



Food and drinks in Catalonia

April 2018

Sector Snapshot

Food and drinks in Catalonia: Sector Snapshot

ACCIÓ
Government of Catalonia



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Food and drink industry description

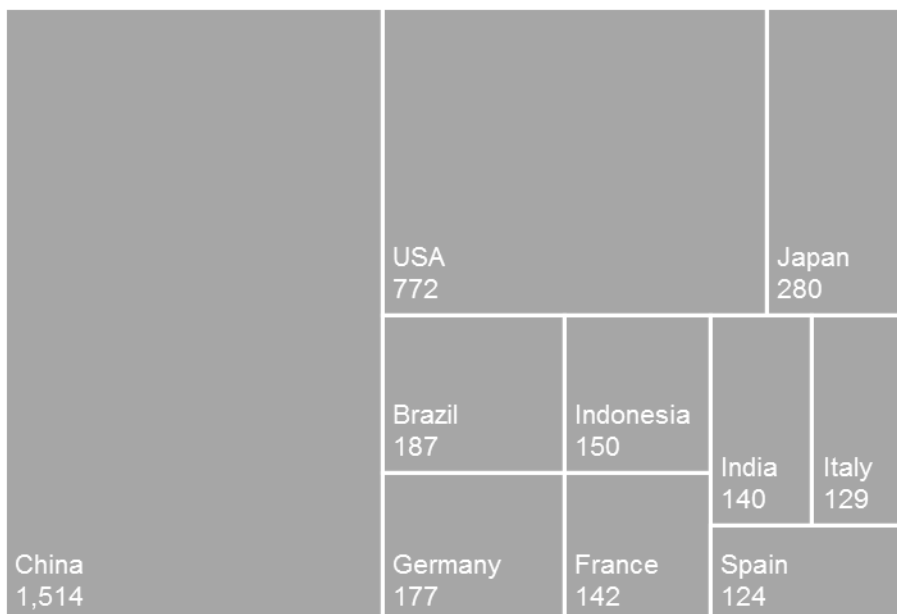
The **food and drink industry** encompasses the entire value chain, from the raw materials and equipment suppliers, through the network of stakeholders involved in developing, producing, processing, packaging, distributing and selling food and beverages, and on to the final consumers.



Font: Own elaboration.

The global food and drink industry

Main global countries by production value in € billion (2016)



Note: The use of these trademarks is for informative purposes only. Trademarks mentioned in this document are the registered trademarks of the companies to which they belong and are not owned by ACCIÓ.

The food and drink industry in the world



€5,633 bn
Global Turnover
(2016)



7.2% growth
Global CAGR between
2016-20

10 companies control most of the global production:

Associated
British Foods
plc

GENERAL
MILLS



Kellogg's

Nestlé



Mondelēz
International

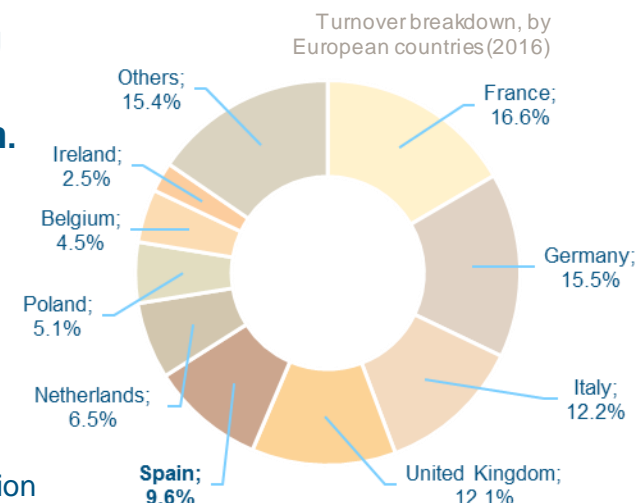


MARS

PEPSICO

The food and drink industry in Europe

- **Largest manufacturing sector.**
- Turnover of **€1.098 bn.**
- **17.3%** share of global exports.
- **EU-28** is the **first exporter** of food and drink products in the world.
- **Spain** holds the **5th position** by turnover.



Source: Euromonitor, Oxfam International, Behind the Brands, FoodDrinkEurope, Data & Trends of the European Food and Drink Industry 2017.

2. The food and drink industry in Catalonia



Food and drink industry in Catalonia

The food and drink industry is the Catalan economy's **largest industrial sector**. Led by meat industries, this sector is highly developed thanks to a thriving ecosystem and the presence of the entire value chain. The Catalan food and drink industry **is well positioned internationally** due to its unique gastronomy, featuring renowned products as wine, cava or olive oil.



2,701
COMPANIES
(2017)



79,802
EMPLOYEES
(2015)



€26,000 M
TURNOVER
(2015)

○ **11.9%** of Catalan industrial companies.

○ **12.4%** of all food and drink companies in **Spain**.

○ **Bakery and farinaceous** products hold the biggest number of companies (**23.7%**).

○ The number of jobs represents **18% of total industrial workers** in Catalonia.

○ **22%** of whole sector employment in **Spain**.

○ The number of employees **increased** to **6.9%** between 2011 and 2015.

○ **Meat industries** lead the sector by number of employees (**41%**).

○ Leading sector in Catalonia, as represents **19.7% of industrial turnover**.

○ **23.9%** of whole sector turnover in **Spain**.

○ Turnover **increased** to **8.9%** between 2011 and 2015.

○ **Meat industries** lead the sector by turnover (**31%**).

Catalan food and drink industry competitiveness (I)

Attractive for foreign investors

From 2013 to 2017...

THE CATALAN FOOD AND
DRINK INDUSTRY
REGISTERED...



27 FDI projects



€626.5 M of
capital investment



2,459 jobs created

CATALONIA HAS BEEN **THE TOP**
FOOD AND DRINK FDI DESTINATION
IN SPAIN, REPRESENTING...



31% of the FDI projects
received



34.4% of the
capital investment



37.6% of the
jobs created

...within the food and drink
industry in Spain.

CATALONIA HAS ALSO BEEN
THE...



4th region in terms
of job creation



5th region in number of
FDI projects attracted



7th region in capital
invested received

...within the food and drink industry
in Western Europe.

Catalan food and drink industry competitiveness (II)

International and open trade

Over the last decade...

CATALONIA FOOD AND DRINK INDUSTRY EXPORTS HAVE REPRESENTED...



28.5% of Spanish food and drink exports

11.3% over total Catalan exports

THE MAIN EXPORTING SUBSECTORS HAVE BEEN...



Meat products
(39.0%)



Manufacture of beverage
(12.9%)



Vegetable and animal oils and fats
(10.8%)

MAIN COMMERCIAL PARTNERS (2017)



France, Italy and Portugal, in terms of exports



France, Germany and Italy, in terms of imports

Source: ICEX.

Catalan food and drink industry competitiveness (III)

Innovative and entrepreneurial

Catalonia is at the forefront of innovation...

- **1.46%** of its GDP dedicated to R&D.
- **9,282** innovative companies, representing **22.2%** of the Spanish total.
- ACCIÓ, Winning Agency for **Best R&D Support** (*FDI Strategy Awards, 2017*).
- **36 technological** centres related to the food and drink industry with **TECNIO** accreditation.
- **Clusters and associations** of the food and drink industry and related sectors.

LEADING TECHNOLOGICAL CENTERS

- **Eurecat** is a key player in the Catalan innovative ecosystem as the leader in industrial research.
- **Alicia Foundation** is a research centre devoted to technological innovation in cuisine, the improvement of eating habits and the evaluation of the food and gastronomic heritage.

BARCELONA..

5th

City in Europe in terms of innovation
(*Innovation Cities Index, 2016/2017*)

5th

City in Europe in terms of scientific academic production
(*Knowledge Cities Ranking, CPVS, UPC, 2017*)

Catalonia, the ideal place for the food and drink industry



STRATEGIC LOCATION AND MARKET ACCESS

- Catalonia's strategic location gives it access to major food and drink markets in Europe and the Mediterranean, as well as its function as a gateway to Latin American markets.
- Catalonia counts on excellent infrastructures, including two ports specialized in food and drinks, motorways linked to the European network, trains and an international airport.



AVANT-GARDE GASTRONOMY

- Catalonia and its cuisine, thanks to the most avant-garde creativity, **hold a prestigious international position**, attracting visitors from the four corners of the globe.
- This universal acclaim has been achieved thanks to many **famed chefs being awarded Michelin stars** and other accolades by prestigious guides, who are undoubtedly the foremost exponents of contemporary Catalan cuisine.



FOOD AND DRINK BUSINESS STRUCTURE

- With **the presence of the entire value chain** for the food and drink industry, Catalonia is **chosen by many leading companies**, such as Nestle or Unilever.
- Catalonia is home to **clusters and associations** that enrich and invigorate this ecosystem.



TRADE FAIRS & CONGRESSES

- Barcelona ranks 3rd in the world city International Congresses ranking, only behind Berlin and Paris (ICCA, 2016).
- Catalonia hosts **international food and drink events**, such as Alimentaria and FoodTech, as well of related sector events, such as Hostelco and Hispack.



LEADING SCIENTIFIC FACILITIES

- Catalan leading scientific facilities, research and technological centres are working at **many levels of the food and drink industry value chain**, from additives and raw materials, through packaging and manufacturing technologies, and on to nutrition and health (EURECAT, ALICIA FOUNDATION).



COMPETITIVE TALENT

- Besides its thriving economy for businesses, Catalonia offers quality of life, a cosmopolitan atmosphere and top-notch professionals from all over the world.



BUSINESS MINDSET

- Catalonia is **always open for business**, with the government's business focused policies perfectly complementing and supporting a strong private sector.

The extensive value chain of the food and drink industry in Catalonia



Note: The use of these trademarks is for informative purposes only. Trademarks mentioned in this document are the registered trademarks of the companies to which they belong and are not owned by ACCIÓ. This is a partial and illustrative representation of companies that form part of the food and drink ecosystem in Catalonia; however, there may exist other companies that have not been included in the study.

Font: Own elaboration.

3. Opportunities in the food and drink industry



International market opportunities for Catalan companies



CANADA

The production **almost covers national demand of processed food and drinks** and products are exported to some **190 countries**, with a significant proportion exported to the United States, the first destination. The largest subsectors are **meat and dairy products**.

AMERICA

EUROPE

ASIA - OCEANIA



BELGIUM

Its primary subsectors are the **meat industry and the dairy, chocolate, sugar and beverage sectors**. Its efficiency means large quantities of foreign raw materials and intermediate goods flow into Belgium, where they are manufactured and then distributed within the country or exported.



FRANCE

Agri-food is the largest industry in France. Its diversity and expertise are the work of large world-renowned corporations and scores of SMEs, being the French agri-food sector the world's fourth largest exporter.



GERMANY

The food and drink industry is the **third largest industrial sector** in Germany, having a promising production value outlook for beyond. The industry is best characterized by its small and medium-sized enterprise sector with leading companies. The largest subsectors are **meat and dairy products**.



UNITED KINGDOM

The food and drink is the UK's largest manufacturing sector. UK is a **globally recognised centre for R&D in food and drink** with an emphasis on new product development, greater convenience and healthier products.



AUSTRALIA

Australia is ideally placed to capitalize new trends due to its international reputation for producing **healthy and high quality food**, its robust biosecurity system and its location close to fast growing **Asian markets**.



CHINA

Being the world's largest consumer market for food and drinks, the Chinese market is increasingly **appealing** for foreign brands, especially as Chinese **consumer behaviour shifts**.



HONG KONG

The food and drink production in Hong Kong is a **large-scale business**, with most of the output going for local consumption although there has been an **increase in food exports** thanks to the growing Western interests in Asian food.



JAPAN

The Japanese processed food market is very **competitive and sophisticated**, catering for increasingly quality and price conscious consumers. Japanese value the country of origin and stories behind products, what attach **significant importance to packaging and presentation**.



UNITED ARAB EMIRATES

Dubai's **strategic location** as the gateway between Europe, Asia and Africa, the establishment of **many free trade zones and its position as a tourist city**, have all supported the growth in food and drink exports and imports.



SOUTH KOREA

Korean food exports have increased due to the **popularity of Korean processed foods in East Asian countries**. Food manufacturing takes up a small portion of the Korean economy, so **there is still room for growth in the future**.

Opportunities for foreign companies

THE FOOD AND DRINK VALUE CHAIN



Animal feed & Compounding

Catalonia is one of Europe's main meat regions, guaranteeing an important domestic market and a **place to find the main value chain actors.**



Food manufacturing

The presence of a strong industry and research centres make Catalonia the ideal place to face new challenges.



Food logistics

Catalonia is the best place to establish a food and drinks distribution centre thanks to its unique location.



Food packaging

71% of the Catalan packaging companies produce for the food and drink industry **are internationally recognized.**



Foodservice

A cuisine elevated to the forefront of international gastronomy and a cosmopolitan population open to the latest trends.



Food waste management

Catalonia is home to an industry and population increasingly aware of the importance of reducing, donating or refocusing food.

FOOD AND DRINK TRENDS



"Free from" products

There is an increasing demand of mainstream "free from" products and centres and companies able to develop healthier, nutritious and tasty food options..



Gourmet Gastronomy

Catalonia has the talent and means to improve production processes in order to standardize gourmet tastes and characteristics at a lower cost level.



Healthy food and drinks

Catalonia has a thriving ecosystem filled with companies, research centres and talented professionals ready to formulate healthy and sustainable food.



Ready-made meals

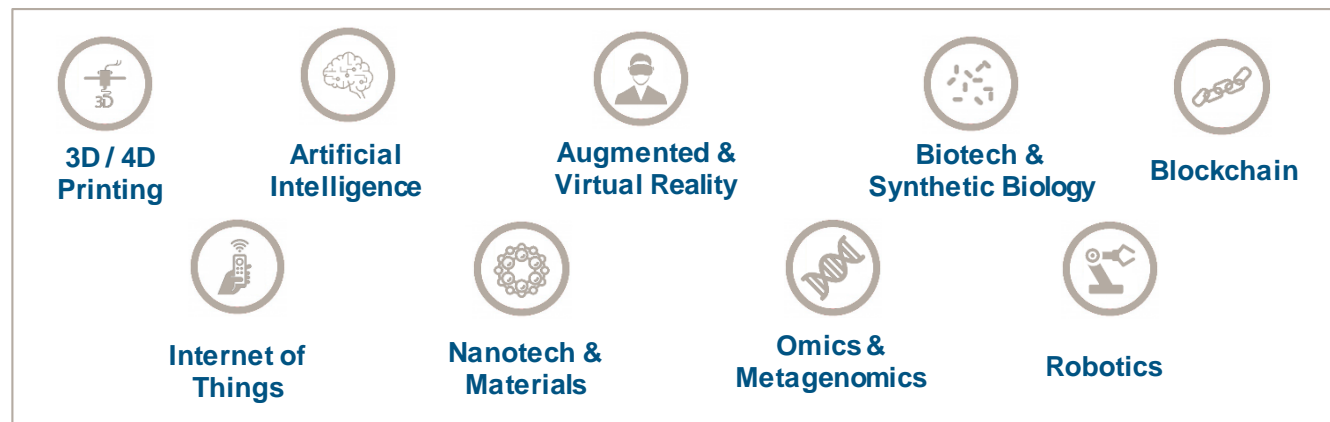
Catalonia combines its strong food industry with a global need for shortcut solutions that are still fresh, nutritious and customizable.

Technological opportunities in Catalonia



Evolving of disruptive technologies

The evolving landscape of disruptive technologies is creating new business models and changing the way traditional sectors work, with **several breaking technologies identified by ACCIÓ as the main drivers of the future evolution and disruption**. **Food and drinks** is an industry where many of these breaking technologies **are expected to be applicable and drive to dramatic changes**.





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Take a look the full report:

<http://catalonia.com/.content/documents/food-and-drinks-in-catalonia.pdf>



More information about the sector and related news:

<http://catalonia.com/trade-with-catalonia/food-drink.jsp>



For more information:
<http://catalonia.com/en/trade-with-catalonia/food-drink.jsp>