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Report Highlights:

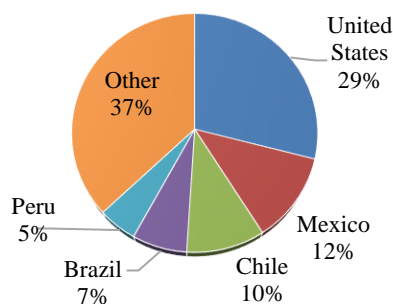
Food service sales in Colombia grew in 2023, increasing by seven percent to \$14 billion. Growth is likely to slow in 2024 due to economic stagnation and reductions in non-essential household expenditures, especially due to high food inflation. Despite economic challenges, growing tourism and business travel to major Colombian cities and urbanization are creating opportunities to expand U.S. exports. In 2023, Colombia imported \$2.7 billion of consumer-oriented agricultural products.

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.

Consumer-Oriented Agricultural Imports

Graph 1: Top Exporting Countries to Colombia for Agricultural Products in 2023



Source: TDM

Food Retail Industry: According to the Colombian Department of Statistics (DANE), Colombia's retail sales decreased 1.7 percent in 2023 due to the economic slowdown. Food accounted for the largest share of household expenditures (38 percent). Small local grocers (44 percent), discounters (17 percent), and food/drink/tobacco specialists (15 percent) are the preferred retail formats. Food e-commerce sales continued to expand in 2023, growing at 35 percent.

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

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 (USD \$2.7 billion)

Top 10 Growth Products in Colombia, 2022 to 2023

1 Beer (+34%)	2 Eggs & products (+23%)
3 Fresh vegetables (+16%)	4 Pork & pork products (+10%)
5 Nursery products & cut flowers (+7%)	6 Fresh fruits (+7%)
7 Condiments & sauces (+6%)	8 Roasted coffee and extracts (+4%)
9 Processed vegetables (+1%)	10 Tobacco (+1%)

Food Industry by Channels (U.S. billion)

Retail Food Industry	\$45*
Food Service-HRI	\$14**
Food Processing	\$12**
Food and Agriculture Exports	\$10**

*Euromonitor **DANE

Top 10 Host Country Retailers (by sales)

1 Grupo Exito	2 D1
3 Jeronimo Martins	4 Alkosto
5 Olimpica	6 Cencosud Colombia
7 PriceSmart	8 Makro
9 Supertiendas Canaveral	10 Mercado Zapatoca

GDP/Population

Population (millions): 52
GDP (billions USD): \$363.8
GDP per capita (USD): \$6,976

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

Strengths/Weaknesses/Opportunities/Threats

<i>Strengths</i>	<i>Weaknesses</i>
- Diverse retail market - U.S. trade agreement - Four ports	- Deficient infrastructure - Economic stagnation
<i>Opportunities</i>	<i>Threats</i>
- Growing middle class - Growing demand for consumer-oriented products	- New nutritional regulations/health taxes - Peso depreciation

Section I: Market Summary

According to the [Colombian Department of Statistics \(DANE\)](#), Colombian economic growth slowed in 2023, with gross domestic product (GDP) increasing by 0.6 percent. This is a result of lower private consumption levels, high inflation, and general uncertainty due to major changes in tax, labor, and pension systems. For example, President Gustavo Petro has introduced a labor reform bill as one of its flagship policies, which if implemented, would increase costs for the food service sector due to changes in working hours and overtime pay. The OECD is estimating a GDP growth rate of 1.8 percent for 2024 and 2.7 percent in 2025.

Despite its economic challenges, food service sales in Colombia grew in 2023, increasing by seven percent to \$14 billion (according to DANE). The HRI sector remains highly informal in Colombia, though urbanization, increasing dual income households, and a growing flow of tourists is driving expansion in the sector and formalization. Major Colombian cities are strengthening their reputation as top tourist and business destinations such as Bogota, Medellin, Cartagena, and Barranquilla. Foreign visitors mainly come from the United States, Mexico, and countries in South America. In 2023, Colombia imported \$2.7 billion of consumer-oriented food products. The United States was the top supplier.

The [Food Processing Ingredients GAIN Report](#), the [Food Retail Industry GAIN Report](#), and the [Exporter Guide](#) provide data and analysis on Colombian food trends. The [2024 Investment Climate Statements: Colombia](#) provides further information about the country's economic and political environment.

Advantages and Challenges

Table 1: Advantages and Challenges for U.S. Exporters

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, quality, and reliable delivery.	Many new nutritional regulations create additional burdens on regulatory compliance, including front of pack labeling rules and sodium content restrictions.

Section II: Roadmap for Market Entry

Entry Strategy

Any U.S. exporter entering the Colombian market should understand customer needs, purchasing preferences, and Colombian standards and regulations, especially to avoid clearance delays at ports of entry. Recommendations to consider before entering the Colombian market include:

- Conduct market research to better understand competitors, consumer preferences, and the business environment
- Build relationships with large importers and wholesalers/distributors
- Highlight social responsibility in marketing techniques by using sales to generate funding for social programs
- 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 (marketing directors, purchasing managers, etc.) and expose them to U.S. business practices
- Participate in local trade and promotion shows, as well as food festivals, such as [Agroexpo](#), [Alimentec \(a USDA-endorsed show\)](#), [Expovinos](#), [SaborBarranquilla](#), [Expo Alimentos](#), and [ExpoBar](#) to learn about consumer trends
- Participate in trade delegations such as those offered by the State Regional Trade Associations [WUSATA](#), [SUSTA](#), and [Food Export Association of the Midwest and the Northeast](#)
- Attend trade events like the [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 who often attend these shows
- 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
- Support importers with promotional campaigns, providing up-to-date content about the company and the product, high-quality footage, promotional material, among others
- Keep monitoring consumer tastes and trends to adapt the marketing campaign when needed.

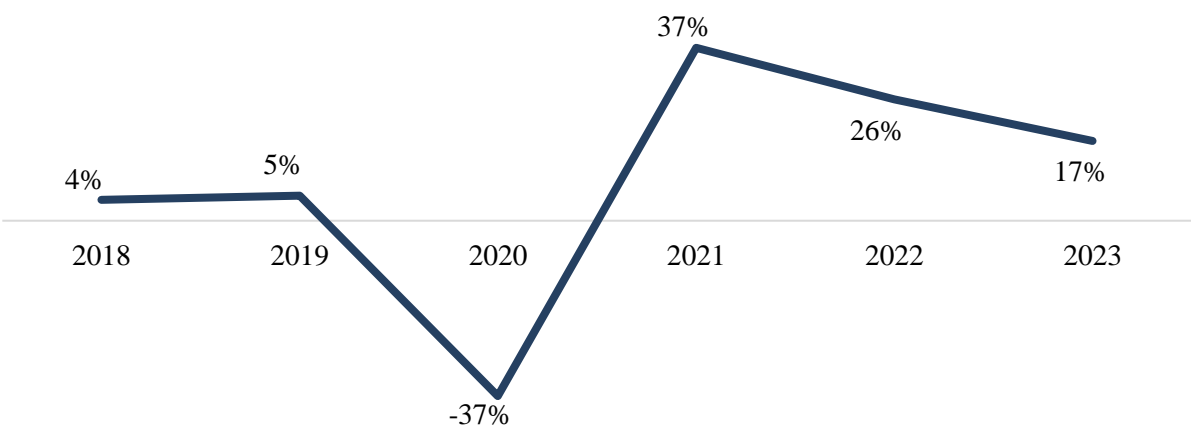
For more information on doing business in Colombia, see [Colombia Country Commercial Guide](#).

Market Structure

According to DANE, Colombia's accommodation and restaurant sales reached \$14 billion in 2023, a 7 percent increase from 2022. According to Euromonitor, food service sales increased by 17 percent (excludes hotels). However, the [Colombian Hotel and Tourism Association \(COTELCO\)](#) and the Colombian Association of Restaurants (ACODRES) point to lower occupancy rates and high inflation as key challenges to expanding growth. The growth forecast for 2024 is projected to slow, driven by stagnation in the economy, high food inflation rates, a higher unemployment rate, and lower household expenditures. According to the Colombian Center for Economic and Social Research, Colombian consumer confidence has fallen, leading to lower expenditures in non-essential services such as eating out and tourism.

The HRI sector in Colombia is rapidly expanding digital platforms, increasing its focus on sustainability to win customers over, offering more niche products, and experiencing higher rates of business tourism. Hotels and restaurants are developing digital tools not just for delivery services, but also for customer service management. In response to growing consumer concerns over sustainability, restaurants and hotels are increasingly offering seasonal menus that source local products. They are also combining these efforts with offering plant-based and low fat/sugar/gluten-free products to consumers to accommodate their preferences and dietary restrictions. Business tourism is on the rise and private organizations, led by the Colombian Ministry of Commerce, Industry, and Tourism, are working to cement Colombia as a regional leader for corporate tourism. Cities such as Bogota, Medellin, Cartagena, and Barranquilla have built reputation as venues with good infrastructure for corporate events and appealing tourism activities.

Graph 2: Food Service Sales in Colombia – Average Annual Growth (%)



Data Source: Euromonitor (excludes hotels)

Restaurant chains are well established and recognized by consumers. They have benefited from standardized menus and formats, providing confidence to consumers who know what to expect. Independent brands offer a wide variety of options and innovative menus, including non-traditional ingredients and flavors from other cultures. For independent brands, Colombians are willing to pay more. Small informal restaurants, which are often preferred by workers and students, are found all over the country.

According to ACODRES, the market share of independent outlets is close to 95 percent in Colombia. Some American restaurant and fast-food chains present in the market are [Burger King](#), [Dunkin' Donuts](#), [Hard Rock Café](#), [Hooters](#), [McDonalds](#), [Subway](#), [KFC](#), [Domino's](#), [Papa John's](#), and [Starbucks](#). The largest local restaurant chains are [Frisby](#), [El Corral](#), [Crepes & Waffles](#), and [Archie's](#).

Table 2: Largest Restaurant Chains in Colombia, 2023

Company	Sales (\$ million)	Outlets	Website
Frisby	\$197	265	https://frisby.com.co/
Crepes & Waffles	\$165	177	https://crepesywaffles.com/
IRCC (El Corral)	\$161	211	https://www.elcorral.com/
Arcos Dorados (McDonald's)	\$156	80	https://www.mcdonalds.com.co/
Inversiones Int Colombia (KFC)	\$116	112	https://www.kfc.co/

Data Source: Company Websites

The country's hotel supply is wide and diverse and includes both chains and a large offering of independent, boutique hotels. The main travel motivations for Colombians are leisure (58 percent) and business (35 percent). In 2023, foreign visitors were mainly from the United States (27 percent), Mexico (8 percent), Ecuador (8 percent), Venezuela (6 percent), Peru (5 percent), and Panama (5 percent).

Colombia's HRI industry has been seriously impacted by food inflation. Consumers are very sensitive to price changes. Therefore, small restaurants have adapted their menus and portion sizes to mitigate inflation effects. Due to COVID-19 impacts on the sector, the government of Colombia previously suspended consumption taxes for restaurants, which returned in 2023 and led to an increase in prices.

Distribution

Only big restaurant and hotel chains directly import food and beverages. Other smaller businesses purchase inputs from importers and/or distributors. Companies such as [La Recetta](#), [Unilever Food Solutions](#), and [Makro](#) have specialized in supplying food and beverages to the HRI industry. Some other companies such as [Estrena Tienda Horeca](#), [Restit](#), [Natural Foods](#), and [JDH Distribuciones](#) have strengthened their online presence to supply products to the food service sector.

Table 3: Colombian Food Service Suppliers by Product

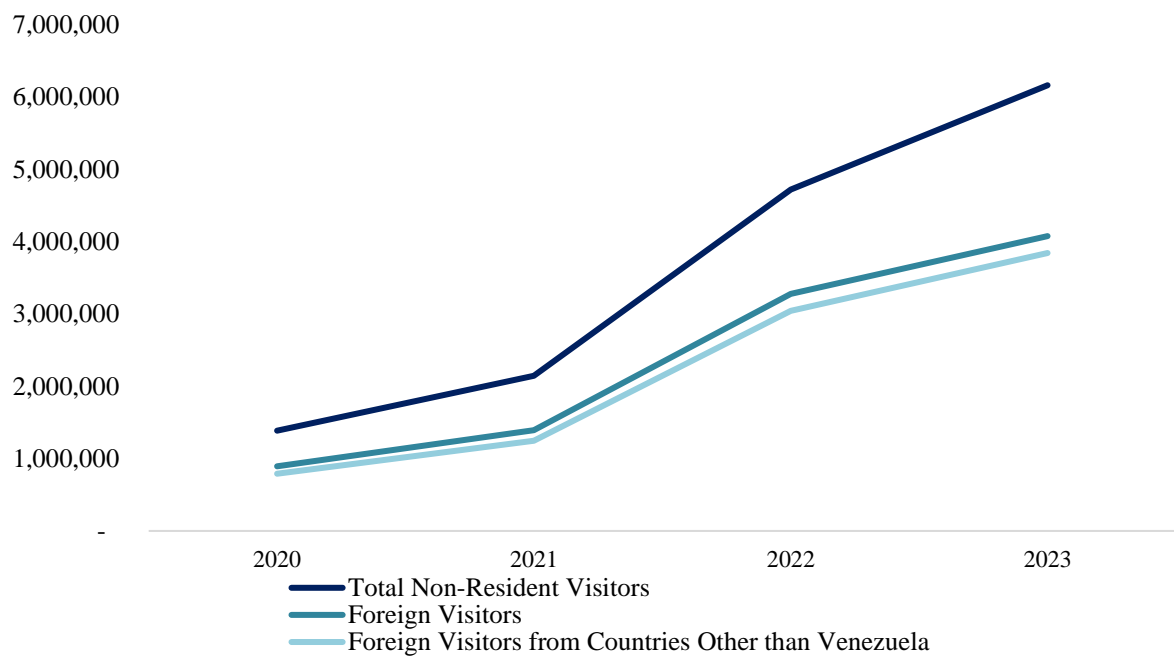
Beef, pork and poultry	Foodbox Meico Atlantic La Fazenda Cervalle Bucanero MacPollo	Dairy	Alpina Colanta Alqueria
Alcoholic beverages	Dislicores Bavaria Nacional de Licores	Seafood	Ancla y Viento Antillana Atlantic
Condiments	El Rey Natucol	Pulses	Dicomer Granos y Cereales La Perla SuDespensa

Hotels

Most hotels in Colombia are family businesses, although there are some international chain hotels and resorts. Main international chain hotels and resorts present in Colombia are [NH Hotel Group](#), [Decameron Hotels & Resorts](#), [GHL Hotels](#), [Hilton](#), [Accor](#), [Marriott](#), [Hyatt](#), and [Best Western](#).

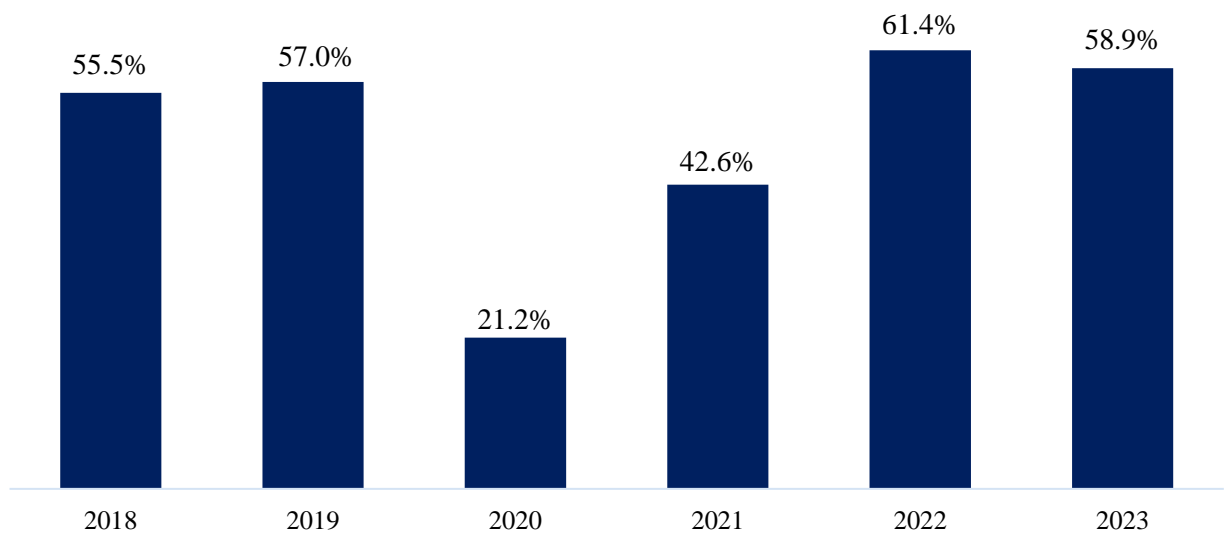
Tourism grew in 2023 in Colombia, with the Ministry of Commerce, Industry, and Tourism estimating an increase of 31 percent in non-resident visitors to Colombia compared to 2022. Cruise ship visitors saw the largest increase from 2022, growing by 106 percent to 345,285 visitors in 2023. Visitors between January and October 2024 increased by 9.4 percent compared to the same period in 2023.

Graph 3: Non-Resident Visitors to Colombia, 2020-2023 (# of visitors)



Data Source: Colombian Ministry of Commerce, Industry, and Tourism, September 2024 Report

Graph 4: Colombia Hotel Average Annual Occupancy Rates, 2018-2023 (%)



Source: COTELCO

Restaurants

According to Euromonitor, restaurant, catering, and bar service sales grew 17 percent in 2023 in Colombia. ACODRES remains concerned that growth is still constrained by high food inflation which diminished profits, hurt employment generation, and resulted in higher prices for final consumers. Informal restaurants, which currently represent over 70 percent of the market, are expected to see an increase in market share in 2024 since they offer more affordable meals and consumers are highly sensitive to price changes.

Quick service and fast-food restaurants are growing in popularity and are strategically located around working areas. They currently represent one-third of the restaurant market in Colombia. The convenience of fast-food restaurants supports dual income, working households that have little time to prepare traditional meals on a moderate income. Preferred foods for Colombians when eating-out are chicken, hamburgers, and crepes. In addition to Colombian preferences for fast-food restaurants, consumers have a growing affinity for fast casual restaurants where they can find higher quality food at affordable prices. Main restaurant operators that offer fast-food include [Frisby SA](#), [Hamburguesas El Corral](#), and [McDonald's Corp.](#)

Consumer demand for healthy food has resulted in new menu offerings such as plant-based proteins, and low-fat and sugar-free options. Additionally, waste food management is now more relevant for the sector since it represents a growing consumer concern along with social responsibility and sustainability practices. Some restaurants that highlight their social responsibility are [Wok](#) and [Crepes & Waffles](#).

Institutional Sector

Schools: According to DANE, approximately 24 percent of the Colombian population is of school age (between 0 and 14 years old). Most schools contract with catering companies to serve lunch versus preparing food on-site. Foods prepared at schools is purchased wholesale at establishments specializing in food services for schools. Sales of imported products for this purpose are not significant; however, there is potential for growth in U.S. consumer-oriented-products, such as fruits, beverages, and nutritional snacks. There are regulations that require public school food service providers to procure at least 30 percent of food from small, presumably local farmers.

Table 4: Colombian Companies in Food Service for Schools

Mr. Food Happy Eating	Goddard Catering Group	Food Services de Colombia
Sapore	Servinutrir	Ibeaser
Alimentos Colomer	Compass Group	Restaurantes Serviexpress

Colombian Government Programs: The government of Colombia sponsors several programs aimed at improving nutritional standards for children attending public schools and addressing child malnutrition in low-income families. The food assistance programs aim to provide a nutritionally balanced lunch supplement and approximately reach approximately 6 million children, nursing mothers, the elderly, and homeless. [The Colombian Family Welfare Institute \(ICBF\)](#) and all regional educational offices implement food assistance programs. Program implementers source high-nutritional and low-price food products, including pulses, rice, wheat and corn flours, and fruits. By regulation, these programs should source at least 30 percent of the food from small farmers.

Social and Country Clubs: There are almost 80 high-end social clubs in Colombia, offering sports facilities and restaurant opportunities. Most of them are in Bogota, Medellin, Cali, and Barranquilla. Social clubs are a good market for upscale imported food products. Social and country clubs source their food and beverage stocks from specialized food service establishments and importers of fine foods and wines.

Section III: Competition

Colombian imports of consumer-oriented products from all suppliers totaled \$2.7 billion in 2023. Main competitors for U.S. consumer-oriented products in the country are Mexico, Chile, and Brazil. These countries also have free trade agreements with Colombia. More information on Colombia's free trade agreements and current negotiations available at [FTA-Colombia](#).

Table 5: U.S. Market Share and Competition for Colombian Imports, 2023

Product Category	Value (USD million) of Colombian Imports 2023	U.S. Market Share	Main Competitors to United States
Pork and pork products	\$346	72%	Canada (15%)
Dairy products	\$332	41%	Mexico (9%) Bolivia (8%) Ireland (8%)
Soup and other food preparations	\$287	23%	Brazil (24%) Mexico (13%) Peru (11%)
Processed vegetables	\$199	10%	Belgium (33%) Netherlands (12%)
Fresh fruit	\$193	9%	Chile (52%) Peru (17%)
Distilled spirits	\$174	4%	United Kingdom (45%) Mexico (32%) Italy (10%)
Bakery goods, cereals and pasta	\$131	9%	Peru (29%) Italy (16%) Mexico (15%)
Tobacco	\$122	0.2%	Mexico (49%) Brazil (28%)
Dog and cat food	\$107	40%	Brazil (36%)
Wine and related products	\$74	2%	Chile (36%) Argentina (17%) France (16%)

Source: TDM

Section IV: Best Product Prospects

Table 6: Top Consumer-Oriented Products Imported by Colombia from the World (USD million)

Product	2019	2020	2021	2022	2023	Change 2022/23
020329 Frozen meat of swine	\$204	\$136	\$255	\$273	\$300	10%
210690 Food preparations	\$277	\$220	\$253	\$293	\$280	-4%
240220 Cigarettes containing tobacco	\$79	\$105	\$102	\$114	\$117	2%
080810 Fresh apples	\$93	\$95	\$100	\$100	\$106	9%
230910 Dog and cat food	\$50	\$64	\$89	\$118	\$107	-9%

Source: TDM

Table 7: Top Consumer-Oriented Products Imported by Colombia from the United States (USD million)

Product	2019	2020	2021	2022	2023	Change 2022/23
020329 Frozen meat of swine	\$191	\$130	\$210	\$218	\$238	9%
040210 Milk powder, fat content not exceeding 1.5%	\$40	\$65	\$59	\$78	\$79	0%
210690 Food preparations	\$71	\$58	\$68	\$74	\$66	-11%
020714 Frozen chicken cuts and edible offal	\$86	\$67	\$93	\$83	\$48	-42%
230910 Dog and cat food	\$28	\$31	\$41	\$52	\$43	-17%

Source: TDM

Products Present in Market with Good Sales Potential

Colombia is a fast-growing market for value-added food products, especially in health food categories, such as plant-based snacks and functional food products. Surveyed retailers and food importers feel there is significant potential for new products in all food categories. Organic and healthy (low sugar/fat/sodium) food products are a growing trend, and retailers are searching for the best suppliers, including private label options.

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 canola would complement the current developing vegetable protein portfolio. Superfruits, such as berries, that are not present in the market have the potential to gain market share. Growing demand for craft beer opens opportunities for innovation in hops to provide new product attributes.

Products Not Present in Market 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. Colombia set maximum thresholds of sodium for processed products through Resolution 2013 of 2020, impeding imports of high-sodium content products such as seasoned butter, specialty cheese, and deli meats.

For information on import regulations and procedures see [FAIRS Annual Country GAIN Report](#).

Section V: Key Contacts and Further Information

○ Government sources for data

Colombian Department of Statistics (DANE)	Colombian Central Bank (Banrep)
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○ Government regulatory agency contacts

Phytosanitary and Zoosanitary Requirements	Food Product Registration and Health Permits
Ministry of Agriculture and Rural Development ICA (APHIS counterpart) Alfonso Araujo Deputy Manager Animal Health Protection Tel. +57-601-7563030 ext. 3201 e-mail: subgerencia.animal@ica.gov.co Luis Gerardo Arias Deputy Manager Plant Health Protection Tel: +57-601-7563030 ext. 3101 e-mail: subgerencia.vegetal@ica.gov.co	Ministry of Health and Social Protection INVIMA (FDA counterpart) Alba Jimenez Director Division of Food and Alcoholic Beverages Phone: +57-601-7422121 Ext. 4001 e-mail: ajimenezt@invima.gov.co

○ Ministries responsible for food policies

Customs Clearance National Tax and Customs Directorate (DIAN) attached to the Ministry of Finance and Public Credit	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 in Colombia

Website	Social media channels	
U.S. Embassy in Colombia	X Facebook Instagram	Youtube Flickr LinkedIn

Agricultural Affairs Office Physical Address: Carrera 45#24b-27 http://www.fas.usda.gov	Phone: +(57) 601-275-4622 Email: AgBogota@fas.usda.gov
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Attachments:

No Attachments