



Voluntary Report – Voluntary - Public Distribution

Date: January 27,2021

Report Number: HO2021-0002

Report Name: Honduras Sets Rough Rice Shortage Import Quota for 2021

Country: Honduras

Post: Tegucigalpa

Report Category: Policy and Program Announcements, Grain and Feed

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Report Highlights:

Honduras Set a 118,800 MT Rough Rice Shortage Import Quota for 2021 after local production was severely hit by Hurricanes Eta and Iota. The Secretariat of Economic Development began issuing import licenses on January 4th which are valid until December 31st 2021. US rice exporters are advised to contact their local clients in Honduras to determine the amount every importer has been allocated based on local production purchases and to secure import licenses in a timely manner.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY





The Secretariat of Economic Development (SDE) began issuing rough rice (HS 1006.10.90) import licenses on January 4th that are valid until December 31st, 2021. The 2021 shortage import quota was set by the Multisector Rice Round Table at 118,800 MT of paddy rice, which is aligned with CAFTA-DR maximum Tariff Rate Quota (TRQ) for year 16. TRQs for rough rice will phase out on January 1st, 2023. Most of the quota is expected to be imported during the first quarter of 2021. Rough Rice imports represented 75% of total rice imports in 2019 (Figure 1).



Source: Trade Data Monitor, BICO-Rice (2021)

Figure 1. Total Honduras rice imports 2015-2019 in Metric Tons (MT).

National 2020 production was 54,431 MT, continuing a downward trend from 2015 (Figure 2). National production dropped 26% compared to pre hurricane Iota and Eta and 5% compared to 2019 when a severe drought affected yields.

Rice importers must buy a percentage of local production in order to be able to obtain import licenses for a similar percentage of the annual shortage quota, as established in Presidential Decree PCM-007-2012 (in Spanish) which can be accessed using this link:

https://sde.gob.hn/wp-content/uploads/2017/08/DESABASTO-PCM007-2012.pdf.

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Source: FAO STAT (2021).

Figure 2. Honduras rough rice 2015-2019 production in Metric Tons (MT).

If you have questions regarding this report or need assistance exporting to Honduras, please contact the USDA's Foreign Agricultural Service (FAS) Offices at the following addresses:

Foreign Agricultural Service, U.S. Embassy Avenida La Paz, Tegucigalpa, Honduras Phone: (504) 22385114, Ext. 4544, 4354 Fax: (504) 22368342 Email: <u>AgTegucigalpa@fas.usda.gov</u>

Attachments:

No Attachments.