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Report Name: Food Processing Ingredients Annual

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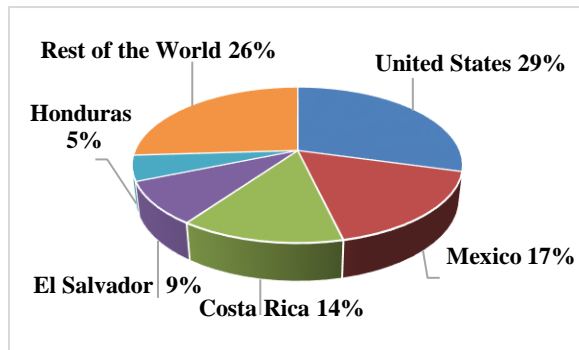
Report Highlights:

The food and beverage processing industry in Guatemala includes around 2,200 companies and plays a crucial role in the country's economy, contributing to employment, exports, and domestic food security. Guatemalan processors consider U.S. ingredients to be of higher quality and safer than both domestic and other imported supplies. U.S. agricultural exports to Guatemala reached \$1.9 billion in 2024, marking a 15 percent increase from the previous year.

Executive Summary

Guatemala, with a population of nearly 19 million, is the horticultural hub of Central America. The United States is Guatemala's largest trading partner, accounting for almost 35 percent of the country's agricultural total trade. As of January 1, 2025, nearly all U.S. consumer and industrial goods, except for white corn enter Guatemala duty-free under the CAFTA-DR agreement, enhancing U.S. market access and competitiveness.

Consumer-Oriented Agricultural Imports



Food Retail Industry

Three supermarket chains dominate the retail sector in Guatemala. These supermarkets mainly target middle and high-income consumers. However, there are still many opportunities in the industry. Only 30 percent of food sales are in supermarkets. Other consumers still rely on traditional open-air markets and corner stores.

Food Processing Industry

The food processing industry in Guatemala is an essential part of the country's economy, contributing significantly to employment, exports, and domestic food security. Meats, baked goods, and dairy products continue to dominate the domestic market. U.S. suppliers can export consumer-focused, intermediate, and bulk goods that can be utilized as raw materials for additional processing.

Food Service Industry

In 2024, Guatemala's food service sales reached more than \$5.3 billion and represents 5 percent of the country's GDP. It is estimated that there are 18,000 restaurants across the country providing 400,000 jobs. The average annual household spending on hotels and catering is around \$1,632.

Quick Facts CY 2024

Imports of Consumer-Oriented Ag Products from the United States: \$886 million

Top 10 U.S. Consumer-Oriented Products in Guatemala (million \$):

- | | |
|----------------------------------|------------------------------------------|
| 1. Poultry Meat & Products (205) | 6. Fresh Fruits (48) |
| 2. Dairy Products (127) | 7. Food Preparations (38) |
| 3. Pork & Pork Products (117) | 8. Condiments & Sauces (37) |
| 4. Processed Vegetables (84) | 9. Bakery goods, cereals, and pasta (31) |
| 5. Beef and beef products (79) | 10. Meat Products NESOI (19) |

Top Guatemalan Food Retailers:

- | | |
|-------------------------------------|-------------------------------|
| 1. Walmart Mexico & Central America | 4. Super 24 |
| 2. Unisuper | 5. Grupo de Tiendas Asociadas |
| 3. Pricesmart | |

Total ag imports from the U.S.: \$1.9 billion

Total Guatemalan ag export to the U.S.: \$2.9 billion

Population (millions): 19 (2024, IMF est.)

GDP (USD): \$109.5 billion

GDP per capita (USD): \$6,331

Source: Trade Data Monitor/BICO/IMF/Bank of Guatemala.

Strengths/Weaknesses/Opportunities/Threats

Strengths	Weaknesses
As Guatemalan consumers become more sophisticated, opportunities for higher quality and specialty products increase.	Guatemala is a price-sensitive market. Guatemalan port authorities enforce a 100 percent inspection policy for imports.
Opportunities	Threats
The growing food processing industry is looking for quality ingredients for ready-to-eat products, bakery products, deli meats, beverages, and snacks.	FTAs with various countries create competition for U.S. products.

SECTION I: MARKET OVERVIEW

The food and beverage subsector represents approximately 47.7 percent of Guatemala's industrial GDP, representing one of the most significant economic activities in the country. In 2024, the food and beverage industry consolidated its position as the leading exporting sector. In the first quarter, exports reached \$1.1 million, representing 16.5 percent of total Guatemalan exports. Guatemala produces a wide variety of processed food and beverage products, covering various categories and intended for both domestic consumption and export.

The industry faces challenges such as rising input costs and the need to adapt to global sustainability and health trends. However, it also presents significant opportunities in product innovation, expansion of international markets and adoption of advanced technologies to improve efficiency and quality. In summary, the food and beverage processing industry in Guatemala continues to be a key sector for the national economy, with robust performance in exports and a constant commitment to innovation and sustainable growth.

Advantages and Challenges

ADVANTAGES	CHALLENGES
The food processing industry has grown alongside supermarket expansion, requiring imported ingredients to boost production and meet supermarket demand.	Nearby countries, such as El Salvador and Mexico, can supply the local demand for processing industry inputs and offer lower prices compared with U.S. products.
Since the implementation of the CAFTA-DR, local processors are increasing their capacity and quality to export processed products to the United States and the rest of Central America.	Guatemala has not yet complied with international food safety standards to export meats or meat content products to the United States. This limits the number of products that can be exported.
The United States is Guatemala’s main trading partner, and U.S. products are of higher quality.	The United States competes with other countries that also have trade agreements with Guatemala.
Guatemala’s geographic proximity to the Pacific and Atlantic oceans contribute to logistics advantages in shipping prices and times.	Guatemala’s port operations are facing significant challenges due to increased import volumes, severe port congestion, and unfavorable road conditions.
Since the pandemic, the country has a growing interest in healthy products, generating a greater demand for healthy imported products.	Guatemala is a price sensitive market and there is less purchasing power outside Guatemala City.

SECTION II: ROADMAP FOR MARKET ENTRY

A. ENTRY STRATEGY

U.S. companies looking to supply bulk, intermediate, and select consumer-oriented products, such as meat, dairy ingredients, fresh fruits, and vegetables, can connect with local food processors, importers, agents, or distributors based on the product type. While some raw materials are sourced locally, many processed foods rely on imported ingredients, particularly bulk commodities like wheat, corn, and rice. Additionally, intermediate products such as soybean flour, soybean oil, beverage bases, and sweeteners are commonly purchased from international suppliers.

The larger food processors frequently prefer to import directly from the suppliers, while medium and smaller processors are sometimes not familiar with importing procedures and prefer to have a local distributor supply their inputs. For more information on how to export products to Guatemala, please refer to the 2024 Exporter Guide: <https://gain.fas.usda.gov/#/home>

U.S. exporters can also contact organizations funded by USDA/FAS to enter the local market, as these groups have marketing funds to promote U.S. agricultural products overseas.

State Regional Trade Groups (SRTG): non-profit trade development organizations, <https://www.fas.usda.gov/programs/market-access-program-map/state-regional-trade-groups>.

Commodity Cooperator Groups: conduct local market promotion activities on a yearly basis. In addition, they recruit foreign buyers to participate in U.S. trade shows, providing an opportunity for U.S. suppliers of food ingredients importers to meet and do business. <https://www.fas.usda.gov/cooperator-programs-division>

B. IMPORT PROCEDURE:

U.S. suppliers that want to ship to Guatemala must comply with local regulations for imported products to avoid problems when importing products. For further information on these regulations, please refer to FAIRS Report 2024: <https://gain.fas.usda.gov/#/home>

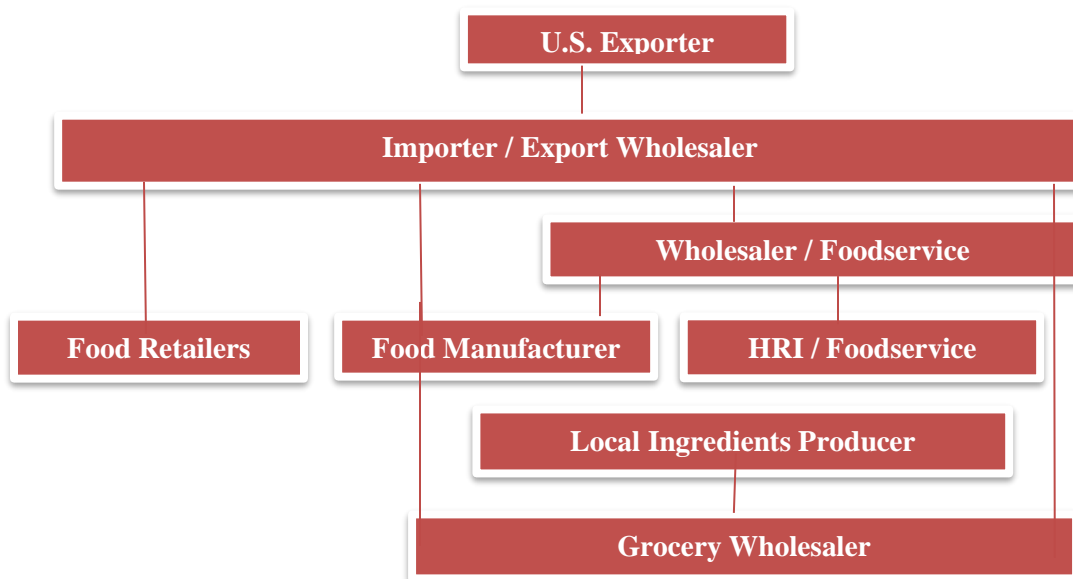
C. DISTRIBUTION CHANNELS:

Local suppliers offer the advantage of faster delivery, but Guatemalan food processors perceive U.S. ingredients as superior in quality and safety compared to domestic and other international sources.

Local companies are willing to establish a long-term business relationship with U.S. suppliers that offer good credit terms, customer service, and marketing support, in addition to quality products.

The success of introducing an imported product in the Guatemalan market depends on local representation and personal contacts. Hiring a distributor is the easiest and fastest way to enter the market, particularly if the distributor is already supplying other imported products throughout the country.

Supply Chain



D. MARKET STRUCTURE

Guatemalan brands offer a wide variety of products that include shelf-to-table, ready-to-eat food such as refried beans (mostly black beans), flavored tomato sauces, soy-based meals, and instant-noodle soups. These products are available in supermarkets, local stores, and open-air-markets throughout the country and are affordable to the lower- and middle-income consumers.

Local processors also manufacture custom-made products for local restaurants that compete with imported processed products.

The areas with the most growth potential for the food processing industry are the following:

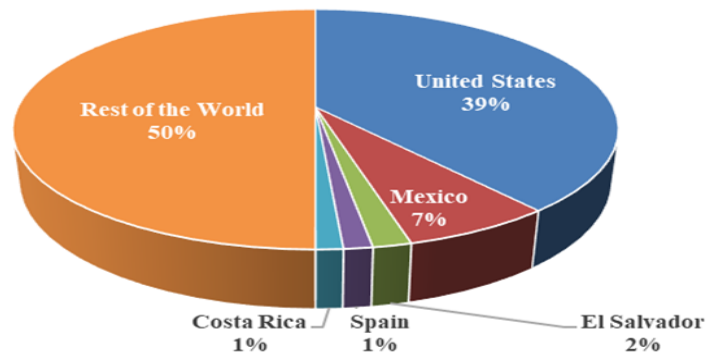
Industry	Products
Beverages:	Coffee, rum, fruit juices, and soft drinks.
Snacks and confectionary:	Candies, chips, baked goods, and cookies.
Canned and packed foods:	Packed products such as sauces, soups, preserved fruits and vegetables.
Processed meats:	Deli meats.
Bakery products:	Pancake mixes, pre-mixes, and bulk cake flours.
Dairy products:	Yogurts; artisanal cheeses (fresh); processed cheeses; ice-cream; butters.

E. SHARE OF MAJOR SEGMENTS IN THE FOOD PROCESSING INDUSTRY

Processed Meats:

2024 Guatemalan Imports of Processed Meats (beef, pork, and poultry)

The processed meats sector is growing, with retail value sales rising 1 percent in 2024 to \$1.1 billion. Embutidos Bremen, S.A. leads the market, accounting for over a third of total sales. The company offers a diverse range of processed meats, available in both traditional and modern grocery retailers.



Source: Trade Data Monitor

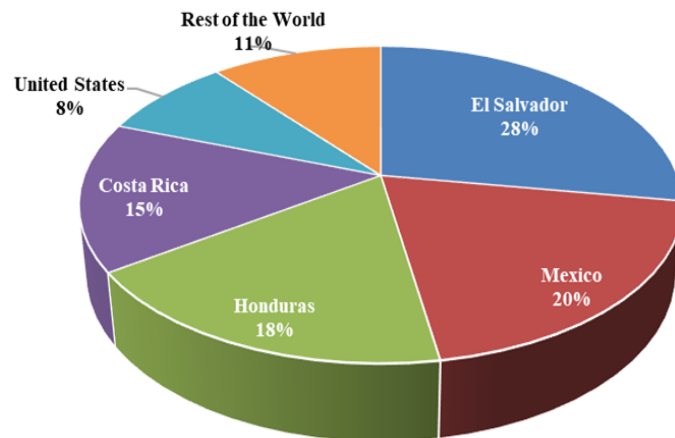
High-end stores are expanding their selection with value-added products, including organic options and those free from nitrates and additives, which are growing in popularity. However, Guatemala remains a price-sensitive market, where consumers prioritize affordability. The country's second-largest meat processor, Empacadora Toledo, offers a variety of processed beef, pork, and chicken products, with a nationwide presence. Its ready-to-eat frozen chicken items, such as nuggets and wings, are especially popular among younger consumers.

Frozen processed meat remains the smallest product segment due to a lack of freezers in traditional retail channels. While modern grocery stores have the necessary equipment, they primarily serve middle-to-upper-income shoppers. Frozen burgers are a favorite for Sunday family barbecues, and local foodservice companies are introducing their own frozen burger lines, allowing consumers to recreate restaurant-quality meals at home.

Bakery Products:

Guatemala is the largest market in Central America for U.S. wheat and the only country in the region with domestic wheat production, estimated at 5,000 MT. However, local production does not compete with U.S. wheat imports, which totaled \$72 million in 2024. The country's three largest wheat mills, Molinos Modernos, MOLSA, and Grupo Centia, dominate the industry. Guatemala's annual per capita consumption of baked goods is 40 kg.

2024 Guatemala World Imports of Bakery Goods, Cereals & Pasta



Source: Trade Data Monitor

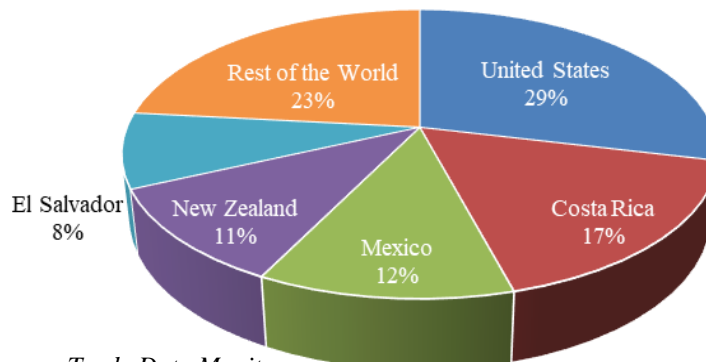
Bimbo remains the leading bread producer in Guatemala, though artisan bread manufacturers hold a significant market share. In the pasta sector, the local brand INA, produced by Molinos Modernos, dominates the market and exports to other Central American countries. GAMA is Guatemala's top cookie brand, while Mondelez leads the Central American market. Bread is a staple in the Guatemalan basic food basket, with consumers regularly enjoying artisanal varieties such as pan francés (French bread) and pan dulce (sweet bread) as part of their daily meals. Bread is mostly sold through typical bakeries which are small, family-owned businesses and are usually located close to neighborhoods throughout the country. Other foodservice companies opened larger stores which are a combination of gourmet bakeries and restaurants that offer both services in one place.

Multinational companies have a strong distribution network, supplying both grocery stores and small corner shops. Larger bakeries and cake businesses have expanded their reach by using delivery service platforms and developing their own social media-based home delivery services. Guatemala actively trades in bakery products, importing \$365 million in 2024 while exporting \$361 million. Its primary export markets include other Central American countries, the Dominican Republic, Mexico, and the United States.

Dairy Products:

In 2024, Guatemala's imports of U.S. dairy products hit a record \$127 million, a 14 percent increase from 2023. The top-selling dairy products in the Guatemalan market include fresh, UHT, and powdered milk; butter; processed and fresh cheese; yogurt; heavy and sour cream; ice cream; whey; and casein for dairy processing.

2024 Guatemalan Imports of Dairy Products from the World



Source: Trade Data Monitor

Guatemala boasts a strong dairy industry, supported by favorable weather conditions and a well-established milk and dairy production chain. Major dairy companies in the country include Pasajinak, Parma, and Trebolac. Milk (fresh and powdered), fresh cheese, and heavy cream are part of Guatemala's basic food basket, which includes 10 product categories. There is a growing demand for dairy products with added-value benefits, such as increased protein, lactose-free options, lower fat, organic ingredients, and clean labeling. However, one of the industry's challenges is the lack of refrigeration in small corner stores and rural households, which limits growth in the dairy sector. Most dairy processing companies in Guatemala focus on producing fresh cheeses, which are sold at supermarkets, wet markets, and corner stores.

These cheeses are primarily made by local companies using artisanal methods, with popular varieties including feta, fresco, and panela. For processed cheeses, the most common varieties available in supermarkets are Cheddar, Colby, Mozzarella, Gouda, Parmesan, and Swiss. The market is also shifting toward "healthy" products, with low-fat and lactose-free cheeses gaining popularity, although these products are typically targeted at consumers with higher purchasing power. Similarly, yogurt sales are rising in supermarkets, with drinking yogurts becoming especially popular, particularly among children for school lunch boxes.

F. COMPANY PROFILES

The National Commission of Food and Beverage Processors of the Guatemalan Exporters Association (AGEXPORT) has member companies that benefit from training and promotion programs, which prepare them to compete in international markets. For more information about Guatemalan food processing companies that are members of AGEXPORT and are currently exporting to other countries, please visit the following site. (<https://directorio.export.com.gt/>, in Spanish)

G. SECTOR TRENDS

- Consumption trends in Guatemala are influenced by the United States, not only because it is Guatemala's largest trading partner but also because high-value foods are more affordable to some families thanks to remittances from more than 1 million Guatemalans living and working in the United States.
- Demand for more ready-to-eat food is growing in Guatemala. The local processing industry is taking advantage of this niche market. Products such as refrigerated tacos, tortillas, burritos, corn-based tamales, and instant soups are among the preferred foods in supermarkets since they are easy to prepare and affordable.
- Some of the U.S. companies that have a large presence in the Guatemalan food processing industry are Cargill, Chiquita Brands International, Frito Lay, Pepsi-Co Bottling Co., Ralston Purina, Del Monte, and Wal-Mart. Bimbo from Mexico and Nestlé from Switzerland are important foreign investors in the country. Local companies are also growing, not only because of a higher local demand but also because exports are increasing every year.
- Healthy food, such as natural and organic food, are growing niche markets; however, they are more commonly imported and, therefore, marketed to upper-class consumers.

SECTION III: COMPETITION

In Guatemala, imported raw materials used in the food and beverage-processing sector are bulk grains (wheat, yellow corn, soybeans, and rice); fruits and vegetables; meats (poultry, pork, and beef); dairy products; soybean meal; soybean oils; animal fats; and sweeteners and beverage bases. From 2023 to 2024, Guatemala's total imports of agricultural products from the world increased 9 percent, reaching \$6.2 billion. Although the United States is Guatemala's leading supplier, it faces competition from countries like Mexico, Costa Rica, and El Salvador.

Product	Country	Guatemalan imports from this Competitor in 2024 (\$ millions)	Guatemala Imports from the U.S. in 2024 (\$ millions)
Soups and other food preparations	Costa Rica	207	97
Bakery goods, cereals, & pasta	El Salvador	101	31
Condiments and sauces	Mexico	86	39
Non-alcoholic beverages (ex. juices, coffee, and tea)	El Salvador	60	17
Beer	Mexico	30	1
Chewing gum and candy	Mexico	29	8
Dog and cat food	Mexico	25	15
Processed fruits	El Salvador	20	8
Spices	Honduras	7	1
Wine and related products	Chile	7	3

Source: Trade Data Monitor

SECTION IV: BEST PRODUCT PROSPECTS

Top Consumer-Oriented Products Imported from the World

Country	Product	Total in 2024 (\$ million)
United States	Poultry meat and products (exc. eggs)	\$220
Costa Rica	Soup and other food preparations	\$207
El Salvador	Bakery goods, cereals, and pasta	\$101
Mexico	Condiments and sauces	\$86
Nicaragua	Beef and beef products	\$54

Source: Trade Data Monitor

Top Consumer-Oriented Products Imported from the United States

Product	2022	2023	2024
Poultry meat and products (exc. Eggs)	\$192,995,995	\$196,360,623	\$219,798,533
Dairy Products	\$ 100,669,436	\$ 120,153,232	\$132,634,590
Pork and pork products	\$ 85,949,485	\$ 105,199,227	\$112,254,879
Processed vegetables	\$ 78,919,679	\$ 90,082,809	\$106,431,977
Soup & other food preparations	\$82,387,139	\$91,369,096	\$97,186,429

Source: Trade Data Monitor

Products present in the market which have good sales potential	
<ul style="list-style-type: none"> • Beef & Beef Products • Pork & Pork Products • Poultry Meat & Products • Dairy Products (cheeses, powdered milk, whey, casein, butter, creams) • Fresh fruits (apples, grapes, pears, peaches, plums, citrus) • Snack foods • Condiments & sauces • Craft beers • Frozen potatoes 	<p>All these products fall under the consumer-oriented category. In 2024, U.S. exports totaled \$885.7 million, marking a 14 percent increase from \$778.4 million in 2023. These products are sold at both retail and wholesale levels, with some, like meats and dairy ingredients, serving as raw materials for further processing.</p>

Source: BICO report

Products not present in significant quantities, but which have good sales potential	
<ul style="list-style-type: none"> • Prepared foods (frozen ready to eat foods) • Wines • Chocolate & confectionery • Baking inputs, mixes & doughs • Ingredients & beverage bases • Prepared & preserved meats • Tree nuts • Table eggs and eggs processed products 	<p>Mexico, El Salvador, Chile, and Costa Rica are key suppliers of these products to Guatemala. U.S. products have strong sales potential, as consumers are familiar with brands from other countries. Chilean wines hold the largest market share, primarily due to their more affordable prices compared to U.S. imports.</p>

Source: BICO report

Products Not present because they face significant barriers
<p>Few products are absent from the Guatemalan market, but sanitary and phytosanitary issues occasionally restrict trade. Some examples of trade challenges affecting U.S. agricultural exports to Guatemala include:</p> <ol style="list-style-type: none"> 1) A requirement for the addition of vitamins in some imported products, such as flours, salts, and sugars. 2) The Central American Technical Regulation (RTCA) mandates that the term “dairy” can only be used for products of animal origin. Non-animal products like soy, wheat, rice, and oats must be labeled as beverages, and the term “imitation” is prohibited on packaging. 3) Another RTCA stipulates that yogurt must be made from “live microorganisms”; otherwise, it should be labeled as fermented milk instead of yogurt.

Source: BICO report

Links to Top Food Processing Companies:

Corporación Multi-Inversiones (CMI)	https://somoscmi.com/en/cmi-foods/
Alimentos, S.A. (VPA)	https://somosvpa.com/produccion/
Cargill Guatemala (Perry, and Purina)	https://www.cargill.com.hn/en/brands-in-guatemala
FIFCO	https://www.fifco.com/marcas/alimentos/
CBC/Pepsico	https://cbc.co/pepsico/
Alimentos Ya Esta	https://yaesta.com.gt/nosotros/

SECTION V: KEY CONTACTS AND FURTHER INFORMATION

Government Regulatory Agencies	Contact Information
Ministerio de Salud y Asistencia Social (Ministry of Health) Contact: Ms. Evelyn Meneses, Director for Food and Drugs Regulations	E-mail: emeneses@msp.gob.gt Website: www.msp.gob.gt
Ministerio de Agricultura, Ganadería y Alimentación (Ministry of Agriculture) Contact: Nelson Ruano, Food Safety Director	Email: mvnelsonru@yahoo.es Website: www.maga.gob.gt
Ministerio de Economía (Ministry of Economy) Contact: Victoria Meza, CAFTA-DR Administrador	Email: vmeza@mineco.gob.gt Website: www.mineco.gob.gt
Superintendencia de Administración Tributaria Guatemalan Tax Authority - Customs Contact: Edwin Curtidor, Customs Intendent	Email: eocurtidor@sat.gob.gt Website: www.portal.sat.gob.gt/portal

U.S. Embassy Guatemala – Social Media Sites



<https://www.facebook.com/Embajada.EEUU.Guatemala/>



<https://www.instagram.com/usembassyguatemala/?hl=en>



<https://x.com/usembassyguate?lang=en>

Foreign Agricultural Service - Guatemala

Agricultural Affairs Office Address: Boulevard Austriaco 11-51 Zona 16. Guatemala, Guatemala FAS Website: www.fas.usda.gov	Phone: (502) 2354-0000 Email: AgGuatemala@usda.gov
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Attachments:

No Attachments