



FOOD PROCESSING

COUNTRY PROFILE

GERMANY





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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, packaging, preserving, and distributing 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, canning, 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 beverage market exhibited an impressive valuation of \$6,726.8 billion¹. This impressive market displayed an intriguing prospectivity after witnessing from the viewpoint of per capita consumption, amounting to \$262.62² annually. Innovation in the cost expense of the global GDP, the market holds a significant share of 6.32%³.

¹World Economic Forum, *Global Food and Beverage Market*, <https://www.weforum.org/publications/global-food-and-beverage-market>

²FAO

³FAO

When assessing the various segments within the food and beverage market, it becomes evident that the demands of meat, poultry, and seafood demand the top position, leading to substantial market share of 20-26%. Following closely behind, the dairy food sector made a remarkable showing of 14.0%, while the realm of bakery and confectionery holds its own at a surprising 13.0%.*

The global meat & beverage market grew from US\$ 1,043,000.00 in 2017 to US\$ 1,240,000.00 in 2022.

The market grew at a compound annual growth rate (CAGR) of 4.00%.



1.2 EMERGING TRENDS

The food and beverage 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

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

11/2022

11/2022

2 INDIAN FOOD PROCESSING SECTOR

2.1 OVERVIEW

In the year 2022, the food and beverages market witnessed Asia Pacific emerging as the dominant region, securing 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%.

Country-wise split of Asia Pacific Food & Beverage Market, 2022



** Global Market Insights Research Analysts (GMI) - The Global Market Insights Company, 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 2021, the market revenue reached an impressive cumulative US\$117 billion, thus commanding a significant fourth market share within the vast regional 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 9 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 baked goods, dairy products, seafoods, instant products, instant soups, and convenience foods. Its contributions to the economy are substantial, with a multiple 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 value added of US\$146.4 billion in 2020-21.¹⁶

¹⁴ Global Market Insights, Market Outlook 2021: The Global Food & Beverage Industry, December 2020

¹⁵ ITC

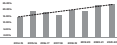
¹⁶ ITC

¹⁷ ITC, 2020-21

¹⁸ ITC

Annexure 1

Percentage share of processed fuel's exports
 in april – fuel's exports



India's april – fuel's exports grew from
US \$38,771.92 Mn in 2014 – 15 to
US \$ 46,113.3 Mn in 2021 – 22.¹

India's processed fuel's exports grew from
US \$4959.44 Mn in 2014 – 15 to
US \$10,420 Mn in 2021 – 22.²

¹ <https://www.moppi.gov.in>

² <https://www.moppi.gov.in>



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:

- ▶ Strong economic 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.



Regional

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 urbanisation, 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 ₹2,516.3 billion, showcasing a noteworthy compound annual growth rate (CAGR) of 7.3% over the period from 2021 to 2023. 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 61,434.3 million kilograms in 2023. By the end of 2024, the market's volume is projected to reach 62,000 million kilograms.

Among the segments within the market, the vegetable oil segment emerged as the most lucrative in 2023, amassing total revenues of ₹8.6 billion, accounting for a significant 34% of the market's overall sales. The soybean oil segment also made a substantial contribution, generating revenues of ₹2.6 billion in 2023, which equates to 10% 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, Soyabean oil, and Rapeseed seed oil. Collectively, these imports accounted for a significant sum of ₹4,767.33 billion in 2023.

Insights
India's top agri-food imports in 2023, USD million


COLD CHAIN INFRASTRUCTURE

India currently holds the position of the global leader in milk production, owing to its the production of fruits and vegetables. It also has 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 organised 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 prioritised the expansion of cold storage capacities to accommodate the storage and distribution of COVID-19 vaccines and medications.

Market

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 diverse and resilient 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.

Market

Investments & Strategy

3 GERMANY - COUNTRY OVERVIEW

Germany situated in the heart of Europe, stands as a powerhouse of innovation, precision engineering, and economic prowess. With a rich history, diverse culture, and strategic geopolitical importance, Germany has evolved into a global leader in technology, manufacturing, and exports. Its blend of tradition and modernity has shaped a society known for its efficiency, exceptional craftsmanship, and unwavering commitment to research, being making it a captivating destination for exploration and study. The following table highlights key facts about Germany.

CAPITAL	BERLIN	HEAD OF STATE	FRAUKWALTER STEINMEIER
AREA	35,740 SQ KM	CHANCELLOR	OLAF SCHOLTZ
POPULATION	83.28 MILLION	GOVERNING PARTY	SOCIAL DEMOCRATIC PARTY OF GERMANY
CURRENCY	THE EURO	GLOBAL POPULATION INDEX	97
LANGUAGES	GERMAN, TURKISH, ENGLISH, FRENCH	URBAN - RURAL POPULATION	URBAN: 78% RURAL: 20%
LIFE EXPECTANCY	79 YEARS (MEN) 83 YEARS (WOMEN)		

4 GERMAN - ECONOMY OVERVIEW

Germany has the fourth largest economy in the world with a GDP of 493.5 billion euros annually, which is a fraction of the GDP of leading industrialized countries. The country is known for its service sector. Some of the key facts of German economy is listed below:

GROSS DOMESTIC PRODUCT

(BILLION EURO, 2022) (US \$ OF 2022)

US \$ 48,432.5

GDP PER CAPITA

US \$ 4.28 TRILLION

TOTAL FINAL CONSUMER EXPENDITURE
(% OF GDP)

73.1 %

HOUSEHOLD SAVING RATE (% OF GDP)

29 %

INFLATION

6.9 %

ECONOMIC GROWTH

1.8%

5 GERMAN - FOOD PROCESSING SECTOR OVERVIEW

Germany holds a prominent position as Europe's largest food producer, a distinction that underscores the industry's significance in the preservation and processing industry. This sector stands as the fourth-largest industry within Germany, contributing significantly to the nation's economy. Notably, the backbone of the German food and beverage industry is characterized by its vibrant small and medium-sized enterprises (SME) sector, comprising nearly 6,000 companies. Remarkably, these enterprises collectively generated a substantial production value of approximately EUR 300 billion in the year 2022, showcasing the industry's robustness and economic impact.

One of the most remarkable facets of Germany's food and beverage industry lies in its impressive prowess in international trade. The nation exports a diverse array of processed foods and agricultural commodities, attaining remarkable sales figures, reaching EUR 76.6 billion in 2022. This feat firmly positions Germany as the third-largest exporter of food and beverages on a global scale. This achievement speaks to the industry's capacity for high-quality production and its ability to cater to diverse international markets.

Within this thriving sector, specific sub-segments play pivotal roles. Notable among these are meat, dairy, baked goods, and confectionery and long-life bakery products. These segments collectively shape the industry's backbone and contribute to its impressive performance. The meat sub-segment, representing 21.0% of the industry, underscores

¹ <https://www.government.de/germany/germany-overview/germany-overview>
Source: VDF

Germany's efficiency in meat production (chiefly the dairy subsegment), accounting for 13.1%, highlights the nation's excellence in dairy processing. Poultry yields, contributing 9.1%, and confectionery and congeneric bakery products, at 7.6%, further underscore Germany's mastery in delivering a diverse array of food products.¹⁷

In this thriving industry, Germany hosts an array of both national and international key players, each leaving an indelible mark on the sector. These include illustrious names such as the In-Garten Group, Mittermeier, Arla, Winkler/Deutsches, Tetra, and Langh, among others. These industry giants not only bolster Germany's reputation as a global food production hub but also contribute to its economic strength through innovation, employment generation, and export prowess.¹⁸

5.1

FOOD PRODUCTION TRENDS

Recent shifts in consumer behavior have been profoundly influenced by various transformative changes in the business landscape. The onset of the Covid-19 pandemic led to a significant surge in sales not just of retail, but omnichannel. This surge, however, came at the expense of the food service sector, which faced unprecedented challenges. A prominent consequence of the pandemic was the resurgence of home cooking, resulting in new insights on individual weight values and caloric intake within the confines of their homes. This shift

was coupled with a heightened consumer emphasis on quality and sustainability, including a growing awareness of the environmental and ethical aspects of food consumption.

A remarkable trend that gained momentum during this period was the exponential increase in the sales of organic foods. As consumers became more health-conscious and environmentally aware, the demand for organic products skyrocketed. Simultaneously, the online sale of food experienced a surge in popularity, driven by lockdowns and social distancing measures that prompted individuals to explore convenient and contactless shopping alternatives.¹⁹

The global geopolitical tensions also left its imprint on the food industry. The onset of the war in Ukraine in early 2022 triggered a chain reaction, resulting in global price hikes for certain food commodities and ingredients. This, in turn, contributed to inflationary

¹⁷ Ibid.
¹⁸ Ibid.
¹⁹ Ibid.

process. Finally, the prices of meat and dairy products witnessed a substantial uptick, prompting consumers to adjust their buying habits. Many turned to discount retailers and sought sought alternatives to traditional animal-based products, driving the adoption of vegetarian or vegan alternatives.

Within this evolving landscape, two prominent trends have solidified their place. The movement towards organic food products has transitioned from niche to mainstream in Germany, with robust figures attesting to its widespread acceptance. Total sales of organic products surged to an impressive €68.4 billion in 2022, marking a remarkable 26 percent increase compared to 2021. This growth underscores the profound shift in consumer preferences towards more natural and sustainable options.¹⁷

Furthermore, the trajectory of dietary choices has witnessed a significant transformation. The shift towards vegetarian or vegan alternatives for meat and dairy products has been nothing short of remarkable. Between 2021 and 2022, sales of these alternatives surged by over 43 percent, reaching nearly €6 billion in value. This surge positions Germany as the second highest per capita consumption of meat alternatives in Europe, amounting to €68.23 per person.¹⁸

The growing emphasis on ethical consumption is also evident in the expansion of fair trade products. In 2022, fair trade products, including coffee and fruit juices, witnessed an impressive growth rate of 14 percent, contributing to a turnover of 2.96 billion. This trend reflects consumers' desire to support sustainable and responsible practices while enjoying their favorite products.¹⁹

5.2 GROWTH DRIVERS

Germany has experienced a continuous increase in demand for organic food. Organic coffee, berries, and avocados have been among the fastest growing product lines in supermarkets and benefited from increasing focus among Germans on health issues and sustainability. While market growth in 2023, due to high inflation and rising food prices, this is likely a temporary situation.²⁰

¹⁷ MAGPI

¹⁸ MAGPI

¹⁹ MAGPI

²⁰ 2023, Food Forecasting Report by MAGPI, 2023

The importance of convenience continues to grow. Online supermarkets are flooding the market in Germany's major cities, offering fiscal prices that strongly compete with those of traditional (and even nearby) supermarkets. Most of the large supermarket chains have their own delivery services, such as Aldi and Lidl's "Marken" supermarkets on the other hand, that are very popular amongst German consumers, do not provide their own delivery services. This is a space that the Norwegian delivery service Østli recently tapped into, marketing itself as a delivery service with discount prices. The Czech company Bibo also expanded to Germany with their discount delivery service "Biboprint".

Food labelling with special seals is very common in Germany and has a large impact on the industry. Various regional, organic, sustainability, and animal welfare seals have been introduced or are being discussed in Germany (in a federal context) and in an attempt to uniformly regulate the food labelling process in the EU, the German Ministry for Food and Agriculture introduced the "Health Seal" (Gesundheits-Siegel) "NutriScore". Most companies also have a sustainability strategy that demonstrates sustainability in the entire chain from cultivation of the crop through to food processing.



5.3 KEY SUB-SECTORS

5.3.1 DAIRY SECTOR

The Domestic Dairy market had total revenues of USD 29,204.3 million in 2020, representing a compound annual growth rate (CAGR) of 1.5% between 2017 and 2020. Market consumption volumes declined with a negative CAGR of 0.7% between 2017 and 2020, to reach a total of 18,062.7 million kilograms in 2020¹.

The market's volume is expected to fall to 18,016.1 million kilograms by the end of 2022, representing a negative CAGR of 0.2% for the 2021-2022 period. The volume segment led the market's fluctuation in 2020, with total revenues of 29.2 billion, equivalent to 100% of the market's overall value. The title segment contributed revenues of USD 0.2 billion in 2020, equating to 0.7% of the market's aggregate value.

The performance of the market is forecast to moderate, with an anticipated CAGR of 0.0% for the four-year period 2021-2025, which is expected to drive the market to a value of USD 29,703.0 million by the end of 2025².

GERMAN DAIRY MARKET VALUE, 2017-20, USD MILLION



¹ Ministry of Food Processing Industries, Government of India

² Ibid.

3.3.2 BAKERY & CEREAL MARKET

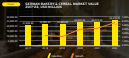
Changing consumer preferences and stable economic conditions in the country supported the growth of this market. However, the health and wellness trend are enabling consumers to opt for organic products and multi-grain options. This trend is enabling manufacturers to focus on whole grain and fortified flours¹⁷.

The German Bakery & Cereal market realized revenues of \$26,346.7 million in 2020, representing a compound annual growth rate (CAGR) of 3.8% between 2017 and 2020. Market consumption volume increased with a CAGR of 1.0% between 2017 and 2020, to reach a total of 7,316.9 million kilograms in 2020¹⁸.

The market's volume is expected to rise to 7,367.3 million kilograms by the end of 2023, representing a CAGR of 0.7% for the 2020-2023 period¹⁹.

The Bread & Buns segment was the market's most lucrative in 2020, with total revenues of \$4.6 billion, equivalent to 17% of the market's overall sales. The Cakes, Pastries & Sweet Pies segment contributed revenues of \$1.3 billion in 2020, equating to 5% of the market's aggregate sales²⁰.

The performance of the market is forecast to accelerate, with an anticipated CAGR of 6.7% for the five-year period 2020 - 2023, which is expected to drive the market to a value of \$33,086.6 million by the end of 2023.



¹⁷ Statista, Bakery and Cereals in Germany

¹⁸ Statista

¹⁹ Statista

²⁰ Statista

3.3.3 FISH & SEAFOOD

In 2025, the average expenditure in the German fish & seafood market would amount to EUR 8.3 billion, reflecting its substantial appeal for seafood products. The projected annual growth rate of 3.4% (2023-2025) underscores the industry's potential for continued expansion, indicating a favorable environment for both producers and consumers.

In Germany, when analyzed in relation to the country's total population figures, the per-person revenue generated in the Fish & Seafood market amounts to EUR7.63 by 2025. This metric offers insights into the average spending and consumption patterns of German consumers in this market. This figure demonstrates the significance of seafood in the country's culinary preferences and highlights the industry's economic impact on both local and international scales.

Regarding volume metrics, the Fish & Seafood market is expected to witness substantial growth in terms of volume, with projections indicating a volume of 144.4 million kg by 2026. This anticipated increase underscores a robust demand for seafood products in Germany, reflecting a market volume growth of 8.7% is reported in 2024, further highlighting the market's resilience and ability to adapt to changing consumer preferences and economic conditions.

An interesting detail is the average volume of fish & seafood consumed per person in Germany. In 2023, this figure is estimated to be 5.6 kg per person. This data point provides insight into the dietary habits and preferences of the German population, signaling a notable affinity for seafood products. This figure is a reflection of the diverse culinary landscape in Germany, with seafood playing a significant role in the nation's gastronomic culture.

3.3.3.1 GERMAN POULTRY & SEAFOOD MARKET REVENUE (IN EUR) - YEAR TO DATE



Source: MOPFI, based on data from Statista, Germany, 2024

3.3.6 POULTRY & MEAT MARKET

In 2023, the revenue generated within the German Meat market is expected to amount to 40,000 million, underscoring the sector's significance in the global meat industry. The projected annual growth rate of 3.45% (CAGR 2023-2028) signifies the industry's resilience and potential for sustained expansion, indicative of a conducive environment for producers, retailers, and consumers alike.

Considering Germany's population, the per-capita revenue generated in the Meat market amounts to 4,000.00 in 2023. This metric provides insight into the average spending and consumption behaviours of Germans in relation to meat products. The substantial figure underscores the cultural and culinary significance of meat in the German diet, reflecting a strong preference for meat-based dishes and products.

In terms of volume, the German Meat market is projected to reach 4,000.00 million kg by 2028, indicating a robust demand for meat products within the country. Maintaining a volume growth of 3.2% is anticipated for 2024, further illustrating the market's adaptability and its ability to respond to changing consumer preferences and market dynamics.

An intriguing statistic lies in the average volume of meat consumed per person in Germany. In 2023, this figure is expected to amount to 40.00 kg per person. This data point sheds light on the dietary habits and preferences of the German population, signifying a notable consumption of meat products. This figure aligns with Germany's traditional culinary practices, where meat-based dishes are an integral part of the gastronomic culture.

Market

GERMAN POULTRY & MEAT MARKET REVENUE 2017-2028 (USD MILLION)



Source: Market Outlook for Poultry & Meat Industry 2024

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Market

Market Outlook for Poultry & Meat

6.2 REGULATORY BODIES

Board	Year of Inception	Major Competence
National Food Security Board	1973/1974	Controlling infant nutrition, coffee, oil, food, and infant nutrition
Dr. Jitender Doshi	1973/1974	Drugs, glass, feeding powder, and milk mixes
Madhulinger Group of Institutions	1973/1974	Beer, soft drinks, and mineral water
Ministry	Supra/Controlling	Supra, coffee, fruit juice, and mineral water
Food Safety	1984	Beats with BIS, ISI, ISI/ISI

7 GERMANY - TRADE OVERVIEW

Germany has been recognized as one of the world's leading/trading powers. Its strong economy, strategic location in Europe, and emphasis on innovation and quality have contributed to its significant role in global trade. Considering the economic status of Germany, the following sections include key export and import products, along with Germany's trading partners.

7.1 KEY EXPORT PRODUCTS & PARTNERS

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

Notes

Germany exports of goods to the top 8 countries, main commodity and total value, 2022

Partner country	Total value (us\$)	Main commodity	Commodity value (us\$)
USA	2,607,773,26,000	Machinery	85,000,000,000
France	2,207,567,76,000	Motor vehicles (cars)	75,000,000,000
Netherlands	2,028,876,26,000	Chemical products	65,000,000,000
Spain	1,628,826,76,000	Motor vehicles (trucks)	55,000,000,000
Poland	952,427,26,000	Automotives	45,000,000,000

Germany's export data as highlighted in the table indicates that USA, France, Netherlands, China and Poland form the top 5 destination of overall exports from the Germany. The major exported products included Medicaments, Motor vehicles and Mineralogical Products.

7.2

KEY IMPORT PRODUCTS & PARTNERS

Germany's top 5 overall imports and their corresponding leading partners are detailed in the table below.

Table 7.2

Germany imports of goods by the top 5 countries, main commodity and total value, 2022¹

Partner country	Total value (USD)	Main commodity	Commodity value (USD)
China	218,74,76,61,000	Natural gas (excludes coal)	178,67,25,000
Netherlands	1,43,87,95,41,000	Medicament	1,03,84,95,41,000
USA	1,17,64,50,71,000	Medicaments	1,03,84,95,41,000
France	84,44,46,91,000	Medicament	74,44,46,91,000
Italy	77,91,46,91,000	Medicament	67,91,46,91,000

Germany's import data as shown in the table above indicates that the major imported products to the Germany are Natural gas (excludes coal), Petroleum oils, Medicaments, Lachans and Medicaments with China, Netherlands, USA, Poland and Italy forming the top 5 import sources.

¹ - <https://www.trade.gov/press-releases/germanys-trade-figures-2022>

8 GERMANY - INDIA TRADE

The trade relationship between South Korea and India has been steadily growing over the years, fuelled by shared economic interests, complementary strengths, and the desire to deepen cooperation across various sectors. Both countries recognise the potential for enhanced trade ties and have taken steps to promote bilateral economic engagement.

8.1 GERMANY EXPORTS TO INDIA

In 2023, the total German exports to India amounted to USD 12,697 million, an increase of 14.48%, compared to 2022. The table below indicates the top 5 German exports to India over the last three years (reported in US\$ '000 USD Thousands).

(USD)

Top 5 Germany Exports to India over the last three years

Germany exports to India (USD '000)						
HS Code	Product Code	2021	2022	2023	% Growth	India's Growth in Germany's total Trade Exports in 2023
847990	Other parts of tractors	1	26,700	26,200	10%	26.07%
870890	Leaves of iron or steel of other	14,700	25,500	25,000	166.66%	16.6%
850290	Gas or vapour jet turbo-propellers (excluding turbo-propellers)	4,000	6,700	6,200	155.00%	15.8%
400290	Rubber, in primary forms	700	4,700	5,200	642.85%	14.7%
400990	Preparations of rubber or plastic	4,000	6,700	6,200	155.00%	14.6%

- It has seen growth of high amounts in commodities such as refined fuels and figures of \$2,200 and \$28,800 respectively.
- India is a major share holder in German export of equipment of amount of around 10% of shipments around the world.

8.2

GERMANY IMPORTS FROM INDIA

Total German imports from India amounting to 2020 US\$129.73 million (an increase of 13.40% compared to 2019). The table below indicates Germany's top 5 imports from India over the last three years captured at 4 digit HS Code in US\$ Thousands.

Table

Top 5 Germany Imports from India over the last three years

Germany Imports from India (2018-2020)						
HS Code	Product Code	2018	2019	2020	% Growth	India's share in Germany's Total Exports in 2020
270290	Crude oil	15,407	1,09,000	1,05,000	105.80%	10.10%
850841	Tractors & Tractors	11,170	14,870	14,000	125.10%	10.10%
850849	Willy willy, tractors, subassemblies	10,000	10,170	10,000	100.00%	10.07%
280000	Iron ore	100	11,170	10,000	900.00%	0.70%
280010	Iron	10,000	10,000	10,000	10.00%	0.00%

- Very high growth rates were observed for some commodities such as types of tractors, types of Willy willy, tractors and iron at 90.00%, 200.00% and 100.00% respectively.
- For the import of iron, all Germany is highly dependent of India as almost 100% of it is imported from India only.

9 AREAS OF COLLABORATION

9.1 TECHNOLOGY & INNOVATION EXCHANGE

Both countries can collaborate on sharing technological advancements and innovative solutions in food processing. Germany's strong focus on research and development can complement India's rapidly growing food processing sector. Knowledge exchange, joint research projects, and technology transfer can accelerate growth and efficiency improvements.

9.2 FOOD SAFETY & QUALITY ASSURANCE

Germany's rigorous standards for food safety and quality assurance can serve as a model for India's food processing industry. Collaborative efforts include regulatory training, auditing programs, and knowledge sharing to enhance food safety practices and ensure compliance with international standards.

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9.3

COLD CHAIN INFRASTRUCTURE

India's agricultural produce often faces postharvest losses due to inadequate cold chain infrastructure. Germany's expertise in cold storage and logistics can aid India in establishing an efficient and modern cold chain network, reducing wastage and enhancing the shelf life of perishable goods.

9.4

VALUE ADDITION & PROCESSING TECHNIQUES

Germany's proficiency in value addition and advanced processing techniques can benefit India's efforts to reduce food wastage and increase the value of its agricultural produce. Collaborative projects can focus on developing new processing methods and products that cater to both domestic and export markets.

9.5

FOOD PACKAGING & PRESERVATION

Collaborating on sustainable and innovative food packaging solutions can help both countries address environmental concerns while extending the shelf life of products. Germany's emphasis on eco-friendly packaging aligns well with India's growing demand for environmentally conscious practices.

9.6

SKILL DEVELOPMENT & TRAINING

Germany's proficiency in value addition and advanced processing techniques can benefit India's efforts to reduce food wastage and increase the value of its agricultural produce. Collaborative projects can focus on developing new processing methods and products that cater to both domestic and export markets.

9.7 MARKET ACCESS & EXPORT OPPORTUNITIES

India's agricultural produce often faces postharvest losses due to inadequate cold chain infrastructures. Germany's expertise in cold storage and logistics can aid India in establishing an efficient and modern cold chain network, reducing wastage and extending the shelf life of perishable goods.

9.8 JOINT RESEARCH & DEVELOPMENT

Germany's proficiency in value addition and advanced processing techniques can benefit India's efforts to reduce food wastage and increase the value of its agricultural produce. Collaborative projects can focus on developing new processing methods and products that cater to both domestic and export markets.

9.9 INVESTMENT & TRADE PROMOTION

Collaborating on sustainable and innovative food packaging solutions can help both countries address environmental concerns while extending the shelf life of products. Germany's emphasis on eco-friendly packaging aligns well with India's growing demand for environmentally conscious practices.

9.10 ENTREPRENEURIAL COLLABORATION

Germany's proficiency in value addition and advanced processing techniques can benefit India's efforts to reduce food wastage and increase the value of its agricultural produce. Collaborative projects can focus on developing new processing methods and products that cater to both domestic and export markets.



Ministry of Food Processing Industries,
Government of India
Panchsheel Bhawan,
New Delhi - 110001,
India

msdf@msdf.gov.in

www.msdf.gov.in

1800-11-22000

1800-11-22000

1800-11-22000

