

# Overview of the Italian Food & Beverage Industry

*Selling & Buying Made  
in Italy:  
Food & Beverage in  
India  
(30<sup>th</sup> March 2022)*



# FEDERALIMENTARE: *THE MISSION*



FEDERALIMENTARE represents, protects and promotes the **Italian Food and Beverage Industry**, the second highest ranking Italian manufacturing sector

FEDERALIMENTARE is member of **Confindustria** (General Confederation of the Italian Industry) and of **FoodDrinkEurope** (European Confederation of Food and Beverage Industry)



# 13 MEMBER BRANCH ASSOCIATIONS

1. **ANCIT** – canned fish
2. **ANICAV** - processed fruit and vegetables
3. **ASSALZOO** - animal feed
4. **ASSICA** – Italian salumi, pork meat and meat products
5. **ASSITOL** – oils and fats
6. **ASSOBIBE** - soft drinks
7. **ASSOBIRRA** - beer and malt
8. **ASSOCARNI** - fresh meat, with specific emphasis on the beef industry

9. **ASSOLATTE** - milk and dairy products
10. **FEDERVINI** - wine, vinegar, spirits
11. **ITALMOPA** - flours, based flour mixes
12. **MINERACQUA** - mineral natural water
13. **UNIONE NAZIONALE FOOD** – confectionery, pasta and other food products (frozen, baby foods, dietetic products, spices, coffee, etc.)



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Federazione Italiana dell'Industria Alimentare

# Italian Food & Beverage Industry: *basic figures (2021/2020)*

## Turnover

**155 Bn/€ (+8,4%)**

## Production

**+6%**

## Employment

**385.000 employees**  
850.000 (including agriculture)

## Companies

**58.000**  
6.850 with more than 9 employees

## Consumptions

**\* 240 Bn/€**

\*Total consumptions  
(national and foreign markets)

## Export

**40,3 Bn/€**  
(+11%)



**In 2021 F&B Industry confirms  
as the second Italian largest manufacturing sector  
(first EU manufacturing sector)**

# ITALIAN F&B INDUSTRY STRENGTHS

- ✓ Widest range of **high-quality products**
- ✓ Close **connections with the Territory and Italian cultural heritage**
- ✓ Leading EU country with the **highest number of certified GGI (314) and wines with a register quality schemes (526)**
- ✓ Italian food model based on **Mediterranean Diet** (in 2020 for the Global Health Index Italy is the 2nd healthier country in the world)
- ✓ High level of **safety**
- ✓ Attention to **nutritional issues** (reformulation, portioning, nutritional labelling – NUTRIFORM BATTERY vs NURISCORE SYSTEMS)
- ✓ Engagement in **sustainability** and reducing impact on the environment
- ✓ High level of process/product **innovation** while respecting tradition



## F&B INDUSTRY EXPORT: THE TREND

- **Export is confirmed as the most relevant real area of growth and development for the Italian F&B Industry**
- **The final EXPORT 2021 balance accounts for almost 40,3 Bn/€**
- **The final balance for 2021 shows an increase of 11% in respect of 2020, so confirming the expansionary cycle facilitated by the solid economic recovery started in many Countries and the relaunch of international trade**
- **In 2020-2021 export in agri-food increased of +14,6% (in respect of +6,5% of total national export)**





## **INTERNATIONALIZATION DRIVERS: ACCESSING NEW MARKETS FOR ITALIAN F&B PRODUCTS BY:**

### **EDUCATING**

consumers about choosing  
and appreciating true  
Italian Food

### **STRENGTHENING**

relations with the main  
stakeholders of Ho.Re.Ca  
and retail

### **DEVELOPING**

the Italian agri-food  
production base by  
increasing the average  
dimension of  
companies, granting  
new management  
expertise and raising  
capital

### **TACKLING**

protectionism and trade barriers  
(often NTB), which damage  
international trade, by improving  
bilateral FTAs and by working in the  
competent international Bodies  
(Codex Alimentarius, SPS...)

### **TACKLING**

The illegal practice of  
counterfeiting (8 Bn/€) and  
Italian Sounding (unfair  
imitation usually not  
punishable by law (90  
Bn/€))

# FOOD SAFETY in the F&B Italian Industry



The **EU food&feed framework safety** strictly covers all aspects of food production:

- **authorized ingredients** (additives, flavorings, enzymes)
- bans and safety limits on **undesirable substances** and **contaminants**
- **hygiene requirements** for products/processes
- standard for targets and instruments of **official and private safety controls**
- an **EU Food Safety Authority** (EFSA) and an **EU Alert Notification System** (RASFF) in case of suspicion of no-compliance
- **traceability** of food, feed and food contact materials

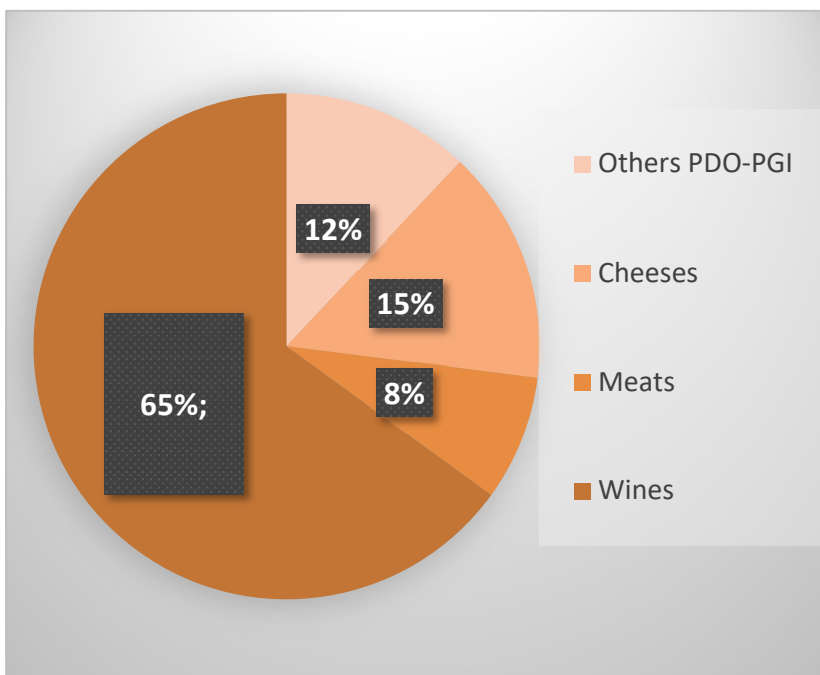
Within this framework, the Italian F&B Industry invests **relevant resources**:

- almost **3% of the turnover**, equal to more than 4,5 Bn/€ (in 2021) dedicated to product safety
- a significant part of the **10 Bn/€/year of R&D** investments for safety
- **85,000 people (22% of total workforce)** engaged in safety and quality
- **2.8 Mln self-control analyses** per day (and about **700.000 official controls per year** performed by public Authorities)



# MADE IN ITALY and GEOGRAPHICAL INDICATIONS

## The primacy of quality



## ITALY IS THE FIRST COUNTRY IN THE WORLD FOR CERTIFICATED PRODUCTS

- **314 GGIs** - Italy is the leading EU country with the highest number of certified PDO, PGI and STG products
- **526 wines with a register quality system** (almost 2/3 of the value of the entire Italian production)
- In the last decade, GGIs export registered an increase of **+145%**

## CERTIFICATED F&B PRODUCTS

- Ambassador of Italian food&beverage abroad
- Deep link with territory and tradition
- Push for the request of other Italian products
- Severely damaged by Italian Sounding



Source: Nomisma-Crif Agrifood Monitor on data Istat, Qualivita and Ismea

# NUTRITION: ITALIAN F&B INDUSTRY COMMITMENTS

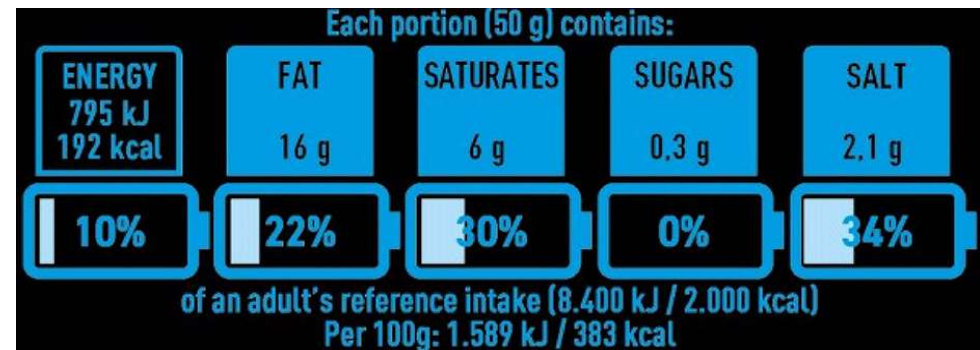


Federalimentare and several member Associations signed **voluntary commitments with the Italian Ministries of Health and of Education** with a holistic life-style approach and a particular attention to children in order to:

- **improve the nutritional characteristics of food products** (reformulation, portioning)
- **share Guidelines for Commercial Communication** related to food and beverage products (to protect children)
- **act together on the topics of food education and research (CLUSTER agrifood)**

Federalimentare, with the Italian Government and all the actors of the food-chain, **supports the harmonization at EU level of Front of Pack Nutritional Labelling schemes** and the **NUTRIFORM BATTERY**, presented to the European Commission

NB differs from traffic light FoPN schemes because it aims not to address consumers, but **to inform and help them in making aware consumption choices aligned with balanced diets**



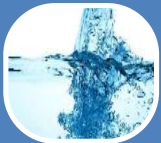
# ENVIRONMENTAL SUSTAINABILITY

The F&B Industry's commitment is based mainly on **4 strategic areas of intervention** in line with the **principles of the Circular Economy** and respecting the **3 sustainability pillars (economic, social, environmental)**:

1. **efficient use of basic inputs (energy, water)**
2. **full exploitation of agricultural raw materials** in all their components
3. **eco-design of packaging** and correct **environmental management after use**
4. **prevention of food waste** and management of surpluses



F&B is committed to reducing packaging materials without compromising consumer needs or quality and safety of products (in the last ten years, for some types of packaging, plastic has decreased by -30/40%, aluminum by 30%, glass by up to -60%)



F&B Industry - with few exemptions - is featured by a relatively low energy impact compared to other industrial sectors: it is energy efficient (-30% consumption in 20 years), reduces greenhouse gas emissions (-30%) and has halved water use in the last 30 years



F&B Industry uses all parts of raw materials with particular regard to by-products (where food use for human or animal consumption is not possible, other important uses are in the cosmetics, pharmaceutical and chemical industries and, secondarily, in the production of fertilizers and bioenergy)



F&B Industry aims to prevent waste either in its processes, and at the household consumption stage with proper indications to consumers, new portioning and advanced packaging. In addition to this, hundreds of food companies make donations to food banks and to non-profit and third sector organizations

# EXPORTING AND INVESTING IN INDIA: OPPORTUNITIES AND OBSTACLES (1)



- India is the second most populous country in the world with over 1.3 billion people and one of the world's leading agricultural producers
- It is the sixth largest economy in the world by nominal GDP, and one of the world's fastest-growing economies (over the last 15 years, India has grown at an average annual rate of 7.5%)
- With rising incomes, an expanding middle class and changing consumption patterns, demand for international quality products is expected to increase for the future, so F&B made in Italy has a great potential
- Political patterns grants continuity in the fields of economic reforms, infrastructure development and opening up to foreign investment
- At the EU-India meeting of May 2021 has been agreed the strong will of relaunching the negotiation for defining an FTA

## EXPORTING AND INVESTING IN INDIA: OPPORTUNITIES AND OBSTACLES (2)



- EU's share in India's total food and drink imports remains relatively low at 4%. In 2020, EU food and drink exports to India totalled €348 million/€ (main categories exported: dairy products, oils and fats, animal feeds, grain mill and starch products, chocolate and confectionery)
- In 2021 Italy exported F&B processed products in India for **58 Mn/€** and imported food products (excluding primary products) for **240 Mn/€**, with a balance of trade in favour of India
- Most EU food and drink exports to India continue to face very high import tariffs, up to 150% for certain categories
- Treatment of imported alcoholic beverages and regulatory standards don't appear fully in line with international practices
- Proposal of obligatory FOP declaration of energy and nutrients, including colour coding, appears not in line with Codex Alimentarius Guidelines on nutrition labelling, and, where implemented, would render more difficult the importation and marketing of pre-packaged food products complying with Codex Guidelines
- Important restrictions on imports of raw milk cheeses are due to the new veterinary certificate requiring that milk products have not been manufactured using animal rennet
- Legislation in force in India imposes the treatment of cereal products with an active principle not allowed by the Italian legislation



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***THANKS FOR THE ATTENTION!***

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