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Venezuela

Agricultural Situation

Rice Industry News

2009

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Report Highlights:

Post provides informal summaries of statements by government officials regarding possible takeover of rice farms, trade restrictions, and inflation.

Includes PSD Changes: No
Includes Trade Matrix: No
Trade Report
Caracas [VE1]
[VE]

The Ministry of Agriculture will assume control of land if rice planting falls

From the premise of a private sector that is contrary to the Government, the Minister of Agriculture and Lands said that they "will continue to increase rice production with the participation of honest producers in the country, which are the majority."

However, the Minister said that "if for any political intention a decrease in hectares of planted rice is observed and farmers stop planting, we will occupy the land and the State will start sowing it. We are able to do so we have the machinery and technical staff." Then he pointed out that "after 2001-2002 the State took measures to be prepared of any event. If the agri-business stops, we have plans for operate it."

Reinforced border against food outflow

The president of the Indepabis, and recently named Minister of Commerce, Mr. Eduardo Saman, reported that they have strengthened the agency's offices in the border states of Táchira, Zulia, and Apure in order to prevent smuggling of commodities to Colombia following the recent regulation of production quotas of staple foods. Mr. Saman pointed out that 18 trucks full of rice, which would presumably were going unofficially through the border to Colombia, were stopped in Táchira state. He indicated that they will continue with President Chavez' instructions of intensifying the inspections of rice processing plants and indicated that of the country's 52 rice plants, most of them have been already controlled.

Inflation of food accumulates 40.1 percent during a period of 12 months

The Central Bank of Venezuela noted that the National Index of Consumer Prices in February slowed to 1.3 percent, the lowest recorded in 14 months, however, the results by groups and regions show that there is still no total control of inflation.

Cattle ranchers almost bankrupt due to exaggerated imports of milk and beef

According to the president of the National Cattle Association, Fedenaga, as a consequence of the milk and beef imports that are not only complementing the domestic production but substituting it, "the cattle ranchers of Venezuela are almost bankrupt." He made a call to the government to stop those imports until the domestic market is stable.

Source: public statements and leading dailies