



ENHANCING DOMINICAN PARTICIPATION IN THE U.S. ORGANIC PRODUCE MARKET

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EXECUTIVE SUMMARY

BACKGROUND AND RATIONALE

Demand for organic fruits and vegetables from the US market is growing at 15%–20% annually. Although currently representing a small percentage of the overall US produce market, the growth potential for exporting organic certified and naturally grown foods to the US from the Dominican Republic presents a strong opportunity to increase jobs and incomes for small- and medium-size agricultural producers.

CAFTA-DR will strengthen this opportunity by facilitating trade between the two countries, and providing a transparent platform on which to broaden the participation of Dominican producers in exporting agricultural products to the US.

Building on the success of Dominican organic and naturally grown fruits and vegetables being exported to the European market, the country is now in position to direct these same export products to the US market. Although tax preferences under the African, Caribbean and Pacific Group of States (ACP) — European Union tax regime — have favored Dominican banana exports to Europe, these preferences could be reduced and phased out by the EU in the not-too-distant future, thereby forcing Dominican banana exporters to seek other profitable markets.

Other potential organic exports to the US market which have the volume and quality needed to meet current US consumer demand include coffee, cocoa, mangoes, and papaya (naturally grown).

The initial leadership and driving force behind entry into the US organic market will come from exporters that have been successful in the European organic market and the US ethnic market, and are now looking for ways to increase and diversify these exports and broaden and deepen the participation of small- and medium-size producers. An example of Dominican ethnic exports to the US market would be Antonio Taveras of Moca, whose company has supplied the New York City area with yucca, plantains, guandule, ayama, yautia, avocado and other “Dominican” products for more than 20 years.

PRACTICAL MEASURES

In order to better prepare the Dominican Republic to meet the growing US demand for organic produce, there is a need to train/educate small- and medium-size producers in the technology of “transitioning” into organic produce in an efficient and effective way. This training should be both production and certification oriented, and focus on Fair Trade practices and corresponding requirements. Fair Trade certification can increase farmers’ income and help develop local communities through specific infrastructure and social projects funded in part with the premiums received from Fair Trade certification.

The idea of establishing a “Dominican Organic Certification Organization” (ODCO) merits exploration. This entity could build on the training and resource capabilities of existing NGOs, private certifying companies, universities, vocational technical schools, and specialized policy organizations. A Dominican Organic Certification Organization could also have the capacity to train/educate small- and medium-size producers in Fair Trade practices and corresponding certification requirements.

Existing Dominican organizations that could serve either as training models or be modified to incorporate organic certification and Fair Trade practice curricula, courses, practical information and hands-on training include the following: Asobanu (Mao), BCS OKO (German organic certification organization, with an office in Santo Domingo), Polytechnical Schools (e.g. Baní, Dajabón) and the Junta Agroempresarial Dominicana (JAD). In addition, establishing a new specialized organic certification organization may be another viable approach to creating a Dominican organic certification and Fair Trade practices capability.

Specific organic (and naturally grown) crops having the most potential for penetrating the US market include: bananas, coffee, cocoa, mangoes (currently under USDA restrictions), and papayas. Other potential export crops that are either organic certified or grown naturally include: avocados, sweet potatoes, chili, peppers, melons, eggplants, lemons and carrots. In addition, there are other potentially profitable agricultural exports that focus on the US ethnic and gourmet markets, including: plantains, baby vegetables, yucca, yautia, auyama, squash and Chinese vegetables.

The cost of shipping to the US from the Dominican Republic is considered expensive vis-à-vis other country shipping lines and companies using their own vessels. New ways to reduce the cost of transport — e.g. through the use of a “charter container ship” or some other means of developing economies of scale — should be pursued. A feasibility study could also focus on what it would take to open the port of Manzanillo for exports to the US East Coast (Manzanillo is a natural port used extensively for banana exports to Europe, but is currently not approved by Homeland Security for exports to the US).

In addition to organic bananas, coffee and cocoa, the export of organic mangoes to the US has great potential. The current problem with exporting organic mangoes to the US — i.e. the Mediterranean fruit fly issue — requires mangoes to undergo a double heat treatment process before the USDA will allow them into the US market. There are currently several alternatives under study by the Mango Cluster organization (ref. interview with Rafael Leger, President, Mango Cluster Bani/Las Matanzas) for eliminating the fruit fly quarantine on Dominican mangoes. One potential solution is to seek USDA clearance of a specific geographic area where Mangoes are produced (e.g. Bani). Another would be to secure a larger investment in heat treatment equipment to provide a much greater capacity to process mangoes for export to the US market (currently there is only one small machine operating in Moca).

Certification for Fair Trade Labeling (FLO) can guarantee farmers a premium of at least 10% on the sale of their exports, as well as community program benefits derived from FLO premiums. Asobanu (located in Mao) was started with assistance and funding by Ekoban/Savid S.A., and now has its own core capital support, although at a level that limits expansion. Asobanu is an NGO working with small and medium size agricultural producers looking to transition into organic crops and eventually export to US and European markets. The number of farmers associated with Asobanu’s training and development activities is increasing. In addition to training in organic production and certification requirements, Asobanu also provides training and information in Fair Trade practices and FLO certification requirements.

Agricultural Cluster entities which are organized for the production, marketing and exportation of produce have served a valuable role for Dominican producers. The Clusters for coffee, cocoa and mangoes are particularly well organized, with thousands of members comprised mainly of small producers. The Clusters themselves, however, do not always have a strong capacity to market and export produce, or to seek out new markets and promote Dominican products within the US. As a result, it may be more efficient for the Clusters to market their products through other export entities which already have linkages to the US market through ethnic and/or gourmet marketing channels. These entities could be a driving force for entry into the US market, by ensuring appropriate export volume and improving the quality of products. One example of such a marketing entity is CorpaVega, owned by the Florencio Group and located in La Vega. This company is looking to market organic sweet potatoes and naturally grown papaya to the US. Currently they export several containers per week of naturally grown chilies, eggplant and other ethnic products to Miami. The agricultural Cluster of La Vega could obtain higher sales value for small- and medium-size organic producers by marketing through the CorpaVega export channel to the US market.

US Trade Fairs of organic produce offer a unique opportunity to showcase Dominican organic production and establish invaluable trade connections and potential business transactions. Some of the major Organic Produce Trade Fairs in the US and Puerto Rico include: All Things Organic (Chicago); Biofach America (Baltimore); Expo Alimentos (Puerto Rico); NUTRACON (Anaheim, CA); and INAST East (Orlando, FL). By attending several of these Trade Fairs during the year, Dominican producers/brokers would be able to market their organic products to major brokers, distributors, and wholesale/retail outlets in the US and Puerto Rico.

ASSESSMENT

ORGANIC BANANAS

The Dominican Republic currently is exporting approximately 200 to 250 containers per week, or 240,000 cases (40 lbs. per case, or 9.6 million lbs.) of organic bananas to European markets (i.e. Ekoban-Savid, Plantaciones del Norte, Banelino, and Banamiel).

Other organic produce currently being exported to Europe — on a much smaller scale — includes organic coffee, cocoa and mangoes (and individual and specialty market conventional fruits and vegetables — e.g. avocados, melons).

Although the US organic market is a much smaller organic market compared with Europe, it is growing at approximately 15%–20% annually and considered one of the fastest-growing produce markets in the world.

Longer-term projections for organic banana exports to Europe do not appear favorable given anticipated downward adjustments in tariffs and quotas for the ACP countries, which are expected to work against Dominican competitiveness by leveling the playing field for the “Dollar Countries” producers/exporters in other parts of Africa and South and Central America (e.g. Ecuador, Costa Rica and Honduras). The ACP banana exporters are defined as: Belize, Jamaica, Dominican Republic, Suriname, Windward Islands, Curacao, Ivory Coast, Cameroon and Ghana. The other banana exporters, or Dollar Countries, are defined as: Panama, Peru, Ecuador, Colombia, Venezuela, Haiti, Costa Rica, Honduras, Guatemala, Mexico and Brazil. Once the tariff and quota structure is leveled out for the ACP and Dollar countries (no time table is available, but several exporters anticipate it will start next year on a graduated basis), exporting to Europe will become more competitive for Dominican banana exporters. Currently, Dominican and other ACP banana exporters benefit from a \$2–\$4 per case tax advantage compared with the Dollar Country tariffs and quotas.

The Dominican organic banana, although of the same standard Cavendish variety as Central and South America, is a special hybrid variety called FHIA-23 — which includes the sub-categories of Williams, Valery, and Granine. The FHIA-23 variety is slightly sweeter, somewhat lesser in circumference, and has a firmer texture than South American or Central American organic bananas. Some consider this to be a marketing advantage yet to be realized within the US organic market. The Dominican banana production is also considered to be more resistant to the black sigatoka disease due to the more arid soils in primary growing regions of Mao/Guayubín/Monti Cristi and Azua/Barahona.

The consumer price for organic bananas in Europe is approximately \$1.20/lb. (2 Euros per kilo); vs. \$1.00/lb. in US supermarkets such as Whole Foods, Trader Joe’s, and more recently the conventional chain stores including Safeway, Jewel Foods, Winn Dixie and Walmart. The price difference between Europe and the US is attributed in part to the higher cost of transporting a container to Europe, and to some extent the appreciation of the Euro vis-à-vis the US dollar. Another important factor is the willingness of Europeans to generally pay a higher premium for certified organic/Eurepgap and FLO produce. In the near term, however, Dominican producer profit margins for exporting to the US should approach similar export profit margins gained in Europe due to increased demand in the U.S., and reduced profit margins for European markets given greater competitiveness owing to proposed reductions in tax preferences for ACP countries.

Additional reasons why Dominican organic bananas have a strong potential to be exported to the US include:

- Year round production;
- An organic certification process in place (although somewhat expensive for small producers);
- Less incidence of disease than other Latin American countries;

- The potential for diminishing European exports given market saturation;
- Proximity of shipping to the US East coast from the Dominican ports of Haina and Puerto Plata;
- And the potential for continued strength in US demand for organic produce, including derivatives of fresh produce such as baby foods and dried organic fruit and vegetable snacks.

Moreover, there is considerable interest on the part of organic banana producers to export to the U.S. market. In the early part of 2006, Savid S.A. sold organic bananas to Dole (when Dole's supply from South America was insufficient), and Dole in turn distributed these bananas to supermarket wholesalers in the U.S. (primarily on the west coast). However, this channel has been limited and Savid no longer will be selling bananas to Dole this year. The major organic banana exporters (i.e. Ekoban-Savid, Plantaciones del Norte, Banelino and Banamiel) have expressed their desire to identify mid-level distributors and wholesalers interested in forming a longer-term relationship for organic bananas supplied by Dominican Fair Trade certified producers.

OTHER ORGANIC PRODUCTS AND ISSUES

Other Dominican produce exports to US markets that are conventional (i.e. non organic or natural) and driven mainly by demand from Hispanic ethnic markets (primarily in the New York and Boston area, Puerto Rico and Miami), include: plantains, yucca, papayas, avocados, yautia, chilies, squash, baby vegetables and Chinese vegetables. These markets provide strong demand, but are not as yet oriented to organic produce and most likely will not be in the foreseeable future. Organic product demand in the US and elsewhere is typically driven by a personal and family lifestyle choice for chemically free produce and other types of food.

Organic food trade fairs taking place in Chicago this year (i.e. "All Things Organic," "Midwest Family Farmed," and "Organic Foods Show") clearly demonstrated the strong demand for all types of organic produce by US consumers, particularly for tropical fruit and other products such as coffee and cocoa not grown in the US, and for other produce having a limited growing season in the US.

Within the next two years, if wholesalers and retailers in the US are not at least supplying "natural or ecological produce," they will most likely be out of business (this comment was made by several conventional retail produce vendors at the recent trade show in Chicago i.e. — "All Things Organic").

Shipping lines operate from the Dominican Republic to several ports of entry in the US. From the Dominican port of Haina, Maersk, Seaboard and Crowley service Miami and Port Everglades. Maersk and Seaboard also ship to New York, New Jersey and Philadelphia. Tropical Shipping Inc. currently ships from Puerto Plata to West Palm Beach two times per week. The cost of a refrigerated container from the Dominican Republic to US East Coast ports ranges from \$2400 to \$3400 per container. The port of Manzanillo in Monte Cristi is currently used only for shipments to Europe, as it is not approved as yet by the US Homeland Security agency. Manzanillo could serve in the future as a valuable port both logistically and geographically for shipments to the US. The Dominican port of Caucedo is also being used for exports to the US and to Canada.

A means of possibly lowering the cost of container transport to the US was mentioned by several banana exporters. A joint venture arrangement of leading exporters and others could be developed to share the cost of chartering a container ship. The joint arrangement would ensure a full cargo of containers for round trips between the Dominican Republic and the US. The return trip would include packaging materials and other imports required by Dominican exporters, as well as other imports for local industries. This idea is being considered by the larger banana exporters to Europe who are interested in exporting organic bananas and other organic products to the US market.

Fair Trade: Several organic banana companies and non-profit associations are pursuing Fair Trade certifications for small growers (FLO Labeling, administered by several organizations including the Max Havelaar Foundation in the Netherlands). Fair Trade certification provides economic and social benefits to local communities and small producers. Banelino (a FIPA grant recipient) is the principal proponent of Fair Trade certification for small banana growers in the Mao/Valverde area. In the US, an organization called “Trans Fair USA” is responsible for certification and implementation of a similar type of Fair Trade program. Trans Fair USA is a member of the FLO organization. Primary products for this program include coffee, tea, bananas, mangoes, pineapples and grapes.

A major objective of organic producers in the Dominican Republic looking to export to the US market should be to “personalize” the connection between organic small producers, their respective communities and the US consumer. If this can be achieved either through a Fair Trade program (FLO labeling), or something similar (Trans Fair USA), the participation of Dominican small producers and exporters will increase rapidly given the extra premium that US consumers would pay for organic produce that provides a direct benefit to small producers and their communities. Contract sales by organic buyers/cooperatives etc. from the US is another means for exporting product from the Dominican Republic. Currently there is a sales contract for organic cocoa powder between a US buyer from the state of Maine, and the cocoa producer cooperative La Reserva in Nagua (a FIPA grant recipient).

The entire range of organic produce that is certified and potentially profitable for US export includes the following: bananas, coffee, cocoa, macadamia nuts, mangoes, and possibly other fruits and vegetables if certified organic and produced in sufficient quantities to meet US demand (e.g. papayas, avocados, pineapple, watermelons, eggplants, sweet potatoes, lemons, peppers, chilies, carrots).

Organic produce, over the longer term, is more profitable for small producers than conventional produce that uses chemically-based fertilizers and pesticides. Transition periods into organic production may reduce net income (for some crops, but not all) in the near term of 2–3 years. However, the reduced operational cost of organic production and increased sales premium should more than offset any initial period of transitioning into organic produce, and generate longer-term economic benefits.

Organic composting supplies are being developed in the Dominican Republic, but are not currently at sufficient levels to supply major producers of organic fruits and vegetables, particularly in the production of organic bananas. If organic bananas and other organic produce from the Dominican Republic are to be exported to the US on a major scale, organic fertilizers and pesticides must be produced in much greater quantities in order for organic production costs to come down and increase profits for smaller producers.

In addition, there exists strong local market demand for high quality, natural, or ecological products (i.e. not organic certified, but grown without the use of chemical-based fertilizers and pesticides, including peppers, papaya, avocados, chilies, lettuce, cabbage, plantains and other products). This demand is demonstrated by the large supermarket chains in the Dominican Republic and the hotel tourist sector in Bavaro/Punta Cana, Bayahibe, and the north coast of Puerto Plata. Eventually, these natural/ecological products that are not currently being exported to the US, could be sold under a “natural label,” while going through the transitioning process of certification and gradually entering the higher value organic export market in the US.

New Strategies

The La Vega based “CorpaVega,” is a 12 member cooperative producer of rice, papaya, sweet potato, avocado and other produce. CorpaVega could serve as an excellent marketing center and wholesale distributor for the organic producer Cluster of La Vega. CorpaVega is an exporter of avocado to the US market, but is also in the process of transitioning into organic production – primarily papaya and sweet potato – which could be exported to the US market. CorpaVega is a leader within the La Vega producers and exporters, and is looking to add volume and diversification to their potential US organic exports.

The Barahona/Azua area could serve as a prime location for the expansion of organic production, especially bananas by small producers for export to the US market. This area is currently either undeveloped in terms of agriculture, or crops now being produced can easily be transferred into organic bananas (i.e. plantains). Expansion in organic banana production by small producers is only limited by external demand in the US and Europe.

Organic Certification and Training Programs: The idea of setting up a training program for organic certification skills is one that merits consideration. One of the potential constraints for small producers entering the organic export market is the cost of certification, and the lack of skills needed to transition quickly and efficiently into organic production. An organic certification and Fair Trade training program for small- and medium-size producers would serve to make the certification process faster and possibly more affordable, with the end result being increased incomes, more jobs in this field, and greater community benefits from the investment of Fair Trade premiums. A training program in organic certification could also serve to reduce the cost of certification through greater competition with a Dominican certification entity. One concept for this type of feasibility study and/or potential project is to build upon the current success of such organic certification firms as BCS OKO (Germany) and IMO Caribe (Switzerland). Each firm provides training courses for organic production certification locally in the Dominican Republic, while the BCS OKO also provides special training activities in Costa Rica at the Earth University.

By replicating the above-mentioned courses at private universities or other institutions such as JAD or the Polytechnical Universities in Dajabón and Baní, a new and larger cadre of skilled inspectors in the organic certification process could be developed and become essential to the expansion of organic exports by small producers. Even though several organic certification companies are already operating in the Dominican Republic (e.g. BCS-OKO, Skal, IMO), the cost of certification is expensive, especially for small producers looking to export to Europe or the US. On average, most farm cooperatives or companies pay approximately \$3000 for certification of soils and procedures, and somewhat less for supervision and compliance certification required each year thereafter. On a per tarea basis, each member typically pays a monthly fee for certifying/supervising his/her property. There are indications that this fee is being reduced given the greater volume of demand for organic certification.

Clusters of Organic Producers: Interviews with three of the major “Cluster organizations” of organic products (i.e. Cacao/CONACADO, coffee/FEDECARES, and Mangoes/Las Matanzas) indicated their intent to market their products to the US. Organic cacao and coffee are being exported to the US on a limited scale. However, organic mangoes are currently only being exported to Europe, due to USDA restrictions on mangoes. This should be resolved with the use of additional machinery for hot water treatments of mangoes to exterminate the Mediterranean Fruit Fly disease. (Currently one machine operates on a limited basis in Moca). There are also plans for investing in additional treatment equipment in Bani in the short term, which will increase the volume of potential mango exports to the US. The USDA however is the key to whether or not the Dominican mango production will increase significantly – particularly for organic production – for exporting to the higher end market in the US. The following key contacts were made for each of the above-described Cluster organizations and other organizations representing the Cluster.

- **Coffee:** Sr. Rufino Herrera Puello, Project Coordinator, FEDECARES, tel. 809/481-6117; of. 809/528-7552; fed.cafe@coditel.net.do, Sn. Cristobal

- **Cacao:** Sr. Isidoro De la Rosa, Executive Director, CONACADO, TEL. 809/383-5044, of. 809/957-6203, conacado.inc@codetel.net.do, Haina
- **Mangoes:** Ing. Rafael E. Legar Aliés, Cluster President, tel. 829/259-3080, of. 809/544-4667, r.leger@mangosdematanzas.com, Sto. Dom., or Sr. Máximo Jerez, Program Director, tel. 809/223-3383, maximojerez@hotmail.com.

Recently a US buyer interested in organic produce and coffee/cocoa visited two organic banana farms in the Mao/Guayubin area in early June. One farm was considered fairly large (84 Has.) and owned by Jetta Van Den Berg, the owner of SAVID International, the leading exporter of organic bananas to Europe. The other was considered a small organic banana farm (16 Has.), and was certified by the FLO organization under the FLO Fair Trade label. The small farm actually produced more bananas per hectare than the larger farm, even though the larger farm was more environmentally sustainable and had access to better technical resources and farm management/maintenance services. The larger farm had an annual yield of 2,000 cases per/há., while the smaller farm's annual yield was 2,900 cases per/há. This difference was attributed in part to the spacing of banana trees, which was much more intense on the smaller farm than the larger farm. Over the longer term, however, the larger farm will be more sustainable economically and environmentally than the smaller farm.

A local NGO in Mao, ASOBANU, was started by the president of Ekoban/Savid, Sr. Elso Jaquez, in 2002, for the purpose of training and adding more small and medium size organic banana producers to the more economically viable export market, and to assist them in preparing for organic certification and the certification process for FLO Fair Trade labeling. This training will help small and medium organic producers to enhance their incomes and assist local communities in development initiatives/programs. Although considered to be a highly effective organization that counts on the participation of a wide variety of small and medium size producers, it lacks some of the resources and training capabilities needed to more dramatically raise the number of organic banana producers that could satisfy the growing demand for organic produce both in Europe and the US.

Dominican Organic Product Promotion at US Trade Fairs: In order for Dominican organic bananas, and other Dominican organic products such as coffee, cocoa, mangoes, pineapples, papaya etc., to penetrate the US markets the producers/food brokers need to attend approximately 5 organic trade fairs in the US during the course of one year. Having 3-5 leaders attend the “All Things Organic,” the “Biofach,” “Organic Coffee NUTRACON,” and other trade fairs is an essential element of accessing the US market and enhancing the participation of Dominican organic products with small producers certified under the FLO Fair Trade program.

CONCEPT OF AN “ORGANIC COUNTRY”

The Dominican Republic is well underway to establishing itself as a leading producer of high value organic export products. Based on its 7-year track record of exporting organic bananas and other organic products (e.g. coffee, cocoa, mangoes and avocados) successfully to European markets, the US market holds tremendous potential for Dominican organic and naturally grown produce exports. Organizations such as La Reserva Cooperative (cocoa and gourmet chocolate) in Nagua; composting and organic bell pepper production in San Jose de Ocoa (Carlos Bonilla); ASOCAIN en Bonao, organic coffee exporters; and BANELINO in Mao, organic banana exporters and Fair Trade certifiers represent a broadening out of organic producers/exporters that are gradually adding the necessary product volume and quality needed to supply the US demand for organic and naturally grown produce.

One recurring suggestion among interviewees was for the GODR to undertake a national organic program, with the longer-term objective of converting most, if not all, agricultural production in the country to organic certified and naturally grown food. This type of policy and promotion of the country as an “organic country” could yield significant marketing benefits for exporting to the US and other countries.

Based on these ideas, It is possible to consider a long-term program (15 to 20 years) structured in five-year phases, in order to:

- Incorporate the natural growing crops and products into the organic product catalog the country has to offer (first five years);
- Apply the measures for the conversion into organic of those products under a relatively low pressure of agrochemicals applied in their production system (up to ten years); and
- Execute strategies for the conversion of part of the agricultural lands under heavy use of agrochemicals into “clean lands” and to proceed to the conversion into organic or environmentally friendly crops.

All these phases should be accompanied by the appropriate policies and economic incentives to the producers and the distributors.

By the end of the program, if a significant proportion of the agricultural production is converted, the country could be considered as an “organic country,” and promote this concept as country brand.

ANNEX I: PEOPLE INTERVIEWED FOR THE REPORT

- IICA, Victor del Angel, Representative; Pilar Emilio Ramírez (Organic Specialist);
- Juan Arthur (Agronomist, Project SEA); Sto. Dom. Tel. 809/533-7422
- CNC, Dr. Jesús de los Santos, Consejo Nacional de Competitividad
- Adesjo, Dir. Carlos Bonilla, San José de Ocoa; Padre Luís Quinn
- Helados Bon, Sr. Jesús Moreno, Galletas Macademia
- BCS OKO, Sto. Domingo, Claudy Guzman, Gerardo Navarro, César Ferreiro
- IDEAC, Nicolás Cruz Trico, Director, Tel. 809/227-0012
- IMO (Swiss Organic Certification), Sr. Martín Reyes, Tel. 809/725-2755
- ASOCAIN, Sr. Luís Enrique Nuñez, Bonaó, Café Atabey Co-op, TEL. 829/850-6063
- Junta de Regantes, Mao, Ing. Leonardo Marte, Gen. Mgr., Sr. Guaro García, President
- TEL. 809/722-8914, Ing. Hector Reynoso, TEL. 809/722-8907
- Ekobanera, Mao, Sr. Elso Rafael Jáquez, President, Martha Romero, Sec.,
- Tel. 809/572-6331/6333; Ing. Mario Ocampo, Organic Specialist
- Banelino, Mao, Marike de Peña, Coordinator of Fair Trade
- Exportadora Isidro, S.A., Josefina Guzmán, Moca, TEL. 809/501-5567;
- Frank Rodríguez, President, Exportadora Serafino
- JAD, Marta Fernandez, Organic Coordinator, TEL. 809/563-6178,
- Ing. José Gomez, Dir. Of Agricultural Exports
- Agroindustrial, C. por A., Antonio R. Taveras, Moca, TEL. 809578-5510
- USDA, Aphis Director, Eloisa F. Jones D.V. M. US Embassy
- USDA, Paula Morales, Agricultural Scientist, TEL. 809/227-0111;
- Carlos G. Suárez, Señor Agricultural Specialist
- SODIN, RED Guaconejo, Adam Paredes, TEL. 809/490-6341; La Reserva Cacao
- Orgánico, Hilario Rosario; Alysia Jicha (Peace Corps); Marianela Garcia; Marianel Silverio; Yesenia Acosta

- APROCACI, Hector Nin Arias, Technical Adviser, Salcedo, TEL. 809/577-2410
- IDIAF, Ing. Johavá Peña, Chief of the Planning Unit, Tel. 809/567-8999
- CEDAF, Mango Clusters, Sr. Rafael Seger; Máximo Jerez, TEL. 809/565-5603
- CONACADO (Cacao Cluster), Ing. Isidoro de la Rosa, Dir., TEL. 809/957-6203
- Savid S.A., Jetta Van den Berg, President, Julie Vermeiren, Operations Mgr.
- Tel. 011-49-1707- 353536 (Netherlands)
- Ing. Fanny Then, Mgr. Internal Control, Savid. S.A., TEL. 809/572-9030
- Plantaciones del Norte, Sr. Andrea Bolina, General Mgr., TEL. 809/572-3536
- Tropical Shipping, Lic. Pablo Martinez, Sales Mgr., Tel. 809/284-7792
- PROCARYN, Ing. Humberto Checo, Executive Director, Tel. 809/574-8727
- Alianza ONG, Addys Then Marte, Executive Director, Tel. 809/689-7579
- JAD, Ing. Luís Bonilla, Advisory Board Member, Organic Production,
- Tel. 809/572-8388
- Crowley Shipping, Richard Santana, Port Haina, Tel. 809/537-5785
- Crowley, Julia Bennelly, Account Executive, North Zone, Tel. 809/754-4767
- Belarminio Ramírez & Hijos, C. Por A., Coffee Exporters, Jarabacoa,
- Tel. 809/574-2618, Eddy A. Ramírez, General Mgr.; José Cruz, President of the Cluster of Coffee producers
- CEI-RD, Franklin Montás, Chief of Food and Beverages, Tel. 809/530-5505
- CorpaVega, Ing. Agrón. Carlos Florencio B., President, TEL. 809/242-2110
- Coffee: Sr. Rufino Herrera Puello, Project Coordinator, FEDECARES,
- tel. 809/481-6117; of. 809/528-7552; fed.cafe@coditel.net.do,
- Mangoes: Ing. Rafael E. Legar Aliés, Cluster President,
- tel. 829/259-3080, of. 809/544-4667, r.leger@mangosdematanzas.com, Sto. Dom., or Sr. Máximo Jerez, Program Director, tel. 809/223-3383, maximojerez@hotmail.com,
- INDRHI, Ing. Pablo Cabrera, Agricultural Development Office, Tel. 809/910-2099
- Lic. Cirilo Marte, Marketing Specialist, Agricultural Development Office
- Ing. Felipe Carvajal, Agricultural Development Office, Tel. 809/780-8610
- Coosemans D.C., Inc. US Organic Produce Wholesaler, Ms. Lolo Mengel
- 2144 Queens Chapel Rd., NE, Washington, D.C. 20018, Tel. 202/832-9000

ANNEX 2: PHOTOS OF ORGANIC PRODUCTS/PRODUCERS



Organic Banana Farm (Montecristi, Savid, S.A., Jemma Vandenburg and Elso Jaquez, owners)



Packing area for organic bananas (Montecristi)



Composting area for organic fertilizer



Organic fertilizer



M. Lofstrom (IRG Consultant), Ing. Mario Ocampos (Organic inspection expert, Ekoban Savid, S.A.), Ms. Silvia Barretto, US importer of organic coffee, cocoa, and other organic products



Weighing organic bananas at a Fair Trade certified organic farm in Mao

ANNEX 3: THE NATIONAL ORGANIC PROGRAM (USDA)

The National Organic Program

AMS USDA SEARCH

- Link to National Organic Standards Board Website
- Applicants for Accreditation
- Accredited Certifying Agents
- Accreditation Status Table
- Application for Accreditation
- Appeals Process
- ANSI Report Information...and More



[Certifying Agents](#) [Consumer Information](#)

[NOP Regulations \(Standards\)
& Guidelines](#)

[Producers, Handlers,
Processors & Retailers](#)

ANNEX 4: EUREPGAP



EurepGAP
EurepGap

» [home](#) » [certification](#) » EurepGAP

EurepGAP to Introduce New Fee Structure
in Fruit and Vegetables, Flower and Ornamentals, Integrated Farm Assurance, (Green) Coffee.
The new fee structure applicable from 1st of January 2007. See attached document below:

GENERAL_EUREPGAP_FEE_TABLE_2007.pdf

EUREP, 'Euro Retailer Produce Working Group', is a platform of leading retailers in Europe active in the retail business of the agricultural food industry. "GAP" stands for 'Good Agricultural Practice', a minimum production standard for a good agricultural practice of agricultural products (e.g. fruits, vegetables, potatoes, but also livestock and grain, and cut flowers).

EUREP uses GAP as a production standard for the certification of good agricultural practice in the agricultural and horticultural industry. At this moment the GAP standard is being applied in fresh fruits and vegetables, cut flowers, animal production, grain, and coffee.

EUREPGAP is based on the principles of risk prevention, risk analysis and HACCP, sustainable agriculture by means of Integrated Pest Management (IPM) and Integrated Crop Management (ICM), using existing technologies for the continuous improvement of farming systems.

Technically speaking, EUREPGAP is a set of normative documents suitable to be accredited to internationally recognised certification criteria such as ISO Guide 65. Representatives from around the globe and all stages of the food chain have been involved in the development of these documents. In addition the views from stakeholders outside the Industry including consumer and environmental organisations and governments have helped shape the protocols. This wide consultation has produced a robust and challenging but nonetheless achievable protocol which farmers around the world can use to demonstrate compliance with Good Agricultural Practices. The standards are openly available and free to obtain from the EurepGAP website. EUREPGAP members include retailers, producers/farmers and associate members from the input and service

ANNEX 5: FAIR TRADE (FLO)

Fair Trade Certified fruit means:

- Fair prices for farmers
- Good working conditions
- Eco-friendly farming practices
- The best quality fruit

Fair Trade Certified fruit is grown in nutrient-rich soil by small farmers or plantation workers, who pick their crop with care. Fair Trade farms are producing some of the best organic and conventional produce in the world, including bananas, mangoes, pineapple and grapes.

Fair Trade Certified fruit means everybody profits.

With Fair Trade certification, fruit farmers and farmworkers gain hope and dignity. Fair Trade fruit importers and distributors earn a reputation for ethical dealings, benefit from strong marketing support from TransFair, and enjoy a loyal and growing customer base. Retailers not only please their customers with their commitment to social standards, but also are able to protect their margins and maintain profitability in the increasingly competitive world of produce.

In Europe, where Fair Trade Certified bananas have gained market share as high as 24 percent and are growing at a rate of over 50 percent per year, grocery retailers have found Fair Trade Certified bananas to be an answer to the "banana price wars" instigated by mass market retailers. Fair Trade certification is a powerful marketing tool that adds value to commodities, allowing retailers to choose the higher ground, both morally and financially.

ANNEX 6: EXAMPLE OF ORGANIC BANANA EXPORTS TO US FINANCIAL ANALYSIS

Financial Analysis of Dominican Organic Banana Price/Return Exporting to the U.S.

	Price per Case	Cases per Cont	Total
Price/Container paid by Consumer <i>(1.10 US/lb. supermarket US)</i>	\$44.00	960 <i>40lbs per case</i>	\$42,240.00
Price paid by Distributor <i>(53% of price to Consumer)</i>	\$23.50	960	\$22,560.00
Price paid by intermediary(ies) <i>Return to Wholesaler</i>	\$19.36 <i>21%</i>	960	\$18,585.60
Price paid to Washington DC <i>Return to Broker</i>	\$17.24 <i>12%</i>	960	\$16,550.40
Price of shipping NY to Washington DC	\$2.00	960	\$1,920.00
Price paid FOB port in NY <i>(35.8% of Price to Consumer)</i>	\$15.24	960	\$14,630.40
Price paid FOB port Dom. Rep. <i>(26.5% of Price to Consumer)</i>	\$12.00	960	\$11,520
Cost FOB port Dom. Rep.	\$12.00	960	<u>\$11,520</u>
Cost of transport to port	\$0.80	960	768
Cost logistics inspect	\$0.40	960	384
Cost of refrigeration	\$0.30	960	288
Cost/case at farm gate	\$6.00	960	5760
Cost of packaging	\$2.00	960	1920
Margin and Fair Trade	\$2.50	960	2400
Summary of Return on Investment			
Profit/Container FOB port Dom. Rep.			<u>\$2,035.20</u>