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Taiwan 2009 CSQ Rice Quota Update – Results of November 3rd Tender

Report Categories:

Grain and Feed

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Report Highlights:

Taiwan continued to make progress in its 2009 country specific quota (CSQ) rice quota implementation. On November 3, Taiwan successfully awarded 14,274 tons of U.S. CSQ rice quota under normal tenders to three U.S. rice handlers. To date, Taiwan has completed 68,074 tons of its 2009 CSQ quotas for public sector imports marking a 72-percent tender completion rate, of which 30,000 tons was completed under the Simultaneous-Buy-Sell (SBS) tender while 38,074 tons was completed under the normal tender system. As of date, the U.S. CSQ rice quota completion rate is 73 percent with 38,074 tons completed under the normal tender process and 9,200 successfully tendered under the SBS process.

Additional tenders are scheduled for November 17th. Please the below for tender schedules details.

Executive Summary:

As of date 11/03/2009, Taiwan has successfully tendered 68,074 tons of its 2009 CSQ for public sector imports marking a 72-percent tender completion rate. As for the U.S. CSQ rice quota completion rate stands at a 73-percent, totaling 47,274 tons (9,200 tons under SBS and 38,074 tons under normal tender).

Normal Tenders: On November 3, Taiwan successfully completed tender GF4-980-199 for 14,274 tons of U.S. origin medium/short brown rice to three U.S. rice handlers. Two of the successful bidders were awarded 2,000 tons and 7,000 tons respectively with a bid of NT\$25,990/mt (\$798.40/mt) while the third successful bidder was awarded 5,274 tons at NT\$26,870/mt (\$825.50/mt). All awarded rice is contracted for delivery by March 31, 2010.

Tender GF4-980-200 for 1,000 tons U.S. origin short grain milled glutinous rice failed because offered bid prices exceeded pre-set ceiling price, with the lowest offered at NT\$46,448/mt (\$1,426.97/mt). Tender GF4-980-2-1 for 8,634 tons for Australian origin medium/short grain brown rice failed because of short supply. All remaining 2009 CSQ under normal tender system totaling 25,994 tons is scheduled for a November 17 tendering.

SBS Tenders: Taiwan has completed all of its 2009 CSQ tenders under Simultaneous-Buy-Sell (SBS) system after successfully awarding an October 30 tender for globalized 4,000 tons of Australian CSQ. Taiwan completed its first tranche of 18,000 tons of SBS tenders by March 11, 2009 for importation by December 31, 2009, and completed its second tranche of SBS tenders by October 30, 2009 for importation by March 30, 2010.

General Information:**Rice Tender Results and Announcements****I. Details of November 3, 2009 Normal Tender Results (Exchange rate: \$1 = NT\$32.55)**GF4-980-199 for 14,274 tons U.S. origin medium/short brown rice:

Taiwan successfully completed this tender.

Three bidders participated in the bid. Two of which were awarded 2,000 tons and 7,000 tons respectively at the same offered bidding price of NT\$25,990/mt (\$798.40/mt) and the other 5,274 tons at NT\$26,870/mt (\$825.50/mt).

GF4-980-200 for 1,000 tons U.S. origin short grain milled glutinous rice (1,150 tons brown equivalent):

The tender failed because offered bidding prices exceeded COA ceiling price. The second tender has been scheduled for November 17, 2009.

Two bidders participated in the bidding with offered bidding prices of NT\$46,448/mt (\$1,426.97/mt) for 200 tons and NT\$49,958/mt (\$1,534.80/mt) for 300 tons, respectively.

GF4-980-201 for 8,634 tons Australia origin medium/short grain brown rice:

The tender failed because no bidders participated in the bid. The second tender is scheduled for November 17, 2009.

2. October 30 Re-tender Results of Globalized Australian SBS Tender:

GF4-980-154 for 4,000 tons of unsuccessful Australia-origin rice tendered on a global basis:

The tender was successful thru very competitive price biddings with nineteen bidders participated in the bid. Seven bidders were successful at the same offered bidding price of NT\$8.828/kg (\$271.21/mt), two bidders were awarded 1,000 tons, three bidders were awarded 500 tons and two bidders were awarded 260 tons and 240 tons, respectively.

3. Announcements of Second Tendering Schedule for Remaining 2009 U.S. CSQ under Normal Tender System

Taiwan has announced second tendering on November 17 for all remaining 2009 U.S. CSQ under normal tender scheme, including the following tenders from tranche 1 and 2.

GF4-980-171-1 for 10,000 tons U.S. origin medium/short brown rice for delivery by 4/30/2009

GF4-980-172-1 for 5,400 tons U.S. origin medium/short milled rice (6,210 tons brown equivalent) for delivery by 4/30/2009

Tables

Table 1 – Taiwan’s 2009 Country-Specific Quota (CSQ) for Public Sector Imports (11/03/2009 update)

Country	SBS System	Normal Tender System	Total
Egypt	2,500	0	2,500
Thailand	8,300	0	8,300
Australia	10,000	8,634	18,634
USA	9,200	55,434	64,634
2009 Total	30,000	64,068	94,068
Taiwan has completed the first tranche of 18,000 tons of SBS tenders by 3/11/2009 for			

importation by 12/31/2009, and done the second tranche of SBS tenders by 10/30/2009 for importation by 04/30/2010.

Taiwan has awarded 38,074 tons of U.S. CSQ rice quotas under normal tender, 4,600 tons on 09/15/2009, 19,200 tons on 10/01/2009 and 14,274 tons on 11/03/2009, making a 68 percent tender completion rate. The remaining **17,360** tons are scheduled for 11/17/2009 tender.

As of 11/03/2009, Taiwan has completed 68,074 tons its 2009 CSQ for public sector imports, SBS and normal tender combined – marking a 72-percent tender completion rate.

**Table 2 – Summary Tender Schedule & Results for the 2009 CSQ Quota
(11/03/2009 update)**

Tender Type	Tendering Process	Tender Number and Country Origin
SBS - Tranche 1 for importation by 12/31/2009	1 st tender on 12/30/2008	GF4-970-271 for 6,000 tons U.S. origin: completed at the 1 st tendering process at various markup prices -- 2,110 tons at NT\$0.6/kg (\$18.18/mt); 1,500 tons at NT\$0.595/kg (\$18.03/mt); another 1,500 tons at NT\$0.59/kg (\$17.88/mt); and the remaining 890 tons at NT\$0.581/kg (\$17.61/mt).
	1 st tender on 12/30/2008	GF4-970-272 for 6,000 tons Australia origin: Awarded 190 tons at the 1 st tendering process -- 150 tons at NT\$2.5/kg (\$75.76/mt) and 40 tons at NT\$2.0/kg (60.61/mt).
	2 nd & 3 rd tender on 01/14 & 01/21/2009	TGF4-970-272-1 for the remaining 5,810 tons failed at the 2 nd and 3 rd tendering processes because no bidders participated in the bidding.
	1 st re-tender on 02/11/2009	GF4-970-272-2 for 5810 tons on a global basis. 2,500 tons were awarded at the 4 th tender to six bidders at the range of NT\$8.2/kg to NT\$9.0/kg .
	2 nd re-tender on 03/11/2009	GF4-970272-2 for 3,310 tons on a global basis. The tender was awarded to 3 bidders among 14 with respective quota amounts of 1,000 tons, 2,000 tons, and 310 tons all at one price NT\$6.022/kg .
	1 st tender on 12/30/2008	GF4-970-273 for 6,000 tons Thai origin rice: The tender was completed at the 1 st tender processing and was awarded to four importers handling Thai

		rice at the same offer price of NT\$8.8/kg (\$266.67/mt).
Sub-total: 18,000 tons (completed 03/11/2009)		
SBS – Tranche 2 for importation by 04/30/2010	1 st Tender on 08/25/2009	GF4-980-153 for 3,200 tons U.S. origin: 650 tons completed at the 1 st tender process held on 08/25 of which 160 tons was awarded at NT\$0.501/kg (\$15.22/mt), and 460 tons at NT\$0.720/kg (\$21.87/mt).
	2 nd Tender on 09/03/2009	2,460 tons completed at the 2 nd tender process held on 09/03 of which 2,000 tons was awarded to one U.S. rice handler and 460 tons to another U.S. rice handler -- all at NT\$0.503/kg (\$15.27/mt).
	3 rd Tender on 09/15/2009	The remaining 90 tons was successfully awarded to one U.S. rice handler at NT\$0.610/kg (\$18.67/mt).
	1 st Tender on 08/25/2009	GF4-980-154 for 4,000 tons Australia origin rice: Failed because no bidders participated in the bid.
	2 nd Tender on 09/03/2009	Failed at the second tendering process because of no bidders participated in the bid again.
	3 rd Tender on 09/15/2009	Failed at the third tendering process because of no bidders participated in the bid again and is opened for re-tender on a global quota basis.
	1 st Re-tender on 10/30/2009	Tender completed on a global quota basis. Seven out of nineteen participating bidders were awarded at the same price of NT\$8.828/kg (\$271.21/mt) for 240 tons to 1,000 tons.
	1 st Tender on 08/25/2009	GF4-980-155 for 2,300 tons Thai origin rice: Tender successfully concluded and was awarded to 3 out of 20 bidders participating in the bid at NT\$8.720/kg (\$264.96/mt).
	1 st Tender on 08/25/2009	GF4-980-156 for 2,500 tons Egypt origin rice: Failed because only one bidder participated in the bid, which is invalid for competition.
	2 nd tender on 09/03/2009	2,000 tons completed at the 2 nd tender process held on 09/03 of which 1,000 tons was awarded at NT\$0.560/kg (\$17.01/mt), and another 1,000 tons at NT\$0.660/kg (\$20.04/mt).

	3 rd Tender on 09/15/2009	The remaining 500 tons was successfully awarded to one Egyptian rice handler at NT\$0.660/kg (\$20.20/kg).
Sub-total: 12,000 tons (Completed on 10/30/2009)		
Total SBS Quota: 30,000 tons		
Normal Tender- 1 st Tranche of 20,005 tons on brown for delivery by 01/31/2010 -1 st tender or by 04/30/2010-2 nd tender	1 st Tender on 09/15/2009	GF4-980-171 for 10,000 tons U.S. origin medium/short brown rice Three bidders participated in the bid. The tender failed because offered bid prices exceeded the pre-set ceiling price level, with the lowest bid offered at NT\$27,995/mt (\$856.90/mt)
	2 nd tender scheduled on 11/17/2009	GF4-980-171-1 for 10,000 tons U.S. origin medium/short brown rice
(4,600 tons awarded)	1 st Tender on 09/15/2009	GF4-980-172 for 8,700 tons U.S. origin medium/short milled rice (10,005 tons brown equivalent) Taiwan awarded 4,000 tons (4,600 tons on brown basis) to one out of three bidders that participated in the bid at NT\$30,499/mt (\$933.54/mt). The remaining 4,700 tons (5,405 tons on brown) will be scheduled for the 2 nd tender before the end of CY2009.
	2 nd Tender scheduled on 11/17/2009	GF4-980-172-1 for 5,400 tons U.S. origin medium/short milled rice (6,210 tons brown equivalent).
Normal Tender-2 nd Tranche of 20,005 tons on brown for delivery by 02/28/2010	1 st Tender on 10/01/2009	GF4-980-191 for 10,000 tons U.S. origin medium/short brown rice The tender was completed successfully. Two of the three bidders that participated in the bid were awarded 6,000 tons and 4,000 tons, respectively, at the same offered bidding price of NT\$27,290/mt (\$847.52/mt) DDP at destination.

	<p>1st Tender on 10/01/2009</p> <p>2nd Tender scheduled on 11/17/2009 see GF4-980-172-1 above</p>	<p>GF4-980-192 for 8,700 tons U.S. origin medium/short milled rice (10,005 tons brown equivalent)</p> <p>The tendering of 8,000 tons was successfully completed, with the remaining 700 tons pending for the 2nd tendering process.</p> <p>Two of the three bidders that participated in the bid were awarded 4,000 tons each at the same offered bidding price of NT\$31,399/mt (\$975.12/mt)</p> <p>*The remaining 700 tons has been combined with GF4-980-172-1</p>
<p>(19,200 tons awarded; remaining 805 tons has been switched to under GF4-970-172-1)</p> <p>Normal Tender -3rd tranche of 24,058 tons on brown for delivery by 03/31/2010</p>	<p>1st tender on 11/03/2009</p>	<p>GF4-980-199 for 14,274 tons U.S. origin medium/short brown rice</p> <p>The tender was successfully completed at the 1st tender.</p> <p>Three bidders participated in the bid, of which two were awarded 2,000 tons and 7,000 tons respectively at the same offered bidding price of NT\$25,990/mt (\$798.40/mt) and the other 5,274 tons at NT\$26,870/mt (\$825.50/mt).</p>
	<p>1st tender on 11/03/2009</p> <p>2nd tender scheduled on 11/17/2009</p>	<p>GF4-980-200 for 1,000 tons U.S. origin short glutinous milled rice (1,150 tons brown equivalent)</p> <p>The tender failed because offered bidding prices exceeded COA ceiling price. Two bidders participated in the bidding with offered bidding prices of NT\$46,448/mt (\$1,426.97/mt) and NT\$49,948/mt (\$1,535.63/mt), respectively.</p> <p>NA</p>
	<p>1st tender on 11/02/2009</p>	<p>GF4-980-201 for 8,634 tons Australia origin medium/short grain brow rice.</p> <p>The tender failed because no bidders participated in the bid.</p>

(14,274 tons awarded)	2 nd tender scheduled on 11/17/2009	NA
Total Normal Tender Quota: 64,068 tons		