DOING BUSINESS IN GUATEMALA

Population 18 M I GDP Growth 3.7% (*est. 2024) I GDP PC $13K |
Still Wine Imports 479K 9 liter cs

The largest economy in Central America but with high social inequality. This results in a concentrated target market for wine consumption and category growth. US remittances are a significant economic factor growing 18% in 2025. Wine is fashionable and aspirational among the affluent segment of the population.

Wine in Guatemala

Total Addressable Market

Total Still Wine Category 479K 9 lt cases, imports led by Chile with 281K cs(+4.3%) followed by Spain 78K cs (+4%) and Argentina 43K (+1.2%) US wine imports 20K cs (-12%). Fifth largest country of origin imports.

Consumption Trends

Total still wine category growing (+3.7%), driven by affluent, urban and sophisticated demographic in Guatemala City and tourist centers like Antigua and Lake Atitlan.

Still Wine: Selected New World Wine Varietals

000s 9-litre Cases

Category	2024	2025	Market Share 2025	CAGR 2024–25	CAGR 2020–25
- Cabernet Sauvignon	103.22	93.97	27.2%	-9.0%	27.7%
- Merlot	58.10	66.08	19.1%	13.7%	26.3%
- Malbec	28.32	27.75	8.0%	-2.0%	9.0%
- Carménère	31.79	27.12	7.8%	-14.7%	46.3%
- Sauvignon Blanc	32.55	26.37	7.6%	-19.0%	11.1%
- Shiraz/Syrah	5.67	8.01	2.3%	41.3%	43.4%
- Chardonnay	7.04	7.26	2.1%	3.1%	6.7%
- Pinot Gris/Pinot Grigio	4.12	4.02	1.2%	-2.4%	15.0%
- Pinot Noir	2.46	2.45	0.7%	-0.4%	9.6%
- White Zinfandel	0.75	0.75	0.2%	0.0%	10.8%
- Zinfandel	0.65	0.65	0.2%	0.0%	1.6%
- Chenin Blanc	0.02	0.33	0.1%	1,550.0%	29.7%
- Pinotage	-	-	-	-	-
- Other Varietals	61.81	80.99	23.4%	31.0%	-4.7%

Source: IWSR

*https://openfactbook.org/

Trading Notes for Wineries

The off-premise represents 82% of wine consumption.
Supermarkets like La Torre and GTA are expanding locations increasing access and points of distribution for wine.

On-premise represents 18% - Safety issues and concerns in some areas prevent the category development. Possibility of curfews to maintain security may impact on premise channel.
Developing gastronomic / wine lifestyle fueling demand for California premium offerings.

Market Insights

- Mass market prefers beer and local rums (Zacapa, Botran) and affordable aguardiente.
    - The addressable market is 5% to 10% of the population.
- With CAFTA – DR agreement US wines avoid the standard 15% import tariff and helps California competitiveness against old world imports
- As with most of the region, Chile, Spain and Argentina dominate entry to mid-tier price points.
- $20 retail is the sweet spot of California wines.
- High informal market in Mexican border creates opportunities for parallel products to enter the market bypassing the local taxes and finding their way to independent retailers and restaurants.
- Distributors like Corchos, Marcas Mundiales, Distribuidora Alcazaren own premium retail accounts that can become a hub for US brand activities.
- Wine consumers are very engaged with the category and appreciate education and tasting seminars.

Taxes, Shipping and Terms

- With CAFTA – DR / US agreement Caifornia wines pay no Import Tariff (**DAI = Derecho Arancelario de Importacion**)
- All duties and taxes in Guatemala are calculated based on the CIF (Cost, Insurance, and Freight) value of the shipment
- The tax authorities are converted to local currency (GTQ –Quetzal) to calculate taxes.
- **A. Value Added Tax (VAT / IVA)**
  - 12% of CIF
  - Paid upfront by importer at customs

- **B. Alcohol Distribution Tax**
  - 7.5% for wines
  - Calculated on suggested consumer retail price
  - Importer registers a suggested retail price list
  - When wine released to the account the tax is paid on that registered price

- **<u>Regulatory Compliance and Barriers</u>**
- CAFTA –DR requirement for zero duty
  - Certificate of Origin
- 2025/2026 Trade Agreement
- Streamlining product registration and expediting approvals for US goods
- Accepting electronic certificates and removing apostille requirements.

Notable Importers

Distribuidora Alcazarén S.A.

Corchos S.A.

Distribuidora Marte S.A.

Grupo Premium S.A.

Winet S.A.(Red de Vinos)

Pricing Guidelines for Importers

		$	1.00	$	7.75
Tax Component	**Calculation Formula**		**USD**		**GTQ**
CIF Value		$	10.00	$	77.50
DAI (Tariff)	$10.00 × 0% (CAFTA-DR)	$	-	$	-
IVA/VAT 12%	CIF $10.00 x 12%	$	1.20	$	9.30
Landed Cost Customs	CIF $10.00 + IVA/VAT $1.20	$	11.20	$	86.80
Local Port and logisitics	Customs Broker, transport to San Jose Warehouse	$	1.00	$	7.75
Landed at Warehouse		$	12.20	$	94.55
Distributor Margin	35%	$	6.57	$	50.91
List Price		$	18.77	$	145.46
Retailer Margin	30%	$	8.04	$	62.34
Base for Retail Taxes		$	26.81	$	207.80
Decreto 21-2004 Distribution Tax (7.5%)	$26.81 x 7.5%	$	2.01	$	15.59
IVA/VAT 12%	$26.81 x 12%	$	3.22	$	24.94
Final Consumer Shelf Price	Retail Price + Distribution Tax + IVA/VAT	$	32.04	$	248.32

Tables and Tax information serve as directional reference per market that are subject to changes and updated by each country throughout the year. Contact your local importer for up-to-date information.

Price Tiers

Category	2024 (000s 9L Cases)	2025 (000s 9L Cases)	Market Share	CAGR 2024–25	Price Range (GTQ$)
Prestige-Plus	0.28	0.31	0.1%	10.7%	Over 2,775.01
Prestige	0.78	0.81	0.2%	3.8%	1,162.51 to 2,775.00
Ultra-Premium	2.36	2.68	0.6%	13.6%	734.26 to 1,162.50
Super-Premium	14.63	14.49	3.0%	-1.0%	452.26 to 734.25
Premium	42.10	45.81	9.6%	8.8%	249.74 to 452.25
Standard	100.05	104.10	21.7%	4.0%	102.01 to 249.73
Value	212.30	214.37	44.8%	1.0%	57.20 to 102.00
Low-Price	89.50	96.40	20.1%	7.7%	57.19 and under
Still Wine	**462.00**	**478.97**	**100.0%**	**3.7%**	

- Ultra Premium and above growing from a small volume base

Cultural Awareness and Considerations

- Registration processes are improving but wineries should still be prepared to navigate bureaucratic requirements from the government to import US wines.
- The category is very attractive to wealthy professionals, but it is a limited target audience in a country with a big wealth disparity.
- Local social media influencers actively seek brand associations. Make sure to review profiles carefully.
- Education and seminars are highly appreciated and attended by locals interested in the culture of wine.
- Guatemala City is safe around the wealthy areas but don't go out on your own without distributor personnel.

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CALIFORNIA WINES