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Costa Rica

Grain and Feed

Rice Imports

2005

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Report Highlights:

Costa Rica is expected to import about 90,000 MT of rough rice during the first half of 2006. The first shipment is expected to arrive no later than January 31. The public tender will be made public on or around December 22.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
San Jose [CS1]
[CS]

The Costa Rican government authorized the importation of up to 90,713 MT of rough rice at 0% duty during 2006. The only entity allowed to import duty free under Costa Rican law is the Costa Rican Rice Corporation (CONARROZ). CONARROZ expects to publish the call for bids on December 22. The rice will be imported in three shipments. Two of 33,000 MT (to arrive before January 31 and February 28, respectively) and one shipment of 24,713 MT for delivery in mid – May.

According to industry sources, although Costa Rica normally keeps stocks of at least two month's consumption, at this time the volume of stocks covers approximately three months of consumption or roughly 60,000 MT of milled rice. Nevertheless, according to unofficial sources, some millers have a lot of broken rice in stock, which they need to blend with higher quality imported rice. Imports normally take place during the first half of the year, when stocks decline.

According to Conarroz, area planted during the first harvest of 2005/2006 declined about 5,000 ha. to 35,000 ha. as compared to the same planting the previous year. Some producers near the sugar mills in the Guanacaste region have been shifting to sugar cane production, resulting in lower area planted to rice. CONARROZ still does not have production numbers for the first harvest. However, based on historical yields, and including the second crop (of approximately 16,000 ha.), which will be harvested in the second quarter of 2006, local rice production is expected to reach about 130,000 MT. In recent years, the Costa Rican government increased the authorized import volume as the need for additional imports was determined.