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Costa Rica

Dairy and Products

Dairy Sector Overview

2006

Approved by:
Katherine C. Nishiura, Agricultural Attaché
FAS San Jose

Prepared by:
Claire Wineman, Intern

Report Highlights: This report provides an overview of the Costa Rican dairy market, including animal numbers, milk production, distribution channels for dairy products, consumption, and trade in dairy products.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
San Jose [CS1]
[CS]

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EXECUTIVE SUMMARY

The Costa Rican dairy sector is a very dynamic part of Costa Rican agriculture. A decline in milk output in 2004 interrupted ten years of sustained growth in production. According to the National Chamber of Milk Producers, Costa Rica is one of only a few Latin American countries which are self-sufficient in milk production. Along with growth in production, Costa Rica has been able to develop an important export market for its dairy products, primarily in Central America. Costa Rica also imports dairy products, including evaporated and condensed milk, cheese, whey, butter and yogurt. However, the local market is still protected by high import duties. Under CAFTA-DR, once the agreement is implemented by Costa Rica, the U.S. will obtain increased market access through import quotas and declining import duties.

Supply

Domestic Milk Production

Note: Report does not include PS&D Tables due to a lack of dairy product production and stocks data.

Annual Milk Production

While the number of milk cows in Costa Rica has decreased over the past ten years, the national production of milk has shown an overall increase. According to the National Chamber of Milk Producers, milk output in 2005 was estimated at 767,300 metric tons, up 1.9 percent over 2004. A decline in milk output in 2004 interrupted ten years of sustained growth in production. Three main factors contributed to the fall. First, in 2003 there were greater surpluses than normal, which led plants to curb production by offering lower prices to the producer. Furthermore, the increasing cost of animal feed led producers to feed less, resulting in decreased milk yields. Finally, the weather in 2004 was very irregular and adversely affected milk production on the farms. In 2005 milk production recovered thanks to a return to more normal climatic conditions in production zones and an increase in the price to the producer for milk.

Annual Milk Production, Imports, and Exports (1,000 MT).

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2
Production	538.2	531.4	549.6	583.9	707.0	722.0	737.2	766.7	785.6	752.3	7
Imports	38.9	37.6	45.3	65.3	70.3	77.5	79.0	91.8	92.8	89.4	
Exports	27.4	63.7	56.3	56.0	57.7	74.6	75.8	70.4	86.1	77.8	

Note: Dairy product import and export data on a milk equivalent basis.
Source: National Chamber of Milk Producers.

The longer-term outlook for milk production is uncertain. The cost of inputs, especially fuel and feed, are rising faster than producer prices. Some producers have moved land out of milk production and into to more lucrative uses, such as growing pineapple.

Location and Type of Milk Farms and Cattle

The vast majority of farms (70 percent) produce on area less than 20 hectares (50 acres). The 2000 Cattle Census, the most recent census conducted, showed that a total of 38,241 farms have cattle and approximately 40 percent of these farms (14,355 farms) produce milk. Of milk-producing farms, 55 percent were dual purpose (7,947 farms), while 45 percent of farms specialized in milk production (6,408 farms). Milk cows were concentrated in the Central and Northern Regions of the country.

Total Head, and Total Number of Farms for Milk-Specific and Dual Purpose Cattle, by Region, 2000.

Region	Total Head, Milk	Total Farms, Milk	Total Head, Dual	Total Farms, Dual
Northern	64,788	1,383	142,893	4,085
Chorotega	17,205	375	73,623	1,496
Central	72,743	2,847	17,083	1,126
Brunca	10,698	1,220	25,776	919
Atlantic	5,454	439	21,533	674
Central Pacific	2,545	144	23,105	408
Total	173,433	6,408	304,013	8,708

Source: Cattle Census 2000.

The total number of milk cows has decreased considerably since 1984. Over the same period of time, the percent that are Holstein and Holstein crosses has increased and Holstein has easily become the predominant breed.

Milk-Producing Cows: Number of Milk-Specific and Dual-Purpose Cows and Breed Composition, 1984-2000.

		1984	2000
Number of Cows	Milk	262,809	162,001
	Dual	350,945	222,879
	Total	513,754	384,880
Breed (%)	Holstein and crosses	50	65
	Jersey and crosses	30	30
	Other	20	5

Source: Number of cows from National Census 1984 and Cattle Census 2000. Breeds of cows from National Chamber of Milk Producers.

Production Inputs and Costs

The actual operating cost in Costa Rica has yet to be determined and warrants further investigation. Many of the inputs are imported and producers and processors are subject to international supply and price constraints, as well as exchange rate fluctuations. For example, semen is imported from the United States, Canada, Austria, the Netherlands, and New Zealand and affects herd quality and production. Machinery and equipment are also imported and are necessary to improve the technical capacity of producers and industry. Animal feeds ingredients are primarily imported from the United States and are a considerable portion of the cost of milk. Finally, fertilizers and fuels are inputs whose costs are rapidly rising with the price of petroleum.

Financing is available to the sector through private companies and cooperatives that have developed credit systems for their members. Government programs also provide credit for producers, as do private financial institutions. However, interest rates of 18 to 20 percent may be prohibitively high and there are accessibility problems, especially for small producers.

As with many industries, the cost and availability of labor is a major consideration in the dairy sector. Costa Rica benefits from an educated work force, but the cost of labor is comparatively high for Central America due in part to the provision of social services. Furthermore, the work force is increasingly pursuing non-agricultural activities. Agricultural labor is performed predominantly by immigrants from Nicaragua; and there is some evidence that the immigrant labor supply is becoming less plentiful. To some extent, automation of the production process has decreased the need for labor.

Veterinary resources and academic centers are essential to domestic production and development. There are seven universities and 45 technical schools that train personnel to work in the dairy industry. The University of Costa Rica (UCR) and the Technical Institute of Costa Rica (ITCR) both have research centers that work on issues related to the dairy sector. However, funding for research and development is limited, and research activities may not always address the industry's production problems. Technology transfer and extension services are lacking.

Poor transportation and port infrastructure hinders distribution, which increases the cost of both inputs and finished products.

Domestic Milk Sectors

The National Chamber of Milk Producers estimates that 40 percent of the milk that is produced domestically remains in the informal (artisanal) market and 60 percent of milk is traded in the formal market. The major end product of milk in the formal market is fluid milk, while the major end product in the informal market is cheese.

Destination of National Milk Production		Product	Percent of Milk
Sector	**Percent of Milk**		
Informal	40	Cheese	81.3
		Fluid milk	12.5
		Sour cream	6.3
Formal	60	Fluid milk	61.6
		Cheese	18.4
		Powdered milk	8.1
		Ice cream	3.8
		Sour cream	2.7
		Butter	1.3
		Yogurt	1.3
		Other	2.7

Source: Estimated by the National Chamber of Milk Producers, 2004.

Informal Sector

There are more than 11,000 producers that are not affiliated with formal production or official control. Within the informal production sector, producers can further be separated into those who do and do not pasteurize their milk. Producers who pasteurize their milk generally have received technical assistance from the Government or another entity, are usually operated by families or associations, and generally produce cheese and sour cream. Producers who do not pasteurize their milk are generally household operations with low product diversity and process their product into cheese and sour cream to preserve the product and add value. Products in the informal sector are generally distributed via home delivery, ambulant sales, fairs, and “Mom and Pop” stores. Product quality, as well as hygiene and sanitary practices, are variable.

Formal Sector

Only 22 percent of producers supply milk to the formal sector. There are 17 large and medium companies in the formal sector. The most diversified companies produce a variety of products, such as fluid milk, cheese, sour cream, butter, ice cream, and yogurt. These include Cooprole R.L (Dos Pinos, Coronado, Borden), Industria Láctea Tecnificada (INLATEC), Monteverde, Coopeleche, and Apilac. Other companies produce cheese exclusively, including Italicus, Italconan, Vitola, Las Dilicias, Tiqueso, Indulac, Coopebrisas, and Blanco y Negro. Similarly, there are also companies that only produce ice cream, such as Central Heladera Díaz, Helados Delfín, Helados POPS, and Helados Malavassi. The formal production sector is characterized by sanitary and hygiene standards, high levels of technology, appropriate capacity, and a consistent year-round supply of primary materials.

Major Manufacturers

The cooperative Dos Pinos, also known as the Cooperativa de Productores de Leche Dos Pinos, is the key player in the dairy market in Costa Rica.

Dos Pinos: Costa Rican Dairy Giant

- Founded in 1947, Dos Pinos is a cooperative that groups 1,300 producers and employs 300 people. Dos Pinos produces an estimated 320 million liters of milk per year and commercializes approximately 400 products.
- In 2005 Dos Pinos reportedly invested $14.5 million in an animal feed plant with the capacity to produce 65 MT of animal feed concentrate per hour. The plant purchases, stores, processes, and develops feeds for milk cattle for its members to increase yields. Surplus capacity may be used to produce feeds for other species.
- Dos Pinos reportedly processes about 80 percent of the industrial milk in the country with annual sales of $280 million.

Imports

WTO Tariff Rate Quotas for Selected Dairy Products, 2006.

<table>
<tr><th colspan="2">Description</th><th>HS Code</th><th>In-Quota Quantity (MT)</th><th>In-Quota Tariff (%)</th><th>Over-Quota Tariff (%)</th></tr>
<tr><td rowspan="4">Cheese</td><td rowspan="2">Fresh</td><td>0406.10.0010</td><td rowspan="4">342</td><td rowspan="4">34</td><td rowspan="4">65</td></tr>
<tr><td>0406.10.0090</td></tr>
<tr><td rowspan="2">Processed</td><td>0406.30.0010</td></tr>
<tr><td>0406.30.0090</td></tr>
<tr><td colspan="2" rowspan="2">Butter</td><td>0405.10.0010</td><td rowspan="4">41</td><td rowspan="4">34</td><td rowspan="4">65</td></tr>
<tr><td>0405.10.0090</td></tr>
<tr><td colspan="2" rowspan="2">Dairy Spreads</td><td>0405.20.0010</td></tr>
<tr><td>0405.20.0090</td></tr>
<tr><td colspan="2" rowspan="3">Skim Milk Powder</td><td>0402.10.0011</td><td rowspan="10">321.32</td><td rowspan="10">34</td><td rowspan="10">65</td></tr>
<tr><td>0402.10.0091</td></tr>
<tr><td>0402.10.0099</td></tr>
<tr><td colspan="2" rowspan="7">Whole Milk Powder</td><td>0402.21.1119</td></tr>
<tr><td>0402.21.1210</td></tr>
<tr><td>0402.21.1290</td></tr>
<tr><td>0402.21.2110</td></tr>
<tr><td>0402.21.2190</td></tr>
<tr><td>0402.21.2210</td></tr>
<tr><td>0402.21.2290</td></tr>
<tr><td colspan="2">Yogurt</td><td>0403.10</td><td>45.64</td><td>34</td><td>65</td></tr>
</table>

Source: Ministerio de Hacienda, Arancel TICA.
Note: There is a 1 percent economic stabilization tax applied to the CIF value of most imports.

Note: Skim Milk Powder (0402.10.0019) also has an annual quota with Panama of 340 MT in both directions, with an over-quota tariff of 65 percent.

WTO Tariffs for Selected Dairy Products, 2006.

Description		HS Code	Applied Tariff (%)	WTO Bound Tariff (%)
Cheese	Grated, Powdered	0406.20.10	0	35
		0406.20.90	35	
	Blue-veined	0406.40.00	14	50
	Other	0406.90.10	50	
		0406.90.20		
		0406.90.90		
Whey		0404.10	0	94.70
Evaporated Milk		0402.91.10	9	
Condensed Milk		0402.99.10	9	

Source: Ministerio de Hacienda, Arancel TICA.

Note: There is a 1 percent economic stabilization tax applied to the CIF value of most imports.

Summary of Selected Dairy Imports, 2001-2005.

Product	HS Code	Import Market Trend	Total Import Values, 2001-2005 (USD)			Major Origins (By relative importance)
			2005	Minimum	Maximum	
Skim Milk Powder	0402.10	variable	760	760	96,514	variable
Whole Milk Powder	0402.21	variable	0	0	909,364	variable
Evaporated Milk	0402.91.10	mature	1,924,086	1,695,565	2,458,022	Panama, Netherlands, Germany
Condensed Milk	0402.99.10	mature	5,445,733	4,362,296	5,803,122	Chile, Panama, Netherlands
Yogurt	0403.10	growing	1,792,534	910,113	1,792,534	Nicaragua, USA, Mexico
Whey	0404.10	declining	1,096,088	1,096,088	1,520,787	USA, Netherlands, Belgium
Butter	0405.10	variable	6,367	6,367	59,533	Nicaragua, USA, France
Dairy Spreads	0405.20	variable	3,666	0	3,666	USA, Panama
Cheese	0406	growing	1,554,422	1,093,490	1,554,422	Panama; USA, New Zealand

Note: For additional information please refer to import tables.

Comments

1. Skim Milk Powder. The market for skim milk powder fluctuates, but there has been an overall decrease in the volume and value of imports the past five years.
2. Whole Milk Powders. The market for whole milk powder fluctuates, but there has been an overall decrease in the volume and value of imports the past five years.
3. Evaporated Milk. The market has not changed much over the past five years. Panama is by far the key player, followed by Germany and the Netherlands.
4. Condensed Milk. The market for condensed milk has been fairly stable over the past five years. However, the dominant suppliers have shifted. Panama and the Netherlands were the major parties in 2001 and 2002. However, Chile entered the market in 2003 and has demonstrated market dominance and steady growth through 2005.
5. Yogurt. Nicaragua is the key player in the yogurt import market, followed distantly by the U.S. and Mexico. All suppliers have benefited from the growth in the import market.
6. Whey. The U.S. is the major player in the whey import market. Although the overall import market is decreasing, imports from the U.S. have increased in the past three years while imports from the Netherlands and Belgium have decreased.
7. Butter. The import market for butter is highly variable.
8. Dairy Spreads. The dairy spread import market is very small and variable. The import market consists almost exclusively of U.S. products.
9. Cheese. The volume of the cheese import market has increased steadily over the past five years. Panama has been the primary beneficiary of this growth, while imports from the US have remained fairly stable, as have imports from New Zealand. The value of cheese imports has shown an overall upward but nonlinear trend between 2001 and 2005.

Dairy Products Under CAFTA-DR

Under CAFTA-DR, in-quota tariffs on certain items, such as fresh and processed cheeses, milk powders, butter, and dairy spreads, would immediately go to zero. However, over-quota tariffs would remain high for a ten-year grace period and would be phased out in the next ten years. Due to the long phase-out periods for certain products, the wide-scale effects of CAFTA-DR on U.S. dairy exports may not be felt for another five to fifteen years. However, given high consumption of dairy products, Costa Rica represents a market with definite potential.

Tariff Schedule for Selected Dairy Products Under CAFTA-DR.

Note: Tariff Rate Quota (TRQ)

Description		HS Code	Tariff Base	Category	Elimination
Cheese	Fresh	0406.1000	66	TRQ	See Note 1
	Grated or Powdered	0406.2010	1	A	Immediate
		0406.2090	38	TRQ	See Note 1
	Processed	0406.3000	66		
	Blue-Veined	0406.4000	15	B	Over 5 years
	Other	0406.9010	51	TRQ	See Note 1
		0406.9020			
		0406.9090			
Butter		0405.1000	66	TRQ	See Note 2
Dairy Spreads		0405.20.0010			
Skim Milk Powder		0402.1000	66	TRQ	See Note 3
Whole Milk Powder		0402.21.11			
		0402.21.12			
		0402.21.21			
		0402.21.22			
Yogurt		0403.1000	66	F	At base for 10 years, then reduced over 10 years
Evaporated Milk		0402.9110	10	C	Over 10 years
Condensed Milk		0402.9910			
Whey		0404.1000	1	A	Immediate

Notes:

1. Subject to a tariff rate quota (TRQ) as outlined in Paragraph 7 of Appendix I to the General Notes of Costa Rica to Annex 3.3 of the CAFTA-DR. Tariffs on goods entering outside the in-quota quantity will remain at the base level for ten years, after which they will be phased out over ten years.
2. Subject to a tariff rate quota (TRQ) as outlined in Paragraph 6 of Appendix I to the General Notes of Costa Rica to Annex 3.3 of the CAFTA-DR. Tariffs on goods entering outside the in-quota quantity will remain at the base level for ten years, after which they will be phased out over ten years.
3. Subject to a tariff rate quota (TRQ) as outlined in Paragraph 5 of Appendix I to the General Notes of Costa Rica to Annex 3.3 of the CAFTA-DR. Tariffs on goods entering outside the in-quota quantity will remain at the base level for ten years, after which they will be phased out over ten years.

Distribution

Consumption: The Costa Rican Market

Market Size and Distribution

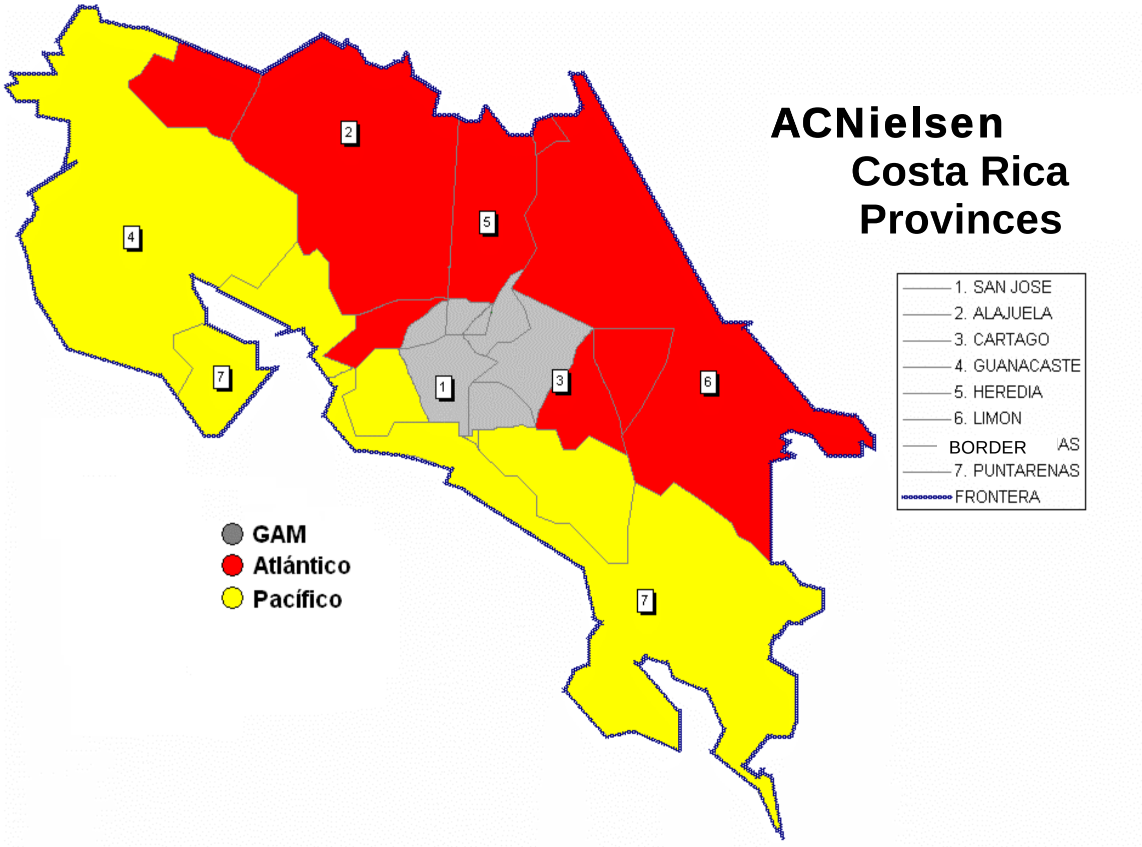
In 2005 Costa Rica was estimated to have 4.325 million residents. Although the total population is increasing by approximately two percent per year, the rate of population growth has decreased over the past twenty years. Costa Rica's Central Region hosts 64 percent of the country's population and has considerably higher household and per capita per household incomes and lower poverty rates than the other regions, according to the National Institute of Statistics and Census (INEC).

Costa Rica. Population, Average Monthly Income, and Poverty Levels by Region, 2005.

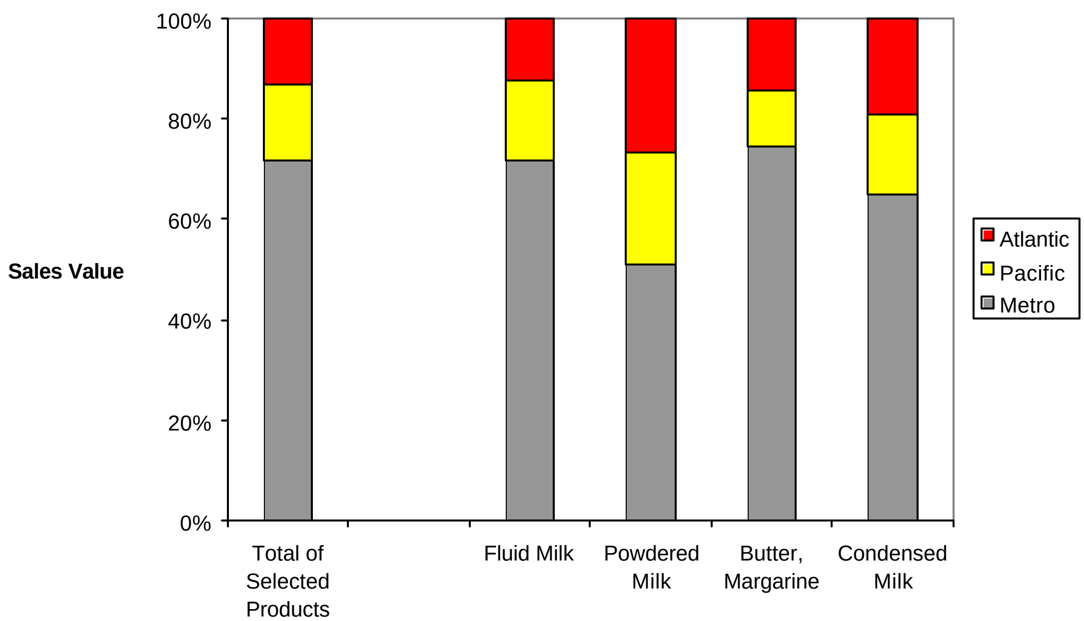
Location	Population		Average Monthly Income (USD, July 2005)		Poverty	
	Population	Households	Per Household	Per Cap/Household	Not Poor (%)	Poor (%)
Country Total	3,915,076	1,039,913	664.53	176.51	78.8	21.2
Region						
Central	2,505,318	665,731	775.74	206.14	82.7	17.3
Chorotega	296,259	79,955	473.06	127.67	70.7	29.3
Central Pacific	203,457	56,586	510.34	141.94	72.8	27.2
Brunca	308,727	79,061	452.66	115.92	68.0	32.0
Atlantic	387,488	103,836	432.86	115.99	73.0	27.0
North	213,827	54,744	496.49	127.11	75.3	24.7

Source: INEC. Exchange rate: 479 colones/$1 (Central Bank of Costa Rica).
Note: While INEC's total population estimates differ somewhat from other sources, the table illustrates the concentration of the population in the Central region, as well as the regional trends in the distribution of income.

This relative concentration of purchasing power in the Central Region is reflected in 2005 ACNielsen sales data for certain dairy products. The data, available only for milk, powdered milk, margarine and butter, and condensed milk, showed that 71.8 percent of the value of sales of these products occurred in the Greater Metropolitan Area (GAM, by its initials in Spanish), while the Pacific and Atlantic Regions only represented 15.1 percent and 13.1 percent, respectively.



Selected Dairy Product Sales by Geographic Area in 2005
Source: ACNielsen

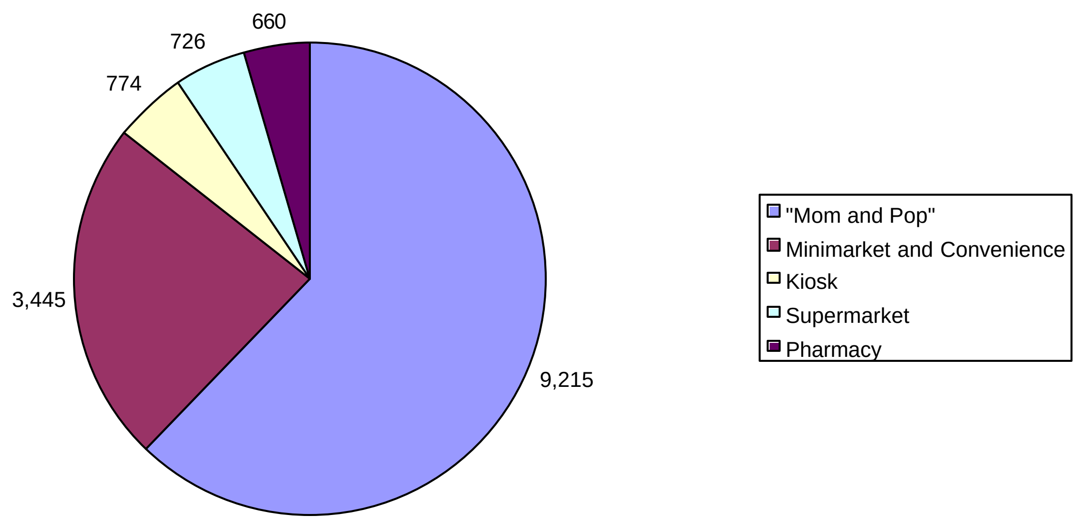


Distribution Channels

"Mom and Pop" stores (with a clerk, no checkout line) far outnumber any other type of retail outlet, with 9,215 locations in 2005. Minimarkets (one checkout line) and convenience stores have the next greatest number of locations, followed by supermarkets (two or more checkout lines) and kiosks.

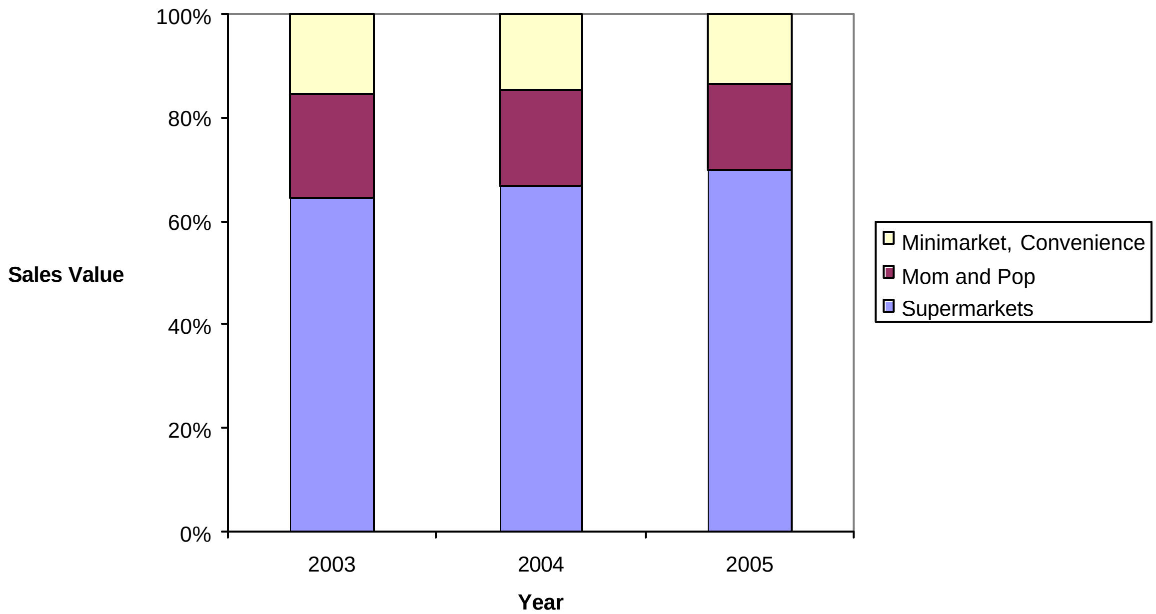
Number of Retail Outlets by Type in Costa Rica in 2004

Source: ACNielsen



By contrast, supermarkets accounted for the vast majority of dairy (fluid milk, powdered milk, processed cheese, butter and margarine, yogurt, and condensed milk) sales that same year, followed by "Mom and Pop's," and minimarkets and convenience stores. Supermarkets have been gaining market share over the past three years at the expense of "Mom and Pop's" and minimarkets and convenience stores.

Value of Sales of Dairy Products by Retail Outlet, 2003-2005
Source: ACNielsen Report to USDA/FAS/Costa Rica



Supermarkets distribute half of the fresh edible products in the country. There are eleven main supermarket chains in Costa Rica. The Corporación Supermercados Unidos (CSU), which includes the chains MasXMenos, Hiper más, Pali, Maxi Bodega, and La Unión, has the greatest number of stores and the greatest share of sales. WalMart recently increased its ownership in CSU and now holds 51 percent of the company.

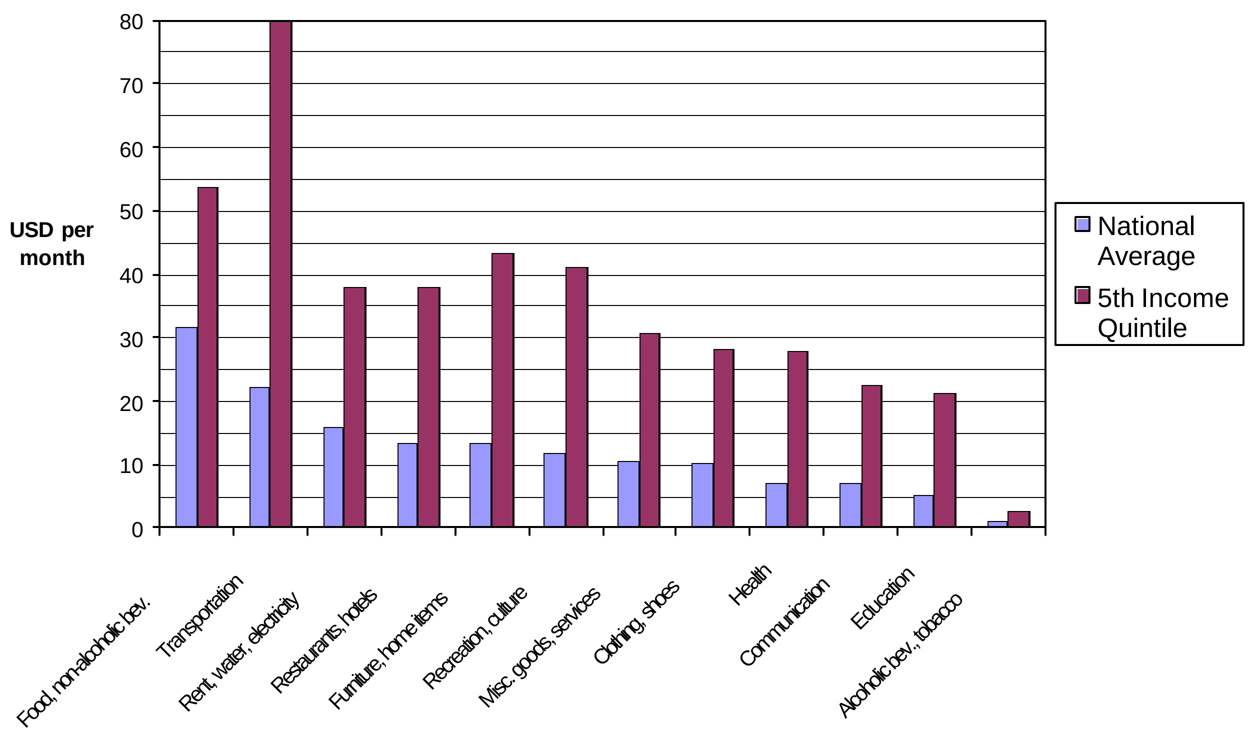
Chain/Corporation	Participation in Sales (%)	Number of Stores	Percent of Stores
Wal-Mart/CSU	62	97	42.7
Megasuper (CCM)	19	63	27.8
Cecoop/Supercoop	6	36	15.9
Automercado	5	7	3.1
PriceSmart	4	3	1.3
Perimercados	2	15	6.6
Other	2	6	2.6

Market Potential and Consumption Characteristics

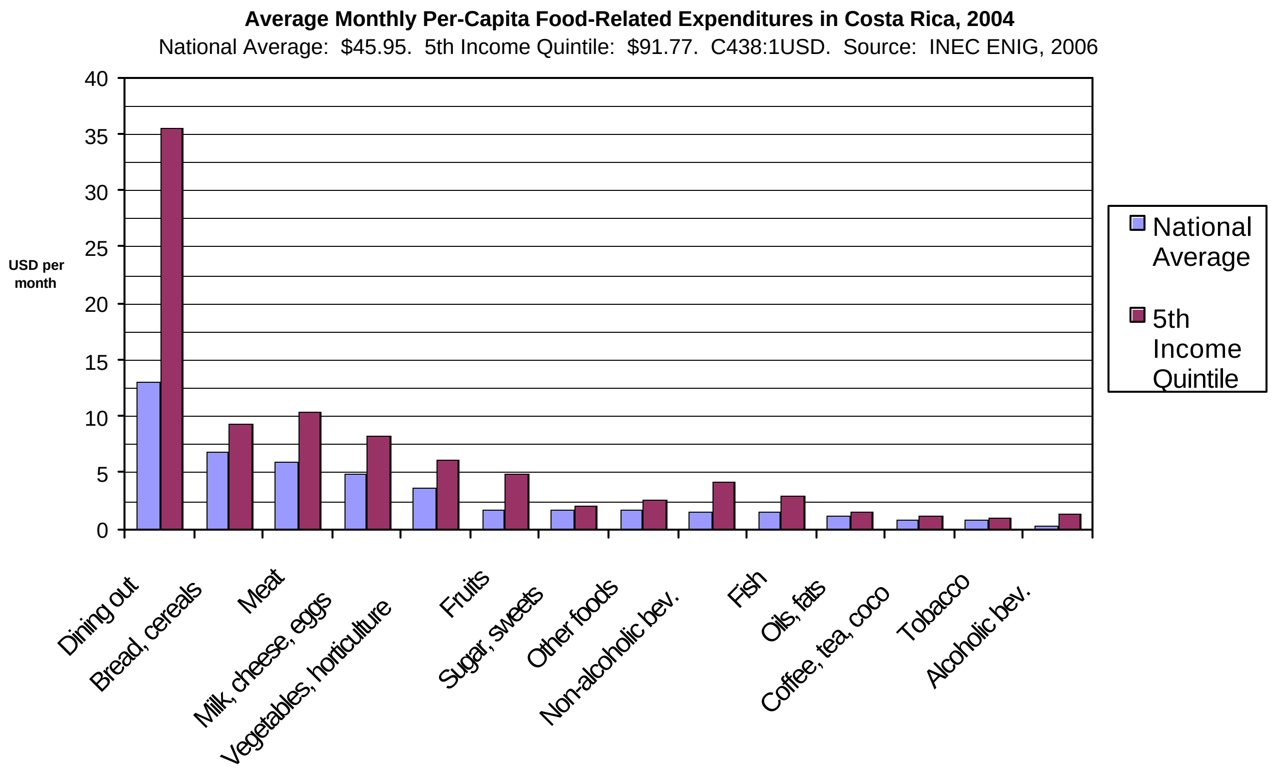
In 2005 Costa Rica's gross domestic product (GDP) totaled 19.8 billion US dollars and the GDP per capita in nominal USD was $4,580. A 2004 INEC survey of income and expenditures showed that on average Costa Ricans spent $150 per capita per month on consumptive expenditures. The greatest per-capita consumptive expenditure was on food and non-alcoholic beverages, at $31.73 per month, or 21 percent of consumptive expenditures. Costa Ricans in the upper income quintile had an average monthly consumptive expenditure of $427.06 per capita per month. In this group transportation, was the primary consumptive expenditure ($79.81), followed by food and non-alcoholic beverages ($53.71).

Average Monthly Per-Capita Consumptive Expenditures by Category in Costa Rica in 2004

National Average: $150.09. Total 5th Income Quintile: $427.06. C438:1USD. Source: INEC ENIG, 2006



As of 2004, among all food-related expenditures, on average Costa Ricans spent the most on eating outside of the home ($13.10 per capita per month), followed by bread and cereals ($6.87), meat ($5.93), and milk, cheese, and eggs ($4.93). Costa Ricans in the upper income quintile spent the most on eating outside of the home ($35.54 per capita per month), followed by meat ($10.41), bread and cereals ($9.43), and milk, cheese, and eggs ($8.35).



Information from the National Chamber of Milk Producers shows the national consumption and import dependence on dairy products. Import dependence is defined as the percentage of total dairy products consumption that is imported. Costa Rica has the third greatest annual per-capita consumption of dairy products in Latin America, behind Uruguay and Argentina.

Consumption of and Dietary Dependence on Dairy Products.

	2000	**2001**	**2002**	**2003**	**2004**
Apparent Consumption (1,000 MT Fluid Milk Equivalent)	724.9	740.4	788.1	792.3	763.9
Consumption per Capita (L/person)	184.5	184.5	192.5	189.9	178.8
Import Dependence (%)	10.7	10.7	11.6	11.7	11.7

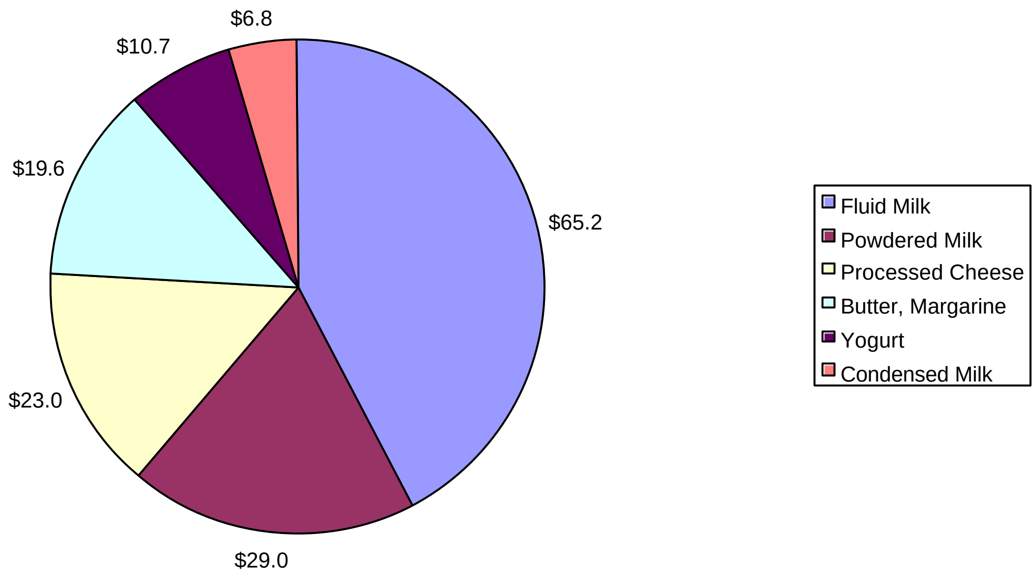
Source: National Chamber of Milk Producers.

ACNielsen Dairy Products Basket

In 2005 ACNielsen studied a Dairy Products Basket comprised of fluid milk, powdered milk, processed cheese, butter and margarine, yogurt, and condensed milk. The estimated sales value of the Dairy Products Basket was $154.3 million USD for all of Costa Rica, an increase of 13 percent from 2003 ($136.7 million), but only a one percent increase from 2004 ($152.7 million).

In the 2005 Dairy Products Basket, fluid milk was the greatest consumption category by far, with $65.2 million in sales, followed by powdered milk ($29.0 million), processed cheese ($23.0 million), margarine and butter ($19.6 million), yogurt ($10.7 million), and condensed milk ($6.8 million).

ACNielsen Dairy Products Basket: 2005 Sales Values by Category
Total Value: $154.3 Million USD. (Million USD)



Notably, cheese and yogurt sales have shown strong growth in recent years.

Dairy Products Basket: Total Growth and Growth by Product, 2003 to 2005.

Product	Value Sales Structure (Million USD)			Growth Rate (%)	
	2003	2004	2005	2003-2005	2004-2005
Milk	61.2	68.0	65.2	6.6	(3.9)
Powdered Milk	25.0	27.2	29.0	16.0	6.6
Processed Cheese	18.6	22.1	23.0	23.0	3.9
Butter, Margarine	19.0	20.2	19.6	2.9	(2.6)
Yogurt	6.6	8.9	10.6	64.1	20.7
Condensed Milk	6.3	6.6	6.8	8.2	4.5
Dairy Basket Total	**136.7**	**152.7**	**154.3**	**12.8**	**1.1**

Exports

Summary of Selected Dairy Exports, 2000-2005.

Product	HS Code	Export Market Trend	Total Export Values, 2000-2005 (USD)			Major Destinations (By relative importance)
			2005	Minimum	Maximum	
Skim Milk Powder	0402.10	variable	1,248,112	52,622	2,742,939	Guatemala, El Salvador, Nicaragua
Whole Milk Powder	0402.21	variable	5,908,932	4,376,245	9,710,938	El Salvador, Guatemala, Honduras
Evaporated Milk	0402.91.10	variable	11,511	0	11,511	Nicaragua, El Salvador, Honduras
Condensed Milk	0402.99.10	variable	26,386	16,209	92,445	Nicaragua, Honduras, El Salvador
Yogurt	0403.10	growing	720,817	206,032	720,817	El Salvador, Guatemala, Honduras
Curdled Milk	0403.9090.1	variable	0	0	163,582	Guatemala, El Salvador, Honduras
Sour Cream	0403.9090.2	growing	844,882	5,119	844,882	USA, El Salvador, Nicaragua
Whey	0404.10	variable	0	0	6,579	Nicaragua, Panama
Butter	0405.10	growing	2,371,932	285,660	2,371,932	Honduras; El Salvador, Nicaragua
Dairy Spreads	0405.20	variable	801	0	39,607	variable
Cheese	0406	growing	3,031,737	880,147	3,031,737	USA, Guatemala, Nicaragua, El Salvador

Note: For additional information please refer to export tables.

Comments

1. Skim Milk Powder. Skim milk powder exports are highly variable, but the market has grown overall since 2000.
2. Whole Milk Powders. Exports of whole milk powder exports experience major fluctuations but consistently have the greatest export value of the products listed here.
3. Evaporated Milk. Evaporated milk exports only began in the past two years and have very low volumes and values.
4. Condensed Milk. Exports of condensed milk are small but have shown overall growth in the past six years.
5. Yogurt. Yogurt exports have shown tremendous growth, especially in 2004 to 2005, to all destinations. The total growth in sales is due in large part to growth in exports to El Salvador and Honduras.
6. Curdled Milk. There are no clear trends in the curdled milk export market in the past six years.
7. Sour Cream. The export market for sour cream has shown major growth in the past six years, primarily due to exports to the U.S. and secondarily to Nicaragua and El Salvador in the past two years.
10. Whey. There are no clear trends in the whey export market in the past six years.
11. Butter. There has been sustained growth in the export of butter in the past six years due to major increases in exports to Honduras, as well as Nicaragua and El Salvador.
12. Dairy Spreads. The export market for dairy spreads from Costa Rica is small and highly variable.
13. Cheese. The export market has shown growth in the past five years. The U.S. is a primary market, while exports to Guatemala, El Salvador, and Nicaragua have shown overall growth in the past five years. 2005 saw a shift in exports of Costa Rican cheese from the U.S. to other Central American countries, especially Honduras and El Salvador.