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Uzbekistan, Republic of

Grain and Feed

Rice Update

2000

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Report Highlights:

According to preliminary official data, Uzbekistan's MY 00/01 rice production has declined by 60 percent to 100,000 metric tons due to severe drought. As a result, Uzbekistan's import requirement is forecast at 135,000 metric tons.

Includes PSD changes: Yes
Includes Trade Matrix: No
Unscheduled Report
Islamabad [PK1], UZ

PRODUCTION:

Rice is the second most important grain crop in Uzbekistan. Despite a program of agricultural reforms, the state continues to play a major role in rice production, milling, trade and marketing. The state order for MY 00/01 remains unchanged at 50 percent and the state procurement price for paddy has increased from soum 50,000 per MT to 80,000 per MT (\$1 = soum 314 at the official rate and soum 900 at the unofficial rate). Sources indicate that a medium-type grain is the major variety of rice produced. About 85 percent of the crop is grown in the southwestern part of the country in the Republic of Karakalpakstan and the Khorezm region.

Rice is produced on about 48 specialized farms. Most of these rice-producing farms now are referred to as 'shirkat' which is the name given to so-called privatized collective farms organized under government's decrees of the late 1990s. In general, 'shirkat' farms provide farmers with longer-term leases (from 10-to-50 years), but they still are required to grow what and how much the government tells them.

Table 1: Rice Production, Supply and Demand

PSD Table						
Country	Uzbekistan, Republic of					
Commodity	Rice, Milled				(1000 HA)(1000 MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Area Harvested	148	148	164	164	65	45
Beginning Stocks	0	0	0	0	0	0
Milled Production	235	235	269	269	114	100
Rough Production	362	362	414	414	175	154
MILLING RATE (.9999)	6500	6500	6500	6500	6500	6500
TOTAL Imports	40	40	30	30	125	135
Jan-Dec Imports	40	40	30	30	125	135
Jan-Dec Import U.S.	0	0	0	0	0	0
TOTAL SUPPLY	275	275	299	299	239	235
TOTAL Exports	0	0	0	0	0	0
Jan-Dec Exports	0	0	0	0	0	0
TOTAL Dom. Consumption	275	275	299	299	239	235
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	275	275	299	299	239	235

Rice production suffers from many of the same problems as other crops, including the lack of adequate incentives, inputs, machinery and fuel. Harvest losses are estimated to be as much as 20 percent of the crop. Because of its heavy water requirements and other associated problems, rice production is generally considered insufficient.

According to preliminary estimates, Uzbekistan's MY2000/01 rice crop will be its lowest in the recent past. Due to this year's severe drought and irrigation shortage, only 45,000 hectares of a total planted area of 115,000 hectares were harvested. The remaining 70,000 hectares were abandoned. As a result, Uzbekistan's MY 00/01 milled rice production is forecast at 100,000 MT. Apparent yield increases generally are attributed to the diversion of resources to better fields.

Due to this year's problems, the Government of Uzbekistan recently adopted a resolution to reduce rice area for the next season in favor of grains and other crops with lower water requirements. So far, no concrete numbers have been officially indicated but most of the reduction is expected to occur in Karakalpakstan and Khorezm.

CONSUMPTION

All state order paddy is delivered to state mills controlled by the State Corporation 'Uzdonmakhsulot', which mills and processes rice. Over quota paddy may be delivered to the several joint-stock or privately-owned mills which are also involved in rice milling.

Rice and bread are the staples of the Uzbek diet. Rice consumption has moderated with the end of state consumption subsidies. The current retail price for rice is reported to be about soums 350-400 per kilogram, depending on quality (which so far is only moderately above last year's prices in real terms).

TRADE

Trade statistics for rice generally are not available, making it still difficult to track imports. 'Uzdonmakhsulot' and a few large private concerns are mainly involved in the rice trade. During the past several years, Uzbekistan reportedly imported rice from several Commonwealth of Independent States countries, including Kazakstan and Russia. Based on the forecast decline in production, Uzbekistan's MY 2000/01 rice import forecast has been increased to 135,000 MT.