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Taiwan

Grain and Feed

Results of 2008 SBS Rice Tender 2008

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Report Highlights:

Taiwan has started tendering 2008 public sector rice quota under the Simultaneous-Buy-Sell (SBS) system. A total of 25,000 tons will be tendered under the SBS regime in 2008, of which 10,000 tons will be tendered in August. 15,000 tons are currently undergoing tendering. The entire Thai quota was tendered in the first process, while U.S., Egyptian, and Australian quota was not awarded until the second process due to floor price issues. Except for 4,710 tons of Australian quota, the first 15,000 tons of SBS quota have been allocated. The remaining Australian quota is expected to be scheduled for a third tendering process. If it were to fail that process it would then be opened to global bidding. At this point Thai rice importers are making more competitive offers than Australian, Egyptian or U.S. rice importers.

Includes PSD Changes: No
Includes Trade Matrix: No
Annual Report
Taipei [TW1]
[TW]

Taiwan announced its 2008 Simultaneous-Buy-Sell (SBS) tender schedule in mid December 2007 and has begun tendering. A total of 25,000 tons will be tendered under the SBS regime in 2008, of which 10,000 tons will be tendered in August. 15,000 tons are currently undergoing tendering. The first tendering process was conducted on January 18, Taiwan successfully awarded all 5,500 tons of Thai rice quota to six importers at NT\$9.5/kg. On January 31, Taiwan conducted its second tendering for the remaining 9,500 tons of first batch SBS quota. It successfully awarded all 2,000 tons of U.S. quota to two importers at NT\$6.726/kg, 2,500 tons of Egyptian quota to four importers at NT\$7.768/kg and 290 tons of Australian quota to two importers at NT\$6.1/kg. The remaining 4,710 tons of Australian quota is likely to be scheduled for a third tendering process.

Results of the first tendering process are as follows.

Of the 15,000 tons in the first SBS tender, only 5,500 tons of Thai origin rice quota were successfully awarded on January 18, 2008. Quota amounts for other countries failed due to bidding prices being lower than the set floor prices for the respective origins.

GF4-960-258 5,500 tons Thailand origin rice:

Nineteen bidders participated in the process. The offered bidding prices ranged from NT\$6.2/kg to NT\$9.5/kg. The quota was awarded to six importers with various quota amounts (120, 240, 250, and 890 tons, and two 2,000 ton bids), and all were at the highest offered bidding price - NT\$9.5/kg or \$294/mt.

(Exchange rate: \$1 = NT\$32.21, quoted 01/18/2008.)

The results of the second tendering process are follows.

GF4-970-001 for 2,000 tons U.S. origin:

Seven bidders participated in the process. The offered bidding prices ranged from NT\$4.8/kg to NT\$6.726/kg and the tender was awarded to two importers, 1,000 tons each, at the same price as the highest offered bidding price, NT\$6.727/kg or \$208/mt.

GF4-960-258 for 2,500 tons Egypt origin:

Nine bidders participated in the process. The offered bidding prices ranged from NT\$5.5/kg to NT\$7.768/kg. The tender was awarded to four bidders with various quota amounts, 50 tons, 520 tons, 680 tons and 1,250, at the level of the highest offered bidding price, NT\$7.768/kg or \$241/mt.

GF4-960-257 for 5,000 tons Australia origin:

Only two bidders participated in the process. The offered bidding prices were at NT\$5.8/kg and 5.75/kg, below the ceiling level. However, the tender was partially awarded to these two bidders at a higher price of NT\$6.10/kg or \$189/mt after the following tendering sessions. One was awarded 70 tons and the other 220 tons, the remaining 4,710 tons are to be scheduled for a third tendering process.

(Exchange rate: \$1 = NT\$32.24, quoted 01/31/2008.)