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GAIN Report #SA3011

## **Saudi Arabia**

### **Grain and Feed**

## **Saudi Rice Graders Visit to the United States**

### **2003**

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#### **Report Highlights:**

Earlier this year several U.S. rice shipments graded by FGIS as number 1 at time of loading were graded as number 2 by the Saudi officials claiming that the shipments contained more than 4 percent broken kernels. To resolve this grading problem, the USA Rice Federation sponsored four Saudi rice graders on a week rice grading educational mission to the States from August 23-29 with the hope that the lessons learned will influence the adoption of U.S. rice grading standards.

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### **U.S. Rice Grading Problems at the Saudi Ports:**

Saudi Arabia the largest market for the U.S. long grain milled rice in the Middle East. In 2001, total rice imports from the U.S. was valued at about USD 62 million. Earlier this year, the Saudi Arabian Quality Control and Inspections Department officials at major Saudi ports mainly Jeddah, started very strict implementation of the Saudi Arabian Standard No. 431/1998 (Gulf Standard No. 1003/1998) governing the quality of rice. Several U.S. rice shipments graded by FGIS as number 1 at time of loading were graded as number 2 by the Saudi officials claiming that the shipments contained more than 4 percent broken kernels. The officials wanted to classify a whole cargo of U.S. rice as grade 2 if one out of three samples showed broken percentage more than four percent. No effort was made to average the result of the samples except saying that the shipment should be down graded to grade 2. ATO received several calls and e-mails from the USA Rice Federation and major U.S. rice exporters to intervene with the Saudi Ministry of Commerce officials and try to clear the rice shipments without having them down graded. Our intervention with the Ministry resulted in all shipments cleared without being down graded. However, there was an urgent need to work with the Saudi officials to identify and resolve the grading discrepancies between the Saudi methods and those used by the FGIS officials.

### **Saudi Rice Grading Educational Mission to the States:**

After discussing the possible longer term negative effects of the current grading system employed by the Saudi officials on U.S. rice exports to the Saudi market, both the USA Rice Federation and ATO Riyadh agreed that the best way to solve the problem was to bring Saudi rice grading officials to the United States to exchange information with the FGIS and watch methods employed by U.S. rice graders. The Federation came up with required funds to sponsor four Saudi laboratory officials and requested the ATO to work on convincing the Saudi Ministry of Commerce to nominate officials. The ATO sent a diplomatic note the Ministry and it responded affirmatively after repeated phone calls. Four lab officials involved in rice grading were nominated from four quality control laboratories. One each from Jeddah, Dammam, Riyadh and Al-Hudaiha.

### **Purpose of the trip:**

The purpose of the trip was to provide an opportunity to Saudi delegates to work side-by-side with the FGIS staff in grading a shipment of rice destined for the Kingdom to help them understand the proper way of grading U.S. rice with the hope that the lessons learned will influence the adoption of U.S. rice grading methods.

### **Field Visits:**

The four Saudi officials, accompanied by the Middle East marketing representative the USA Rice Federation and the ATO Riyadh's Ag Marketing Specialist, traveled to the U.S. on August 23 for a seven-day long rice grading mission. In the States, the delegation was accompanied by Steve Hensley of USA Rice Federation and Terry Harris of Riceland Foods (for Free Port trip). The team visited with Rice Belt Warehouse, Inc. (a rice seed dealer, dryer and warehouser), and a rice

farm (watched rice being harvested) in El Campo area. Also, the team saw a second rice crop growing in the fields. The team then traveled to Free Port to visit the American Rice Inc. (ARI) operations. The full day activities at the ARI included watching rice come in from the dryer, go through the parboiling plant (watch the rice being milled) and all observed the way rice is graded and bagged for export to Saudi Arabia.

The visit was concluded with a trip to the Texas A&M University Agricultural Research and Extension Center in Beaumont.

### **The Outcome of the Trip:**

At the end of the visit to ARI, both the FGIS rice grader and the Saudi team were asked to take a sample of the ARI long grain rice being bagged for shipment to the Kingdom and grade it to compare notes. The FGIS expert was asked to grade the sample first and Saudis were invited to watch. After the completion of the grading by the FGIS staff, the Saudis took their turn in grading the same rice sample. The outcome was compared and as expected differences emerged as to the definition of the broken kernels between the FGIS official and the Saudi team. The FGIS's definition of a broken kernel was based on length to width ratio. The 1995 issue of the U.S. Standards for Rice shows the length/width ratio limitations for long grain milled rice 3.0 to 1 or more. While the Saudi Standard No. 431/1998 for milled rice which is also Gulf Standard No. 1003/1998, classifies the long grain milled U.S. rice only according to length of the kernels with more than 6.6 mm. Saudis claim that the specification was taken from official U.S. milling standards. Obviously, it was not surprising to see the difference in the grading results since different grading standards were used.

### **Recommendations:**

The ARI, the Riceland Foods, the USA Rice Federation representatives and the ATO Ag Marketing Specialist agreed that the best way to overcome the current U.S. rice grading discrepancies is to ask the Saudi Arabian Standards Organization (SASO) to review its requirements for milled U.S. rice in light of the 1995 United States Standards for Rice. It is very confusing to see that the Saudis classify milled rice only by its length of kernels and claim its compatibility with the current U.S. milled rice standard. As mentioned earlier, U.S. rice graders look at both length and width of rice kernels when determining the broken percentage.

ATO Riyadh will be pleased to work both with the USA Rice Federation and the FGIS to approach SASO and encourage it to update its rice standards concerning U.S. rice. The first step to start the process is to get an official letter from the head of the FGIS addressed to Dr. Khalid Al-Khalaf, DG of SASO asking him to review the SASO standard on U.S. rice. FGIS should provide a copy of the current U.S. rice specifications to SASO along with the formal letter. ATO will deliver the FGIS's letter to Dr. Al-Khalaf as well as request the Saudi Ministry of Commerce to be flexible in implementing the current Saudi standards on U.S. rice until the review of the U.S. standard is completed by SASO.

Below are tables 1,2 and 8 copied from SASO standards which are considered important for this

report.

**Table (1) Classification of Milled Rice According to Length of Kernels (mm)**

<b>Type</b>	<b>Kernel Length (mm)</b>		
	<b>Long: Kernel</b>	<b>Medium: Kernel</b>	<b>Short: Kernel</b>
<b>American</b>	<b>more than 6.6</b>	<b>6.2-6.6</b>	<b>Less than 6.2</b>
<b>Indian</b>	<b>more than 6.0</b>	<b>4.5-6.0</b>	<b>Less than 4.5</b>
<b>Thai</b>	<b>more than 6.6</b>	<b>6.2-6.6</b>	<b>Less than 6.2</b>
<b>Philippine</b>	<b>more than 5.9</b>	<b>5.0-5.9</b>	<b>Less than 5.0</b>
<b>Other*</b>	<b>more than 5.9</b>	<b>5.0-5.9</b>	<b>Less than 5.0</b>

**\*Types of rice that have no classification made by the original producing countries.**

**Table (2) Requirements for Milled American Rice According to U.S.A. Standards per the Saudi Standard Milled Rice No. 431/1998 (Gulf Standard No. 1003/1998)**

Grade	Seeds, heat-damaged grains and paddy grains (single or combined)		Red rice and damaged grains (single or combined)	Chalky gains		Broken grains		Other types*		Moisture
	Total Number in 500g	Heat-damaged grains & objectionable seeds** in 500g		In long grain rice	In medium or short grain rice	Total	Whole grains	Whole & broken grains		
			<b>As % (maximum)</b>							
1	2	1	0.5	1.0	2.0	4.0	-	1.0	14	
2	4	2	1.5	2.0	4.0	7.0	-	2.0	14	
3	7	5	2.5	4.0	6.0	15.0	-	3.0	14	
4	20	15	4.0	6.0	8.0	25.0	-	5.0	14	
5	30	25	6.0	10.0	10.0	35.0	10.0	-	14	
6	75	75	15.0	15.0	15.0	50.0	10.0	-	14	

\* It does not apply to mixed milled rice but include rice from other varieties and treatments.

\*\* Any seeds other than rice seeds.

**Table (8) Grading of Milled Rice According to Quality per the Saudi Standard Milled Rice No. 431/1998 (Gulf Standard No. 1003/1998)**

Defects	Grade 1	Grade 2	Grade 3
	% (Maximum)		
- Broken grains	4.0	7.0	15.0
- Damaged grains (including yellow and black grains)	3	4	5
- Chalky grains	11	13	15
- Red grains	4	6	8
- Head damaged grains:			
* Parboiled rice	6	8	10
* Milled rice	3	4	5
- Paddy	0.3	-5	0.7
- Other rice types (different varieties and processing)	2.0	4.0	6.0
- Foreign matter	1	15	2
- Moisture	14.0	14.0	14.0