

# Plan for Rice Public Stockholding in 2013

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The Ministry of Agriculture, Food and Rural Affairs (MAFRA) announced that the government will purchase 370,000 tons of public holding rice (12.85 million bags / 40kg) produced in 2013 from September 23 to December 31. This public stocking policy which is introduced in 2005 is for securing food security and stabilizing the price of rice during the harvest seasons,

The government purchase price of public holding rice will be finally determined in January 2014 considering the producer price of rice in the harvest period. However some amount will be paid in advance by rice grade in the form of prepayment. The prepayment refers to an advance payment during the purchase of a farm's capital requirements during the harvest period, and the balance will be settled after the final purchase price is determined.

The prepayment for the current year is 90% of KRW(~~₩~~)61,321, the average August producer price of rice (KRW(~~₩~~)176,903) converted into 40kg rice bags, which increased by KRW(~~₩~~)6,000 (12.2%) compared to last year. The purchase price of last year was also determined at 80% to 95% of the August producer price of rice.

Table 1. Prepayment of Public Stockholding Rice by Grade

(Unit: KRW(~~₩~~)/40kg)

	Special Grade	1st Grade	2nd Grade	3rd Grade
Bag of rice	56,820	55,000	52,560	46,780
Wet-paddy rice	56,000	54,180	51,740	45,960

Note: The price of wet-paddy rice is calculated by deducting the packing price (KRW(~~₩~~)820) from the price of a bag of rice.

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