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Bernas all set to expand rice market through Cuba

A. Kadir Jasin in Santiago, Chile

THE privatised and recently-floated Padiberas Nasional Bhd, or Bernas, has taken another step towards expanding its international business when it signed two memorandums of understanding with Cuban parties during the just-ended official visit of Prime Minister Datuk Seri Dr Mahathir Mohamad to Cuba.

The memorandums were signed with Alimport, a State-owned enterprise under the Ministry of Foreign Trade and Union Complejos Agroindustriales del Arroz, an agency of the Ministry of Agriculture.

Representing Bernas was its managing director Ibrahim Mohd Nor. Alimport was represented by its vice president, Alberto Rio, and Union Complejos by its president Miguel Rodriguez Mayea.

Bernas has already established a joint-venture in Thailand and is finalising a similar arrangement in Vietnam. It also grows rice in Guinea, West Africa.

The understanding reached with Alimport is for possible supply of Bernas' rice from its Thai and Vietnamese joint ventures to Cuba and to make it the regional storage and marketing centre for the commodity in the Caribbean.

It is based on a similar effort being made in Guinea. Bernas hopes to make Guinea the regional centre for rice trade in West Africa.

Ibrahim said such an arrangement looks promising as the Caribbean region imports a substantial amount of Asian rice. Cuba alone imports an estimated 300,000 tonnes annually.

"There is a strong case for a regional storage and marketing. It will not only stabilise supplies and prices in the region but will also increase intraregional trade.

"For Bernas and its joint venture partners, an inroad into the Caribbean will provide a new and sizeable market for our outputs," said Ibrahim.

This, he added, was in line with the company's effort to establish an international trading network for rice produced and consumed in Asia, Africa, South America and the Caribbean.

The understanding with Union Complejos, according to Ibrahim, involves studying the possibility of Bernas investing in rice production in Cuba.

The Cuban Ministry of Agriculture is keen to boost the nation's rice production, which has suffered considerable output decline due largely to the shortage of inputs in recent years.

Like many former Eastern Bloc countries, Cuba suffered a massive cutback in assistance from Russia following the collapse of the Soviet Union and the end of the Cold War.

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