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Report Highlights:

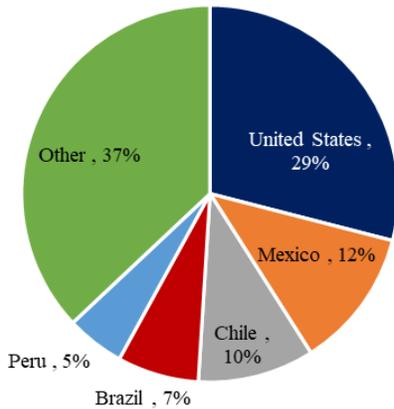
Colombia's food and beverage industry decreased by two percent in 2023 due to stagnating economic growth. Demand for healthy food ingredients is growing in Colombia as a result of both shifting consumer preferences and new nutritional regulations for imported and locally produced products. The United States remains the top international supplier to Colombia's food ingredients sector.

Market Fact Sheet: Colombia

Executive Summary:

In 2023, Colombia became the sixth largest global export market for U.S. agricultural products, with total exports reaching \$3.7 billion. Colombia’s GDP in 2023 increased by 0.6 percent to \$364 billion, positioning the country as the 43rd largest economy in the world and the 4th largest in Latin America.

Top Exporters of Consumer-Oriented Agricultural Products to Colombia in 2023



Source: Trade Data Monitor

Food Retail Industry:

According to DANE, Colombia’s retail sales decreased 1.7 percent in 2023 due to the economic slowdown. Food accounted for the largest share (38 percent) of household expenditures. Mom-and-pops (54 percent), supermarkets (21 percent), and hard-discounters (12 percent) are the preferred retail formats for Colombians. Despite slow economic growth in 2023, e-commerce continued its outstanding performance, growing at 12 percent.

Food Processing Industry:

Colombia is a net importer of many food ingredients. According to Colombia’s National Business Association (ANDI), Colombia’s food industry is comprised of 45,000 registered companies; approximately 98 percent of them are small and midsize businesses. Although the food industry focuses on the local market, it still exports to 140 countries. Food processing represents 27 percent of Colombia’s total manufacturing.

Food Service Industry:

Colombia’s food service sales reached \$14 billion in 2023, a 7 percent increase from 2022. The growth forecast for 2024 is projected to slow, driven by stagnation in the economy, a higher unemployment rate, and lower household expenditures.

Quick Facts CY 2023

Imports of Consumer-Oriented Products (US \$2.7 billion)

Top 10 Growth Products in Colombia, 2022 to 2023

1 Potatoes flour and meal	2 Dried apricots
3 Prepared/preserved meat or meat offal of chickens, ducks, geese, and guineas	4 Provisionally preserved agaricus mushrooms, not for immediate consumption
5 Fresh or chilled salad beets, salsify, celeriac, radishes, and edible roots	6 Fresh or dried nuts
7 Fresh or chilled bovine offals	8 Dried apples
9 Potato flakes, granules, and pellets	10 Prepared not shelled beans

Sales by Channels (U.S. billion)

Retail Food Industry*	\$26
Food Service-HRI	\$14
Food Processing	\$12
Food and Agriculture Exports	\$10

**Includes department stores and hypermarkets*

Top 10 Host Colombian Retailers (based on sales)

Grupo Exito	Koba Colombia (D1)
Colombiana de Comercio (Alkosto)	Jeronimo Martins Colombia (Ara)
Supertiendas y Droguerías Olimpica	Cencosud Colombia
PriceSmart	Makro
Supertiendas Cañaveral	Supermercados Mercacentro

GDP/Population

Population (millions): 52
 GDP (billions USD): \$363.8
 GDP per capita (USD): \$6,975.9

Sources: DANE, TDM, GATS, Central Bank, IMF, Fenalco, ANDI, ACODRES, Euromonitor, local media

Strengths/Weaknesses/Opportunities/Threats

Strengths	Weaknesses
- Diverse retail market - U.S. trade agreement - Four ports	- Deficient infrastructure - Political and economic uncertainty
Opportunities	Threats
- Growing middle class - Growing demand for consumer-oriented products	- New nutritional regulations/health taxes - Peso depreciation

Section I: Market Overview

In 2023, Colombia became the sixth largest destination for U.S. agricultural exports, which reached \$3.7 billion in 2023. Top U.S. agricultural exports in 2023 included corn, soybean products, pork, and ethanol. Top competitors to U.S. agricultural exports to Colombia are Brazil, Argentina, Canada, Ecuador, Chile, and the European Union. Since the U.S.-Colombia Trade Promotion Agreement (CTPA) was implemented in 2012, U.S. agricultural exports have grown by 237 percent. The CTPA immediately removed 88 percent of all agricultural tariff lines, accounting for more than 64 percent of current trade by value, and all remaining tariffs will phase out by 2030. This has helped the United States earn its role as the top supplier of agricultural exports to the country.

Post-pandemic growth in Colombia's food industry is beginning to stagnate due to economic conditions. According to the [Colombian Department of Statistics \(DANE\)](#), Colombia's gross domestic product (GDP) increased by only 0.6 percent in 2023, resulting from lower private consumption levels, high interest rates, and general uncertainty due to changes in labor and pension systems. In 2024, GDP growth is expected to reach 1.3 percent.

Colombia's food processing sector, which represents 28 percent of the country's manufacturing industry, relies on the United States as its top agricultural supplier. The largest segments of this sector include beverages and tobacco, meat and poultry, milled/bakery products, and dairy. A key opportunity for U.S. agricultural exporters to remain competitive in this market is in the growth in demand for ingredients that allow manufacturers to comply with Colombia's increasing nutritional regulations, including front-of-pack labeling requirements and maximum sodium thresholds.

Table 1: Colombian Market Advantages and Challenges

ADVANTAGES	CHALLENGES
CTPA provides preferential product treatment for many U.S. agricultural goods.	Colombia has trade agreements with many other countries, increasing competition with U.S. products.
The United States holds a reputation for producing high quality agricultural products.	Colombian per capita consumption for processed products is still relatively low compared to other countries in the region.
Increased acceptance of American style restaurants provides an avenue for introducing U.S. recipes and food ingredients into the Colombian diet.	Colombian peso fluctuation hurts U.S. export competitiveness.
Growing tourism increases demand for raw materials and ingredients.	There is an overarching cultural perception that frozen and canned food products are unhealthy and lack quality.
Growing urbanization has increased processed food sales.	Internal transportation costs from ports of entry are high due to poor infrastructure.
The market for healthy and sustainable products is growing.	Cold chain infrastructure is deficient and increases logistical costs.

U.S. food suppliers and manufacturers have a positive reputation for food safety, availability, quality, and delivery.	New nutritional regulations create additional burdens on regulatory compliance, including front of pack labeling rules and sodium content requirements.
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Section II: Roadmap for Market Entry

Entry Strategy

For U.S. exporters entering the Colombian market, it is recommended to start with market research to better understand competitors, consumer preferences, and the business environment. Additionally, exporters should understand Colombian standards and regulations to avoid clearance delays at ports of entry. Critical considerations for market entry include:

- Build relationships with large importers and wholesalers/distributors;
- Be willing to send samples and provide detailed product information;
- Highlight social responsibility and sustainability in marketing;
- Develop ways to meet the needs of the Colombian market, ideally through personal visits, to have a greater understanding about the market and identify needs of buyers and developing trends;
- Consider consolidation when exporting small amounts of product;
- Develop business relationships with top executives (i.e. marketing directors and purchasing managers);
- Participate in local trade and promotion shows and food festivals, such as [Agroexpo](#), [Alimentec](#), and [Expo Alimentos](#);
- Participate in trade delegations;
- Attend trade events in the United States like the [IFT event and expo](#), [National Restaurant Association Show](#), the [Sweets and Snacks Expo](#), or the [Americas Food and Beverage Show](#), which provide opportunities to meet and educate Colombian importers;
- Develop Spanish marketing/communication materials;
- Work closely with local importers to comply with food import regulations to facilitate the registration and import of food products and minimize port of entry risks; and,
- Support the importer with promotional campaigns.

For more information on doing business in Colombia, see [GAIN Exporter Guide](#) and [Colombia Country Commercial Guide](#).

Import Procedure

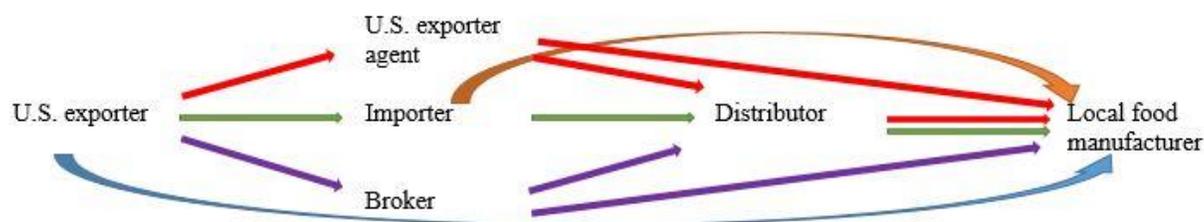
The Ministry of Commerce, Industry and Tourism ([MINCIT](#)) and the National Tax and Customs Directorate ([DIAN](#)) are responsible for the administration of overall import-export operations and customs procedures, respectively. Colombian importers must be registered with MINCIT. All U.S. exporters should verify that the importer has obtained the legal authorization from MINCIT to import food and agricultural products and, depending on the type of product to be imported, other government authorities, including the [Colombian Institute for Agriculture and Livestock \(ICA\)](#) and the [National Institute for the Surveillance of Food and Medicines \(INVIMA\)](#).

ICA has the regulatory authority over production, manufacturing, and use of agricultural inputs, feed, feed ingredients and non-processed agricultural commodities. INVIMA is the regulatory authority responsible for regulating food safety and sanitary conditions of products sold, directly or indirectly, for human consumption. More information on Colombia’s import procedure is available in the [FAIRS Annual Country GAIN Report](#).

Distribution Channels

Depending on the Colombian food manufacturer’s size and the product, U.S. food ingredients move from the exporter through an agent, importer, broker, and distributor, or go directly to the food producer.

Figure 1: Food Ingredient Distribution Channels



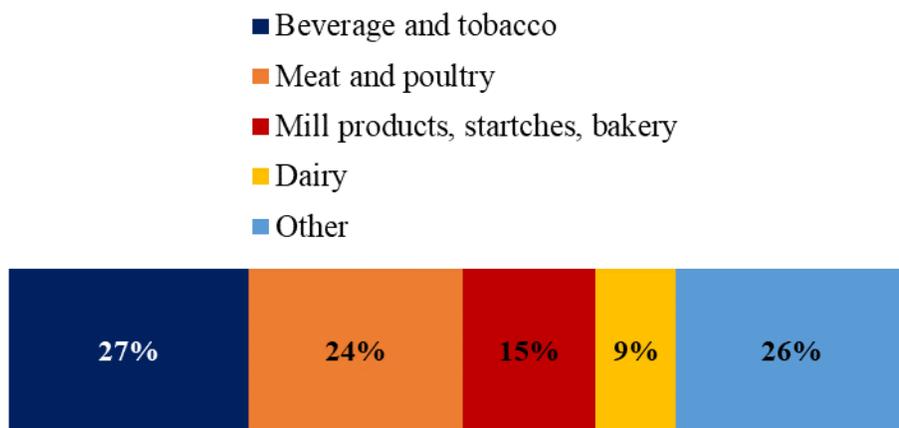
Market Structure

Colombian food and beverage industry production represents 28 percent of the country’s total manufacturing by value. According to DANE, the food industry decreased 2 percent in 2023 due to lower consumption levels that were affected by high inflation and interest rates. Only two sectors showed growth in 2023: meat and poultry (2 percent), and beverage and tobacco products (3 percent).

Share of Major Segments in the Food Processing Industry

As shown in Graph 1, the beverages and tobacco, meat and poultry, and mill and bakery sectors represent the largest share of Colombia’s food industry production.

Graph 1: Market Share of Food Processing Industry Segments in Colombia, 2023



Source: DANE

Table 2 provides information about several large and medium-sized food manufacturing and processing companies in Colombia that are current or potential buyers of U.S. food and agricultural products.

Table 2: Colombian Company Profiles and Company Products

Company	Production Lines	End-Use Channels
Grupo Nutresa	Cold cuts, snacks, cookies, crackers, confectionary products, coffee, pasta, and ice cream	Wholesaler and retailer
Colanta	Dairy products, refreshments, cold cuts, wine, bottled water	Wholesaler and retailer
Alpina	Dairy products, juices, almond milk	Wholesaler and retailer
Colombina	Confectionary products, juices, sauces, cookies and crackers, ice cream, coffee, olive oil, snacks	Wholesaler and retailer
Nestlé de Colombia	Cookies, crackers, confectionary products, coffee, baby formula, powder milk, breakfast cereal, tea, chicken base	Wholesaler, foodservice, and retailer
Pepsico Colombia	Snacks, soft drinks	Wholesaler and retailer
Harinera del Valle	Corn and wheat flours, crackers and cookies, pasta, sunflower, canola, olive and vegetable oils, brownies, cake and pancake mixes, sauces, wraps, balsamic and white vinegars, margarines	Wholesaler and retailer
Ingredion	Starches, flours, fruit and vegetable concentrates, extracts, sweeteners, proteins	Food industry, wholesaler, and retailer
Alimentos Polar	Soft drinks, flours, oils, margarine, pet food, and breakfast cereals	Wholesaler and retailer
Alianza Team	Vegetable oils and fats	Wholesaler, foodservice, and retailer
Levapan	Flour, raisins, prunes, almonds, peanuts, sesame seeds, fats, jams, starches, sauces, jelly, vinegar, baby food, canned vegetables, juices, baking soda, color additives, flavors	Food service, wholesaler, and retailer
Bimbo de Colombia	Bread, buns, sweet baked goods, tortillas, and snacks	Wholesaler and retailer

Sector Trends

Health and Wellness Products: Low fat, sodium, sugar, and artificial additive products, as well as high vitamin and mineral products, are in higher demand by Colombian consumers. Healthy snacks are a growing segment that demands ingredients that provide fewer preservatives, additives, and chemicals. Processors are also finding innovative ways to use local fruits, such as cape gooseberries and borjojo, to develop products with new flavors and wellness/nutritional benefits. There is also a rise in demand for plant-based products that include substitutes for milk, cheeses, and animal proteins.

Sauces, Dressings and Condiments: There are two main trends in this sub-sector: brand penetration and innovation in products and product packaging. Consumers are buying more branded products based on uniform quality at reasonable prices. In general, Colombian consumers are loyal to traditional brands and demand healthier products, such as low-fat sauces (canola and olive oil mayonnaise), sauces for Asian food preparations (soy and teriyaki sauce and BB-Q sauce for ribs), and sauces free of preservatives and artificial flavors/colorants. Although ketchup continues to be the preferred sauce, mayonnaise, mustard, ranch, and other sauces have gained presence in the market. [Unilever](#) is the leading company in this category, followed by [Quala](#) and [Nestle](#).

Canned/Preserved Food: This category is increasing in popularity due to urbanization, income shifts, and convenience. For canned goods, Colombians are primarily consumers of canned tuna, but the market for other canned/preserved products, such as meat, beans, tomatoes, and soups is slowly expanding. Due to the high variety of fresh fruits and vegetables available in the local market, preserved fruits and vegetables are not very popular. New competitors have arrived in the market, offering a wide variety of products according to price and packaging needs. [Seatech International](#) is the leading canned/preserved food company.

Frozen Processed Food: Although consumers perceive frozen food as unhealthy and over processed, urbanization and dual income households have expanded the market for frozen meals, meat, fruits, and vegetables. Frozen processed potatoes, frozen ready-to-eat meals, frozen pizza and frozen vegetables are the most preferred products. Market opportunities for these products are mostly for the institutional sector and target single-person households. [Grupo Nutresa](#) has a wide portfolio of frozen processed food products, including potatoes, pizza, chicken nuggets, and hamburgers.

Dairy: Colombian dairy imports are mostly cream, whey protein, milk powder and other product ingredients, such as casein. Consumers prefer fresh cheese, which is available in modern retail stores and in local wet markets and mom and pop stores due to local artisanal production. Even though hard cheese is seen as expensive, retailers like [PriceSmart](#), [D1](#) and [Jumbo](#) are introducing different cheese varieties. Greek yogurt consumption is on the rise as it is perceived as a healthy product. The dairy manufacturing sector in Colombia includes domestic and multinational companies, such as [Nestle](#), [Parmalat](#), and [Danone](#), and domestic brands include [Colanta](#), [Alpina](#), and [Alqueria](#).

Bakery: Bread consumption per capita is relatively still low at 22 kilograms (48 pounds) compared to other Latin American countries, such as Chile (98 kilograms/216 pounds), Argentina (82 kilograms/180 pounds) and Uruguay (55 kilograms/121 pounds). There is a perception among Colombians that bread is not nutritional and is related to weight gain. In addition, there is a lack of innovation in the bakery sector, although high-end, gourmet bakeries have increased in popularity where most ingredients are sourced internationally. The branded bread companies in Colombia include [Bimbo](#), [Productos Ramo](#), [Comapan](#), and [Quala](#), among others. These companies produce various types of bread products that differ from traditional bakeries and specialize in buns for hamburgers and hot dogs, in addition to sliced bread, toasts, cakes and brownies. They have launched new products such as artisanal bread and bread with grains and seeds to appeal to consumers looking for healthier products.

Chilled Processed Food: Chilled meat and poultry products are in high demand in urban areas. According to Euromonitor, most of the Colombian chilled processed food market is in processed meats or poultry, and a minor share for chilled ready-to-eat meals. However, preference for chilled processed

food has always been higher than for frozen products. Mexican, Italian, and Chinese preparations are preferred by consumers when buying ready-to-eat-meals. [Grupo Nutresa](#) leads in this category with 60 percent market share.

Oils and Fats: Colombia is a major producer of palm oil. Olive oil and rapeseed oil sales have grown due to increasing consumer preferences for healthier oils. [Alianza Team](#) leads the sector, offering soybean, sunflower, and olive oil, followed by [Grasco](#) with sunflower and corn oil, and margarine.

Confectionery: This industry is an economic engine in Colombia, generating more than 25,000 jobs with a strong history of production and exports. An estimated 36 percent of Colombians consume confectionary products on a daily basis. The sector regularly sources raw materials from foreign suppliers, including dairy products and glucose. Consumers are interested in innovative products with features such as low-sugar, gluten-free, hand-made, new flavors, and additive-free. Two domestic firms, [Grupo Nutresa](#) and [Colombina](#), lead the sector over multinationals, such as [Ferrero](#) and [Nestlé](#).

Beverages: The beverage sector has expanded, especially for flavored water and teas. Per capita consumption of non-alcoholic beverages is 131.4 liters (34.71 gallons) per year, slightly lower than neighboring countries. Preferred beverages for Colombia are sodas and bottled water. [Postobon](#) (domestic firm) and [Femsa](#) (Coca Cola) lead the sector. Along with a growing cocktail culture, mixers and tonic waters are becoming more common in the market. Beer is the most highly preferred alcoholic beverage. Per capita beer consumption is 55 liters per year (14.5 gallons). Wine sales have grown in recent years due to income shifts and urbanization. The main wine suppliers remain Argentina and Chile. *Aguardiente* is the national liquor and is only produced by monopolistic public/private ventures in specific regions of the country. The primary source of whisky is the United Kingdom, although consumer interest in U.S. whiskeys and bourbons is growing.

Section III: Competition

In 2023, the United States held 25 percent of the market share of food ingredient exports to Colombia. The main competitors in this sector are Brazil (24 percent market share), Bolivia (7 percent market share), China (4 percent market share), and Chile (4 percent market share).

For more information, please see [Food Service - HRI GAIN Report](#) and the [Food Retail Industry GAIN Report](#).

Section IV: Best Product Prospects

Products Present in the Market with Good Sales Potential

Colombia is a fast-growing market for value-added food products, especially in health food categories. Surveyed retailers and food importers feel there is significant potential for new products in all food categories. Organic food products are a growing trend, and retailers are searching for the best suppliers.

Products Not Present in Market with Good Sales Potential

Post has identified good sales potential for ingredients that substitute/replace fats, sugar, and/or sodium. Additionally, new vegetable proteins such as hemp and canola, although the first one is highly regulated

in Colombia, would complement the current developing vegetable protein portfolio. Superfruits, such as berries, that are not present in the market are interesting for developing functional food products. Craft beer growing demand opens opportunities for innovation in hops to provide new product attributes.

Product Not Present due to Significant Barriers

The introduction of new U.S. processed meat products has been affected due to the decreasing number of U.S. states that can issue Certificates of Free Sale (COFS) for those products. Per Resolution 2674 of 2013, INVIMA (Colombian FDA equivalent), requires importers to submit a COFS when registering a new food product for sale in Colombia.

Links to Top Food Processing Companies

[Grupo Nutresa](#)

[Colanta](#)

[Alpina](#)

[Colombina](#)

[Nestlé de Colombia](#)

[Pepsico Colombia](#)

[Harinera del Valle](#)

[Ingredion](#)

[Alimentos Polar](#)

[Alianza Team](#)

[Levapan](#)

[Bimbo de Colombia](#)

Section V: Key Contacts and Further Information

- **Colombian government sources**

[Colombian Department of Statistics \(DANE\)](#)

[Colombian Central Bank \(Banrep\)](#)

- **Colombian Government regulatory agency contacts**

Phytosanitary and Zoosanitary Requirements

Ministry of Agriculture and Rural Development ICA (APHIS counterpart)

Edilberto Brito

Deputy Manager Animal Health Protection

Tel. +(57) 601-7563030 ext. 3201

e-mail: subgerencia.animal@ica.gov.co

Alberto Rosero

Deputy Manager Plant Health Protection

Tel: +57-601-7563030 ext. 3101

e-mail: subgerencia.vegetal@ica.gov.co

Food Product Registration and Health Permits

Ministry of Health and Social Protection INVIMA (FDA counterpart)

Alba Jimenez (in charge)

Director Division of Food and Alcoholic Beverages

Phone: +(57) 601-7422121 Ext. 4001

e-mail: ajimenezt@invima.gov.co

More information available at [FAIRS Annual Country GAIN Report](#)

- **Colombian ministries responsible for food policies and import policies**

Customs Clearance

[National Tax and Customs Directorate \(DIAN\)](#)

Import-export operations

[Ministry of Commerce, Industry and Tourism \(MINCIT\)](#)

Food Product Registration and Health Permits

[Ministry of Health and Social Protection](#)

Phytosanitary and Zoosanitary Requirements

[Ministry of Agriculture and Rural Development](#)

- **U.S. Embassy links**

Website

[U.S. Embassy in Colombia](#)

Social media channels

[X](#)

[Facebook](#)

[Instagram](#)

[Youtube](#)

[Flickr](#)

[LinkedIn](#)

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Attachments:

No Attachments