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Report Highlights:

The Spanish retail sector is experiencing a 2024 with good prospects despite still facing elements of uncertainty. Consumers, having emerged from the latest inflationary crisis, have become more rational in their purchasing decisions, and are prioritizing price to control expenditure. In general, retailers are focusing on maximizing commercial performance, increasing promotional activity, and moving towards greater specialization by adding 'take away' or fresh sections as main attraction points. Large supermarkets stand out as a preferred purchasing channel, mainly driven by Mercadona and the German discounters, but also by regional chains.

Market Fact Sheet: Spain

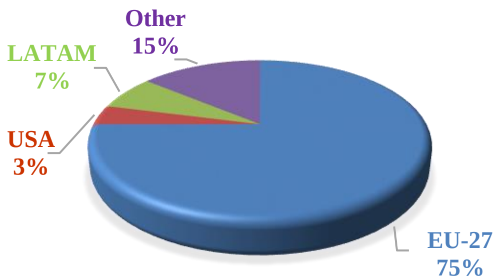
Executive Summary

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 2023, Spain's total imports of agricultural and related products reached $65.4 billion, up 2 percent compared to 2022; 57 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 2023



Food Processing Industry

In 2023, the food-processing sector continued to consolidate 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 2023, led by major grocery retailers. Within grocery store-based retailing, the competitive environment is concentrated, with Mercadona retaining its leadership, followed by Carrefour. In 2023, due to new consumption habits, internet retailing is expected to continue growing, as retailers continue to invest in eCommerce platforms.

Quick Facts CY2023

World Imports of Consumer-Oriented Products

$26.77 billion (+13.13%)

List of Top 10 U.S. Growth Products

1) Pistachios	2) Food Preparations
3) Alaska Pollock	4) Lentils
5) Chickpeas	6) Hake
7) Sauces	8) Kidney beans
9) Sweet potatoes	10) Cranberry juice

Food Processing Industry Facts 2023

Food Industry Output	$176 bn
Food Exports	$51.7 bn
Trade Surplus	$15 bn
No. of Employees	463,900
No. of Food Processors	28,335
% of total GDP	2%

Top Country Retailers	Sales 2023 (Estimate) ($ Million)
1) Mercadona	34,300
2) Grupo Carrefour	11,800
3) Lidl	7,200
5) Grupo Eroski	5,700
6) Alcampo	5,000
4) DIA	4,500
7) Consum, S.Coop.	4,500
8) El Corte Ingles	3,000
9) Bon Preu	2,500
10) Ahorramas	2,000

GDP / Population 2023

Population: 47.5 million

Real GDP (nominal, est): $1.39 trillion

GDP Per capita (nominal, est): $29,198

Sources: FIAB, TDM, GATS, Eurostat

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	High inflation and public debt

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

SECTION I. MARKET SUMMARY

The supermarket sector is stabilizing again after a period of inflationary crisis. This instance had an impact on its commercial margins due to the increase in the cost of food, the energy crisis, or the transportation problem, together with its efforts to mitigate the rise in sales prices to the final consumer. In 2024, although companies still face elements of uncertainty that can impact the food sector and consumer behavior, a certain change in trend is already observed, also linked to the measures aimed at recovering profitability, through cost containment plans and the reinforcement of commercial strategies to attract customers. The focus on keeping margins threatened by constant price increases is progressively abandoned to focus on gaining volume share again. Thus, the main operators will likely invest in key tools, such as advertising, promotion, and innovation, as an opportunity for brands to differentiate themselves and generate growth.

In 2023, the retail market continued to be highly conditioned by inflationary movements. Based on data from Kantar Worldpanel, the end of the year showed a growth of 7.6 percent in value and signs of stability in purchase volume (-0.2 percent), still very far from recovering pre-pandemic levels (3.6 percent in 2019). Though the general inflation was contained, accumulating an increase of 3.6 percent on average, compared to 8.4 percent the previous year, the rise in food prices did not give the consumer any relief, since food became more expensive by 11.8 percent (11.6 percent in 2022), also because of the drought or the shortage of some raw materials. Taking as an example a basic shopping basket (made up of oil, rice, coffee, detergent, cookies, milk, pasta, and yogurt), Spanish consumers would be paying 47 percent more now than four years ago, according to the webinar 'Building the basket of purchase' from Kantar Worldpanel.

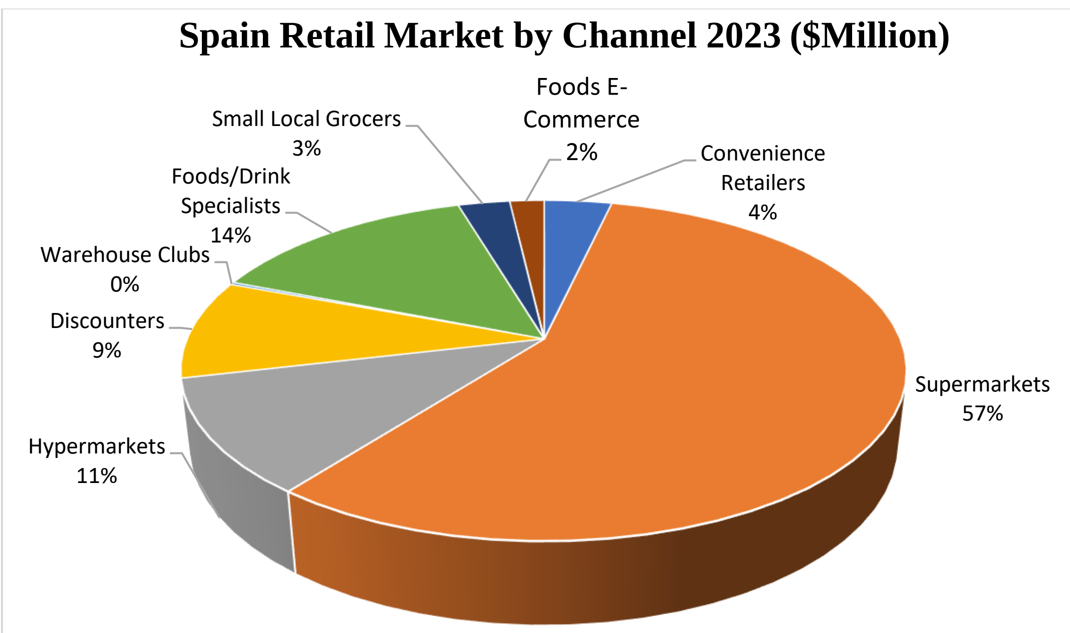
In this context, there are significant changes in consumer habits, both in the composition of the shopping basket and in the shopper profile. The consumer emerging from this latest inflationary crisis, not yet overcome, is much more unfaithful and more attentive to price and promotions as a measure to contain spending. This has translated into a decrease in the frequency with which people go to the supermarket (2.8 times per week), in smaller baskets (-11 percent year-on-year, against the 8 percent increase in the average purchase ticket) and in a greater reorientation of their purchase from the traditional store (greengrocer, delicatessen, fishmonger...) towards the supermarket, which continues to be the main beneficiary of this change.

Meanwhile, tools such as promotion or the distributors brand continued to gain weight when choosing a specific chain and, consequently, the composition of the basket has also been altered. Continuing with data from Kantar, 43.7 percent of consumer spending in 2023 was on private label products, which is a new record, even though on occasions, these products became more expensive than manufacturer products. The same consulting firm points out that, between 2018 and 2023, six large supermarket chains operating in Spain (Mercadona, Dia, Eroski, Carrefour, Alcampo and Lidl) have reduced the assortment of brands on their shelves by 23 percent, where the presence of private label has increased 13 percent.

Table 1. Advantages and Challenges of the Spanish Food Retail Market

Advantages	Challenges
Spanish consumers are increasingly open to new products. The United States is a favorite destination for Spanish travelers outside the EU, increasing the popularity and interest in U.S. food products.	Adjustments to the overall domestic and international economy situation (inflation, international conflicts, drought, logistics challenges).
Spain's food 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.	High transportation costs. In addition, small exporters face difficulties in shipping mixed/smaller container loads vs EU competitors or big exporters.
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.

Figure 1. Spain Retail Sales by Channel



Source: Euromonitor

SECTION II. ROAD MAP FOR MARKET ENTRY

Business Customs

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 introduce your product in Spain.

Spain's sales channels range from traditional distribution methods – wholesalers that sell to small retail shops that, in turn, sell to the public – to large multinational supermarkets and retail stores. However, personal relationships are still important, especially within smaller organizations. Nowadays, the level of tolerance for virtual meetings and discussions has increased, but culturally, there is still no substitute for face-to-face meetings with business representatives in order to enter the market. The decision-making process within a company may differ from that in the United States. An initial "yes" usually means that the company will study the situation, and not necessarily that they will buy the product. Once a deal is signed, the company will likely expect the U.S. firm to translate commercial brochures, technical specifications, and other relevant materials into Spanish. Decision makers at Spanish firms may speak English, but paperwork is normally completed in Spanish.

Most agents, distributors, foreign subsidiaries, and government-controlled entities that make up the economic power block of the country operate in two hubs: Madrid and Barcelona. Companies outside these two hubs will almost invariably obtain their supplies from their Madrid and Barcelona contacts rather than engage in direct importation.

Market Entry Strategies

Market entry strategies for U.S. products intending to enter the Spanish market should include:

- Market research to assess product opportunities.
- Advanced calculations of the cost of introducing the product in the Spanish market to prove its competitiveness in the local market.
- Identify an experienced distributor or independent reliable agent to advise on adequate distribution channels, import duties, sanitary regulations, and labeling requirements.
- Explore the purchasing arrangements of the larger retail channels.

Food Standards and Regulations

For detailed information on food standards and regulations, consult the Food and Agricultural Import Regulations and Standards Report (FAIRS) and the FAIRS Export Certificate Report for the EU and Spain. Also, check the U.S. Mission to the European Union (USEU Mission) web page for helpful information on exporting U.S. food and agricultural products to the EU.

General Import and Inspection Procedures

Spain follows the Harmonized Nomenclature and Classification System (HS) and applies EU import duties according to a maximum and minimum rate schedule. The minimum tariff rate is applied to goods originating in countries entitled to the benefits of most-favored nation treatment – that is, members of the World Trade Organization (WTO), including the United States, and countries with which the EU has signed trade agreements. In some instances, negotiations and trade agreements in place between the EU and other countries provide for advantageous access to the European market.

Currently, the EU and the US have the following agreements and arrangement in place:

- US-EU Organic Equivalency Arrangement
- Veterinary Equivalency Agreement

The local importer has primary responsibility with the Spanish Government for imported food products once they enter Spanish territory. Therefore, the Spanish agent/importer should guide the U.S. exporter through the entire process of marketing a food or agricultural product in Spain. Most food products require an Import Certificate issued by the competent authority.

The following documents are required for ocean or air cargo shipments of food products into Spain:

- Bill of Lading and/or Airway Bill
- Commercial Invoice
- Phytosanitary Certificate and/or Health Certificate, when applicable
- Import Certificate

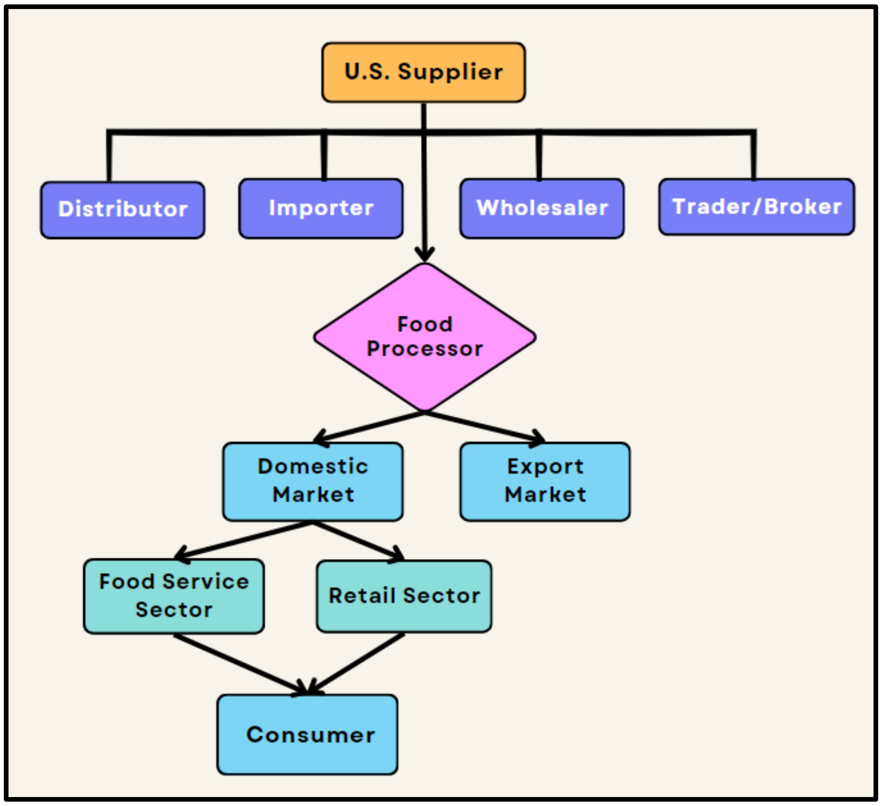
The Standard U.S. label does not comply with the EU's labeling requirements. For additional information, visit the EU labeling requirements section of the USEU Mission webpage.

Please keep in mind that if the product you are exporting into Spain does not comply with EU harmonized regulations, Spanish customs or health authorities may not allow entry of the product.

Trade Shows

Trade shows in Spain continue to offer excellent opportunities for U.S. exporters to contact potential clients or business partners from Spain, Portugal, other EU countries and other continents. The most important trade shows are: and the USDA-endorsed show Seafood Expo Global, in Barcelona May 6-8, 2025; Alimentaria, in Barcelona March 23-26, 2026. Other specialized shows include Salon de Gourmets, that will take place in Madrid April 7-10, 2025.

Figure 2: Spain's Market Structure



For more information on the Spanish market, please consult additional sector reports for Spain at [FAS GAIN Home](#).

Spain's Top Retailers

Retail Organization	Ownership	Sales 2023 ($ Million)*
MERCADONA	Spanish	34,300
GRUPO CARREFOUR	French	11,800
LIDL SUPERMERCADOS	German	7,200
GRUPO EROSKI	French	5,700
ALCAMPO, S.A.	French	5,000
DIA RETAIL ESPANA, S.A.	Spanish	4,500
CONSUM, S. COOP.	Spanish	4,500
EL CORTE INGLES ALIMENTACION	Spanish	3,000
BON PREU, S.A.	Spanish	2,500
AHORRAMAS	Spanish	2,000

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 to price sensitive goods.

Product Category (TMT; million USD)	Major Supply Sources in 2023 (in value)	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
Frozen Fish Imports: 259 Value: $695	1.Portugal-13% 2.Netherlands-8% 3.Morocco–6%	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 Imports: 126 Value: $437	1.USA-73% 2.Portugal-11% 3.Australia - 8%	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, both used domestically or exported.
Pulses Imports: 792 Value: $421	1. USA - 15% 2. Canada -12% 3. Argentina- 10%	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 a net importer, as local production is insufficient to fulfill internal demand.
Pistachios Imports: 15 Value: $145	1.USA-72% 2. Iran -11% 3. Germany - 10%	Germany is the main entry point for U.S. pistachios. Iranian pistachios are the competitor in the Spanish market and offer lower prices.	Local pistachio production is growing, but still very limited. Demand continues to grow significantly.
Sunflower Seeds Imports: 301 Value: $339	1.France-52% 2.China-19% 3.Romania-8%	Used for confectionery. Growing competition from China on price; Argentina competitor on quality.	Traditional snack. Local production is insufficient to meet demand.
Sweet Potatoes Value: $11	1.Egypt -27% 2.Portugal -22% 3.Netherlands–14% 4.USA – 14%	Other major suppliers offer high quality products at competitive prices.	Imports from the world and the U.S. have increased considerably in the last five years. Demand and consumption continue to be strong.
Distilled Spirits Value: $1,119	1.U.K.-29% 2. USA-11% 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: Trade Data Monitor (TDM)

SECTION IV. BEST PRODUCT PROSPECTS CATEGORIES

Table 3. Agricultural and Food Import Statistics

AGRICULTURAL PRODUCTS IMPORTS ($ Million)	2020	2021	2022	2023	2024*
Total Agricultural and Related Products	**44,592**	**54,418**	**63,814**	**65,377**	**66,000**
Total U.S. Agricultural and Related Products	1,670	1,706	2,244	2,236	2,000
Total Agricultural Related Products	**9,963**	**12,735**	**14,659**	**13,108**	**15,000**
Total U.S. Agricultural Related Products	164	163	187	211	200
Total Consumer-Oriented Products	**19,114**	**21,697**	**23,667**	**26,773**	**25,000**
Total U.S. Consumer-Oriented Products	836	761	839	692	800
Total Seafood Products	**7,348**	**8,889**	**9,637**	**9,174**	**9,000**
Total U.S. Seafood Products	86	82	95	99	100

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 -- Sweet potatoes -- Pet foods

Products Not Present Because They Face Significant Barriers
Red meat and meat preparations (hormone ban) -- Poultry (sanitary procedures - chlorine wash) -- 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.

Spain FAIRS Export Certificate Report Annual; Spain FAIRS Annual Country Report Annual

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