

USDA Foreign Agricultural Service

# GAIN Report

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## Venezuela

**Post:** Caracas

### Venezuelan Rice Imports Being Questioned

**Report Categories:**

Grain and Feed

Agriculture in the News

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**Report Highlights:**

Venezuelan rice farmers are concerned about increasing Government rice imports.

**General Information:****Venezuelan rice imports being questioned**

A significant increase in rice imports has caused concern among Venezuela's rice farmers. Government imports in 2008 increased to the largest levels ever reported, and domestic producer representatives say that they were not consulted about this increase in trade. According to reports, many producers are not generally against trade, for it fills a need, but rather these higher-than-expected imports could be a disincentive to local production. For more information, please see GAIN reports VE9028, VE9029, and VE9033.

**The Government is looking for rice in other markets**

The Government may be looking for new trading partners to reduce the quantity of rice imported from the United States. In this respect, the Bolivarian Government of Venezuela reportedly recently signed agreements with Iran and Thailand to exchange oil for rice.

Along the same lines, reports indicate that conversations are taking place with Ecuador to buy 70,000 tons of paddy rice, and Venezuela is also negotiating with Guyana for this product. Logistical problems may come into play, as vessels originating from Guyana can only carry 3,500 tons, and shipments of 10,000 tons are called for, according to analysts.

**Production:****Expectations about the rice harvest from Guárico State**

Rice producers from Guárico state have pointed out that due to climatic factors the summer harvest will be extended by two or three months, meaning that domestic rice will be available until June. They also reported that yields have not been as hoped, and are harvesting a less-than-average 3.6 to 5.0 metric tons per hectare. They estimated that from the 28,000 hectares already planted they will get only about 140,000 tons of paddy rice. They cannot predict at this moment if production will be enough to supply the needs of the milling industry and recognized that the remainder could be covered by imports.