

Country Market Profile: Caribbean Basin

Market Overview

The Foreign Agricultural Service Agricultural Trade Office (ATO) in Miami, hereinafter referred to as FAS Post Miami, reports that the Caribbean Basin region imported over US\$1.9 billion in processed food products in 2022, which is an all-time record high and an increase of 11%. In 2023, exports of processed foods to the region declined 6% to US\$1.8 billion, which equates to over US\$86 million that goes toward the U.S. trade deficit in food and agricultural products.

Top U.S. processed foods exported to the Caribbean in 2023 included:

- Food Preparations & Ingredients – down 10%.
- Processed/Prepared Dairy Products – down 4%.
- Non-Alcoholic Beverages – up 2%.
- Alcoholic Beverages – down 13%.
- Snack Foods – up 13%.
- Prepared/Preserved Meats up 17%.
- Condiments, Sauces, Jams & Jellies – up 15%.
- Fats & Oils – down 50%.

Euromonitor International, a market research provider, has indicated that the market size of the packaged food retail business in The Caribbean was US\$8.9 billion in 2023, an increase of 36% from 2019, or US\$2.3 billion. They also forecast growth of 32.4% to 2028, or another US\$3.1 billion during the period for a total of US\$12.8 billion from 2024.

High growth categories in the forecast include:

- Baby Food
- Pet Food
- Edible Oils
- Dairy
- Confectionery
- Savory Snacks
- Sweet Biscuits, Snack Bars, and Fruit Snacks
- Sweet Spreads

The Caribbean is a natural market for U.S. exporters. Caribbean importers have a long history of doing business with the U.S. Their strong interest in U.S. products is mainly due to close proximity, long-standing reputation of high-quality products, and superior quality of service. In fact, many local importers have noted that competitors are not able to match their U.S. counterparts in terms of product quality and reliability. The regulatory environment in the islands is also quite receptive toward U.S. products. Given these favorable conditions, it is no surprise that the U.S. is the largest supplier of food products to the Caribbean.

In general, Caribbean buyers rely heavily on consolidators, particularly those located in South Florida, for shipment of mixed container-loads to their local ports. As a result, a crucial part of doing business with Caribbean importers is building a relationship with a consolidator in South Florida (and in New York/New Jersey for those seeking to export to Bermuda). Since some large resorts and supermarket chains often order larger shipments directly from suppliers, the main resource for small- and medium-sized U.S. suppliers are local importers/wholesalers. These importers/wholesalers will work with prospective U.S. suppliers to meet local standards and regulations and find the best distribution channel. They are also likely to stay informed of changing regulations and duties on food and beverage products.

With limited agricultural production, most Caribbean islands rely heavily on imported food products, particularly from the U.S. As tourist arrivals in most islands continue to improve, prospects for further market expansion are always present. This assessment covers the markets where there is a combination of market potential, current information and activity based on overall strategic planning for the medium term. For the 2025 program year it includes The Bahamas and Dominican Republic.