



MYANMAR: From Asia's Forgotten Rice Bowl to Feeding the Future



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Key Take Home Messages:

- **Rise, fall, and rise again** of Rice in Myanmar: From **Top exporter** in the world – **lull** – then like ‘**phoenix rising from ashes**’ (Tom Slayton), more recently
- Given Myanmar’s **rich resource endowment** (land, water, human resources, and strategic location); its varied **agro-climatic zones**; and leveraging on the **weight of history** – will remain a **reliable producer/exporter of rice (and food) well into the future.**
- Guided by more holistic **Supply Chain Management Approach** and **Agriculture (Rice) plus plus** strategy, Myanmar is well positioned to ‘**Feed the Future with Safe, Nutritious and Traceable rice/food...**’ ‘with a little help from our friends’.
- Based on the past and on-going initiatives of **MAPCO (and MRF)** particularly in the development of **comprehensive supply chains and trading networks**, including the development of **integrated rice complex project (IRCP)**, strategically located **Agribusiness Service Centers (ASCs)** and other exciting initiatives, particularly the new dimension of ‘**Business for Peace**’ we are moving **beyond profits** to contributing to **nation building** – ‘New Age Business’, with a Buddhist slant
- ‘**Ehipassiko**’ – “come and see” for yourselves.. and join us on this exciting and meaningful journey

MYANMAR'S RESOURCE ENDOWMENT:

Largest continental ASEAN member country – 67.6 mil ha – 1,900 km coastline

A. Lower Myanmar

1. Delta region

2. Coastal region

B. Upper Myanmar

3. Central dry zone region

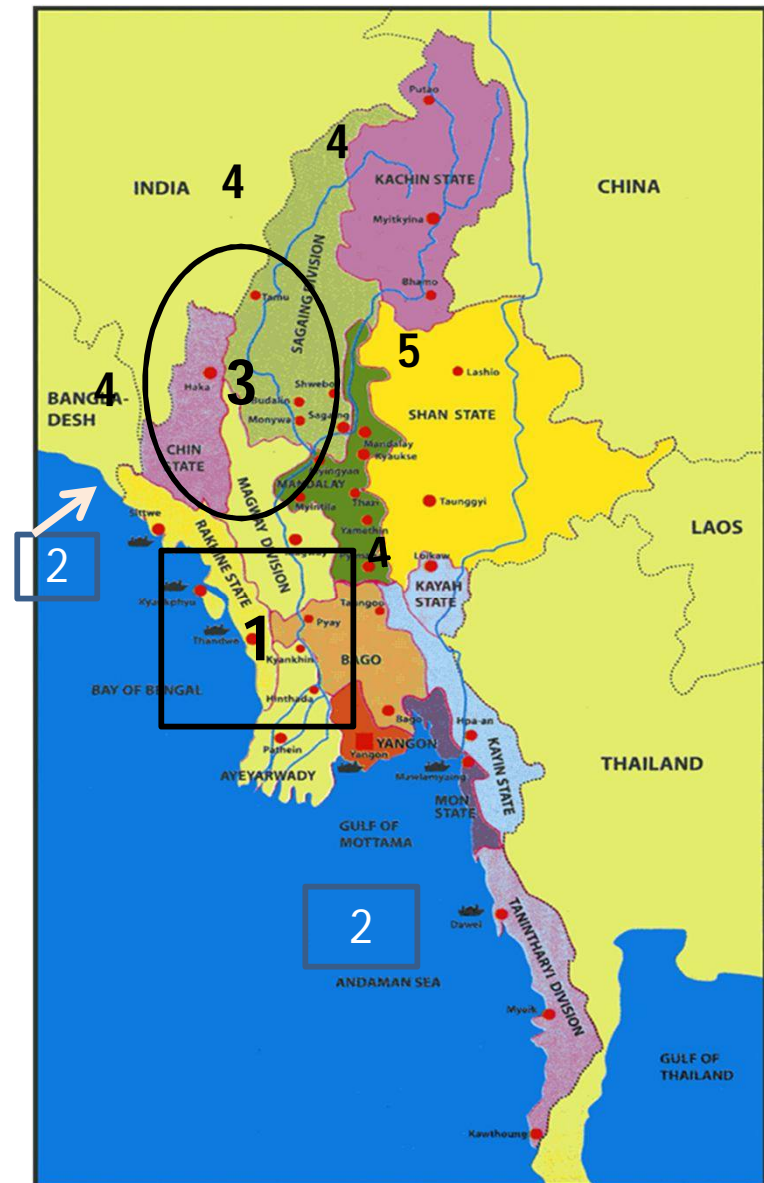
4. Mountainous region

5. Shan Plateau

Wide ranging agro-climatic zones and abundant water resources (3 of 4 major rivers originate within own border) – can grow crops ranging from tropical to moderate temperate – **rice** (50% cropped area), **pulses** (20%), **oil seeds** (15%), **maize**, **cotton**, **sugar cane**, **rubber**, **vegetables**, **tropical fruits** – also coffee and tea

Also **Livestock** and **Fisheries**

Virgin and fallow land – 5.67 mil ha plus Forest land – 33.6 mil ha – underscoring **Myanmar's reputation of having significant land frontier**





4 Major Rivers (of which 3 originates within own border) and many rivers and creeks flow into or join the major rivers



Crop Season	Planting Area (acres million)
Monsoon Paddy	16
Summer Paddy	3
Total	19

Sagaing Region

Rakhine State

East & West Bago Region

Ayeyarwaddy Delta Region

Myanmar's Advantage (into the future):

- Biodiversity
- Land
- Water
- Larger Farm Size
- Human Resources
- Present inefficiencies in supply/value chain largely man-made - can be fixed/squeezed out

➤ Share in World Rice Production and Consumption

✓Major rice production countries			✓Major rice consumption countries		
Country	2012/13 (mi. ton)	%	Country	2012/13 (mil.ton)	%
China	143	30.3	China	144	30.8
India	105.2	22.3	India	94	20.1
Indonesia	36.6	7.8	Indonesia	38	8.1
Bangladesh	33.8	7.2	Bangladesh	34.5	7.4
Vietnam	27.7	5.9	Vietnam	20.5	4.4
Thailand	20.2	4.3	Philippines	12.9	2.8
Myanmar	11.7	2.5	Thailand	10.6	2.3
Philippines	11.4	2.4	Myanmar	10.4	2.2
Japan	9.8	2.1	Japan	8.3	1.8
Brazil	8.0	1.7	Brazil	7.9	1.7
USA	6.3	1.3	Nigeria	5.4	1.2
Cambodia	4.6	0.9	Korea	4.6	1.0
Others	53.2	11.3	USA	3.8	0.8
Total	471.5	100	Egypt	3.9	0.8
			Cambodia	3.6	0.7
			Others	64.8	13.9
			Total	467.2	100.00

Source: Grain: World Market and Trade, USDA, March 2014

➤ Share in Rice Export and Import

✓ Major Rice export countries in 2013

Country	Amount (mil. ton)	%
India	10.50	27.16
Vietnam	6.80	17.59
Thailand	6.70	17.33
Pakistan	3.50	9.05
USA	3.27	8.46
Myanmar	1.16	3.01
Cambodia	0.98	2.53
China	0.45	1.16
Brazil	0.83	2.15
Uruguay	0.90	2.33
Argentina	0.53	1.37
Egypt	0.85	2.20
Australia	0.46	1.19
Guyana	0.35	0.91
Others	1.38	3.56
Total	38.66	100.0

✓ Major Rice importing countries in 2013

Countries	2013	%
China	3.20	8.28
Nigeria	2.60	6.73
Iran	2.15	5.56
Iraq	1.30	3.36
Cote d'Ivoire	1.30	3.36
EU	1.30	3.36
Saudi Arabia	1.23	3.18
Senegal	1.25	3.23
Philippines	1.10	2.85
South Africa	0.95	2.46
Malaysia	0.90	2.33
Indonesia	0.65	1.68
Brazil	0.75	1.94
Japan	0.69	1.78
Mexico	0.73	1.89
Others	17.91	46.33
Total	38.66	100.0

Source: Grain: World Market and Trade, USDA, March 2014

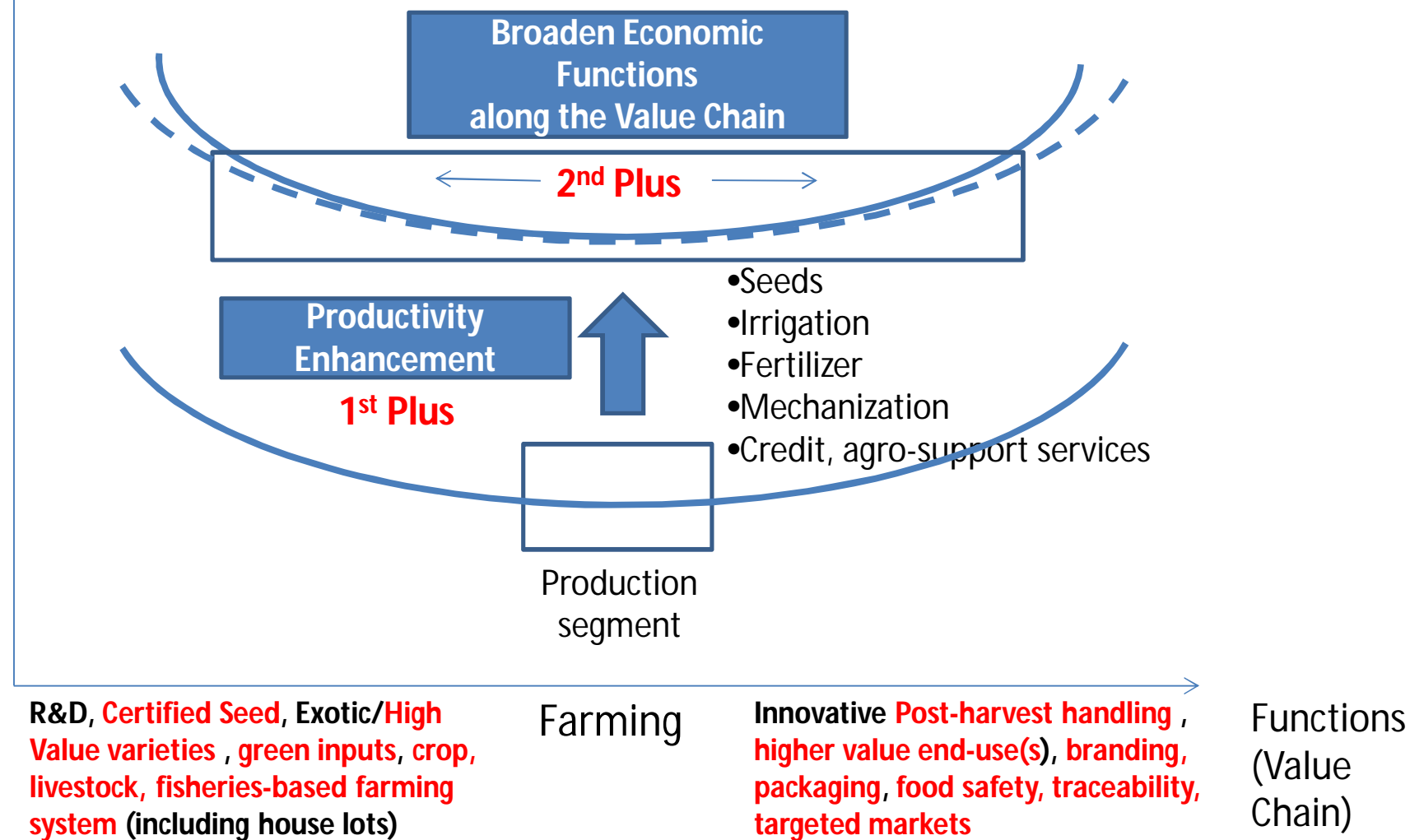
The flowchart illustrates the agricultural value chain, starting with **Inputs** (Seeds, Agro-chemicals, Irrigation, Machinery & equipment, Other inputs) leading to **Production** (Farmer / Producer, Small farmer / producer, Group farming / production, Estates / large scale production). Production leads to **Processing / Value-Adding** (Processor / Value-Adding, Main product, Co-products, By-products, Wastes). Processing leads to **Distributive Trade** (Wholesaler, Distribution & Storage, Bulk / Pre-packed). Distributive Trade leads to **International Trade** (Imports, Exports, Local, Overseas). International Trade leads to **Consumers** (Retailer, Institutional Buyer, CONSUMERS). A **Stockpile/ Buffer Stock** is shown as a dashed box between Processing and Distributive Trade.

CURRENT/FUTURE OPPORTUNITIES

TIER I	INPUT / PRODUCTION / OUTPUT	<ul style="list-style-type: none"> End uses, End uses enabled by science & technology innovations
TIER II	INTERMEDIATE SUPPLIER & SUPPORT SERVICE	<ul style="list-style-type: none"> Inputs, Machinery & Equipment, Metal industry Industrial Chemicals, Paper industry, Printing Logistics, Business Services
TIER III	FOUNDATION PROVIDERS	<ul style="list-style-type: none"> Infrastructure, Finance, HR Development Technology, Regulatory Environment

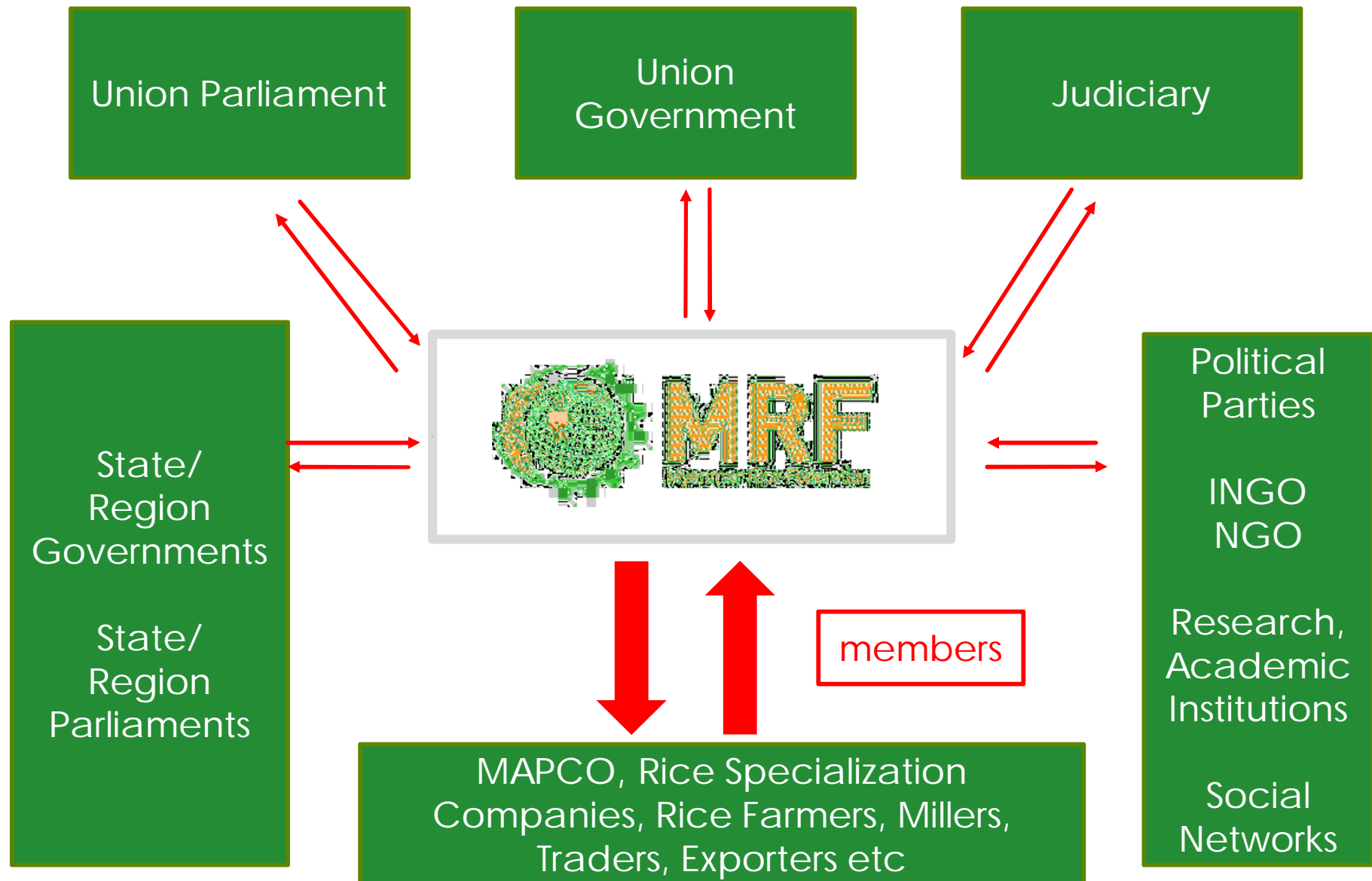
Value Adding

THEORY 2: Agriculture (Rice)+ + Strategy

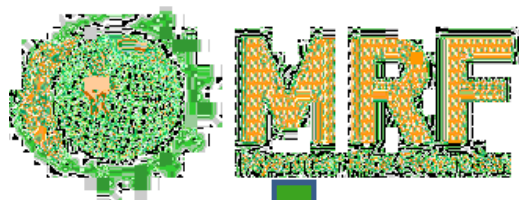


Source: Wong (2014)

Promoting the interest and welfare of members – Effective & Efficient
Coordination & Cooperation



PRACTICE: Three Pillars of MAPCO – Corporate Core Agendas



MAPCO is a business arm of MRF, covering not only rice but also other agribusinesses, and is formed to mobilize investment in agriculture and agro-based industries.

Food Security

- Sustainable Food Security
- National Stockpile management
- Effective & Efficient Coordination along Supply Chain, Value Chain
- Food Safety & Environment Conservation

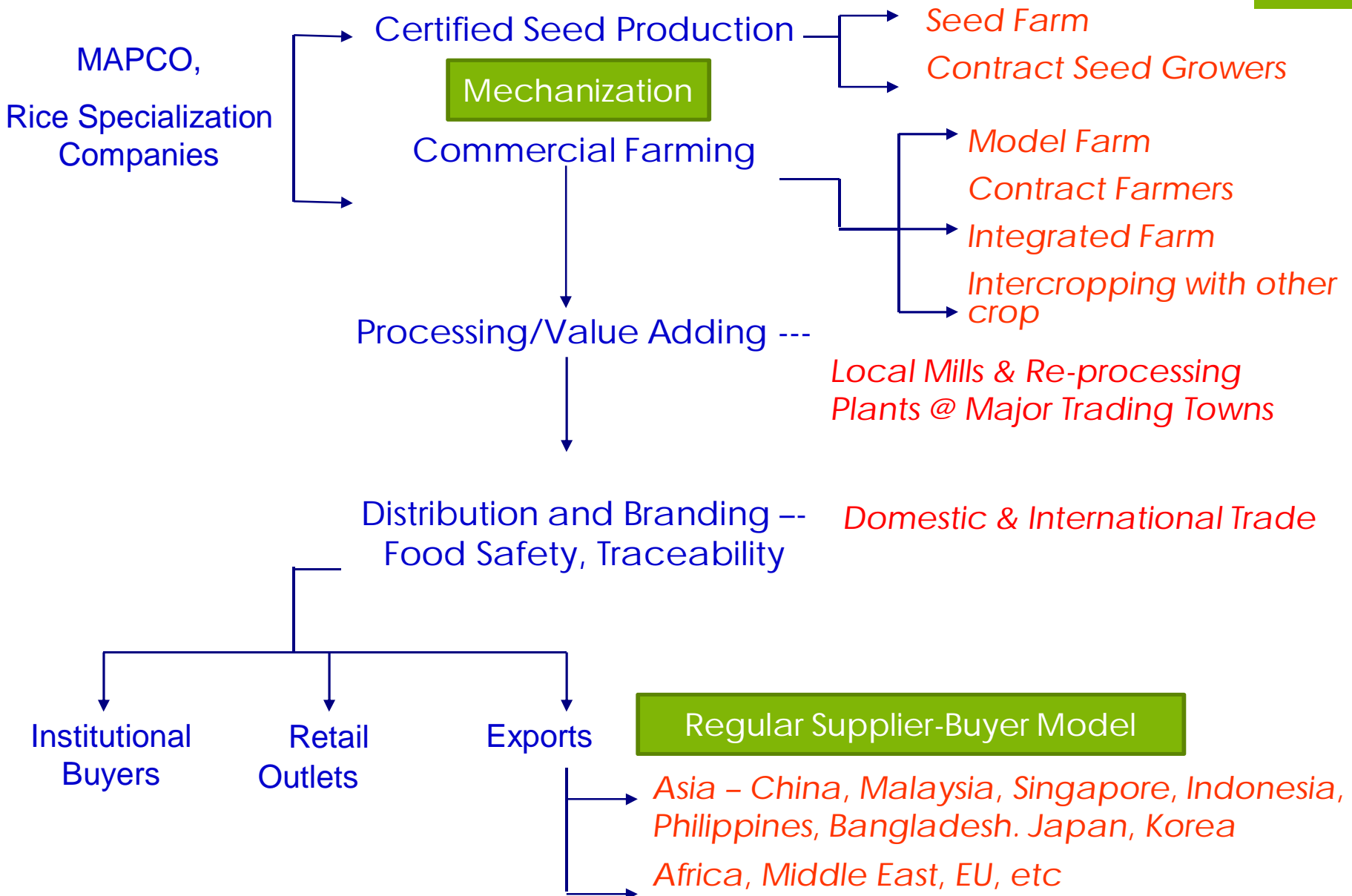
Business Operations

- Domestic & International Trade
- Investment in Agribusiness Sector
- Contract Farming
- Fertilizer Distribution
- Seed Production & Distribution
- Infrastructure & Logistical Development
- Special/strategic Industrial Projects

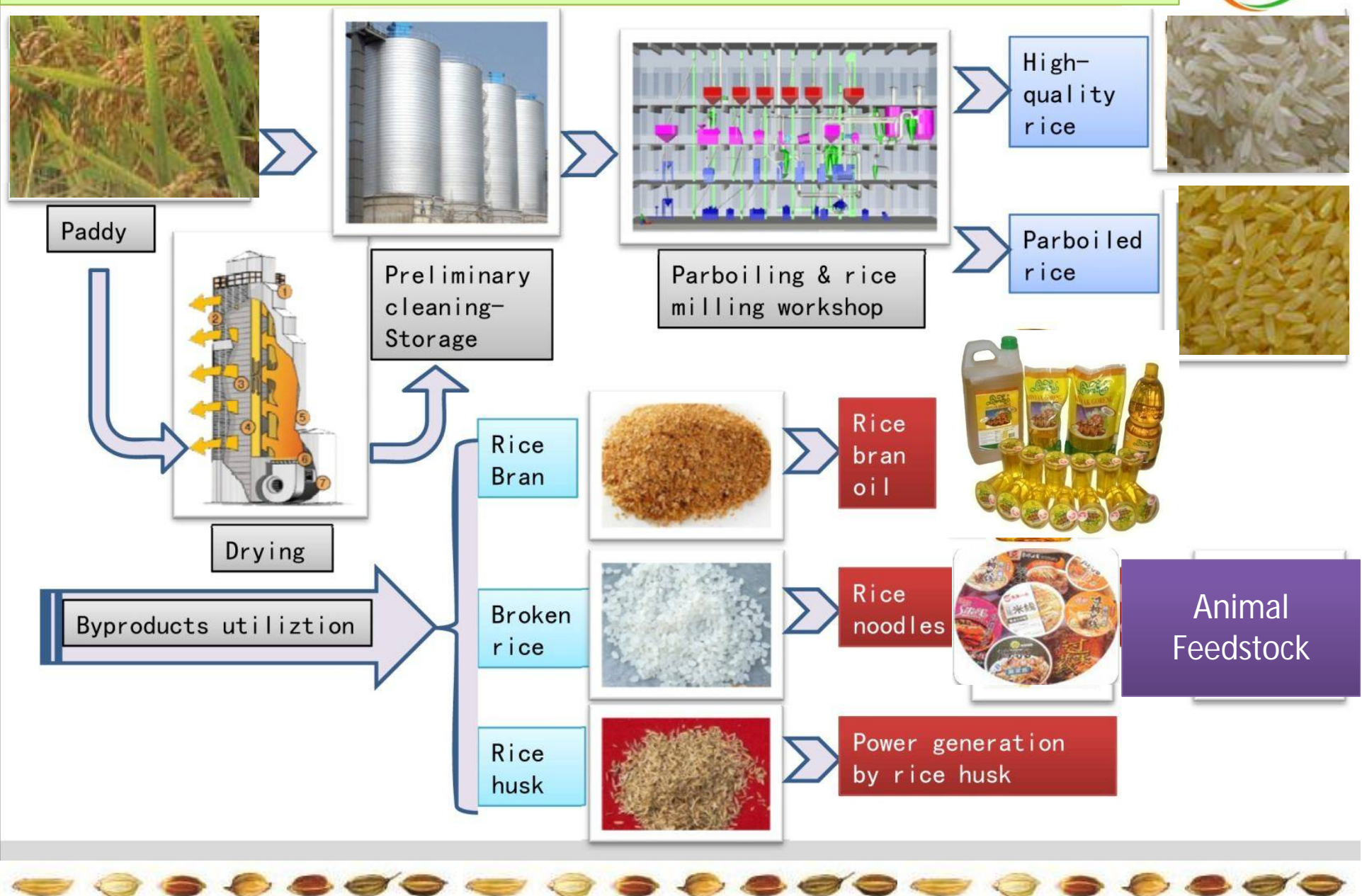
Sustainable Market Development

- Market Harmony & Sustainability
- Policy advocacy to Government
- Price & Supply Stabilization (Buffer Stock Practices)
- Warehouse Receipt Financing
- Commodity Exchange Centers (COMEx)

SUPPLY CHAIN MANAGEMENT – STRATEGIC PLAN



PRACTICE 1: Transformation of Rice Supply Chain – Mid-stream segment - MAPCO-Mitsui JV





MAPCO Myanmar Agribusiness Public Corporation Limited
Agribusiness Services Center

ASC

At the township level, MAPCO has introduced Agribusiness Services Center (ASC) all over the country. The ASCs will carry out the following services in 20 areas in Myanmar.

- (1) Tractors, Harvesters and Combine Harvesters hiring Service
- (2) Paddy Drying Services
- (3) Warehouse & Storage services
- (4) Seed cleaning and distribution services
- (5) Agro inputs fertilizer and Safe Agro-chemicals distribution Services
- (6) Agro Commodities Value Adding, Centralized Crop Collection Points
- (7) Machinery, Technology & Training Services

MAPCO

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 Website - www.mapco.com.mm

This project is to develop Agri-business by working together with farmers in all over the country.

PRACTICE 2: ASC & OTHER PROJECTS (on-going and in pipe-line – Please refer to MAPCO Brochure for details):

- Integrated Rice Complex Project (IRCP) – Myanmar Japan Rice Industry Co. Ltd. (MJRI) - JV with Mitsui & Co, Ltd.
- Grains & Food Products Terminal Development at Thilawar Port & Terminal Area
- Agro-commodity Trading
- Agro Chemicals
- NPK Fertilizer Plant
- Fruit Processing Facilities

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MAPCO’s Chairman, U Chit Khine (see MAPCO Brochure) : ‘**For Myanmar, By Myanmar**’ guided our quest to be ‘**a thoughtful and consistent force of good and to act as a catalyst for positive change**’.



THANK YOU!

Kye Zu Tin Ba De !

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