

# COUNTRY SNAPSHOT: GUATEMALA



Guatemala is the largest market for U.S. soybean meal and soybean oil in Central America; it ranked as the 19th largest U.S. agricultural export market in 2020 with \$1.3 billion worth of exports. The country is the 72nd largest economy in the world, and the largest in Central America, accounting for almost 1/3 of the Central American GDP. Two major holding groups are based in the country, owning the largest integrations in poultry, swine, and feed for aquaculture, and with a presence in most other countries in Central America.

U.S. Soy has collaborated with Guatemala since the 1980s.

## COUNTRY STATS

**POPULATION (2021):**  
18.25 million (Urbanization – 51.84% in 2020)  
**POPULATION (2050):**  
~26.92 million

**GDP (2021):**  
77.6 billion  
**AVG. ECONOMIC GROWTH (2016-2020):** 2.29%  
**PER CAPITA INCOME (2021):**  
USD 4,490

## MARKET STATS

Soy usage market size by Volume, 2021 (Est. growth by 2035/40)

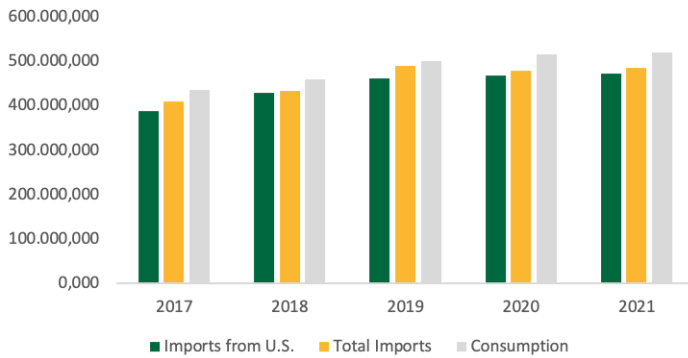
<b>Animal Protein (total)</b>	515,000	<b>Aquaculture, Cattle, other species</b>	61,800
<b>Pork</b>	66,950	<b>Poultry</b>	386,250

## Soy market size by volume, U.S. Soy volume (MY2020/21)

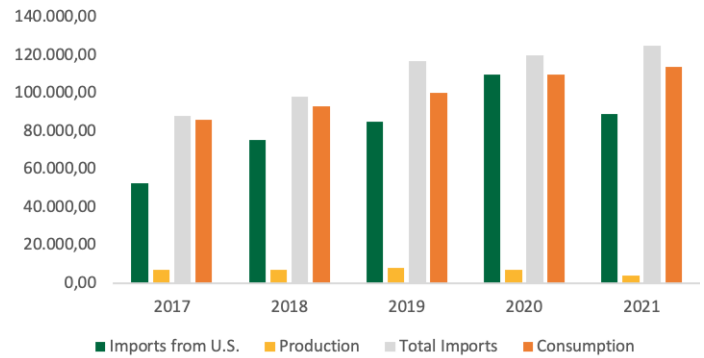
- Soy complex (whole soybean, meal, oil) 611 TMT.
- Whole bean 4,000 MT. U.S. Soy 4,000 MT.
- Soybean meal 480 TMT. U.S. Soy 469.3 TMT.
- Soybean oil 127 TMT. U.S. Soy 110 TMT.



### Guatemala: Soybean Meal



### Guatemala: Soybean Oil



Sources: U.S. Census Bureau Trade Data, FAS USDA GATS, Industry estimations

## STRENGTHS

- U.S. soybean oil and meal have the largest market shares. U.S. soybean meal is preferred over other origins as customers have come to better understand and value its intrinsic and extrinsic advantages.
- Soybean oil has gained market share in the last few years, based on quality, though the two refiners in the country are price biased in their decision making.
- Early learning curve of sustainability with aquaculture producers leading. One U.S. Soy licensee is proactively using it, serving as an example to others in feed and animal production.
- Since implemented in 2006/07, the CAFTA-DR (US FTA with Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua) has strengthened U.S. trade with Central America
- U.S. farm and food exports to the CAFTA-DR countries have more than doubled, reaching over \$5.8 billion to date. Exports to Guatemala, El Salvador, Honduras had the fastest growth.
- Ocean transport transit times and ports infrastructure in Guatemala allow for importers to capitalize on U.S. Soy; some merchandisers and importers have invested in storage and a port terminal on the Pacific.
- No market access issues for soy and products.

## OPPORTUNITIES

- Poultry and eggs are the most affordable and available animal protein. Some firms are vertically integrating and designing new consumer products and feed for aquaculture, with exports expanding.
- Efforts made through soybean oil technical assistance to importers/refiners are much appreciated and continue yielding results.
- Key importers would benefit from being further exposed to U.S. Soy advantages and enhancing their procurement and purchasing practices. Under CAFTA-DR, refiners are capitalizing exports of processed products into the region.
- Pet food is increasing in production and imports. Some firms are looking at or moving from feed maquila, to having their own production lines for the range of segments.
- Efforts deployed in the past involved marketing campaigns touching on U.S. Soybean oil benefits and advantages; importers and refiners say they'd benefit from similar continued efforts.
- U.S. Soy Sustainability being communicated and starting to be understood by importers and end customers, helping to differentiate U.S. products as well as build awareness of sustainability efforts.

## CHALLENGES

- Poultry remained stable and grew through the pandemic; swine and beef cattle are still recovering. As industries tend to consolidate, animal protein imports grow (poultry, pork and beef), with large contraband of some products such as eggs.
- Continued competition from other oils, namely domestic palm oil and imports of soybean oil and sunflower from South America (e.g., Argentina). Price competitive crude soybean oil available from South America; imports of bottled vegetable oils, and contraband of bottled oil.
- Vegetable oil industry made of few players, being refiners and not crushing beans. Industry leader expanding in Mexico to replicate their business model: setting up a soybean oil refinery, along with plant and facilities for fruit based beverages.

Sources:

- Estimations from industry
- Soy and Soy Product S and D 2021-22 Marketing Year (J. Baize)
- Macrotrends
- Population Pyramid