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Rice industry and trade News

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News

MEPs pause GSP negotiations as Council hijacks scheme for migration agenda

The Chair of the Committee on International Trade, Bernd Lange (S&D, DE), and the rapporteur on the Generalised Scheme of Preferences (GSP), Heidi Hautala (Greens/EFA, FI), issued the following statements on Tuesday after the last unsuccessful round of trilogue negotiations with the Council under the Swedish Presidency. The gap between the position of the European Parliament and that of EU member states on a new rulebook on trade preferences for developing countries could not be bridged. Parliament reiterated its position that preferential trade access under the GSP should not be made conditional on the readmission of third-country nationals. Bernd Lange (S&D, DE), Chair of the Committee_on International Trade, said: “I deplore that, despite seven trilogues, we have not yet been able to reach an agreement. Let me underline that the Swedish presidency has made genuine efforts to conclude the negotiations, but unfortunately the Council does not yet seem to understand that this readmission link is a very serious matter for the European Parliament. It is a line we are unwilling to cross. By failing to acknowledge this, the Council is creating uncertainty for 65 beneficiary countries, who, six months before the end of the current system, are still unsure about the rules they will need to follow in order to maintain their preferential access to the EU market. Thanks to the efforts of the European Parliament, we have already made tangible improvements to the current system. For example, GSP+ countries are now required to present a public Plan of Action demonstrating their commitment to international conventions. It would be painful to lose all of these improvements due to the Council's insistence to incorporate migration into all policy areas, instead of confining it to the appropriate domain of the Asylum and Migration Pact. Another element hindering us from concluding is the need to strike a good balance between market access and protecting rice producers within the EU.”

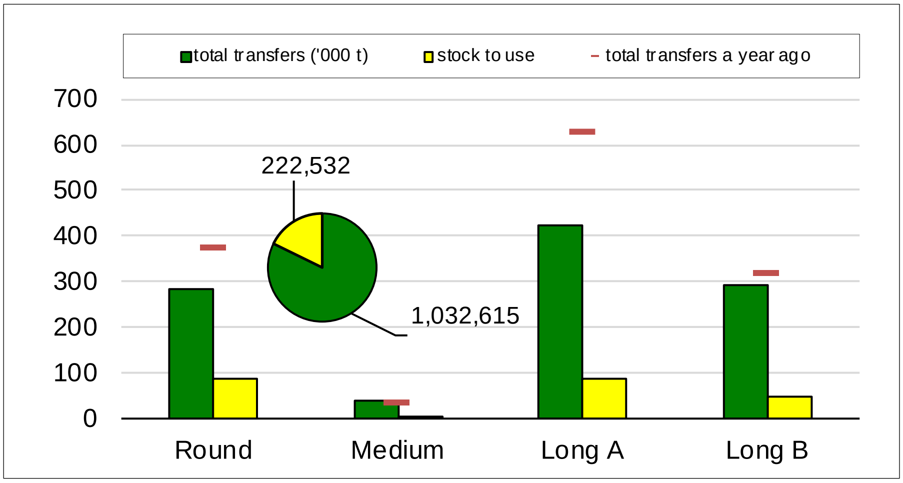
Heidi Hautala (Greens/EFA, FI), rapporteur, said: “As a rapporteur I am proud of what the European Parliament has achieved so far and I find it extremely worrying that the negotiations are stalling. We have spared no efforts first to improve the current legislation, and then in the trilogue negotiations to address the remaining political issues. This regulation directly affects nearly two billion people that live in the GSP countries. The revision would bring more transparency to the process and better acknowledge the role of the civil society organisations in both beneficiary countries and the EU. Unfortunately, Council has decided to hijack this trade and development tool and put it to the service of its migration objectives. Now is the time for the Council to do some soul-searching. We have thus decided to pause negotiations until there is a credible change in stance among Member States on this issue. In addition to the readmission, the livelihood of the European rice farmers is a particular concern. This revision would provide better protection for the European rice sector, should the GSP rules lead to unintended market distortions. This improvement will also be lost if an agreement is not reached. We want to see a new, reformed and strengthened GSP in place by the end of the year, but not at any price. We now expect the Commission to present a targeted proposal for a rollover of the current system so as to avoid a cliff edge scenario. We will now work in parallel on both the GSP rollover and the revision.”

Italian market

Campaign 2022/2023

From September 1, 2022 to June 27, 2023

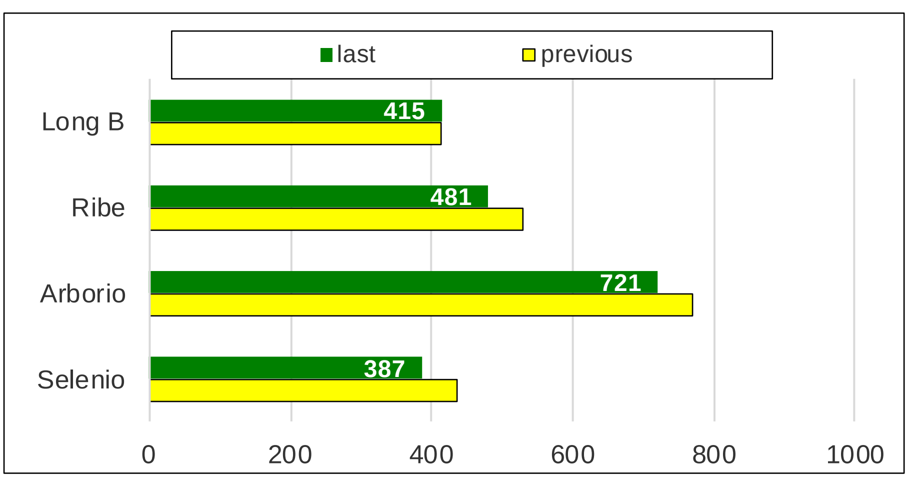
Paddy rice transfers



This week's paddy rice transfers involved 7,745 tonnes of “round“, 6,391 tonnes of “long B“, 5,300 tonnes of “long A“, and 426 tonnes of “medium“ for a total of 19,862 tonnes. A total of 1,032,615 tonnes, corresponding to 82% of saleable availability, were transferred, marking a decrease of 332,569 tonnes (-24%) from the previous year. The decreases, affecting all types, are broken down as follows: -206,702 tonnes of "long A" (-33%), -93,986 tonnes of "round" (-25%), -30,436 tonnes of "long B’’ (-10%) and -1,445 tonnes of "medium" (-4%). 222,532 tonnes remain to be placed.

Paddy prices (€/t)

Vercelli Commodity Exchange (€/t)



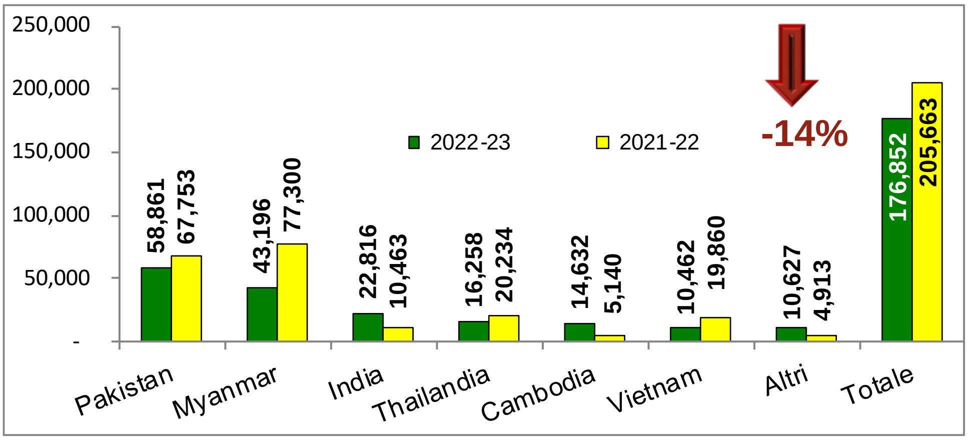
At the Vercelli Commodity Exchange, quotations for Selenio, Arborio and Ribe, which have been marked “limited trade”, are down 48 €/ton.

The quotation for Long B is unchanged.

Import: husked + milled

tonnes in milled rice equivalent

(Source: MAECI Agrim Licences)



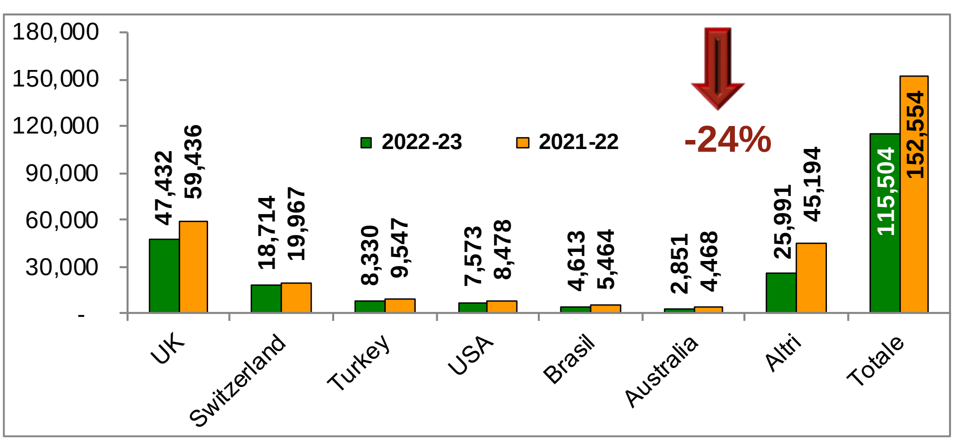
Imports from third countries, at 176,852 tonnes, in milled equivalent, were down by 28,811 tonnes (-14%) from a year ago. Imports of Indica rice, at 151,101 tonnes, account for 85% of the total volume imported and are up 10% from a year ago.

Imports of Japonica-type rice dropped from 68,173 tonnes a year ago to 25,751 tonnes today, down 42,422 tonnes (-62%) from the previous marketing year.

Export: husked + milled

tonnes in milled rice equivalent

(Source: ENTE RISI Declaration)



Export declarations were issued for a volume of 115,504 tonnes, in milled equivalent, down 37,050 tonnes (-24%) from last year.

The largest contraction concerned the export of “long A” rice, which, at 48,370 tonnes, was down by 30,364 tonnes (-39%).

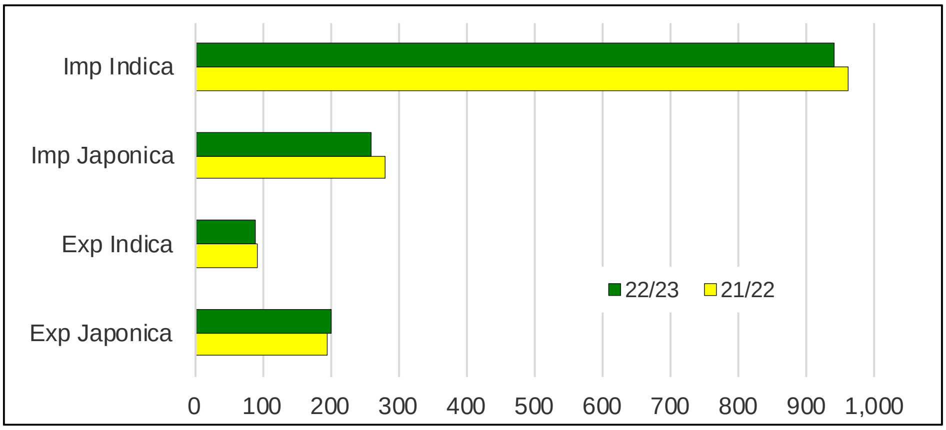
European Union market

Campaign 2022/2023

From September 1, 2022 to June 24, 2023

Import Export UE

(‘000 tonnes milled rice equivalent)



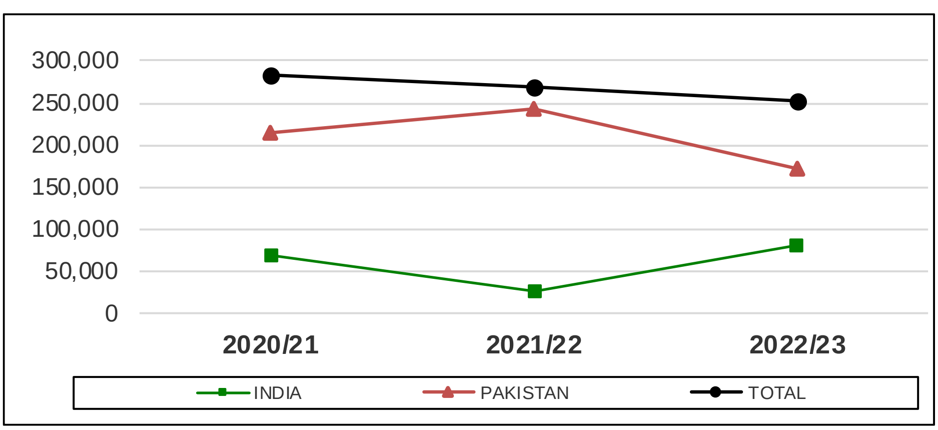
Based on the quantities actually cleared through customs, it appears that the 27 EU countries imported almost 1,201,000 tonnes, in milled equivalent, down about 41,511 tonnes (-3%) from a year ago. Paddy rice imports, at about 7,600 tonnes, were down 45% and 98% originated in Guyana. With about 100,100 tonnes, Pakistan is the leading trading partner for husked rice, followed by India, with about 59,800 tonnes, Uruguay, with about 52,000 tonnes, and Guyana, with almost 50,500 tonnes. Myanmar and Cambodia, with about 237,700 and 144,500 tonnes respectively, are the main suppliers of semi-milled/milled rice.

Exports to third countries account for a volume of almost 289,900 tonnes, in milled equivalent, up by about 3,600 tonnes (+1%) compared to last year.

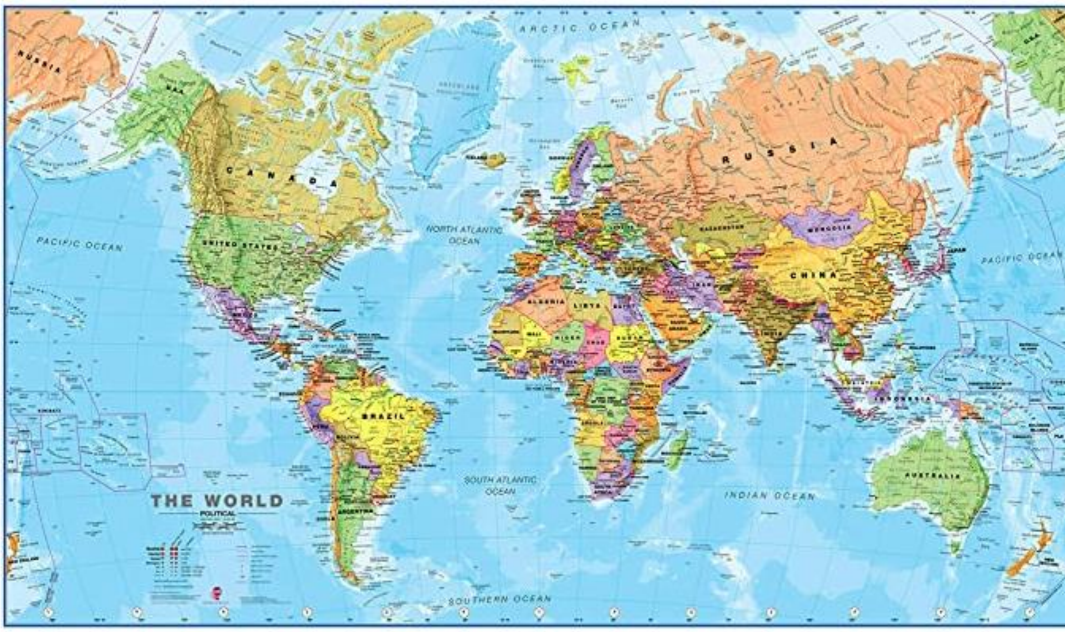
With about 102,600 tonnes, the United Kingdom is the main buyer, followed by Turkey with about 59,700 tonnes.

Basmati husked rice imports

(in tonnes)



Basmati husked rice imports stood at 252,874 tonnes, a decrease of 15,788 tonnes (-6%) compared to the previous marketing year.



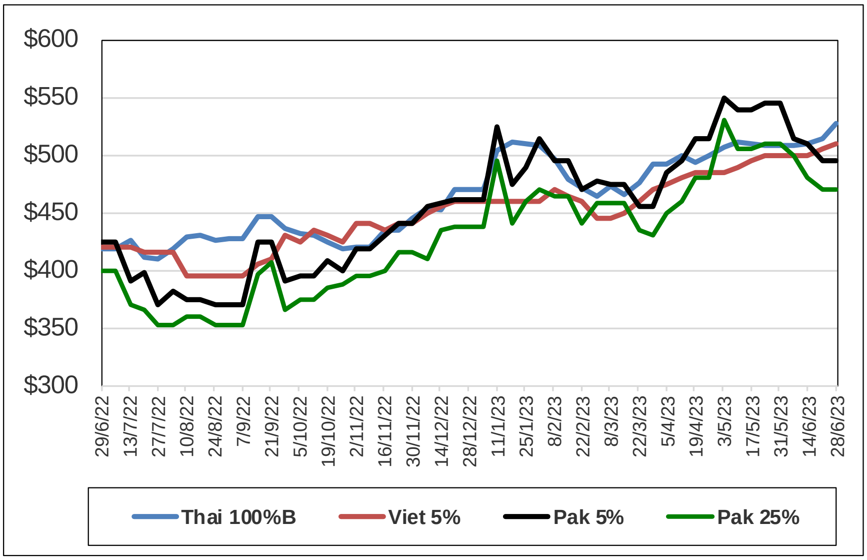
International markets

Campaign 2022/2023

From September 1, 2022 to June 28, 2023

International prices

($/tonnes)



Weekly prices

Milled rice international FOB quotes		
Exchange rate	***€1 =***	***$1.0938***
Asian Markets	**$/t**	**€/t**
Thai 100%B	527	482
Vietnam 5%	510	466
India 5%	470	430
Pakistan 5%	495	453
Pakistan 25%	470	430
Myanmar 5%	570	521
Pakistan Basmati S. Kernel	1,290	1,179
India Basmati Pusa	1,550	1,417
Other Markets	**$/t**	**€/t**
Uruguay 5%	600	549
Argentina 5%	540	494
Brasile Type 1	625	571
USA LG 2/4% Fob US Gulf	780	713
California MG 1/4% - Med -	1,650	1,509

Source: Creed Rice Co