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Report Name: Sugar Annual

Country: Dominican Republic

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Report Category: Sugar

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Report Highlights:

Sugar production in the Dominican Republic (DR) is forecast to reach 600,000 metric tons (MT) due to favorable rainfall conditions through the first half of marketing year (MY) 2025/2026 (October - September). Production for MY 2024/2025 is estimated at 590,000 MT, a 19-percent increase compared to the previous marketing year. The recent decision from the U.S. Customs and Border Protection (CBP) to lift restrictions imposed in 2022 on sugar and sugar-based imports on the leading Dominican producer, Central Romana, further supports the forecast. Additionally, the DR plans to meet the U.S. sugar quota for fiscal year (FY) 2025.

1. Statistics

Table 1. Sugar Cane for Centrifugal

Sugar Cane for Centrifugal	2023/2024		2024/2025		2025/2026	
Market Year Begins	Nov 2023		Nov 2024		Nov 2025	
Dominican Republic	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	113	113	120	135	0	137
Area Harvested (1000 HA)	113	113	120	135	0	137
Production (1000 MT)	5000	5000	5500	5950	0	6000
Total Supply (1000 MT)	5000	5000	5500	5950	0	6000
Utilization for Sugar (1000 MT)	5000	5000	5500	5950	0	6000
Utilization for Alcohol (1000 MT)	0	0	0	0	0	0
Total Utilization (1000 MT)	5000	5000	5500	5950	0	6000
(1000 HA), (1000 MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Table 2. Sugar, Centrifugal

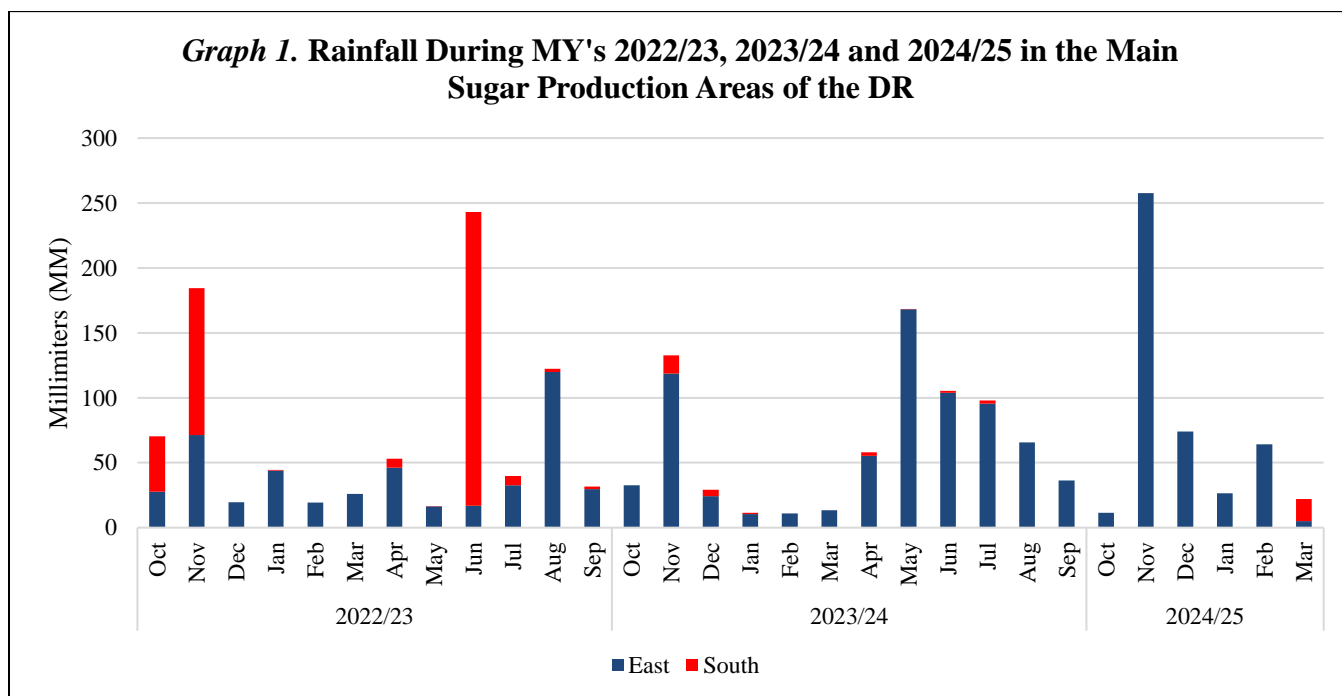
Sugar, Centrifugal	2023/2024		2024/2025		2025/2026	
Market Year Begins	Oct 2023		Oct 2024		Oct 2025	
Dominican Republic	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks (1000 MT)	71	71	75	116	0	124
Beet Sugar Production (1000 MT)	0	0	0	0	0	0
Cane Sugar Production (1000 MT)	495	495	520	590	0	600
Total Sugar Production (1000 MT)	495	495	520	590	0	600
Raw Imports (1000 MT)	90	126	60	0	0	0
Refined Imp. (Raw Val) (1000 MT)	10	10	10	10	0	10
Total Imports (1000 MT)	100	136	70	10	0	10
Total Supply (1000 MT)	666	702	665	716	0	734
Raw Exports (1000 MT)	190	185	190	190	0	190
Refined Exp. (Raw Val) (1000 MT)	0	0	0	0	0	0
Total Exports (1000 MT)	190	185	190	190	0	190
Human Dom. Consumption (1000 MT)	401	401	403	402	0	403
Other Disappearance (1000 MT)	0	0	0	0	0	0
Total Use (1000 MT)	401	401	403	402	0	403
Ending Stocks (1000 MT)	75	116	72	124	0	141
Total Distribution (1000 MT)	666	702	665	716	0	734
(1000 MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

2. Production

For MY 2025/2026, total sugar production is forecast at 600,000 MT due to a continuation of favorable weather conditions. The consensus forecast indicates improvement in rainfall patterns in the first half of MY 2025/2026, leading to improved yields. For MY 2024/2025, production is estimated to increase by 19 percent compared to the same period last year, as favorable rainfall patterns positively impacted yields in key production areas.

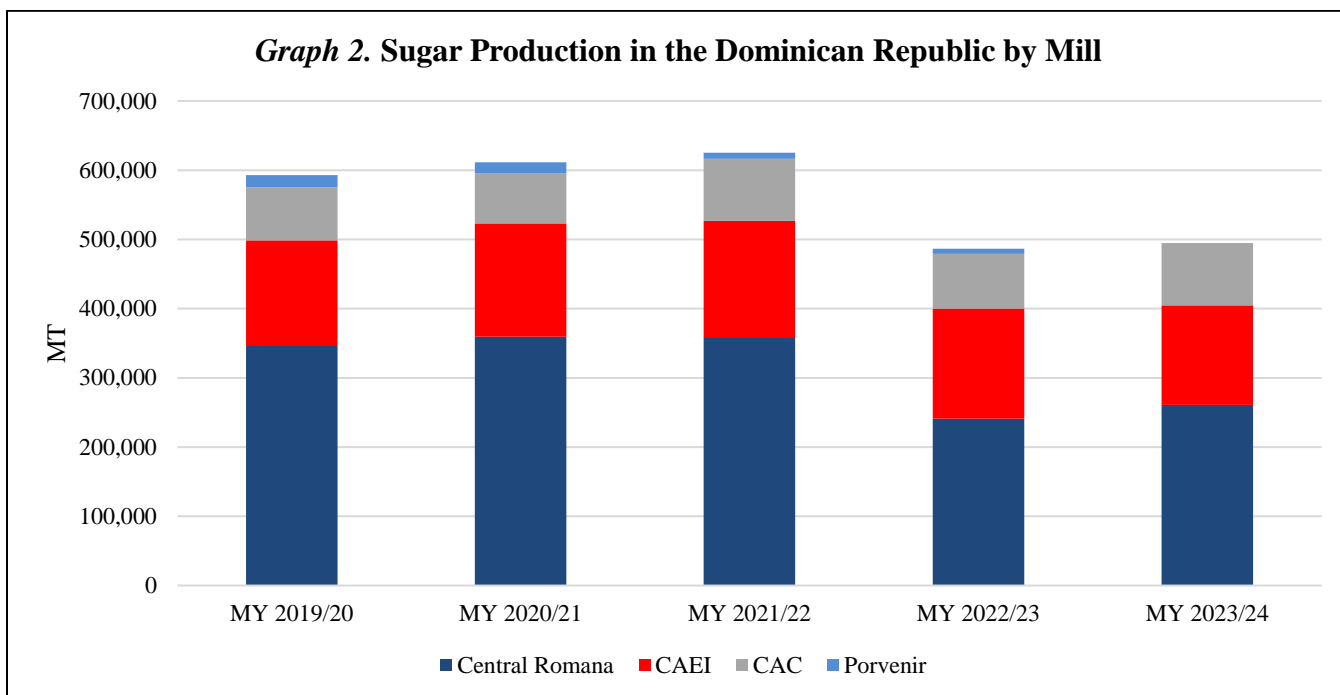
The forecast for the outlook year is further bolstered by recent decisions from the U.S. Customs and Border Protection (CBP) to lift the Withhold Release Order (WRO) issued in 2022 against Central Romana, the largest local Dominican sugar producer, due to longstanding labor issues. The CBP order, which barred the entry of sugar and sugar-based products from Central Romana to the United States, prompted local producers to reshuffle distribution channels, restricting Central Romana's supplies to the domestic market, while smaller producers filled the U.S. quota. Although the reorganization of export management, including supply chains adjustments, will require time, Central Romana is expected to resume shipments of raw sugar to the United States during the current MY.

According to data from [CLIMARED](#), a weather-tracking platform in the DR, the first half of MY 2024/2025 experienced above-average rainfall patterns. Graph 1 illustrates a 98 percent improvement in rainfall for the eastern and southern regions of the DR between October 2024 and March 2025 compared to the same period last year. Specifically, the eastern region, where over 80 percent of local production is concentrated, received 108 percent more rainfall during the same timeframe last year.



Source: Built by Post with information from CLIMARED.

Data compiled by the Dominican Sugar Institute (INAZUCAR in Spanish) and Post's research indicate that total sugar production increased to 494,810 MT (347,244 MT of raw sugar and 147,566 MT of refined sugar).



Source: Built by Post with information from INAZUCAR and Post's research.

Graph 2 shows that the largest local private producer, Central Romana, continues to dominate the market, accounting for approximately 53 percent (260,878 MT) of total production for MY 2023/2024. Following closely behind, CAEI, the second-largest producer, contributed 29 percent (144,043 MT). CAC, the smallest of the three mills, produced 18 percent (89,664 MT) of total production. Central Romana and CAEI are the only producers of refined sugar in the country. However, CAEI did not produce refined sugar in MY 2023/2024.

3. Consumption

In MY 2025/2026 sugar consumption is projected at 403,000 MT, up slightly from MY 2024/2025. The projection is primarily driven by a continued surge in tourist activity, notably in hotels and resorts across the country, where foreign visitors are consuming higher quantities of sweets and processed products. The Dominican Republic's Central Bank reported an increase in arrivals of foreign visitors, reaching 8.6 million in 2024, a 6-percent increase from the last calendar year. For 2025, the bank forecasts that the number of foreign visitors will increase even further, reaching 9 million. Additionally, the forecast period incorporates a 1-percent rise in planned population growth.

In MY 2023/2024, local consumption reached 401,000 MT, resulting in an estimated per capita consumption of 78 pounds per year. Of this total, approximately 55 percent was raw sugar, and 45 percent was refined sugar.

4. Trade

For MY 2025/2026 exports are forecast at 190,000 MT, unchanged from the last MY, assuming normal demand patterns continue from the United States. During the initial five months of MY 2024/2025, the Dominican Republic shipped 20,123 MT of raw sugar to the United States, significantly outpacing the

7,936 MT shipped during the same period last year, indicating progress toward fulfilling its annual quota.

On March 17, 2025, the CBP modified its WRO against Central Romana, allowing the company to resume shipments of sugar and sugar products to the United States. Before 2022 when the WRO was imposed, Central Romana contributed approximately 63 percent (116,000 MT) of the country's total U.S. raw sugar quota. The company could export 30,000-40,000 MT during the current MY if able to reach an agreement with the two quota holders (CAEI and CAC) for this year's harvesting season, according to the distribution set under Decree 572-24¹.

The INAZUCAR has informed Post that, similar to last year, industry intends to meet its FY 2025 allocation. On July 25, 2024, the United States announced the Tariff Rate Quota (TRQ) allocations for [FY 2025](#)², with the Dominican Republic receiving the largest single-country allocation of 189,343 MT, out of a total of 1,117,195 MT. This allocation constitutes 17 percent of the U.S. quota.

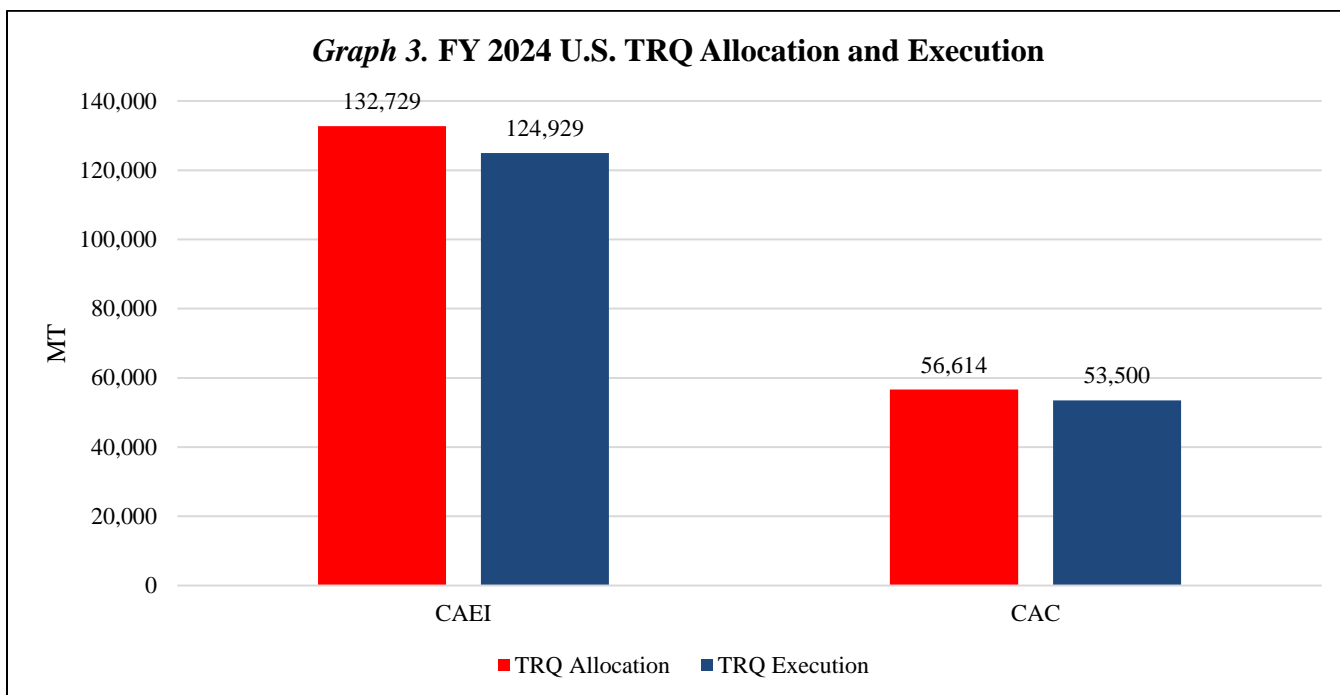
For MY 2023/2024, the United States remained the primary buyer of Dominican sugar. Official exports of raw cane sugar totaled 178,464 MT, with the majority destined for the United States. Post estimates that informal exports from the Dominican Republic to Haiti totaled an additional 5,000 -7,000 MT with similar volumes anticipated for the upcoming MY.

Every year, the DR exports modest quantities of raw sugar through informal channels to its neighbor, Haiti, in response to price differences. However, these quantities may not be reflected in official export figures. According to Post sources, quantities may vary widely per year.

In FY 2024, the Dominican Republic received the largest U.S. sugar allocation of 189,343 MT, out of a total of 1,117,195 MT. The DR filled 94 percent of the original quota allocated. The following graph illustrates the allocations and execution rate per mill in FY 2024:

¹ <https://www.inazucar.gov.do/transparencia/index.php/base-legal/category/323-decreto-zafra?download=1867:decreto-572-24-zafra-ano-2024-2025>

² <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2024/july/ustr-announces-fiscal-year-2025-wto-tariff-rate-quota-allocations-raw-cane-sugar-refined-and>



Source: Built by Post with information from INAZUCAR and Post research.

Under the Dominican Republic – Central America Free Trade Agreement (CAFTA-DR), an additional quota exists for products containing sugar, which is assigned annually based on the country’s trade surplus in sugar and syrup goods³. However, in FY 2025, the DR did not meet the requirements to receive an additional allocation.

The Dominican Republic typically imports limited quantities of sugar every year from non-U.S. countries. With expected higher levels of production and stocks in the DR, imports for MY 2025/2026 are forecast to drop to 10,000 MT, similar to MY 2024/2025 estimates. In MY 2023/2024, when production was lower, imports rose to 135,941 MT, which was largely sourced from Brazil (74 percent) and Guatemala (14 percent).

Currently, in-quota import duties for raw and refined sugar stand at 14 percent and 20 percent, respectively, plus an 18 percent value-added tax (VAT)⁴. In line with its World Trade Organization (WTO) commitments, the DR established a tariff-rate quota (TRQ) of 30,000 MT for sugar, which is subject to the in-quota rates, coupled with an out-of-quota tariff of 85 percent. To address production shortfalls, the DR, through INAZUCAR, authorizes imports above the TRQ, which are subject to the out-of-quota tariff rate.

Under CAFTA-DR, as of January 1, 2020, U.S. sugar and high fructose corn syrup (HFCS) exported to the Dominican Republic enjoys duty-free access.

³ In the Final Text of the CAFTA-DR, please see Appendix I to the Schedule of the United States to Annex 3.3 for more details: http://www.ustr.gov/sites/default/files/uploads/agreements/cafta/asset_upload_file971_3958.pdf

⁴ The DR’s value-added tax (VAT) is referred to locally as the “Impuesto a la Transferencia de Bienes Industrializados y Servicios” (ITBIS).

5. Other products

Apart from exporting raw sugar, the sugar industry generates additional revenue through the production of various by-products intended for both local and international markets. For example, in MY 2023/2024, the sugar industry produced 35 million gallons of molasses for industrial (i.e., rum) and livestock use. Molasses is sold both locally and internationally.

Another notable product is furfural, which is used by oil refineries as a dissolvent agent and processed from cane fiber. Furfural production is exclusive to Central Romana, with INAZUCAR reporting production at 25,590 MT for MY 2023/24.

6. Stocks

Producers hold the predominant share of stocks. For MY 2025/2026, ending stocks are forecast to rise significantly at 141,000 MT, reflecting expectations of increased production and reduced imports. For MY 2024/2025, stocks are projected at 124,000 MT due to comparable market conditions as the forecast year.

7. Policy

Several laws regulate the sugar sector in the Dominican Republic. Law No. 491 governs the relationship between private cane producers and millers; the law also sets prices for raw cane based on sugar content. Similarly, Law No. 619 assigns regulatory duties to INAZUCAR, which is overseeing both domestic and foreign marketing, TRQ allocations, price schedules, and statistical reporting.

For several years, the government has promoted the use or development of an ethanol-gasoline blend, initially established by Decree No. 556-05 in 2005. The provisions of the decree were formalized by Law No. 57-07 (passed in May 2007), which aimed to incentivize the development of renewable energy sources. This initiative aimed to establish a mandate that would include a 10-percent requirement on ethanol in gasoline blends, and a 20- percent biodiesel requirements for diesel blends; the executive branch has yet to enact this initiative.

Amid such uncertainties, local and foreign investors remain hesitant to enter the market. Currently, none of the major mills plan to install ethanol production facilities nor advocate for implementation of the blending mandate.

It is noteworthy to mention that imported ethanol faces taxation similar to alcohol for human consumption, including the 18 percent VAT plus and an ad valorem tax based on the percentage of alcohol and weight. This tax framework effectively discourages the importation of ethanol for the local market.

All major mills are, or soon will be, self-sufficient in energy production as they look to boost combined heat and power capacity from the incineration of sugar cane bagasse. Some of the mills, especially CAEI and CAC, supply energy to the national power grid, which serves as an additional revenue stream.

8. Marketing

The Ministry of Industry, Commerce, Trade and Small and Medium Enterprises (MICM) in collaboration with INAZUCAR established the floor price for both raw and refined sugar based on historical prices and production estimates. The most recent adjustments to these baseline prices were in December 2024. The table provided below shows the established prices in current dollars compared to the previous prices established in December 2023.

Table 3. Official Prices for Sugar in the Dominican Republic

Type of Sugar	Prices (US\$/pound)*					
	Producer to wholesale		Wholesaler to retail		Retail to consumer	
	Previous Price (December 2023)	Current Price (December 2024)	Previous Price (December 2023)	Current Price (December 2024)	Previous Price (December 2023)	Current Price (December 2024)
Raw	0.32	0.34	0.35	0.37	0.39	0.41
Refined	0.36	0.38	0.4	0.42	0.44	0.46

*Average exchange rate during calendar year 2025, according to the Central Bank: DOP\$61.98=US\$1.

Source: INAZUCAR (Resolutions No. [001/2023](#) and No. [001/2024](#).

Attachments:

No Attachments