

Dominican Republic



Their monetary unit is the Dominican Peso. The exchange rate is about 33 Dominican Pesos to 1 USD with a 4.3 % inflation rate. Their GDP per capita (USD) is 7,000 (2005). Their population is about 9 million in an extension of 18,809 square miles. Their main Agriculture products are sugar, rice, banana, cocoa, beans and, coffee. Its main cities are Santo Domingo, Santiago de Los Caballeros, La Romana and San Pedro de Macorís.

According to the USDA Agricultural service in the Dominican Republic through information and personal communication given by Carlos G. Suarez, Senior Agricultural Specialist; the majority of oilseed products consumed in the Dominican Republic are imported. Their oilseed production is limited to coconut and palm. The U.S. is a major supplier of soybean meal (285,000 MT) and oil (43,175 MT). The market for meals and oil is very price sensitive according to the information given. Also, it was reported that due to high soybean prices there was a market share loss to South America in 2002 but it was recuperated in 2004. The Central America Free Trade Agreement CAFTA-DR (Dominican Republic) will come into effect in 2006. Upon implementation of CAFTA-DR there will be more opportunities for U.S. exporters; eighty percent of U.S. exports of consumer and industrial goods will enter the Dominican Republic duty-free immediately with the remaining tariffs phased out over 10-20 years according to the reports given.

Focusing on the dairy market opportunities, the Dominican Republic consumes 760 million liters of milk in the form of raw milk, dried milk, cheese and other dairy products. Their dairy production is done by approximately 59 thousand producers with approximately 1.2 million heads of cattle. It is estimated that 17th thousand of these producers are specialized milk producers with 276 thousand animals. The rest are in dual-purpose system, milk and dairy. The specialized dairy systems have relatively advanced technology based on pasture with a concentrate being fed at milking time (Dairy Market in the Dominican Republic 2001, Report FAS).

**Consejo Nacional Para la Reglamentación y Fomento de la Industria Lechera
(CONALECHE)**

Dr. Bolivar Toribio Veras

Director Tecnico –Operativo

One of the most important dairy associations in the Dominican Republic that is four years old were its objective is to promote dairy production and national dairy products in conjunction with the government, the private sector and local Universities. According to Dr. Veras the Dominican Republic has 2 million cattle of which 65% is in milk production with an average of 6 liters in dual purpose cattle as Brown Swiss and Holstein –Cebu crosses. Pure Holstein and Brown Swiss used only for milk production can go up to 50 lbs of daily milk production in some dairies according to Dr. Veras. From the existing 9,000 ranches or fincas 65 % is dedicated to milk production. Their main ingredients of their ration are corn and soybean meal which they import 100%. The prices they pay for soybean meal short ton is 284 USD or 313 USD MT according to Dr. Veras.

They were very interested in cottonseed meal use in dairy because they do not have many alternatives to choose from. They have tried to limit the imports of dry milk to the Dominican Republic in order in order to further promote milk production. Mr. Bolivar is one of the leaders of the Dominican Republic Dairy production and suggested to have a technical seminar on the use of cottonseed meal in dairies which they could assist in organizing the farmers to insure assistance.

Dr Garcia Logombroa

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Dr. Garcia Logombra is a PHD in nutrition from Kansas State University and is considered one of the leader nutritionist consultants in the Dominican Republic. He is also a professor and director of the Department of Animal Sciences in the University Autonoma de Sto. Domingo. His personal contact was very instrumental in the meeting set up with Dr. Toribio Veras of CONALECHE. He mentioned that he has consistently suggested to the dairy farmers in the region the need to have more high protein alternatives besides soybean meal and considered that a technical seminar can be organized soon.

Summary

It is considered that this country is highly dependable in one protein source, soybean meal either from the U.S. or South America. Soon also it is suspected that they will be targeted by the DDG market. Therefore there is an opportunity for U.S. cottonseed meal with a potential market of 10 to 20,000 MT of U.S. cottonseed meal per year that would have a market value of more than 3 million USD. This recommendation is based not only on the number of cattle but mainly on the strong interest in having another high quality protein source available. Although the Dominican Republic is very significant market for U.S. meal; it is suggested that the marketing program starts focusing on technical seminars based on basic animal nutrition of dairy for the tropics where the cows depend basically on pasture and concentrate feeding is restricted to the milking parlor at a level of 6 to 10 lbs per cow. This strategy is different from other countries where U.S. cottonseed meal is well documented and its imports depend mainly in logistics and market conditions.

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