India's food and beverage market

Market opening up due to various ongoing changes

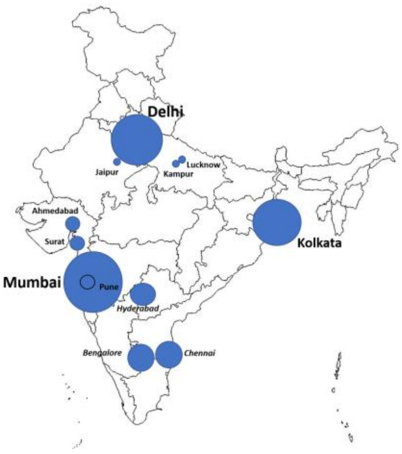
Strengths
- Huge market by population
- GI protection is available
- Customs procedures for agri-food products imports theoretically quite easy
- Young working population is willing to experiment

Weaknesses
- Limited historical imports
- Strong local consumer tastes and local sensitivities limit the market for some products
- Some import procedures are long
- Weak IPR enforcement

Opportunities
- Growing interest in imported, processed and packaged foods
- Positive image of EU products
- Improving infrastructure and cold chain storage
- Recent tax system changes simplify movements of F&B goods across India

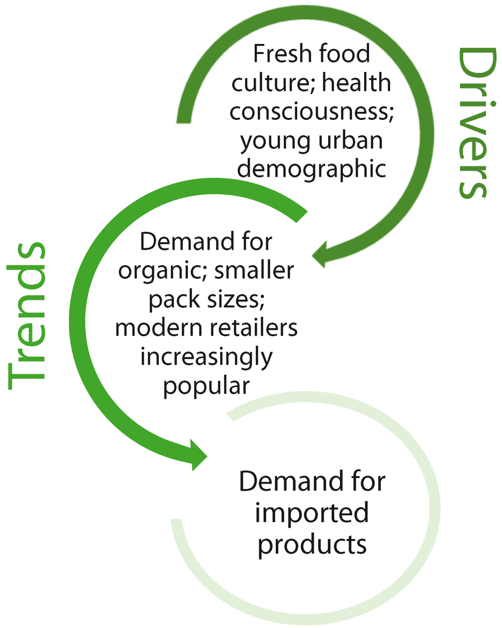
Threats
- Evolving legislation
- Distinct, strict labelling requirements
- High tariffs
- Domestic production and processing actively promoted
- Possible FTAs with competitors in future

Huge, distributed population



Imported products can profit from emerging trends;

particularly in urban areas



Products highlights

220m MT	Large **fruit and vegetables** production and consumption; niche opportunities for EU imports e.g. apples, kiwis.
2.7bn litres	Affluent consumers prefer imported **spirits;** whisky is particularly popular.
20m litres	Increasing interest in **olive oil** for health reasons; EU producers dominate the market.
22.4m MT	Growing demand for **dairy** products; opportunities for lesser-known cheeses and flavoured yoghurts.
18m litres	Rapidly growing demand for **wine**, with imported products seen as better quality.
7.6m MT	Though domestic production of **meat** is strong, there is also rising demand; for pork in particular.

Urban areas home to main attractive consumer groups

- 200m young, urban consumers more likely to be pioneering and trend-setting
- ~30m+ elite and affluent are the main consumers of premium products
- 350m+ consumers live in emerging cities (rather than established tier 1 cities); many of these are fast-growing.

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April 2019