

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## Guatemala

**Post:** Guatemala

### **Sheep, heifers, machinery, equipment, from Wisconsin**

**Report Categories:**

Livestock and Products

Export Accomplishments - Other

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**Report Highlights:**

A total of 31 sheep, 26 heifers, agricultural machines, and dairy processing equipment were exported from Wisconsin in 2014 to Guatemala with the assistance of FAS Guatemala and the Wisconsin Department of Agriculture, Trade and Consumer Protection. As a result of this success, other business opportunities, such as U.S. imports of soybean meal, coarse grains, genetics, dairy ingredients, and additives have been identified.

## **General Information:**

Guatemala produces approximately 1.8 million liters of milk per day and has a consumption of only 50 liters per capita per year, and is placed as the lowest consumer of milk in Central America. Presently, Guatemala imports a total of US\$170 million and exports US\$900 million of dairy products. Milk production only covers 35 percent of the local demand for the processing industry; therefore, Guatemala relies mainly on imports of milk powder and other dairy ingredients for the manufacturing of dairy products. The common dairy breeds in Guatemala used exclusively for milk production are Gyr and Simmental . They are raised in the southern, eastern and northern part of Guatemala in the Departments of Retalhuleu, Escuintla, Santa Rosa, Jutiapa, Jalapa, Chiquimula, Izabal and Petén; Holstein, Jersey and Brown Swiss mostly raised in the central and western part of the country in the Departments of Guatemala, Chimaltenango, Quetzaltenango, Huehuetenango, and San Marcos.

Sheep breeds available in Guatemala are Corriedale, Romney Mash, British and Manchega. They are mainly raised in the Departments of San Marcos, Petén, and in some departments in the western part of Guatemala. No official data is available in regards to total import/export of animals as production is very little. Some efforts were made by the Ministry of Agriculture, Livestock, and Food in conjunction with members of the Ovine Producers Association to increase the number of farmers dedicated to raise animals and production of milk and other dairy products to sell to the local communities, especially to those areas where there are cases of child malnourishment.

## **Trade success:**

In January 2013, FAS Guatemala was contacted by a local importer searching for information about U.S. sheep breeders in California who were interested in exporting sheep to Guatemala for the production of milk. The importer was looking for breeds in California assuming that because of the environment and climate similarities with Guatemala, the animals could adjust easier.

The local importer has a farm in the Tecpán area (80.8 kilometers from Guatemala City) where the company produces mini vegetables and raises dairy cows. The importer wanted to start a new business to process sheep milk to distribute dairy products to the local market and eventually to the neighboring countries of El Salvador and Honduras. The owner of the farm also owns a high-end restaurant in Guatemala City and some of these products would be part of the menu.

FAS Guatemala reached out to Mr. Enrique Gandara, International Economic Development Consultant at the Wisconsin Department of Agriculture, Trade and Consumer Protection (<http://datcp.wi.gov>) Mr. Gandara made all the logistical arrangements for the importer to meet with different sheep farmers in Wisconsin. During the months of July and October 2014, the importer traveled to Wisconsin to meet with several farmers and was able to do business with Dream Valley Farm, LLC (DVF). DVF is a small farm in Wisconsin that started diversified farm operations in 1991 with a group of purebred registered Rambouillet sheep.

On December 2014, 31 sheep (26 pregnant ewes, 4 rams, and one lamb borne along the way) arrived in Guatemala. The sheep adapted very well to the environment and climate conditions of the farm in

Tecpán, including the change in diet. Currently, they are milking 1,500 liters per week. Since the arrival of the animals, the importer has donated milk to two orphanages in Guatemala City, supporting more than 100 children.

Presently, the processing plant is still inoperative because the importer is waiting to receive all the equipment that he purchased in Wisconsin. The equipment is expected to arrive sometime this summer. When the plant is fully operational, the company plans to continue donating milk to the orphanages, but the majority of the milk will be used for processing dairy products.

In addition to the sheep, the importer met with All Lynn Jerseys in Reedsburg, WI and Hoard's Dairyman Farm in Fort Atkinson, WI and imported 16 pregnant heifers. The Wisconsin Department of Agriculture also arranged for business meetings with several companies resulting in agricultural machinery, laboratory analysis equipment, dairy processing and milking equipment sales. Mr. Gandara was keen in providing guidance to the U.S. exporters on Guatemala's import requirements and procedures not only for the live animals but also for the agriculture and dairy processing machineries.

The Guatemalan importer is in the process of building two new facilities. One facility in Guatemala City where a new laboratory will also be installed for the development of new dairy products. The dairy processing plant will be located in the Department of Chimaltenango (54 kilometers from Guatemala City.)

FAS Guatemala will continue supporting the importer as other business opportunities are being identified, such as U.S. imports of soybean meal, coarse grains, genetics, dairy ingredients, and additives.

Total investment by the local importer:  
30 sheep: US\$19,000.00  
16 heifers: US\$36,000.00  
Equipment: US\$600,000.00 (approx.)

## **U.S. SHEEP**



Photos by: WI Dept. of Agriculture, Trade and Consumer Protection

**Sheep at the Wisconsin farm**

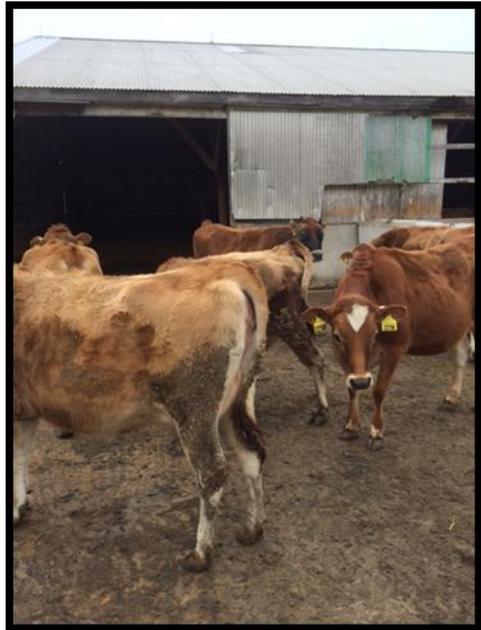


Photos by: WI Dept. of Agriculture, Trade and Consumer Protection

**Sheep arrival in Guatemala**



## HEIFFERS



First-calf Heifer and calve born in Guatemala

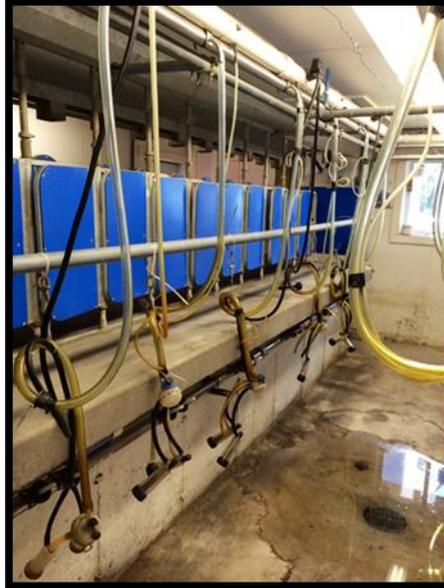
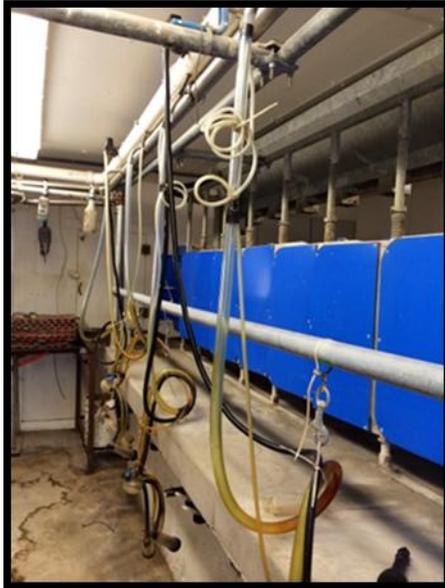


Photos by: WI Dept. of Agriculture, Trade and Consumer Protection

## EQUIPMENT AND MACHINERY

### Milk storage tanks and milking equipment





Photos by: WI Dept. of Agriculture, Trade and Consumer Protection

### Milk sillo and other machinery



Photos by: WI Dept. of Agriculture, Trade and Consumer Protection

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