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Retail Foods

2016

Approved By:
Rachel Bickford, Agricultural Attaché

Prepared By:
Arantxa Medina, Marketing and Management Specialist

Report Highlights:
In Fiscal Year (FY) 2016, Spain imported $2 billion of agricultural, fish and forest products from the United States, up five percent compared to the previous year. As Spain continued its economic recovery in 2016, the retail sector continues to consolidate its position and importance in the country. Consumers are slowly recovering their confidence and increasing their spending, though the five years of economic recession and cuts have certainly shaped the overall retail situation and influenced consumers' behavior. The sector will need to adjust once again to this new reality, where new opportunities will likely arise for U.S. exporters.

INDEX

SECTION I. MARKET SUMMARY

Economic Trends

2015 marked the end of Spain's economic recession with 1.2 percent GDP growth in 2014. The economic adjustments and budget cuts carried out by the Spanish government seem to have achieved the desired effect. The return to positive numbers meant changes in the prevalent trends in retailing as a whole. Many of Spain's retailers experienced less severe declines than in previous years and in some cases; they grew slightly, as in the case of basic goods such as groceries. However, the previous five years of economic recession and cuts have certainly shaped the overall retail situation and influenced consumers' behavior. Spain's retailers reconsidered their strategies in order to adapt to the new reality of these new, more price-conscious,consumers. Also important to note in the new scenarios are the increasing importance of convenient locations and the incipient threat from low-cost retail formats.

ECONOMIC TRENDS	2012	2013	2014	2015	2016*
Real GDP Growth Rate	-2.6	-1.7	1.4	3.2	2.6
Inflation (%)	2.4	1.5	-0.2	-0.6	-0.4
Unemployment (%)	24.8	26.1	24.5	22.1	20.0
GDP per Capita (€)	22,300	22,100	22,400	23,300	23,600

Source: Eurostat (www.ec.europa.eu/eurostat)
(*) Estimates

Spain will remain in the path of recovery in 2016. Unemployment numbers have improved during 2016 and are expected to continue improving, though the total number is still unbearably high, estimated at 20 percent by the end of 2016.

Spain is expected to continue to have a positive growth and improved economic situation, driven by private consumption and other drivers, such as exports. This will likely increase consumers' spending again and will have a positive effect in the retailing industry as a whole. Online retailing continue to increase and is expected to continue to be prosperous in the medium term, as more store-based companies move to online commerce.

Despite the positive indicators, some analysts express their concerns on the consistency of the Spanish recovery. Tourism is benefitting from instability in other Mediterranean countries and the level of individual, corporate and even bank debt could drag economy recovery. Furthermore, the still painful high unemployment rate and the high number of educated and qualified workers emigrating abroad looking for job opportunities are some of the structural issues that need to be tackled if Spain intends to sustain the positive growth over the medium term.

Consumer Confidence

According to the Consumer Confidence Index (CCI) published in July 2016 by the Centre for Sociological Research (CIS), consumer confidence shows an important decrease compared to July last year. The CCI is a monthly assessment of recent economic developments and expectations of Spanish consumers related to family finances and employment used to anticipate their consumption decisions. The economic expectations, the rate of unemployment, available family incomes and inflation are important factors affecting this index and affecting consumer spending. In July 2014, this index reached its recent highest point, but the expectations have worsened and thus, the index has gone down 10.8 points in one year.

After years of living on constricted budgets, despite the incipient economic recovery, Spanish consumers are still giving considerable importance to low prices when shopping and continue to look for discount prices. These decisions are still present in the average consumer who still looks for the best value-for-money products. But the modest economic recovery has made some consumers slightly better off and this increase in disposable income has pushed some consumers to cautiously return to buying more branded products. Despite the positive macroeconomic numbers expected to be thrown by the Spanish economy, consumer confidence has dropped due to the "significant" drop in the expectations that the citizens have on the future of the economy and labor market.

Tourism

Spain is one of the top tourism destinations in the world, with increasing numbers of tourists every year. The number of tourists in Spain increased by 16 percent in the first half of 2016. The Spanish National Statistics Institute informed that a total of 33 million tourists arrived in Spain between January and June. Spanish authorities expect that 2016 will finish with a new visitors record. Tourism is one of the few sectors bringing optimism to the Spanish economy and accounts for 11 percent of the Spanish economy.

Tourists originating from the United Kingdom continued to top the list at eight million, up 17 percent compared to previous year. Germans, with five million visitors, were up seven percent, while French visitors increased eight percent to 4.6 million. Catalonia, the Balearic Islands, the Canary Islands and Andalucia were the leading tourist destinations in the first half of the year.

Spain is Europe's most popular destination after France, and a record 68.1 million tourists visited the country in 2015, almost 5 percent up compared to previous year.

Retail Trends

The recovery of the economy is slowly leading to an increase in domestic demand. After years of tight budgets and cutting expenses, consumers are slowly increasing expenditure and grocery retailers are expected to see constant positive growth in the coming years.

Table 1. Sales in Grocery Retailers by Channel – Value

	2012	2013	2014	2015

Modern Grocery Retailers	*78,320*	*78,934*	*80,945*	*83,272*
- Convenience Stores	1,320	1,237	767	750
- Discounters	8,210	8,510	8,657	9,083
- Forecourt Retailers	1,213	1,179	1,173	1,082
-- Chained Forecourt Retailers	1,176	1,143	1,139	1,050
-- Independent Forecourt Retailers	37	36	34	32
- Hypermarkets	14,498	13,685	13,754	13,851
- Supermarkets	53,078	54,323	56,594	58,405
Traditional Grocery Retailers	*25,995*	*25,110*	*24,550*	*24,492*
- Food/Drink/Tobacco Specialists	21,577	20,821	20,364	20,384
- Independent Small Grocers	2,097	1,992	1,924	1,926
- Other Grocery Retailers	2,321	2,297	2,262	2,182
Total Grocery Retailers	**104,315**	**104,044**	**105,495**	**107,764**

Source: Euromonitor
Unit: Million USD

According to Euromonitor, one interesting change of trend in the sector due to the improvement of the economy is the slight shift back to branded products. Although the importance of private label is unquestionable, in some categories the average unit price of private label products and their branded counterparts is so close that consumers are switching back to branded products.

Table 2. Grocery Retailers Company Shares (% Value)

	2012	**2013**	**2014**	**2015**

Mercadona	18.9	19.5	19.7	19.7
Carrefour	4.8	4.4	5.5	5.5
Dia	4.7	4.9	4.7	4.9
Alcampo	3.5	3.4	3.3	3.2
Lidl	2.6	2.7	2.9	3.1
Eroski	1.3	1.2	2.5	2.5
Consum	1.8	1.9	2	2.1
Hipercor	2	1.9	1.8	1.8
Eroski City	0.5	0.5	1.6	1.5
Carrefour Express	0.8	0.8	1.4	1.5
Condis	0.9	0.9	0.8	0.8
Simply Market	1	0.8	0.8	0.8
El Arbol	-	-	0.8	0.8
Eroski Center	1.9	1.9	0.8	0.8
Caprabo	1.4	1.4	1.3	0.8
Bonpreu	0.6	0.7	0.7	0.7
Carrefour Market	0.7	0.8	0.7	0.7
Repsol	0.7	0.6	0.6	0.6
Supercor	0.5	0.5	0.6	0.6
Eurospar	0.6	0.6	0.6	0.6
Carrefour Planet	1.1	1.1	-	-
El Arbol	0.9	0.9	-	-
Private Label	0.6	0.6	0.6	0.6
Others	48.3	48.1	46.1	46.4
Total	100	100	100	100

Source: Euromonitor

Internet Retailing

According to the Spanish National Institute of Statistics (INE), in their press note published in October 2016, eithg of ten people between 16 and 74 years old have used internet in the last three months. Two out of three use it on a daily basis. One in two have bought something through internet at some point in the olives, 34.9 percent bought something in the last three months. In 2016, 81.9 percent of Spanish homes have internet access. Thus, the growth in internet availability at home supported the strong performance of internet retailing which grew by 11 percent in 2015.

According to Euromonitor, food and drink products are the most popular product type sold via internet retailing in Spain. More families, particularly in the big urban areas, where both parents work and with hectic life styles, are saving time buying their groceries online. Still the importance of internet retailing within grocery retailing still has plenty of room to grow.

One of the singularities of the Spanish market is the polarization of consumers. On one hand, the high unemployment rate drastically reduced the disposable income of a considerable part of the society On the other hand, the number of rich people have increased in the last years. The result is a polarization of the Spanish society and thus, of consumers and their habits. The number of hard-discounts retailers grew during the crisis, but also the number of luxury outlets offering gourmet and premium product lines. Tourism also contributed to push the sales of high-end products.

One key trend in the retail sector is online sales. Internet retailing offers both convenience and economy as the prices of a very wide range of products can be compared against retailers from all over the globe. Online sales continued increasing in Spain and a good performance was recorded in internet retailing for another consecutive year, though it is interesting to note that in recent years, in a number of cases, internet retailing is perceived by consumers as complementary, not as a substitution.

Table 3. Internet Retailing for Food and Drink: Value

	2011	**2012**	**2013**	**2014**	**2015**
Food and Drink	1,021.54	1,152.50	1,213.60	1,310.73	1,427.57
Total Internet Retailing	**4,819.00**	**5,417.58**	**5,661.98**	**6,154.50**	**6,806.94**

Source: Euromonitor
Unit: Million USD

Generally speaking, consumers are closer to traditional shopping and consumers still prefer store-based retailing. Personal contact with sales staff remains a very important part of the shopping process for many Spanish consumers. This fact becomes less important as the new generations born with internet enter the consumer world. Another factor influencing online sales is the consumers' concern about online fraud that occurred in the past. This suspicion drags the growth of internet sales. In this regard, Spain's leading internet retailers are focusing all of their efforts on building trust among their collective consumer base.

Table 4. Store-based Retailing Outlets by Channel (000 Units)

	2011	**2012**	**2013**	**2014**	**2015**
Grocery Retailers	149.3	144.0	140.6	140.4	140.6
Non-Grocery Specialists	296.0	288.6	283.0	281.9	282.7
Mixed Retailers	15.7	15.5	15.3	15.0	15.1
Luxury Retail	-	-	0.2	0.2	0.2
Total Store-based Retailing	**461.0**	**448.1**	**439.1**	**437.5**	**438.6**

Source: Euromonitor

Product Trends

Spanish consumers are increasingly health conscious. Naturally healthy and free-from products are more widely available in supermarkets and specialized stores. One of the most interesting and promising categories are healthy products indicated for food intolerances. This boost in demand is partly due to the perception that consumers have of these products being healthier, even if they do not have diagnosed food intolerance.

According to Euromonitor, in 2015, food intolerance products sales grew 18 percent in value to reach $388 million. In this sense, according to the same source, lactose-free food is the most dynamic category in 2015, posting a rise in value of 22 percent. Euromonitor expects that food intolerance category will continue to grow and it is estimated that will reach $600 million in 2020.

Table 5. Sales of Food Intolerance by Category (% Growth)

	2014/2015	2010/2015 Total
Gluten-Free Food	11.1	105.4
- Gluten-Free Baby Food	0.8	8.8
-- Gluten-Free Dried Baby Food	0.8	9
-- Gluten-Free Prepared Baby Food	0.7	8.8
-- Gluten-Free Other Baby Food	0.9	8.6
- Gluten-Free Baked Goods	15.1	193.6
-- Gluten-Free Bread	18.2	286.5
-- Gluten-Free Cakes	4.2	48.4
- Gluten-Free Biscuits	16.1	257.5
- Gluten-Free Breakfast Cereals	13.7	256.5
- Gluten-Free Pasta	12.6	66.6
- Gluten-Free Ready Meals	20.8	-
Lactose-Free Food	22.1	215.6
- Lactose-Free Dairy	23.5	250
- Lactose-Free Ice Cream	5.7	35.5
- Lactose Free Baby Food	1.6	14.1
-- Lactose Free Special Baby Milk Formula	1.6	14.1
Other HW Special Baby Milk Formula	0.7	3.5
- Other Liquid Special Baby Milk Formula	-	-
- Other Powder Special Baby Milk Formula	0.7	3.5
Food Intolerance	**18.1**	**129.6**

Source: Euromonitor

Health and wellness products to continue contributing to a healthier lifestyle

Another interesting market niche is naturally healthy packaged food. In 2015, naturally healthy packaged food sales value decreased slightly but it is expected to continue increasing in the medium term. According to Euromonitor, the increasing awareness of consumers about healthier lifestyles and habits is driving the demand for naturally healthy packaged food.

Table 6. Sales of Health and Wellness by Type (Value)

	2011	2012	2013	2014	2015
Better For You	3,935.89	3,986.62	4,051.88	4,044.24	4,024.29

Food Intolerance	193.36	229.86	272.2	326.75	385.97
Fortified/Functional	3,591.41	3,549.81	3,359.32	3,242.91	3,178.07
Naturally Healthy	4,969.74	5,013.99	5,170.42	5,491.23	5,443.15
Organic	157.38	160.88	162.26	164.06	165.87
Health and Wellness	12,895.50	13,099.00	13,338.70	13,222.90	13,161.50

Source: Euromonitor
Unit: Million USD

Information for U.S. exporters

U.S. processed food exporters now face even greater challenges in the Spanish market, because of the EU labeling and traceability regulations. Any product that contains genetically modified ingredients must be labeled so that the consumer can distinguish the product. Due to the bad public perception of genetically modified products, retailers are reluctant to purchase these processed products or food ingredients for processing.

In addition, acceptable colorings and additives may differ from those used to produce product for the U.S. market. For more information on food additives regulation please check the FAS/USEU Mission link on the topic.

Spain generally applies EU rules and regulations. However, there are subtleties that exporters should learn about before exporting to the Spanish market. For more information, we invite potential U.S. exporters to contact the Office of Agricultural Affairs in Madrid at AgMadrid@fas.usda.gov for additional sector-specific information.

In general terms, U.S. exporters already exporting to other EU Member States will likely be meeting most of the requirements for exporting into the Spanish market. The U.S. exporter needs to make contact with an importer and/or distributor for his product. Typically, food products are imported directly by an importer, broker and/or wholesaler or distributor.

The following documents are required for ocean or air cargo shipments of foodstuffs to Spain:

- Bill of Lading and/or Airway Bill
- Commercial Invoice
- 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. Also, if you are exporting animal products, your plant has to be approved to export into the EU.
- Import Certificate
    - Most food products require an Import Certificate issued by the competent Spanish authority. However, the Import Certificate is obtained by either the Spanish importer and/or the agent involved in the business and is intended for tariff classification purposes.

For more information on food standards and regulations, please consult the Food and Agricultural Import Regulations and Standard Report for Spain and the EU-27 available at the FAS/USEU Mission link on the topic.

Also, please check the U.S. Mission to the European Union webpage which will guide you on exporting into the EU.

Table 7. Advantages and Challenges for US Products in the Spanish Market

Advantages	Challenges
Spain's food industry relies on imported ingredients, many from the U.S.	Spain's slow recovery and still complicated financial situation.
Tourism is a strong and ever-growing sector that provides retail, food and drink sales.	Lack of consumer awareness of U.S. brands and varieties of U.S. products.
Good image and reputation of U.S. products.	Competition from neighboring EU countries, where tastes and traditional products may be well known.
Good network of agents and importers to help get product into the market.	U.S. exports face higher transportation costs and difficulties in shipping mixed or smaller container loads.
Consumers are increasingly health conscious, demanding products not sufficiently present in the market.	EU labeling, traceability, and packaging laws.
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.
Food products in the market are becoming more diversified. Consumers are becoming more open, creating opportunities for new and foreign products.	High marketing costs (advertising, discounts, etc.)

SECTION II. ROAD MAP FOR MARKET ENTRY

A. SUPERSTORES, SUPERMARKETS, HYPER MARKETS OR SUPER CENTERS, CLUB AND WAREHOUSE OUTLETS

Table 8. Retail Outlets – Company Profiles

Retail Organizations and Outlet Types	Ownership (Local or Foreign)	Sales 2015* $ Million	Location	Type of Purchasing Agent
MERCADONA, S.A. Supermarket	Spanish	20,730	Nationwide	Importer, Direct
GRUPO CARREFOUR, S.A. Supermarkets, Hypermarkets	French	8,775	Nationwide	Importer, Direct
GRUPO EROSKI Supermarket	Spanish	5,650	Nationwide	Importer, Direct
DISTRIBUIDORA INTERNACIONAL DE ALIMENTACION, S.A. (DIA) Hard Discount	French	4,660	Nationwide	Importer, Direct
ALCAMPO, S.A. - GRUPO Hypermarkets	French	3,950	Nationwide	Importer, Direct
LIDL SUPERMERCADOS, S.A.U. Hard Discount	German	3,050	Nationwide	Importer, Direct
CONSUM, S. COOP. Supermarket	Spanish	2,044	Nationwide	Importer, Direct
HIPERCOR, S.A. Supermarket	Spanish	2,025	Nationwide	Importer, Direct
AHORRAMAS, S.A. - GRUPO Supermarket	Spanish	1,590	Madrid, Castilla La Mancha	Importer, Direct
MAKRO AUTOSERVICIO MAYORISTA, S.A. Wholesaler	German	1,390	Nationwide	Importer, Direct

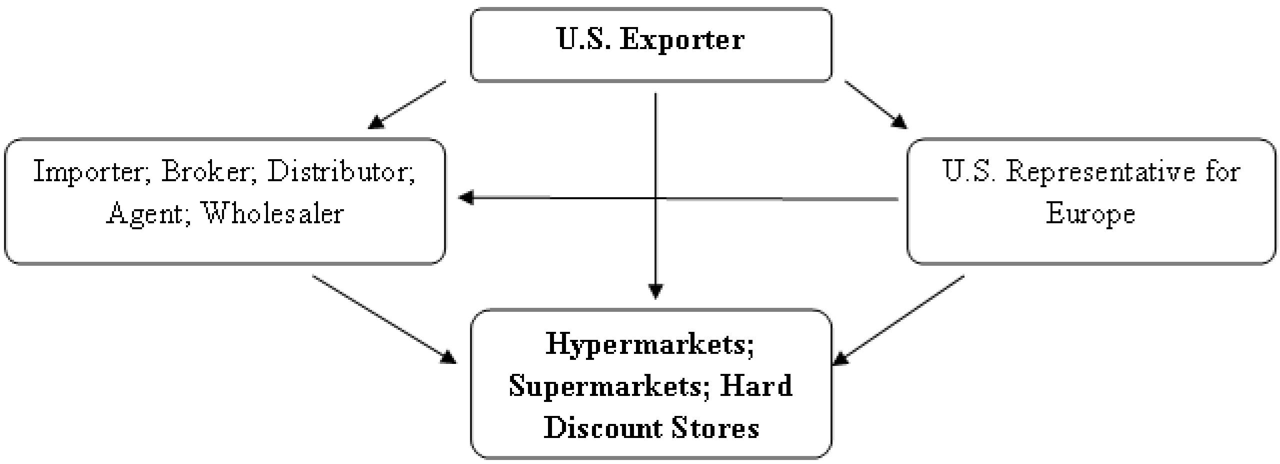
Source: Alimarket
* Estimate

Entry Strategy

Success in introducing products in the Spanish market normally 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 is developing sector-specific information to help you introduce your product in Spain.

A directory of European importers is available online at [American Foods in Europe Directory](). European importers of U.S. food and beverages are listed by product categories and company/country index.

Market Structure



In the supermarket sector, products are imported either by an importer, broker or agent, a wholesaler and/or distributor. Some products enter via other European Union ports either through a European importer or through the U.S. representative for Europe for that specific product.

Product representatives are better positioned to promote to retailers and consumers since retailers, as a general rule, do not promote specific products within their facilities. Retailers will, however, sell shelf-space, which is very expensive in the Spanish market. In order to cut costs, some retailers are importing directly from the supplier. In the case of retailers whose ownership is primarily foreign (foreign partnership), such us Carrefour (French), Auchan (French) and Lidl (German) many of the products, in particular specialty products for sale, are from their respective home country. It is important to note that Spanish distributors have nationwide distribution in Spain and, in most cases, in Portugal. The most important grocery retailer continues to be Mercadona, with 20 percent value share in 2015.

While hypermarkets and larger sized supermarkets control a large share of sales, small sized supermarkets located in urban areas are becoming ever more popular due to their proximity to the consumer (generally located within walking distance of residential and/or business areas).

B. CONVENIENCE STORES, GAS MARTS, KIOSKS

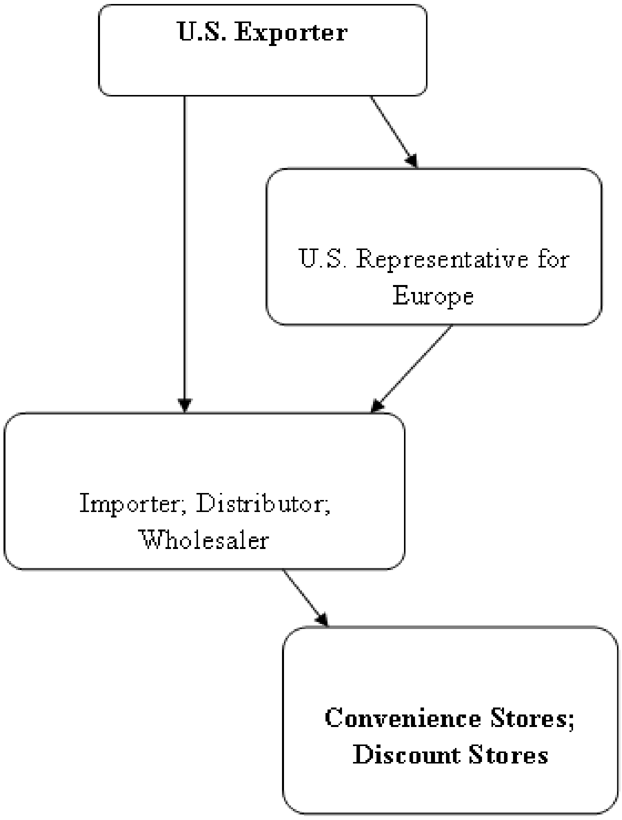
Table 9. Convenience Stores – Company Profiles

Retail Organizations and Outlet Types	Ownership (Local or Foreign)	Sales 2015 $ Million*	Location	Type of Purchasing Agent
REPSOL-CAMPSA Gas station	Spanish	220	Nationwide	Importer,

				Wholesaler
DISA PENINSULA, S.L.U. Gas station	Spanish	112	Nationwide	Importer, Wholesaler
CEPSA CONVENIENCIA, S.A. Gas station	Spanish	101	Nationwide	Importer, Wholesaler
GALP ENERGIA ESPANA, S.A. Gas station	Portuguese	94	Nationwide	Importer, Wholesaler
BP OIL ESPANA, S.A. Gas station	UK	90	Nationwide	Importer, Wholesaler
AREAS, S.A. Highways	Spanish	56	Nationwide	Importer, Wholesaler
GESPEVESA Gas station	Spanish	56	Nationwide	Importer, Wholesaler
GRUPO VIPS – SIGLA, S.A. Urban Convenience Store	Spanish	33	Nationwide	Importer, Wholesaler
MOSLOCI, S.L. Urban Convenience Store	Spanish	26	Nationwide	Importer, Wholesaler
TIENDAS DE CONVENIENCIA, S.A (Opencor) Urban Convenience Store	Spanish	10	Nationwide	Importer, Wholesaler
SERVICIOS INTEGRALES OPEN 25, S.L. Urban Convenience Store	Spanish	6	Nationwide	Importer, Wholesaler

Source: Alimarket
* Estimate

Market Structure



Convenience Stores

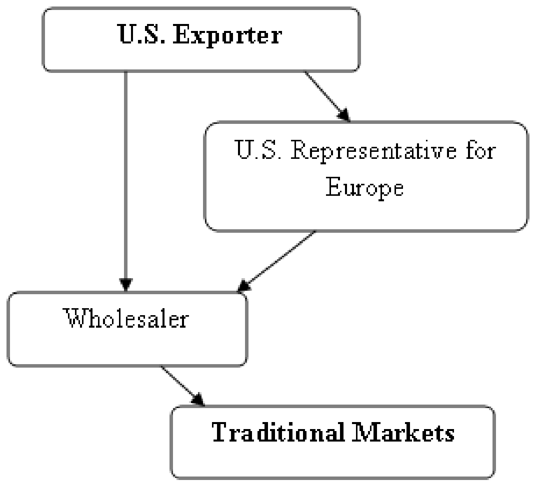
In Spain, convenience stores are usually associated with gas stations (90 percent of the total market share). However, "urban" convenience stores are popping up in Spain (10 percent of the total market share).

Convenience stores are very popular for last minute purchases. The sales through this kind of stores have largely benefited from the increasingly busy lifestyle. The advantages pointed out by convenience store consumers include their opening hours (open longer hours than other stores). However, these stores are going through a rough time due to their high prices. Spanish consumers are more and more price sensitive and long hours are not a determining advantage any longer. After the strong decline experienced by convenience stores during the economic recession, this category is expected to be more dynamic in the short term.

Convenience stores generally have insufficient storage space to import directly, so they usually buy their products from importers, wholesaler and/or distributors.

C. TRADITIONAL MARKETS

Market Structure



Traditional corner grocery stores are composed of corner grocery stores, fresh and regional markets. Wholesalers are the main suppliers for traditional markets. In this sense, large wholesalers generally import directly but smaller wholesalers, whose main customer is the traditional market, do not import and buy the product through other local importers and/or larger wholesalers.

Usually, these types of stores are traditional family owned and located within residential and/or neighborhood areas. Although they are small in size, they usually carry a diversified range of food and cleaning products. Sanitary conditions are good and all of them have a small refrigeration area. Although their prices are usually higher than in any other type of outlet, they are quite popular for their high quality fresh produce and their proximity. Because these stores are part of the neighborhood, some of them deliver products ordered by telephone. Their main suppliers are the cash-and-carries, which are warehouse type supermarkets and/or small wholesalers who visit once a month to take inventory and restock.

Open-air markets are also very popular. They sell mostly fresh produce, fresh meats, cheeses, traditional products, tree nuts, edible dry beans, and are only open in the mornings. Their suppliers are the wholesale markets for fresh produce. Regional open-air markets are also very popular. They take place either once a week, once a month or, in some particular cases, once a year, and usually run on weekends. Because they are so popular and traditional, they are located in the vicinity of major cities and throughout rural areas. Fresh produce and regional foods such as cheese, bread, cookies, etc. are the most common products marketed at these fairs. They also sell other products that can be found at a flea market.

Of additional interest are some "specialized food stores" – gourmet type stores - which are located in the major cities. These stores specialize in particular in high quality food products such as cheese, meats, diversified types of bread, wines, regional products, etc. These stores may be compared to Deli stores and sell not only local delicatessen food products but also import some of the products. These stores are usually expensive due to the diversity and type of products presented.

SECTION III. COMPETITION

Table 10. Competitive Situation Facing U.S. Suppliers from Domestically Produces Goods and Imported Goods			
Product Category (thousand metric tons; million USD)	**Major Supply Sources in 2015 (in value)**	**Strengths of Key Supply Countries**	**Advantages and Disadvantages of Local Suppliers**
Frozen Fish *Imports: 316* *Value:$701*	1. Portugal - 11% 2. Netherlands - 6% 3. Chile - 5% 6. USA - 5%	Other major suppliers offer high quality fish products at competitive prices.	Large competition from local suppliers and producers. Spanish domestic consumption and exports surpass local supply.
Almonds *Imports:84* *Value:$727*	1. USA - 84% 2. Australia - 11% 3. Germany - 1%	Competition from other supplying countries is limited, as Spanish demand for almonds is very high and production in other EU countries is not enough to satisfy demand.	Spain produces almonds, mostly used roasted as a snack, due to its organoleptic properties. U.S. almonds are processed, both to be used by the domestic industry or re-exported.
Walnuts *Imports:24* *Value:$162*	1. USA - 60% 2. France - 19% 3. Chile - 6%	France is a traditional supplier of walnuts. Chile is increasing its presence in the Spanish market.	Spain has a significant production of high quality walnuts.
Pistachios *Imports:8* *Value:$84*	1. Germany - 31% 2. USA - 30% 3. Iran - 25%	Germany is the main entry point for U.S. and Iranian pistachios to the EU. Pistachios are then re-exported to other member states.	Pistachio production in Spain is very limited and demand is growing.
Sunflower seeds *Imports:117* *Value:$97*	1. United States - 34% 2. France - 33% 3. China - 14%	Growing competition from China, Argentina and Israel for confectionary.	Spain production of sunflower seeds for confectionary is not sufficient to meet demand.
Pulses *Imports:191* *Value:$181*	1.USA - 24% 2. Argentina - 22% 3. Mexico - 16% 4. Canada - 11%	Strong competition from Argentina, who largely increased their presence in recent years, and Canada, a traditional supplier to Spain.	Spain is a traditional consumer of pulses and its local production is not sufficient to fulfill internal demand.

Source: www.gtis.com

SECTION IV. BEST PRODUCT PROSPECTS

Products Present In The Market That Have Good Sales Potential

- Tree nuts, particularly almonds, walnuts and pistachios
- Peanuts
- Pulses
- Sunflower seeds
- Fish and Seafood, fresh and frozen

Products Not Present In Significant Quantities But Which Have Good Sales Potential

- Functional and health food
- Free-from products (lactose-free, gluten-free)
- Food ingredients
- High value beef (only Non-Hormone Treated Cattle)
- Specialty foods, snack foods and sauces
- Beverages (wine and beer) and distilled spirits
- Organic Products
- 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. POST CONTACT AND FURTHER INFORMATION

If you have any questions or comments regarding this report or need assistance exporting to Spain, please contact the Office of Agricultural Affairs in Madrid at the following address:

Foreign Agricultural Service
American Embassy, Madrid
C/ Serrano, 75
28006 Madrid
Spain
Tel.: +34-91 587 2555
Fax: +34-91 587 2556
Email: AgMadrid@fas.usda.gov
Web: http://madrid.usembassy.gov/about-us/fas.html

Please email the Office of Agricultural Affairs in Madrid for more information. Importer listings are available from the Agricultural Affairs Office for use by U.S. exporters of U.S. ingredients. Recent reports of interest to U.S. exporters interested in the Spanish market can be accessed through the FAS website.

Trade Associations

FIAB- Federación de Industrias de Alimentación y Bebidas
(Spanish Federation of Food and Beverage Industries)
http://www.fiab.es
fiab@fiab.es

FEHR – Federación Española de Hostelería
(Spanish Federation for HRI Sector)
http://www.fehr.es
fehr@fehr.es

ASEDAS – Asociación Española de Distribuidores, Autoservicios y Supermercados
(Spanish Association for Distributors and Supermarkets)
http://www.asedas.es
direc.general@asedas.org

ANGED – Asociación Nacional de Grandes y Medianas Empresas de Distribución
(National Association of Midsize and Large Distributors)
http://www.anged.es
anged@anged.es

Government Agencies

Subdirección General de Sanidad Exterior
Ministerio de Sanidad, Servicios Sociales e Igualdad
(Ministry of Health, Social Services and Equality)
(Responsible for: Imported Foodstuffs, Contaminants and Compound Residues, Health Certification, Port Inspection and EU Alerts)
http://www.msssi.gob.es/profesionales/saludPublica/sanidadExterior/home.htm
saniext@msssi.es

Agencia Española de Consumo, Seguridad Alimentaria y Nutrición (AECOSAN)
(Spanish Consumption, Food Safety and Nutrition Agency)
http://www.aecosan.msssi.gob.es
http://www.aesan.msc.es/SIAC-WEB/contacto.do?reqCode=newSearch

Dirección General de Industria y Mercados Alimentarios
Ministerio de Agricultura, Alimentación y Medio Ambiente
(Ministry of Agriculture, Food and Environmental Affairs)
http://www.magrama.gob.es
informac@magrama.es

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