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Report Highlights:

Italy's food processing industry consists of more than 55,000 enterprises that contributed $156.5 billion to the country's gross domestic product in 2023. While consolidation of smaller food processing companies by larger players continues, the Italian food processing industry remains highly fragmented. Roughly half of Italy's annual agricultural imports are destined for food processing. In 2024, U.S. food ingredient exports to Italy were $1.1 billion. Italy depends on imports of raw agricultural products for its food processing sector, most of which are sourced from other EU countries. Principal ingredient imports include dairy, meat products, and wheat for pasta.

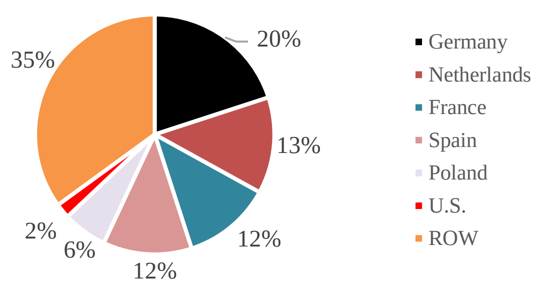
Market Fact Sheet: Italy

Executive Summary

Italy's economy is the eighth largest in the world and the third largest in the euro-zone, with a GDP estimated at $2 trillion and a per capita GDP of $40,236 in 2024. Being a net agricultural importer, most raw materials and ingredients are imported, as Italy's economic strength is in the processing and the manufacturing of goods. Italy exports mainly consumer-oriented products to the United States, while the United States exports mostly bulk commodities to Italy. In 2024, U.S. agricultural exports to Italy were $1.7 billion, while U.S. imports from Italy were $9 billion.

Imports of Consumer-Oriented Products

In 2024, Italy's imports of consumer-oriented products were $38.3 billion, of which 84 percent originating from other EU member states. Imports from the EU were primarily dairy products, meat, and fruits and vegetables.



Food Processing Industry

While there is some consolidation of smaller food processing companies by larger players, the Italian food processing industry continuous to be highly fragmented. Progress in food technology, marketing innovations, "Made in Italy" products, and exports of finished food products have all contributed to Italy's increasing demand for food ingredients. Italian consumers continue to favor baked goods, processed meat and seafood, and dairy products.

Food Retail Industry

The Italian food retail industry is highly diversified. Hypermarkets, supermarkets, convenience stores, major discount stores, and specialized stores coexist with traditional corner grocery stores and open-air markets. Italy's food retail sales reached $173.6 billion in 2024, up 0.7 percent compared to the previous year. Increased sales were registered in discounters (+5.8 percent), supermarkets (+3.6 percent), grocery retailers (+3.4 percent), and hypermarkets (+2.0 percent).

Quick Facts CY 2024

Imports of Consumer-Oriented Products: $38.3 billion

List of Top 10 Growth Products in Italy

1) Coffee
2) Vegetable Oils
3) Dairy Products
4) Beef
5) Food Preparations
6) Chocolate Confectionary
7) Tree Nuts
8) Processed Vegetables
9) Baked Goods
10) Sauces, Dressings, and Condiments

Food Industry by Channels ($ billion)

Food and Agriculture Exports	$74.7
Food Processing (CY 2023)	$156.5
Retail Food Industry	$173.6
Food Service-HRI	$90.8

Top 10 Italian Retailers

1) Conad
2) Esselunga SpA
3) Coop Italia
4) Crai Secom SpA
5) Selex Gruppo Comm.
6) Lidl Italia SpA
7) Gruppo VéGé
8) Gruppo Eurospin
9) Carrefour SA
10) Despar Italia

GDP/Population

Population: 59 million
GDP: 2 trillion
GDP per capita: $40,236

Strengths/Weaknesses/Opportunities/Threats	
Strengths	**Weaknesses**
Italy's food consumption levels are among the highest in the world.	Competition from EU countries that export to Italy tariff-free.
Opportunities	**Threats**
Italy is dependent on raw imports for its processed food industry. Italian food products have a reputation for being of high quality.	Non-tariff barriers, including traceability requirements, can hinder U.S. exports.

Data and Information Sources:
Trade Data Monitor (TDM), LLC; Euromonitor; industry contacts.

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Section I. Market Overview

Overall Business Climate

Italy ranks third largest food processing industry among EU Member States, behind Germany and France. Italy's food processing industry has more than 55,000 enterprises and consists mainly of small and medium-sized companies. While there is some consolidation of smaller food processing companies by larger players, the Italian food processing industry remains highly fragmented.

Annually, approximately half of Italy's agricultural imports are destined for its food processing industry. Most of these goods are sourced from other EU countries such as France, Germany, the Netherlands, Spain and others. In 2024, exports of U.S. food processing ingredients to Italy reached $1.1 billion and was the eighth largest by value.

Despite Italy's high cost of living and inflation in 2024, tourism boomed with over 62 million inbound travelers. These visits have bolstered the country's demand for food ingredients. Artisanal products are at the forefront of Italy's food market with "healthy eating" trending with domestic consumers. Vegan, vegetarian, and flexitarian alternatives, "free-from" products (e.g. gluten, lactose, or sugar-free), and superfoods are common in the retail and restaurant space. Additionally, progress in food technology, marketing innovations, "Made in Italy" products, and exports of finished food products have propelled Italy's food processing sector.

Advantages	Challenges
Italy's food consumption levels are among the highest in the world.	Competition from EU countries that export to Italy tariff-free.
Italy is the third largest market in Europe for food and drink in terms of value, and there is a reliable affluent consumer base for such products.	U.S. exporters have significantly higher costs and transport times than most European countries when trading to Italy.
Italy depends on raw imports for its processed food industry.	Non-tariff barriers, including traceability requirements, can hinder U.S. exports. Moreover, U.S. exporters new to the Italian market may find the Italian bureaucracy difficult to maneuver.
Italians are aware and increasingly interested in foreign ingredients and cuisines and infusion of these products into local dishes.	U.S. products and ingredients, while innovative, may be perceived as overly processed and less wholesome as Italian/European goods.

Section II. Road Map For Market Entry

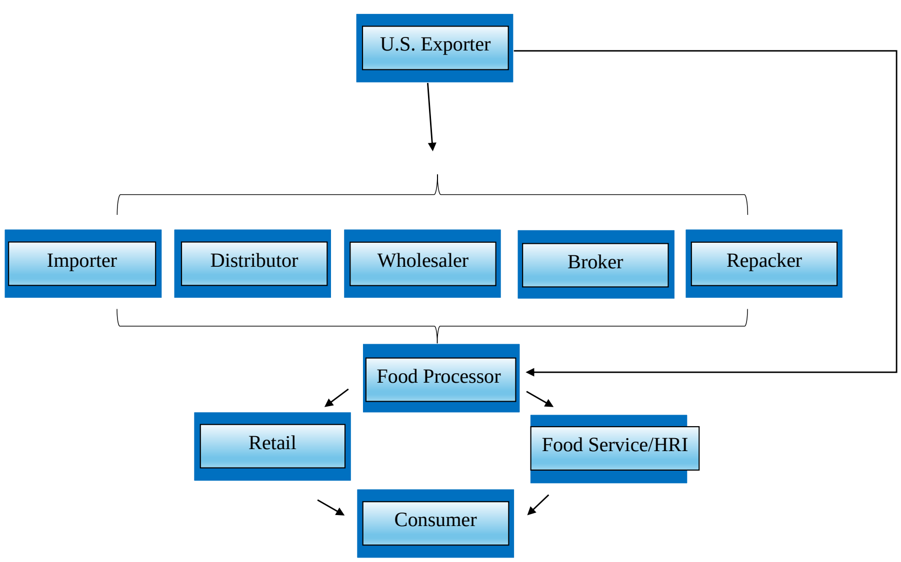
- **Entry Strategy**

- Survey existing and potential opportunities by reviewing [FAS GAIN]() reports and consider engaging a market research firm to assist in analyzing market opportunities and challenges.
- Identify a key importer, broker, distributor, agent, or wholesaler, as they know how to navigate the import and distribution process. Italian importers are mostly small to medium-sized companies and normally carry a range of products.
- Price is important, although quality and novelty can often move imported products.
- Be prepared to start small and recognize it could take several months or years before an importer is ready to expand to larger trade volumes. Italians place importance on building a foundation trust within business relationships.
- Be willing to meet special EU labeling requirements and consider working through a consolidator or participating in mixed container shipments.
- Participation in some of the larger European international food trade shows (ANUGA, SIAL, and TUTTOFOOD) is a good opportunity to meet with Italian importers or distributors and survey the consumer trends in the Italian market.

- **Import Procedures**

  - All imports are covered under EU regulations.
  - Work with experienced distributor or reliable agent to counsel on import duties, sanitary regulations, and labeling requirements. Personal relationships and local language abilities are a plus when conducting business transactions.
  - Imports from a third country must clearly identify country of origin.
  - Custom duties are applied to all products and rates vary based on the product being processed or unprocessed.
  - Products from North America often enter Italy indirectly from the Port of Rotterdam or directly by air.

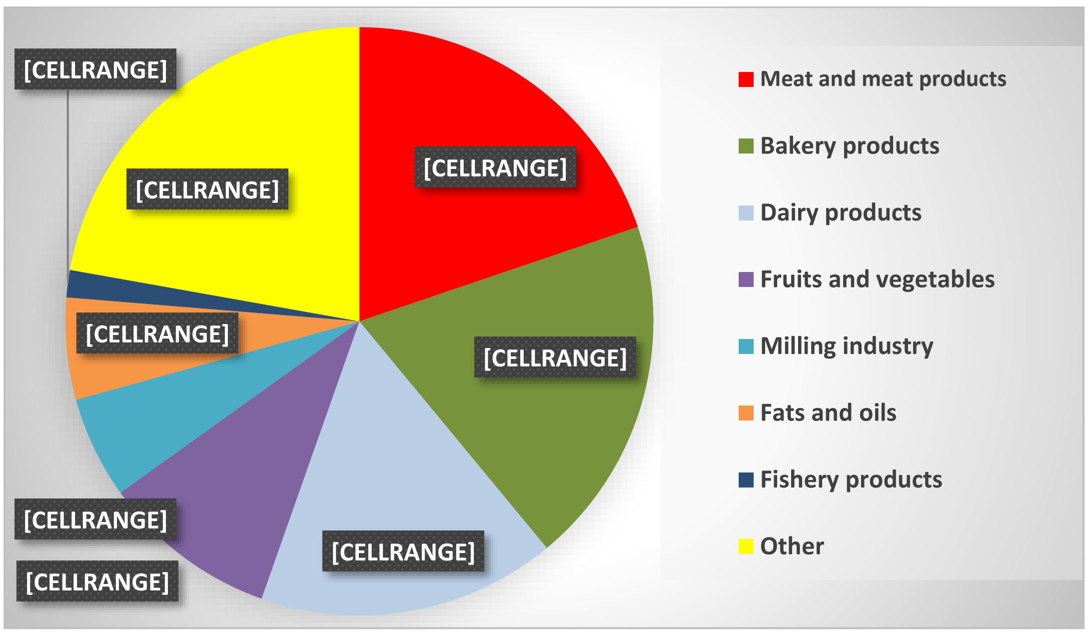
- **Distribution Channels**



- **Market Structure**

  - Italy’s food processing industry is developed and utilizes a wide range of food ingredients and suppliers.
  - Italian processors source their ingredients from brokers, agents, local importers, and wholesalers. Only large processors import ingredients directly from foreign suppliers.
  - Processed food is primarily distributed through retail, convenience, and discount stores.
  - U.S. exporters of food processing ingredients usually enter the Italian market through a specialized ingredients importer.
  - Importers often play a role in promoting products once in the market.
  - A common entry strategy for small-and medium-sized U.S. companies is working directly with a local wholesaler or broker or indirectly through an export agent or consolidator.

- **Composition of Italy’s Food Processing Industry- by Market Share Percent**



Source: Italy’s Institute of Statistics (ISTAT)

- **Leading Food Processing Companies**

<u>Baked Goods</u>
Barilla - https://www.barilla.com/it-it
Bauli - https://www.bauli.it/
Ferrero - https://www.ferrero.com
Dr Schär - https://www.schaer.com/it-it

<u>Processed Meat and Meat products</u>
Gruppo Veronesi - http://www.gruppoveronesi.it/bpweb/SitoVeronesi.nsf/home
Fratelli Beretta - http://www.fratelliberetta.com/

Amadori - https://www.amadori.it/amadori/storia
Ferrarini - https://www.ferrarini.com/en/

Dairy products
Granarolo - https://www.granarologroup.com/
Galbani - http://www.gruppolactalisitalia.com/hubpage/
Parmalat - https://www.parmalat.it/
Zanetti - https://www.zanetti-spa.it/en

Ice Cream and Frozen Desserts
Unilever Italia - https://www.unilever.it/our-company/
Sammontana - https://www.sammontana.com/
Froneri Italy - https://gelatimotta.it/
Esselunga - https://www.esselunga.it/cms/azienda.html

Pasta and Rice
Barilla - https://www.barilla.com/it-it
De Cecco - https://www.dececco.com/it_it/
Pastificio Rana - https://www.giovannirana.it/
Conad - Consorzio Nazionale Dettaglianti - https://chisiamo.conad.it/

Chocolate Confectionary
Ferrero - https://www.ferrero.it/
Nestlè Italia - https://www.nestle.it/
Elah Dufour Alimentari Riunite - https://www.elah-dufour.it/en
Mars Italia - https://ita.mars.com/it/prodotti-mars?language_content_entity=it

Snacks
San Carlo Gruppo Alimentare - https://www.sancarlo.it/it/default.asp
Mondelez Italia Services - https://www.mondelezinternational.com/Europe/Western-Europe
Noberasco - https://noberasco.it/la-nostra-storia/
Amica Chips - https://www.amicachips.it/

Sauces, Dressings, and Condiments
Star - Stabilimento Alimentare - https://www.star.it/storia/
Ponti - https://www.ponti.com/us/
Conserve Italia - https://www.conserveitalia.it/en/
Barilla - https://www.barilla.com/it-it

Sweet Biscuits, Snack bars, and Fruit snacks
Mondelez Italia Services - https://www.mondelezinternational.com/europe/western-europe/#/
Colussi Group - https://www.colussigroup.it/en/
Galbusera - https://www.galbusera.it/chi-siamo/
Balocco - https://www.balocco.it/en

Ready Meals
Bonduelle Italia - https://www.bonduelle.it/
La Linea Verde Società Agricola - https://www.lalineaverde.it/?lang=en
Piatti Freschi Italia - http://www.piattifreschiitalia.com/
Cameo - https://www.cameo.it/it-it/index

- **Sector Trends**

  - An aging population and increased focus on health is fueling Italy's demand for wellness products and functional products such as fermented foods and probiotics.
  - Locally grown, but also ethnic, vegan, vegetarian, and flexitarian alternatives, and "free from" products (e.g. gluten, lactose, or sugar free).
  - Food processors have increased the use of plant protein from pulses to respond to a growing demand for grain alternatives. Pulses imports in Italy increased from $253 million in 2019, to $395 million in 2024.
  - Demographic evolution is driving changes in consumer buying habits, as single and two person households are growing and households of four or more are declining.
  - Consumers desire traceability and information on production methods.
  - Hybrid work continues to reduce spending on breakfast and lunch in consumer foodservice outlets across Italy.

Section III. Competition

Italy's main trading partner is the EU, supplying approximately 73 percent of the total agricultural products and 70 percent of food processing ingredients. Proximity and price make the EU more attractive and competitive.

Leading Suppliers of Food Processing Ingredients to Italy

Partner Country	January - December (Value: USD)			Market Share (%)			%Change 2024/23
	2022	2023	2024	2022	2023	2024	
World	29,608,599,311	32,141,886,292	34,097,121,891	100	100	100	6.1
EU-27	19,683,042,042	21,703,960,035	23,754,482,753	66.5	67.5	69.7	9.4
France	4,069,884,668	4,213,661,614	4,765,062,572	13.7	13.1	13.9	13.1
Germany	2,854,505,182	3,493,070,824	4,096,347,963	9.6	10.9	12.0	17.3
Netherlands	3,006,320,120	3,422,781,483	3,686,095,137	10.2	10.6	10.8	7.7
Spain	1,459,526,907	1,848,509,589	2,118,717,961	4.9	5.8	6.2	14.6
Poland	979,724,328	1,157,153,634	1,269,427,599	3.3	3.6	3.7	9.7

Source: TDM, LLC

Market Competition in Select Food Processing Ingredients

Commodity	Italy's imports from the world 2024	Italy's imports from the United States 2024	Key constraints over market development	Market attractiveness for the United States
Pork and products	$3.5 billion	$515,119	Competition from other EU countries, mainly Germany, Spain, and the Netherlands.	Growing consumers' demand.
Wheat	$2.9 billion	$192.1 million	Competition from Canada and other EU countries, mainly Hungary, Austria, Greece and France.	Growing consumers' demand. Robust demand for pasta.
Coffee	$2.7 billion	$28,917	Competition from Brazil, Vietnam, Uganda, and India.	Growing consumers' demand. Strong coffee culture.
Tree Nuts	$1.8 billion	$432.4 million	Competition from Turkey, Spain, Germany, and Chile.	USA is the main supplier of almonds. Growing demand from manufacturers, confectionary, and snack industry.
Sugar	$1.1 billion	$565,054 million	Competition from other EU countries, mainly Germany, France, the Netherlands, and from Ukraine.	Numerous food industry uses.

Source: TDM, LLC

Section IV. Best Food Ingredient Product Prospects

- **U.S. products present in the market with good sales potential**

  - Tree Nuts
  - Pulses
  - Sugar
  - Processed Vegetables

- **U.S. products not present in significant quantities, but have good sales potential**

  - Functional and Health food
  - Free-from products (lactose-free, gluten-free, sugar-free)
  - Specialty foods (premium, high-quality ingredients for gourmet dishes)

- **U.S. products not present in the market due to significant trade barriers**

  - Raw ingredients containing genetically engineered (GE) ingredients intended for food use.

- Fruit and vegetables produced with MRLs not approved by the EU.

Section V. Key Contacts and Further Information

Office of Agricultural Affairs, Foreign Agricultural Service, U.S. Embassy Rome	Phone: (011)-(39)-06-4674-2396
Physical Address: Via Veneto, 119a - 00187 Rome, Italy http://www.fas.usda.gov https://it.usembassy.gov/embassy-consulates/rome/sections-offices/fas/	Email: agrome@usda.gov

FAS Italy publishes numerous market and commodity reports available through the Global Agricultural Information Network (GAIN) at: https://gain.fas.usda.gov/#/

For more information on Italian regulatory agency and Ministry contacts, please see the latest *Italy Food and Agricultural Import Regulations and Standards (FAIRS)* and *Italy FAIRS Certificate* reports at: https://gain.fas.usda.gov/#/.

Attachments:

No Attachments