Data & Trends

EU Food & Drink Industry

2018

FOODDRINK EUROPE

EU food and drink industry figures

TURNOVER
€1,109 billion
Largest manufacturing sector in the EU

VALUE ADDED
2.1%
of EU gross value added

CONSUMPTION
13.8%
of household expenditure on food and drink products

EMPLOYMENT
4.57 million people
Leading employer in the EU

NUMBER OF COMPANIES
294,000

R&D expenditure
€2.9 billion

SALES WITHIN THE SINGLE MARKET
90% of food and drink turnover

SMEs
48.1%
of food and drink turnover

61.3%
of food and drink employment

EXTERNAL TRADE
€110 billion
Exports

€75 billion
Imports

€35 billion
Trade balance

17.9%
EU share of global exports

Sources: Eurostat; Joint Research Centre; UN COMTRADE

CONTENTS

INTRODUCTION

The 2018 edition of the 'Data & Trends of the EU Food and Drink Industry' report offers a comprehensive picture of the structure and economics of Europe's food and drink sector, the largest manufacturing industry in the EU in terms of turnover, value added and employment.

The report provides in-depth analysis of the Single Market, world markets, and a global ranking of food and drink companies.

This report covers the whole EU28 food and drink industry, which is identified by the NACE rev2 codes C10 (food products) and C11 (drinks).

All figures presented here come from official sources and have been elaborated by FoodDrinkEurope.

Recent developments in the EU food and drink industry

	2015	2016	% change
Turnover (€ billion)	1,115	1,109	-0.5
Value added (€ billion)	230	-	-
Number of persons employed (million)	4.51	4.57	+1.3
Number of companies (1,000 units)	293	294	+0.4

Source: Eurostat (SBS)

SINGLE MARKET

Contribution to the EU economy

The largest manufacturing sector in terms of turnover, value added and employment

2.1%

Contribution of the food and drink industry to EU gross value added

15.2%

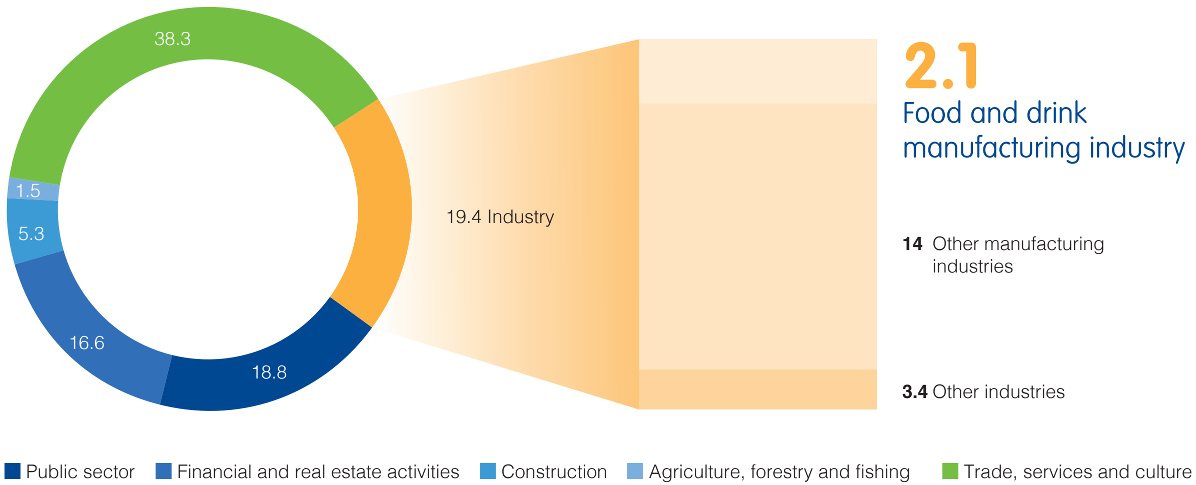
Share of food and drink turnover in manufacturing

12.1%

Share of food and drink value added in manufacturing

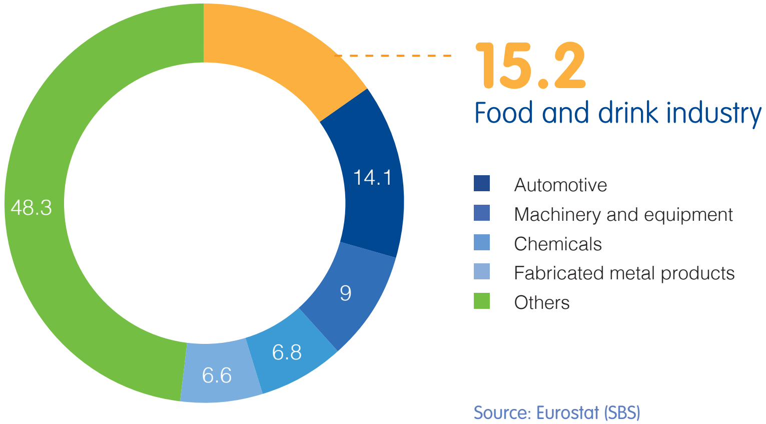
- The food and drink industry is a major contributor to Europe's economy, ahead of other manufacturing sectors, such as the automotive industry.
- In 2015, the EU food and drink industry generated a turnover of €1,115 billion and a value added of €230 billion.
- With €38.5 billion invested in 2015, the food and drink industry is the manufacturing sector with the highest capital spending.
- The industry maintains the characteristics of a stable, resilient and robust sector.

Contribution of the EU food and drink industry to the EU economy
(2015,%)



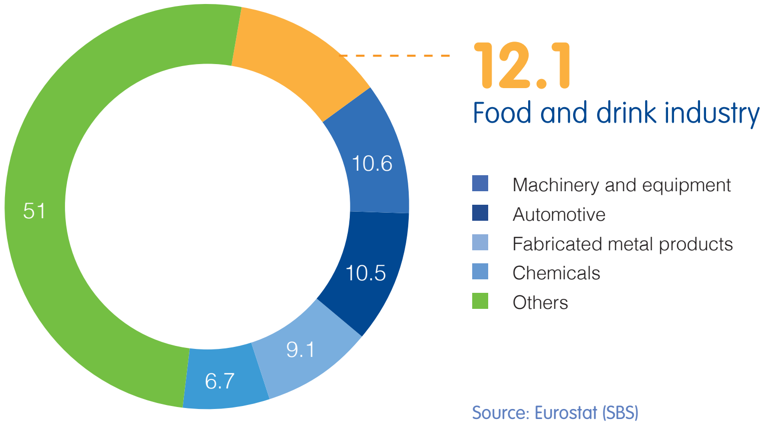
Source: Eurostat (National Accounts)

Share of turnover in the EU manufacturing industry
(2015,%)



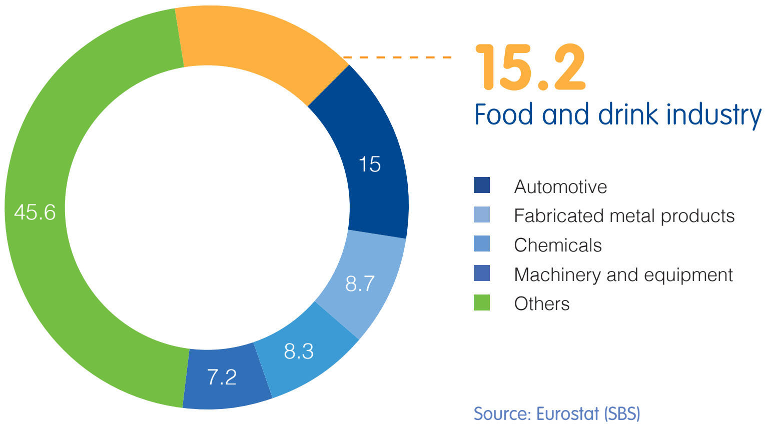
Source: Eurostat (SBS)

Share of value added in the EU manufacturing industry
(2015,%)



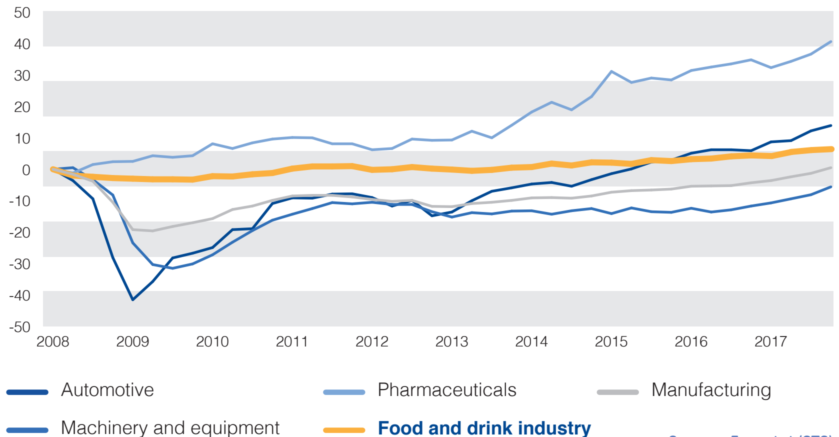
Source: Eurostat (SBS)

Share of investment in the EU manufacturing industry
(2015,%)



Source: Eurostat (SBS)

Volume of production in the EU manufacturing industry
(% change relative to the first quarter of 2008)



Source: Eurostat (STS)

Employment

Leading employer in the EU

4.51 million

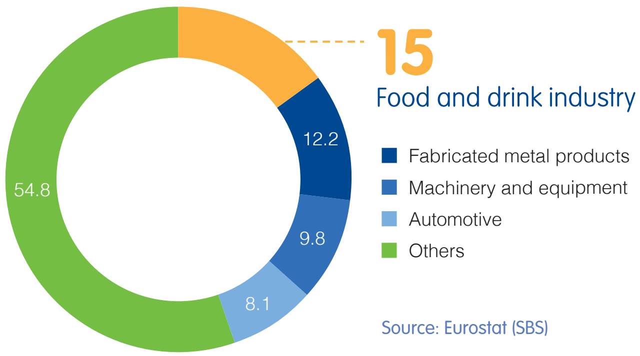
Total number of persons employed in the food and drink industry

€101 billion

Wage and salary payments by the food and drink industry

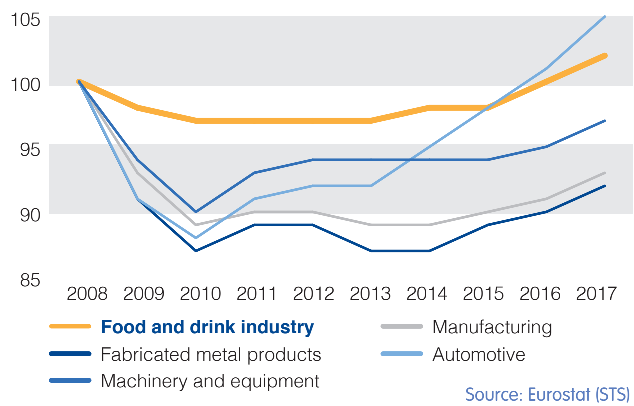
- Compared to other manufacturing sectors, the EU food and drink industry is a key job provider and a relatively stable employer.
- On average, labour productivity in the food and drink industry is lower than in the manufacturing sector as a whole.
- A food and drink company employs on average 15 persons, i.e. 1 more than the average manufacturing company.

Share of employment in the EU manufacturing industry (2015,%)



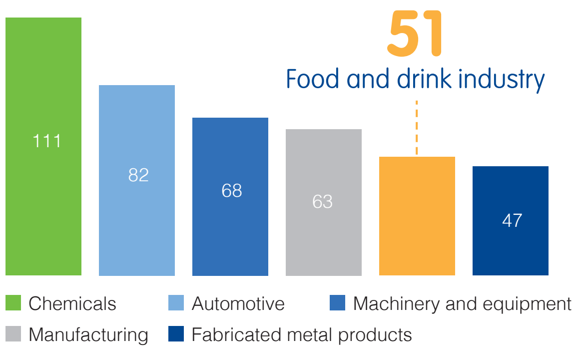
Source: Eurostat (SBS)

Employment in the EU manufacturing industry (index, 2008=100)



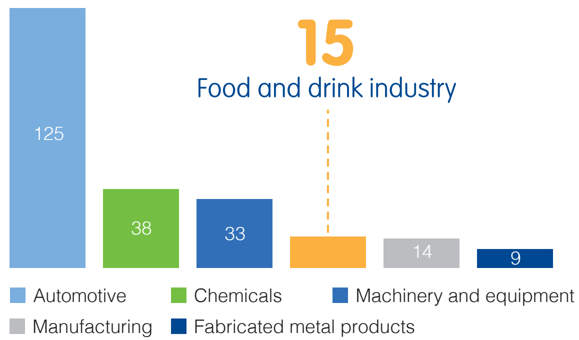
Source: Eurostat (STS)

Labour productivity in the EU (2015, €1,000/person)



Source: Eurostat (SBS)

Average number of persons employed per company in the EU (2015)



Source: Eurostat (SBS)

Value added

Sustained growth over the past 10 years[1]

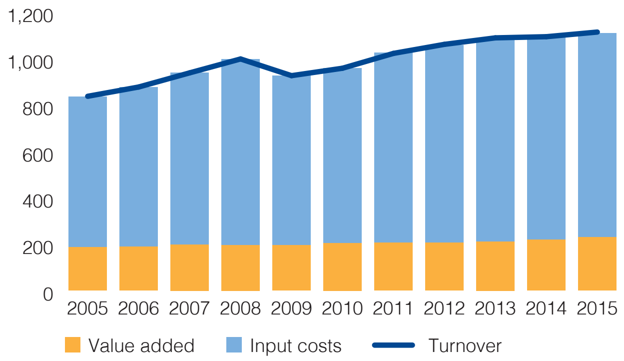
+€276 billion
Growth of food and drink turnover over the past 10 years

20.6%
Share of value added in turnover of the food and drink industry

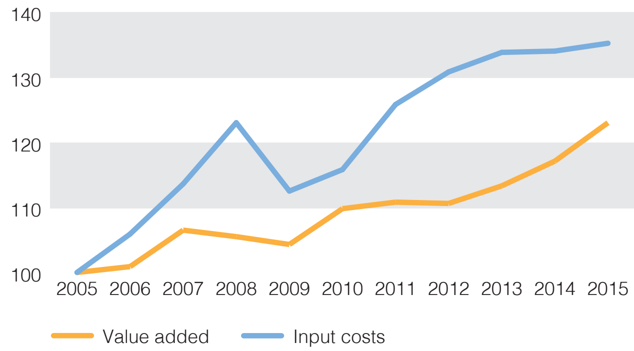
- In 2015, the EU food and drink industry generated a turnover of €1,115 billion, 79% of which was spent in input costs. Value added resulted in €230 billion.
- Value added of the EU food and drink industry is being outpaced by input costs: between 2005 and 2015 value added has grown by 2.1% per year while input costs have grown by 3.1% per year.
- Over the past decade, value added in the food and drink industry has grown faster than in manufacturing in general.
- Nevertheless, the growth of input costs has significantly squeezed the value added of the food and drink industry, compared to manufacturing in general.

[1] *For more information, read FoodDrinkEurope's report "A Competitive EU Food and Drink Industry for Growth and Jobs"*

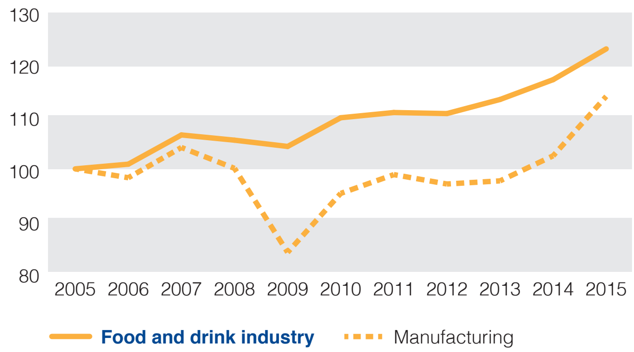
Value added and input costs of the EU food and drink industry (€ billion)



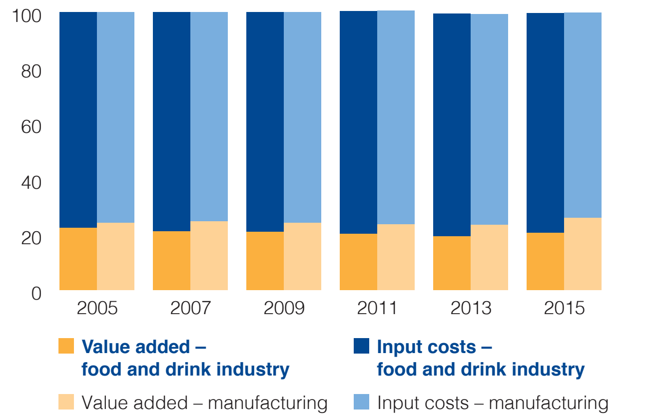
Value added and input costs of the EU food and drink industry (index, 2005=100)



Value added in the EU food and drink industry and in manufacturing (index, 2005=100)



Value added and input costs in the EU food and drink industry and in manufacturing (% of turnover)



Sources: Eurostat (SBS); Wageningen Economic Research

Sectors at EU level

Offering a wide variety of food and drink products to consumers

20%

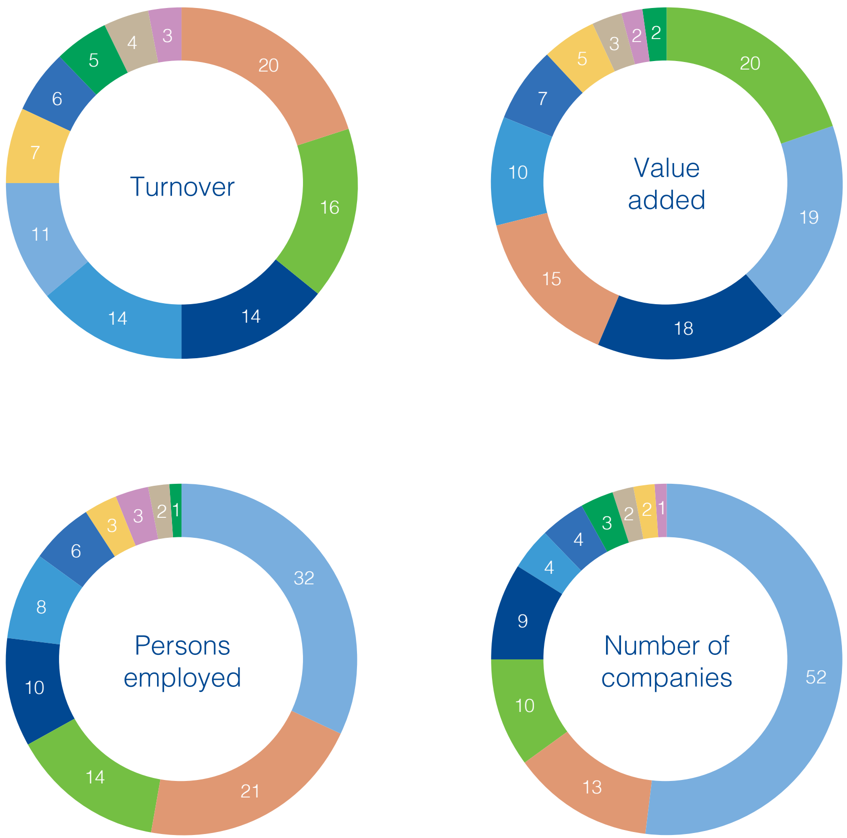
Share of the meat sector's turnover

32%

Share of persons employed in the bakery and farinaceous sector

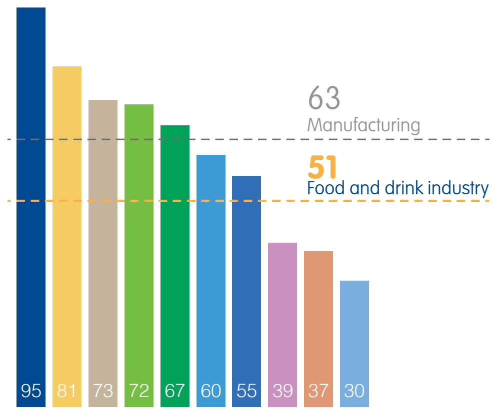
- The EU food and drink industry is diverse, with a variety of sectors ranging from fruit and vegetable processing to dairy production and drinks.
- The top 5 sub-sectors (bakery and farinaceous products, meat products, dairy products, drinks and the "various food products" category) represent three quarters of the total turnover and more than 80% of the total number of persons employed and of companies.
- Labour productivity varies by sub-sector. For drinks and animal feeds, it is higher than for overall manufacturing.

Turnover, value added, persons employed and number of companies in food and drink industry sectors (2015,%)



Source: Eurostat (SBS)

Labour productivity
(2015, €1,000/person)



- Meat products
- Various food products
- Drinks
- Dairy products
- Bakery and farinaceous products
- Animal feeds
- Processed fruits and vegetables
- Oils and fats
- Grain mill and starch products
- Fish products

The national picture

A key industry in the economies of the EU Member States

#1 employer

The food and drink industry is the biggest employer in manufacturing in half of the Member States

66%

Share of turnover of the EU's 5 largest food and drink producers

- The food and drink industry ranks among the top 3 manufacturing industries in terms of turnover and employment in most Member States.
- France, Germany, Italy, the UK and Spain are the largest EU food and drink producers by turnover.

Food and drink industry data by Member State[1] (2016)

	Employment ranking in manufacturing	Turnover (€ billion)	Value added (€ billion)	Number of employees (1,000)	Number of companies
Austria	1	22.9	5.9	84.6	3,899
Belgium	1	50.1	8.2	89	4,369
Bulgaria	2	5.6	1.1	95.3	6,295
Croatia	1	5.3	1.1	61.1	3,240
Czech Republic	4	13.1	2.9	116.8	9,821
Denmark	2	24.5	3.7	53.3	1,632
Estonia	3	1.8	0.4	15	683
Finland	4	10.7	2.6	38	1,743
France	1	179.8	37	623.4	59,757
Germany[2]	3	171.3	40	580	5,940
Greece[3]	1	14.2	2.8	115	1,225
Hungary	1	11.7	2.1	105.3	6,838
Ireland[4]	1	23.5	-	46.8	1,715
Italy	2	133.1	29	385	56,500
Latvia	2	1.7	0.4	23.6	1,196
Lithuania	1	3.9	0.8	42.9	1,652
Netherlands	1	73.6	12.5	130.4	6,348
Poland	1	56.1	10.1	421.5	14,324
Portugal	1	15.6	3	109.7	11,100
Romania	1	12.1	1.9	180.2	8,754
Slovakia	-	4.2	0.8	40.5	3,399
Slovenia[3]	4	2.1	0.5	13.3	719
Spain	1	96.4	29.4	480	28,038
Sweden	3	18.4	-	50.7	4,337
United Kingdom	1	118.2	35.7	434	6,815

[1] As published by FoodDrinkEurope National Federations or by Eurostat (SBS)
[2] Companies with more than 20 employees
[3] Small food and drink producers and small family businesses excluded from the number of companies
[4] Only covering food products

Small and medium-sized enterprises

Small scale, big impact

€538 billion
Turnover

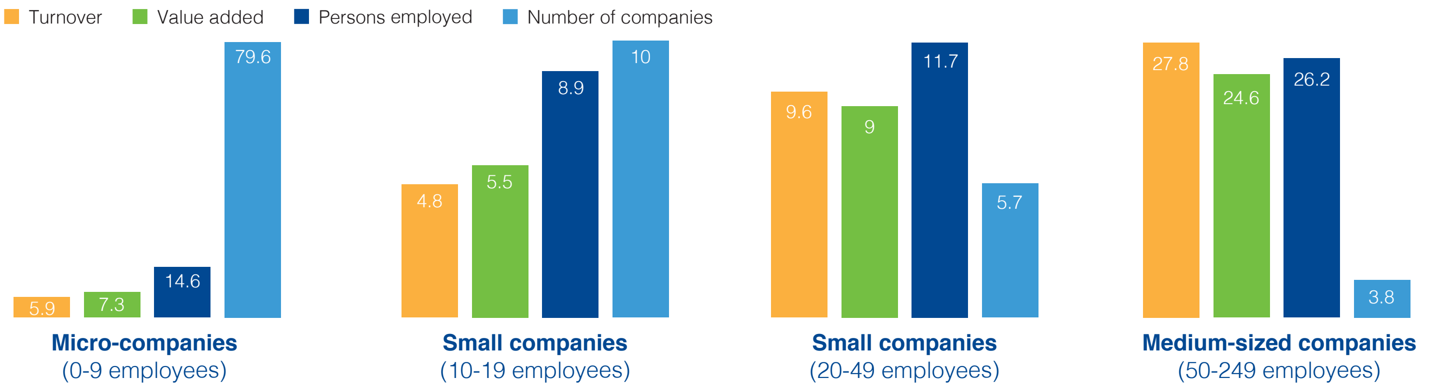
€107 billion
Value added

2.8 million
Persons employed

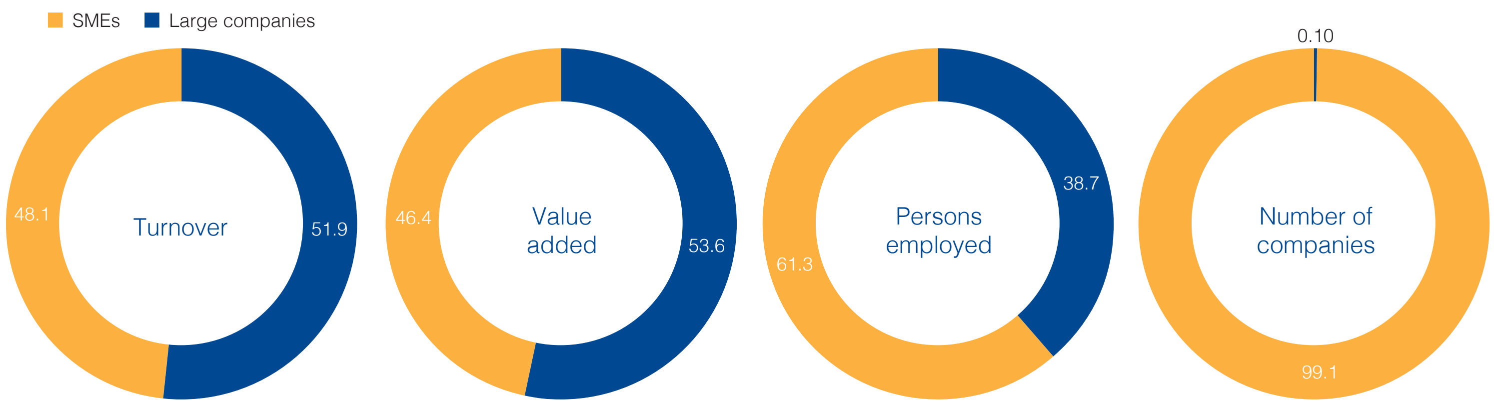
99.1%
of food and drink companies

- The food and drink industry is a highly diversified sector with many companies of different sizes.
- SMEs generate almost 50% of the food and drink industry turnover and value added and provide two thirds of the employment of the sector.
- The food and drink industry accounts for almost 290,000 SMEs.

SMEs in the food and drink industry (2015,% by company size)



Contribution of SMEs and large companies to the EU food and drink industry (2015,%)



Source: Eurostat (SBS)

Bioeconomy

The food and drink industry: a main contributor to the bioeconomy

4.2%

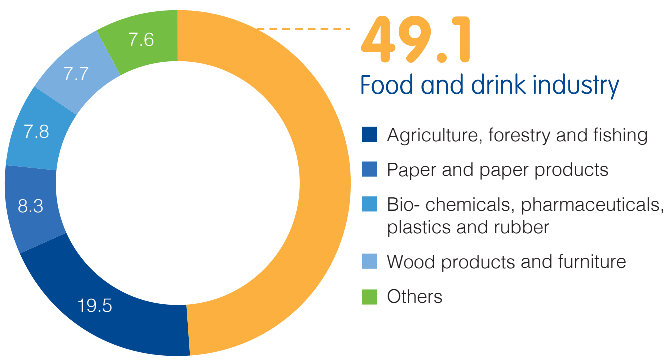
Contribution of the bioeconomy to EU gross value added

8.2%

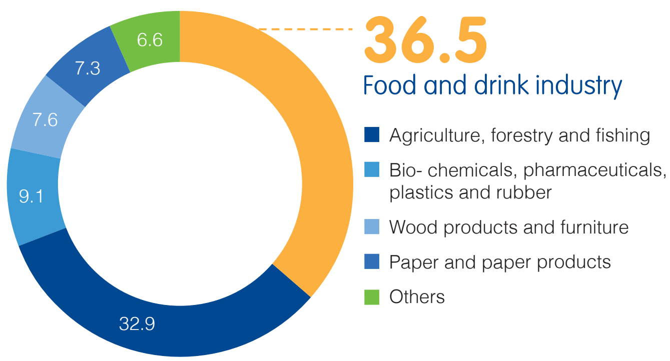
Share of bioeconomy in EU employment

- The turnover of the bioeconomy amounts to €2.2 trillion and the value added to €621 billion. The food and drink industry contributes to roughly half and one-third respectively.
- In 2015, the bioeconomy employed 18 million persons in the EU, of which one quarter was in the food and drink industry.
- Labour productivity in the bioeconomy sectors is very diverse.

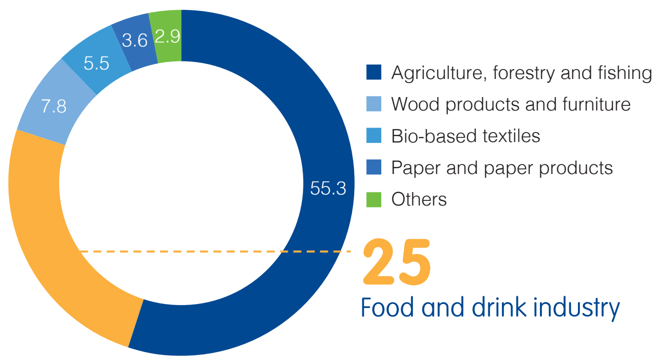
Share of turnover in the EU bioeconomy
(2015,%)



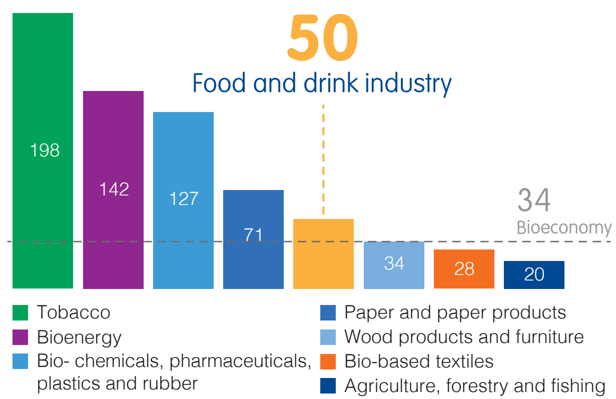
Share of value added in the EU bioeconomy
(2015,%)



Share of employment in the EU bioeconomy
(2015,%)



Labour productivity in the EU bioeconomy
(2015, €1,000/person)



Source: Joint Research Centre

Food supply chain

Diverse economic operators with specific business models

5%

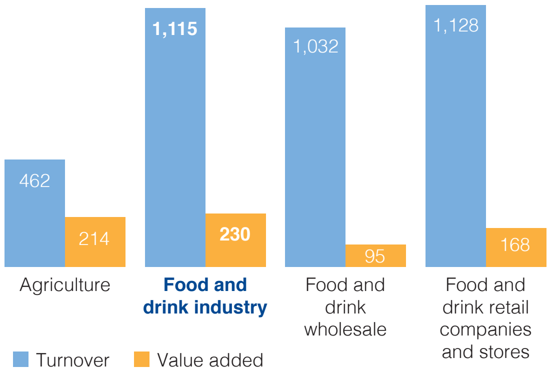
Share of the food supply chain in EU gross value added

10%

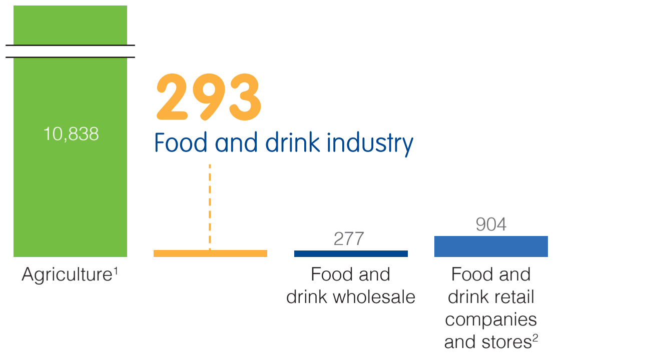
Share of the food supply chain in EU employment

- In 2015, there were 23 million people employed in the food supply chain.
- The total turnover amounts to €3.7 trillion and the value added to €707 billion.
- Around 32 million professionals work in the extensive food supply chain across the EU, from agriculture and the input industry to food and drink services.

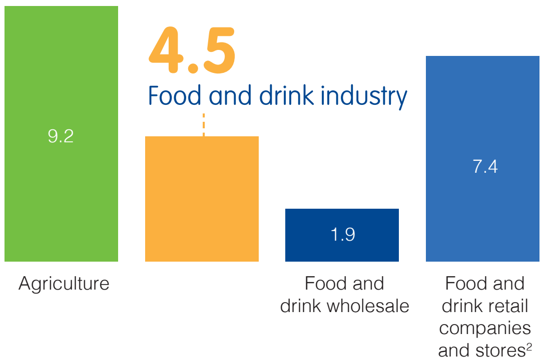
Turnover and value added in the EU food supply chain (2015, € billion)



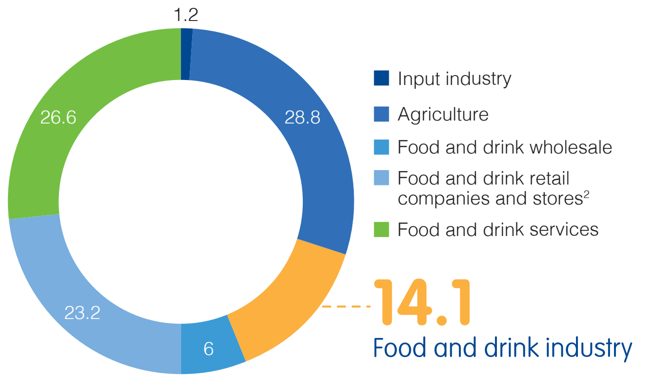
Number of companies in the EU food supply chain (2015, 1,000 units)



Persons employed in the EU food supply chain (2015, million)



Employment in the extensive EU food supply chain (2015,%)



[1] 2013

[2] Specialised and non-specialised stores with food and drinks predominating

Source: Eurostat (Agriculture, National Accounts, SBS)

Consumption

Food and drink products: the second largest household expenditure

13.8%

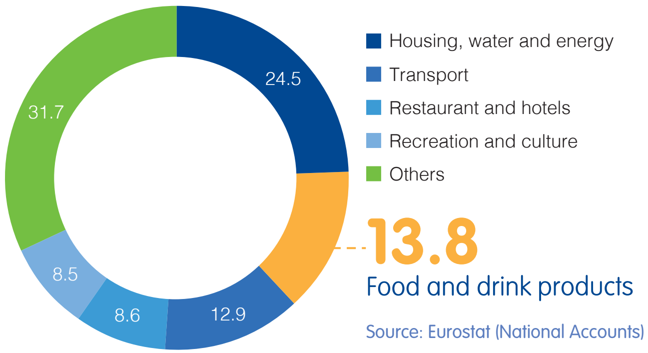
Share of EU household expenditure on food and drink products

€1,123 billion

EU household expenditure on food and drink products

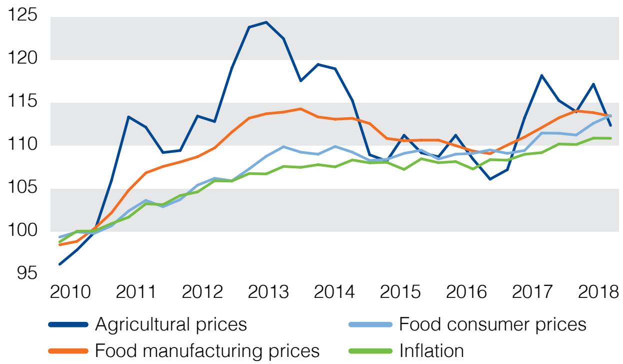
- In 2016, the share of household expenditure on food and drink products remained stable compared to the previous year.
- Across Member States, household expenditure on food and drink products varies from 10% to 31%.
- Food manufacturing prices and food prices paid by consumers are more stable than agricultural prices. Food manufacturing prices include other input costs than agricultural raw materials.

Breakdown of EU household consumption expenditure (2016,% of total expenditure)



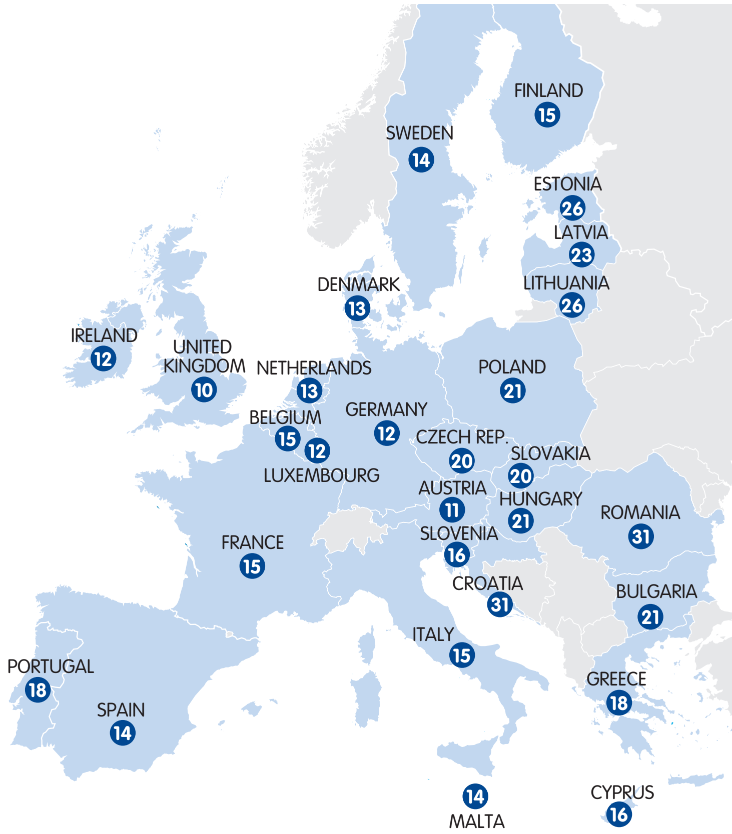
Source: Eurostat (National Accounts)

Price developments in the food chain (index, 2010=100)



Sources: DG Agriculture and Rural Development; Eurostat (Prices, STS)

Household consumption expenditure on food and drink products by Member State (2016,% of total expenditure)



Sources: Eurostat (National Accounts); Member States' Household Budget Surveys

Trade within the Single Market

The first market for EU food and drinks

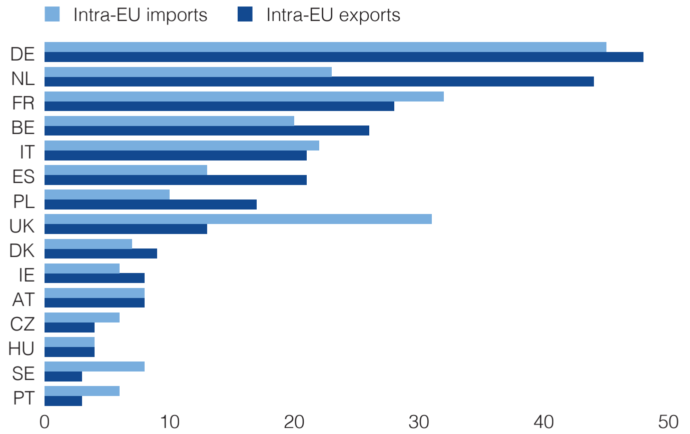
€273 billion
Intra-EU exports

€110 billion
Extra-EU exports

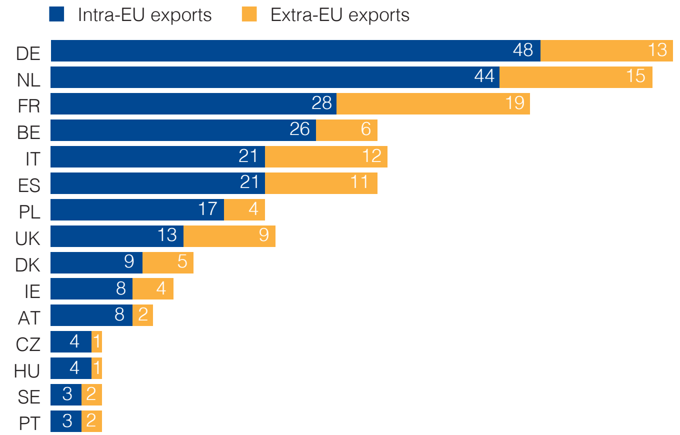
€383 billion
Total EU exports

- About ¾ of EU food and drink exports are destined for the Single Market.
- Intra-EU exports account for 25% of the turnover.
- Germany is the first EU exporter and importer of food and drinks within the Single Market.
- More than 50% of the Dutch and Belgian turnover are generated by exports to other EU Member States.
- The EU drinks sector exports as much to the Single Market as to third countries, contrary to other sectors where intra-EU exports by far exceed extra-EU exports.

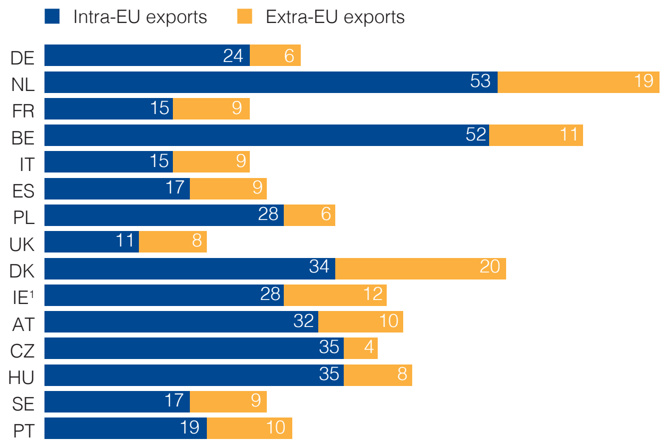
Intra-EU food and drink trade for the top 15 exporters (2017, € billion)



Intra and extra-EU food and drink exports for the top 15 intra-EU exporters (2017, € billion)

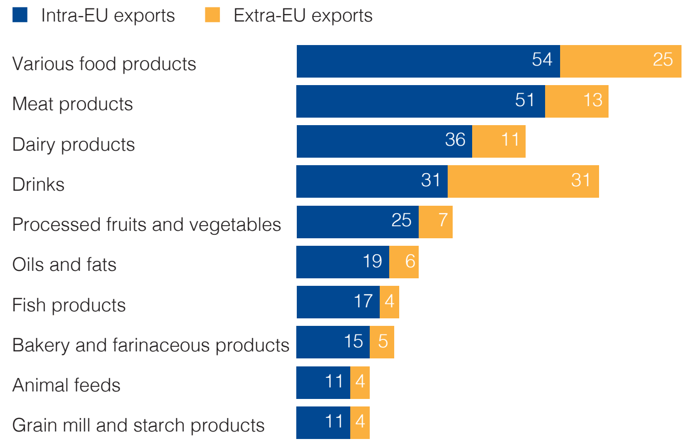


Exports as a share of turnover for the top intra-EU exporters (2016,%)



¹ *2015 data*

Intra and extra-EU food and drink exports of main sectors (2017, € billion)



Source: Eurostat (Comext)

EU27-UK trade

The UK is the largest trading partner of the EU27

€32.3 billion
EU27 food and drink exports to the UK

€13.8 billion
EU27 food and drink imports from the UK

€18.5 billion
Trade balance

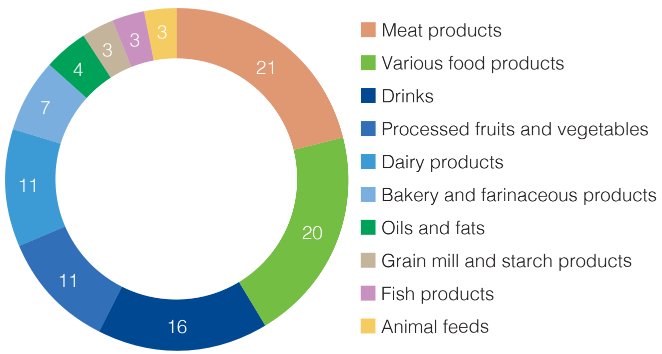
- EU27 exports of food and drink products to the UK amounted to €32.3 billion in 2017. This corresponds to one and a half times the exports to the US and three times the exports to China.
- The UK deeply relies on the EU27 both as an export destination and sourcing market.
- Among the EU27 Member States, Ireland has by far the strongest trade link with the UK. More than a third of its food and drink exports are destined for the UK and about half of its imports originate from the UK.
- Wine is the EU27 most prominent product exported to the UK, while spirits lead the EU27 imports from the UK.

Key Member State exporters of food and drinks to the UK (2017)

Member State	Exports to UK (€ billion)	Share of Member States' total exports[1] (%)	Rank of UK as export destination
Netherlands	5.6	9.5	4
France	4.6	9.9	3
Ireland	4.5	36.1	1
Germany	4.3	7.1	4
Italy	3	9.1	4
Belgium	2.9	9.2	4
Spain	2	6.4	4
Poland	2	9.3	2
Denmark	1.4	9.6	3
Greece	0.3	8.7	3

[1] *Intra and extra-EU27 exports*

Share of EU27 exports to the UK by sector (2017,%)



Top EU27-UK food and drink exports and imports (2017, € million)

Product	Exports	Imports	Trade balance
Wine	2,551	298	2,254
Bread, pastry and biscuits	2,109	751	1,357
Chocolate	1,802	562	1,240
Cheese	1,788	497	1,291
Offal, poultry meat	1,385	338	1,047
Animal feed, petfoods	1,383	825	558
Prepared and preserved meat	1,326	258	1,068
Bovine meat fresh, chilled and frozen	1,315	444	871
Food preparations	1,127	667	460
Pork meat fresh, chilled and frozen	1,116	194	922
Soft drinks	1,072	346	725
Fruit and vegetable juices	770	185	585
Fat, meat smoked	736	81	655
Prepared and preserved vegetables	697	79	618
Malt extract, other food preparations	624	149	474
Spirits	603	2,047	-1,444

Source: Eurostat (Comext)

Trade figures

International trade: a key source of growth for the industry

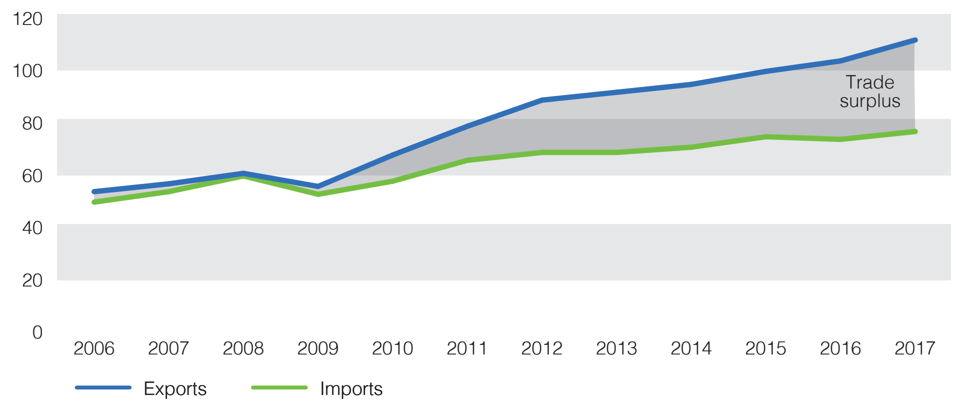
€110 billion Exports[1]

€75 billion Imports[1]

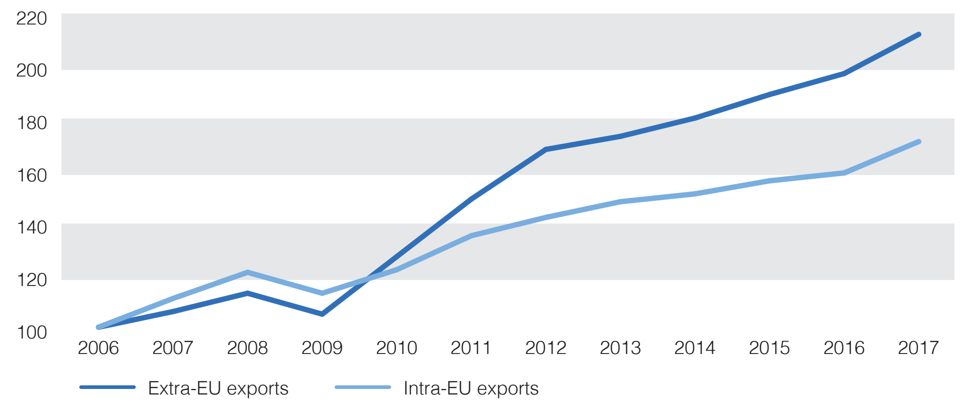
€35 billion Trade balance

- EU food and drink exports increased for the 8th consecutive year to reach €110 billion in 2017 (+8% compared to 2016), while imports amounted to €75 billion (+4% compared to 2016). This makes the EU a net exporter with a positive trade balance of €35 billion.
- More than ¼ of Member States' food and drink exports were sold to non-EU countries. Extra-EU exports almost doubled over the past decade and grew more than intra-EU exports.
- Besides sustained growth in exports to the EU's top trading partners, exports increased most significantly towards the Philippines, Brazil, Ukraine, Turkey and Singapore.
- NAFTA remains by far the EU's largest trading partner by region, followed by the China region, ASEAN, EFTA, the ACP group of countries, the Mediterranean region and Mercosur.

Evolution of extra-EU food and drink trade (€ billion)



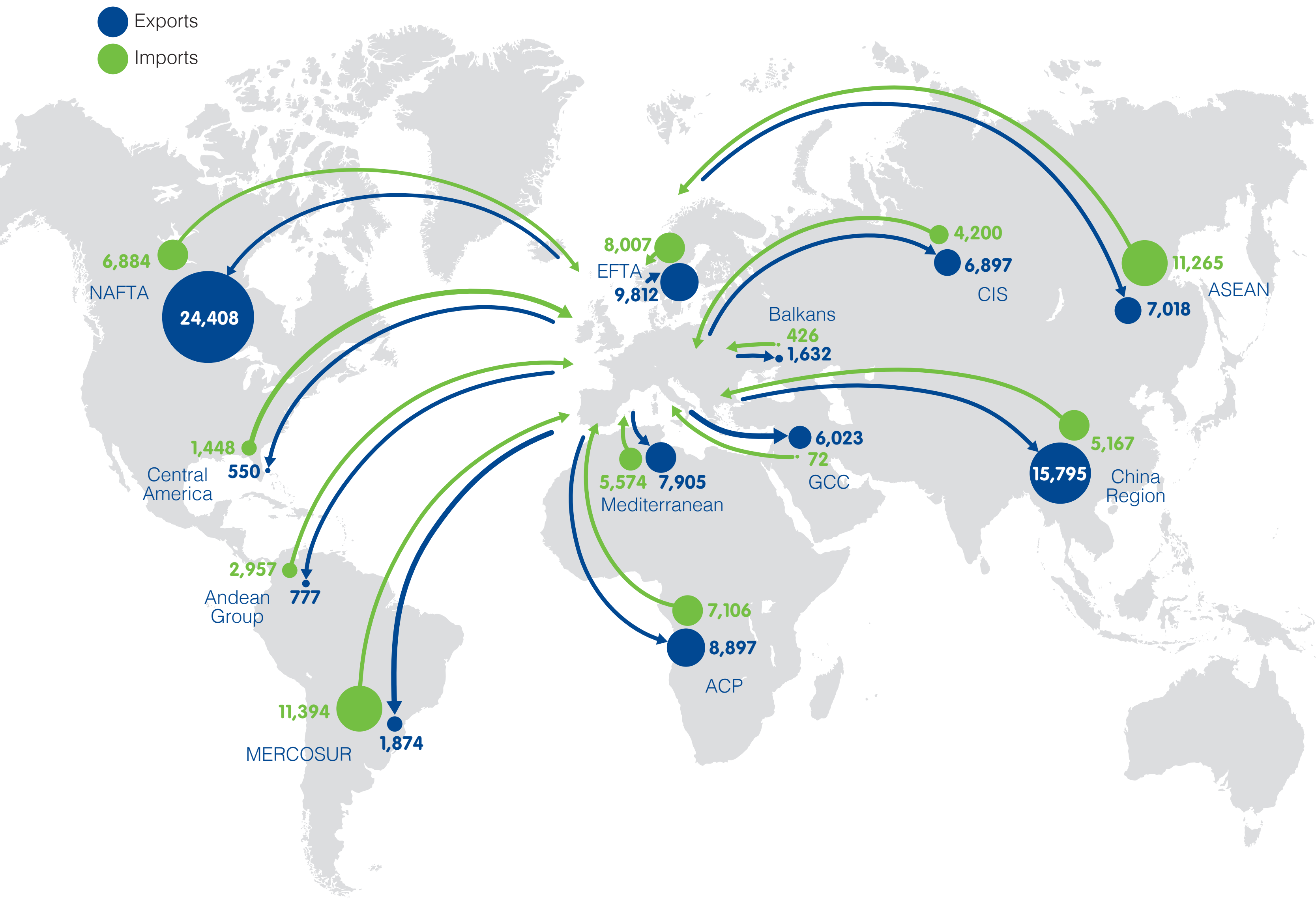
Evolution of extra and intra-EU exports (index, 2006=100)



[1] *Exports and imports refer to extra-EU trade, unless otherwise specified*

Source: Eurostat (Comext)

EU food and drink trade flows with key regions (2017, € million)



Top EU trading partners

Exports

	2017 € million	% change 2016-2017
US	20,047	▲6
China	10,722	▲7
Switzerland	5,955	▲5
Japan	5,322	▲7
Russia	4,612	▲18
Hong Kong	3,709	▲7
Norway	3,492	▲1
Canada	3,177	▲6
Australia	3,055	▲9
Korea	2,690	▲11

Imports

	2017 € million	% change 2016-2017
Brazil	5,527	▼7
US	5,191	▼1
China	4,995	▲9
Argentina	4,968	▲2
Switzerland	4,510	0
Indonesia	3,905	▲16
Turkey	2,791	▼3
India	2,682	▲20
Thailand	2,564	▼2
Ukraine	2,500	▲24

Source: Eurostat (Comext)

Trade figures by sector

External trade success backed by strong EU food and drink sectors

50%

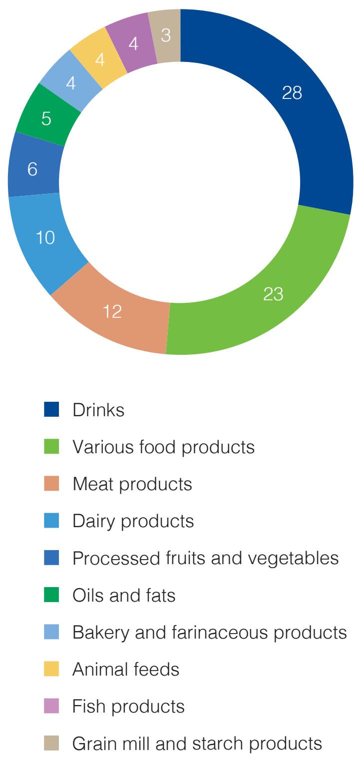
Combined export market share of the drinks, meat and dairy sectors

61%

Combined import market share of fish products, oils and fats and processed fruits and vegetables sectors

- Top 3 best performing exports by sector: dairy products +17%, animal feeds +16%, wine +12%.
- Top 3 best performing imports by sector: animal feeds +16%, grain mill and starch products +14%, beer +10%.
- The combined exports of the EU drinks, meat and dairy sectors totalled €55.2 billion in 2017. The "various food products" category which includes goods like chocolate, biscuits, confectionery and food preparations generated €25.1 billion.

Contribution of sectors to EU food and drink exports (2017,%)



Source: Eurostat (Comext)

Exports and imports by sector (2017, € million)

	Exports		Imports	
	2017	% change 2016-2017	2017	% change 2016-2017
Drinks	30,619	7	5,936	4
of which: spirits	10,745	5	1,652	8
wine	11,306	12	2,628	-1
beer	3,420	-2	549	10
mineral waters and soft drinks	3,739	8	1,050	6
Various food products	25,145	8	11,795	2
of which: chocolate and confectionery	6,461	3	3,221	-1
food preparations	4,605	10	45	-7
processed tea and coffee	2,291	6	2,215	1
Meat products	13,152	3	6,713	-1
Dairy products	11,477	17	717	1
Processed fruits and vegetables	6,545	6	8,983	-1
Oils and fats	5,833	3	17,229	8
Bakery and farinaceous products	4,587	7	820	6
Animal feeds	4,286	16	1,282	16
Fish products	4,087	9	19,488	5
Grain mill and starch products	3,840	5	2,061	14

Trade figures by product

Diversified products and markets

>100

EU food and drink product categories exported worldwide

>200

Export markets

- Wine and spirits are the top EU exports.
- 9 out of the top 10 EU exports registered positive growth in 2017.
- Concentrated milk and cream (+29%) performed best, followed by animal feeds and pet foods (+17%), wine (+12%) and infant food (+12%).
- Double digit growth was recorded for some of the EU's top imports, such as vegetable oils, prepared and preserved fish during the 2016-2017 period.

Top 10 EU food and drink exports and imports by destination and origin (2017)

Exports

	€ million	% change 2016-2017	Top 3 destinations
Wine	11,304	12	US, China, Switzerland
Spirits	10,745	5	US, Singapore, China
Infant food and other preparations	6,621	12	China, Hong Kong, Saudi Arabia
Food preparations	5,868	7	US, Russia, Switzerland
Pork meat fresh, chilled and frozen	5,095	-3	Japan, China, Korea
Animal feeds, pet foods	4,236	17	Russia, Norway, United States
Cheese	3,991	10	US, Japan, Switzerland
Chocolate	3,945	3	US, Russia, Switzerland
Bread, pastries and biscuits	3,760	8	US, Switzerland, Norway
Milk and cream, concentrated	3,516	29	Algeria, China, Nigeria

Imports

	€ million	% change 2016-2017	Top 3 origins
Fish fillets	5,245	-0	China, Norway, Iceland
Palm oil	4,858	19	Indonesia, Malaysia, Papua New Guinea
Prepared and preserved fish	3,046	16	Ecuador, Morocco, Mauritius
Wine	2,627	-1	Chile, Australia, US
Fruit and vegetable juices	2,246	-1	Brazil, Turkey, Costa Rica
Frozen fish	2,201	8	Norway, Russia, US
Prepared and preserved fruits and nuts	1,945	2	Turkey, Thailand, US
Food preparations	1,907	6	US, Switzerland, China
Coconut and palm kernel oil	1,703	20	Philippines, Indonesia, Malaysia
Bovine meat fresh, chilled and frozen	1,683	-4	Argentina, Brazil, Uruguay

Source: Eurostat (Comext)

EU food and drink market share

Number 1 exporter and number 2 importer of food and drink products in the world

17.9%

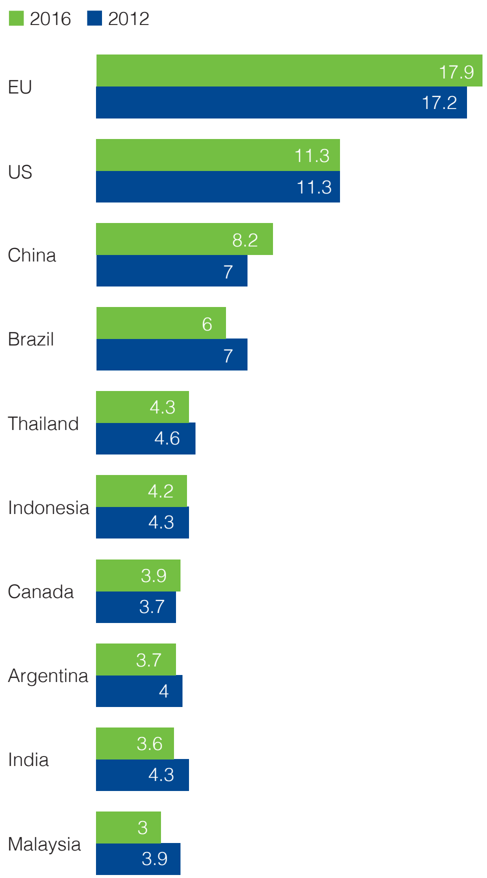
EU share in global food and drink exports

13.2%

EU share in global food and drink imports

- In 2016, global exports of food and drinks remained stable compared to the previous year.
- While the EU share in global exports has declined over the past decade, it has improved again in recent years and reached 17.9% in 2016.
- The performance of EU products in selected third countries' imports is mostly positive, particularly in China (+8.6%) over the 2012-2016 period. While the EU's share in Russian food and drink imports declined by more than 10% in recent years, it started to pick up again in 2016.

Share of global food and drink exports (%)

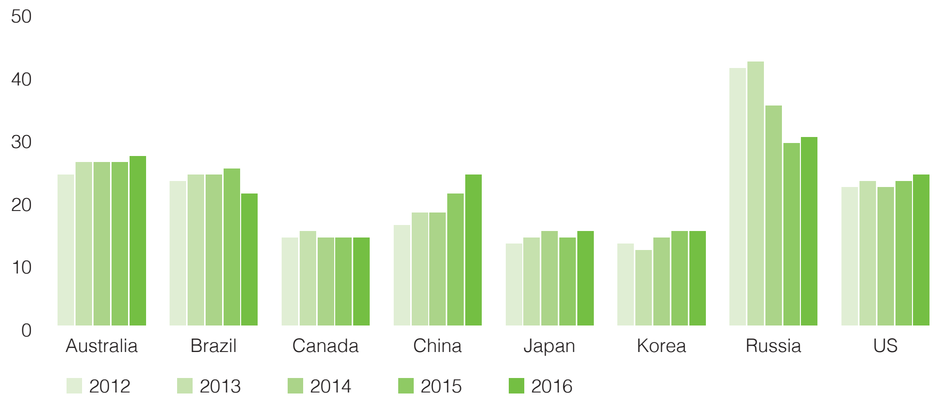


Source: UN COMTRADE

Top 10 exporters and importers of food and drink products (2016, $ billion)

		Exports			Imports
EU	1	113	US	1	99
US	2	71	EU	2	80
China	3	52	China	3	48
Brazil	4	38	Japan	4	44
Thailand	5	27	Canada	5	25
Indonesia	6	26	Hong Kong	6	19
Canada	7	25	Korea	7	19
Argentina	8	23	Mexico	8	16
India	9	23	Russia	9	15
Malaysia	10	19	India	10	14
R.o.W.		213	R.o.W.		230

Share of EU products in total food and drink imports of selected countries (2012-2016,%)



Sustainability of the food and drink industry

Implementing the United Nations' Sustainable Development Goals[1]

9 billion

Global population in 2050

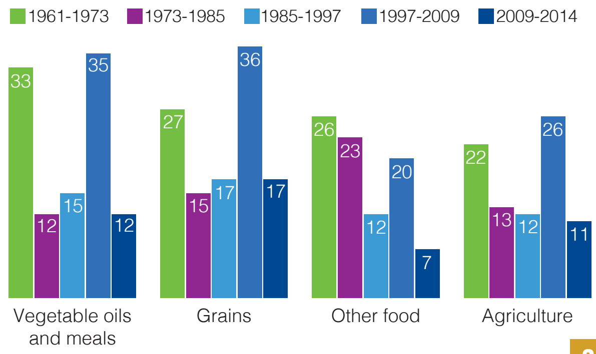
60%

Increase in global food supplies by 2050

- Price volatility of agricultural commodities was peaking in the 1997-2009 period. Prices were more stable in more recent years. Overall highest volatility is noticeable for grains, followed by vegetable oils.
- In 1960, one hectare of land fed 2 people while in 2050 one hectare of land will be required to feed 5 people.
- Climate change increases the likelihood of more extreme temperatures and unpredictable weather events, which affect food production.
- Natural resources, upon which food production relies, will come under increased pressure in the future to meet a growing demand for food worldwide.

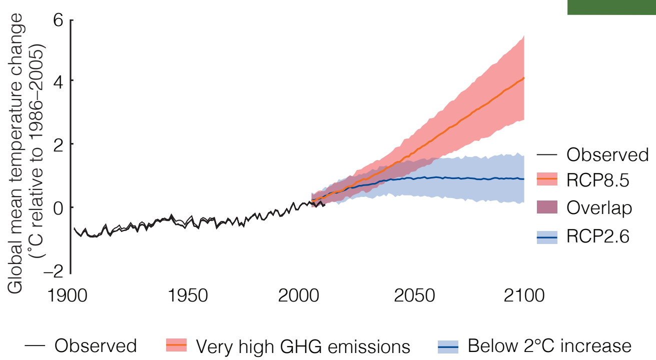
[1] *For more information, read FoodDrinkEurope's actions at https://sdg.fooddrinkeurope.eu/*

Volatility of world prices of agricultural commodities (%)



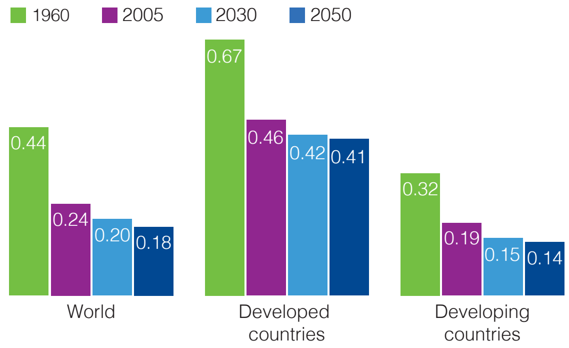
Source: European Commission, DG Agriculture and Rural Development

Past and projected global temperature change



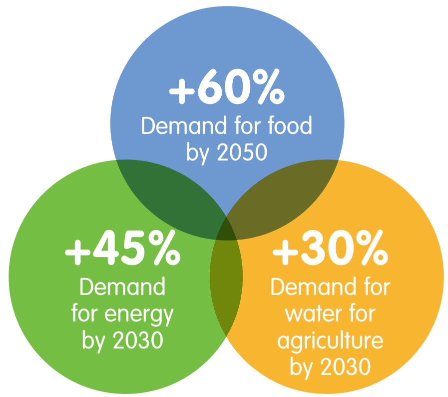
Source: Climate Change 2014: Synthesis Report, IPPC

Arable land per capita (hectares in use per person)



Source: World agriculture towards 2030/2050: the 2012 revision, FAO

Future global challenges (% increase)



Sources: The Future of Food and Farming (2011); FAO

Innovation and consumer trends

Innovation key to greater consumer choice

Pleasure

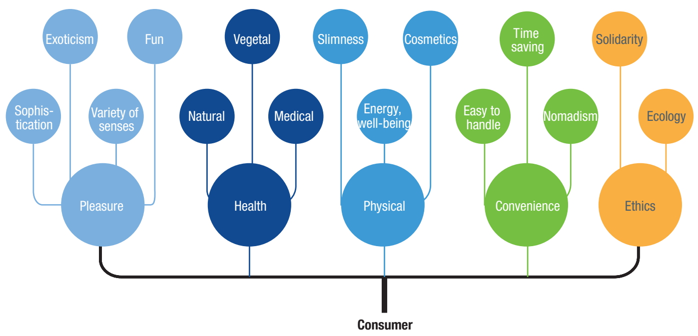
Leading driver of food innovation in Europe

#1

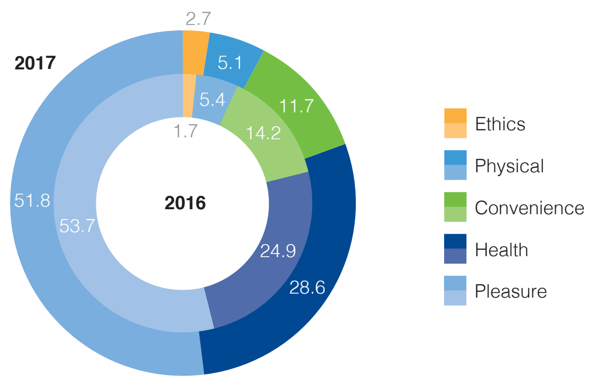
Soft drinks are the world's most innovative food sector

- Drivers of innovation can be divided into 15 trends, grouped along five axes, corresponding to general consumer expectations: pleasure, health, physical, convenience and ethics.
- Pleasure, including variety of senses and sophistication, is the leading driver of food innovation in Europe, with a 51.8% share in 2017.
- All the health trends (natural, medical and vegetal) gained ground in 2017, making health the most dynamic driver of food innovation in Europe in terms of growth.
- Soft drinks remained the world's leaders in innovation in 2017, just ahead savoury frozen products. Ready-made meals stay at the third place.

Food innovation trends

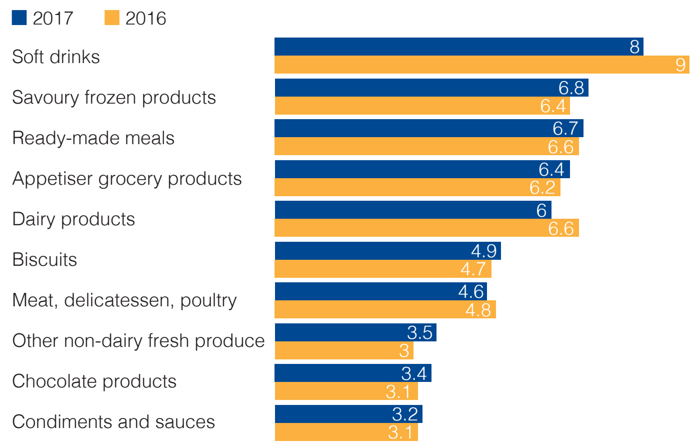


Drivers of innovation in Europe

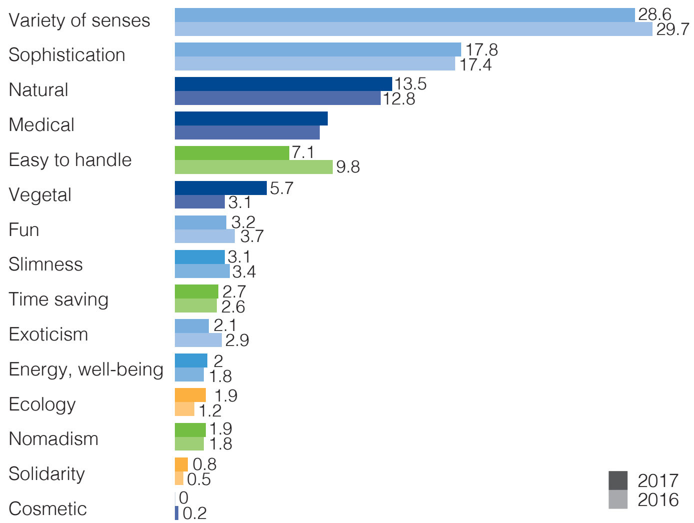


Source: XTC World Innovation Panorama 2018

The world's 15 most innovative food sectors



Food innovation trends in Europe



Global trends in R&D

Sustained levels of R&D investment

0.23%

EU[1] R&D private investment intensity

- Out of the world's top 2,000 companies for R&D private investment, 52 operate in the food and drink industry. Together, these companies invested €9 billion in R&D in 2016/17, out of which €2.9 billion were invested by 15 food and drink companies based in the EU.
- These 15 EU companies are located in the United Kingdom (5/country), the Netherlands, France and Germany (2/country), Belgium, Denmark, Greece and Ireland (1/country).
- The EU[1] food and drink industry[2] has a lower R&D investment intensity compared to several food and drink industries worldwide.
- Across EU Member States, R&D investment intensity varies from 0.59% to 0.01%.

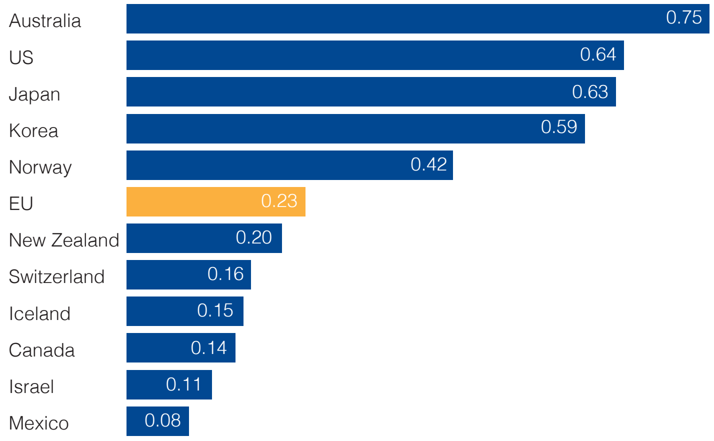
[1] Based on available data
[2] Including tobacco

R&D private investment of food and drink companies listed in the world's top 2,000 companies by R&D (2016/17)

	R&D private investment (€ billion)	R&D private investment (% of total)	Number of companies
EU	**2.9**	**32**	**15**
US	2.1	23.1	12
Switzerland	1.9	21.4	2
Japan	1.7	18.6	15
China	0.1	1.5	3
New Zealand	0.1	1.2	1
Others	0.2	2.3	4
TOTAL	9.0	100	52

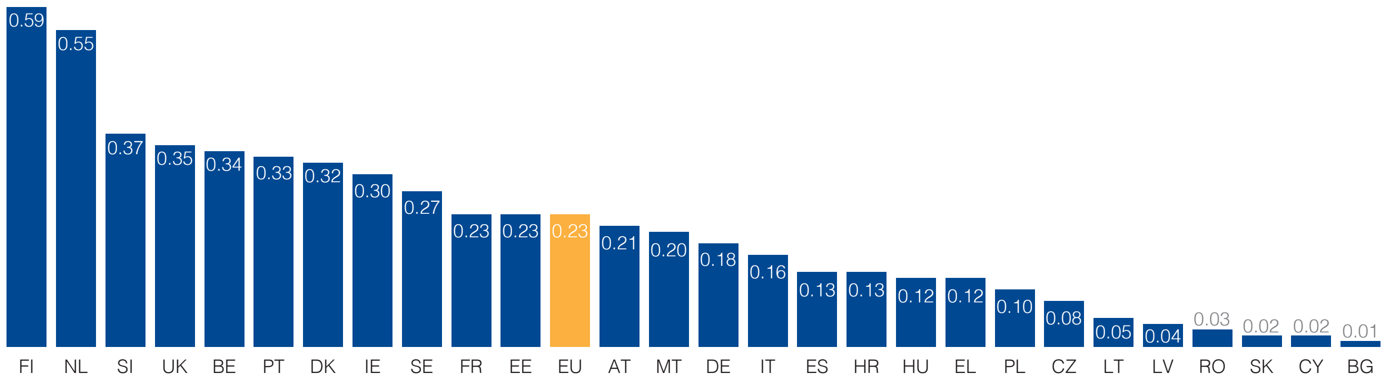
Source: Joint Research Centre

R&D private investment of the food and drink[2] industry (average 2013-2015,% of output)



Sources: Eurostat (BERD, National Accounts); OECD (STAN)

R&D private investment of the food and drink[2] industry by Member State (average 2013-2015,% of output)



Source: Eurostat (BERD, National Accounts)

Ranking of agri-food companies by global agri-food sales[1]

Name	Headquarters	Sales (€ billion)[2]	Operations in the EU[3]	Main sectors
Cargill	US	96.5	✓	multi-product
Nestlé	CH	80.7	✓	multi-product
PepsiCo, Inc.	US	56.6	✓	beverages, snacks
AB InBev	BE	50.3	✓	beer
JBS	BR	45.5	✓	meat, dairy
Bunge	US	40.4	✓	multi-product
Tyson Foods	US	34.7	-	meat
The Coca-Cola Company	US	31.5	✓	beverages
Mars	US	31.2	✓	prepared foods, confectionery, pet food
Archer Daniels Midland Company	US	30.5	✓	cereal processing
Danone	FR	24.7	✓	dairy, water, baby & medical nutrition
KraftHeinz	US	23.4	✓	multi-product
CHS	US	23.4	-	multi-product
Mondelēz International	US	23.1	✓	confectionery, snacks, dairy
Unilever	NL/UK	22.4	✓	multi-product
Heineken	NL	21.9	✓	beer
Femsa	MX	21.7	-	multi-product
WH Group	CN	19.9	✓	meat
Lactalis	FR	18.4	✓	dairy
DuPont	US	18.1	✓	multi-product
Asahi Group	JP	16.5	✓	beverages, speciality foods
Suntory	JP	15.1	✓	multi-product
Diageo	UK	13.7	✓	alcoholic beverages
General Mills	US	13.2	✓	prepared foods
Grupo Bimbo	MX	12.6	✓	bakery
Fonterra	NZ	12.6	-	dairy

Name	Headquarters	Sales (€ billion)[2]	Operations in the EU[3]	Main sectors
FrieslandCampina	NL	12.1	✓	dairy
Kirin Holdings	JP	11.9	-	alcoholic and non-alcoholic beverages
Kellogg Company	US	11.5	✓	prepared foods, snacks, cereals
Ferrero	LU	10.5	✓	confectionery
Arla Foods	DK	10.3	✓	dairy
NH Foods	JP	9.8	-	processed meat & fish products, dairy
Pilgrim's Pride	US	9.6	✓	meat
BRF	BR	9.3	✓	meat
Pernod Ricard	FR	9	✓	alcoholic beverages
Yili Group	CN	8.9	-	dairy
DSM	NL	8.6	✓	multi-product
Carlsberg	DK	8.4	✓	beer
Danish Crown	DK	8.3	✓	meat
Meiji Holdings	JP	8.3	✓	dairy, chocolate
Hormel Foods	US	8.3	-	multi-product
Associated British Foods	UK	8.1	✓	sugar, starch, prepared foods
China Mengniu	CN	7.9	-	dairy
Yamazaki Baking	JP	7.8	-	bread, confectionery, snacks
Campbell's	US	7.3	-	soups, sauces, snacks, beverages
Dean Foods Company	US	6.9	-	dairy
Hershey Company	US	6.7	-	chocolate, confectionery
Kerry Group	IE	6.4	✓	multi-product
Südzucker	DE	6.2	✓	sugar, multi-product
Oetker Group	DE	5.6	✓	multi-product

[1] *Based on the most recent complete fiscal year*

[2] *Figures have been converted to Euro with ECB bilateral annual exchange rates series, but only figures in the original currency are relevant*

[3] *Operations in the EU refer to the presence of processing plants in one or more Member States*

Glossary

Abbreviation of world regions

ACP
Africa, Caribbean and Pacific group of countries

Andean Group
Bolivia, Colombia, Ecuador and Peru

ASEAN (Association of Southeast Asian Nations)
Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam

Balkans
Albania, Bosnia-Herzegovina, Kosovo, Republic of Macedonia, Montenegro and Serbia

Central America
Panama, Guatemala, Costa Rica, El Salvador, Honduras and Nicaragua

China region
China, Hong Kong, Macao and Taïwan

CIS (Commonwealth of Independent States)
Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyz Republic, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan

EFTA (European Free Trade Area)
Iceland, Liechtenstein, Norway and Switzerland

EU
EU refers to EU28, unless otherwise specified

GCC (Gulf Cooperation Council)
Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates

Mediterranean region
Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine, Syria, Tunisia and Turkey

Mercosur
Argentina, Brazil, Paraguay and Uruguay

NAFTA (North American Free Trade Agreement)
Canada, Mexico and the US

Gross value added (GVA)
The gross value added is the value of goods and services produced by a sector minus the cost of the raw materials and other inputs used to produce them. GVA measures the contribution to the economy of each individual sector.

Investment
Investment is defined as investment during the reference period in all tangible goods. Investments in intangible and financial assets are excluded.

Labour productivity
Labour productivity provides a measure of the efficiency of the workforce to produce goods and services. Labour productivity is calculated as the gross value added (GVA) divided by persons employed.

Persons employed
The number of persons employed includes the total number of persons who work in the observation unit (inclusive of working proprietors, partners working regularly in the unit and unpaid family workers), as well as persons who work outside the unit who belong to it and are paid by it (e.g. sales representatives, delivery personnel, repair and maintenance teams).

Small and medium-sized enterprises (SMEs)
For Eurostat's Structural Business Statistics database: micro = less than 10; small = 10 to 49; medium-sized = 50 to 249; large = more than 250 persons employed. The SBS size-class data are solely based on the definition relating to the number of persons employed and not to the turnover level.

Value added
The value added at factor costs is the gross income from operating activities after adjusting for operating subsidies and indirect taxes.

Wages and salaries
Wages and salaries are defined as the total remuneration, in cash or in kind, payable to all persons counted on the payroll (including homeworkers), in return for work done during the accounting period regardless of whether it is paid on the basis of working time, output or piecework and whether it is paid regularly or not.

FOODDRINK
EUROPE

Avenue des Nerviens 9-31
Brussels 1040
Belgium
Tel.: +32 2 514 11 11

info@fooddrinkeurope.eu
@FoodDrinkEU
www.facebook.com/fooddrinkeurope
www.fooddrinkeurope.eu

Published October 2018