FALCONBRIDGE RESOURCES
INNOVATIVE SOLUTIONS FOR GLOBAL TRADE

THE RICE PROCUREMENT PLAYBOOK

2026
Buying Better
Not Just Cheaper

CHAPTER 1

WHAT RICE AM I BUYING AND WHAT CAN TRULY REPLACE IT?

Rice procurement starts before price comparison.

Rice is not one interchangeable commodity. Grain type, broken percentage, moisture, milling degree, crop year, ageing, aroma and destination preference can determine whether one origin can genuinely replace another.

Two quotations may look comparable commercially while being very different operationally.

Define the specification first then compare price

The Substitution Trap

A lower-cost origin is not automatically a substitute. A procurement team may find a cheaper offer from another country, but the real question is:

Can that rice replace the original product without creating a quality, processing, contractual or customer problem?

Substitution risk increases when:

- the destination market has strong consumer preferences;
- milling and broken specifications are tightly controlled;
- ageing or aroma matters;
- downstream processors require consistent grain characteristics;
- contract specifications leave little tolerance for variation.

The more specific the requirement, the smaller the true sourcing universe becomes.

Figure 1

SPECIFICATION EQUIVALENCY MATRIX™

Can another origin genuinely replace the rice you are buying?

PROCUREMENT REREQUIREMENT	REQUIRED SPECIFICATION	ORIGIN A	ORIGIN B	ORIGIN C	SUBSTITUTABLE?
Grain Type	Long / Medium / Short	✅	✅	⚠️	Yes / Conditional
Broken %	e.g. 5%	✅	✅	⛔	Yes / No
Moisture	Within tolerance	✅	⚠️	✅	Conditional
Milling Degree	Well milled / polished	✅	✅	⚠️	Conditional
Crop Year	Current / specified crop	✅	✅	✅	Yes
Ageing	Fresh / aged requirement	✅	⚠️	⛔	Limited
Colour / Appearance	Buyer specification	✅	✅	⚠️	Conditional
Aroma / Variety	Required / non-required	✅	⛔	⛔	No
Packing	Bulk / bag / retail spec	✅	✅	✅	Yes
Destination Acceptance	Approved / preferred	✅	⚠️	⛔	Limited

The more specific the requirement, the smaller the true sourcing universe becomes.

CHAPTER 2

WHICH ORIGIN GIVES ME THE STRONGEST PROCUREMENT POSITION?

A rice quotation only tells you where the price starts.

A solid procurement decision balances specification fit, landed cost, policy risk, supplier reliability, and replacement options in one unified view.

For rice, a cheaper origin can quickly become the weaker option if the product requires adjustment, the route is less reliable, or the supplier cannot be replaced when conditions change.

Figure 2

PROCUREMENT INTELLIGENCE DASHBOARD™

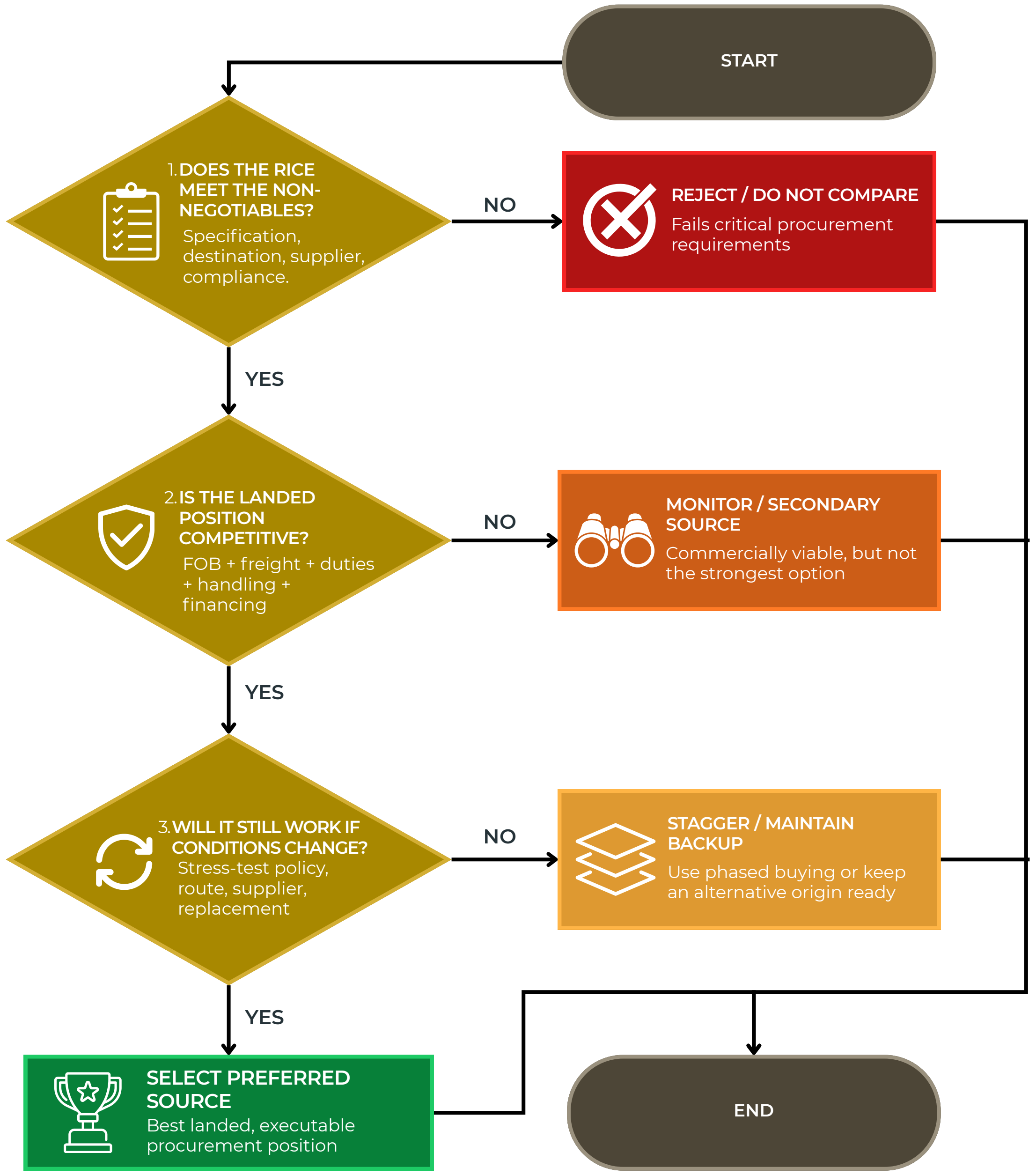
Reading the market before price move.

PROCUREMENT SIGNAL	WHAT TO MEASURE	WHY IT MATTERS
Specification Fit	Variety, broken %, moisture, milling, crop year	Determines whether the origin is genuinely substitutable
Landed Cost	FOB + freight + duties + handling + financing	Reveals the true commercial position
Export Availability	Current exportable supply / supplier depth	Tests whether volume is available
Policy Exposure	Export restrictions, quotas, government intervention	Can rapidly change tradable supply
Transit Reliability	Route, lead time, port conditions	Determines delivery certainty
Supplier Execution	Track record, documentation, shipment performance	Tests ability to perform
Replacement Flexibility	Alternative suppliers / origins that meet spec	Determines resilience if the first option fails

Figure 3

PROCUREMENT DECISION FRAMEWORK™

Turning intelligence into action.



The best origin isn't the cheapest, it's the one that still delivers when conditions change.

CHAPTER 3

IS THIS PROCUREMENT READY TO COMMIT?

A competitive origin and an attractive price mean nothing if the deal fails to perform.

Commercial terms only open the door execution readiness determines whether the trade yields a profit or a costly default.

To convert a paper commitment into a reliable trade, evaluate these core operational pillars:

- Real Volume Allocation: Unbacked contracts leave you with phantom supply exposed to origin price surges.
- Origin Policy Risk: Quotas, export taxes, and sudden bans can invalidate pricing overnight.
- Operable Documentation: Flawed LCs or mismatched specs freeze capital and stall execution.
- Seller Performance Risk: Low prices mean nothing if the counterparty lacks the balance sheet to honor the deal.

Evaluating a trade on margin alone creates unmanaged risk. The final decision must always rest on execution readiness.

> **Hold off on approving the purchase until you have fully verified all critical dependencies and confirmed everything is aligned for execution.**

Figure 4

EXECUTION READINESS MATRIX™

What must be confirmed before commitment?

READINESS FACTOR	WHAT TO CONFIRM	EXECUTIVE QUESTION
Physical Supply	Volume is available, allocated and within required crop/specification	Is the rice actually there?
Supplier Readiness	Milling, packing, documentation and shipment capability	Can the supplier execute now?
Trade Access	Export licensing, policy and destination requirements are clear	Can the cargo legally move?
Logistics Readiness	Port access, freight, sailing window and inland movement	Can it move on time?
Documentation	Phytosanitary, COO, inspection and import documents	Is anything still unresolved?
Replacement Supply	Backup supplier/origin can meet specification and timing	If this fails, what replaces it?

Figure 5

EXECUTION GATE™

What should happen after the readiness check?

READINESS STATUS	DECISION	WHAT IT MEANS
READY	Commit	Supply, supplier, documentation, trade access and logistics are validated
CONDITIONAL	Commit with conditions / stagger	Commercially sound, but one or more manageable dependencies remain
NOT READY	Do not commit	A critical dependency is unresolved or no credible recovery option exists

CHAPTER 4

THE EXECUTIVE SUMMARY

KEY TAKEAWAYS

Specification defines the sourcing universe.
Rice is not fully interchangeable. Grain type, broken percentage, milling, moisture, crop year, ageing and destination acceptance determine which origins are genuinely comparab

The lowest FOB is not necessarily the strongest procurement position.
True value emerges only after specification fit, freight, landed cost, policy exposure, supplier capability and replacement flexibility are assessed together.

A viable origin must survive changing conditions.
A procurement option that works only under today's price, policy or logistics assumptions carries hidden execution risk.

Selection does not equal readiness.
Even the strongest commercial option should not be committed until physical supply, supplier readiness, trade access, documentation and logistics are validated.

Replacement flexibility is part of procurement value.
The ability to switch supplier, route or origin without compromising specification or timing materially strengthens procurement resilience.

RECOMMENDATIONS

Define the non-negotiables before requesting quotations.
Separate required specifications from acceptable tolerances so only genuinely comparable rice enters the commercial evaluation.

Compare landed executable positions, not FOB quotations.
Evaluate total delivered economics alongside policy exposure, supplier performance, transit reliability and replacement flexibility.

Use a structured procurement decision framework.
Move every viable option through three gates: Equivalent → Competitive → Resilient.

Validate execution before commitment.
Confirm that the rice is physically available, allocated, document-ready and logistically executable within the required delivery window.

Maintain a qualified replacement option.
Identify at least one supplier or origin capable of meeting the required specification and timing if the preferred source fails.

Use conditional or staggered commitments when dependencies remain unresolved.
Avoid treating a commercially attractive option as fully secured while policy, logistics or supply conditions remain uncertain.

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