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Report Highlights:

Wheat consumption in the Dominican Republic (DR) during marketing year (MY) 2026/27 (July 2026/June 2027) is forecast to remain stable, with a slight increase at 650,000 metric tons (MT). Wheat imports are projected to reach 800,000 MT, driven by manufacturers' international expansion plans and continued growth in the tourism sector. Domestic corn production is expected to meet less than 5 percent of local consumption, corn imports for MY 2026/27 (October 2026/September 2027) are expected to remain at 1.67 million MT, supported by sustained strong demand from the poultry sector. Milled rice production in MY 2026/27 (July 2026/June 2027) is forecast at 675,000 MT, a decline from the previous marketing year. Rice imports are expected to increase slightly to 50,000 MT, driven by above average rainfall conditions, although volumes will remain limited due to ongoing trade restrictions.

1. WHEAT

Statistics for Production, Supply, and Distribution Table

Wheat	2024/2025		2025/2026		2026/2027	
Market Year Begins	Jul 2024		Jul 2025		Jul 2026	
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)	257	257	298	298	0	258
Production (1000 MT)	0	0	0	0	0	0
MY Imports (1000 MT)	836	836	675	780	0	800
TY Imports (1000 MT)	836	836	675	780	0	800
Total Supply (1000 MT)	1093	1093	973	1078	0	1058
MY Exports (1000 MT)	170	170	170	170	0	170
TY Exports (1000 MT)	170	170	170	170	0	170
Feed and Residual (1000 MT)	0	0	0	0	0	0
FSI Consumption (1000 MT)	625	625	650	650	0	650
Total Consumption (1000 MT)	625	625	650	650	0	650
Ending Stocks (1000 MT)	298	298	153	258	0	238
Total Distribution (1000 MT)	1093	1093	973	1078	0	1058
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 2026/2027 = July 2026 - June 2027

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1.2. Production

The Dominican Republic (DR) does not produce wheat, remaining entirely dependent on imports to supply the domestic market.

1.3. Consumption

The Dominican Republic maintains one of the highest per capita consumption rates for wheat and wheat products in Latin America and the Caribbean. For marketing year (MY) 2026/27 (July 2026/June 2027) consumption is held unchanged at 650,000 MT driven by sustained international tourism.

In Calendar Year (CY) 2025, tourism in the Dominican Republic reached a record 11.7 million visitors. For the CY 2026 outlook, the Ministry of Tourism has projected another record-breaking year as the number of visitors in the first quarter has outpaced the same period last year by 5 percent. With sustained strong private-sector investment in the tourism industry, the Ministry expects international arrivals to continue setting new records in the coming years. Meanwhile, the Central Bank of the Dominican Republic (BCRD) has projected an average gross domestic product (GDP) growth rate of 4.5 percent for 2026, reflecting the country's steady economic expansion.

The DR continues to benefit from a well-established milling industry, sourcing most of its wheat imports from the United States and Canada. The industry is expanding its milling capacity with the construction of a new mill, ensuring a stable domestic flour supply. This project represents a total investment of US$17.56 million and is expected to be completed within the next two years. Once operational, the new facility is expected to increase the country's milling capacity by 9 percent. Currently, the country has a total daily milling capacity of approximately 3,320 metric tons (MT), with an average utilization rate of 65-70 percent across six major mills in figure 1.

Figure 1.

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. Collectively, both Molinos Modernos and Molinos Valle del Cibao process nearly 80 percent of all wheat imports. The main product is wheat flour, although several 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, in CY 2025 the total retail value of baked goods grew by 7 percent. Unpackaged, leavened bread continues to account for the largest share of baked goods, with the retail value of this category increasing by 7 percent during CY 2025. This category includes staple breads called *"pan de agua"* and *"pan sobao,"* which are consumed regularly by a broad spectrum of the population. Industrial bakers, along with small and medium-sized bakeries, produce staple breads and subsequently distribute them to a variety of supermarkets, "mom-and-pop" stores (*colmados)*, and other bakeries.

The Government of the Dominican Republic's supplemental nutritional feeding programs, particularly the national school meals program, play a critical role in supporting food security and child nutrition. These programs distribute a variety of baked goods, including bread, cookies, and muffins, to public school students across the country.

During the 2024-2025 school year, the Dominican Republic's school meals program reported the distribution of over 1,000 million food rations to public school students. As part of its breakfast and snack offerings, the program provides units of milk, bread, muffins and cookies, reinforcing its commitment to improving student nutrition and well-being.

While most of the flour production is destined for the domestic market, the DR also exports significant quantities of wheat flour and other finished products (e.g., crackers, pasta) to neighboring Haiti and the United States. Additionally, the DR has expanded its exports of wheat products to a lesser extent to Central America, Puerto Rico, and other Caribbean markets.

1.4. Stocks

For MY 2026/27, ending stocks are expected to reach 238,000 metric tons (MT). This reflects international wheat pricing, industry being cautious of investments due to the sector's cautious investment posture due to current affairs.

The Dominican Republic's wheat milling industry depends on reliable, short shipment times from the United States and Canada. However, storage capacity varies significantly among processors. The country's six operational mills collectively hold between 140,000 and 350,000 MT. According to Post sources, storage capacity will expand in the next two years as millers implement measures to accommodate rising wheat demand. Several companies plan to increase milling capacity and expand storage infrastructure, with completion expected by 2027.

1.5. Trade

Imports

For MY 2025/26, Post forecasts wheat and wheat product imports to reach 800,000 MT, slightly higher compared the last MY estimate. This increase reflects manufacturers' export plans, which require greater raw material for wheat product production. Additionally, the forecast aligns with anticipated population growth and expansion in the hotel, restaurant, and institutional (HRI) sector.

Imports of wheat grain

Figure 2.

DOMINICAN REPUBLIC WHEAT IMPORTS BY PARTNER
MY 2019-2024 (MT)

Country	Years				
	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
United States	317,581	267,001	300,508	381,111	557,165
Canada	256,865	220,270	291,279	247,805	151,441
Argentina	-	47,990	77,260	71,400	25,007
Others	-	9,344	-	24,810	-
Total*	**574,446**	**544,605**	**669,047**	**725,126**	**733,613**

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

The DR imported 733,613 MT of wheat grain in MY 2024/25 as seen in Figure 2. The United States remained the top supplier for wheat imports to the DR, growing by 46 percent in volume and accounting for 76 percent ($152 million) of total imports. Canada supplied 21 percent ($38 million), while Argentina contributed 3 percent ($6 million).

From July 2025 to January 2026, world wheat exports to the Dominican Republic grew by 27 percent in a period-to-period comparison. The United States has supplied 59 percent over this period ($69 million), 38 percent from Canada ($42 million), and 3 percent from Brazil ($2 million). Despite industry sources recognizing the superior quality of U.S. wheat, price remains the primary determining factor for Dominican importers.

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 2026/27, total wheat and wheat product exports are kept at 170,000MT, as manufacturer expansion efforts and the pursuit of new export destinations continue to develop.

Trade with Haiti has remained steady throughout CY 2025. Ongoing instability has fueled demand for wheat-based products tailored specifically to the Haitian market, sustaining local consumption. Informal exports to Haiti are expected to continue.

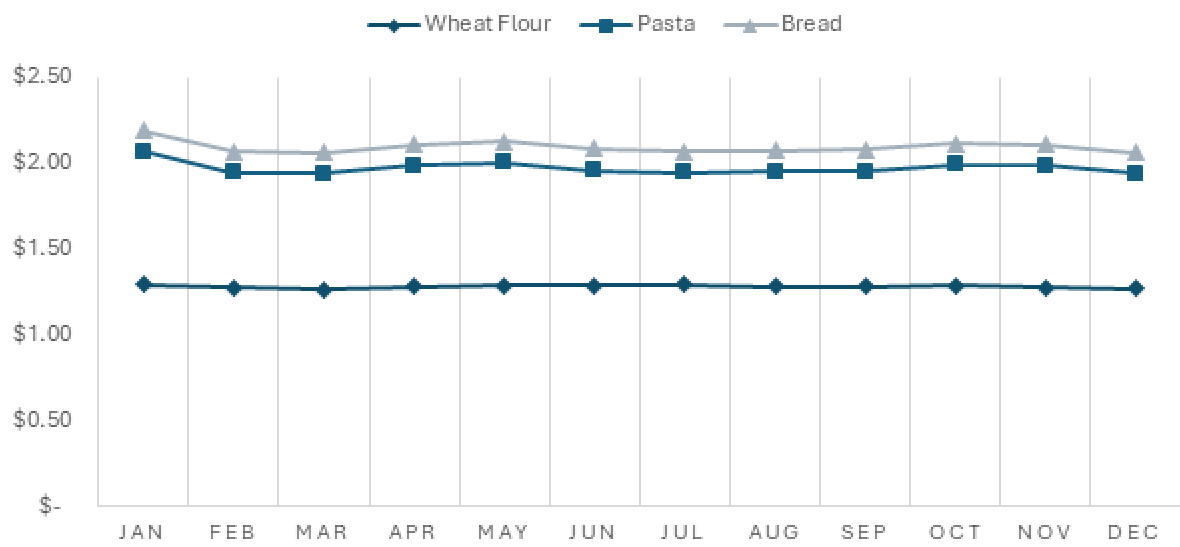
In response to Haiti's political and civil unrest, the DR has adjusted its export strategy. While Haiti remains the primary destination for Dominican wheat products, producers are actively exploring alternative markets. According to Dominican Customs, official exports to Haiti accounted for 97 percent of total wheat product exports in MY 2024/25, with wheat or meslin flour as the top-exported product. Potential new markets include Cuba, Puerto Rico, and other Caribbean nations.

1.6. Prices

Government subsidies have played a key role in stabilizing prices for locally produced wheat products in the domestic market throughout the year. According to the Ministry of Commerce, these subsidies support more than one million pounds of flour per day, helping reduce wholesale prices. Authorities initially planned to phase out these subsidies by the first quarter of 2025, expecting to revisit them as part of broader tax reform discussions in the coming years. However, the government has not yet formally clarified whether the subsidies will continue.

Since 2021, the Dominican government has invested approximately USD $81 million in subsidies for wheat and flour. Industry sources report rising production costs and warn that, if subsidies are reduced or discontinued, prices of finished products could increase in the coming months.

Graph 1. Prices of Wheat Products in DR in CY 2025



Source: Built by post with data from weekly retail price reports from PROCONSUMIDOR, Prices reported in RD$. Exchange rate used 1US$=61.44 RD$.

From the products analyzed, we used commonly available retail formats to ensure consistency and relevance. For pasta, we considered spaghetti, selecting popular brands in the standard 400 gram presentation. For wheat flour, we used the most widely available 907gram package. For bread, we considered the unit price of *"pan de agua,"* which represents the most common and accessible option in both *colmados* and retail stores.

1.7. Policy

Within the United States and 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 (VAT[1]) of 18 percent, with the exception of products under HS code 1902.11 and 1902.19 as per article 49 of the GoDR 2026 budget[2]. Companies in the baking industry generate more than 20,000 formal direct jobs and more than 30,000 indirect jobs.

2. CORN

2.1. Statistics for Production, Supply and Distribution Table

Corn	2024/2025		2025/2026		2026/2027	
Market Year Begins	Oct 2024		Oct 2025		Oct 2026	
Dominican Republic	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	35	35	40	45	0	45
Beginning Stocks (1000 MT)	149	149	153	153	0	138
Production (1000 MT)	65	65	70	75	0	80
MY Imports (1000 MT)	1619	1619	1650	1650	0	1665
TY Imports (1000 MT)	1619	1619	1650	1650	0	1665
Total Supply (1000 MT)	1833	1833	1873	1878	0	1883
MY Exports (1000 MT)	5	5	5	5	0	5
TY Exports (1000 MT)	5	5	5	5	0	5
Feed and Residual (1000 MT)	1575	1575	1625	1635	0	1640
FSI Consumption (1000 MT)	100	100	100	100	0	100
Total Consumption (1000 MT)	1675	1675	1725	1735	0	1740
Ending Stocks (1000 MT)	153	153	143	138	0	138
Total Distribution (1000 MT)	1833	1833	1873	1878	0	1883
Yield (MT/HA)	1.8571	1.8571	1.75	1.6667	0	1.7778

(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 2026/2027 = October 2026 - September 2027

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2.2. Production

Corn production in the Dominican Republic satisfies less than 5 percent of total domestic consumption. For MY 2026/27 (October 2026–September 2027), production is forecast to increase to 80,000 MT, as the country continues to make strides in production development.

Over the past few years, annual production, which is primarily cultivated in the southwest by approximately 8,000 small farmers, has shown slight improvement averaging around 65,000 MT. In San Juan and Azua, the two mayor production areas in the region, drought conditions pose the greatest threat to production. Additionally, rising production costs, driven by labor shortages and higher prices for seeds, fertilizers, and other inputs, further strain the sector.

Recent government initiatives have gradually increased the land available for corn harvesting and improved production. The Government of the Dominican Republic (GoDR) has launched a program to allocate land in the northern region for corn production, aiming to supply poultry and swine producers. Farmers receive high-quality genetically improved seeds, along with technical assistance and free land preparation services. This initiative seeks to enhance domestic corn production and support the livestock sector.

According to Post sources, farmers continue adopting higher-yield corn seeds, though, the need for large land areas, limited water resources, and a lack of agricultural technology hinder large-scale corn cultivation in the Dominican Republic. According to producers, these challenges make high-yield corn varieties for animal feed less profitable in the country.

2.3. Consumption

For MY 2026/27, total corn consumption is projected to rise to 1.665 million metric tons (MT), driven by the poultry industry's continued expansion. In CY 2025, poultry production grew significantly, bolstered by an expanding HRI sector. Egg production increased by almost 13 percent, while the broiler chicken industry grew by 2 percent year-over-year; the industry is expected to continue expanding over the next two years.

According to post sources, several factors contribute to consumption expansion of corn, including economic stability and investor confidence, strong consumer preference for affordable protein, and a reduction in chicken imports due to high international prices. Government support for modernization and expansion initiatives, along with strengthened commercial relationships with retailers and supermarkets, has further bolstered the sector's development.

Yellow corn plays a crucial role in animal feed for the Dominican Republic’s poultry, egg, and pork industries. According to the Ministry of Agriculture, total corn consumption is estimated closer to 1.8 million MT, with only 4-6 percent produced domestically.

Trade sources indicate that broilers and layers consume nearly 70 percent of the total corn supply, while the swine industry accounts for approximately 15 percent. The food processing industry utilizes around 10 percent, and the dairy cattle sector consumes the remaining 5 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 and approximately 30 pounds of pork.

2.4. Stocks

For MY 2026/27, stocks are forecast to remain at 138,000 MT to sustain current demand levels. Storage capacity remains limited and varies considerably among feed producers. The country commonly maintains 3 to 6 months of feed stocks to ensure supply, with small efforts underway to expand storage capacity and improve access to logistics centers; total national capacity is estimated upwards of 150,000 MT, with utilization rates ranging between 80 and 85 percent.

2.5. Trade

For MY 2026/27, imports are forecast at 1.665 million MT. Strong domestic poultry demand, supported by growth in the HRI sector and poultry’s competitive price compared to other animal proteins, continue to drive consumption. Additionally, rising egg exports are expected to further increase demand for poultry feed. As a result, poultry demand is expected to rise further, sustaining high corn import levels.

A small number of companies and producer groups purchase corn. The largest are the following: JUPROPE, Consejo, ASODEP, APROAMOLI, and Pollo Cibao. These groups buy nearly 80 percent of all imported corn.

The United States lost its dominance in the local corn market between 2008 - 2009, 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 with a more consistent quality.

In MY 2024/25, U.S. supplied over 50 percent of Corn imported to the DR, increasing market share over 200 percent year-over-year. Brazil remained the strongest U.S. competitor, supplying 46 percent of total Dominican imports. Argentina captured 4 percent of the market. From October 2025 to January 2026, Brazil continued to dominate the Dominican corn market, supplying over 90 percent of total imports.

Figure 3.

DOMINICAN REPUBLIC CORN GRAIN IMPORTS BY PARTNER MY 2020-2025 (MT)*

Country	MY 20/21	MY 21/22	MY 22/23	MY 23/24	MY 24/25
Brazil	716,880	796,358	989,733	1,296,286	742,244
United States	467,655	493,242	337,718	256,441	811,919
Argentina	307,775	66,165	60,375	113,951	64,612
Others	271	5	4	15	65
Reporting Total	**1,492,581**	**1,355,770**	**1,387,830**	**1,666,693**	**1,621,140**

*HS 1005

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

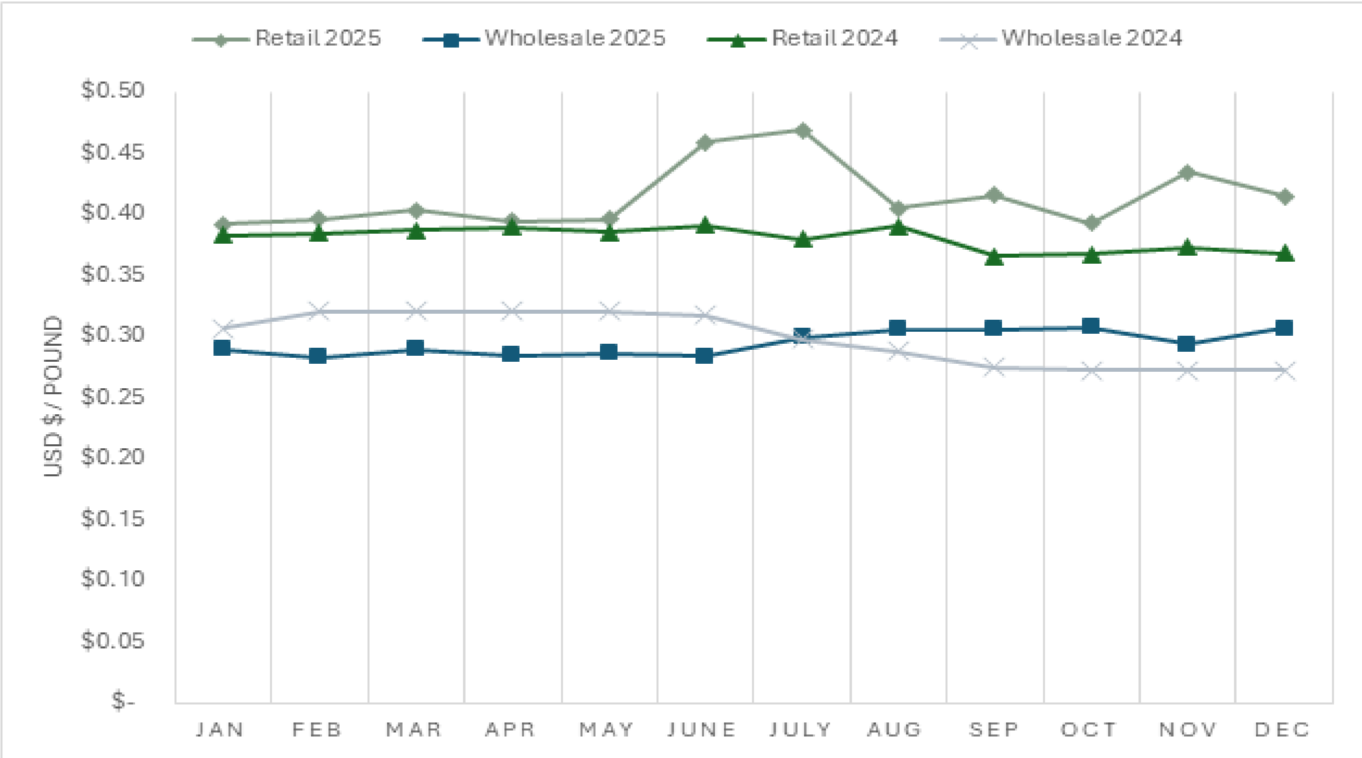
Unused imported yellow corn destined for animal feed production is utilized to produce cornmeal and corn grits for both domestic consumption and exports. Several Dominican companies export these products to Haiti (through both formal and informal channels) and other markets in the region. Similarly,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

Official exports of corn from the Dominican Republic are limited. According to Dominican Customs (DGA), approximately 1.2 MT of corn were exported during MY 2024/25 with 59 percent destined for Cuba, 36 percent for Haiti and the remaining 5 percent for Aruba and Saint Martin. Post sources indicate that informal exports of cornmeal and grits to Haiti experienced a slight decline. Nevertheless, strong demand for the product still exists, despite logistical challenges.

2.6. Prices

Wholesale price reports from the Ministry of Agriculture show that corn prices have remained relatively stable for 2025. However, the overall wholesale price for the year dropped by 1 percent compared to CY 2024.

Graph 2. Prices of Corn in DR in CY 2024/25



Source: Built by post with data from monthly price reports from the Ministry of Agriculture, Prices reported in RD$ per pound. Exchange rate used 1US$=61.44 RD$.

2.7. 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 under 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 an out-of-bound tariff-rate of 40 percent, the tariff is not applied.

As per Decree 553-22, corn is in the Automatic License System for the adjudication of the quota, streamlining the import process for importers.

In August 2023, the Government of the DR signed a Memorandum of Understanding (MOU) with the Government of Guyana. Under this agreement, the GoDR will lease land in Guyana to cultivate corn and soybeans. The primary aim is to enhance corn production for animal consumption, which would reduce costs for livestock and poultry producers. It is anticipated that the agreement will lead to an 18-percent increase in the planted area for corn, although a specific start date has not yet been provided.

At present, Dominican law requires every corn importer to purchase locally produced sorghum. Specifically, the National Corn and Sorghum Commission (CNMS) 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 5-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 requirement that the phytosanitary certificate accompanying the shipment state that such product "does not contain GMO material.[3]"

3. RICE

3.1. Statistics for Production, Supply and Distribution Table

Rice, Milled	2024/2025		2025/2026		2026/2027	
Market Year Begins	Jul 2024		Jul 2025		Jul 2026	
Dominican Republic	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	193	200	200	198	0	195
Beginning Stocks (1000 MT)	314	314	390	391	0	391
Milled Production (1000 MT)	683	684	687	680	0	675
Rough Production (1000 MT)	1019	1021	1025	1015	0	1007
Milling Rate (.9999) (1000 MT)	6700	6700	6700	6700	0	6700
MY Imports (1000 MT)	113	113	50	45	0	50
TY Imports (1000 MT)	30	30	50	45	0	50
Total Supply (1000 MT)	1110	1111	1127	1116	0	1116
MY Exports (1000 MT)	10	10	10	10	0	10
TY Exports (1000 MT)	10	10	10	10	0	10
Consumption and Residual (1000 MT)	710	710	725	715	0	720
Ending Stocks (1000 MT)	390	391	392	391	0	386
Total Distribution (1000 MT)	1110	1111	1127	1116	0	1116
Yield (Rough) (MT/HA)	5.2798	5.105	5.125	5.1263	0	5.1641

(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 2026/2027 = January 2027 - December 2027

OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query

3.2. Production

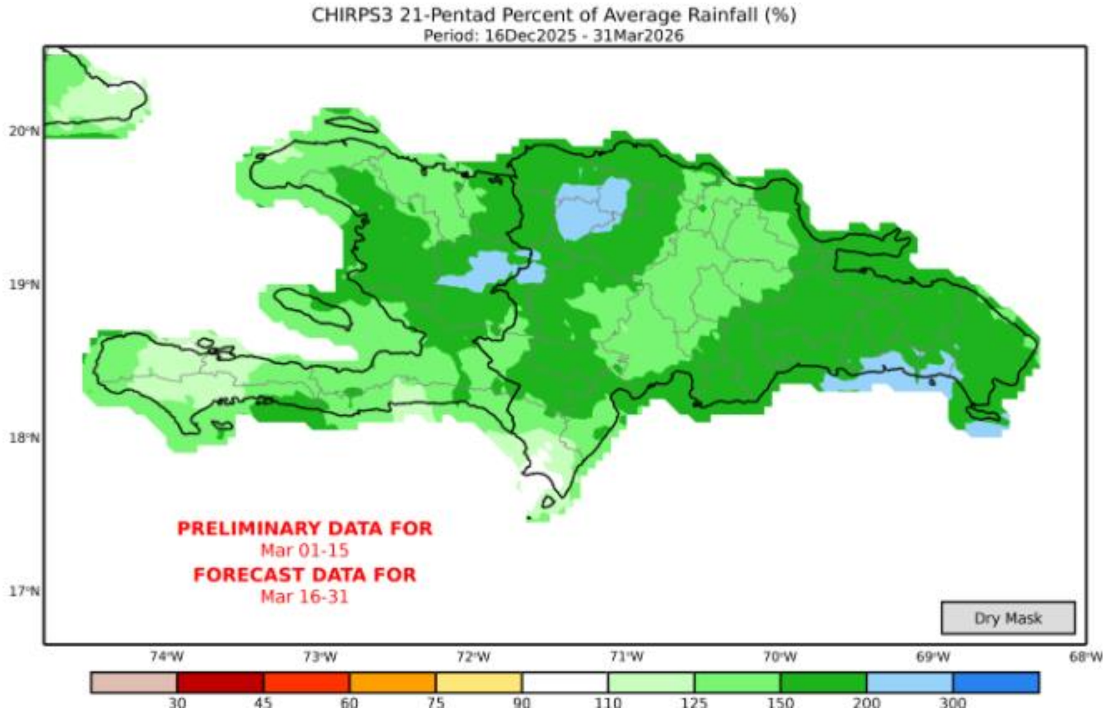
For MY 2026/27 (July 2026–June 2027), "rough" rice production is forecast to reach 1.007 million metric tons (MMT), with milled production projected at 675,000 MT. Climate forecasts and recent rainfall estimates indicate production is probably going to decrease slightly, as production areas will be affected by excess rainfall.

During the end of harvest season rainfall affected some regions in 2025 affecting the second harvest for the season. Taking this into consideration, for MY 2026/27, harvested rice area is expected to decrease slightly to approximately 195,000 hectares (HA), consistent with rainfall forecast and patterns.

Heavy rainfall conditions in some production areas (see Figure 4) support this forecast, as indicated by preliminary data from the Climate Hazard Center (CHC) and weather predictions. Additionally, reservoirs remain at capacity, which could mitigate potential adverse climate conditions during the spring planting season.

Figure 4.

Percent of Average Rainfall from December 2025 to March 2026 in Dominican Republic and Haiti



Source: Climate Hazards Center (CHC) UC Santa Barbara

Increased optimizations in land preparation, the use of mechanization in targeted regions, as well as improving efficiency of tasks previously done manually, such as wall construction and field edging, have driven overall production growth in the country. The integration of drones for herbicide application and sowing has further reduced costs and enhanced the precision of inputs distribution, though only a handful of large-scale producers use these technologies.

The Dominican government does not plan to expand rice production areas due to limited availability of suitable land. However, the mechanization program piloted in La Cruz de Manzanillo (Montecristi), located in the northwest region of the country, has yielded positive results, leading to its continuation, though no expansion details have been provided.

Although rice is grown across the entire country, six provinces account for 86 percent of production: Duarte, Montecristi, La Vega, Sanchez Ramirez, Maria Trinidad Sanchez and Valverde.

Rice is normally produced in two cycles during the year: 1) spring cycle where rice is planted between December-February and harvested between April-June; and 2) winter cycle where rice is planted between mid-April-July and is harvested between August-November.

Figure 5.

Source: Bio-Arroz, National Rice Research Institute

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 component of the typical Dominican diet.

Figure 6.

Source: Bio-Arroz, National Rice Research Institute

Based on national estimates, the country has approximately 30,000 rice producers, with approximately 250,000 individuals engaged in production, processing, and marketing. The sector contributes approximately 5 percent annually to the Agricultural Gross Domestic Product.

Most rice is grown in the Cibao Valley Region, under irrigation provided by systems located in the river basins of Rio Yaque del Norte and Rio Yuna. According to Post sources, irrigated rice accounts for 99 percent of 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 resources and newer production technologies.

3.3. Consumption

For MY 2026/27, local rice consumption is forecast to reach 720,000 MT, boosted by strong demand in the HRI sector and expected annual population growth. The HRI sector has seen a surge of tourists over the past year, marked by a record level of 11.68 million visitors in CY 2025. The Ministry of Tourism reported the country received 1.65 million visitors during the months of January and February

2026, representing a year-on-year growth of 10 percent. There are no indications that foreign tourism growth will cool over the next years.

3.4. Stocks

Stocks are projected to reach 386,000 MT in MY 2026/27. Heavy rainfall in Duarte province, which post sources now state affected production last MY and increased informal trade in early 2024, thereby lowering stock levels during CY 2024. To address this, the Government of the Dominican Republic (GoDR) authorized additional rice imports to replenish supplies. According to Post sources, stock levels have now returned to normal.

Private processors (i.e. mills) and the GoDR own storage facilities, leading to generally elevated stock levels due to the GoDR *Pignoración* Program[4]. According to Post sources, this program manages approximately 80 percent of stocks.

3.5. Trade

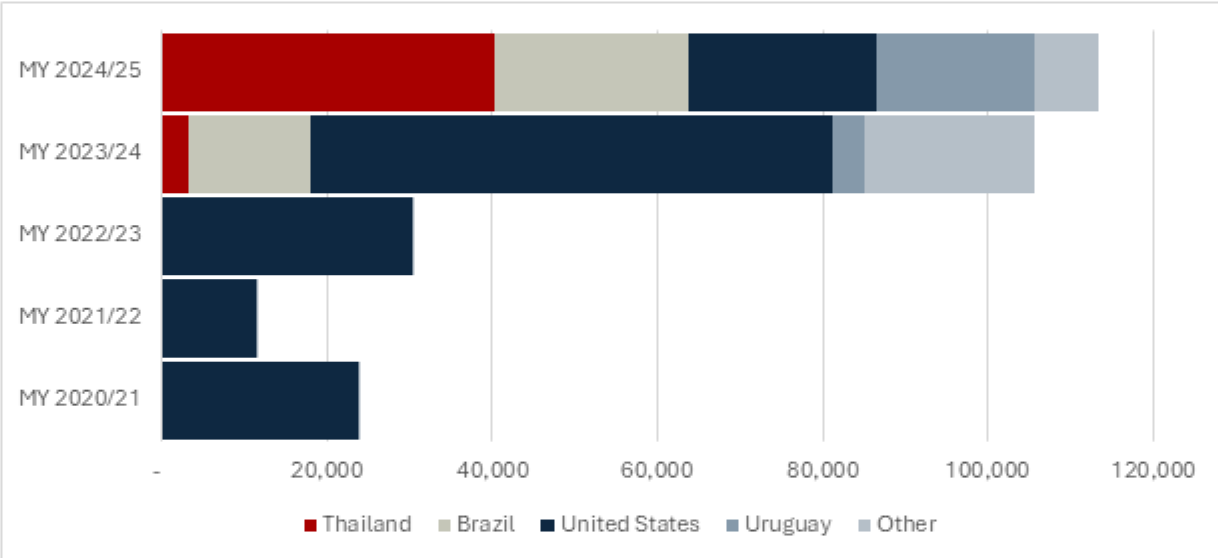
For MY 2026/27, imports are forecast to reach 50,000 MT, slightly higher than the last MY due to the modest decline in the outlook year for local production. Post sources indicate that importers are still adapting to the Haitian market, where rice is purchased at a premium. The expectation is that the pace of exports to Haiti will cool further as importers find alternative, more reliable channels to receive and distribute product to operate uninterruptedly as usual, and trade between Haiti's exports partners continue.

Although both imports and exports by the DR are limited due to the country's claimed self-sufficiency in rice over the last several years, the Government opened limited access to rice imports during CY 2025. Historically, most of the DR's rice imports come from the United States, due to a tariff-rate quota (TRQ) established under the U.S. - CAFTA DR. During MY 2024/25 Thailand led capturing 35 percent of the market, followed by Brazil and then the United States, which held 20 percent of the import market; Uruguay held 17 percent of the market.

As rice is classified under Basket V[5] of the Free Trade Agreement (FTA), U.S. rice imports should no longer be subject to a tariff-rate quota and should face a 0 percent tariff starting in CY 2025. However, in December 2024 the Dominican Republic issued Decree 693-24[6], which imposes restrictions on rice imports into the country.

Dominican rice is exported in limited quantities, mainly to Haiti in the form of broken rice. For MY 2025/26, Post sources indicate that informal exports to Haiti are estimated to continue their current trend reaching 50,000 MT, as the food security crisis continues.[7]

Graph 3. Dominican Republic Rice Imports by Partner MY 2020-2025 (MT)

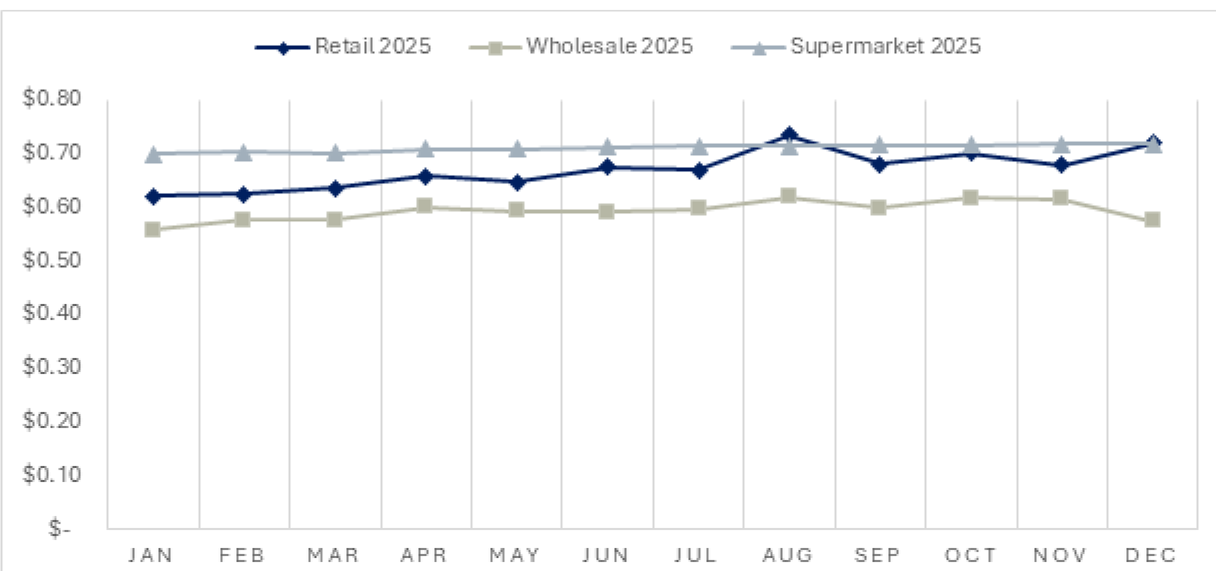


Source: Tabulation from Trade Data Monitor (TDM)

3.6. Prices

Retail reports from the Ministry of Agriculture indicate that premium rice prices in the local market continue to increase during CY 2025. The average wholesale price of premium rice increased by 5 percent, while supermarket prices climbed 7 percent from the previous year.

Graph 4. Average Retail Price for Rice in DR 2025



Source: Built by post with data from weekly price reports from the Ministry of Agriculture, Prices reported in RD$ per pound. Exchange rate used 1US$=61.44 RD$.

3.7. Policy

Under U.S. – CAFTA -DR, Dominican authorities successfully negotiated to place rice in Basket V, which provided a longer-term tariff reduction period of 20 years and established an initial 99 percent out-of-quota tariff rate. The Agreement set tariff rate quotas (TRQs) for U.S. rice, allowing duty-free imports within the quota. Beginning in 2006, the FTA set TRQs at 8,560 metric tons (MT) for milled rice and 2,140 MT for brown rice, gradually increasing to 18,640 MT and 4,660 MT, respectively, by 2024. U.S. rice was set to gain full duty-free access on January 1, 2025.

However, concerns from the Dominican rice industry over potential market share losses led President Luis Abinader to create a commission, comprised of government officials, producer group leaders, and industry representatives, with the goal of protecting the country's food security regarding rice imports.

As a result, in December 2024 the Dominican Republic issued Decree 693-24[8], restricting rice imports. The decree establishes the following key provisions:

- A tariff structure aligned with List XXIII[9] of the Dominican Republic's World Trade Organization (WTO) commitments for rice products (HS codes 1006.10.00, 1006.20.00, 1006.30.00, and 1006.40.00) that include a general import quota of 17,810 MT at a 20 percent ad valorem tariff and a 99 percent ad valorem tariff in excess of the quota.
- A 0 percent preferential quota of 23,300 MT for U.S. rice; however, imports in excess will face a 99 percent duty, which is set at the Most Favored Nation (MF) rate.,
- A 99 percent MFN tariff on all rice imports from Nicaragua.

The decree grants the National Council for Food Sovereignty and Nutritional Security (CONASSAN in Spanish) authority to regulate imports of sensitive products for national security purposes. For further details on this policy, please refer to this report[10].

Pignoración Program

The *Pignoración* Program[11] establishes price controls, which operate 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 officials, producers, processors, retailers, and other public institutions. Price bands are established both annually and for each of the two harvest periods, based on historic prices, varietals, and production estimates. For millers, purchasing according to CONA price bands is not obligatory, but it is a requirement for participation in the *Pignoración* Program.

In general terms, *Pignoración* is a financial services program designed to assist rice producers and processors. Under the program, processors (e.g., factories, cooperatives, etc.) or producers buy or produce rice, which is then milled. Subsequently, they may choose either to market or store the rice. If stored, rice can be pledged as collateral to secure loans from commercial or public lending institutions, the Ministry of Agriculture covers the expenses associated with storage, interest, and insurance for participants in the program.

As rice constitutes one of the primary food sources for the population, it is exempt from the 18 percent VAT.

Attachments:

No Attachments