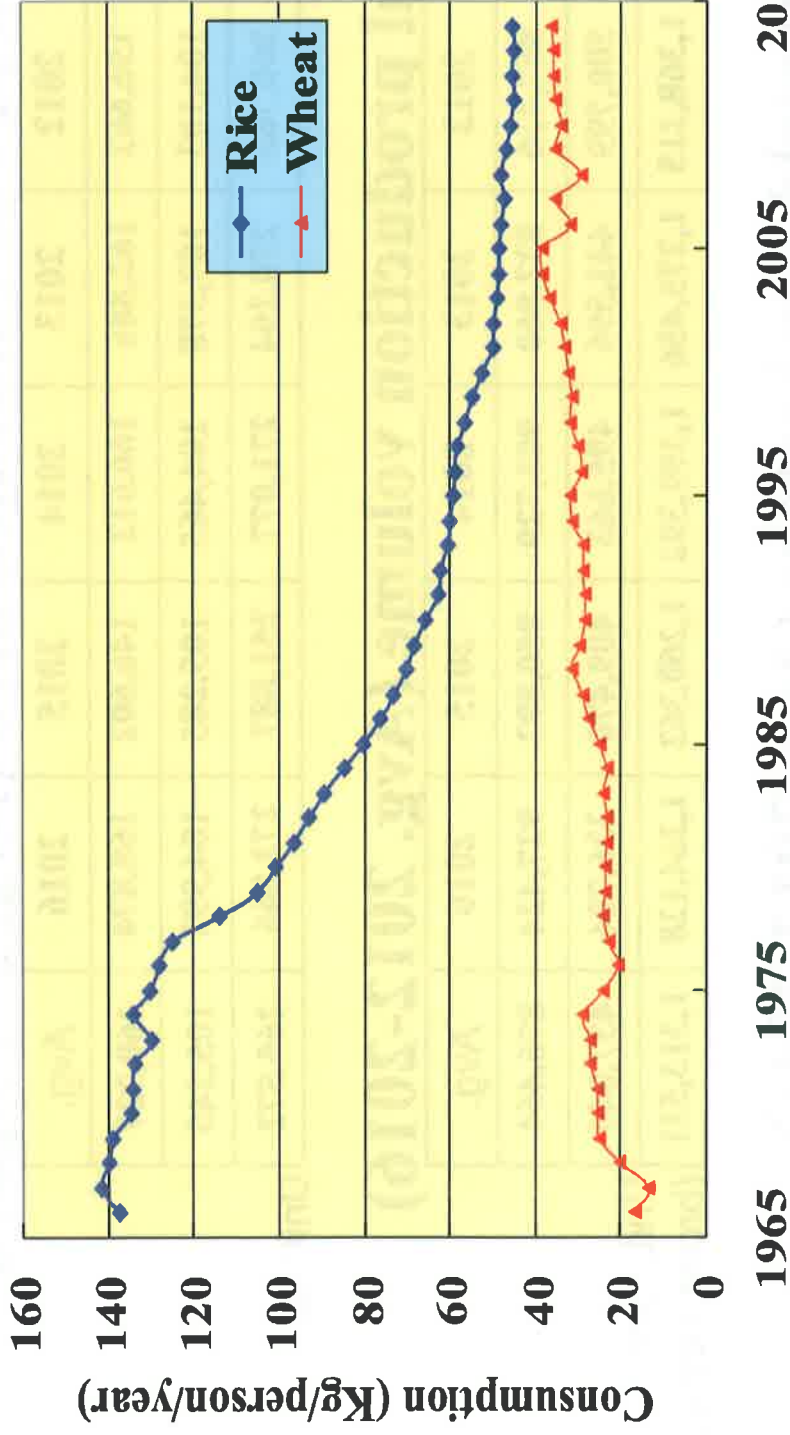
• Annual yield per hectare (Avg. 2012-2016)

Year	2012	2013	2014	2015	2016	Avg.
1 st Crop	5,537	5,114	5,424	5,804	5,492	5,474
2 nd Crop	4,811	4,125	4,745	3,890	3,208	4,156
Avg.	5,247	4,721	5,162	5,004	4,616	4,950

Unit: Kg
(brown rice equivalent)

III. Rice Consumption (1/1)

•Trend of rice consumption in Taiwan



Unit: Kg/person/year

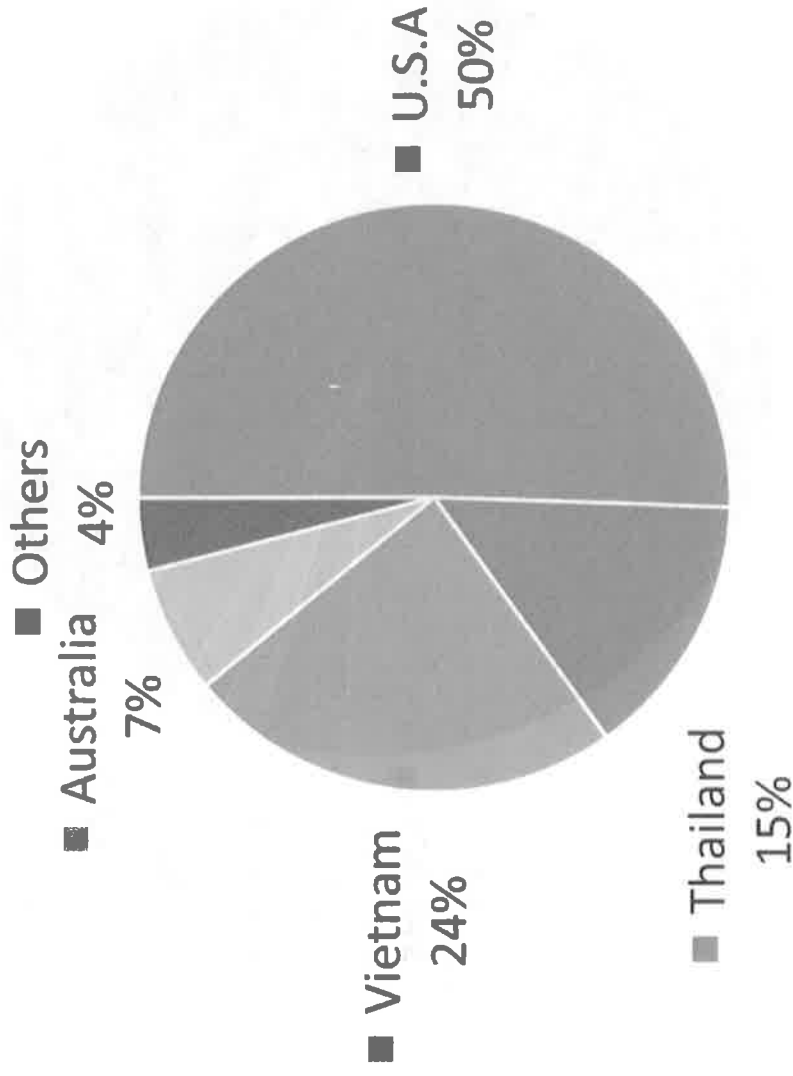
Year	1966	1967	1975	1980	1985	1995	2005	2010	2014
Rice	137.4	141.5	130.4	100.82	80.18	59.1	48.6	46.18	45.7
Wheat	16.58	13.43	24.21	23.62	24.94	31.85	38.73	34.2	36.54

IV. Rice Import and Export (1/2)

■ **Rice tariff-rate quota:** 144,720 tons (brown rice equivalent)

- 65% imported by the government
- 35% imported by the private sector

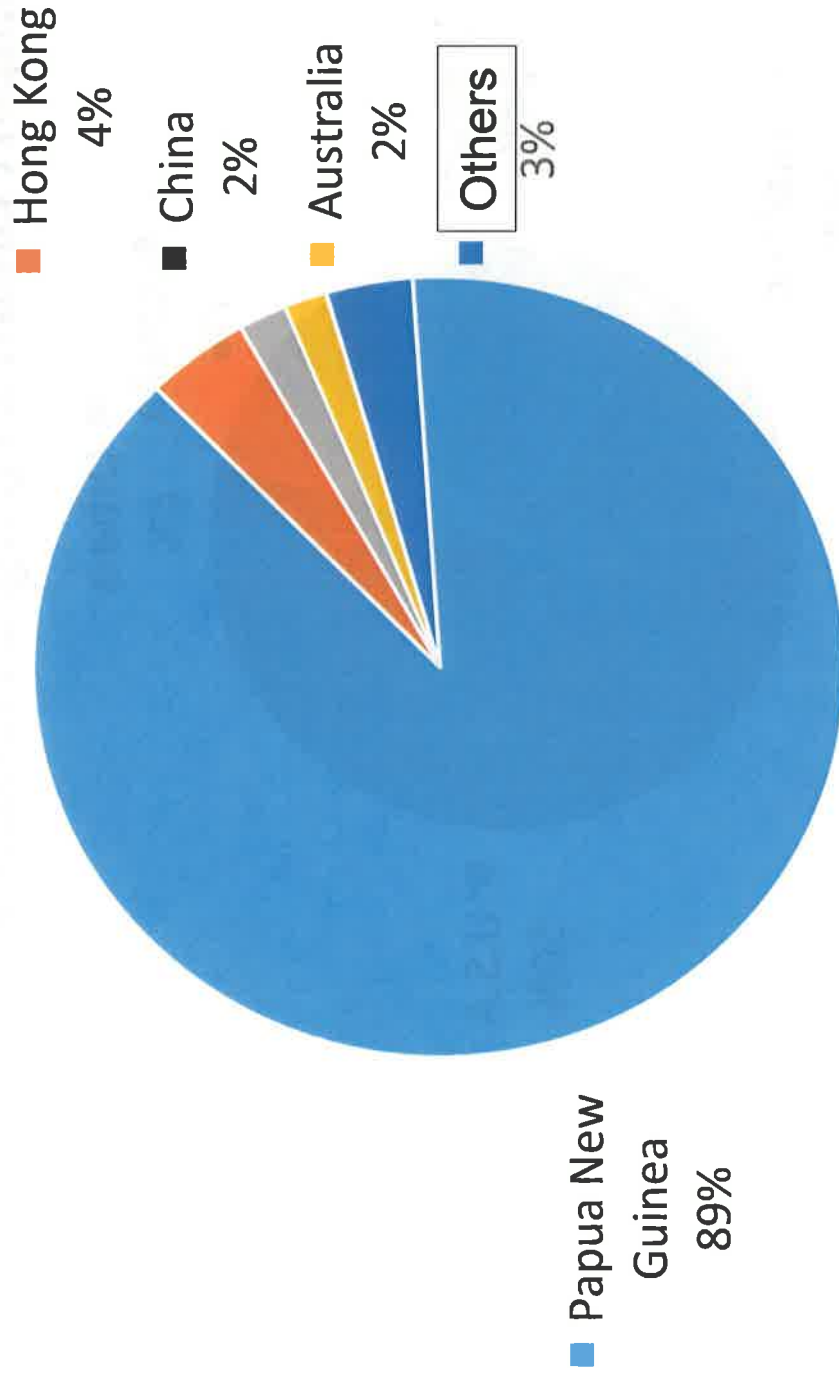
■ **Main import countries (Avg. 2012-2016):**



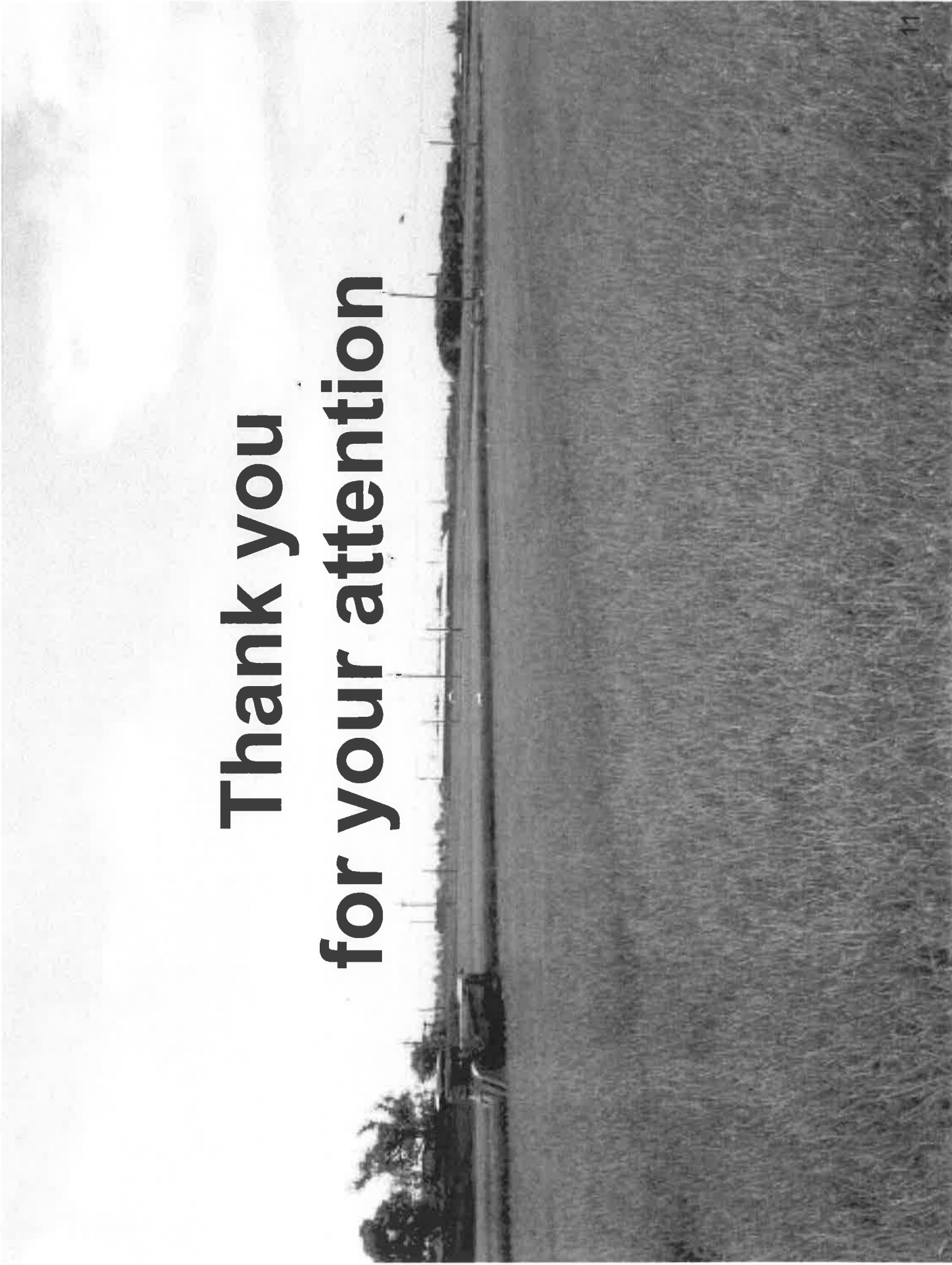
IV. Rice import and Export (2/2)

■ Rice export:

- Approximately 24,030 tons per year.
- **Main export countries (Avg. 2012-2016):**



**Thank you
for your attention**





Information Regarding Taiwan's Purchasing of U.S. Rice

***Agriculture and Food Agency
Council of Agriculture***

April 18, 2017



Contents

- I. Status Report of 2016**
- II. The Plan for 2017 Rice
Tenders**



I. Status Report of 2016

■ CSQ of U.S. Rice is 64,634 MT :

Tender type	Quotas(MT)	Date (awarded)	Imported amounts(MT)
SBS	35,600 (brown rice equivalent)	Feb. 18 2016	34,501(96.9%) as of Mar. 31, Deadline is Apr. 30
General purchase (29,034)	1 st tender: 1,000 short grain glutinous rice(≐1,150 brown rice)	May. 6 2016	1,000(100%) completed.
	2 nd tender: 13,000 medium grain brown rice	Nov. 8 2016	In Appendix Deadline is Apr. 28.
	3 rd tender: 14,884 medium/long grain brown rice	Dec. 8 2016	In Appendix Deadline is May. 31.



II. The Plan for 2017 Rice Tenders

- CSQ of U.S. Rice is 64,634 MT

Tender type	Quota(MT)	Date (awarded or announce)	Delivery date
SBS (31,600)	1 st tender: 18,500 (brown rice equivalent)	Mar. 8, 2017 Awarding ratio: 100%	From May 1, 2017 to Apr. 30, 2018
	2 nd tender: 13,100 (brown rice equivalent)	Aug. 2017	Before Apr. 30, 2018



II. The Plan for 2017 Rice Tenders

- CSQ of U.S. Rice is 64,634 MT

Tender type	Quota(MT)	Date (awarded or announce)	Delivery date
General purchase (33,034)	1 st tender: 1,000 short grain glutinous (≐1,150 brown rice)	Mar. 30 2017	Before Feb. 27, 2018
	2 nd tender: 2,000 high amylose grain milled rice (≐2,300 brown rice)	Jul. 2017	Before Mar., 2018
	3 rd tender: 6,000 medium/short grain milled rice (≐6,900 brown rice)	Aug. 2017	Since Dec., 2017 1,000MT/ odd months
Additional 22,684 MT (brown rice equivalent) of medium/short grain is planned to be purchased in 2 to 3 tenders.		Begin in Sep. 2017	3 to 4 months



Thank you !



Appendix I

New Regulations of 2017

SBS Tender and General

Tender



New Regulations of 2017 SBS Tender and General Tender

- **SBS tender**
 - **The non-glutinous medium/short grain rice imports aren't required to meet U.S. No.1 standard.**
 - **Split into two tenders.**



New Regulations of 2017 SBS Tender and General Tender

- **General tender**
 - **The standard on moisture content for short grain glutinous is set at 13%.**
 - **As the number is rounded off to the integer, if the moisture meter shows “13.5”, the value will be registered as “14” and can lead to confusion.**



New Regulations of 2017 SBS Tender and General Tender

- **General tender**
 - The amylose content of high amylose milled rice is 27%.
 - The rice shall be packed in totes, and the delivery time is before Mar. 2018.
 - Dale Bumpers National Rice Research Center provided 3 samples of high amylose milled rice, and amylose content of the samples which are tested by AACCC method are higher than 27%.
 - **Quality specification:**

		Maximum Limit%				Minimum Limit			
Impurities	Paddy	Brown rice	Damaged and chalky		Off-type	Broken kernels	pH value	Amylose content (%)	
			Damaged	Heat damaged					
0.3	0.2	0.2	20	5	0.5	5	20	6.4	27



New Regulations of 2017 SBS Tender and General Tender

- General tender
 - The medium/short grain milled rice shall be packed in 30kg bags.
 - Delivery time: Dec. 2017~Nov. 2018. 1,000 MT before the fifth day of every odd month.
 - The standard on moisture content is set at 15%.
 - The quality specification:

Impurities	Paddy	Brown rice	Damaged and Chalky		Off-type	Broken	
			Damaged	Heat damaged			
0.2%	0.0%	0.0%	15%	3%	0.3%	4%	10%



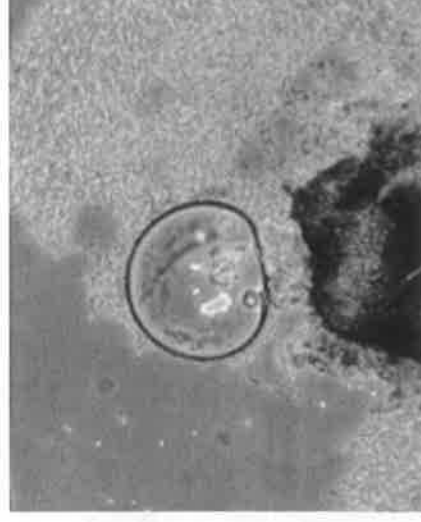
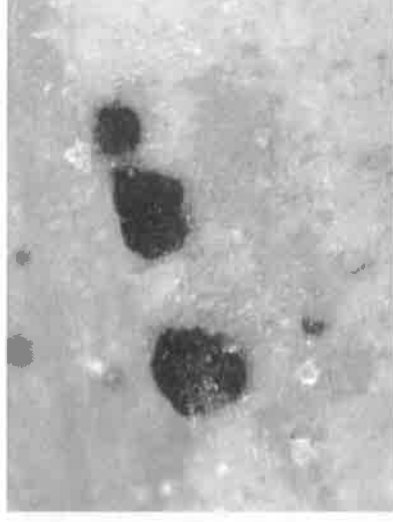
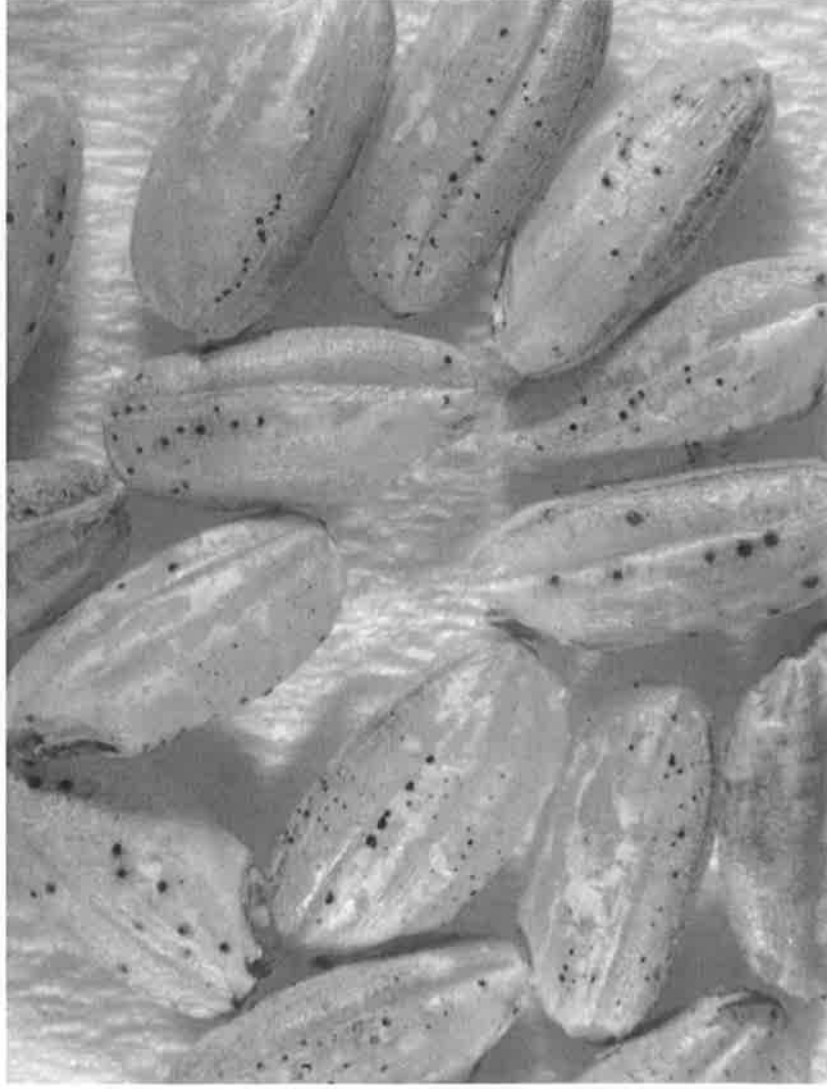
Appendix II

Discussion on Recent Delivery Status

Discussion on Recently Delivery Status



- There were many unknown black tiny spots on rice. We'd like to know how did this happen.

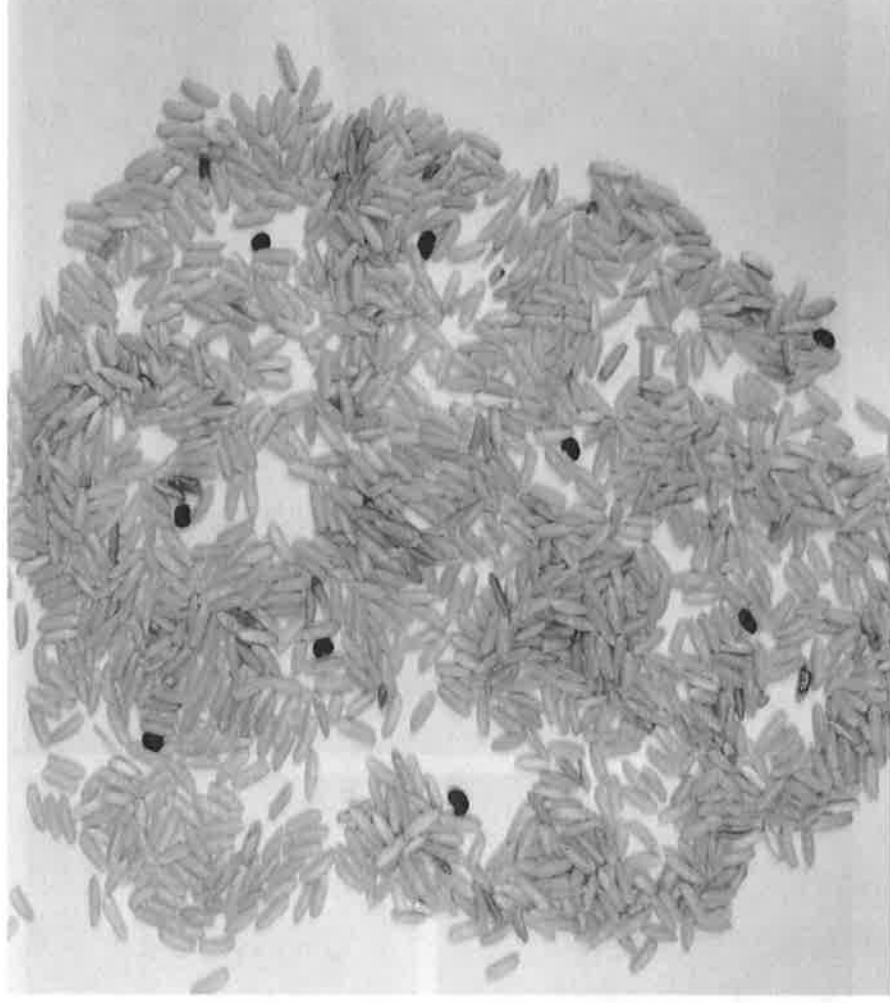


Discussion on Recently



Delivery Status

- There were 6 kind of black seeds in the rice of the .
We want to know how to avoid it in the future.





Appendix. Rule for Penalty

Item	Maximum limit		Penalty
	Accept	Allowance	
Chalky kernels	3%	6%	$X \leq 2\%$: 2 times $2 < X \leq 4\%$: 3 times
Damaged kernels	2%	3%	$X > 4\%$: 4 times

Quantity	Bid price (NT/MT)	Analysis result	formula	Penalty (NT/MT)
245	20,000	Chalky : 4%	$(245 * 20,000) * (4\% - 3\%) * 2$	98,000
30	20,000	Chalky : 6%	$(30 * 20,000) * (6\% - 3\%) * 3$	54,000
20	20,000	Damaged : 3%	$(20 * 20,000) * (3\% - 2\%) * 2$	8,000
100	20,000	Chalky : 4% Damaged : 3%	$\frac{(100 * 20,000)^*}{[(4\% - 3\%) + (3\% - 2\%)] * 2}$	80,000
140	20,000	Chalky : 5% Damaged : 3%	$\frac{(140 * 20,000)^*}{[(5\% - 3\%) + (3\% - 2\%)] * 3}$	252,000

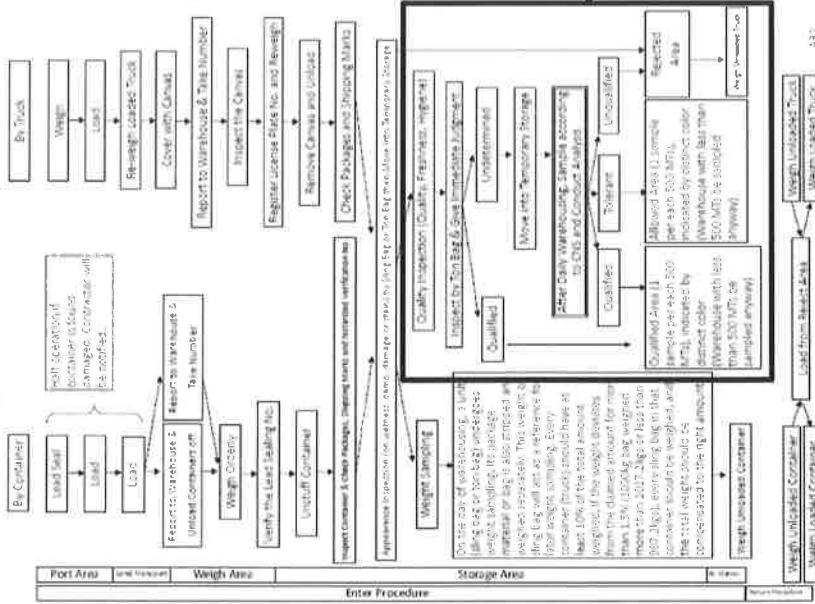
Appendix. History of Amendments to Tote Bag Rules



Year / Month	Contents of the amendment
2015/10	Set new safety specification. (Tested with exposure to ultraviolet light for a period of 30 hours)
2016/03	Allowed long harnesses.
2016/09	Modified the size.

Notarized Inspection Procedure for Imported Rice

Notarized Inspection Procedure for Imported Rice



**INTRODUCTION OF RICE
INSPECTION IN CALIFORNIA
-OMIC U.S.A., INC. CALIFORNIA-**

OMIC U.S.A., INC. CALIFORNIA

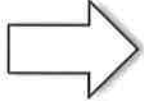
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Company Profile

OMIC : Overseas Merchandise Inspection Co., Ltd.
海外貨物検査株式会社

Head Office in Tokyo, Japan
Established in 1954 for the purpose of
Rice Inspection



OMIC U.S.A., INC. CALIFORNIA
Rice Inspection since 1993
(Emergency Import by Japan)
Office established in 1998

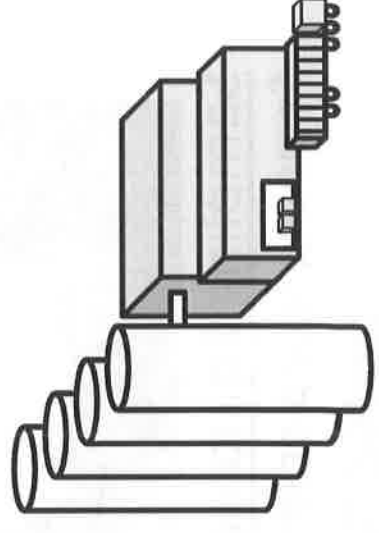
Company Profile (Continued)

OMIC U.S.A., INC. CALIFORNIA

Address	1984 Del Paso Rd. Sacramento, California
No. of Employee	42 (As of April 1, 2017)
No. of Inspectors	37 (Grader, Sampler, Ship Inspector, Fumigation Supervisor etc.)
Annual Inspection Volume (MT)	640,630.24MT (2015FY) (Japan, Korea, Taiwan, Jordan and other destinations)

Scope of Services

- ✓ Sampling at the production lines
- ✓ Checking the weight
- ✓ Grading of quality
- ✓ Container inspection
- ✓ Supervision of container stuffing / Container sealing
- ✓ Supervision of fumigation at Oakland
- ✓ Hold inspection / Loading supervision (Break Bulk)



Inspection Activities for Taiwan MMA

1. Sampling



Sampling Frequency
Tote (1 MT bag): Every 4
totes for Taiwan MMA

Sampling Equipment

Sampling scoop or long probe



2. Weighing

Weighing Frequency
Tote (1 MT bag): Every 4
totes for Taiwan MMA

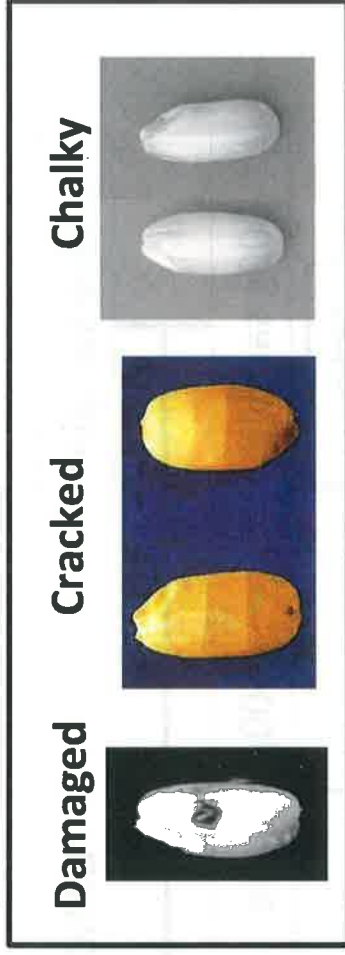


Inspection Activities (Taiwan MMA)

3. Grading



Part of Grading items



Passed

Good to ship by containers



Out of spec.



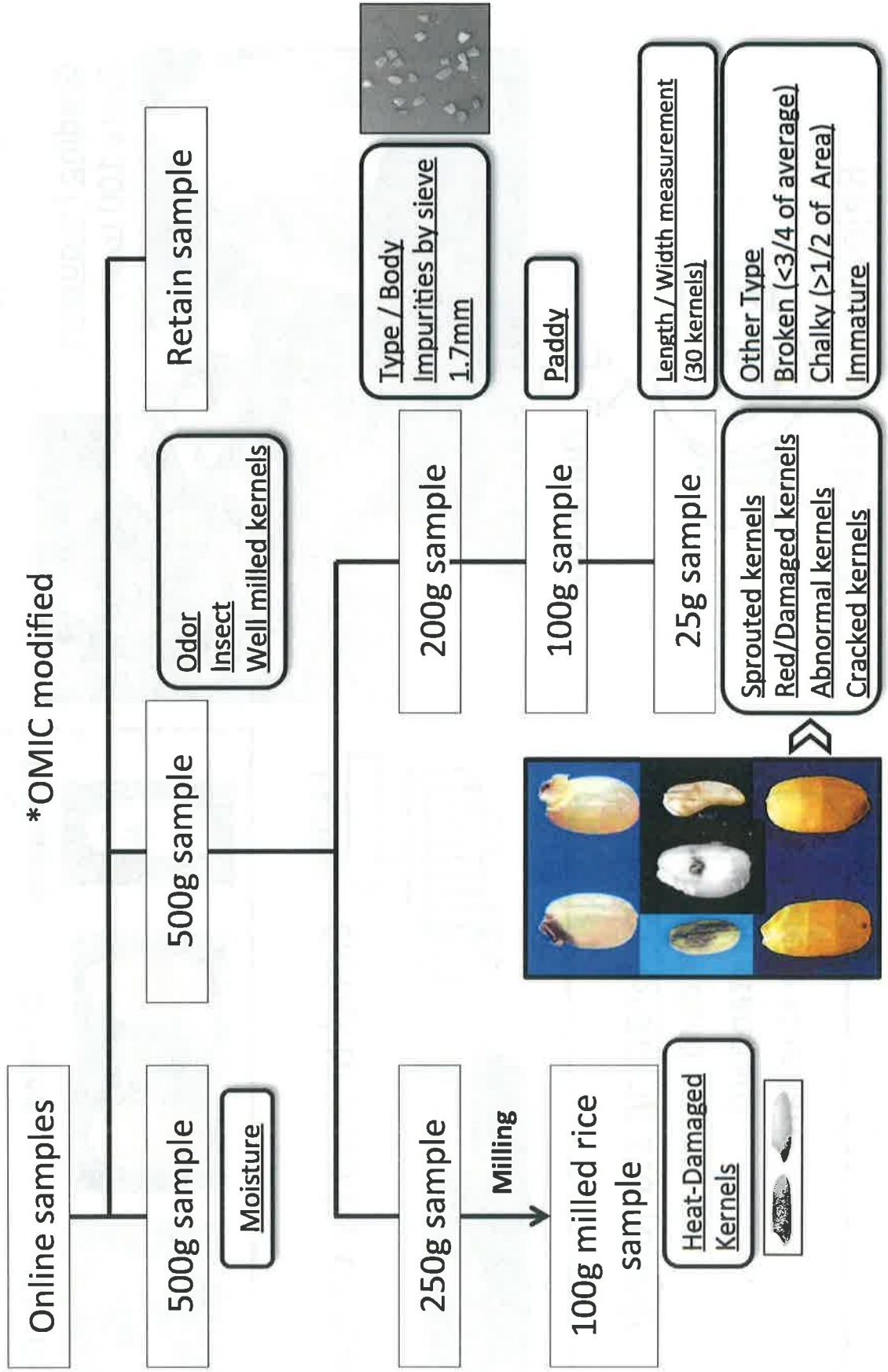
Other Grading standards
U.S. standard
Korean standard
Japanese standard

Rejection of sub-lot*

*Sub-lot size: 100 totes / Backup sample for every 25 totes

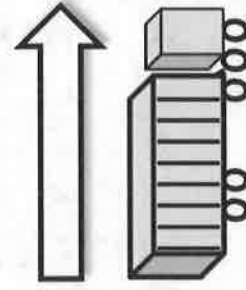
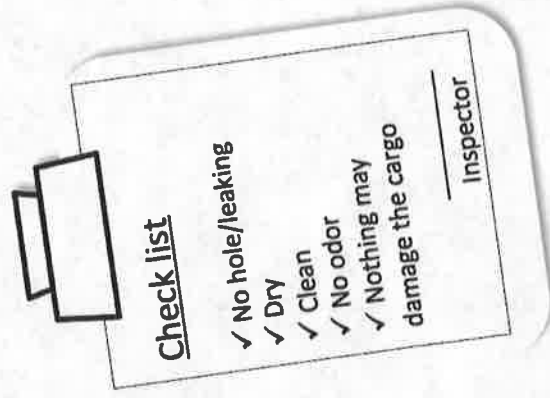
Inspection Activities (Taiwan MMA)

3-2. Grading Procedure for Taiwan MMA



Inspection Activities

4. Container inspection



5. Supervision of fumigation



Quality Management

To be OMIC Grader;

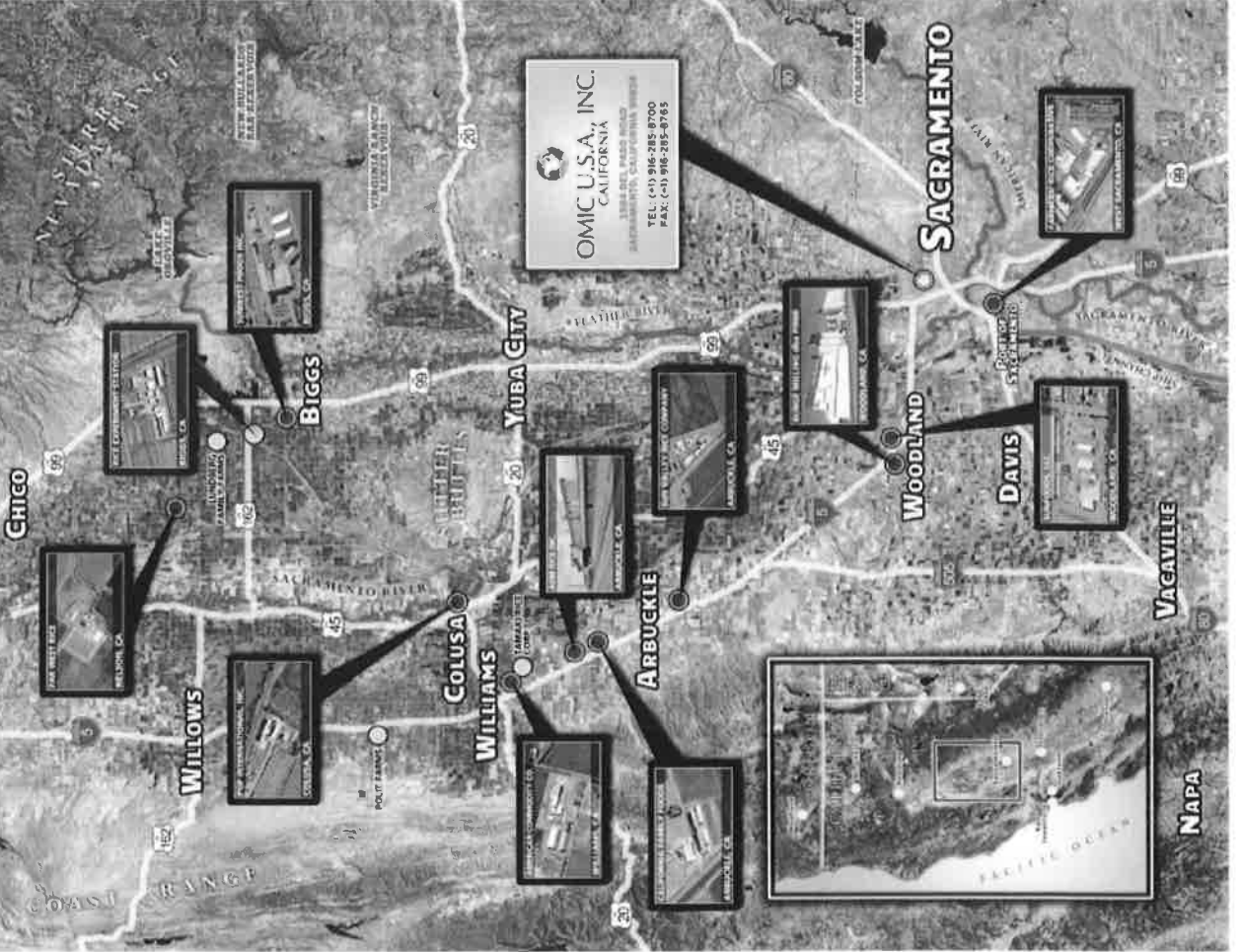
- Need training of Grading proceduré/standard
- Need to pass the examination (accuracy/speed) for each type of rice/standard
- Take the periodical refresh training

+

Monitoring

Grading results at the mills are monitored by grading trainers in the office

SACRAMENTO VALLEY RICE MILLS



OMIC U.S.A., INC. CALIFORNIA has contributed to smooth import of California rice to Taiwan under MMA/SBS rice business for many years.

We do hope to continue this contribution for both of Taiwan and US rice industries.

Please contact for questions at gm.sacramento@omicnet.com



