

Market Fact Sheet

Cuba

Updated: January 2020

General Information

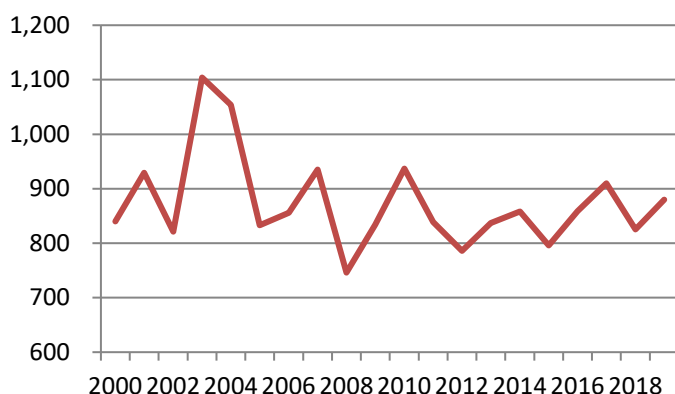
Population: 11 million

Population Growth Rate: -0.3% per annum

Per Capita Rice Consumption: 190 lbs.



Consumption (1,000MT)



	2019	2018	2017
U.S. Exports	0	0	165
<i>Data Source: FAS' Global Agricultural Trade System</i>			
Total	600	500,000	524,000
Imports			
<i>Data Source: FAS' PSD Online</i>			

Rice Imports: Type and Form
100% LG milled

USA Rice Federation Budget	2018-2019	2017-2018	2016-2017	2015-2016
FAS Funds: FMD	6,000	0	0	0
Industry Funds	8,000	40,000	60,000	25,000
Total Budget Expenditure	14,000	40,000	60,000	25,000

Market Conditions

- Shortage of hard currency; lagging economic performance; ongoing energy crisis exacerbate food shortages.
- Domestic rice production and yields have remained fairly flat for the past decade.
- National rice production supplies only 40% (304,000 MT) of consumer demand (700,000 MT).
- Agriculture represents 4% of GDP, while 20% of labor force is engaged in agriculture.
- Credit offered by Vietnam, Brazil, Uruguay and Guyana for purchase of rice. Cuba has a barter-type relationship with Argentina. Vietnam has become the largest supplier.
- GOC planning to purchase rice from Suriname to cover domestic shortages in 2020
- Venezuela and Cuba have had strong ties (>100,000 bbl/day of oil on preferential terms) but since the death of Chavez and turmoil in Venezuela, Cuba has looked to other oil suppliers.
- The 2018 Farm Bill allows MAP/FMD funds to be used for trade promotion in Cuba - USDA will provide approval for activities on a case-by-case basis.

Goals in this Market: Recommence U.S. rice exports to Cuba; eliminate the embargo; enable credit to be offered for rice sales to Cuba.

Marketing Related Issues:

1. Constraints

- Current administration is opposed to opening relations with Cuba.
 - U.S. embargo increases costs and inhibits trade.
 - Competitor countries offer generous credit terms.
- Primary Target Groups:** U.S. Congress; Cuban Embassy; ALIMPORT; Cuba's Ministry of Agriculture.
 - Strategy:** Work with U.S. Congress and pro-Cuban coalitions and support any bill that moves toward normal trade relations; maintain contact and relationships with ALIMPORT and the Cuban Embassy; participate in the various Cuban Coalitions.
 - Activities:** Maintain contact with Cuban Embassy; monitor market conditions and report to members. In previous years, we've exhibited at the Havana International Fair.