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## Haiti

### Grain and Feed Annual

### 2018

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**Report Highlights:**

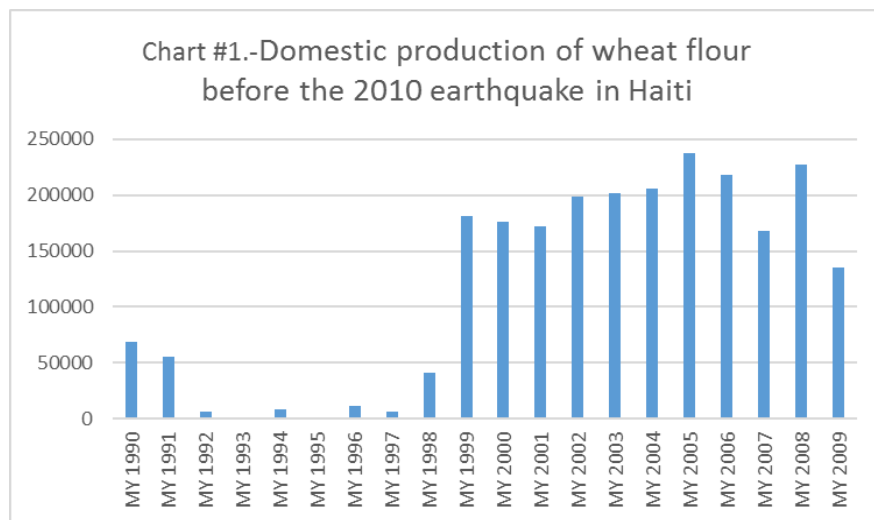
**Wheat** consumption in Haiti during Marketing Year (MY) 2018/2019 (July 2018/ June 2019) is forecast at 430,000 metric tons (MT). During MY 2017/18, Haiti imported 405,000 metric tons (MT) of wheat and wheat products, 27 percent of which is from the United States. **Rice** continues to be a staple food for Haitians. Production of milled rice for MY 2018/19 (July 2018/ June 2019) is forecast at 80,000 MT, with imports remaining relatively stable at 500,000 MT. More than 90 percent of imported rice comes from the United States. **Corn** remains one of the agricultural products that Haiti is generally self-sufficient in. Production of corn in MY 2018/2019 is forecast at 335,000 MT, with imports remaining stable at 15,000 metric tons (MT).

## I. Wheat

### 1.1. Production

Haiti does not produce wheat. It imports Hard Red Winter (HRW), Hard Red Spring (HRS) and durum wheat to produce wheat products.

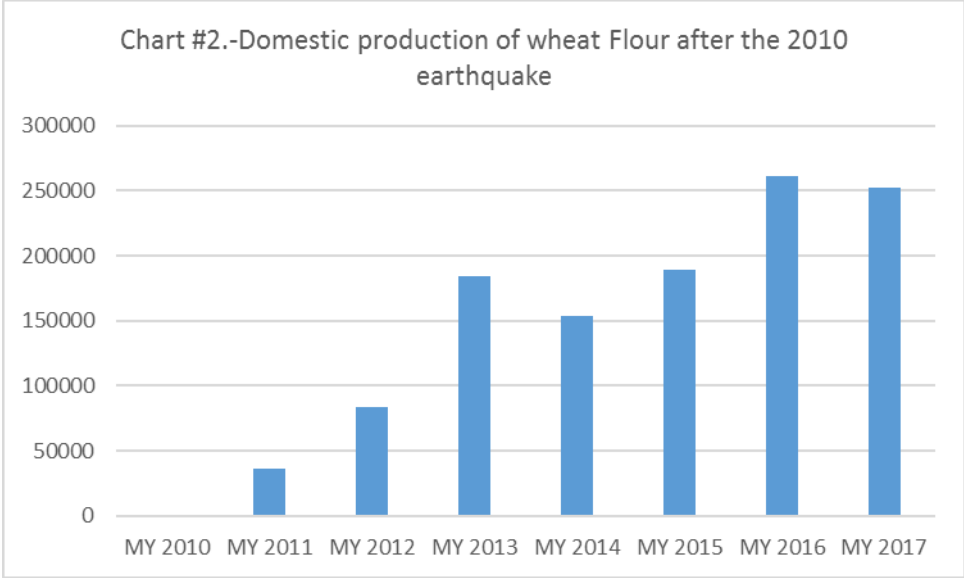
Haiti's capacity to produce wheat products has increased gradually over time. Three periods are observed from 1990 to the present in the wheat products market. Before 1997, La Minoterie d'Haiti was the only (government-owned) miller in Haiti. It had a production capacity of 239,400 MT of wheat products per year. However, it produced on average only 21,415 MT per year. For MY 1990/91 and MY 1991/92, production reached 68,896 MT and 55,002 MT respectively, which represented 36 percent and 25 percent of the total wheat products on the Haitian market. In 1991, after the ejection of the elected president, Haiti faced a political crisis that affected domestic production of wheat products, which dropped significantly. By MY 1995/96, production of wheat products was estimated at 70 MT.



In 1997, the Government of Haiti (GOH) decided to privatize La Minoterie d'Haiti, which re-launched operations in 1998 under the name Les Moulins d'Haiti. With foreign and domestic investments, Les Moulins d'Haiti upgraded its production capacity to 1,436 MT per day. From 1997 to 2010, Les Moulins d'Haiti produced on average 167,041 MT of wheat products per year. Domestic production of wheat products filled more than 70 percent of the total market.

The 2010 earthquake marked a new period in the Haitian domestic wheat products market. Les Moulins d'Haiti facilities were devastated, and new millers emerged. Imports (both formal and informal) of Dominican wheat flour filled the gap when the Haitian mill was devastated by the earthquake. That trade continued after the mill was restored and the new mills were built, and the market is currently supplied primarily by domestic flour (65 percent), Dominican wheat flour (19

percent) and Turkish wheat flour (16 percent). Currently, the total production capacity of wheat flour and semolina is estimated at 740,153 MT per year. However, the millers are still running under capacity. In MY2017/18, wheat flour production reached 251,902 MT. This represents a decrease of 3.6 percent compared to MY 2016/17.



\*HS classification codes included: 1101, converted to wheat equivalent using a conversion factor of 1.368 for wheat flour.

Three milling companies are currently operating in Haiti. The largest milling company, Les Moulins d’Haiti, increased its capacity to 1,642 MT of wheat flour per day. The Caribbean Milling is the second largest milling company and has the only semolina mill in Haiti. It has a capacity to produce 547 MT of wheat products per day. It produces mainly semolina for their pasta plant and wheat bran for animals. The third milling company, Les Cereales d’Haiti, has a capacity to produce 274 MT of wheat flour per day and has plans to double its capacity. It also produces wheat bran for animal feed, and it expects to launch a cookie line soon. In addition to these three mills, other companies import wheat flour, which competes with the domestic wheat flour. In MY2017/18, those companies imported 138,230 MT of wheat flour, which represents 33.43 percent of the Haitian wheat products market.

**MILLS CURRENTLY OPERATING IN HAITI**

<b>Les Moulins d’Haiti S.A.</b>	Haiti Agro Processor
<b>Les Cereales d’Haiti S.A.</b>	Khawly Group
<b>The Caribbean Milling S.A.</b>	HM Group

## ***1.2. Consumption***

In 2017/2018, consumption of wheat products is estimated to have increased from 376,000 MT to 405,000, which represents an increase of approximately 8 percent. In 2017, Haiti's total population was estimated at 10,981,229 people by the World Bank. Wheat consumption per capita is estimated at 37 kilograms per year.

In Haiti, wheat flour is mainly used for bread-making, pastries, cakes and pasta. Bread is sold almost everywhere, although few bakers meet the standards and qualifications of a formal bakery.

For MY2018/19, consumption is forecast to reach 430,000 MT, which represents an increase of approximately 6 percent from the previous year. In 2017, a population growth rate of 1.2 percent increased demand of wheat products by 29,000 MT. Post anticipates a similar situation for MY2018/19.

## ***1.3. Stocks***

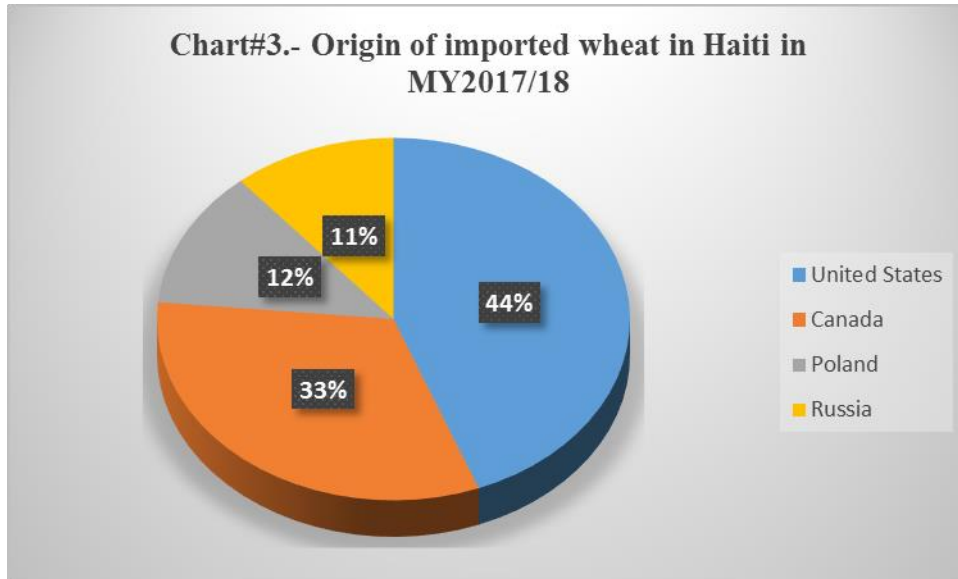
The storage capacity of the milling companies is very limited. They generally order wheat for two months or three months. However, for wheat flour, they produce just enough to satisfy daily needs, and can store flour for three days max.

## ***1.4. Trade***

### **Imports**

Haiti imports wheat grain from the United States, Canada, Poland and Russia. In MY2017/18, Haiti imported 245,493 MT of wheat. The United States holds 44 percent of the market share.

**Chart#3.- Origin of imported wheat in Haiti in MY2017/18**



Haiti also imports wheat flour from Turkey, the Dominican Republic and France. In MY2017/18, Haiti imported 138,230 MT of wheat flour. Imported Turkish wheat flour has been increasing significantly in the Haitian market since the 2010 earthquake. In MY2010/11, Haiti imported only 16,515 MT of Turkish wheat flour, while in MY2017/18 Haiti imported 60,117 MT, representing an increase of 264 percent. In addition, Dominican wheat flour entered the market (formally and informally) to fill the gap in domestic production after the earthquake. That trade continued, but formal imports from the DR dropped significantly when Haiti imposed restrictions on Dominican wheat flour in 2015. However, informal imports of Dominican wheat flour continue. For instance, in MY2015/16, Haiti imported approximately 88,000 MT of Dominican wheat flour while only 7,714 MT (formal imports) were reported to the Haitian General Administration of Customs (see Dominican Republic 2017 Grain and Feed Annual). In MY2017/18, imported Dominican wheat flour are estimated at 78,000 MT while Haitian General Administration of Customs reports approximately 1,100 MT.

Post forecasts MY 2018/19 imports of 430,000 MT of wheat and wheat products on a wheat equivalent basis. This represents a six percent increase from the previous year. Post anticipates an increase in wheat product consumption despite current political and economic unrest evidenced by the July 2018 riots against a planned gas price hike.

### **Exports**

Haiti previously exported wheat products to several countries, particularly the United States, Italy and the Dominican Republic. In MY 2013/14, Haiti exported 5,515 MT of wheat products – more than 60 percent of which was uncooked pasta – to the United States, Italy and the Dominican Republic. In MY 2014/2015, Haiti reportedly exported 96 percent of its total exported wheat products to the Dominican Republic. However, since MY 2016/17, the total of exported Haitian wheat products have dropped to 430 MT, only one MT of which was exported to the Dominican Republic (down from 2,000 MT in MY 2015/16).

### 1.5 Statistics

Wheat Market Begin Year Haiti	2016/2017		2017/2018		2018/2019	
	Jul 2016		Jul 2017		Jul 2018	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	0	0	0	0	0	0
Beginning Stocks	0	0	0	18	0	18
Production	0	0	0	0	0	0
MY Imports	450	394	500	405	515	430
TY Imports	450	394	500	405	515	430
TY Imp. from U.S.	138	141	0	109	0	0
Total Supply	450	394	500	423	515	448
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Feed and Residual	0	0	0	0	0	0
FSI Consumption	450	376	500	405	515	430
Total Consumption	450	376	500	405	515	430
Ending Stocks	0	18	0	18	0	18
Total Distribution	450	394	500	423	515	448
Yield	0	0	0	0	0	0

(1000 HA) ,(1000 MT) ,(MT/HA)

## II. Rice, Milled

### ***2.1. Production***

Post forecasts Haiti's rice production for marketing year 2018/2019 to reach 80,000 MT (milled equivalent). This production constitutes an increase of 19 percent from MY 2017/2018 and 28 percent from 2016/2017 when Hurricane Matthew hit the south of the country.

The area harvested in 2018/2019 is forecast to reach 66,000 ha. This area represents an increase of 16 percent from MY2016/2017, when Hurricane Matthew devastated the production areas in the departments of South, Les Nippes, and a part of the Northwest. Rice is grown in seven departments of Haiti during two seasons: the spring season from May to October and the winter season from December to April. In May 2017, the GOH launched a project called "Caravan of change" in the Department of Artibonite and extended the area harvested to 32,000 ha in this department. The total area harvested in the other departments is estimated at 6,000 ha. For the winter season, which corresponds with the drought season, only 24,000 ha were harvested. For 2018/19, four thousand hectares which were affected by Hurricane Matthew in the southern region are expected to return to production. The World Bank is investing 101 million US Dollars through the Haiti Rural Accessibility and Resilience Project and the Resilient Productive Landscape Project to a) improve accessibility and the resilience of roads to climate events in the South, Southeast and Les Nippes Departments, and b) to support farmers, agricultural entrepreneurs and communities in selected watersheds. These activities are expected to have a positive impact on those areas affected by Hurricane Matthew.

Post forecasts a yield of 2,197 MT per hectare (rough equivalent) for MY 2018/2019. This yield represents an increase of 12 percent from the previous year. Several factors are taken into account to explain this increase. First, the decision of the GOH last year to clean and extend the irrigation system and distribute new equipment to each department of Haiti is expected to have a positive impact on the availability of water in the rice paddies. Secondly, the cooperation of the GOH with the Taiwanese government to increase the production of rice seeds is significant in providing better yielding, quality seeds to the farmers. In June 2018, 400 MT of rice seeds was distributed to rice farmers in Artibonite Department. Thirdly, in June 2017, the Japanese government, in cooperation with the GOH, provided 7,770 MT of fertilizer to Haitian farmers at a reduced price. The price of 50 kg fertilizer bags used to be 1,500 gourdes (approximately USD 22 (1USD= 68.30 Gdes ref. BRH)), but after the subvention of the GOH, that price dropped to 850 gourdes (approximately USD 12.45). The GOH has announced intentions to conduct a similar program for fiscal year 2018/2019 (October/September). Its intention is to support 200,000 farmers by providing them with seeds, fertilizer and agricultural tools.

The farmers are cultivating different varieties of rice based on the potential of their region and the availability of the seeds. The most popular varieties are TCS-10, Shella, Shelda and La Crete (especially in Artibonite). Haitians strongly prefer these long-grain varieties because of their organoleptic properties that are similar to U.S. rice. In the Northeast and Southeast, other varieties, like Prosequisa 4 and M8, are cultivated. They (Prosequisa 4 and M8) cover less than 5,000 hectares.

## ***2.2. Consumption***

The consumption of rice is increasing year to year in Haiti. In MY2017/18, rice consumption in Haiti was estimated at 575,000 MT, which represents an increase of 3.6 percent compared to the MY2016/17. The consumption per capita reached 52.4 kilograms per year for 2017, which represents an increase of 2 percent compared to 2016, when per capita consumption was estimated at 51.2 kilograms per year.

For 2018/19, consumption is forecast to remain relatively stable at 580,000 MT, which represents a minimal increase of one percent compared to 2017/18 as a result of population growth.

## ***2.3. Stocks***

The stocks of rice in Haiti are limited. The GOH does not set any policy to rule stock levels for rice. Farmers typically store their crops for three to four months. Farmers keep some rice for family consumption, and the rest is sold over time at the local markets, which only operate 2 to 3 days per week.

In Haiti, there are six private companies importing rice. Their storage capacity is also limited. Private companies that are not directly involved in rice importation own most of the storage facilities. The importers have limited financial means and cannot afford to hold a large amount of rice for a long period of time due to the high price charged by the storage companies. Importers purchase limited quantities to satisfy domestic demands for one or two months and have a fast turn-over. This also makes them more vulnerable to political instability in Haiti, such as when riots and violence erupted in several departments of Haiti in July 2018.

## ***2.4. Trade***

### **Imports**

The local market depends heavily on imports. Long-grain rice from the United States is well liked by consumers. Currently, U.S. rice represents more than 90 percent of total imported rice. However, some other countries like Taiwan, Guyana, Surinam, India, Vietnam and Pakistan also export rice to Haiti. For instance, Vietnam and Taiwan exported respectively 18,000 MT and 5,180 MT of rice to Haiti as a donation, and Japan exported 2,308 MT in MY 2017/18. U.S. rice is very competitive in the Haitian market because of two major factors. The first one is the proximity of the United States and Haiti, allowing for better accessibility of American products to the Haitian market. In addition, most consumers prefer the long-grain rice with organoleptic properties closer to the domestic rice.



Tab.- Origin countries of imported rice in Haiti

	2016/17		2017/18	
	MY	TY	MY*	TY**
United States	452,596	530,528	462,764	181,282
Taiwan	5,860	6,980	5,180	400
Japan	0	2,308	2,308	0
India	3,129	2,228	399	50
Thailand	0	1000	1,000	0
France	2	3	1	0
Netherlands	6	6	0	0
Pakistan	4,895	0	0	0
Canada	8	0	24	24
Uruguay	750	0	267	267
Paraguay	0	0	529	529
Sri Lanka	0	0	1	1
Vietnam	0	18,000	18,000	0
Guyana	16,358	7,541	2,511	1,000
Surinam	11,409	1,801	4,702	2,901
<b>Total</b>	<b>495,013</b>	<b>570,395</b>	<b>497,686</b>	<b>186,454</b>

Note: HS classification codes included: 1000620, 100630, using a conversion factor of 0.875 for brown rice (100620).

\* MY for rice in Haiti is July/June

\*\*Year to date (January-June 2018)

Sources: Built by Post with reports from General Administration of Customs (GAC) and GATS/USDA

## 2.5 Statistics

Rice, Milled Market Begin Year Haiti	2016/2017		2017/2018		2018/2019	
	Jul 2016		Jul 2017		Jul 2018	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	75	57	70	62	80	66
Beginning Stocks	47	47	51	49	66	39
Milled Production	69	62	60	67	70	80
Rough Production	125	113	109	122	127	145
Milling Rate (.9999)	5500	5500	5500	5500	5500	5500
MY Imports	467	495	510	498	545	500
TY Imports	542	570	540	540	560	570
TY Imp. from U.S.	509	531	0	0	0	0
Total Supply	583	604	621	614	681	619
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Consumption and Residual	532	555	555	575	610	580
Ending Stocks	51	49	66	39	71	39
Total Distribution	583	604	621	614	681	619
Yield (Rough)	1.6667	1.9825	1.5571	1.9677	1.5875	2.197

(1000 HA) ,(1000 MT) ,(MT/HA)

### III. Corn

#### ***3.1. Production***

Post forecasts Haiti's corn production for MY 2018/2019 to reach 335,000 MT. The production of corn is expected to increase 4.36 percent compared to the previous marketing year, which Post estimates was 321,000 MT for MY2017/18, and 13 percent compared to MY 2016/17, when Hurricane Matthew hit the southern part of the country. According to national estimates, approximately 734,000 producers are involved in the production of yellow corn.

The area harvested in 2018/2019 is forecast to be 395,000 ha, relatively unchanged compared to MY2017/18. This area represents an increase of seven percent from MY2016/2017, when Hurricane Matthew devastated the production areas in the departments of South, Les Nippes, and part of the Northwest. Corn is grown in ten departments of Haiti during three seasons: the spring season from March to May (the primary growing season), the autumn season from August to October and the winter season from December to February. Hurricane Matthew particularly affected the autumn and winter seasons in 2016. Twenty-three thousand hectares of corn were devastated. However, since the spring season of 2017, the affected corn fields have been re-established.

Post forecasts a yield of 0.848 MT per hectare for MY 2018/2019. This yield represents an increase of approximately four percent from the previous year, assuming normal, stable climate conditions. The World Bank has begun new projects of 101 million U.S. dollars to increase the resilience to climate events for rural regions and to support farmers, including the southern part of Haiti that was affected by Hurricane Matthew in 2016 (see Rice Production section above). In addition, the decision of the GOH last year to clean the irrigation canals in Artibonite and distribute tractors and trucks to each department is expected to improve the yield.

The farmers are cultivating a number of varieties of corn in Haiti. The most popular varieties are Chicken corn, Comayagua, Hybride HP and Hugo Plus. The Hugo Plus is a variety developed by The International Maize and Wheat Improvement Center (CYMMIT) in Mexico. In June 2017, 30 MT of this seed variety were available for distribution to the farmers.

#### ***3.2. Consumption***

The consumption of corn is relatively stable in Haiti. It is used heavily for human consumption, but a small quantity is used to feed fowls. For the last decade, the Haitian population tends to eat grilled sweet corn. Although limited data is available, grilled sweet corn is sold almost everywhere on the street. Additionally, cornmeal - specifically fine and medium size - is consumed on a daily basis as a substitute for rice or bulgur wheat. Most standard restaurants do not offer cornmeal on their menus, but substandard restaurants spread all along the street offer cornmeal on their menus.

### 3.3. Stocks

Corn stocks in Haiti are limited. The GOH does not set any stock levels. However, a few Haitian farmers store a small quantity to serve as seed for the next campaign.

### 3.4. Trade

#### **Imports**

Haiti imports corn mostly from United States and Argentina, but it is reported that small amounts of Dominican corn flour also cross into Haiti informally. In MY 2017/18, Haiti imported 14,207 MT of corn, which represents a decrease of 62 percent from MY2016/17 when Haiti imported 37,259 MT. Domestic production of corn satisfies most Haitian needs, although Hurricane Matthew (in October 2016) hit the south of Haiti and affected the availability of corn in 2016/17.

Origin countries of Imported corn in Haiti

	MY2016/17		MY2017/18	
	Corn	Corn flour	Corn	Corn flour
United States	34,444		14,130	
Argentina	2,815		77	
Dominican Republic		11		28
Total	37,259	11	14,207	28

Sources: Built by Post with reports from General Administration of Customs (GAC) and GATS/USDA

### 3.5. Statistics

Corn Market Begin Year Haiti	2016/2017		2017/2018		2018/2019	
	Jul 2016		Jul 2017		Jul 2018	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	350	370	325	393	340	395
Beginning Stocks	0	0	0	5	0	7
Production	250	297	225	321	240	335
MY Imports	37	37	40	14	40	15
TY Imports	34	33	40	18	40	20
TY Imp. from U.S.	33	33	0	0	0	0
Total Supply	287	334	265	340	280	357
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Feed and Residual	52	52	50	50	50	50
FSI Consumption	235	277	215	283	230	290
Total Consumption	287	329	265	333	280	340
Ending Stocks	0	5	0	7	0	17
Total Distribution	287	334	265	340	280	357
Yield	0.7143	0.8027	0.6923	0.8168	0.7059	0.8481

(1000 HA) ,(1000 MT) ,(MT/HA)