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Taiwan

Grain and Feed

Results of December 17-19 Rice Tender under the 2008 Quota for Public Sector Imports

2008

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Report Highlights:

All tenders scheduled for the December 17 and December 19 failed because offered bid prices exceeded pre-calculated ceiling prices.

All the 2008 U.S. CSQ quota totaling 60,434 tons under traditional tender scheme have been scheduled for the first tendering process, of which 43,000 tons have failed at least one tendering process while the remaining 17,434 tons is scheduled for tender on December 30. Taiwan is tendering for 10,000 tons of U.S. long grain first time on the December 30 under a special import permit basis.

Includes PSD Changes: No
Includes Trade Matrix: No
Annual Report
Taipei [TW1]
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Results of the December 17 and December 19 Traditional Tender under the 2008 Quota for the Public Sector Imports

Summary

All tenders scheduled for the December 17 and December 19 failed because offered bid prices exceeded pre-calculated ceiling prices.

All the 2008 U.S. CSQ quota totaling 60,434 tons under traditional tender scheme have been scheduled for the first tendering process, of which 43,000 tons have failed at least one tendering process while the remaining 17,434 tons is scheduled for tender on December 30. Taiwan is tendering for 10,000 tons of U.S. long grain first time during this tender under a special import permit basis. Currently, Taiwan suspends imports of U.S. long grain rice since the August 2006 Liberty Link incident.

As of December 19, 2008, Taiwan has completed a total of 29,600 tons of the 2008 quota for the public sector imports, of which 25,000 tons was under Simultaneous-Buy-Sell (SBS) scheme and 4,600 tons under traditional tender scheme. The fulfilled 4,600 tons was originally Australian CSQ quota and was tendered on a global basis due to a short supply of Australian rice.

December 17 and December 19 Tender Results

1. GF4-970-280 for U.S. origin 10,000 tons of medium/short grain brown rice – US CSQ

Tender failed because offered bid prices exceeded the ceiling price.

Two importers participated in the bid for 2,000 tons each. One offered bid price at NT\$40,131/mt (\$1,226.50/mt) and the other NT\$38,750 (\$1,184.92). Both bidders refused to make any reduction in their offers.

2. GF4-970-279 for U.S. origin 1,000 tons of medium/short grain milled glutinous rice (1,150 tons brown equivalent) – US CSQ

Tender failed because no bidders participated in the bid.

3. GF4-970-278 for U.S. origin 9,000 tons of medium/short grain milled rice (10,350 tons brown equivalent) – US CSQ

Tender failed because offered bid prices exceeded the ceiling price.

Two importers participated in the bid for 2,000 tons and 3,000 tons, respectively. One offered bid price at NT\$45,288/mt (\$1,393.47/mt) and refused further reduction of their offer price and the other NT\$41,325 (\$1,271.53) made three price reductions from originally offered NT\$41,537/mt (\$1,278.06/mt).

(Exchange rate is \$1 to NT\$32.72 on 12/17/2008 and \$1 to NT\$32.50 on 12/19/2008.)

Table 1 – Summary Tender Schedule & Results for 2008 Import Quota

Tender Type	Tendering Process	Tender Number and Country Origin
SBS - Tranche one	1 st tender: 01/18/2008 2 nd tender: 01/31/2008	GF4-970-001 for 2,000 tons U.S. origin: Completed at the 2 nd tender with floor price at NT\$6.727/kg or \$208/mt
	1 st tendering: 01/18/2008 2 nd tender: 01/31/2008 3 rd tender: 03/04/2008	GF4-960-257 for 5,000 tons Australia origin: Awarded 290 tons at the 2 nd tender on 1/31/2008; the remaining 4,710 awarded on 03/04/2008 on a global basis with respective floor prices at NT\$6.10/kg or \$189/mt and NT\$9.666/kg or \$310.8/tons, respectively
	1 st tender: 01/18/2008	GF4-960-258 for 5,500 tons Thailand origin rice: Completed at the 1 st tender on 1/18/2008 with floor price at NT\$9.5/kg or \$294/mt
	1 st tender: 01/18/2008 2 nd tender: 01/31/2008	GF4-960-259 for 2,500 tons Egypt origin: Completed at the 2 nd tender on 1/31/2008 with floor price at NT\$7.768/kg or \$241/mt
Sub total: 15,000 tons		
SBS – Tranche two	1 st tender: 08/18/2008 2 nd tender on 08/26/2008 2 nd tender resumed 10/26/2008	GF4-970-172 for 2,200 tons U.S. origin: Failed at the 1 st tendering process due to no enough bidders participated in the bid. 1,500 tons were awarded, 1,000 ton at NT\$1/Kg and 500 ton at NT\$0.701/kg . The remaining 500 ton is pending. The remaining 500 tons was awarded at NT\$0.501/kg in the 3 rd price reduction session.
	Completed at 1 st tender on 08/18/2008	GF4-970-173 for 2,800 tons Thai origin: Completed at the 1 st tendering process, with awarded price at NT\$6.159/kg or \$196/mt
	1 st tender: 08/18/2008; 2 nd tender 08/26/2008; 3 rd tender 09/05/2008 09/30/2008 on global	GF4-970-174 for 5,000 tons Australian origin: Failed three tendering process due to no bidders participated in the bid. All the 5,000 tons was awarded to successful 7 bidders out of 13 bidding participants at the same price of NT\$6.701/kg .
	Subtotal 10,000 tons	

Total SBS Quota: 25,000 tons		
Traditional -1 announced on 11/03/2008	1 st tender: 11/21/2008	GF4-970-244 for 10,000 tons medium/short grain milled rice (11,500 tons brown equivalent) – US Origin Tender failed with the lowest offered bid price at NT\$42,299/mt (\$1,266.05/mt)
	1 st tender: 11/21/2008	GF4-970-245 for 10,000 tons medium/short grain brown rice – US Origin Tender failed with the lowest offered bid price at NT\$36,594/mt (\$1,095.30/mt)
Traditional 2 announced on 11/26/2008	1 st tender: 12/12/2008 (completed)	GF4-970-269 for 4,000 tons of long grain milled fragrant rice (4,600 tons brown equivalent) – Global (originally Australian CSQ) The tender was awarded to one importer handling Thai rice at NT\$25,746/mt (\$772.92/mt).
Traditional -3 announced on 12/03/2008	1 st tender: 12/19/2008	GF4-970-278 for 9,000 tons medium/short grain milled rice (10,350 tons brown equivalent) – US Origin Tender failed with the lowest offered bid price NT\$41,325/mt (\$1,271.5/mt)
	1 st tender: 12/19/2008	GF4-970-279 for 1,000 tons medium/short grain milled glutinous rice (1,150 tons brown equivalent) – US Origin Tender failed due to no bidders participated in the bid.
	1 st tender: 12/17/2008	GF4-970-280 for 10,000 tons medium/short grain brown rice – US Origin Tender failed with the lowest offered bid price NT\$38,750 (\$1,184.92)
Traditional -3 announced on 12/15/2008	1 st tender: 12/30/2008	GF4-970-301 for 5,934 tons medium/short grain brown rice for 06/01/2009 delivery – US Origin
	1 st tender: 12/30/2008	GF4-970-302 for 10,000 tons long grain milled rice (11,500 tons brown equivalent) for 06/01/2009 delivery – US Origin

	1 st tender: 12/30/2008	GF4-970-303 for 3,508 tons of long grain milled fragrant rice (4,034 tons brown equivalent) for 06/01/2009 delivery – Global (originally Australian CSQ)
Total Traditional Tender Quota: 69,068 tons		
Total Quota for Public Sector Imports is 94,068 tons		