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Global Agricultural Information Network

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Taiwan

Post: Taipei

Conclusion of the 2010 Rice CSQ Tenders (Summary Tables included)

Report Categories:

Grain and Feed

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Report Highlights:

On December 23, Taiwan concluded the 2010 rice CSQ tenders after they awarded 7,634 tons of the globalized U.S. CSQ to an Australian rice handler at NT\$25,989/mt or \$849/mt.

AgTaipei notes that Taiwan started tendering for the 2011 rice CSQ on December 30 for the first tranche of Simultaneous Buy and Sell (SBS) tender. The schedule and results of the 2011 rice CSQ tenders will be reported in separate GAIN report.

Executive Summary:

On December 23, Taiwan completed the 2010 rice CSQ tenders after they successfully tendered 7,634 tons of globalized U.S. CSQ under Tender GF4-99-0195.

Results of the Tender GF4-99-0195 for 15,134 tons U.S.-origin 2010 crop medium/short grain brown rice.

On October 1, Taiwan partially completed this rice tender at the first tender. Two out of six bidders who participated in the bid were awarded 2,500 tons and 5,000 tons respectively at the same price of NT\$24,899/mt or \$795/mt (Exchange rate: \$1 = NT\$31.33).

On October 15, the remaining 7,634 tons failed the second tender because of the offered bidding prices exceeded the pre-set ceiling price, with the lowest bidding offered price of NT\$25,268/mt or \$820/mt (Exchange rate: \$1 = NT\$ 30.80).

On December 7, the leftover 7,634 tons failed the third tender. Five bidders participated in the bid, of which two failed technical tender due to higher than 2 percent of damaged kernels at 3 and 4 percent and the other three failed due to offered bidding prices exceeded the ceiling price. The lowest offered bidding price among these three bidders was NT\$27,780/mt or \$907/mt (Exchange rate: \$1 = NT\$30.63)

On December 23, the remaining 7,634 tons of U.S. CSQ was globalized and tendered. Taiwan successfully awarded the tender to one Australian rice handler at NT\$25,989/mt or \$849/mt (Exchange rate: \$1 = NT\$30.61).

General Information:

Tables

Table 1 – Allotments of Taiwan’s 2010 Country-Specific Quota (CSQ) for Public Sector Imports (in MT on a brown basis)

| Country | SBS Tender | Traditional Tender | Total 2010 Rice CSQ |
|------------|---|---|---------------------|
| Egypt | 2,500 | 0 | 2,500 |
| Thailand | 6,000 | 2,300 | 8,300 |
| Australia | 12,500 <i>(only secured 260 tons and the rest 12,240 tons were globalized)</i> | 6,134 <i>(6,134 tons were globalized and re-caught; also received globalized 7,634 tons of U.S. CSQ)</i> | 18,634 |
| USA | 9,200 | 55,434 <i>(7,634 tons was globalized)</i> | 64,634 |
| 2009 Total | 30,200 | 63,868 | 94,068 |

Table 2 – Summary Tender Schedule & Results for the 2010 Rice CSQ

| Tender Type | Tendering Process | Tender Number and Country Origin |
|---|--|---|
| SBS – Tranche one for delivery by 12/31/2010. Exchange rates: USD 1 to NTD 32.29 on 12/29/2009; NTD 32.06 on 02/11/2010 | Completed at 1 st tender on 12/29/2009 | <u>GF4-98-0253 for 6,000 U.S.-origin:</u> Completed at the 1 st tender with floor price at NT\$2.188/kg or \$67.76/mt. Four were awarded among 16 bidders who participated in the bid, two received 2,000 tons each and another two received 1,000 tons each, all at the above-mentioned mark-up. |
| | 1 st tender on 12/29/2009 2 nd tender on 01/07/2010 3 rd tender on 01/19/2010 Globalized & completed on 02/11/2010 | <u>GF4-98-0254 for 6,500 tons Australian- origin:</u> The tender Failed the 1 st tender due to no bidders participated in the bid. Failed the 2 nd tender due to no bidders participated in the bid. Failed the 3 rd tender due to no bidders participated in the bid. After three failure tenders, the entire tender quota was globalized and completed on 02/11/2010. 4,800 tons were awarded at NT\$7.609/kg or \$237/mt and 1,700 tons at NT\$7.175/kg or \$224/mt to 8 successful bidders among 27 who participated in the bid. |
| | Completed at 1 st tender on 12/29/2009 | <u>GF4-98-0255 for 4,000 tons Thai-origin rice:</u> Completed at the 1 st tender on 12/29/2009 with 25 bidders participated in the bid. Two bidders were awarded 490 tons and 1,000 tons each at NT\$8.000 or \$247.75/mt and the other four shared the remaining 2,510 tons at NT\$6.860/kg or \$212.45/mt. |
| | Subtotal: 16,500 tons | |
| SBS – Tranche two for delivery by 04/30/2011. | 1 st tender on 03/23/2010 | <u>GF4-99-0041 for 3,200 tons of US-origin :</u> Failed at the 1 st tender due to offered bidding mark-up below the pre-set floor price level. 22 bidders participated in the bid, with offered bidding prices in the range from NT\$0.588/kg (\$17.5/mt) to NT\$4.800/kg (\$150.56/mt). |
| | Completed at 2 nd tender on 04/02/2010 | The tender completed at the 2 nd tender on April 2. Thirteen bidders participated in the bid, of which five were awarded, one with 420 tons at NT\$6.338/kg (\$199.43/mt) and the other four together with the rest 2,780 tons at NT\$5.629/kg (\$177.12/mt). |
| | 1 st tender on 03/23/2010 2 nd tender on 04/02/2010 | <u>GF4-99-0042 for 6,000 tons Australia-origin :</u> The tender failed due to only one bidder participated in the bid. Failed the 2 nd tender. Only one Australian rice handler offered bidding of NT\$1.501/kg (\$42.23/mt) for 260 tons, but the offer were below the pre-set floor price. |

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| Exchange rates: USD 1 to NTD 31.88 on 3/23/2010; NTD 31.78 on 04/02/2010; NTD 31.39 on 4/22/2010; NTD 31.77 on 5/13/2010 | 3 rd tender on 4/20/2010 Globalized and completed on 5/13/2010 | 260 tons were awarded at NT\$1.580/kg (\$50.33/mt) After three tenders, the leftover 5,740 tons were globalized and completed on 5/13/2010. Only six out of twenty nine bidders succeeded the bidding, of which 5 were awarded 1,000 tons each and the other one received the rest 740 tons, all at the same markup of NT\$9.011/kg (\$283/mt). |
| | 1 st tender on 03/23/2010 Completed at the 2 nd tender on 04/02/2010 | <u>GF4-99-0043 for 2,000 tons Thailand-origin:</u> 1,000 tons were awarded to two successful bidders out of nineteen, 500 tons each, at NT\$8.601/kg (\$269.79/mt) The remaining 1,000 tons were awarded to three successful bidders out of fifteen. One received 260 tons at NT\$8.603/kg (\$270.70/mt) and the other two received 190 tons and 550 tons, respectively, at the same price of NT\$8.102/kg (\$254.94/kg). |
| | 1 st tender on 03/23/2010 Completed at 2 nd tender on 04/02/2010 | <u>GF4-99-0044 for 2,500 tons of Egypt-origin:</u> Seven bidders participated in the bid. The tender failed the 1 st tender because offered bid prices were lower than pre-set mark-up. The tender completed at the second tender. 2,500 tons were awarded to five out of nine bidders. One received 690 tones, the other 160 tons, and the other three 550 tons each, all at the same markup of NT\$4.188/kg (\$131.78/mt). |
| Subtotal 13,700 tons | | |
| Total SBS Quota: 30,200 tons | | |
| Traditional -1 announced on 03/23/2010 Exchange rates: USD 1 to NTD 31.70 on | 1 st tender on 04/09/2010 Completed at the 2 nd Tender on 04/20/2010 | <u>GF4-99-0690 for 20,000 tons US-origin Short/Medium Grain Brown Rice for Delivery by 08/31/2010</u> Failed at the 1 st tender. Five bidders participated in the bid, one failed to meet broken kernel specification of 3 percent and the others with offered prices exceeded the ceiling with lowest offered price of NT\$21,984/mt (\$693/mt). Successfully completed at the 2 nd tender for delivery by 08/31/2010. Five bidders participated in the bid. Four out of five succeeded the bid. One was awarded 3,000 tons at NT\$21,700/mt (\$691/mt), one awarded 4,000 tons at NT\$22,561/mt (\$718/mt) and the other two 1,100 tons and 2,000 tons, respectively, at the same price of NT\$22,070/mt (\$702/mt). |

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| Traditional 3 | <p>1st tender on 09/09//2010 (partially completed 10,000 tons)</p> <p>2nd tender on 10/01/2010 (completed)</p> | <p><u>GF4-99-0180 for 18,000 tons US-origin 2010 Crop Short/medium Grain Brown Rice; 10,000 tons for Delivery by 01/31/2011 and 8,000 tons for Delivery by 02/28/2011.</u></p> <p>Partially completed 10,000tons at the 1sttender for delivery by 01/31/2011. Three out of seven bidders succeeded the bidding and were awarded 4,000tons, 4,000 tons and 2,000 tons respectively at the same price of NT\$23,999/kg (\$750/mt)</p> <p>The leftover 8,000 tons were completed at the 2ndtender for delivery by 02/28/2011. Three out of five bidders succeeded the bidding. One was awarded 2,500 tons at NT\$25,220/mt (\$805/mt) and other two 2,500 tons and 3,000 tons, respectively, at the same price of NT\$24,899/mt (\$795/mt).</p> |
| Exchange rate: USD 1 to NTD 31.98 on 09/09/2010; NTD 31.33 on 10/01/2010 | <p>1st tender: 09/09//2010 (completed)</p> | <p><u>GF4-99-0181 for 1,000 tons US-origin 2010 Crop Short Grain Milled Glutinous Rice (1,150 tons brown equivalent) for Delivery by 01/31/2011</u></p> <p>Completed at the 1sttender. Three out of six bidders succeeded the bid and were awarded respectively 500 tons at NT\$33,490/mt (\$1,047/mt), 400 tons and 100 tons both at NT\$33,856/mt (\$1,059/mt).</p> |
| Traditional -4 | <p>1st tender: 10/01/2010 (partially completed 7,500 tons)</p> <p>2ndtender on 10/25/2010</p> <p>3rdtender on 12/07/2010</p> <p>Globalized and completed on 12/23/2010</p> | <p><u>GF4-99-0195 for 15,134 tons of US-origin 2010 Crop Short/Medium Grain Brown Rice; 7,500 tons for Delivery by 02/28/2011 and 7,634 tons for delivery 06/30/2011</u></p> <p>Partially completed 7,500 tons at the 1sttender for delivery 02/28/2011. Two out of six bidders were awarded 2,500 tons and 5,000 tons each at the same price of NT\$24,899/mt (\$795/mt)</p> <p>The leftover 7,634 tons failed at the 2ndtender, with lowest offered bidding price of NT\$25,268/mt (\$820/mt).</p> <p>The leftover 7,634 tons failed at the 3rd tender. Five bidders participated in the bid, of which two failed technical tender due to higher than 2 percent of damaged kernels at 3 and 4 percent and the other three failed due to offered bidding prices exceeded the ceiling price. The lowest offered bidding price among these three bidders was NT\$27,780/mt (\$907/mt).</p> <p>The leftover 7,634 tons of U.S. CSQ was globalized. It was awarded to one Australian rice handler who competed out five bidders who handle U.S. rice at NT\$25,989/mt (\$849/mt).</p> |
| Exchange rate: USD 1 to NTD 31.33 on 10/01/2010; NTD 30.80 on 10/15/2010; NTD 30.63 on 12/07/2010; NTD 30.61 on 12/23/2010. | | |

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| Total Traditional Tender Quota: 63,868 tons |
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| Total Quota for Public Sector Imports is 94,068 tons |
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