Cubans buying more North Dakota peas

By CURT WOODWARD
Associated Press Writer

North Dakota firms expect to sell 25,000 metric tons of dry peas to Cuba in the next 18 months, an agreement that officials say will bolster the state's trade relationship with the communist nation.

The first shipment of 5,000 tons of peas should be sent to Cuba in the next three months, said Agriculture Commissioner Roger Johnson, who returned this week from a three-day trade mission to the country.

Cuban officials also are interested in buying several other North Dakota commodities, including sunflowers, soybeans and potatoes, along with cattle, Johnson said.

"We wanted to sell some more North Dakota products and we wanted to assure the Cubans that we are interested in continuing to do business with them," Johnson said Wednesday. "The trip was successful on both counts."

Cuban officials have signed a contract to purchase the initial 5,000-ton shipment, and have inked an agreement to eventually buy the remaining 20,000 tons, he said.

"We are expecting to have a carry-over this year, so anytime we can move more peas it has an impact for producers here," said Eric Bartsch, director of the North Dakota Dry Pea and Lentil Association.

North Dakota is the nation's top producer of peas, and the state's farmers could harvest about 500,000 tons this year, Bartsch said.

Cuba purchased 20,000 tons of North Dakota peas last year. The country, which has a centralized system for buying food, has purchased $5.5 million worth of North Dakota dry peas and beans in the past five years.

"For North Dakota, they're the No. 1 export market," said Bartsch, who traveled to Cuba with Johnson.

Agricultural exports to Cuba have increased dramatically since the United States created an exception to its trade embargo in 2000, allowing American farm goods to be sold directly to the island on a cash-only basis.

Agricultural trade with Cuba was valued at about $400 million during the 2004 fiscal year, up from about $111 million in the opening year of exports, said Mike Dwyer, chief economist for the U.S. Agriculture Department's Foreign Agriculture Service.

Exports have dropped about 17 percent in the opening months of this year, but U.S. trade with Cuba is still robust, he said.

"Quite frankly, nobody ever thought $400 million was doable. So it's being compared to a mark that nobody ever thought could have a chance of happening," Dwyer said.

Johnson, a Democrat, said the U.S. needs to rethink its restrictive Cuban trade policies, which stem from the country's 40-year-old embargo against Cuban President Fidel Castro's government.

Johnson said he hopes to arrange meetings between North Dakota businesses and a delegation of Cuban inspectors who plan to visit the United States sometime next month.

"They gave me pretty specific information on what kind of cattle, what kind of products. So I'm going to pick a fairly limited delegation to sit down with them and talk about trading opportunities," Johnson said.

Several North Dakota distributors are working with an exporter to deliver the peas to Cuba, said Greg Johnson, owner of Premier Pulse International Inc. of Minot, who also attended the trade mission.