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Report Highlights:

In MY 2020/21, rice production in Burma is forecast to increase in anticipation of favorable weather and increased demand from the European Union and China following COVID-19. The government will allow rice exports to continue, but with a restricted export quota of 100,000 MT per month. Corn production is also expected to recover in 2020/21 due to anticipated favorable weather. Corn exports in MY 2019/20 and MY 2020/21 are forecast to decline due to growing demand from domestic livestock industries and the devaluation of foreign currency, largely due to COVID-19. Burma's wheat imports are forecast to increase in MY 2020/21 due to increasing consumption of wheat-derived products. This creates some opportunity for U.S. wheat, although Australian wheat is more competitive under the ASEAN-Australia-New Zealand Free Trade Area.

Executive Summary:

In MY 2020/21, rice production in Burma (also called Myanmar) is forecast to recover planting acreage in anticipation of favorable weather, more utilization of farm mechanization, and minimum prices set by the government. In MY 2019/20, rice production decreased due to the lack of irrigated water and the abandonment of farmland in conflict-affected areas. A trade source indicated that due to insufficient water before harvest, the quality of the main rice crop in 2019 was low, resulting in more broken rice during the milling process. While Burma's overall rice exports decreased three percent in 2019, its broken rice exports increased 62 percent due to increased broken rice supply and growing demand from the European Union (EU), African countries, and Indonesia. There is reduced demand for broken rice in the domestic livestock sector, since corn prices are comparatively cheaper. In MY 2019/20, total rice exports are expected to decline to 2.3 MMT as a result of government restrictions on rice exports and reduced trade during the COVID-19 pandemic in major rice importing countries, including China and the EU. Recognizing the sufficient supply and the desire to avoid low prices for farmers once the new crop comes to market, the government will allow rice exports to continue, but with a restricted export quota of 100,000 MT per month for the rest of financial year (April-September 2020).

In MY 2019/20, Burma's corn production decreased to 2.3 MMT due to drought and low domestic prices. However, corn production is expected to reach 2.35 MMT in MY 2020/21, with increased demand due to growth in the livestock sector. Burma's demand for domestic corn in MY 2019/20 and MY 2010/21 is expected to increase due to the establishment of new feed mills to support the continued development of the poultry sector, which is likely to increase 25-30 percent during 2018 – 2020. In 2019, two new Foreign Direct Investment (FDI) livestock feed mills began operations in Yangon and Bago, each having a capacity of more than 10,000 MT per month. Overall, Burma's corn exports in MY 2019/20 and MY 2020/21 are expected to decline to 1.3 million metric tons due to increased domestic demand in the feed sector. The government continues to ban corn imports to protect local farmers and traders.

Wheat production in Burma is forecast to decrease in MY 2020/21 due to low domestic wheat grain prices compared to imported wheat flour. Burma's wheat imports are forecast to increase in MY 2020/21 due to increasing consumption of wheat-derived products—including pasta, pizza, snacks, and baked goods—and reduced domestic production.

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

Rice, Milled Market Begin Year Burma (Myanmar)	2018/2019		2019/2020		2020/2021	
	Jan 2019		Jan 2020		Jan 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	7100	7080	7100	6900	0	7050
Beginning Stocks	811	811	1096	1071	0	1261
Milled Production	13175	13200	13300	12700	0	13100
Rough Production	20586	20625	20781	19844	0	20469
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	13996	14021	14406	13781	0	14371
MY Exports	2500	2700	2700	2300	0	2500
TY Exports	2500	2700	2700	2300	0	2500
Consumption and Residual	10400	10250	10550	10220	0	10220
Ending Stocks	1096	1071	1156	1261	0	1651
Total Distribution	13996	14021	14406	13781	0	14371
Yield (Rough)	2.8994	2.9131	2.9269	2.8759	0	2.9034
(1000 HA), (1000 MT), (MT/HA)						

1.1 Production

In MY 2019/20, rice (rough) production is forecast to decline 4 percent due to insufficient irrigation water for both the main and second crop (dry season rice). In addition to the insufficient water, the

main crop production in 2019/20 is estimated to decrease further due to the abandonment of farmland in conflict-affected areas within the Rakhine State (see Figure 1.2). The Irrigation Department within the Ministry of Agriculture reported that reduced rainfall resulted in less water entering to the dams and reservoirs (see Figure 1.1). This reduction was especially evident for the biggest dam, Thaphansake, which generally facilitates the irrigation of about 120,000-140,000 hectares of rice production in the Sagaing Region (Central part of country). According to statistics from the Department of Agriculture (DOA), recorded rainfall in 2019 was lower than in 2018, reducing several dams' ability to retain water for drinking and planting. For example, the Thaphansake dam could only retain approximately 65,000 cubic feet, which is one third of its water holding capacity, during the 2019 monsoon season and was therefore able to provide water to only 18 percent of second rice crop areas in MY 2019/20. The DOA is urging affected farmers to shift production to the other, less water-intensive crops, such as sesame, peanuts, beans, and pulses for the dry season. Other dams, such as the Kinta, Khabaung, Yenwe, Taung Nawin, Zaw Gyi, and Paunglong dams, have also retained less water this year. Trade sources reported that due to insufficient water before harvest, the quality of the main rice crop in 2019 was low, resulting more broken rice production during the milling process.

In MY 2020/21, Burma's rice production is forecast to recover in anticipation of favorable weather, greater farm mechanization (see Table 1.2), and minimum prices set by government on October 16, 2019. Sources indicate that approximately 70 percent of rice in Burma is produced using farm machinery. While the 2017/18 numbers are the most recent available, trade sources confirmed that the amount of farm machinery and its use continues to increase, as do the number of farm machinery suppliers. A Michigan State University survey done in the Shan State for the maize value chain also confirmed this trend.

Table 1.2: Utilization of Farm Machinery in Burma

Type of Machinery	2015/16	2016/17	2017/18
Tractors	20,568	28,143	334,325
Power tillers	300,247	467,872	48,546
Harrows and Disc Ploughs	7,467	133,19	13,329
Threshers	61,997	80,667	81,741
Combine harvesters	2,521	4,759	6,158
Transplanters	286	167	272

Source: Department of Farm Mechanization, MoALI

1.1.1 Yield

Burma’s rice (rough) yield per unit area in MY 2019/20 is expected to decrease due to lack of sufficient water for the main crop just before harvest, especially in the Mandalay, Sagaing, and Magwe regions. In MY 2020/21, rice (rough) yield is expected to recover due to increased utilization of fertilizers, good quality seed, increased adoption of Good Agricultural Practices (GAP), and the expectation of favorable weather. Farmers spent more money to purchase fertilizer due to the minimum reference prices for paddy set by the government (see Table 1.3).

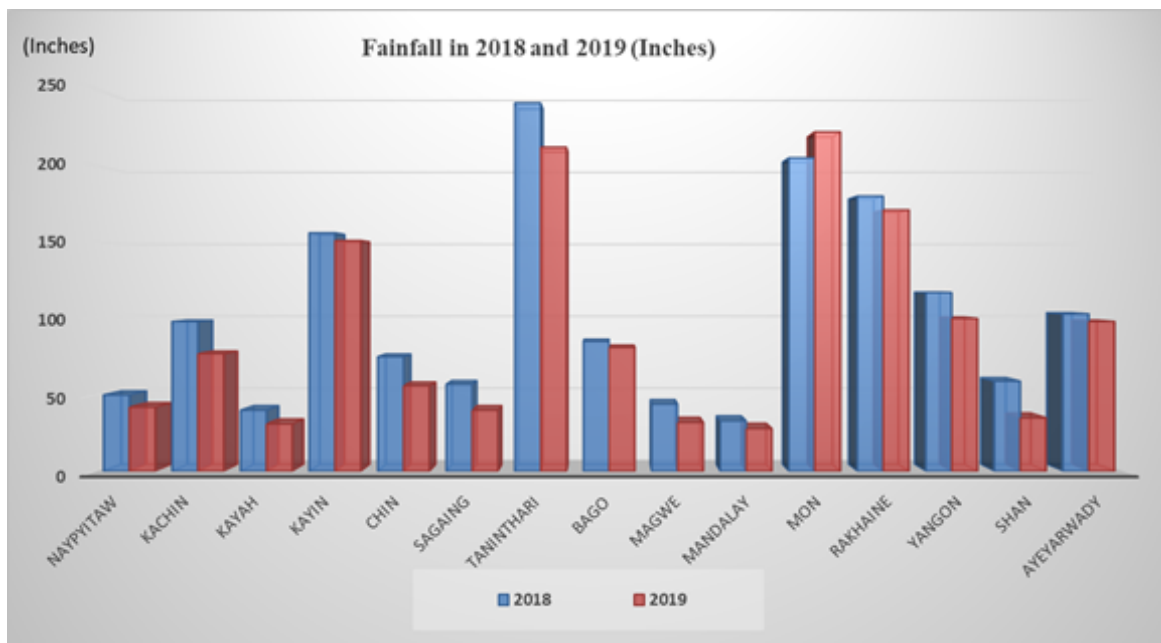
Table 1.3: Domestic Production and Import of Fertilizers

Year	Production (MT)	Import (MT)	Total (MT)
2015/16 (April-March)	349,211	1,155,055	1,504,266
2016/17 (April-March)	725,590	1,465,360	2,190,950
2017/18 (April-March)	493,339	1,522,937	2,016,276
2018 (April-September)	688,059	936,224	1,624,283
2018/19 (October-September)	364,991	37,969,052	38,334,043

Source: Land Use Division, Department of Agriculture

Note: The government changed the financial year to September – October in 2018/19 (previously it was April – March).

Figure 1.1: Annual Rainfall in Regions and States (2018-2019)



Source: Department of Agriculture

Figure 1.2: Map of States and Regions in Burma



1.2 Consumption

In Burma, the most common staple food is rice. For people in rural Burma (70 percent of the population), most people consume rice three times per day, with per capita consumption estimated at 145 kg per year. In urban areas (30 percent of the population), most Burmese consume rice two times per day, with a per capita consumption estimated at 170 kg per year.

In general, head rice is mainly consumed as part of breakfast, lunch, and dinner. Broken rice and other lower quality rice are used to make rice noodles and traditional Burmese snacks, which are common in rural areas. Burma plants more than 100 varieties of rice in 3 main categories, including Emata (long grain), Pawsan (median and round), and Ngasein. The Ngasein variety has lower quality and is mainly used to make noodles and traditional rice snacks. Higher and some middle-class Burmese consume superior quality Pawsan varieties, which is about seven percent of total rice production, including the

premium Shwe Bo Pawsan rice. Lower and some middle-class Burmese eat Emata 5 -10 percent broken rice. Emata 25 percent broken rice is the largest rice export by volume. Trade source confirmed that more middle-class people have shifted from lower to better quality of Emata type and Pawsan type rice since 2018/19 due to Burma's growing economy and consumer purchasing power.

In addition to human consumption, about 650,000 to 700,000 MT of broken rice are forecast to be used in the poultry and swine sectors, whose growth is estimated at 0.8 percent annually (Source: Myanmar Livestock Federation). This reflects decreased demand for broken rice as a feed ingredient, since corn is comparatively cheaper and therefore preferred by feed millers. Overall, the estimated poultry and swine feed demand in 2020 is about 3.0 MMT, with broken rice comprising an estimated 18-20 percent of the total. Overall, domestic consumption of milled rice is expected to decrease to 10.20 MMT in MY 2019/20 and MY 2020/21 due to reduced demand for broken rice in the livestock sector. Overall, the estimated poultry and swine feed demand in 2020 is about 3.0 MMT, with broken rice comprising an estimated 18-20 percent of the total feed demand.

1.3 Trade

In MY 2019/20, total rice exports are expected to decline to 2.3 MMT as a result of government restrictions on rice exports and reduced trade during the COVID-19 pandemic in major rice importing countries, including China and the EU. Recognizing the sufficient supply and the desire to avoid low prices for farmers once the new crop comes to market, the government will allow rice exports to continue, but with a restricted export quota of 100,000 MT per month for the rest of financial year (April-September 2020). Therefore, Burma targets to export 2.2 MMT of rice for the 2019/2020 (October- September) financial year. The government is likely to lift the quota after September, since the new second rice crop supplies will have already entered the market. The Myanmar Rice Federation confirmed there is sufficient rice stock for domestic consumption and urged citizens not to resort to panic buying.

Unofficial rice exports to China through border trade points became more active in October 2019, but then declined starting from December 2019 due to border measures to reduce the spread of COVID-19. According to statistics from the Ministry of Commerce, rice exports to China through border trade has decreased since MY 2018/19 due to frequent seizures of smuggled goods by the Chinese government (see Figure 1.3). Burma's unofficial broken rice exports to China in 2019 decreased 50 percent from 2018, while official exports of broken rice especially to Belgium, Indonesia Guinea, Senegal, and the Netherlands increased significantly (by 80 percent). In 2019, China restricted import licenses for broken rice through official channels. However, during the President of China's visit to Burma in January 2020, he signed an agreement to allow official imports of Burmese broken rice that meets China's phytosanitary requirements. In MY 2020/21, Burma's rice exports are forecast to increase to 2.5 MMT due to growing demand from China, the EU, African countries, and the Philippines after recovering from the COVID-19 outbreak.

Figure 1.3: Official and Unofficial Rice Exports in 2018 versus 2019



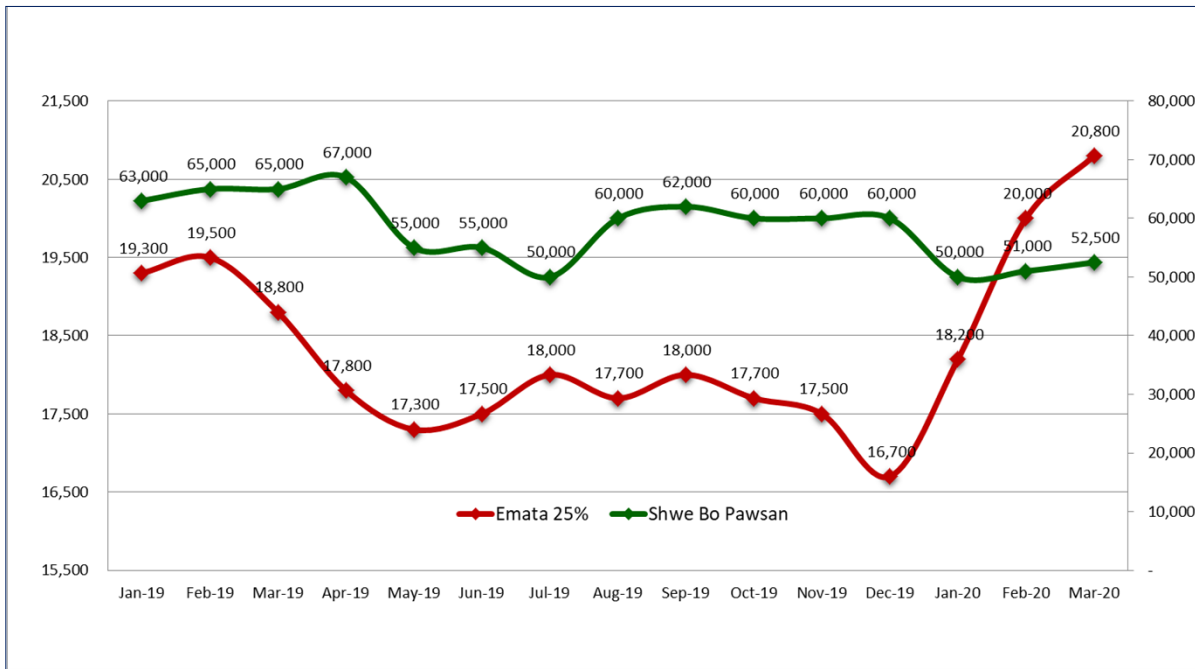
Notes: O: Official Exports

UO: Unofficial Exports

1.4 Prices

According to trade sources, average domestic wholesale prices for Emata 25 percent broken rice decreased in 2019 due to slow trading activities, especially from China, and poor world rice prices. However, the prices for Emata 25 percent broken rice increased in January 2020 due to panic buying in urban areas after COVID-19 was declared a pandemic. The domestic wholesale price for superior quality Shwe Bo Pawsan rice (old crop) remained high due to increasing consumer preference for superior quality rice (see Figure 1.4) until December 2019. In January, the new crop entered the market with the lower prices at 50,000 MMK/ 108 pound bag. In order to prevent rapid price increases due to COVID-19 related panic buying, the government is considering legal and financial consequences for any wholesaler and retailer that sell at higher prices, especially for rice and edible oils.

Figure 1.4: Average Monthly Wholesale Prices for Emata (low grade) and Shwe Bo Pawsan Rice in (MMK/108 lb Bag)



1.5 Policy

Burma does not currently have a contract farming law. However, the Government of Myanmar announced Standard Operation Procedures (SOP) for Contract Farming in January 2020. In February 2020, the government set rules for contract farming to improve the agricultural sector. This SOP and rules will be followed by the all agricultural input suppliers and farmers. The SOP describes instructions for farmers, private companies, entrepreneurs, organizations and associations, and relevant government departments related to contract farming.

There are over six million Burmese farmers applying for farm loans across multiple commodities. The government provides credit for many commodities, such as oilseeds, pulses, and beans, but the amount of credit varies by the commodity and season. The Myanmar Agricultural Development Bank (MADB) provides credit for rice farmers of up to 150,000 kyat (US\$110) for a maximum of 10 acres with an 8 percent interest rate. In addition to MADB farm loans, farmers can also access loans from the Japan International Cooperation Agency (JICA), local cooperatives, the Myanmar Rice Federation, and various NGOs and other micro finance institutions with varying interest rates.

On October 6, 2019, the Government of Myanmar set the floor price (reference price) of US\$185 / MT (MMK 250,000/ MT) for paddy rice produced in 2019/20 that has a 14 percent moisture content and meets established minimum quality criteria. In November, the price for paddy rice dropped below the floor price in the Yangon, Bago, and Ayeyarwady regions. The government considered allowing paddy rice exports through the border, but no official paddy rice exports were recorded. Under the Protection of the Farmers Rights and Enhancement of Their Benefits Law, the government provided the 15 billion kyats credit from National Revolving fund to purchase more than 35,000 MT of paddy in the affected

regions identified above. The paddy purchasing program is performed by the regional government with the cooperation of the Myanmar Rice Federation (MRF). Ultimately, the program did not assist farmers since they had already sold their paddy rice at a lower price before the program could purchase it. In addition, the MRF drafted the Rice Standard and Specification and submitted it to Agricultural Products Standard Formulation and Technology Committee for further discussions.

In Burma, there are no official documents that would ban rice imports. However, it is highly unlikely that the government would issue import licenses for commercial rice imports, with the limited exceptions described below. Very small quantities of sushi rice imports are allowed for use in Japanese and Korean restaurants. In addition, import permits may be granted for small quantities of rice for industrial use only; requests must note the specific purpose of the imported rice. Some cases require approval from the MRF and some cases are directly decided by Department of Trade. Import tariffs for rice and other commodities are listed in Table 4.

2. Corn

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

Corn	2018/2019		2019/2020		2020/2021	
	Oct 2018		Oct 2019		Oct 2020	
Market Begin Year						
Burma (Myanmar)	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	545	580	540	570	0	580
Beginning Stocks	58	58	63	97	0	185
Production	2300	2400	2250	2300	0	2350
MY Imports	5	9	5	8	0	8
TY Imports	5	9	5	8	0	8
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	2363	2467	2318	2405	0	2543
MY Exports	1400	1500	1400	1300	0	1300
TY Exports	1400	1500	1400	1300	0	1300
Feed and Residual	800	800	750	850	0	950
FSI Consumption	100	70	100	70	0	70
Total Consumption	900	870	850	920	0	1020
Ending Stocks	63	97	68	185	0	223
Total Distribution	2363	2467	2318	2405	0	2543
Yield	4.2202	4.1379	4.1667	4.0351	0	4.0517
(1000 HA), (1000 MT), (MT/HA)						

2.1 Production

In MY 2019/20, corn production in Burma is forecast to decrease to 2.3 MMT due to drought and low domestic prices. Sources expect that farmers will replace corn with beans and pulses for export. Average domestic wholesale prices for corn in 2019 decreased 30 percent from the previous year due to low export demand from China.

In MY 2020/21, Burma's corn production is forecast to recover in anticipation of increased demand from Thailand and domestic feed mills, and more activity from the Myanmar Corn Industrial Association (MCIA), which will coordinate corn production and facilitate trade. The Shan State (in the Eastern part of country) accounts for more than 50 percent of the corn production area. The Shan State's government and private sector plan to implement a one million acres corn value chain project within 10 years and utilize modernized contract farming. This program is intended to promote trade business opportunities and support the state's infrastructure needs.

2.2 Feed Consumption

Burma's livestock feed demand was estimated at 3.0 MMT in 2019 and is expected to increase to 3.5 million metric ton in 2020. Approximately 70 percent of the raw livestock feed demand comes from the poultry sector, and 25 percent from the swine sector (Source: Myanmar Livestock Federation (MLF)). Accordingly, Burma's demand for corn in MY 2019/20 and in MY 2020/21 is expected to increase due to the establishment of new feed mills. These feed mills will support the continued development of the poultry sector, which is expected to increase 25-30 percent during 2018 – 2020. In 2019, two new Foreign Direct Investment (FDI) livestock feed mills, Myint Dachan (Taiwan) and Zheng Bang (China), began operations in Yangon and Bago, each with a capacity of more than 10,000 MT per month. Domestic corn is estimated at more than 45-50 percent of total feed composition in the poultry sector, but the exact percentage varies according to age of the animal, nutrition formula by feed mills, feeding methods, and domestic prices. In order to supply the domestic feed mills, during a March 2020 meeting, feed millers requested that the MCIA reserve approximately 1.5 MMT of corn stock for local feed mills in 2020, approximately two thirds of which will be used in the poultry sector.

2.3 Trade

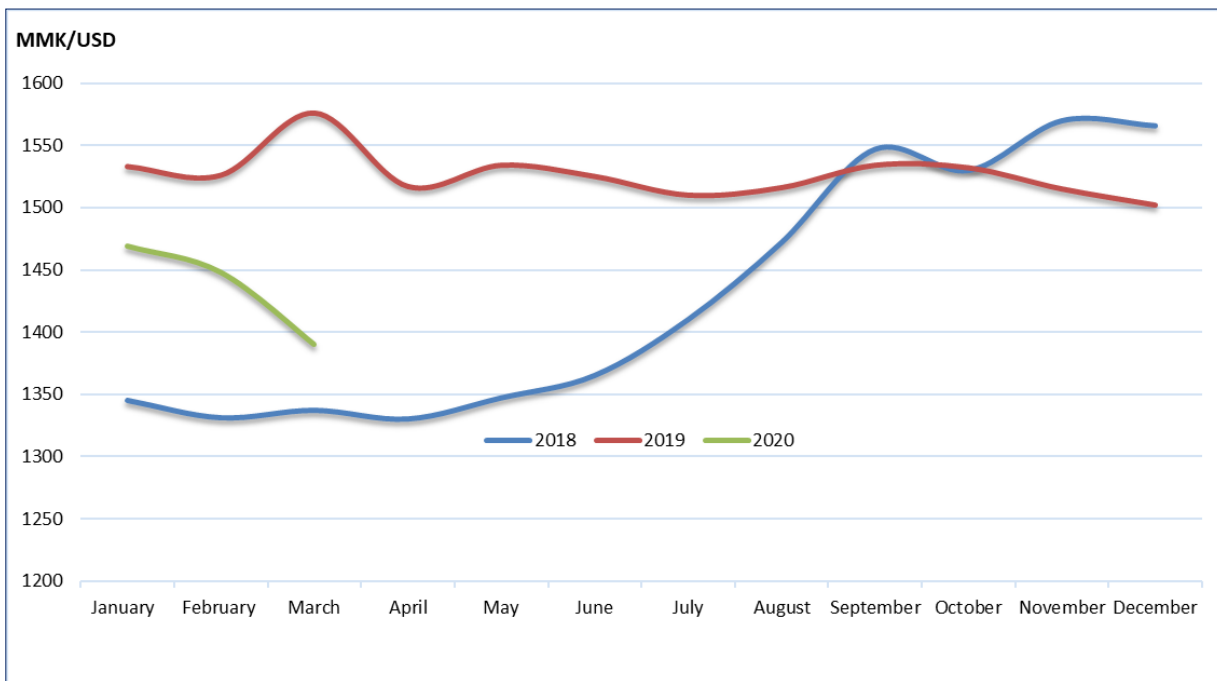
Burma's corn exports in MY 2019/20 and MY 2020/21 are forecast to decline to 1.3 MMT due to devaluation of foreign currency and increased local consumption for livestock feed. During a slowdown in demand from China, Burma has sought alternative markets for corn through sea freight and border trade. In 2019 (January – December), Burma exported about 260,000 MT corn to Philippines, Singapore, Malaysia, Vietnam, Taiwan, Canada, Hong Kong, Australia and India via sea freight.

In addition, exports to Thailand increased from April to July 2019 due to growing demand from Thailand through the Myawady (Burma-Thailand) border trade point. According to the Association of Southeast Asian Nations (ASEAN) Free Trade Area (AFTA), Thailand allows tax-exempt imports of corn through the border from February to August. However, importers have to pay a 73 percent import tax from September to January. Burmese traders made a deal with the Thailand Public Warehouse Organization to export one MMT of corn. Burma plans to open the Corn Trading Centre at Myawaday

border to increase corn exports to Thailand more efficiently, although this is likely to be delayed due to current border restrictions to prevent the spread of COVID-19.

As noted above, in March 2020, the Myanmar feed millers requested to reserve approximately 1.5 million metric tons of corn for local feed mills and suggested that only production volumes in excess of that be exported. However, the value of the U.S. Dollar declined from 1,532 MMK in October 2019 to 1,370 MMK in March 2020 (see Figure 2.1), affecting trade. In addition, currency from neighboring Thailand and China also devalued due to slow global economic growth, due in large part to the COVID-19 pandemic.

Figure 2.1. Monthly Currency Exchange Rate (Myanmar Kyats against U.S Dollar)



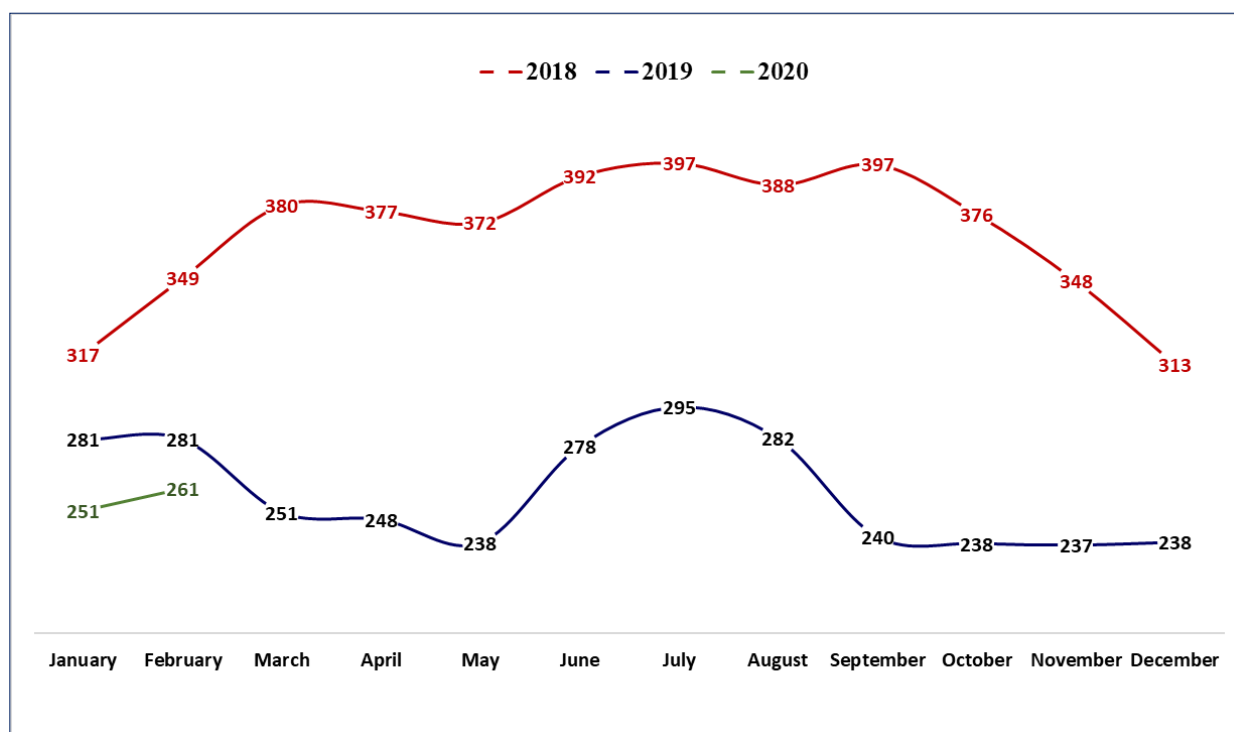
Source: Central bank of Myanmar

Note: 1. MMK: Myanmar Kyats

2.4 Prices

As mentioned above, yellow corn prices in 2019 were lower than in 2018 due to slow demand from China. However, the domestic prices for Yellow corn in June, July, and August 2019 increased due to growing export demand from Thailand through Myawady border (see Figure 2.2).

Figure 2.2. Monthly Domestic Wholesale Prices for Yellow Corn in 2018-2020 (000'MMK/MT)



Source: etrade Myanmar

Note: 1. MMK: Myanmar Kyats

2.5 Policy

In February 2019, MCIA was officially registered as the association designated to actively cooperate with government to develop corn production and markets. Burma seeks to develop corn as the second-largest domestic crop after rice. The government does not provide any subsidies to corn farmers in Burma. However, it provides technical assistance, such as training via extension agents on Good Agricultural Practices (GAP) and pest and disease control during the growing season. There are no trade restrictions for corn exports; however, permits are required for the export of corn through sea freight. For border trade, export permits are not needed, although exporters must pay a two percent advanced income tax. However, to support traders during the COVID-19 pandemic, this tax is waived for exports of all products until October 1, 2020. The Ministry of Commerce continues to ban corn imports to protect local growers and traders.

3. Wheat

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

Wheat	2018/2019		2019/2020		2020/2021	
	Jul 2018		Jul 2019		Jul 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Begin Year						
Burma (Myanmar)						
Area Harvested	85	62	65	58	0	58
Beginning Stocks	100	100	104	85	0	60
Production	130	95	100	85	0	85
MY Imports	549	510	525	520	0	530
TY Imports	549	510	525	520	0	530
TY Imp. from U.S.	72	30	0	30	0	30
Total Supply	779	705	729	690	0	675
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	675	620	675	630	0	640
Total Consumption	675	620	675	630	0	640
Ending Stocks	104	85	54	60	0	35
Total Distribution	779	705	729	690	0	675
Yield	1.5294	1.5323	1.5385	1.4655	0	1.4655
(1000 HA), (1000 MT), (MT/HA)						

3.1 Production

Wheat production in Burma is forecast to decrease to 85,000 MT in MY 2019/20 and MY 2020/21 due to limited areas suitable for wheat cultivation, unfavorable climatic conditions, lack of good quality seeds, and reduced interest by government and other institutions to strengthen Burma's capacity for wheat production.

3.2 Consumption

Consumption of wheat is forecast to increase to 630,000 MT in MY2019/20 due to economic growth and growing demand for western foods derived from wheat flour, especially pasta, pizza, snacks, baked goods, and noodles. This trend is forecast to continue, especially in the baking and food processing industries, reaching 640,000 MT in MY 2020/21. Although consumption estimates are not available in different income classes, sources indicate the largest increases in the higher and part of the middle class, who are able to spend more on novel foods. However, Post also anticipates growth in the middle and lower classes for consumption of instant wheat noodle soups and bakery items, which are inexpensive and very popular. According to the Asia Development Outlook 2019, Burma's economy was expected to increase 6.6 percent in September 2019 and an additional 6.8 percent in 2020. However, in its April 2020 forecast, the World Bank has revised downwards Myanmar's growth projections to 2-3 percent due to the COVID-19 impact, warning of vulnerable agricultural households and migrant workers. The World Bank estimates that Myanmar's economy will recover in 2021 and see 6 percent growth.

There are about 25-30 wheat flour mills in Mandalay, Monywa, Sagaing area (central part of country), with a capacity of approximately 30-60 MT/day. These mills are independently operated and primarily use local wheat grain, but use imported wheat when the local supply is not sufficient. These mills produce flour according to the demand in their areas, and therefore often do not operate daily or at full capacity.

The larger mills are operated by the three major wheat mill business groups (U Kyu Family Group, Capital Diamond Star, and Htun Myittar companies). In October 2019, in response to the increased consumer demand, Wilmar Myanmar opened new flour mill with a capacity of more than 10,000 metric tons per month in the Thilawa port Terminal outside of Yangon. During the construction phase in 2019, Wilmar imported wheat flour, but has transitioned to milling a combination of local and imported wheat grain as the facility has come online.

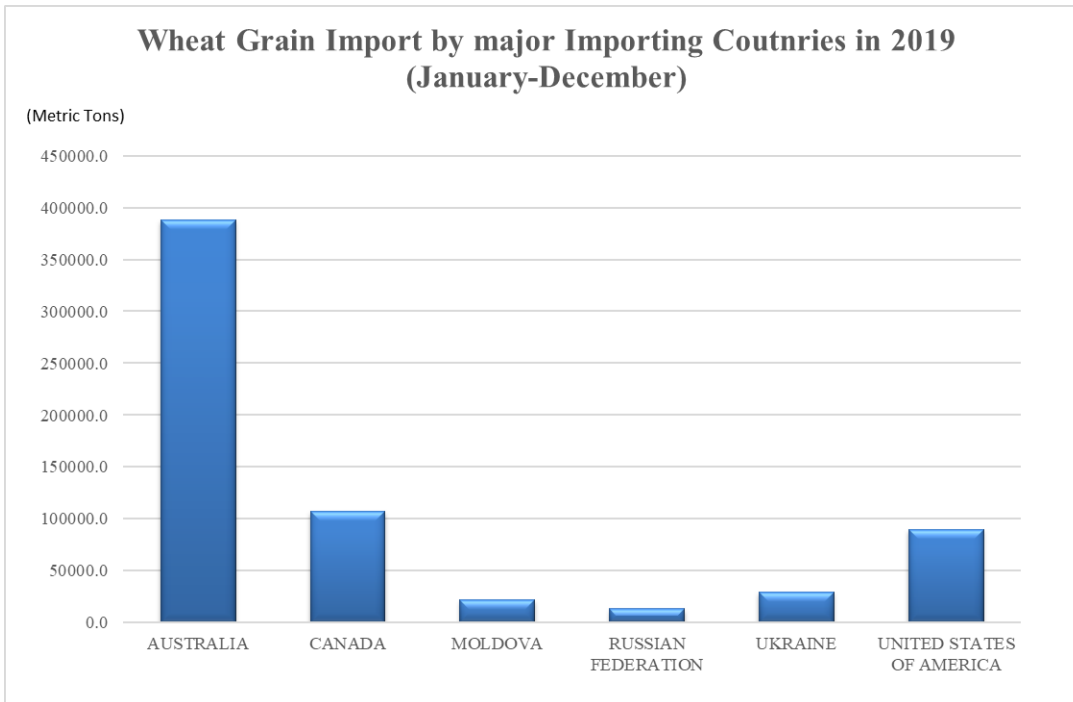
3.3 Trade

In order to meet increased local consumption amidst decreased local production, Burma's wheat imports are expected to increase to 520,000 MT in MY 2019/20 and 530,000 MT in MY 2020/21. Burma imports wheat grain from Australia, Canada, the United States, and Moldova (see Figure 3.1). Australia supplied 60 percent of Burma's total wheat grain imports largely due to tax exemptions granted under the ASEAN-Australia-New Zealand Free Trade Area. Other countries must pay a five percent import tax. In 2019, Burma's first international bulk terminal was established at the Thilawa Port, and the first U.S bulk wheat shipment of approximately 22,000 MT arrived in May 2019.

Previously, Burma imported grains by container. However, imports are increasingly via bulk vessels due to increases in wheat grain imports, estimated at 35 percent growth compared to 2018.

In 2019 (January – December), Burma mainly imported wheat flour from Malaysia (60 percent market share) and Turkey (28 percent market share). Other sources included the Philippines, Thailand, China, India, Indonesia, Vietnam, Singapore, and the Republic of Korea. According to government statistics, Burma’s wheat flour imports in 2019 (January-December) increased 45 percent compared to 2018.

Figure 3.1: Wheat Grain Import by Major Importing Countries in 2019.



3.4 Prices

In 2019, domestic prices for wheat decreased six percent due to increased wheat flour imports and low quality. Domestic wheat prices mostly depend on demand from the mills in the Mandalay area, since they primarily use local wheat. At times, the price for local wheat flour is higher than the price for imported flour, which facilitates imports.

3.5 Policy

While the Department of Agricultural Research (DAR) is conducting some wheat variety trials, the government is more focused on assisting farmers with other crops, such as corn. There are no trade restrictions for wheat imports; however, import permits are required. As noted above, U.S wheat is less competitive due to Australian wheat being exempt from the 5 percent import tax.

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

Attachments:

No Attachments