

## ASEAN needs to do more to maintain its emergency rice reserves and use them efficiently

The Association of Southeast Asian Nations has a long-standing agreement to build and maintain rice reserves to deal with natural disasters and growing food insecurity among its 10 members. The rice reserves are effective, but more needs to be done to streamline funding of and access to the reserves to make sure relief arrives faster.

Through the years, ASEAN states—Brunei Darussalam, Cambodia, Indonesia, the Lao People's Democratic Republic, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Viet Nam —plus Japan, the People's Republic of China, and the Republic of Korea, have established emergency food reserves institutionalized in joint statements, declarations, and agreements of intergovernmental organizations.

An Asian Development Bank Institute study found that ASEAN member countries should speed up negotiation for, coordination of, and responses to requests for emergency food aid. Kunmin Kim, a task manager at ADBI, notes:

The aim is to preserve and promote development and stability, but, in practice, the emergency food reserve has many shortcomings. The emergency stockpiles of 787,000 tons of rice are inadequate to meet ASEAN's objectives.

Parties should increase cooperation and financial support for stockpiles, speed up the release of food aid after a calamity, and remove the consensus requirement for settling disputes.

One of ASEAN's objectives is to collaborate on agriculture to raise living standards and eliminate hunger. It recognizes that natural disasters and major calamities can retard countries' development.

The rice reserve was established to mitigate the impact of natural disasters on food security,

reduce poverty, and eradicate malnourishment without distorting normal trade in the global

market.

Each country promises to make available a certain amount of rice to members in a state of

emergency. The initial reserve was 50,000 tons, which rose to 787,000 tons with the help of

China, Japan, and Korea, in the form of cash and/or rice. This may be coursed through

international organizations and/or nongovernment organizations.

At present, ASEAN's daily rice demand is 500,000 metric tons. The current stockpile would

only last 1.5 days in the event of a regionwide calamity.

Getting access to the emergency reserve is not easy. In 1997–1998, Indonesia, facing serious

food shortages and having drastically increased its imports due to El Niño-induced drought

and forest fires, could have declared an "emergency condition" and drawn on the stockpile.

Instead, it obtained a loan from the International Monetary Fund and the World Bank.

To draw from the stockpile, a member must declare a state of emergency, show that it is

suffering an extreme or unexpected natural or human-induced calamity, and that it is unable

to cope using its national food reserve and procure food through normal trade. It must notify

all members of the quantity of rice needed.

After this, countries negotiate bilaterally on the prices, terms, and conditions of payment,

and make arrangements to release the rice. This entire process is time-consuming.

In late 2013, after Super Typhoon Bopha, the Philippines made an emergency request.

Members fulfilled the request, but the rice trickled in up to 18 months after the emergency.

This episode was based on <u>research</u> done for the Asian Development Bank Institute

by Kunmin Kim, a task manager at ADBI, and Paula P. Plaza, a litigation lawyer at

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