

Required Report: Required - Public Distribution

Date: March 26, 2025

Report Number: DR2025-0005

Report Name: Food Processing Ingredients Annual

Country: Dominican Republic

Post: Santo Domingo

Report Category: Food Processing Ingredients

Prepared By: Iris Montilla

Approved By: Eric Baylor

Report Highlights:

The Dominican Republic's food processing industry totaled \$2.90 billion for calendar year (CY) 2024, in activities categorized as "food industry." Beverages and other food products accounted for an additional \$1.02 billion during the same period. Key drivers in the industry consist of meat and dairy processing, wheat milling, and bakery products. The United States continues to be a leading supplier of essential ingredients, including meats, edible oils, fats, dairy products, and wheat. A notable trend in 2024 is the easing of inflation, which has prompted consumers to allocate more spending toward non-essential items. Additionally, the rise of supermarket chains, particularly outside major cities, has diversified the food market. As a result, private label brands have gained popularity, offering cost-effective alternatives and introducing a broader range of products. This allows consumers to maximize value while exploring a wider variety of options.

Executive Summary:

The Dominican Republic (DR) stands as an upper-middle income country with historically low and stable inflation. In 2024, the DR's gross domestic product (GDP) grew 5 percent year-on-year, positioning it as a leader in GDP growth within Latin America, outperforming some of the region's largest economies. The DR continues to be a key regional trade partner of the United States. In 2024, U.S. agricultural exports to the DR totaled over \$2.16 billion, reflecting a 6 percent increase compared to the previous year.

Consumer-Oriented Agricultural Imports

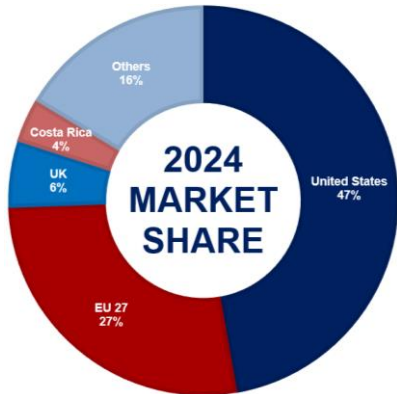


Chart 1: Top Exporting Countries to Dominican Republic
Source: TDM LLC

Food Retail Industry:

The modern retail sector in the Dominican Republic boasts an extensive array of U.S. products. The sector continues to remain largely dominated by locally owned companies. Supermarkets have been gaining more market shares in retail sales. Most retail sales still move through traditional channels, such as neighborhood stores (i.e. *colmados*) and warehouses.

Food Processing Industry:

As of September 2024, the Central Bank of the Dominican Republic (BCDR) valued the food processing industry at \$2.90 billion under the category of "food industry," with an additional \$1.02 billion attributed to processed beverages and other products. Key sectors, such as meat processing, wheat milling, bakery products, and dairy processing continue to be primary drivers. The United States remains a top supplier of meats, edible oils, fats, dairy products, wheat, and other essential ingredients.

Food Service Industry:

According to the BCDR, the food service industry, encompassing activities such as "hotels, bars, and restaurants," was valued at \$7.5 billion in 2024. This sector experienced a significant growth of 14 percent in 2024, making it the most impactful contributor to the DR's economy. The growth was largely driven by the demand from international tourism, which reached a record-breaking 11.2 million visitors in calendar year (CY) 2024. 2025 expects to set another record.

Quick Facts Calendar Year 2024

Imports of Consumer-Oriented Products (US\$ million)

World Total: \$2,923

List of Top 10 Growth Products in the DR

- | | |
|-----------------------------------|---|
| 1) Dairy Products | 6) Poultry Meat & Prods. (ex. eggs) |
| 2) Pork & Pork Products | 7) Processed Vegetables |
| 3) Soup & Other Food Preparations | 8) Beef & Beef Products |
| 4) Distilled Spirits | 9) Non-Alcoholic Bev. (ex. juices, coffee, tea) |
| 5) Bakery Goods, Cereals, & Pasta | 10) Wine & Related Products |

Food Industry by Channels (U.S. billion)

Food Service-HRI	\$7.53
Food Processing	\$2.9
Food and Agriculture Exports	\$3.3

Top 10 DR Retailers*

- | | |
|--------------------------|--------------------|
| 1) Sirena | 6) Jumbo |
| 2) Bravo | 7) Sirena Market |
| 3) Hypermercados Olé | 8) Plaza Lama |
| 4) Nacional Supermarkets | 9) PriceSmart |
| 5) Aprezio | 10) Carrefour City |

GDP/Population

Population:	11.12 million
GDP:	US\$114 billion
GDP per capita:	US\$10,111
Median yearly income per capita:	US\$3,600

Source: Global Agricultural Trade System (GATS), Trade Data Monitor (TDM); World Bank. * Ordered by quantity of establishments.

Strengths/Weaknesses/Opportunities/Threats

Strengths	Weaknesses
<ul style="list-style-type: none">• Implementation of CAFTA-DR provides preferential tariff treatment for U.S. agricultural exports, over other foreign suppliers.• Geographic proximity to the United States and heightened demand for high-quality, diverse food products.	<ul style="list-style-type: none">• Higher cost of some U.S. products compared to competitors.• Agricultural exports may still face non-tariff barriers such as, regulatory hurdles, and delays in import permits.• Import sensitivity of several products.
Opportunities	Threats
<ul style="list-style-type: none">• Full implementation of CAFTA-DR by 2025.• Expansion of middle class which is seeking higher-value, diverse food options. U.S. exports, are well-positioned to meet the demand from this market segment.	<ul style="list-style-type: none">• Competition from other CAFTA-DR signatory and the DR's other free trade agreement partners.• Inflationary pressures, rising fuel prices, limited cold chain capacity, and supply chain disruptions could increase the cost of goods in the DR.

Figure 2. CAFTA-DR SWOT Analysis for U.S. Exports

SECTION I. MARKET OVERVIEW

Market Size

The Dominican Republic (DR) continues to demonstrate a strong and dynamic business climate, supported by robust economic growth, rising foreign investment, and a growing middle class. In the calendar year (CY) 2024, the country recorded an annual inflation rate of 4 percent, according to the Central Bank of the Dominican Republic (BCDR). The DR's gross domestic product (GDP) expanded by 5 percent in 2024, with projections indicating a similar growth rate for 2025 and 2026.

Key sectors such as tourism, construction, manufacturing, and agriculture have experienced consistent growth, driven by the country's strategic geographic location, favorable trade agreements like the Dominican Republic - Central America Free Trade Agreement (CAFTA-DR), and ongoing infrastructure development initiatives.

The food processing industry, a vital component of the DR's economy, saw year-on-year growth of 5.4 percent in 2024, according to the BCRD. Specific subsectors within food processing also showed strong performance, with processed beverages and other products increasing by 4.2 percent compared to 2023. This growth was fueled by significant increases in the production of other food products (11.3 percent), sugar (24 percent), meat processing (4 percent), and dairy products (5.8 percent). However, the production of oils, as well as vegetable and animal fats, contracted by 5.3 percent during the same period. In 2024, the Dominican Republic's service sector, specifically hotels, bars, and restaurants, experienced a year-on-year growth rate of 9.6 percent. This growth is largely attributed to a 6 percent increase in visitor arrivals to the country.

Since the implementation of CAFTA-DR, U.S. ingredients have played a growing role in the DR's food processing sector. For more information, please refer to FAS/Santo Domingo's 2024 [Exporter Guide](#)¹.

Advantages and Challenges

Advantages	Challenges
<ul style="list-style-type: none">• Full implementation of CAFTA-DR, which has eliminated duties on products.• A growing food manufacturing industry, which demands new, innovative, and high-quality ingredients.• Proximity among the countries and strong commercial and cultural ties.• Efficient food distribution channels.• Improved quality standards and enforcement.• Consumers greatly influenced by U.S. culture, with a positive perception of U.S. products.	<ul style="list-style-type: none">• Competition from other CAFTA-DR signees and the DR's other free trade agreement partners.• Delays for import permits and sanitary registration, which can affect the availability of imported ingredients.• Insufficient number of qualified technicians, which can limit production.• High costs and inefficient electricity service, which increase production costs.• Remaining cold chain challenges and limitations, which have been reduced through USDA technical and financial support

¹
https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Exporter%20Guide%20Annual_Santo%20Domingo_Dominican%20Republic_DR2024-0009.

SECTION II. ROAD MAP FOR MARKET ENTRY

2.1. Entry Strategy and Distribution Channel

The Dominican Republic's food processing industry presents diverse entry opportunities for U.S. companies, especially those involved in the import and supply of raw materials, ingredients, and finished products. While some raw materials are sourced locally, many processed food products in the Dominican Republic incorporate imported ingredients, with a significant portion originating from the United States. This creates a strong opportunity for U.S. exporters to enter the market either through direct sales to local food processing companies or by partnering with large importers and distributors.

Companies seeking to enter the market can use two primary channels for product importation: direct purchases by local food processors or through large-scale importers and distributors who manage the distribution of ingredients and finished products. These distributors play a pivotal role in ensuring that imported goods reach various market segments.

Once imported, processed products are distributed across retail, food service, and institutional channels. Retail channels, particularly supermarkets and hypermarkets, are rapidly expanding, especially in urban areas and among middle-to-high-income consumers. However, open markets remain an important and popular distribution channel, particularly for individuals with moderate to low incomes. These open markets are crucial to the economy, with approximately 80 percent of locally produced fruits and vegetables being distributed through them.

By leveraging relationships with local importers and understanding the preferences of the Dominican consumer, who places value on affordability and product variety, U.S. companies can effectively establish a presence in the DR's dynamic food processing market. Additionally, partnering with established distributors can help navigate the local landscape, ensuring access to a broad customer base while maintaining flexibility in product pricing and availability.

2.2. Import Procedures

Import procedures for the DR are described in FAS/Santo Domingo's 2024 [Food and Agriculture Import Regulations and Standards \(FAIRS\) Narrative Report²](#).

2.3. Distribution Channels

Dominican food products are distributed through a variety of channels, including supermarkets, hypermarkets, local stores (i.e. colmados), butcher shops, and bakeries. Distribution is heavily influenced by consumer loyalty to local stores, colmados are still a dominant part of the retail market since flexible payment options are commonly offered. The rise of supermarket chains, particularly outside major cities, has diversified the food landscape, with cost-effective private-label products gaining popularity. Additionally, small local bakeries still play a significant role in distributing bread and other baked goods.

2

https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=FAIRS%20Country%20Report%20Annual_Santo%20Domingo_Dominican%20Republic_DR2024-0006

2.4. Market Structure, Share of Major Segments in the Food Processing Industry, Sector Trends

The Dominican Republic's food processing market is highly competitive, with a combination of local and international players. Key local brands dominate the market, particularly in processed meats, dairy, and wheat milling. In 2024, local companies such as Induveca S.A./MERCASID held a dominant 40 percent share of the processed meats market, while other companies like Molinos Modernos S.A. and Grupo Bocol controlled nearly 80 percent of the wheat milling industry. International brands compete, though often at a price disadvantage due to higher costs. The dairy industry is also heavily influenced by local producers, with Pasteurizadora Rica holding the largest share in 2024. The market continues to see increased competition from affordable imported products.

- **Processed Meats:**

An important component of the Dominican Republic's food processing sector is meat processing. According to Euromonitor International, the total retail market value for processed meats is \$205 million, reflecting 5 percent growth compared to the previous year. Notably, over 97 percent of processed meats are sold through retail distribution channels, including distributors and supermarkets (43.7 percent), hypermarkets (22.2 percent), with the remaining 31.8 percent sold in local mom-and-pop stores (i.e., colmados) and butcher shops. Dominican consumers have strong ties to these neighborhood stores, where they often benefit from flexible payment options and credit based on trust.

Dominican brands dominate the local market, driven by their diverse product offerings and competitive pricing strategies. A significant percent of Dominican households consume salami, which continues to lead total sales of processed meats. In 2024, products from the food processing company Induveca S.A./MERCASID dominated the local processed meats market, commanding a 40 percent share of retail sales. Other key players include Sigma Alimentos, which controls 17 percent of the market, and Productos Chef, with a 4 percent market share. While some international brands also compete in the processed meat sector, their products are priced higher, making them less accessible to many Dominican households.

In 2024, the Dominican Republic imported a total of \$577 million in meat products, with the United States leading the category, accounting for \$494 million. This makes the DR the 8th largest market for U.S. meat and meat products, reflecting a 2 percent increase year-on-year. The category experienced 13 percent growth compared to 2023, largely driven by pork imports. In response to the spread of African Swine Fever (ASF), the DR has been actively working to improve its control and eradication efforts.

Competitors to the United States in the Dominican meat market include Brazil, the United Kingdom, Spain, and Australia. Key imported products include pork, poultry, frozen beef, and edible offal of bovine animals.

- **Wheat Milling:**

Wheat milling stands as another vital sector within the local food processing industry. DR relies almost on imports of wheat from the United States and Canada. In 2024, the DR imported \$211 million in wheat, down 1 percent from the previous year. The United States supplied 61 percent (\$130 million) of the total import market, while Canada supplied 30 percent (\$64 million).

Two major players, Molinos Modernos S.A., and Grupo Bocel, dominate the local milling industry, collectively processing nearly 80 percent of all wheat imports. The primary output of these mills is wheat flour, which forms the foundation of a growing and dynamic baked goods industry. In addition, these companies are responsible for producing the majority of pastas, crackers, and cookies available in the local market. Retail sales of baked goods rose by 11 percent to \$385 million in 2024; the best-performing category, bread, specifically leavened bread, rose by 12 percent (\$276 million).

In 2024, the retail value of baked goods grew by 7 percent, reaching \$357 million. Bread remains the top-performing category, with retail sales also rising by 7 percent, totaling \$260 million. Lumijor leads this category, capturing almost 8 percent share of the market in calendar year 2024, followed by Pepina S.A. and Grupo Bolin. Despite this, small local bakeries account for nearly half of total value sales and also supply products to *colmados*. Leavened bread continues to be the most popular product within this category, particularly unpackaged varieties such as “pan de agua” and “pan sobao”, favored for their deep-rooted tradition and affordability in the local market.

- **Dairy:**

In recent years, the Dominican dairy processing industry has expanded its capacity, driving an 8 percent increase over 2023 in the total retail market value for dairy products, which reached \$935 million in 2024. Local producers play a key role in this growth, with Pasteurizadora Rica holding the largest market share at 20 percent, followed by Mejía y Arcalá and Nestlé with each in competition for third place. Sima Alimentos has made notable gains, now securing 7 percent of the market share. As supermarkets continue to expand across the country, the retail landscape is evolving. While *colmados* still play a significant role in retail sales, the growth of supermarkets, particularly outside major cities, is diversifying product offerings. Cost-effective private-label options are also gaining traction as consumer preferences shift.

Over 50 percent of domestic fluid milk is processed into cheese, while less than 5 percent is processed into yogurt. Most of these cheeses are produced by more than 400 small and medium-sized rural processing facilities. Although these locally manufactured products may differ from U.S. substitutes in variety, quality, and sanitary standards, larger local companies, such as Sigma Alimentos and Mejía Arcalá, offer products comparable to U.S. cheeses.

In 2024, the retail value of the DR's cheese market increased by 8 percent, with Sigma Alimentos leading the sector, holding 33 percent of the market share. There has been a notable rise in cheese imports, which grew by 14 percent in calendar year 2024. This trend reflects a growing variety of cheese options available in the local market, with more affordable choices being imported into the DR. The EU dominates the market, accounting for 58 percent of imports, followed by the United States with a 38 percent share.

- **Sugar Confectionery:**

The Dominican Republic also has a substantial sugar confectionery sector. While most sugar, cacao, and dairy products are sourced locally or from non-U.S. suppliers, other confectionery ingredients, such as nuts, are imported from the United States. In 2024, the total retail value of sugar confectionery in the DR reached approximately \$44 million, reflecting an 8 percent increase compared to the previous year. As consumer demand for healthier options continues to grow, low-sugar alternatives are becoming increasingly popular.

2.5. Company Profiles & Company Products

There are more than 1,000 companies classified as agro-industrial and processors in the Dominican Republic. Based on the market structure described in Section 2.3, below is a list of key processing companies:

COMPANY	KEY PRODUCTS
Meat Processing	
Induveca S.A./ MERCASID http://www.induveca.com.do	Processed meat, cheese, Shelf-stable milk, and yogurt
Sigma Alimentos https://www.sigma-alimentos.com/en/	Processed meat, cheese, butter, and yogurt
Productos Chef www.productoschef.com	Processed meat
AGROCARNE (Central Romana Corporation) www.centralromana.com.do/estructura-corporativa/manufactura	Processed meat and cheese
Wheat Milling	
Molinos Modernos S.A. www.molinosmodernosenlinea.com/rd	Wheat flour, pasta, and crackers
Grupo Bocel www.grupobocel.com	Wheat flour, pasta, cookies, and crackers
Baked Goods	
Horneados Pepín S.A. www.panpepin.com/	Bread and pastry
Lumijor SRL www.lumijor.com.do/	Bread
Dairy Products	
Mejía Arcalá https://mejiaarcala.com/	Cheese and powdered milk
Grupo Rica www.gruporica.com/en	Shelf-stable milk, fruit juices and yogurt
Nestlé Dominicana S.A. www.nestle.do	Milk products, cereals, dehydrated soups, seasoning and pet food
Dos Pinos https://www.cooperativadospinos.com/	Shelf-stable milk, fruit juices and yogurt
Others	
Frito-Lay Dominicana S.A. www.fritolay.com	Snacks from plantains, cassava, potatoes, and spices
Quala Dominicana S.A. https://www.quala.com.do/	Seasonings, powdered juice, oat products
Unilever Caribe S.A. www.unilever.com.mx	Seasoning products and corn flour

SECTION III. COMPETITION

Meat Products:

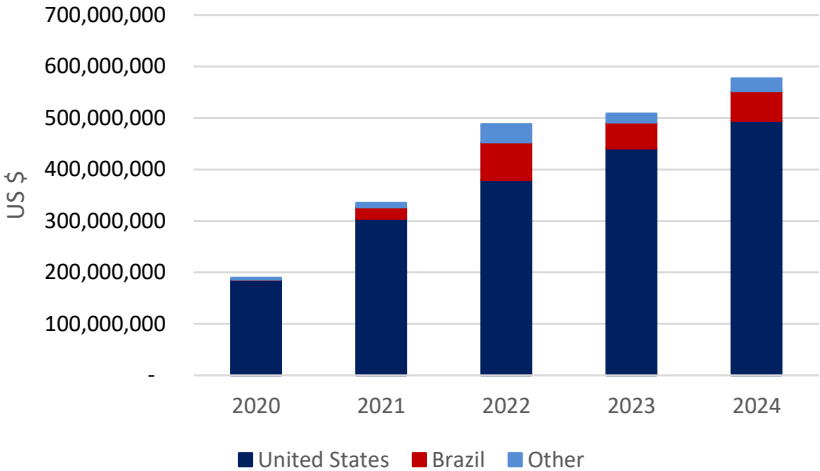
In 2024, the DR increased its total meat and meat product imports (HS 02) by 13 percent (value), with U.S. imports rising 12 percent (value) in a year over year comparison due to strong sales in pork. Over the past five years, U.S. meat has consistently held a leading position in the local market, accounting for 86 percent of total Dominican meat imports, with an annual average value of \$419 million.

The food processing industry is a key driver of U.S. agricultural exports to the DR, with pork ranking as the top U.S. agricultural product exported to the market. The sector remains the primary destination for the country’s top three imported meats. In CY 2024, pork remained the leading imported meat for this industry, reaching a value of \$189 million. This represented 69 percent of all pork imports to the DR and 33 percent of total meat imports.

Following pork, poultry emerged as the second-largest category, representing 20 percent of overall meat imports and 89 percent of all poultry imports to the country in CY 2024, at a total value of \$115 million.

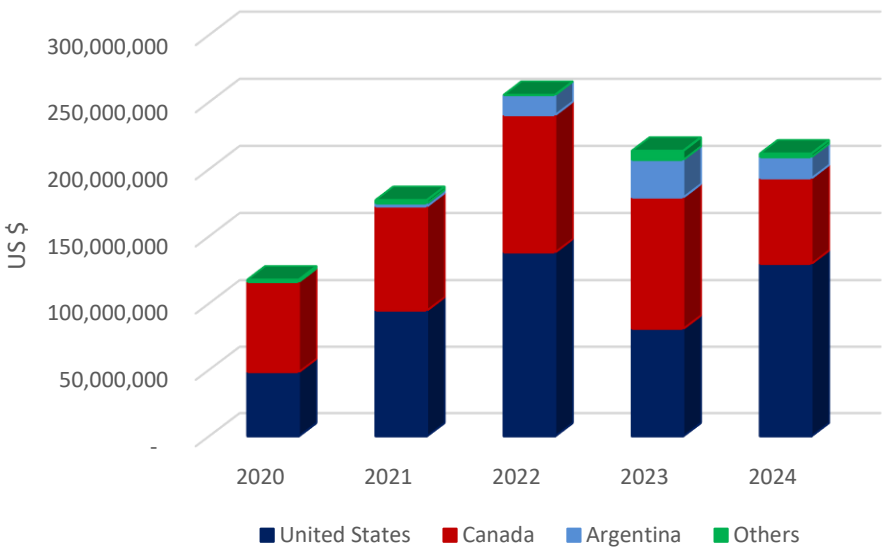
Other top sources of meat products for the Dominican Republic include Brazil, the United Kingdom, Spain and Australia.

HS 02 Meat Exports to DR



Source: Built by Post with data from TDM

DR Wheat Imports



Source: Built by Post with data from TDM

Wheat Milling Products:

Over the past five years, U.S. wheat (HS 1001) has accounted for 50 percent of total wheat imports in the Dominican Republic, averaging \$98 million in annual value.

For CY 2024, wheat imports to the DR declined by 1 percent compared to CY 2023. The United States remained the dominant supplier, providing 61 percent of total imports, valued at \$130 million, a 60 percent increase from the previous year.

Canada remains the United States’ primary competitor in the

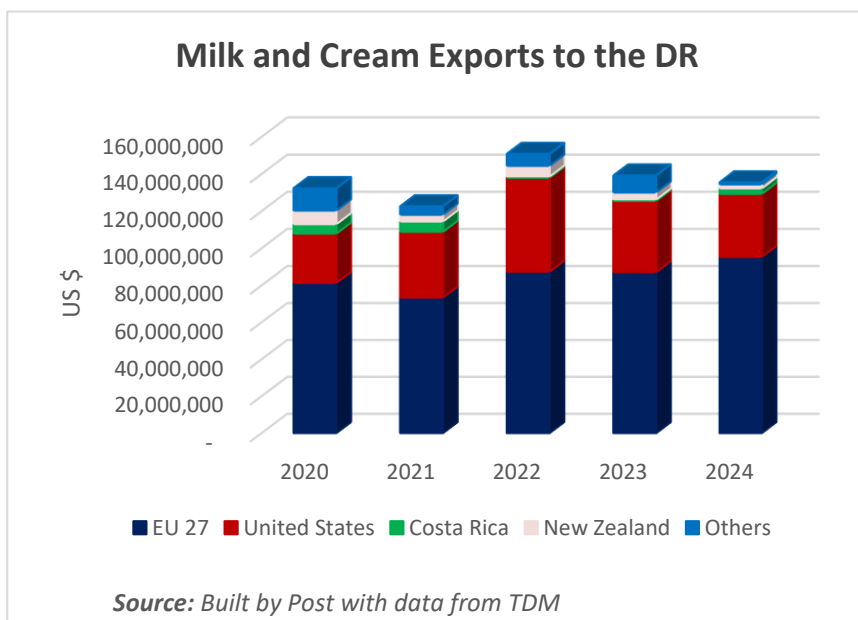
Dominican market, holding a 30-percent market share in 2024, a 35 percent decline from CY 2023.

Dairy Products:

Over the past five years, U.S. imports of milk and cream (HS 0402) to the Dominican Republic represented 27 percent of the import market, with an annual average value of \$37 million. Meanwhile, the European Union dominated this category, holding an average market share of 62 percent of total Dominican imports, over the last five years, valued at \$84.9 million.

In CY 2024, global exports of milk and cream to the DR totaled \$135.45 million. U.S. milk and cream exports to the Dominican Republic constituted 25 percent of the local import market, reflecting a 12 percent decline compared to CY 2023, with a trade value of \$33.95 million.

In CY 2024, the DR significantly increased its imports of milk and cream products by 297 percent from Costa Rica while imports from New Zealand declined by 43 percent compared to CY 2023.



SECTION IV. BEST PRODUCTS PROSPECTS CATEGORIES

The United States has consistently been a major supplier of meat, edible meat offal, and animal and vegetable fats for the Dominican meat processing industry; this trend is expected to continue. However, inflation continues to impact food prices, especially imported products, such as processed fruit, vegetables, and breakfast cereals, which have seen significant price increases. As a result, Dominican consumers remain price sensitive, leading to a growing preference for more affordable, private label products over well-known brands, as a way to save money.

The Dominican Republic's staple foods market in 2024 shows strong potential for growth, with private label products standing out as a key trend. As local consumers remain price-sensitive, private label offerings have gained significant traction. Given the rising prices of staple foods, retailers have increasingly prioritized private labels, with supermarket chains, such as Grupo CCN (Jumbo and Nacional Supermarket), Grupo Ramos (Sirena, Sirena Market, Aprezio) and Bravo, expanding their portfolios. These store brands offer consumers an affordable alternative, while supporting local producers, and with the anticipated stable growth in the economy, private label products are poised to capture an even larger share of the market.

Another category with strong growth prospects is processed fruit and vegetables, driven by increasing health awareness. Dominican authorities are encouraging higher consumption of fruits and vegetables, which is expected to fuel volume growth in this segment. This trend aligns with a broader consumer shift toward healthier food options, particularly in processed forms. Local brands currently dominate this market, but there is room for innovation, especially in providing more nutritious, ready-to-consume vegetable products, as well as those with natural claims in their labels.

There is still considerable potential for increased exports of U.S. ingredients to the milling, dairy, and confectionary industries, especially with the full implementation of CAFTA-DR. Post anticipates that this growth will materialize within products already present in the market.

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

Dominican Institute for Quality Standards (INDOCAL)

(Ministry of Industry and Commerce)

Av. México esq. Leopoldo Navarro, Edificio de Oficinas Gubernamentales

Juan Pablo Duarte, Piso 11 (Edif. El Huacal), Santo Domingo, Dominican Republic

Contact: Ing. Lorenzo Ramírez, Director General

Telephone: 809-686-2205

Fax: 809-686-2235

E-mail: servicioalcliente@indocal.gob.do

Web page: <https://indocal.gob.do/>

Comment: This bureau is part of the Ministry of Industry and Commerce and issues and enforces the application of NORDOM 53, which requires Spanish labeling and the sanitary registration number on all pre-packed retail food products. In addition, INDOCAL is where the Standard Committees (composed of both the private and the public sector) update the industry on a regular basis.

General Directorate of Customs (Dirección General de Aduanas - DGA)

Av. Abraham Lincoln No. 1101, Ens. Serrallés

Santo Domingo, Dominican Republic

Contact: Mr. Eduardo Sanz Lovatón, Director

Telephone: 809-547-7070

Fax: 809-540-5853

E-mail: info@aduanas.gob.do

Web page: <https://www.aduanas.gob.do/>

Comment: DGA is the official entity in charge of customs and the local regulations related to it.

Foreign Agricultural Service Santo Domingo

Phone: 809-368-7654

Address: República de Colombia Av. #57, Arroyo Hondo, Santo Domingo, Dominican Republic.
U.S. Embassy in Santo Domingo, DR.

Email: agsantodomingo@usda.gov

<http://www.fas.usda.gov>

Comment: Please contact this office for more detailed information about the Dominican food market, lists of importers, major players in the sector, questions, etc.

Attachments:

No Attachments