

# Growing for gold

## INTERVIEW WITH OSMAR BENÍTEZ

PRESIDENT, JUNTA AGROEMPRESARIAL DOMINICANA (JAD)



OSMAR BENÍTEZ is the CEO of the Junta Agroempresarial Dominicana (the Dominican Agribusiness Board). He graduated from the Universidad Católica Madre y Maestra, as an Agricultural and Food Technology Engineer and holds a Master's in Agricultural Economics and Agribusiness Management from Ohio State University, USA. Mr Benítez has been Agricultural Advisor to the last 4 Presidents of the Dominican Republic: Joaquin Balaguer, Leonel Fernández, Hipólito Mejía and Danilo Medina.

Some like it hot: Dominican producers now export more than 100 agricultural products to world markets

### **How did the creation of JAD come about? What are the organisation's main activities, and how does it differ from other industry associations in the Dominican Republic?**

JAD was created out of a need to establish new technical skills to facilitate the development of non-traditional agriculture in the Dominican Republic. We saw that there was a need to provide technical assistance to agricultural entrepreneurs who were looking for new investments to take advantage of the huge market opening that came about with the US Caribbean Basin Initiative, under President Ronald Reagan.

Our main activities include increasing the productivity and competitiveness of the agriculture and livestock sectors, and improving investment opportunities in them.

JAD differs from other industry associations due to the size and extent of its membership representation throughout the country: we are the largest and most important organisation of farmers and agribusiness entrepreneurs in the Dominican Republic with a membership of over 160,000 producers. In addition to acting on behalf of its members in any policy discussion with the Executive, Legislative and Congressional Powers, JAD also provides the largest and most complete technical assistance programme to the



farming sector in the Dominican Republic.

Our services range from direct technical assistance to market development – both export and local – a commodities exchange, market intelligence and reports, economic analysis, financial assistance, agricultural laboratories, farmers' training and support, watershed reforestation, and eco/agro tourism, among others.

### **What benefits do producers derive from their membership of the organisation?**

Membership of JAD offers producers the opportunity to belong to a recognised national and international institution that unifies the agricultural sector and promotes the valuable role played by farmers and agribusiness in the country: one that promotes the best interests of the sector and which has obtained important gains for its members, such as zero tariff rates for the importation of inputs, equipment and machinery for the agricultural sector.

In the international arena, JAD acts in the interests of its members in a number of important areas, such as leading trade negotiations to ensure proper treatment of goods and services in accessing potential markets that will boost our economy. It promotes the enactment and adoption of laws, policies and measures that help create a better investment environment and policies to benefit the agricultural sector, as well as providing high-quality laboratory analysis at competitive prices.

Furthermore, JAD offers commercial, organisational, and technical assistance services, which improve the productivity and competitiveness of its members. It has updated information on aspects such as markets, prices, production costs, and business opportunities, and provides producers with a programme of Integrated Management of Pests (IPM) which makes possible the phytosanitary health of crops, thereby improving the quality of their produce.

### **What do you regard as the DR's greatest achievements, in agricultural terms?**

The Dominican Republic has reached a very high level of performance and enjoys positive brand recognition in the international specialty agricultural export markets, particularly in the organic and fair trade sectors. The Dominican Republic is the major exporter of organic bananas and cocoa worldwide.

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**Are Dominican producers doing enough to diversify their product portfolios and export markets, in your view?**

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Yes, I think so. Dominican producers have worked very hard to diversify our agricultural economy away from well-known traditional crops like sugar cane, cocoa, coffee and tobacco. Nowadays, we export more than 100 different crops that find their way into the international market. In less than four years, our agricultural exports have gone from US\$1.2 billion to almost US\$1.7 billion.

One area of Dominican agriculture that still requires attention, however, is getting producers to take greater advantage of the country's existing Free Trade Agreements, especially DR-CAFTA and our Economic Partnership Agreement (EPA) with the EU.

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**What are the main trends shaping the growth and development of the agricultural sector in the DR, and which products and niches do you expect to benefit most?**

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I would say that the most promising new trends in international and domestic markets that are driving the future of the Dominican farming sector are: Organic Agriculture, Tropical Agriculture, Ethnic Agriculture, Cosmetological and Medical Agriculture, Touristic Agriculture and Political Agriculture. All of these provide extraordinary opportunities for Dominican farmers to participate in a food market-driven future. The market demands of these seven segments have shown an exponential increase in consumption. We should take advantage of that, and we are working on it.

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**What rules and regulations should prospective foreign investors be aware of when exploring agribusiness opportunities in the DR?**

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The Dominican Republic has the most complete foreign investment legal system of any country in the whole of Central America and the Caribbean, which is why we have been so successful in attracting international capital into our economy.

In addition to this legal framework, the DR's people, its government and its infrastructure are high-value assets that any foreign investor would want to have, to give them confidence in investing their resources. In addition to which we have a free and open market to the most important regions of the world.

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**What do you regard as the DR's main competitive advantages in the agricultural sector, and where do you see areas of concern?**

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The Dominican Republic's competitive advantages include its natural resources, fertile soils, abundant water supply, skilled labour, economic and political stability,

and the fastest-growing economy in the region.

In addition, we also benefit from a unique geographical location, close to the most important markets in the world: the United States and the European Union.

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**How satisfied are you with the government's support for the sector – particularly its response to the drought of the past three years? What more would you like to see it do?**

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As I mentioned earlier, JAD is the largest agribusiness institution in the country, so I can safely say that we speak for the sector regarding the government public policy for the sector.

Broadly speaking, I would say we are satisfied with the government's performance and its attitude towards the agricultural sector. The current President, Danilo Medina, when he was still a candidate for the presidency, committed himself to fulfilling a ten-point policy proposal that we submitted as a guide to fostering the agricultural transformation of the country.

To date, his government has complied with each and every one of these ten points that we jointly agreed that we would work on together.

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**What is the Bolsa Agropecuaria de la República Dominicana (BARD) and how does it work?**

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The Bolsa Agroempresarial de la República Dominicana (BARD) was created under Securities Market Law No. 19-00, with the objective of increasing efficiency in the trading of products, articles and services in the industrial and agribusiness sectors. To date, BARD has provided a platform for new business worth more than US\$500 million to the farming sector. 

**In less than four years, the DR's agricultural exports have gone from US\$1.2bn to almost US\$1.7bn**

No grain, no gain: the Dominican Republic intends to raise its total area under cultivation from 325,000 hectares to 362,500 by 2020

