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Report Highlights:

Spanish tourism is rapidly recovering from the effects of the pandemic and reaching pre-pandemic levels. Demonstrating a definitive return to pre-pandemic normality, 2023 has seen stabilization in the growth of the Hotel, Restaurant and Institutional (HRI) sector. Spain received 37.5 million international tourists in the first half of 2023, a 24 percent increase from the same period last year. In addition, Spaniards have returned to eating and drinking away from home, boosting demand in the HRI sector. Health, sustainability, and innovation are the biggest trends within the sector, although these trends are facing challenges imposed by inflation. The HRI sector in Spain offers excellent opportunities for U.S. food-ingredient and food-product exporters.

Market Fact Sheet: Spain

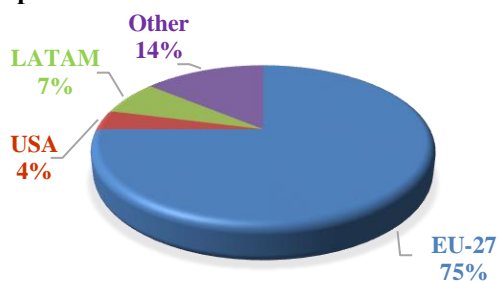
Executive Summary

Spain is a major producer and exporter of food and agricultural products, with other EU countries as its primary export destination. Spanish producers, processors, wholesalers, retailers, food service operators, and importers are all part of a well-developed agribusiness sector, contributing to a competitive and dynamic domestic scenario. In 2022, Spain's total imports of agricultural and related products reached \$53.9 billion, up 17 percent compared to 2021; 55 percent of these imports originated from the European Union.

Imports of Consumer-Oriented Products

Goods imported into Spain must meet the EU sanitary and phytosanitary requirements to protect human and animal health, as well as requirements under the customs union. Hence, U.S. exporters already exporting to other EU member states will likely meet most of the Spanish import requirements. For the export of animal products, the production plant must be approved for export to the EU.

Total Imports of Consumer-Oriented Products 2022



Food Processing Industry

In 2022, the food-processing sector consolidated its position as an important industrial sector. Spain enjoys a modern food-processing sector that pays special attention to the quality, safety, and traceability of the food products it produces. It has one of the most competitive food processing industries in Europe, which makes this sector an important target for U.S. exports of food ingredients. Industry's interest in developing new products continues to present opportunities for food ingredients.

Food Retail Industry

The retail competitive landscape remained highly fragmented in 2022, led by major grocery retailers. Within grocery store-based retailing, the competitive environment is concentrated, with Mercadona retaining its leadership, followed by Carrefour. In 2022, due to new consumption habits, internet retailing is expected to continue growing, as retailers continue to invest in eCommerce platforms.

Quick Facts CY2022

World Imports of Consumer-Oriented Products
\$23.6 billion

List of Top 10 U.S. Growth Products

- | | |
|-------------------------|------------|
| 1) Bourbon | 2) Gin |
| 3) Beef & Beef Products | 4) Albumin |
| 5) Lobster | 6) Cod |
| 7) Asparagus | 8) Lentil |
| 9) Almonds | 10) Surimi |

Food Processing Industry Facts 2023

Food Industry Output	\$161 bn
Food Exports	\$46 bn
Trade Surplus	\$12 bn
No. of Employees	454,800
No. of Food Processors	30,159
% of total GDP	3%

Top Country Retailers Sales 2023 (Estimate) (\$ Million)

- | | |
|--|--------|
| 1) Mercadona | 31,000 |
| 2) Grupo Carrefour | 12,000 |
| 3) DIA | 7,500 |
| 4) Lidl | 7,000 |
| 5) Grupo Eroski | 5,500 |
| 6) Alcampo | 5,000 |
| 7) Consum, S.Coop. | 4,000 |
| 8) Bon Preu | 2,300 |
| 9) Ahorramas | 2,000 |
| 10) Aldi Supermercados | 1,800 |

GDP / Population 2023

Population: 47.6 million
Real GDP (nominal, est): \$1.8 trillion
GDP Per capita (nominal, est): \$31,223

Strengths/Weaknesses/Opportunities/Challenges

SWOT ANALYSIS

Strengths	Weaknesses
Diversified economic base; modern and well-developed infrastructure	High consumer price sensitivity
Opportunities	Threats
Emphasis on health and sustainability; food industry demand for food ingredients	Slower economic recovery; high inflation and public debt

Data and Information Sources: Euromonitor, Eurostat, TDM LLC;
Contact: AgMadrid@usda.gov

SECTION I. MARKET SUMMARY

Economic Trends

In their latest [World Economic Outlook report](#), the International Monetary Fund (IMF) forecasts a 2.5 percent growth rate for the Spanish economy in 2023 and 2.0 percent for 2024. Despite this projected fall from 5.5 percent in 2022, the good news is that Spain is expected to weather the storm better than other advanced economies. The growth forecast for Spain’s economy is still above the average growth forecast for advanced economies (including the Euro area, the United States, Japan, Canada, etc.), estimated at 1.5 percent for 2023 and 1.4 percent in 2024. Inflation, the rise of interest rates to attempt to control inflation, and concerns of recessions in other major countries’ economies all contribute to the lowered growth forecasts. Despite the implementation of public policies to minimize and control inflation, the evolution of inflation rates will undoubtedly impact consumption.

Spain received 37.5 million international tourists in the first half of 2023, a 24 percent increase from the same period last year. The figure is still lower than the same period in 2019, the year before the COVID-19 pandemic, when 38 million tourists arrived, but full recovery is well under way and all the indicators lead the sector to think that Spain is on the path to break records compared to 2019. Despite challenges posed by high inflation, the average expenditure per tourist is also 3 percent higher than a year ago. Spain’s economy is heavily dependent on tourism, which accounts for 12 percent of gross domestic product.

Table 1. Advantages and Challenges of the Spanish HRI Market

Advantages	Challenges
Spain’s full recovery of the tourist sector demands foreign products to satisfy foreign visitors’ needs, creating opportunities in the hotel and restaurant sectors.	High transportation costs. In addition, small exporters face difficulties in shipping mixed/smaller container loads vs EU competitors or big exporters.
Spain’s food and hospitality industry relies on imported ingredients, many from the United States, which have a good image and reputation.	Food imported from third countries, including the U.S., must comply with EU food law, labeling, traceability, and packaging laws, which vary from U.S. regulation and practice.
Increased demand in retail channels is pushing food processors to be more innovative to provide new offerings.	Adjustments to the overall domestic and international economy (inflation, Ukraine conflict, draught), tourism, and consumer habits.
Good network of agents and importers to help get products into the market.	Competition from EU countries, where tastes and traditional products may be better known.
New generation of consumers demand healthy, innovative, sustainable products, creating new opportunities.	Lack of consumer awareness of U.S. brands, applicability, and varieties of U.S. products.
Distribution structure is modern and many companies cover both Spain and Portugal.	High import tariffs and import regulations impose a price disadvantage on non-EU based companies.

SECTION II. ROAD MAP FOR MARKET ENTRY

Entry Strategy

Success in introducing products in the Spanish market requires local representation and personal contact. A local representative can provide up-to-date market intelligence, guidance on business practices and trade related laws, sales contact with existing and potential buyers, and market development expertise. The Office of Agricultural Affairs in Madrid maintains listings of potential importers and develops sector-specific information to help you introduce your product in Spain.

Goods imported into the EU must meet the sanitary and phytosanitary requirements to protect human and animal health as part of the customs union. Though Spain implements harmonized EU rules and regulations, there are subtleties that exporters should learn about when considering exporting to Spain. For more information, potential U.S. exporters can contact our office for additional sector-specific information. U.S. exporters already exporting to other member states will likely meet most of the requirements for exporting to Spain.

Typically, HRI operators buy their food ingredients from importers or wholesalers. Some large companies buy directly from foreign suppliers. Spain exports around 20 percent of the Spanish food production, mainly to the EU. Some food-processing companies concentrate on the domestic or on export markets, but most of them will have mixed customers. Companies supplying mainly the domestic market frequently market their products directly and have their own logistics infrastructure. However, customers will vary from wholesalers to buying groups and retailers. Companies producing for re-export may have their own marketing office overseas, local agents, or may work with local importers.

U.S. exporters face great challenges with EU labeling and traceability regulations. Labeling is required for any product that contains genetically modified ingredients. Since consumers have relatively low acceptance of genetically modified foods, food processors, retailers, and the HRI sector are reluctant to purchase these processed products or food ingredients for processing.

The following documents are required for ocean or air cargo shipments of foodstuffs to Spain: Bill of Lading and/or Airway Bill, Commercial Invoice, and Phytosanitary Certificate and/or Health Certificate when applicable.

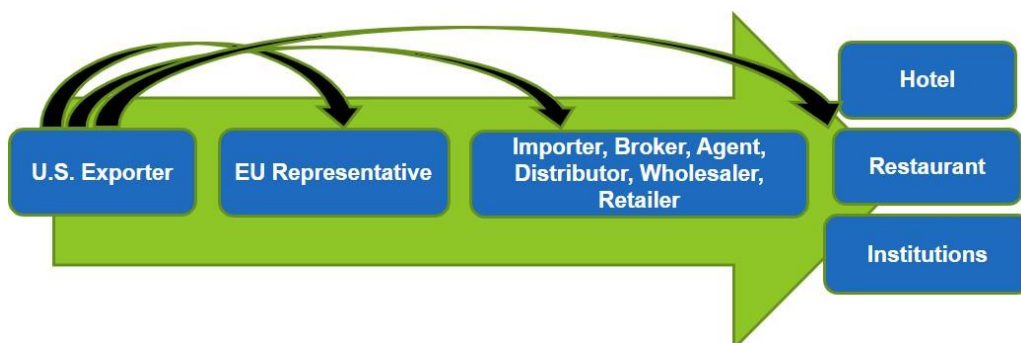
If your product is or contains plant or animal products, it will require a phytosanitary or health certificate issued by the competent U.S. authority. If you are exporting animal products, your production plant must be approved to export to the EU. Most food products require an Import Certificate issued by the competent Spanish authority. However, the Spanish importer and/or agent is responsible for obtaining the appropriate Import Certificate. Check the [U.S. Mission to the European Union](#) web page for more information, which will guide you on exporting into the EU.

Trade Shows

Trade shows in Spain offer excellent opportunities for U.S. exporters to contact potential clients from Spain, other EU countries, and other continents. The strong links of Spain with Latin America and its proximity to Northern Africa add value to trade shows in Spain. The most important trade

shows related to the HRI sector are: [HIP – Hospitality Innovation Planet HRI Professional Expo: Madrid, February 19-21, 2024](#); and [Hostelco: Barcelona, March 18-21, 2024](#).

Market Structure



The HRI supply channels are diverse and serve small and large customers with different needs. Beverage suppliers are very specialized since most beverage consumption takes place in bars, cafeterias, and restaurants. The most important HRI sector suppliers are:

- Importers, Wholesalers, Specialists: Importers and wholesalers supply directly to the HRI sector, particularly the restaurant and hotel chains.
- Commercial distributors: Distributors play an important role in the supply of the food and beverages needs of many small and diverse food service providers.
- Wholesale Markets: Buyers purchase most perishable products at the wholesale market. The HRI sector is, by tradition, a net consumer of fresh produce.
- Cash & Carry: Open only to businesses and offering very competitive prices, they supply a wide variety of food products, from perishable to non-perishable, domestic and imported. Some cash-and-carry chains have developed outlets that only service the HRI sector.
- Super and Hypermarkets: Very important to the HRI sector when considering “last minute” purchases and relevant due to their convenient locations.
- Local Producers: Some players in the HRI sector buy directly from local producers, particularly if they are located close to major markets. The food service sector has a tradition of using fresh produce in their daily menus. Many restaurants and hotels, particularly along the coasts, buy directly from local producers and fishermen.

Sub-Sector Profiles

Hotels

Spain’s tourism industry data reflects an extraordinary recovery in tourism, expecting to receive more tourists in summer 2023 than before the pandemic. Spain received over 8.8 million international air passengers in May 2023, marking a significant increase of 13.9 percent compared to the same month in the previous year. This positive trend has been consistent throughout the year, as the country welcomed a total of 34 million passengers in the first five months, reflecting a remarkable growth of 28.8 percent in comparison to the same period in 2022. The government forecasts that Spain will receive between 52.3 million and 54.8 million tourists between May and October, slightly up from the number of visitors in the same period in 2019, a record year for tourist flows. Expenditure is also recovering. In the first quarter of the year, total spending was

close to \$40 million, 32 percent more than in the same period last year, and 16 percent higher than in 2019.

In an adverse macroeconomic environment, in which households are seeing their purchasing power eroded by the high inflation levels seen at the end of 2022 and the shrinking of financial conditions, one would expect to see some degree of containment in tourism spending. However, given that most economies where tourist originate are emerging from a period with unusually high savings rates, it could be that some European households still have room to adjust their savings rates, allowing to maintain their consumption levels.

Table 2. Spain – Main Hotel Chains – 2023

Company	Total Sales (\$ Million)*
RIU Hotels & Resorts-RIUSA II, S.A.	\$2,200
NH Hotel Group, S.A.	\$2,100
Melia Hotels International, S.A.	\$2,000
Barcelo Gestión Hotelera, S.L.	\$1,900
Iberostar Management, S.A.	\$1,600

Source: [Alimarket](#); * Estimate

Restaurants

The hospitality sector continues its recovery after being one of the sectors most affected by the coronavirus crisis and expects to exceed the figures registered before the pandemic in 2023. Though final numbers are not published yet, the hospitality sector in Spain expects this summer to be a record one in both turnover and employment, favored by the strength of international tourism with recovery in visits and especially associated spending. The recovery of national tourism, which is also showing important progress, will also have a positive influence.

According to the Spanish Hospitality Confederation ([CEHE](#)), in the first half of this 2023, the industry reached pre-pandemic levels thanks to the strength of the sector and the robust national and foreign demand. Throughout the first six months of this year, strong increases have continued to be recorded compared to 2022. The hospitality industry also grew 7.8 percent between January and May compared to 2019, though the profitability of hospitality companies is 5.9 percent below 2019. Although, due to the start of the recovery last year, growth is gradually moderating. It is interesting to note that the effect of the recovery has been stronger in tourism and leisure consumption, whereas there has been a slower recovery in daily consumption. This is due in part to the established telework policy, more predominant in large cities such as Madrid or Barcelona.

Along with cafés/bars, full-service restaurants were one of the consumer foodservice categories that was most negatively affected by Spain’s COVID-19 restrictions. Therefore, with the lifting of the country’s COVID-19 restrictions in May 2022, there was a surge in consumption in full-service restaurants as consumers felt confident to return to using eat-in dining services. In addition, the revival of Spain’s domestic and inbound travel industry also supported this recovery, with tourists generally being more inclined to eat-in at full-service restaurants.

The economic recovery and improved results have occurred due to a higher sales volume, and not due

to improved margins. This means that hospitality businesses have experienced a strong accumulation of costs in recent years, which are being covered by increased prices, although with a slow recovery in business margins. However, prices in the sector have begun to moderate since February of this year. Last June prices were already one point less than the rate recorded in January, placing the increase at 6.7 percent below the 10.3 percent increase in food and beverages. Despite the positive evolution, the sustained impact of the general rise in prices is beginning to be noticed over time, affecting the purchasing power of consumers, who are showing signs of restraint in spending. This containment is expected to be more notable starting in September.

Health, sustainability, and innovation are the biggest trends within the sector. In this sense, Spanish consumers are becoming more concerned about the origin of the ingredients they consume and are progressively placing more importance on the local market. Recent studies have shown that Spanish consumers are willing to pay more for local produce.

According to Euromonitor, in Spain, around 10 percent of consumers define themselves as vegetarian or vegan, which is close to 5 million people. This growing potential audience is likely to inspire existing restaurants to offer more plant-based menu options, while it is also likely to incentivize more players to open specialist vegan and vegetarian restaurants. Aside from animal welfare and health concerns, plant-based diets are also becoming popular among those who are concerned about sustainability and climate change.

Table 3. Spain – Leading Food Chains – 2023

Company	Total Sales (\$ Million)*
Food Delivery Brands Group, S.A.	\$1,450
Restaurant Brands Iberia, S.L.	\$1,400
McDonald’s España	\$1,300
Alsea Iberia-Food Service Project, S.L.	\$850

Source: [Alimarket](#); * Estimate

Institutional

Larger companies dominate institutional food service in Spain, with the top five companies accounting for more than 40 percent of total sales. In addition, there are hundreds of local small companies providing catering and events services. Large institutional food service companies are price sensitive, importing directly, and/or buying products, particularly fresh produce, from local suppliers.

The rise in costs has delayed the recovery in the institutional catering sector. Most of the companies in this category, focused on the socio-sanitary sector, have noticed a moderate recovery in the national market. After overcoming the COVID-19 pandemic, they must face a reduction in profitability due to the increase in production costs and the price of raw materials.

The sector is increasingly committed to technological innovation and sustainability to maintain benefits, while reinforcing its offer of healthy products. The companies are convinced that their sector will tend to stabilize in 2023 and are confident that the national market this year offers opportunities for growth through new business models.

Table 4. Spain – Leading Institutional Food Sector Companies – 2023

Company	Total Sales (\$ Million)*
Eurest Colectividades, S.L.	\$380
Seruni3n, S.A.	\$360
Aramark Servicios de Catering, S.L.	\$335
Auzo Lagun, S.C.	\$300
Mediterranea de Catering, S.L. (Grupo)	\$290

Source: [Alimarket](#); * Estimate

SECTION III. COMPETITION

Spain’s main trading partner is the EU-27. The lack of trade tariffs, trade barriers, and other restrictions often make European goods more attractive and competitive, particularly with price sensitive goods.

Table 5. Products Facing Competition in the Spanish Market

Product Category (USD million)	Major Supply Sources in 2022 (in value)	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
Frozen Fish Value: \$828	1.Portugal-12% 2.Netherlands-9% 3.Seychelles–8%	Other major suppliers offer high quality fish products at competitive prices.	Large competition from local producers. Domestic consumption and exports largely exceed local supply.
Almonds Value: \$561	1.USA-78% 2.Portugal-10% 3.Australia-4%	Limited competition from other countries. Spanish demand is high, and production is insufficient to satisfy demand.	Spain produces almonds, mostly used roasted as a snack. U.S. almonds are processed, used both domestically or exported.
Pulses Value: \$228	1.Argentina-24% 2.USA-17% 3.Canada-13%	Strong competition from Argentina, who greatly increased its presence in recent years, and Canada, a traditional supplier.	Spain is a traditional consumer of pulses, and its local production is insufficient to fulfill internal demand.
Pistachios Value: \$138	1.USA-66% 2.Germany-15% 3.Iran-7%	Germany is the main entry point for U.S. and Iranian pistachios into the EU and then re-exported.	Local pistachio production is growing, but still very limited. Demand continues to grow significantly.
Sunflower Seeds Value: \$321	1.France-39% 2.China-20% 3.Bulgaria-15%	Used for confectionery. Growing competition from China on price; Argentina and Israel compete on quality.	Traditional snack. Local production is insufficient to meet demand.
Distilled Spirits Value: \$1,072	1.U.K.-30% 2. USA-13% 3. Netherlands -10%	Main competitors are other EU countries. Difference in legal format of alcohol containers; exporters need to adapt to EU size.	Increasing interest in U.S. distilled drinks, mainly bourbon and gin.

Source: [TDM](#)

SECTION IV. BEST PRODUCT PROSPECTS CATEGORIES

Table 6. Agricultural and Food Import Statistics

AGRICULTURAL PRODUCTS IMPORTS (\$ Million)	2020	2021	2022	2023*	2024**
Total Agricultural and Related Products	44,592	54,418	63,903	64,000	64,500
Total U.S. Agricultural and Related Products	1,670	1,706	2,167	2,000	2,200
Total Agricultural Related Products	9,963	12,735	14,813	14,000	14,000
Total U.S. Agricultural Related Products	164	163	163	187	185
Total Consumer-Oriented Products	19,114	21,697	23,630	24,000	25,000
Total U.S. Consumer-Oriented Products	836	761	838	830	850
Total Seafood Products	7,348	8,889	9,567	9,500	9,600
Total U.S. Seafood Products	86	82	95	90	92

Source: TDM Inc; Unit: \$ Million; * Estimate ** Forecast

Best High-Value, Consumer-Oriented Product Prospects Category

Products Present in the Market with Good Sales Potential

Tree nuts (particularly almonds, walnuts, and pistachios) -- Peanuts -- Pulses -- Sunflower seeds -- Fish and Seafood (frozen) -- Surimi -- Spirits

Products Not Present in Significant Quantities with Good Sales Potential

Functional and innovative health food -- Free-from products (lactose-free, gluten-free) -- Specialty and snack foods -- Nuts e.g., pecans, hazelnuts -- Sweet potatoes -- Pet foods

Products Not Present Because They Face Significant Barriers

Red meat and meat preparations (hormone ban) -- Poultry (sanitary procedures – pathogen reduction treatments) -- Processed food (with GMO ingredients)

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

If you have any questions, please contact the [OAA in Madrid](#). The [FAS website](#) also offers recent reports of interest to U.S. exporters interested in the Spanish market. Additionally, useful contacts include:

Trade Associations

[Spanish Federation of Food and Beverage Industries](#); [Spanish Federation for HRI Sector](#); [Spanish Association for Distributors and Supermarkets](#); [Spanish Restaurant Chain Association](#)

Government Agencies

[Ministry of Health](#); [Spanish Food Safety and Nutrition Agency](#); [Ministry of Agriculture, Fisheries and Food](#)

For more information on exporting U.S. agricultural products to other countries, please visit the Foreign Agricultural Service home page at www.fas.usda.gov

Attachments:

No Attachments