

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## **Burma - Union of**

**Post:** Rangoon

### **Floods in Myanmar Impact Rice Production Export Ban Now in Place**

**Report Categories:**

Agricultural Situation

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**Report Highlights:**

BM 5008-Flood inundated more than 400,000 hectares (more than 1 million acres) of farmland including 393,031 hectares (970,787 acres) of monsoon paddy fields and about 72,064 hectare (178,000 acres) of other crops such as corn, sesame and pulses and other seasonal crops.

## **General Information:**

### **Author Defined:**

Heavy monsoon rains caused floods and landslides in several states and regions of Myanmar in the second week of July, particularly in the western and northern parts of the country. These areas included Chin and Rakhine States and the Sagaing, Magwe, and regions. On July 31, the President declared the affected areas natural disaster zones. The Ayeyarwady (also known as Irrawaddy) river continues to rise with water levels already 3 to 4 feet above normal. The Myanmar government is now helping flood victims in affected areas and providing food, drinking water, medicines and other emergency items. The government has asked for international aid to deal with the situation.

The Department of Meteorology and Hydrology announced on August 3rd that the Ayeyarwady, Chindwin, Sittoung, Shwe Kyin, Thanlwin, and Nga Wun rivers will continue to be at above-danger levels and meteorologist forecast an additional 203 to 254 millimeters of rain in southern Myanmar, which could cause additional flooding.

### **Impact on Rice Price**

According to sources, rice prices have sharply increased by about 10 to 20 Percent in the flood affected western states of Rakhine, Chin state and Pwintbyu Townships. The floods have also affected rice prices in other parts of the country including Yangon, with domestic rice prices increasing from 5 to 10.5 percent. To prevent higher rice prices and ensure food security, the Myanmar Rice Federation (MRF) announced that they have suspended rice exports until September 15, when the new monsoon rice crops are expected to enter the market. The MRF (private sector rice association) agreed to partner with the government to ensure that rice will not be exported during this period. MRF officials indicated that there is sufficient rice reserves in the country, but if necessary, they will consider importing rice from other countries.

According to the Department of Agriculture, flooding has inundated more than 400,000 hectares (more than 1 million acres) of farmland including 393,031 hectares (970,787 acres) of monsoon paddy fields and about 72,064 hectare (178,000 acres) of other crops such as corn, sesame and pulses and other seasonal crops.

Additional farmland area may be lost to floods in the coming weeks as heavy rains are expected to continue in the delta regions. The floods have caused farmers to lose rice stocks kept in their storage facilities and have also triggered rice shortages in the affected areas. The floods are expected to shorten the growing season and it remains to be seen if it will affect the nation's food security in the long run. The government has promised to find a way to compensate farmers affected by the floods. The government has already distributed more than 3,550 metric tons (MT) of rice seeds to farmers in the flood affected areas. Although it is currently difficult to estimate the exact impact on rice production, the government estimates that between 5 and 8 percent of total monsoon rice production could be lost due to the floods.

The government was planning to grow nearly 7 million hectares (16 million acres) of monsoon paddy in 2015-16, but only about 5 million hectares (10 million acres) were planted by the end of July. The floods have affected the central and western parts of the country which accounted for 20 % of the country's monsoon rice production areas.

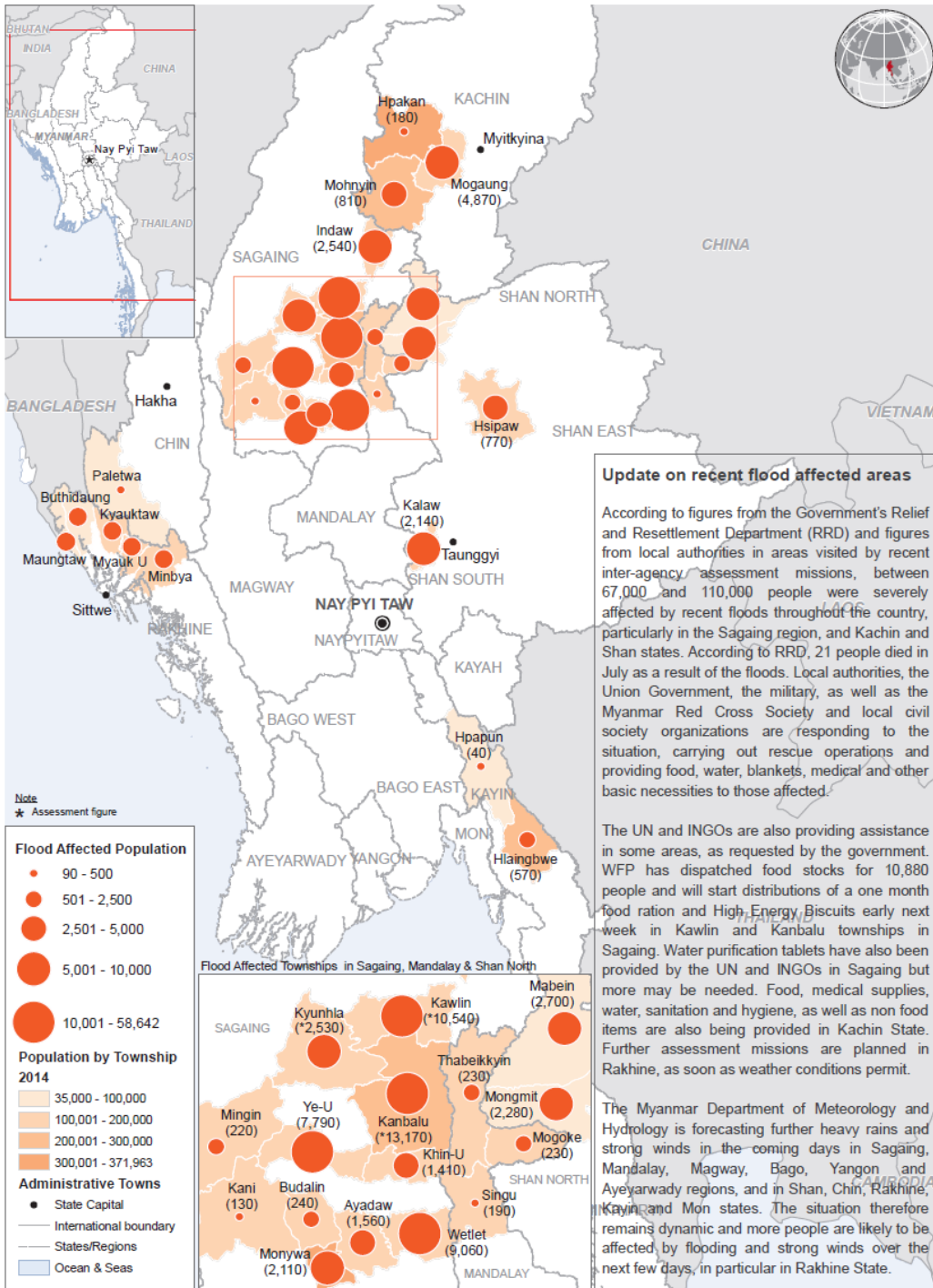
According to trade sources, it is still too early to tell what the flood impact will be. Based on historical data Myanmar exported between 115,000-275,000 MT in 2014 and 2015 during the same period (August and September).

Currently the rice export ban will be in place until September 15. Trade source stated that the export could decrease by 250,000 MT this year as Myanmar has to replenish rice stocks to affected areas and may even import rice before the arrival of new crops. Furthermore, the export ban may be extended depending on the rehabilitation of the flood affected areas.

### **Impact on Livestock**

The floods have also adversely affected livestock farmers in the Rakhine, Sagaing and Magwe Regions. According to Ministry of Livestock, Fishery and Rural Development (MLFRD), they estimate that 4,500 animals and nearly 11,000 acres of aquaculture operations have been destroyed by the floods. The MLFRD has distributed animal vaccines and other medications to prevent disease outbreaks.

### **Flood Affected Areas (as of August 30 July)**



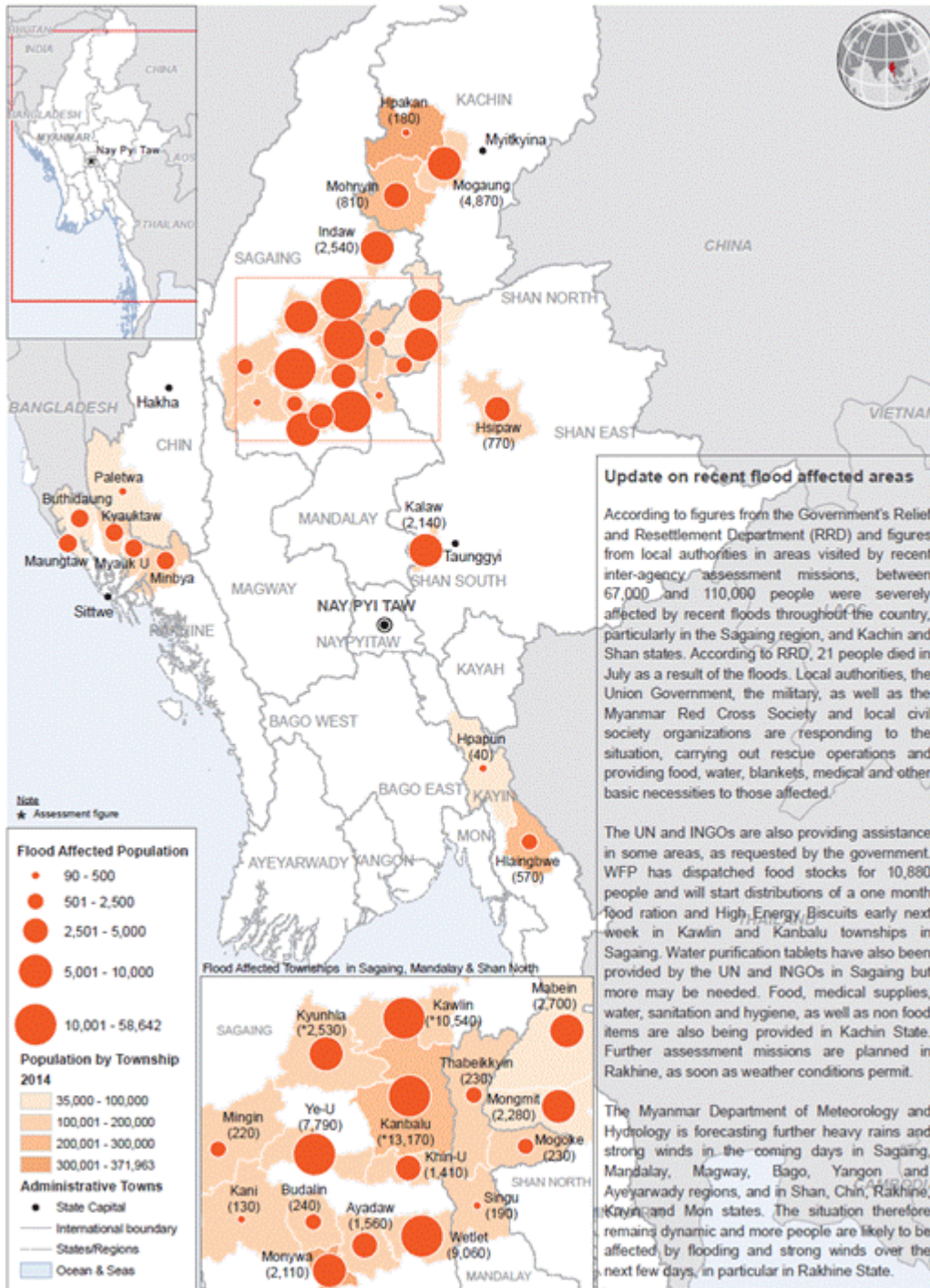
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Source: Office for the Coordination of Humanitarian Affairs (OCHA)

Sr.	State/Region	Flooded area Hectare (Ha)
1	Naypyidaw	9
2	Kachin State	11,952
3	Kayin State	458
4	Chin	99
5	Sagaing Region	67,404
6	Bago Region	101,011
7	Magwe Region	29,797
8	Mandalay Region	1,360
9	Mon State	3,868
10	Rakhaine State	117,902
11	Yangon Region	14,453
12	Shan State	3,683
13	Ayeyarwady Region	41,034
	<b>Total</b>	<b>393,031</b>

Source: Department of Agriculture

Source: Ministry of Agriculture and Irrigation



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