



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - Public distribution

Date: 12/12/2007

GAIN Report Number: TW7050

Taiwan

Grain and Feed

Update on the Public Rice Tender Process

2007

Approved by:

Alan Hallman
American Institute in Taiwan

Prepared by:

Chiou Mey Perng

Report Highlights:

Taiwan has completed 17 percent of its 2007 normal public import quota, 55 percent has been scheduled and the remaining 28 percent has yet to be scheduled. It is unlikely that Taiwan will complete the tendering process before the end of the year. On December 11, Taiwan awarded 4,000 ton of a 15,000 ton tender for U.S. origin medium/short grain rice, the remaining 11,000 tons were not awarded due to ceiling price issues. Taiwan has also made a pre-announcement of its 2008 SBS tender quota quantity, increasing it by 5,000 tons to 25,000 tons from this year. The U.S. 2008 SBS quota will be 4,200 tons, compared to 1,795 tons in 2007, and is scheduled for tendering in August 2008. Comments are welcome before the official tender announcement is made.

Includes PSD Changes: No
Includes Trade Matrix: No
Annual Report
Taipei [TW1]
[TW]

December 11 Update on Public Rice Tender for 2007 Import Quota:

As of December 11, Taiwan has completed 17 percent of its 2007 normal public import quota, 55 percent has been scheduled and the remaining 28 percent has yet to be scheduled. It is unlikely that Taiwan will complete the tendering process before the end of the year. Out of the 17 percent completed, U.S. rice has captured a 15 percent share.

The first tendering process of the third batch normal tender for 15,000 tons of U.S. origin medium/short grain was held on December 11. The tender was divided into two lots: one for 13,000 tons brown rice (GF4-960-226) and the other for 2,000 tons milled rice (GF4-960-227). Taiwan awarded 4,000 tons to one U.S. importer in the first tendering process and the second tendering for the remaining quota amounts of these two lots will be announced in a couple weeks. Details are as follows, also see tender results summary in Table 2.

Taiwan also pre-announced of its 2008 SBS tender quota quantity of 25,000, an increase of 5,000 tons from this year. U.S. SBS quota will be 4,200 tons, compared to 1,795 tons in 2007, and is scheduled for tendering in August 2008. Comments are welcome before the official tender announcement is made. Official tender announcements are made at least two weeks before the actual tender occurs. Details are listed in Table 1.

A. Results of Third Batch Normal Tender- 1st Tendering Process

1. GF4-960-226 for 13,000 tons U.S. origin medium/short grain brown rice:

Four bidders representing three U.S. importers participated in the bids. Taiwan awarded 4,000 tons out of the 13,000 tons to one U.S. importer at NT\$19,744/mt or \$610.89/mt right after the bids were open because the price fell within the pre-set ceiling. The remaining three bidders, with lowest offered at NT\$20,478/mt or \$633/mt and highest at NT\$20,868/mt or \$658/mt, refused to offer at the same price level as the winner bidder and were unwilling to reduce their offers further in the rebidding sessions at the first tendering process. The 2nd tendering process will be scheduled soon.

2. GF4-960-227 for 2,000 tons U.S. origin medium/short grain milled rice (equivalent 2,300 tons on brown):

There was only one U.S. importer participated in the bid and the tender failed because the offered bidding price exceeded the COA pre-set ceiling, with offered bidding price at NT\$23,863/mt or \$738/mt.

(Quoted exchange rate is \$1=NT\$32.32.)

B. New Announcement of the Fourth Batch Normal Tender:

On December 4, Taiwan announced the fourth batch normal tender for 14,150 tons U.S. origin medium/short grain rice. The tender is scheduled for December 20, details as follows.

1. GF4-960-244 for 13,000 tons U.S. origin medium/short grain brown rice.

Crop Year: 2007

Technical Tender: December 18, 2007

Price Tender: December 20, 2007

Delivery Term: Delivered to the designated COA warehouses by June 30, 2008

2. GF4-960-245 for 1,000 tons U.S. origin short grain milled glutinous rice (equivalent 1,150 tons on brown).

Crop Year: 2007

Technical Tender: December 18, 2007

Price Tender: December 18, 2007

Delivery Term: Delivered to the designated COA warehouses by March 31 , 2008.

C. Pre-announcement of the 2008 SBS Tender Quota Quantity:

Taiwan has announced its 2008 Simultaneous-Buy-and-Sell (SBS) tender quantity, increased by 5,000 tons to 25,000 tons from this year. The total public sector import quota, including SBS and normal tenders, amounts to 94,068 tons. The U.S. origin SBS rice will be increased to 4,200 tons from this year's 1,795 tons. Comment period for the first SBS tender, which is scheduled for January 2008, ends December 18; whereas comments regarding the August SBS tender will be welcome before official tender announcement is made. Details are listed in Table 1.

Table 1 – SBS Tender Schedules for 2008 Quota

Tender Type	Tendering Process	Tender Number and Country Origin
SBS-1 (CSQ)	January 2008	GF4-960-257 for 7,000 tons-Australia
	January 2008	GF4-960-258 for 5,500 tons-Thailand
	January 2008	GF4-960-259 for 2,500 tons-Egypt
SBS-2 (CSQ)	August 2008	GF4-960-xxx for 4,200 tons-USA
	August 2008	GF4-960-xxx for 3,000 tons-Australia
	August 2008	GF4-960-xxx for 2,800 tons-Thailand
Total SBS Quota: 25,000 tons		
Total Normal Quota: 69,068 tons		
Total Public Rice Quota: 94,068 tons		

Table 2 – Summary Tender Schedule & Results for 2007 Quota

Tender Type	Tendering Process	Tender Number and Country Origin
SBS-1	March 28 May 9	GF4-960-291 for 9,100 tons-Global
	Completed at the 1 st process held on September 27	GF4-960-102 for 6,347 tons-Thailand

SBS-2 (CSQ)	Completed at the 2 nd process held on October 5	GF4-960-139 for 2,258 tons-Egypt
	Portion of the quota awarded at the 2 nd tendering process held on October 5 and Completed at the 3 rd tendering process held on October 17	GF4-960-140 for 1,795 tons-USA
	40 tons awarded at the 3 rd tendering process held on October 17, see tender NO. GF4-960-141-1 for the remaining 460 tons on global	GF4-960-141 for 500 tons-Australia (40 tons on Australia, 460 tons on global)
	Completed on November 6	*GF4-960-141-1 for 460 tons-Global
Total SBS Quota: 20,000 tons		
Normal-1 (CSQ)	October 19 (Awarded zero tons)	GF4-960-165 for 11,000 tons medium/short brown-USA
	November 13 (Awarded 4,000 tons)	GF4-960-165-1 for 11,000 tons medium/short brown-USA
	November 29 (Awarded 2,000 tons and 5,000 tons failed and open for global quota See Tender No.GF4-960-165-3)	GF4-960-165-2 for 7,000 tons medium/short brown-USA

	Australia withdrew its quota rights after the 2 nd tendering process held on November 13 and the quota has been transferred into global quota See tender No. GF4960-234 to GF4-960-237	*GF4-960-166 for 10,000 tons medium/short brown Australia
	December 14	GF4-960-234 for 2,000 tons Long grain milled glutinous rice (2,300 tons on brown)- global
	December 14	GF4-960-235 for 2,000 tons long grain milled rice (2,300 tons on brown)-global
	December 14	GF4-960-236 for 2,000 tons long grain fragrance milled rice (2,300 tons on brown)-global
	December 14	GF4-960-237 for 3,000 tons of medium/short milled rice (3,450 tons on brown)-global
	December 20	*GF4-960-165-3 for 5,000 tons of medium/short grain brown rice-global
Normal-2	November 22 (completed)	GF4-960-180 for 1,000 tons short grain glutinous milled rice (1,150 tons on brown)-USA
	November 22 (completed)	GF4-960200 for 1,000 tons long grain milled glutinous rice (1,150 tons on brown)-Thai
Normal-3	December 11 (Awarded 4,000 tons at the 1 st tendering process)	GF4-960-226 for 13,000 tons medium/short brown rice-USA
	December 11 (Awarded zero tons at the 1 st tendering process)	GF4-960-227 for 2,000 tons medium/short milled (2,300 tons on brown)-USA
Normal-4	December 20	GF4-960-244 for 13,000 tons medium/short grain brown rice-USA
	December 20	GF4-960-245 for 1,000 tons short grain milled glutinous rice-USA-delivered by
	TBD	*5,981 tons, originally allocated to Australia, on global

	TBD	14,987 tons-USA
Total Normal Quota: 74,068 tons		
Total Public Rice Quota: 94,068 tons		