



FOOD PROCESSING

COUNTRY PROFILE

DENMARK





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1 GLOBAL FOOD & BEVERAGES MARKET

1.1 MARKET OVERVIEW

The food processing sector is involved in transforming raw agricultural products into processed food items that are suitable for consumption. It encompasses a wide range of activities, including harvesting, sorting, cleaning, deweeding, preserving, and formulating food products. Food processing involves various techniques and technologies to enhance the quality, safety, and shelf life of food. Some common processes include cutting, grinding, cooking, pasteurization, roasting, freezing, and fermentation. These processes often involve the use of machinery, equipment, additives, and other ingredients to modify the characteristics of the raw materials. The food processing sector plays a crucial role in meeting the global demand for safe, convenient, and nutritious food products. It not only helps to extend the availability of seasonal produce but also caters to the development of a wide variety of food options. This sector covers a broad range of products, including fruits, vegetables, grains, dairy products, meat, poultry, seafood, bakery items, beverages, and prepared meals. Food processing companies may operate at different scales, from small-scale local businesses to large multinational corporations. They must adhere to strict quality control and safety standards to ensure that the processed foods meet regulatory requirements and consumer expectations. Overall, the food processing sector contributes significantly to the economy, employment, and food security by adding value to raw agricultural products and making them suitable for consumption on a mass scale.

In the year 2022, the global food and beverages market exhibited an impressive valuation of \$6,735.8 billion¹. This impressive market displayed an intriguing prospectivity after witnessing from the standpoint of per capita consumption, amounting to \$262.82² annually. Innovation in the cost expense of the global GDP, the market holds a significant share of 6.32%³.

¹—2022

²—2022

After analysing the various segments within the food and beverages market, it becomes evident that the demands of meat, poultry, and seafood retained the top position, leading to substantial market share of 20-26%. Following closely behind, the dairy food sector made a remarkable showing of 14-16%, while the realm of bakery and confectionery holds its own at a surprising 11-13%.

The global food and beverages market grew from **US\$ 1,838,000 Mn in 2021** to **US\$ 2,424,000 Mn in 2026**.

The market grew at a compound annual growth rate (CAGR) of **6.10%**.



1.2 EMERGING TRENDS

The food and beverages market are being influenced by several significant trends, which are as follows:

- ✓ Functional drinks for hydration & nutritional benefits
- ✓ High pressure pasteurization of fruits & vegetables
- ✓ Increasing demand for clean-label products
- ✓ Individual quick freezing (IQF) technology
- ✓ Robotics and automation in meat processing
- ✓ Personalization of pet foods

¹ Global Market Insights, Inc. (2022). "Global Food and Beverages Market Size, Share, Growth, and Forecast 2021-2026".

² Ibid.

³ Ibid.

2 INDIAN FOOD PROCESSING SECTOR

2.1 OVERVIEW

In the year 2022, the food and beverages market of India Pacific emerged as the dominant region, accounting a substantial valuation of \$2,745.3 billion. This impressive figure accounted for a noteworthy 44.7% share of the global food and beverages market. Trailing behind, Western Europe retained the second position with a respective share of 20.3%, and North America followed closely at 14.8%.

Figure 2
Country-wise split
of Asia Pacific Food
& Beverages Market,
2022



**Global Market Insights Research Analysts: The Global Food & Beverage Industry, November 2022

Within the Asia-Pacific region, India's food and beverage market holds the position of being the third largest, following the likes of China and Japan. In the year 2022, the market revenue reached an impressive sum of US\$ 177.17 billion, thus commanding a significant 16.6% market share within the vast expanse of the Asia-Pacific market.¹⁴

India's food and beverage market grew at a CAGR of 6.92% between 2017 - 22.

India's food and beverage market is forecasted to grow at a CAGR of 9.94% from 2022 - 27.

The Indian food processing sector has experienced rapid growth, exhibiting an impressive average annual growth rate of over 8 percent since the fiscal year 2014-15¹⁵. This sector plays a pivotal role in establishing strong connections between the industry and the agriculture sector through a comprehensive range of activities that encompass farming, aggregation, processing, packaging, storage, and distribution.

In India, the food processing sector extends its support to a wide array of products, encompassing traditional food items such as food grains, spices, fruits, and vegetables, as well as modern processed foods like instant noodles, dairy products, seafoods, instant products, instant mixes, and convenience foods. Its contributions to the economy are substantial, with a multiplier effect on employment, as it employs 13.2% of the total workforce in the Indian registered manufacturing sector in the fiscal year 2019-20, the remarkable contribution of processed foods to India's total export Food Exports reached an astonishing 27.8%. The percentage share of food processing contribution to the overall Indian manufacturing GDP rose to 10% of 2.37 with a CAGR of 10.41% in 2020-21.¹⁶

¹⁴ Global Market Insights, "Asia-Pacific 2022: The Food and Beverage Industry Overview 2022"

¹⁵ ITC

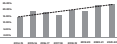
¹⁶ ITC

¹⁷ ITC, 2020-21

¹⁸ ITC

Appendix 1

**Percentage share of processed fish's exports
in april – food exports**



India's april – food exports grew from
US \$36,771.92 Mn in 2014 – 15 to
US \$ 46,113.3 Mn in 2021 – 22.

India's processed food exports grew from
US \$4959.44 Mn in 2014 – 15 to
US \$10,420 Mn in 2021 – 22.



2.2

KEY GROWTH DRIVERS

The food and beverage market holds substantial significance as a contributor to the Indian economy. Research indicates that the Indian processed food market is poised for robust, sustainable growth, with expectations of reaching a valuation of USD 87.6 billion by the year 2029. This projection signifies a substantial increase from its previous valuation of USD 26.3 billion in the base year 2020. The key growth drivers for the growth prospect of the sector are:

- Demographic growth
- Increased disposable income
- Demand for higher-quality products and premiumisation
- Improvements in logistic infrastructure
- Modernisation of cold chain infrastructure
- COVID-19 pandemic accelerating demand towards healthier and more hygienic products
- Industrial automation
- Manufacturing process improvement

This upward trajectory is expected to trigger a substantial surge of opportunities across the entire value chain of processed foods.

2.3 KEY OPPORTUNITIES

The following are the high-potential opportunities in the food processing sector of India

FOOD PROCESSING MACHINERY

The machinery sector for food and beverage processing in India experienced a growth rate of 8.0% in the year 2020. Regionally (Asia Pacific), it stood as the fourth largest in terms of production value. Looking ahead, the industry's turnover is projected to witness a compound annual growth rate (CAGR) of 8.0% during the period of 2021-2026. Furthermore, it is anticipated that the industry will regain pre-pandemic levels by the year 2026.

The machinery sector for food and beverage processing relies primarily on the expansion of domestic markets for its growth. In the year 2020, exports constituted 7.0% of the overall production output, indicating that the industry's focus is predominantly on satisfying domestic demand.



Insights

Regional Comparison of Machinery Production Value, 2020

India is the fourth largest producer in terms of production value in Asia Pacific

India represents a significant 9.0% share of the total production value in the Asia Pacific region.

OILS & FATS

During the period from 2021 to 2024, the Indian oils and fats market exhibited robust growth. The key drivers behind this growth were rapid urbanization, an expanding middle-class population, increasing income levels, and enhanced purchasing power among consumers. In 2023, the Indian oils and fats market generated total revenues of INR 216.3 billion, showcasing a noteworthy compound annual growth rate (CAGR) of 7.3% over the period from 2021 to 2024. Moreover, the market witnessed a steady increase in consumption volume, with a CAGR of 6% during the same timeframe, culminating in a total volume of 21,434.3 million kilograms in 2024. By the end of 2024, the market's volume is projected to reach 22,000 million kilograms.

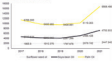
Among the segments within the market, the vegetable oil segment emerged as the most lucrative in 2024, amassing total revenues of INR 8 billion, accounting for a significant 3.7% of the market's overall sales. The soybean oil segment also made a substantial contribution, generating revenues of INR 6 billion in 2024, which equates to 2.8% of the market's total revenues.

Market

**Oils & Fats market volume forecast,
2021 - 26, million kilograms.**



India's vegetable imports are dominated by three primary commodities: Palm Oil, Soybean oil, and Rapeseed seed oil. Collectively, these imports accounted for a significant sum of INR 14,767.33 billion in 2023.

Insights
India's top agricultural imports in 2023, USD million
India imports in USD million


COLD CHAIN INFRASTRUCTURE

India currently holds the position of the global leader in milk production, owing largely to the production of fruits and vegetables. It features a significant output of marine, meat, and poultry products. The majority of these commodities are highly susceptible to temperature variations, necessitating precise storage and transportation conditions. The cold chain market in India demonstrated a revenue of USD 26.4 billion in 2022 and is projected to attain USD 57.5 billion by 2032. This indicates a robust compound annual growth rate (CAGR) of approximately 14.20% between the years 2022 and 2032.

The surge in demand for cold chain infrastructure stems from multiple factors, including heightened requirements from the healthcare industry, expansion of organized food retail, growth in the processed food sector, and a shift towards increased consumption of fruits and vegetables. Additionally, the COVID-19 pandemic has had a positive impact on the overall cold chain market, leading to an increased need for cold storage and temperature-controlled logistics across various sectors. Over the past few years, the government has actively engaged in numerous cold chain development initiatives. Moreover, regional players have prioritized the expansion of cold storage capacities to accommodate the storage and distribution of COVID-19 vaccines and medications.

Market Size & Growth Forecast

Market Size & Growth Forecast – India Cold Storage Market, in USD Billion



- The implementation of a proficient and reliable cold-chain storage infrastructure enhances the transportation and storage of products sensitive to temperature fluctuations, resulting in extended shelf life and minimized spoilage risks from the point of origin to the point of consumption.
- Numerous stakeholders from various industries are actively engaging in the development of a dynamic and seamless cold-chain storage system that adheres to the necessary standards and regulations.
- Anticipated growth in this segment is projected in the coming years, driven by a growing interest from start-ups, regional providers and institutional levels. This increased attention highlights the potential for significant expansion and underscores the attractiveness of the cold-chain storage market.

3 DENMARK - COUNTRY OVERVIEW

Denmark is a constitutional monarchy located in Northern Europe and is a part of Scandinavia. It is bordered by Germany to the south, the North Sea to the west, and the Baltic Sea to the east. The country consists of the Jutland Peninsula and several small islands, of which the largest are Zealand, Funen, and Bornholm. It is a highly developed country with a high standard of living. The economy is based on services, industry, and agriculture. Denmark is a member of the European Union, NATO, and the North Atlantic Treaty Organization (NATO). [Click to navigate to more about Denmark.](#)

CAPITAL COPENHAGEN

AREA 43,000 SQ KM

POPULATION 5.5 MILLION

CURRENCY DANISH KRONE

DANISH,
ENGLISH,
GERMAN,
FAROESE

LANGUAGE DANISH

84 YEARS
82 YEARS
83 YEARS

LIFE EXPECTANCY 83 YEARS

HEAD OF STATE

MARGRETHE II OF DENMARK

PRIME MINISTER

METTE FREDERIKSEN

GOVERNING PARTY

SOCIAL DEMOCRATS

GLOBAL POPULATION RANK

98

URBAN - RURAL POPULATION

URBAN 88.0% RURAL 12.0%

4 DENMARK - ECONOMY OVERVIEW

Denmark has the sixth largest economy in the world with a GDP of USD 395.4 billion economy. It is a member of the European Union and the Organisation for Economic Cooperation and Development (OECD). The country is known for its high standard of living, high-quality welfare state, and its focus on sustainability. Denmark has a high level of social welfare, technological resources and education. Some of the key facts about the Danish economy is listed below in table 2.

Official website: <https://www.statistikbanken.dk>

Population: 5.9 million (with an 87% life expectancy)

USD 66,983.1

GDP (constant 2014 price)

USD 395.4 BILLION

Total Final Consumption Expenditure
% of GDP

64.8 %

Household saving ratio

38 %

GN Inflation

3.7 %

FDCA: 4.2% (with inflation)

Economic Growth

3.8 %

DENMARK - FOOD PROCESSING 5 SECTOR OVERVIEW

5.1 FOOD PRODUCTION TRENDS

There are 4.1 million hectares of agricultural land in Denmark, of which approximately 40% has been cultivated for agricultural purposes. At present, there are about 130 000 people employed in the Danish agricultural sector, with 73 000 of them in farming and 58 000 in food processing industry. Denmark can produce enough food to feed 50 million people, six times its population. As such, Denmark is an exporter of food and its annual exports of agricultural and agri-food products currently amounts for about 20% of the Danish total annual exports.

Denmark exports more than half of its agricultural products, so farmers have an absolute focus on the need to achieve success. This entails a high acceptance of rigorous quality assurance and regulatory standards, and understanding of the importance of maintaining a reputation for quality and safety. To support the development of the food industry, the Danish government has helped establish a comprehensive food industry cluster in the Østfold region. The Østfold region, consisting of Southern Zealand and Eastern Denmark, is one of the fastest-developing food clusters in Europe. It is the bridge between eastern and western Denmark and close to Denmark's major export markets in Europe.

¹ <https://www.mapp.dk/en>

5.2 GROWTH DRIVERS

5.2.1

Rigorous quality and regulatory standards:

Denmark exports more than two thirds of its agricultural products, so farmers have an absolute focus on the need to adhere to them. This extends to their acceptance of rigorous quality assurance and regulatory standards, and understanding of the importance of maintaining a reputation for quality and safety.

5.2.2

Establishment of farmer co-operatives:

The major food producing companies in Denmark are co-operatives formed by farmers who strengthen their position in the value chain. Danish farmers are well aware of the fact that they are a relatively small group competing in the international trading environment. As a result, they have a strong commitment to working together to achieve success, be that as part of marketing co-operatives (such as Danish Crown), or as part of co-operatives supplying farm inputs (such as the Bld group).





5.2.3

Investment in R&D and training of technical staff:

The Danish government, farmers and the food industry are committed to continuous investment in R&D, and the training of technical staff for both the farm and the food sector. To become a farmer, a person is required to have completed a “Green Talent” which involves up to four years of technical level training. Farmers also pay annually taxes which fund research.

5.2.4

Conducive research environment:

In Denmark, strong emphasis on R&D in the food processing industry has been a government policy in recent years. Universities conduct food-related research, and they build and share knowledge on everything from primary production to process technology and from final food products to markets and consumers.

6 FOOD PROCESSING: KEY STAKEHOLDERS IN DENMARK

The food processing sector in the Denmark is governed and regulated by various stakeholders, which is crucial for strengthening and supporting the industry. Some of the key stakeholders in the sector are as follows:

6.1 GOVERNMENT INSTITUTIONS

NAME	OBJECTIVE
Ministry of Food, Agriculture and Fisheries	The Ministry of Food, Agriculture and Fisheries is the leading authority responsible for food policy matters. It has established the Danish Agri-Food Agency to support the development of the food industry and the Danish Veterinary and Food Administration to handle food health and safety issues from farm to fork.
The Danish Veterinary and Food Administration	The Danish Veterinary and Food Administration deals with food health and safety issues. Food control and veterinary inspections are handled by three regional veterinary and food control centres, which also function as information centres for food-related topics for consumers, foodstock owners, businesses and stakeholders. The administration also works with international organizations such as the World Health Organization.
The Danish Directorate for Fisheries	It carries out management and control of EU regulations and national rules in the fisheries sector. It also performs quality inspections in companies and in processing plants in order to ensure healthy food products.

6.2

MAJOR INDUSTRY PLAYERS

COMPANIES	SECTOR	MAIN COMMODITY
Asia Foods	Salmon	Chowme, Milt and Egghead
SeaVie Farms	Shell Processing	Bacon, Red Land Product
Seafresh	Salmon	Salmon
Carlsberg	Alcoholic Beverage	Beer
Super Groceries	Seafood Production	Natural Fish, Skatfish



7

DENMARK:
TRADE OVERVIEW

The Denmark is a key trading power in the Europe. Considering the overall trade of Denmark, the following sections indicate key export and import products along with Denmark's trading partners.

7.1

KEY EXPORT PRODUCTS & PARTNERS

The following products are top exported items and destinations in Denmark in 2022.

Table

Denmark exports of goods to the top 10 countries,
main commodity and total value, 2022*

Partner country	Main commodity	Commodity	Value (USD million)
Germany	Iron ores and concentrates	Iron ores and concentrates	12,000.00
France	Iron ores and concentrates	Iron ores and concentrates	10,000.00
Spain	Iron ores and concentrates	Iron ores and concentrates	8,000.00
Poland	Iron ores and concentrates	Iron ores and concentrates	7,000.00
USA	Iron ores and concentrates	Iron ores and concentrates	6,000.00

* Data source: UN Comtrade, Danish Trade & Industry

Denmark's export data as highlighted in the table indicates that Germany, Sweden, Netherlands and China forming top 5 destination of export exports from the Denmark. The main exported products included Pharmaceutical Products, mechanical appliances, Electrical machinery and most products.

7.2 KEY IMPORT PRODUCTS & PARTNERS

Denmark's top 5 source of imports and their corresponding leading partners are listed in the table below.

(USD)

Denmark's imports of goods by the top 5 countries, main commodity and total value, 2022¹

Partner country	Total value (USD)	Main commodity	Commodity value (USD)
Germany	21,825,292,000	Manufactures	14,848,292,000
Sweden	15,847,126,000	Machinery or Mechanical Appliances	14,847,126,000
Netherlands	12,522,126,000	Electrical Machinery & Equipment	12,522,126,000
China	10,545,748,000	Iron ores	8,545,748,000
France	9,222,126,000	Pharmaceutical	8,222,126,000

Denmark's import data as shown in the table above indicates that the major imported products to Denmark are Iron ores and iron, Machinery & Mechanical appliances, Wheat or meslin, Electronic, and Pharmaceutical Products, with Germany, Sweden, Netherlands, China and France forming the top 5 import sources.

¹ - <https://www.trade.gov/trade-data>

8 DENMARK – INDIA TRADE

The trade relationship between Denmark and India is expected to continue to grow in the years to come. There are a number of potential areas for cooperation, such as renewable energy, water management, and healthcare. The two countries also have a strong political and cultural relationship, which will help to further promote trade and investment. Commitments between the countries are mentioned below in table.

8.1 DENMARK EXPORTS TO INDIA

In 2023, the total Danish exports to India amounted to USD 2,325 million. (a) increase of 3.52% or USD 80,000 million in current prices, compared to 2022). Table 8.1 below publishes top 5 Danish exports to India over the last three years captured at 4 digit level. (a) in USD Thousands.

Table 8.1 Danish Exports to India over the last three years.

HS Code	Product Code	Value (USD Thousands)			% of Total	2023's Share of Total Exports to India
		2021	2022	2023		
070400	Potatoes, fresh or chilled, in bulk	1750	2070	2325	27.80%	11.97%
080500	Manufactures from preparations of wheat, meslin, starch or milk extract and of other products	600	670	660	18.00%	11.97%
090200	Roasted coffee, whole, ground, cut into coffee granules or coffee	0	100	100	10.00%	11.97%
090300	Active yeasts	200	200	200	10.00%	11.97%
080600	Preparations and other preparations containing cereals	87	100	100	10.00%	11.97%

In 2023, Denmark's biggest export commodity to India was food preparations, regardless of different commodities. Export of the commodity witnessed growth over the years, reaching a growth rate of 20.52%.

Exponential growth was witnessed in different sectors for example vegetables and various items showing a growth rate of 224.87% and different kinds of salmon showing a growth rate of 1600.00%.

8.2

DENMARK IMPORTS FROM INDIA

Total Danish imports from India amounted to USD 40.96 billion in 2023 in processed food and agricultural products (an increase of 1.71% or USD 692 million compared to 2022). Table 8.1 below indicates Denmark's top 5 imports from India over the last three years captured at 4-triplet USD (in USD thousands).

Top 5 Danish imports from India over the last three years

HS CODE	PRODUCT NAME	Denmark's Import from India			% CHANGE	SHARE OF TOTAL IMPORTS IN 2023
		2020	2021	2023		
080400	Prepared wheat cake (biscuits)	12000	12000	12000	100.00%	0.00%
070200	Vegetables (including fruit) the tubers or roots of sugar beet	0	0	10000	-	24.00%
090200	Whole ground soybeans	10000	10000	10000	10.00%	1.00%
080900	Whole coffee beans and seeds	1000	1000	1000	100.00%	0.00%
090300	Arachis, other oleaginous seeds and other prepared derivatives and supplies	1000	1000	1000	0.00%	1.00%

- ✦ Biscuits and flour made with fish and squid saw an exponential growth in past couple of years.
- ✦ Sugar molasses, which wasn't been imported or traded previously between the 2 countries is now a recognized as a trade product.



9 AREAS OF COLLABORATION

9.1 FOOD SAFETY AND QUALITY

Denmark has a solid reputation for food quality and safety, and India might profit from Danish expertise in this regard. Denmark, for instance, may assist India in developing and implementing food safety regulations, in training food safety inspectors, and in enhancing food product traceability.

9.2 SUSTAINABLE FOOD PROCESSING

There are many prospects for cooperation in the field of sustainable food processing because both India and Denmark are dedicated to sustainable development. For instance, the two nations might collaborate to create and implement new technologies for reducing food waste, processing food using renewable energy, and increasing the efficiency of food production.

9.3 INNOVATION IN FOOD PROCESSING

Denmark is a leader in food innovation, while India has a vibrant and expanding food processing industry. The two nations may work together to create new food products (including from traditional foods and processes) and employ technology to increase the efficiency of food production.

9.4 CAPACITY BUILDING

Denmark has a robust system for education and training in the field of food processing, and India can profit from Danish expertise in this field. Denmark, for instance, might assist India with the training of food processing engineers, the creation of food processing course curricula, and the establishment of food processing research facilities.

9.5 TRADE AND INVESTMENT

There are prospects for increasing trade and investment in the food processing industry between India and Denmark, two significant trading partners. For instance, Danish businesses can find food manufacturing initiatives in India, and Indian businesses can send food to Denmark.

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