



News

Drought in Europe: the Commission offers further support to European farmers (Source: European Commission)

The European Commission is offering support to farmers faced with the waves of drought. Firstly, farmers will be able to receive a higher percentage of their direct and rural development payments in advance. Secondly, to be able to feed their animals, they will be granted greater flexibility to use land that would normally not be used for production. In addition to support available under the Common Agricultural Policy (CAP), two decisions have been taken to assist farmers:

- Farmers will be able to receive higher advance payments. Up to 70% of their direct payments and 85% of rural development payments will be available as of mid-October to improve their cash flow situation.
- Derogations from certain «greening» requirements will be allowed. These derogations will apply to crop diversification and ecological focus area rules on land lying fallow. Consideration is also being given to the adoption of other types of derogation from «greening», so as to grant farmers greater flexibility to produce fodder.

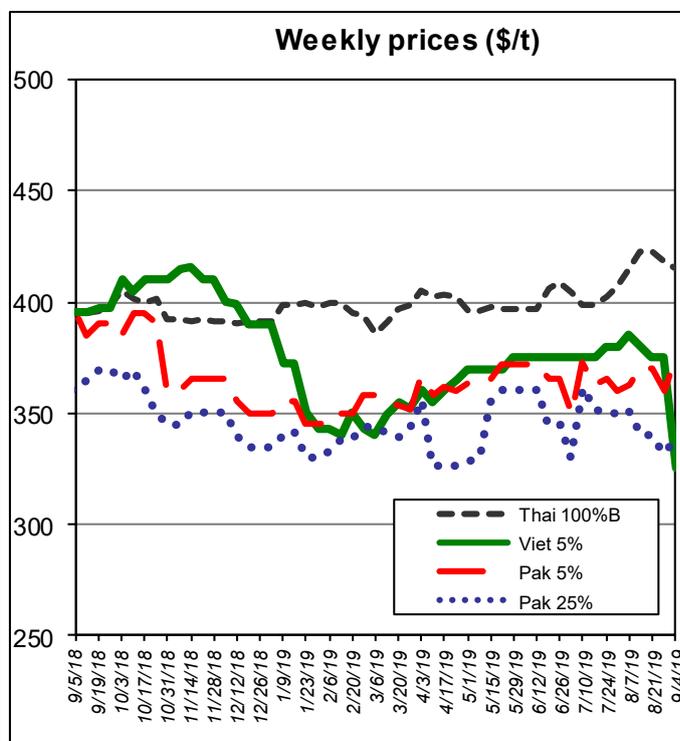
In addition to continuously evaluating and analysing the drought situation and its impact thanks to the European satellites, the Commission is in contact with all Member States to receive updated information on the impact of the drought on farmers at more local level.

Brexit: EU considers using disaster fund for no deal (Source: <https://www.bbc.com>)

Officials are working on a plan to classify no deal as a "major disaster", a category normally used to describe destructive natural events such as earthquakes or major floods. The move would require the approval of EU states and the European Parliament. PM Boris Johnson says the UK must leave with or without a deal by 31 October. In a no-deal scenario, the UK would immediately leave the European Union with no agreement about the "divorce" process. That would mean leaving the single market and customs union - both designed to facilitate smooth trade - and institutions like the European Court of Justice and Europol, its law enforcement body, overnight. Under the proposals being considered by the Commission, EU countries would be able to apply for no-deal cash using the EU's solidarity fund.

International Markets

Milled rice international FOB quotes		
Exchange rate 1 € = 1.1018		
Asian Markets	\$/t	€/t
Thai 100%B	415	377
Vietnam 5%	325	295
India 5%	368	334
Pakistan 5%	375	340
Pakistan 25%	338	307
Cambodia 5%	405	368
Myanmar 5%	362	329
India Basmati trad.	N.A.	N.A.
Other Markets	\$/t	€/t
Uruguay 5%	528	479
Argentina 5%	510	463
Paraguay 5%	490	445
USA LG 2/5% sacked	555	504
California MG 1/4% Med	825	749



Food Safety

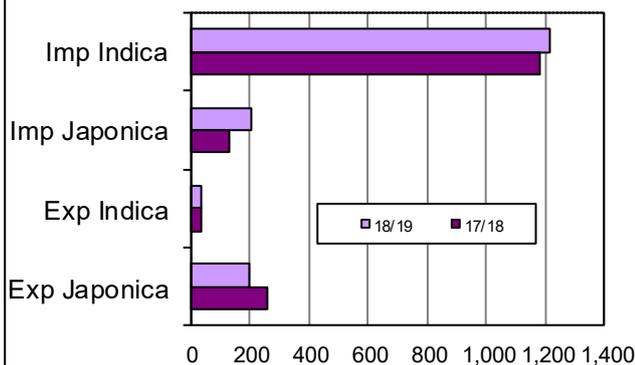
Rapid Alert System (Source: EFSA)

Two border rejection notifications were sent by Poland concerning improper certified analytical report (result exceeds legal limit for aflatoxin B1), one for parboiled brown rice from Myanmar and one for brown rice from Pakistan.

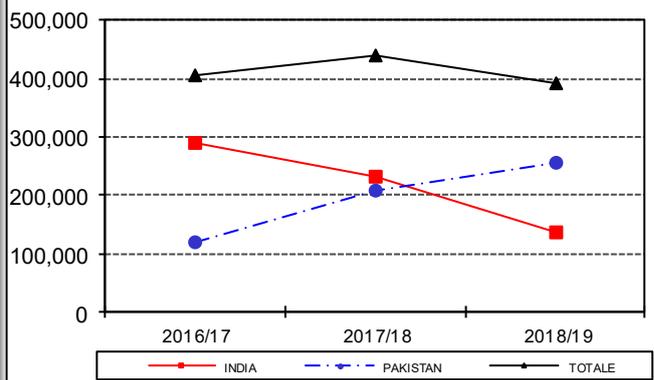
A border rejection notification was sent by United Kingdom concerning absence of health certificate(s) for rice noodles from China.

European Market

Import Export EU ('000 tonnes milled rice equivalent)



Basmati husked rice imports (tonnes)



In focus

As of 31 August, EU imports amount to 1,420,799 tonnes, in milled equivalent, 104,987 tonnes (9%) more than last year. Both Indica(+3%) and Japonica (+54%) imports increased. Brown rice Basmati imports, amounting to 392,776 tonnes, decreased by 44,971 tonnes (-10%) compared to last campaign.

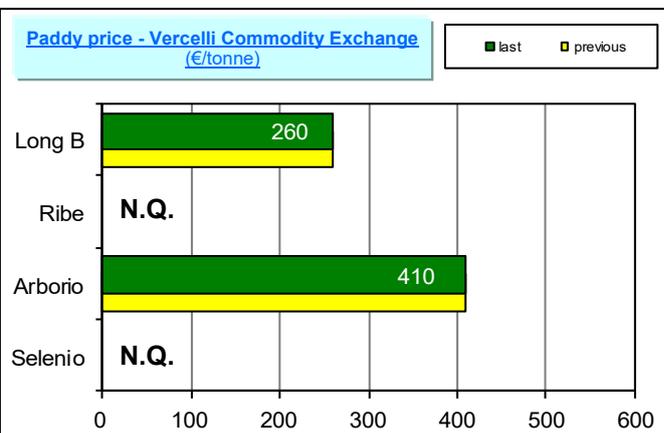
EU exports, updated to 27 August, amounts to 233,633 tonnes, in milled equivalent, 60,086 tonnes (-21%) less compared to last campaign. Japonica exports decreased by 24%, whereas Indica exports increased by 2%.

Italian Market

Paddy transfers

TYPE OF RICE	CAMPAIGN	
	2019/20 tonnes	2018/19 tonnes
ROUND	1,949	4,174
MEDIUM	432	657
LONG A	10,426	7,349
LONG B	4,902	668
TOTAL	17,709	12,848

Paddy price - Vercelli Commodity Exchange (€/tonne)



In focus

In the first three days of the new campaign paddy rice transfers by farmers reached 17,709 tonnes: 10,426 tonnes of long A grain, 4,902 tonnes of long B grain, 1,949 tonnes of round grain and 432 tonnes of medium grain.

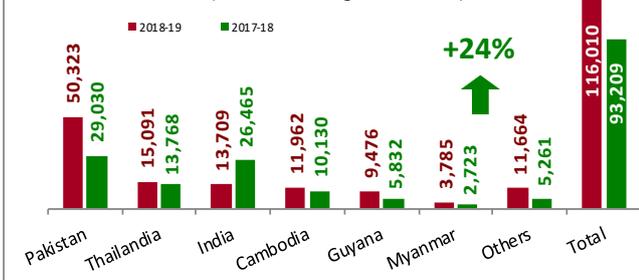
At Commodity Exchange in Vercelli, the new rice campaign opens with prices for Arborio and Thaibonnet unchanged from the last survey in August. The other reference varieties are not yet quoted.

The 2018/2019 campaign ended with imports of brown and semi-milled/milled rice amounting to 116,010 tonnes, in milled equivalent, up by 22,801 tonnes (+24%) compared to the 2017/2018 campaign. According to customs declarations imports increased by 37,219 tonnes (+39%) (see table at the bottom).

Italian exports amount to 119,119 tonnes, in milled equivalent, 11,409 tonnes (-9%) less than last year.

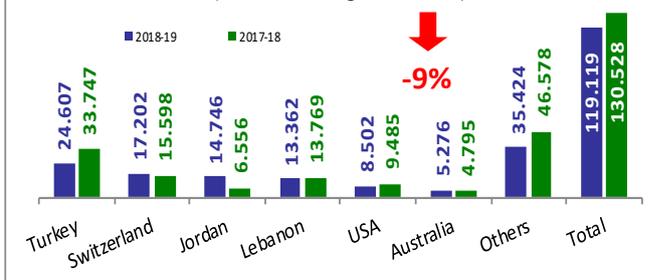
Import: husked + milled - till 31/08/2019

(tonnes in milled rice equivalent)
(Source: Mise Agrim Licences)



Export: husked + milled - till 31/08/2019

(tonnes in milled rice equivalent)
(Source: Mise Agrex Licences)



Italian imports till 31/08/2019 - Customs declarations - Source: DG Agri (tonnes in milled rice equivalent)

Campaing	Paddy			Brown rice			Semi-milled / Milled rice			TOTAL		
	Indica	Japonica	Total	Indica	Japonica	Total	Indica	Japonica	Total	Indica	Japonica	TOTAL
2018/2019	19,235	-	19,235	53,397	4,220	57,617	51,474	4,808	56,282	124,106	9,028	133,134
2017/2018	4,837	-	4,837	42,474	525	42,999	45,525	2,554	48,079	92,836	3,079	95,915