

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Venezuela

Post: Caracas

Guyana will send 70 thousand tons of rice to Venezuela

Report Categories:

Grain and Feed

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Report Highlights:

According to press reports, Guyana will export 70 thousand tons of rice to Venezuela.

General Information:

Guyana will send 70 Thousand Tons of Rice to Venezuela

The Agricultural Ministries of Guyana and Venezuela reached an agreement under which Guyana will send 50,000 tons of paddy rice and 20,000 tons of white rice to Venezuela at a cost of USD 38 million.

This agreement will allow Guyana to reduce the debt of USD 160 million they have with the Venezuelan Oil Industry, PDVSA, for shipments of crude oil through the Petrocaribe agreement.

The Guyana Minister of Agriculture, Robert Persaud, reportedly said that the price is USD 420 per ton for paddy rice and USD 700 per ton for white rice, and noted that they have signed a previous agreement for USD 18 million dollars with the same objective. The President of the Rice Producers Association of Guyana said that the Venezuelan purchase will guarantee the placement of 30 percent of their autumn harvest.

Domestic Rice Producers' Point of View

The Venezuelan Rice Producers Federation, Fevearroz, reported that rice production will be reduced to 548,000 tons this year, 45 percent less than the one million tons harvested in 2009. Planted area in 2010 consists of 39,000 hectares planted in the 2009-2010 summer cycle, and the current winter cycle of 60,000 hectares.

Venezuelan producers indicate that one of the causes of reduced output of rice and other crops is government delays in defining new prices.

Source: Local Daily Media