Food and Agriculture Organization of the United Nations

GIEWS Country Brief
The Republic of the Union of Myanmar

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FOOD SECURITY SNAPSHOT
- **Below-average 2022 cereal production forecast**
- **Cereal exports forecast to increase**
- **Prices of rice at record high in May**
- **Critical food security situation due to multiple shocks**

Below-average 2022 cereal output forecast

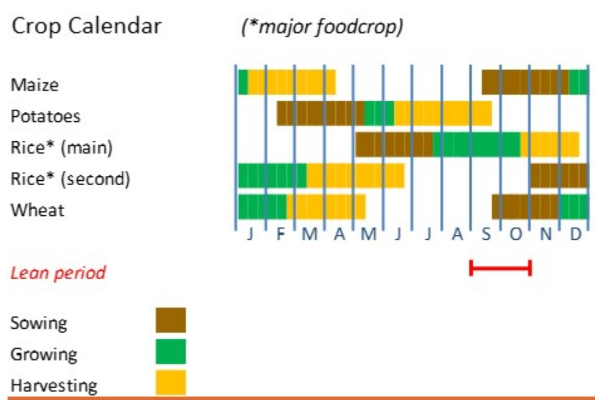
The 2022 cropping season will finalize in late June following the completion of the secondary crop harvests. The aggregate 2022 paddy production is forecast at 24.7 million tonnes, about 8 percent below the five-year average. Despite a near-average area planted, the poor performance is attributed to low yields as farmers faced challenges in accessing agricultural inputs, particularly agrochemicals, due to reduced availability and high prices. The aggregate 2022 maize production is estimated at a near-average level of 2.1 million tonnes, 12 percent less the previous year. The area planted reached an above-average level driven by robust export demand and remunerative domestic prices. However, constrained access to agricultural inputs and below-average precipitation amounts in the key maize-producing northern areas resulted in the lowest average yields since 2015.

Cereal production prospects for 2023 main crops, currently being planted and for harvest at the end of the year, are uncertain. Although the high cereal prices may encourage farmers to cultivate an above-average area, shortages and elevated prices of agricultural inputs are likely to persist, potentially curtailing crop yields.

Cereal exports in 2023/24 forecast at above-average level

Rice exports in calendar year 2023 are forecast at 2.4 million tonnes, up 150 000 tonnes from the 2022 estimated volume. The government has implemented a measure that mandates exporters to convert 65 percent of their export earnings into kyat at the reference rate set by the Central Bank of Myanmar, which is on average 35 percent lower than the market exchange rate. Exports of maize are forecast at 1.7 million tonnes, 10 percent above the average, reflecting strong demand from neighbouring countries, including China (mainland) and Thailand.

Myanmar



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Cereal Production

	2017-2021 average	2021	2022 forecast	change 2022/2021
		000 tonnes		percent
Rice (paddy)	26 916	27 438	24 680	-10.1
Maize	2 070	2 400	2 100	-12.5
Millet	165	150	145	-3.3
Others	288	263	260	-1.0
Total	29 440	30 251	27 185	-10.1

Note: Percentage change calculated from unrounded data.

Prices of rice at record high levels

Domestic prices of "Emata" rice, a widely consumed quality, have steadily increased since January 2022 and reached record highs in May 2023. The elevated level of prices reflects tight availability, due to below-average 2022 output as well as to conflict-related disruptions to markets. High prices of agricultural inputs and transport costs, also contributed to support prices. Overall, rice prices in May 2023 were more than double the already high levels of a year earlier.

Critical food security situation due to multiple shocks

Acute food insecurity is at critical high levels in various parts of the country, mainly due to the protracted political and economic crisis, which started after the military takeover in February 2021, shortfalls in 2022 cereal production and ongoing soaring food prices. According to the Humanitarian Needs Overview report, about 15.2 million people, nearly 28 percent of the total population, are estimated to face acute food insecurity in 2023, a 15 percent increase from the high level in 2022 and almost five times higher than before February 2021 estimate. A key factor underpinning the current acute food insecurity levels is the upsurge of violent incidents since mid-2022, which spread in most parts of the country, causing movement restrictions, a high number of civilian casualties and large-scale displacements. According to the United Nations High Commissioner for Refugees (UNHCR), as of May 2023, a record high of 1.83 million people were internally displaced, compared to 760 000 people in mid-2022, while 1.12 million people sought shelter in neighbouring countries, mostly in Bangladesh. The protracted political instability resulted in serious macroeconomic challenges, which caused widespread income losses, eroded households' purchasing power and hampered access basic food items and services. The situation has worsened also due to high inflation, strong depreciation of the national currency and conflict-related supply chain disruptions. On 15 May 2023, Cyclone Mocha hit the northwestern parts of the country and brought strong winds and heavy rains, triggering flash floods and landslides caused devastation of lives and livelihoods of millions of people, of which 3.4 million living in the most affected areas. The Rakhine, Chin, Magway, Sagaing and Kachin states/regions, where 60 percent of the Internally displaced people (IDPs) are located, were the most severely affected. In these areas, early assessments indicate extensive damage to housing and critical agricultural infrastructure, extensive destruction of fisheries assets as well as losses of livestock, standing crops and households' food reserves. According to the recently released Humanitarian Aid report, about 1.6 million people urgently need assistance following the pass of the cyclone.

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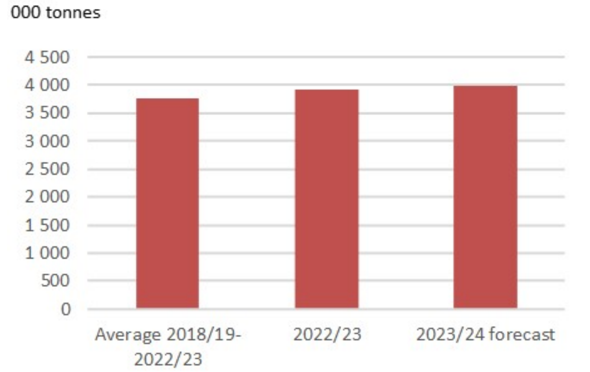
This brief was prepared using the following data/tools:
FAO/GIEWS Country Cereal Balance Sheet (CCBS)
https://www.fao.org/giews/data-tools/en/.
FAO/GIEWS Food Price Monitoring and Analysis (FPMA) Tool
https://fpma.fao.org/.
FAO/GIEWS Earth Observation for Crop Monitoring
https://www.fao.org/giews/earthobservation/.
Integrated Food Security Phase Classification (IPC) https://www.ipcinfo.org/.

Myanmar

Cereals Exports



Notes: Includes rice in milled terms. Split years refer to individual crop marketing years (for rice, calendar year of second year shown).

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Wholesale prices of rice