



## News

### Trade deal sealed between UK and EU: no tariffs on Italian rice (Source: Ente Nazionale Risi Note)

On 24 December 2020, the European Union and the United Kingdom concluded a free trade agreement.

The agreement provides for the absence of tariffs and quotas on all goods, provided they comply with the appropriate rules of origin.

This means that Italian products can be exported to the UK duty free.

Similarly, British products can be imported into Italy at zero duty.

In both cases, the rules of origin will have to be respected. In this regard, there is a specific provision for rice, which allows Italian rice to be exported to the UK without payment of duty and which avoids the possibility that rice imported from non-EU countries by UK operators can be re-exported to the EU at zero duty, even if the rice itself has undergone substantial processing.

In the end, the requests that the Italian rice production chain had made in recent months to the task force set up at Palazzo Chigi were accepted.

As of 1 January, the European Union and the United Kingdom constitute two separate markets, so new requirements are envisaged in both directions.

Italian operators intending to export rice to the UK must therefore present the export declaration of the Ente Nazionale Risi and the export licence of the Ministry of Foreign Affairs and International Cooperation (MAECI) to customs.

### Africa has become a single market (Source: www.freshplaza.it)

On 1 January 2021, 54 out of 55 African countries have formed a large single market. This agreement provides for free trade with no or almost no tariffs and greater freedom of trade. This is a big step forward for 1.3 billion people. This decision can also be advantageous for those Italian companies that know how to fit into this context. Only Eritrea, because of the war with Ethiopia, has not signed the agreement, but it is expected to join soon.

Africa's inhabitants are 1.3 billion, but it is estimated that this will rise to 2.5 billion within 30 years.

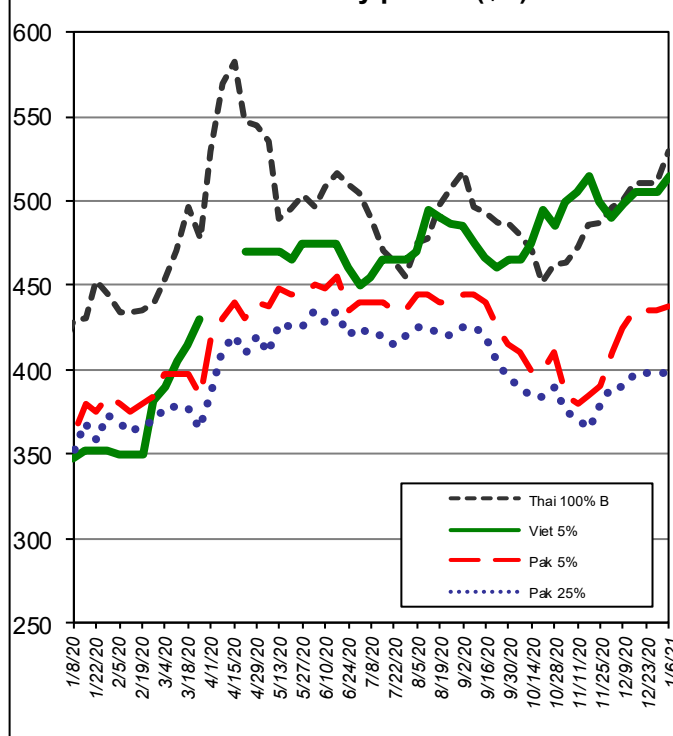
## International Markets

Milled rice international FOB quotes

Exchange rate 1 € = 1.2338 \$

Asian Markets	\$/t	€/t
Thai 100%B	530	430
Vietnam 5%	515	417
India 5%	370	300
Pakistan 5%	438	355
Pakistan 25%	398	323
Myanmar 5%	455	369
India Basmati trad.	1,375	1,114
Other Markets	\$/t	€/t
Uruguay 5%	620	503
Argentina 5%	600	486
Paraguay 5%	560	454
USA LG 2/4% Fob Bulk Nola	610	494
California MG 1/4% Med	835	677

Weekly prices (\$/t)



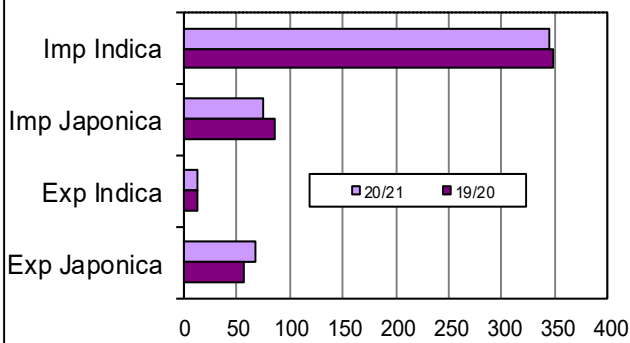
## Food Safety

### Rapid Alert System (Source: EFSA)

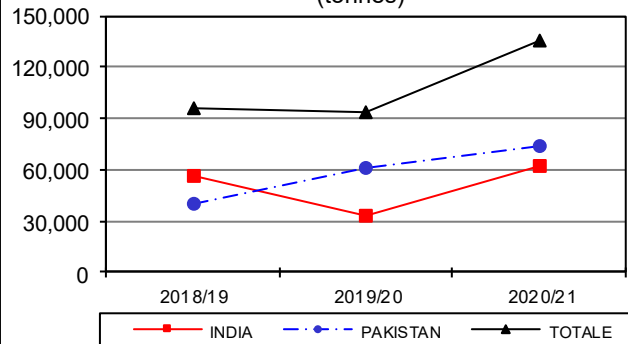
A border rejection notification was sent by Spain concerning aflatoxins (B1 = 3.0 / B1 = 3.1 / B1 = 2.2 µg/kg – ppb) in white rice from Pakistan.

# European Market

**Import Export EU** ('000 tonnes milled rice equivalent)



**Basmati husked rice imports** (tonnes)

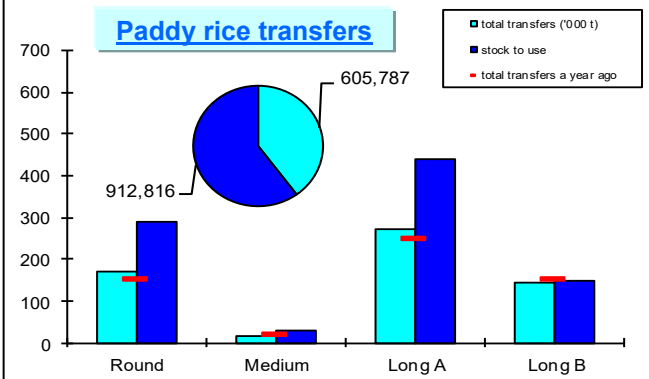


## In focus

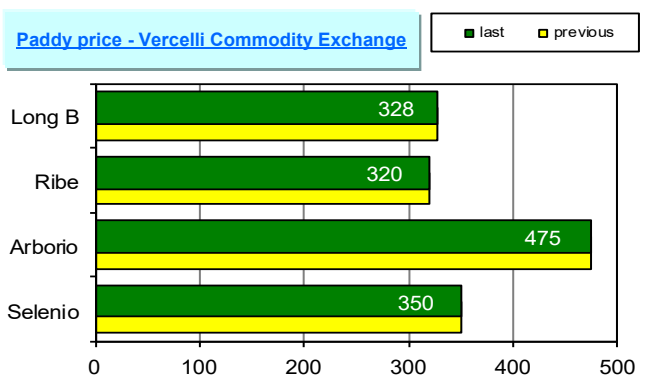
The volumes cleared through EU customs in the first four months of the 2020/2021 campaign amount to 419,211 tonnes, in milled equivalent, 3% less than last year. Paddy rice imports, amounting to 7,813 tonnes, increased by 22%, husked rice imports, amounting to 174,081 tonnes, decreased by 8%, whereas semi-milled and milled rice imports, amount to 237,318 tonnes, are at the level recorded a year ago. Husked Basmati rice imports increased by 41,495 tonnes (+44%), from 94,164 tonnes a year ago to 135,659 tonnes today. EU exports, amounting to 78,813 tonnes, in milled equivalent, increased by 11% compared to last campaign, thanks to a 30% increase (+13,330 tonnes) of the semi-milled and milled rice Japonica exports which amounts to 57,777 tonnes.

# Italian Market

**Paddy rice transfers**



**Paddy price - Vercelli Commodity Exchange**



## In focus

In the last week paddy rice transfers by farmers reached 13,954 tonnes: 5,586 tonnes of long A grain, 4,273 tonnes of long B grain, 3,354 tonnes of round grain and 741 tonnes of medium grain. The total transfers increased by 30,465 tonnes (+5%) compared to last campaign.

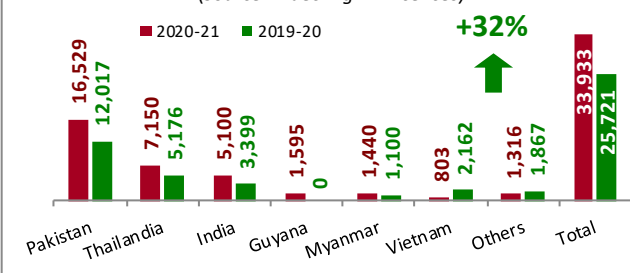
At Commodity Exchange in Vercelli, the paddy prices did not change and quotations were rated as nominal.

Up to 31 December 2020, Italian imports, amounting to 33,933 tonnes, in milled equivalent, increased by 8,212 tonnes (+32%) compared to last campaign. More than 50% of the increase due to the greater imports (+4,512 tonnes, +38%) from Pakistan. Also the volumes cleared through customs increased (+5,586 tonnes, +19%), as you can see in table at the bottom.

Italian exports amount to 41,076 tonnes, in milled equivalent, 6,108 tonnes (+17%) more than last year. With 13,961 tonnes, Turkey is the largest importer of Italian rice.

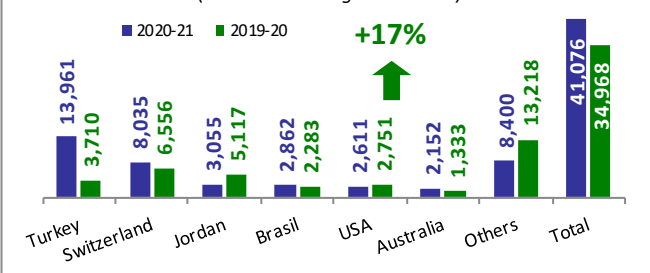
**Import: husked + milled - till 31/12/2020**

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



**Export: husked + milled - till 31/12/2020**

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



**Italian imports till 31/12/2020 - Customs declarations - Source: DG Agri** (tonnes in milled rice equivalent)

Campaign	Paddy			Brown rice			Semi-milled / Milled rice			TOTAL		
	Indica	Japonica	Total	Indica	Japonica	Total	Indica	Japonica	Total	Indica	Japonica	TOTAL
2020/2021	1,116	-	1,116	10,407	374	10,781	22,072	631	22,703	33,595	1,005	34,600
2019/2020	3,949	-	3,949	9,079	1,495	10,574	12,770	1,721	14,491	25,798	3,216	29,014