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Report Highlights:

Wheat consumption in the Dominican Republic (DR) during marketing year (MY) 2023/24 (July 2023/June 2024) is forecast at 460,000 metric tons (MT), up two percent from MY 2022/23. Dominican wheat imports are forecast at 622,000 MT, a two percent increase from the last forecast due to manufacturers' international expansion plans as well as expected population and hotel, restaurant and institutional (HRI) sector growth. Corn imports are forecast to reach 1.59 million MT during MY 2023/24 (October 2023/September 2024) due to continued strong demand from the poultry sector. Production of milled rice for MY 2023/24 (July 2023/June 2024) is forecast at 590,000 MT, down eight percent from the previous forecast due to reduced rainfall in major production areas.

1. WHEAT

1.1. Production

The Dominican Republic (DR) does not produce wheat; the country continues to be completely dependent on imports to supply the domestic market.

1.2. Consumption

The DR boasts one of the highest per capita wheat and wheat product consumption rates in Latin America and the Caribbean. For marketing year (MY) 2023/24 (July 2023/ June 2024), Post forecasts consumption up two percent at 490,000 MT. Such growth in the wheat sector is largely attributable to the reopening of the hotel, restaurant, and institutional (HRI) sector and the record level of tourists, which is on pace to exceed the 8.5 million visitors in CY 2022. According to the Central Bank of the Dominican Republic (CBRD), the hotel, bar, and restaurant sector grew 24 percent in CY 2022, contributing to the country's economic recovery post COVID-19 pandemic.

Post estimates local consumption of wheat and wheat products will remain stable at 451,000 MT during MY 2022/23. Wheat flour exports between October and December 2022 have increased significantly, mainly to Haiti, which led the Dominican Republic (DR) to implement a temporary month-long ban on wheat flour exports to protect the local market and secure availability, particularly for the holiday season.

The country continues to benefit from a large milling industry and imports most of its wheat from the United States and Canada, although in 2022 millers started importing significant quantities from Argentina due to competitive prices. Currently, the DR boasts a daily milling capacity of around 3,320 MT, with a current average utilization rate of 65-70 percent, divided among six different processors:

| MILLS CURRENTLY OPERATING IN THE DOMINICAN REPUBLIC | |
|--|-------------------------------|
| Molinos Modernos* | Molinos del Cibao-Grupo Bocel |
| Grupo J. Rafael Núñez | COOPROHARINA |
| Molinos del Higuamo | César Iglesias |

* Also owns Molinos del Caribe.

The local Government owns half of Molinos Modernos, the largest mill in the country. Both Molinos Modernos and Molinos Valle del Cibao together process nearly 80 percent of all wheat imports. The main product is wheat flour, although several of the companies, such as Grupo Bocel, also produce crackers, cookies, and pasta. Additionally, wheat flour imports feed into a large domestic baked goods industry.

According to Euromonitor International, the retail value of baked goods sold in the DR in calendar year (CY) 2023 is estimated at US\$401 million, a six percent jump over CY 2022. The largest share of baked goods sold in the DR continues to be unpackaged, leavened bread, which includes the local staple breads called “*pan de agua*” and “*pan sobao*” that are consumed regularly by a broad spectrum of the population, especially in urban areas. Industrial bakers, along with small and medium-sized bakeries produce staple breads and subsequently distribute to a variety of supermarkets, “mom-and-pop” stores, markets, or other bakeries.

The Dominican Government's feeding programs, especially the school feeding program, distribute many of these baked goods. Meals, which reach more than 1.5 million public-school children throughout the country, include bread, cookies, and muffins. In 2022, the local Government subsidized flour production to the tune of [DOP\\$3.5 billion \(\\$64 million\)](#) to ensure that retail prices continued to fall within consumer budget.

While the majority of flour production is destined for the domestic market, the DR also exports considerable quantities of wheat flour and other finished products (e.g., crackers, pasta) to neighboring Haiti. To a lesser extent, the DR has increased exports of wheat products to the United States, including Puerto Rico, and other markets throughout the region.

1.3. Stocks

For MY 2023/24, Post forecasts ending stocks at 220,000 MT, up five percent compared to MY 2022/23 estimates, which is higher than normal levels. Although the wheat milling industry in the Dominican Republic is mostly a "just-in-time" operation, with short and reliable shipment times from the United States, Canada, and Argentina, during CY 2022 local millers have made additional efforts to boost stocks to mitigate the effects of rising international wheat prices.

Overall, millers' storage capacity is limited, varying considerably by processor. Among the six mills operating in the country, collective storage capacity is estimated at 160,000-200,000 MT. Recent developments indicate that this capacity may change in the short to medium term, as some millers have taken measures towards increasing storage and processing capacity to meet growing wheat demand.

1.4. Trade

Imports

For MY 2023/24, Post forecasts imports of wheat and wheat products in the DR at 663,000 MT, a two percent increase over the previous marketing year estimate. The increased forecast is due to manufacturers' international expansion plans, which will demand more raw material to produce wheat products. In addition, estimates are in line with expected population and HRI sector growth.

Imports of wheat grain

DOMINICAN REPUBLIC WHEAT IMPORTS BY PARTNER MY 2017-2022 (MT)*

| Country | Years | | | | |
|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 |
| United States | 333,365 | 288,805 | 302,990 | 331,921 | 276,823 |
| Canada | 192,275 | 217,346 | 341,279 | 256,868 | 249,561 |
| EU | 8,927 | 9,524 | 11,382 | 9,856 | 9,383 |
| Others | 6,872 | 37,010 | 9,088 | 28,464 | 11,924 |
| Total** | 541,439 | 552,685 | 664,739 | 627,109 | 547,691 |

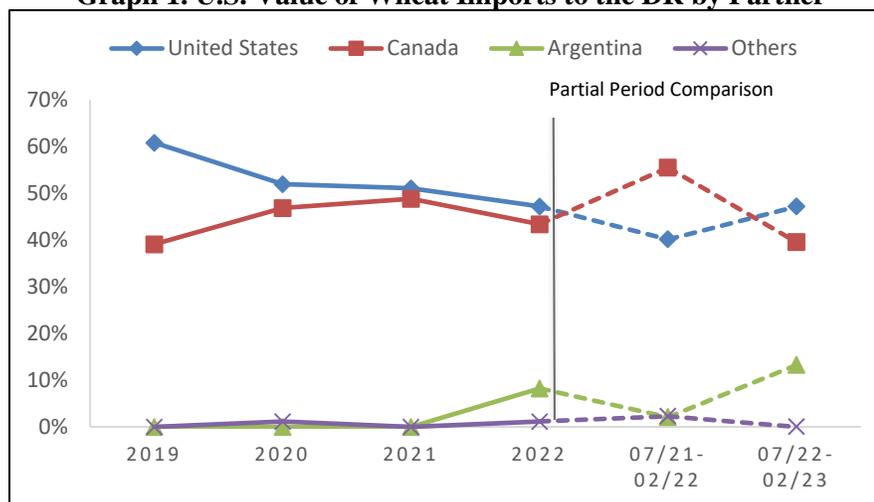
*In WGE

** Argentina quantity data missing from TDM

Source: Tabulation from GATS/USDA and Trade Data Monitor (TDM)

As shown in Graph 1, The DR imported approximately 47 percent of wheat from the United States (\$97,994 million), 43 percent from Canada (\$90,106 million), and eight percent from Argentina (\$17,120 million). Quality issues, such as levels of protein and industrial yields, continue to steer local customers to source more wheat from Canada, although prices are deal breakers for the industry. From July 2022 to February 2023, the DR has imported approximately 47 percent of its wheat from the United States (\$83,169 million), 40 percent from Canada (\$69,746 million) and 13 percent from Argentina.

Graph 1. U.S. Value of Wheat Imports to the DR by Partner



Source: Tabulation Trade Data Monitor (TDM) with data from the General Customs Directorate of DR

Currently, the majority of Dominican wheat imports are comprised of Hard Red Winter (HRW), Soft Red Winter (SRW) and Hard Red Spring (HRS).

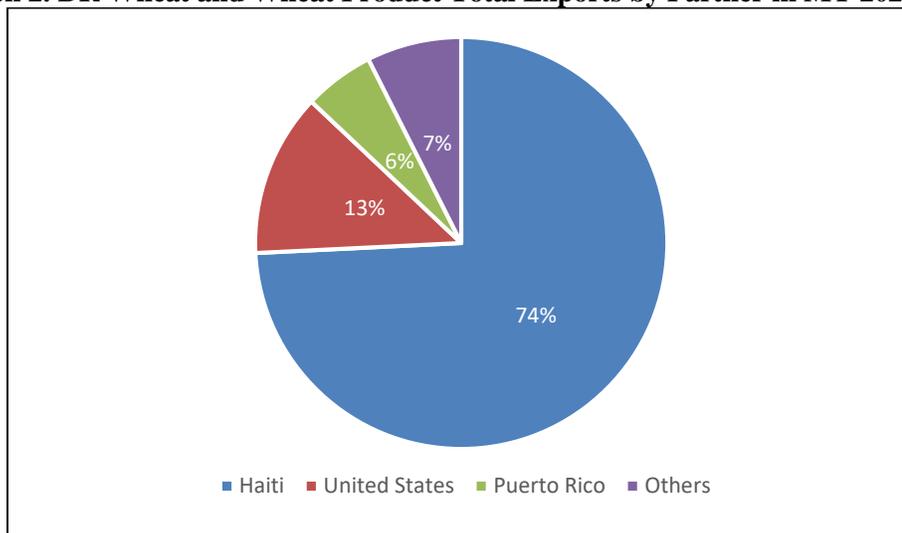
Exports

For MY 2023/24, Post forecasts total exports of wheat and wheat products from the DR to increase to 162,000 MT, driven by manufacturer international expansion plans and the significant increase in informal trade with Haiti.

Although informal trade of wheat and wheat products has fallen dramatically over the last few years, recent developments in Haiti have lifted exports. Post sources report that exports reached between 45,000-50,000 MT in MY 2021/22. These informal exports are expected to continue in the short term due to the ongoing instability in the country, which has caused mills to shut down.

In terms of formal exports, Haiti is the top priority export market for Dominican wheat products. According to Dominican Customs, official exports of Dominican wheat products during CY 2022 to Haiti accounted for 74 percent of that total. Other markets for Dominican wheat supplies include the United States, Venezuela, and the Caribbean Islands.

Graph 2. DR Wheat and Wheat Product Total Exports by Partner in MY 2021/2022

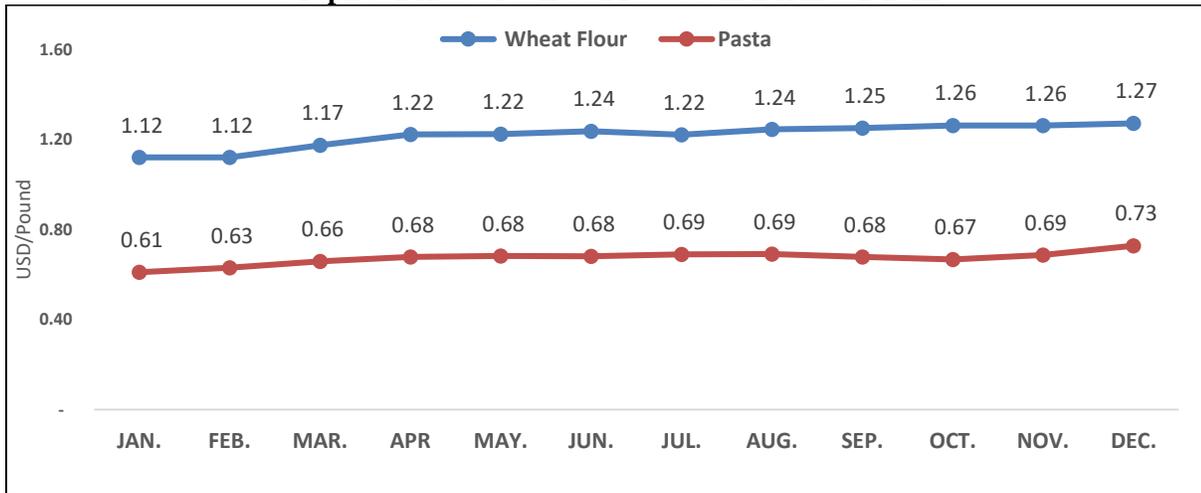


Source: Tabulated with data from the National Customs Directorate and Post Estimates

1.5. Prices

International prices of wheat have directly impacted the prices of locally produced wheat products in the domestic market. According to price reports from the Dominican Consumer Protection Agency (PROCONSUMIDOR), during CY 2022, wheat flour prices increased by 13 percent and pasta prices by 20 percent over the same period last year.

Graph 3. Prices of Wheat Products in DR in CY 2022



Source: Tabulation from PROCONSUMIDOR with data downloaded on March 17, 2023

1.6. Policy

Within the Dominican Republic – Central America Free Trade Agreement (CAFTA-DR), U.S. wheat to the Dominican market enjoys duty-free access. Additionally, as of January 1, 2020, the DR applies no duties on wheat flour, pasta products, or couscous. These products however are subject to a value-added tax (VAT¹) of 18 percent.

On March 7, 2022, President Luis Abinader addressed the nation to announce [10 policy measures](#) to mitigate inflation in the DR due to the impact of the COVID-19 pandemic and the recent confrontation between Russia and Ukraine. One of the executive measures announced was a 10-percent subsidy for six months on imported corn, wheat, soybeans, wheat flour and vegetable. The local Government reported spending over [DOP\\$3.5 billion \(USD\\$64 million\)](#) on subsidies to wheat processors, although, as shown above, such measures did not have much impact on keeping local prices stable.

¹ The DR's value-added tax, or VAT, is referred to locally as the ITBIS.

1.7. Statistics for Production, Supply, and Distribution Table

| Wheat | 2021/2022 | | 2022/2023 | | 2023/2024 | |
|-------------------------------------|----------------------|-----------------|----------------------|-----------------|----------------------|-----------------|
| Market Year Begins | Jul 2021 | | Jul 2022 | | Jul 2023 | |
| Dominican Republic | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Harvested (1000 HA) | 0 | 0 | 0 | 0 | 0 | 0 |
| Beginning Stocks (1000 MT) | 154 | 154 | 189 | 189 | 0 | 209 |
| Production (1000 MT) | 0 | 0 | 0 | 0 | 0 | 0 |
| MY Imports (1000 MT) | 650 | 650 | 650 | 650 | 0 | 663 |
| TY Imports (1000 MT) | 650 | 650 | 650 | 650 | 0 | 663 |
| TY Imp. from U.S. (1000 MT) | 277 | 277 | 0 | 0 | 0 | 0 |
| Total Supply (1000 MT) | 804 | 804 | 839 | 839 | 0 | 872 |
| MY Exports (1000 MT) | 145 | 145 | 150 | 150 | 0 | 162 |
| TY Exports (1000 MT) | 145 | 145 | 150 | 150 | 0 | 162 |
| Feed and Residual (1000 MT) | 0 | 0 | 0 | 0 | 0 | 0 |
| FSI Consumption (1000 MT) | 470 | 470 | 480 | 480 | 0 | 490 |
| Total Consumption (1000 MT) | 470 | 470 | 480 | 480 | 0 | 490 |
| Ending Stocks (1000 MT) | 189 | 189 | 209 | 209 | 0 | 220 |
| Total Distribution (1000 MT) | 804 | 804 | 839 | 839 | 0 | 872 |
| Yield (MT/HA) | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | | | |

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Wheat begins in July for all countries. TY 2023/2024 = July 2023 - June 2024

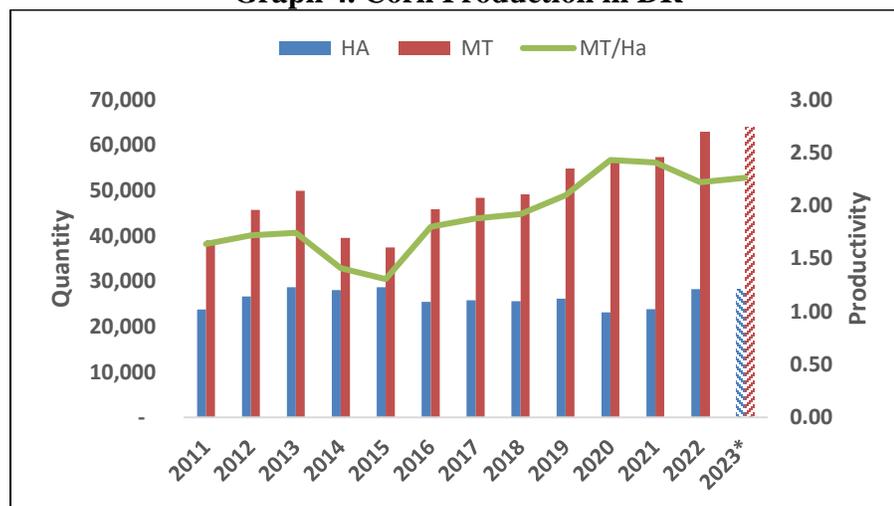
2. CORN

2.1. Production

Corn production in the Dominican Republic accounts for one to three percent of total corn consumption. For MY 2023/24 (October 2023/September 2024), Post forecasts production at 64,000 MT, up six percent from last year's estimate. The DR increased its planted area for corn by 18 percent from CY 2021 to CY 2022, indicating the Government's intention to expand corn production. The new corn crops replaced previous sorghum areas in the southwest region. In addition, starting in CY 2022, the overall agricultural sector received [subsidies for fertilizer](#) in the amount of \$91 million with the intention to hold prices stable. Post sources indicate that farmers are using higher-yield corn seeds, although land extension remain a constraint.

On average, annual production totals 45,000-60,000 MT, mostly produced in the southwest region of the country from around 8,000 small farmers.

Graph 4. Corn Production in DR



Source: Tabulated with data from the Ministry of Agriculture of DR
*2023 Estimate

2.2. Consumption

For MY 2023/24 Post forecasts total consumption of corn at 1.65 million MT, up three percent from MY2022/23 estimates. The poultry industry expanded significantly in CY 2022 due to the growing HRI sector. Local production of chicken grew to 223 million units (5 percent) and eggs to 3.2 billion (17 percent) in CY2022 year over year.

In addition, worsening food shortages in neighboring Haiti have prompted heightened demand for eggs and poultry products imported from DR.

Corn is an important ingredient for animal feed used in the Dominican poultry, egg, and pork industries. Livestock producers import significant volumes of yellow corn for animal feed. According to trade sources, close to 70 percent of corn supply is consumed by broilers and layers, while the swine industry

consumes about 15 percent; the food processing industry utilizes around 11 percent. Cattle, mostly from the dairy sector, consumes the remaining five percent.

Every year, the Government and local producers set informal production quotas for chicken and egg production, setting minimum prices throughout the distribution chain. On a per capita basis, the DR consumes 83 pounds of chicken meat per year, coupled with approximately 30 pounds of pork.

2.3. Stocks

For MY 2023/24, Post forecasts stocks to remain stable at 103,000 MT. Storage facilities are limited and vary considerably among feed producers. The collective storage capacity is estimated at 120,000 MT, while utilization of storage capacity is estimated at 80-85 percent.

2.4. Trade

For MY 2023/24, Post forecasts imports of 1,590,000 MT, up three percent from the previous forecast. Following the COVID-19 pandemic, local demand for poultry and egg products rebounded sharply due to increased demand from the HRI sector. As Dominican authorities continue to cull animals due to the spread of African Swine Fever (ASF) throughout the country, demand for poultry and egg products is projected to rise.

A small number of companies and producer associations purchase corn. The most important are: JUPROPE, Consejo, ASODEP, APROAMOLI, and Pollo Cibao. These groups buy nearly 80 percent of all corn imports.

The United States lost its dominance in the local corn market back in MY 2008/09, due to persistent complaints from local consumers concerning dust levels, grain cracking, mycotoxins, lack of yellow color, and milling yields. At the same time, South American suppliers, mainly from Brazil and Argentina, offered a more visibly attractive product, increased availability and made important improvements in logistics.

In MY 2021/22, U.S. market share increased six percent year-over-year. However, medium-term trend indicates a declining market share, as local customers are already buying significant quantities of mid- and end-of-year corn futures from Brazil and Argentina due to quality and price differentials relative to U.S.-sourced corn.

DOMINICAN REPUBLIC CORN GRAIN IMPORTS BY PARTNER
MY 2017-2022 (MT)*

| Country | MY 17/18 | MY 18/19 | MY 19/20 | MY 20/21 | MY 21/22 |
|-----------------|-----------|-----------|-----------|-----------|-----------|
| Reporting Total | 1,328,860 | 1,520,196 | 1,362,116 | 1,492,284 | 1,355,770 |
| Brazil | 566,591 | 722,151 | 762,949 | 716,880 | 796,358 |
| United States | 687,267 | 623,872 | 495,737 | 467,324 | 493,243 |
| Argentina | 74,895 | 152,046 | 103,375 | 307,776 | 66,165 |
| Others | 107 | 22,126 | 55 | 304 | 4 |

*HS 1005

Source: Tabulation from GATS/USDA and Trade Data Monitor (TDM)

Brazil continues as the strongest competitor for corn in the DR market. During MY 2021/22, Brazil supplied 58 percent of total Dominican imports. In the case of Argentina, during MY 2021/22 the market share for corn declined to five percent. From October 2022 to January 2023, Brazil continues dominating the market, supplying over 90 percent of total Dominican imports.

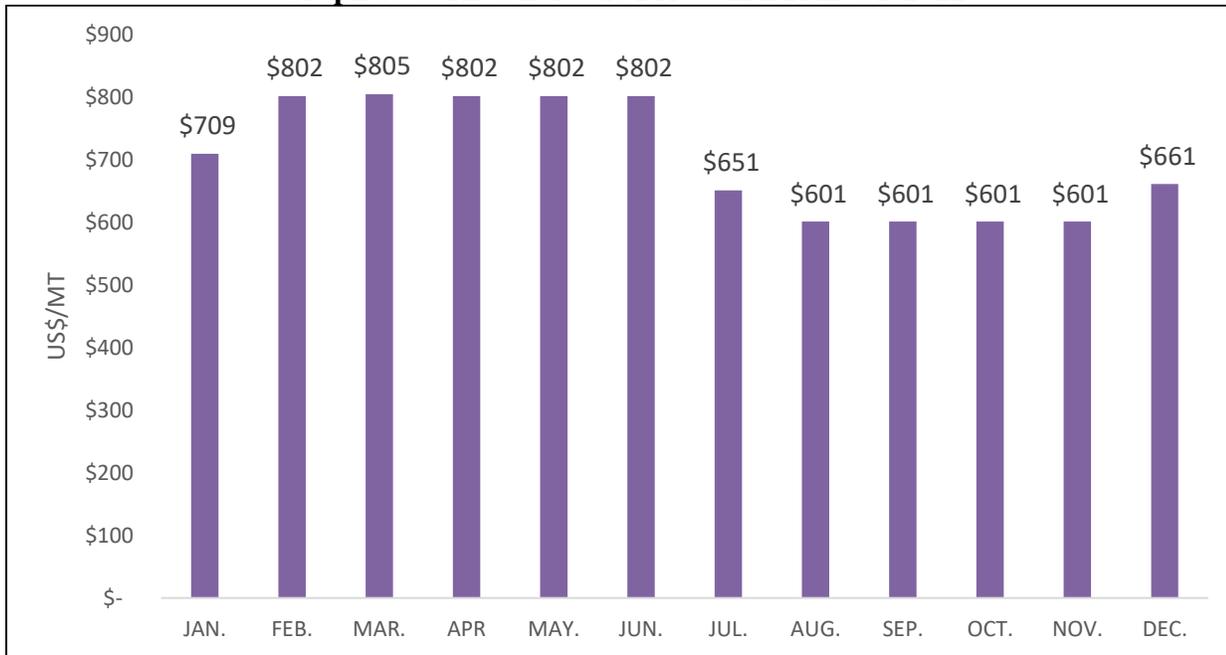
Dominican official exports of corn are limited. According to the National Directorate of Customs (DGA), the DR exported approximately 258 MT of corn during MY 2022/23; 90 percent of that total was destined to Haiti. However, Post sources showed that informal exports of corn meal and grits to Haiti have grown in the last year, reaching between 3,500-4,000 MT during MY 2022/23. This trend is likely to hold due to political instability in Haiti.

Unused imported yellow corn in the production of animal feed is milled to produce corn meal and corn grits for both domestic consumption and export. Some Dominican companies export these products to Haiti (through both formal and informal channels) and other markets throughout the region. Similarly, there are small amounts of corn-based animal feed products exported to Cuba and other islands in the Caribbean.

2.5. Prices

According to wholesale price reports from the Ministry of Agriculture of the DR, corn prices spiked 32 percent year-over-year at an average of US\$703.28/MT during CY 2022. Both strong demand from the poultry industry and international commodity futures (over 95 percent of total corn consumption in DR comes from imports) drove prices higher.

Graph 5. Corn Wholesale Prices in DR in CY 2022



Source: Built with data from monthly wholesale price reports from MOA, consulted on 03/21/23. Prices reported in RD\$. Exchange rate used 1US\$=55 RD\$.

2.6. Policy

As corn (along with soybean meal) constitutes one of the primary inputs in feed formulations, it is exempt from import duties to reduce costs to producers. Additionally, corn imports are not subject to the 18 percent VAT.

As part of the DR's commitments at the World Trade Organization (WTO), the country included corn among the agricultural products comprising the Technical Rectification (TR). Specifically, as part of its WTO commitments, the Government of the DR established an initial tariff-rate quota (TRQ) of 703,000 MT for corn that increased gradually to 1,091,000 MT by 2004. Although the DR has a bound out-of-quota tariff rate of 40 percent, this tariff is not applied. According to Decree 569-12, the Government will not apply the out-of-quota rate on corn imports.

Decree 569-12 also included corn in the Automatic License System for the adjudication of the quota, which means that the import process is expedited for importers.

At present time, Dominican law requires every corn importer to purchase locally-produced sorghum. Specifically, the National Corn and Sorghum Commission (CNMS is the Spanish acronym) requires the purchase of five percent of national sorghum production in exchange for the importation of corn. According to officials at the Ministry of Agriculture, the five-percent figure applies regardless of the amount of corn imported.

Additionally, it is worth noting that the DR does not currently restrict imports of genetically engineered commodities. For imports of corn used as propagation material, the DR has a rule in place that requires

that the phytosanitary certificate accompanying the shipment state that said product “does not contain GMO material²”.

2.7. Statistics for Production, Supply and Distribution Table

| Corn | 2021/2022 | | 2022/2023 | | 2023/2024 | |
|-------------------------------------|----------------------|-----------------|----------------------|-----------------|----------------------|-----------------|
| Market Year Begins | Oct 2021 | | Oct 2022 | | Oct 2023 | |
| Dominican Republic | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Harvested (1000 HA) | 30 | 28 | 30 | 30 | 0 | 33 |
| Beginning Stocks (1000 MT) | 128 | 128 | 84 | 84 | 0 | 104 |
| Production (1000 MT) | 50 | 50 | 50 | 60 | 0 | 64 |
| MY Imports (1000 MT) | 1356 | 1356 | 1450 | 1550 | 0 | 1590 |
| TY Imports (1000 MT) | 1356 | 1356 | 1450 | 1550 | 0 | 1590 |
| TY Imp. from U.S. (1000 MT) | 493 | 493 | 0 | 0 | 0 | 0 |
| Total Supply (1000 MT) | 1534 | 1534 | 1584 | 1694 | 0 | 1758 |
| MY Exports (1000 MT) | 0 | 0 | 0 | 0 | 0 | 5 |
| TY Exports (1000 MT) | 0 | 0 | 0 | 0 | 0 | 5 |
| Feed and Residual (1000 MT) | 1350 | 1350 | 1350 | 1490 | 0 | 1550 |
| FSI Consumption (1000 MT) | 100 | 100 | 100 | 100 | 0 | 100 |
| Total Consumption (1000 MT) | 1450 | 1450 | 1450 | 1590 | 0 | 1650 |
| Ending Stocks (1000 MT) | 84 | 84 | 134 | 104 | 0 | 103 |
| Total Distribution (1000 MT) | 1534 | 1534 | 1584 | 1694 | 0 | 1758 |
| Yield (MT/HA) | 1.6667 | 1.7857 | 1.6667 | 2 | 0 | 1.9394 |

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Corn begins in October for all countries. TY 2023/2024 = October 2023 - September 2024

² For more information on Biotechnology products in the Dominican Republic, please review our latest [Biotechnology Annual Report](#).

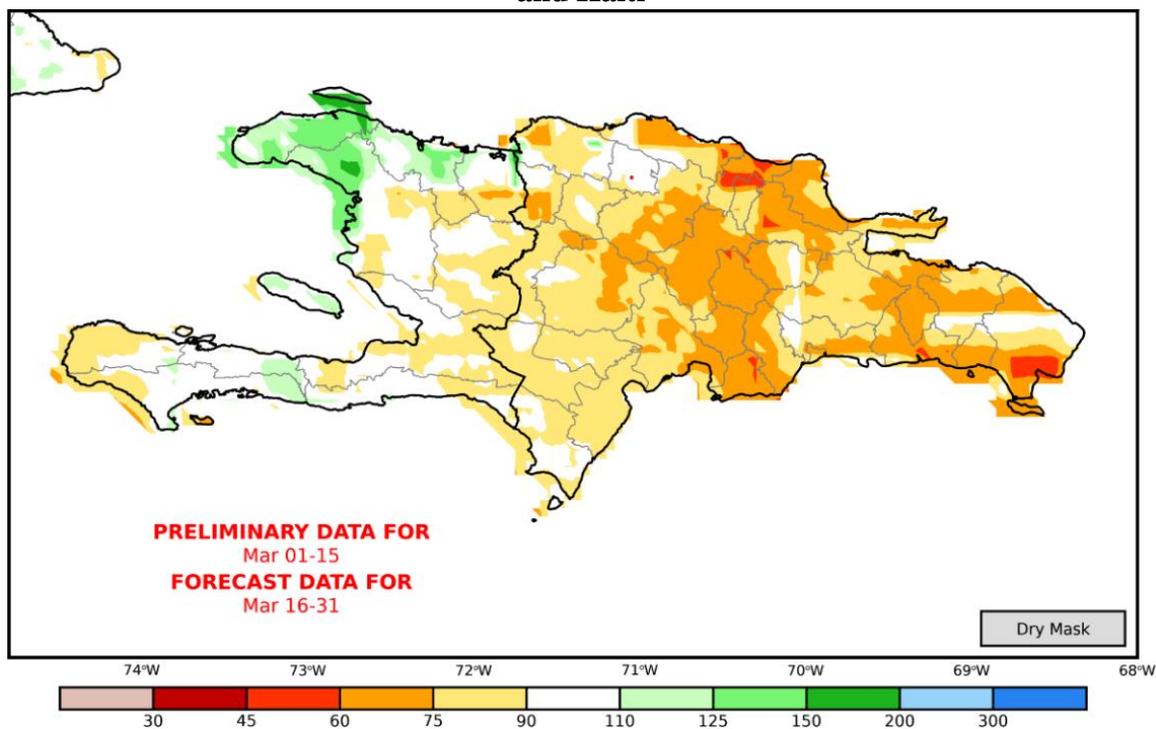
3. RICE

3.1. Production

For MY 2023/24, Post forecasts “rough” rice production to decrease to 881,000 MT and milled production to 590,000 MT due to reduced rainfall in major production areas. As figure 1 shows below, according to weather forecasts and preliminary data from the Climate Hazard Center (CHC), the region is receiving around 25 to 40 percent of lower average precipitation due to the intense seasonal drought occurring in the area. These unfavorable climate conditions overlap with the main planting season for the forecast year.

Harvested area for rice remains at approximately 190,000 ha in MY 2023/24 (July 2023/ June 2024), similar to the area projected for MY 2022/23. The Dominican Government currently has no plans to promote the expansion of rice production areas. Rice is normally produced in two cycles during the year: 1) spring (April-May); and 2) winter (October-November).

Figure 1. Percent of Average Rainfall from December 2022 to March 2023 in Dominican Republic and Haiti



Rice represents one of the most important agricultural products in the DR due to its political, economic, and social impact on Dominican society. It is also a key part of the typical Dominican meal, consumed nearly every day. According to national estimates, the country has approximately 30,500 rice producers, while approximately 500,000 people are involved in the production, processing, and marketing of rice. The sector contributes approximately five percent annually to the Agricultural Gross Domestic Product.



Figure 2. Rice Crop in La Vega Province, DR

Most rice in the country is produced under irrigation. According to Post sources, irrigated rice accounts for 99 percent of the total area.

The average yield has varied between 4-5 MT/HA over the last ten years. Post sources expect yields to remain in this range in the coming years, due to lack of access to new varieties and production technologies.

3.2. Consumption

For MY 2023/24, Post forecasts local rice consumption at 650,000 MT, up from the 647,000 MT projected for MY 2022/23, which is in line with expected population growth. Additionally, the HRI sector has displayed a sharp rebound with a record level of tourists on pace to exceed the 8.5 million in CY 2022. According to the Central Bank of the Dominican Republic (CBRD), the hotel, bar, and restaurant sector grew 24 percent in CY 2022, contributing to the country's economic recovery post COVID-19 pandemic.

3.3. Stocks

Post forecasts stock levels to fall to 227,000 MT during MY 2023/24 driven by higher exports to Haiti and unfavorable weather conditions. In addition, hurricane Fiona impacted rice producing areas in the Nagua and La Vega provinces in October 2022, further contributing to reduced stocks.

Private processors (mills) and the Dominican Government owns storage facilities. Stock levels tend to be high as a result of the GoDR *Pignoracion* Program. According to Post sources, 80 percent of stocks are maintained under that program, which is further explained in section 3.6 (below).

3.4. Trade

For MY 2023/24, Post forecasts imports at 35,000 MT, up from the 30,000 MT estimated for MY 2022/23, due to expected increases in quota levels under CAFTA-DR.

Both imports and exports by the DR are limited. The country has been self-sufficient in rice over the last several years, and most rice imports come from the United States (98 percent of the MY 2021/22 total) thanks to a tariff-rate quota (TRQ) established under CAFTA-DR. Since rice is included in Basket V of the FTA (explained in section 3.6 below), out-of-quota rice imports currently charge a duty of 23.8 percent, effectively pricing imports out of the market.

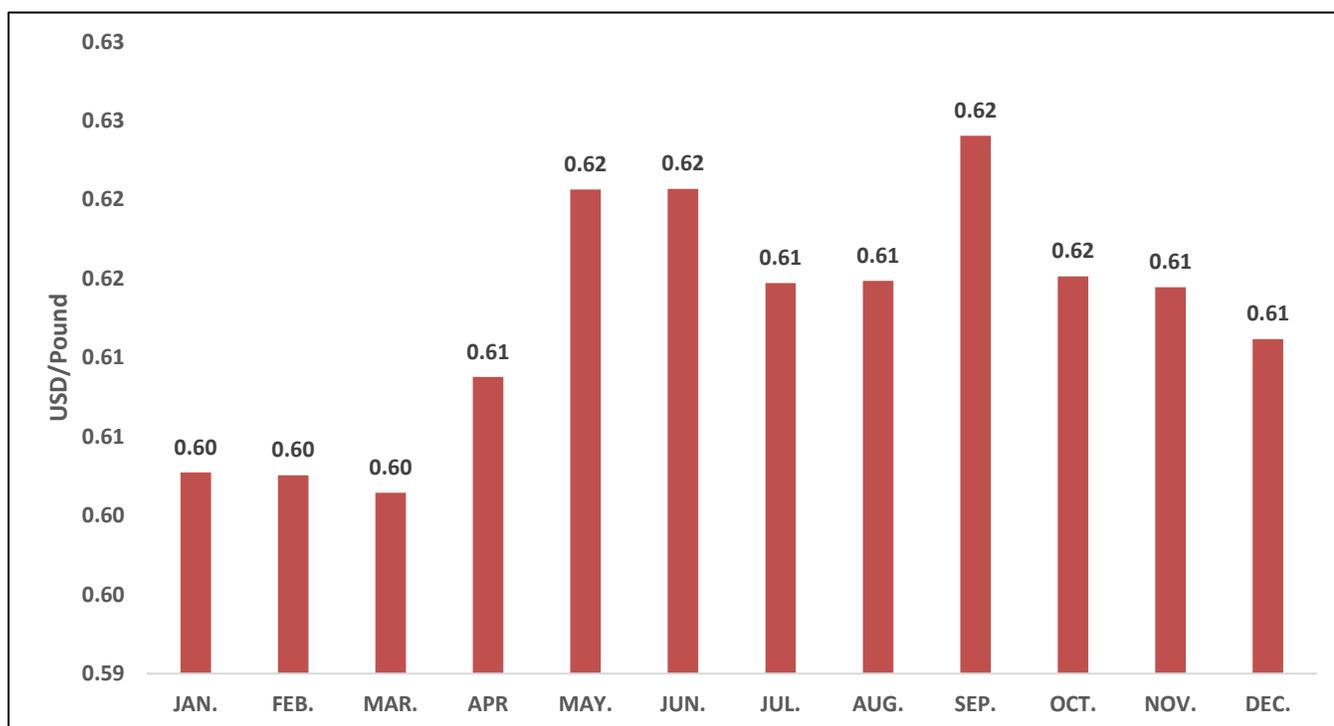
Dominican rice is exported in limited quantities, mainly to Haiti in the form of broken rice. For MY 2022/23, Post sources indicate that informal exports to Haiti will reach up to 50,000 MT, as the food

security crisis worsened, particularly during the months of October and November 2022 when formal exports stopped abruptly due to insecurity at seaports. For MY 2023/24, Post forecasts exports to decline to 20,000 MT, but still up over previous years. After Haitian authorities resecured local seaports, formal trade resumed. Nevertheless, the food security crisis continues to impact the growth of informal rice trade with DR.

3.5. Prices

According to retail price reports from PROCONSUMIDOR, prices of rice (i.e., premium) have remained stable in the local market during CY 2022 at an average of US\$0.61/pound.

Graph 6. Average Retail Price for Rice in DR



Source: Built with data from monthly retail price reports from PROCONSUMIDOR, consulted on 03/16/23. Prices reported in RD\$. Exchange rate used 1US\$=55 RD\$.

3.6. Policy

Under CAFTA-DR, Dominican authorities negotiated that rice be placed in Basket V, which provides a longer-term tariff reduction period -- 20 years -- as well as establishes an initial 99 percent out-of-quota tariff rate. In addition, the Dominican Republic negotiated TRQs for U.S. rice within in-quota tariff rate of zero percent. The agreement set TRQs for both milled and brown rice, which started at 8,560 MT and 2,140 MT respectively in year 1 (2006) and has increased to 18,080 MT and 4,520 MT, respectively as of 2023.

The *Pignoracion* Program³ establishes price controls, which operates eight months out of the year. The National Rice Commission (CONA) establishes a yearly price band for paddy rice freight on board (FOB). CONA is composed of the Ministry of Agriculture, producers, processors, retailers, and other public institutions. Price bands are established both annually and for each of the two harvest periods (May and September), based on historic prices, varieties, and production estimates. For millers, purchasing according to CONA price bands is not obligatory, but it is a requirement for participation in the *Pignoracion* Program.

In general terms, *Pignoracion* is a financial services program benefiting rice producers and processors. Under the program, processors (e.g., factories, cooperatives, etc.) or producers buy or produce rice, then mill, and finally decide to either market or store it. If stored, rice can be pledged as collateral from commercial or public lending institutions. The Ministry of Agriculture covers the costs of storage, interest, and insurance for participants in the *Pignoracion* Program.

As rice constitutes one of the primary food sources for the population, it is exempt from the VAT.

3.6. Statistics for Production, Supply and Distribution Table

| Rice, Milled | 2021/2022 | | 2022/2023 | | 2023/2024 | |
|------------------------------------|---------------|----------|---------------|----------|---------------|----------|
| Market Year Begins | Jul 2021 | | Jul 2022 | | Jul 2023 | |
| Dominican Republic | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Harvested (1000 HA) | 193 | 193 | 190 | 190 | 0 | 190 |
| Beginning Stocks (1000 MT) | 265 | 265 | 289 | 289 | 0 | 272 |
| Milled Production (1000 MT) | 667 | 667 | 650 | 650 | 0 | 590 |
| Rough Production (1000 MT) | 996 | 996 | 970 | 970 | 0 | 881 |
| Milling Rate (.9999) (1000 MT) | 6700 | 6700 | 6700 | 6700 | 0 | 6700 |
| MY Imports (1000 MT) | 12 | 12 | 23 | 30 | 0 | 35 |
| TY Imports (1000 MT) | 23 | 23 | 25 | 30 | 0 | 35 |
| TY Imp. from U.S. (1000 MT) | 22 | 22 | 0 | 0 | 0 | 0 |
| Total Supply (1000 MT) | 944 | 944 | 962 | 969 | 0 | 897 |
| MY Exports (1000 MT) | 10 | 10 | 10 | 50 | 0 | 20 |
| TY Exports (1000 MT) | 10 | 10 | 10 | 50 | 0 | 20 |
| Consumption and Residual (1000 MT) | 645 | 645 | 650 | 647 | 0 | 650 |
| Ending Stocks (1000 MT) | 289 | 289 | 302 | 272 | 0 | 227 |
| Total Distribution (1000 MT) | 944 | 944 | 962 | 969 | 0 | 897 |
| Yield (Rough) (MT/HA) | 5.1606 | 5.1606 | 5.1053 | 5.1053 | 0 | 4.6368 |

³ For more information on the *Pignoracion* Program, please review our 2014 Report: [“Dominican Republic Governmental Support for the Rice Sector”](#).

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2023/2024 =
January 2024 - December 2024

Attachments:

No Attachments