



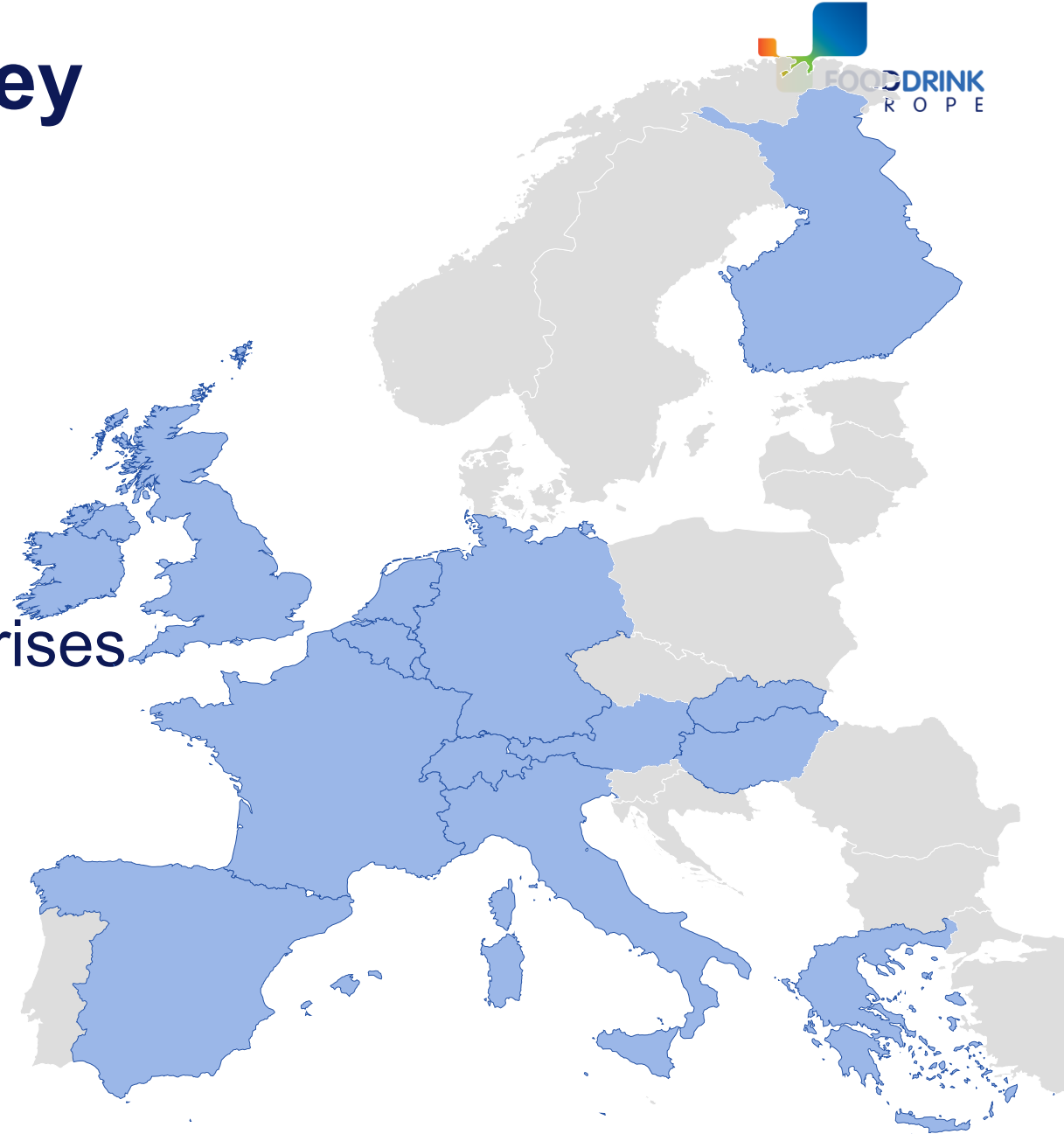
State of the industry survey 2026

Sample

Sample size of 2026 survey

77 food and drink CEOs from:

- 49 large companies
- 28 Small & medium sized enterprises
- 13 EU Member States



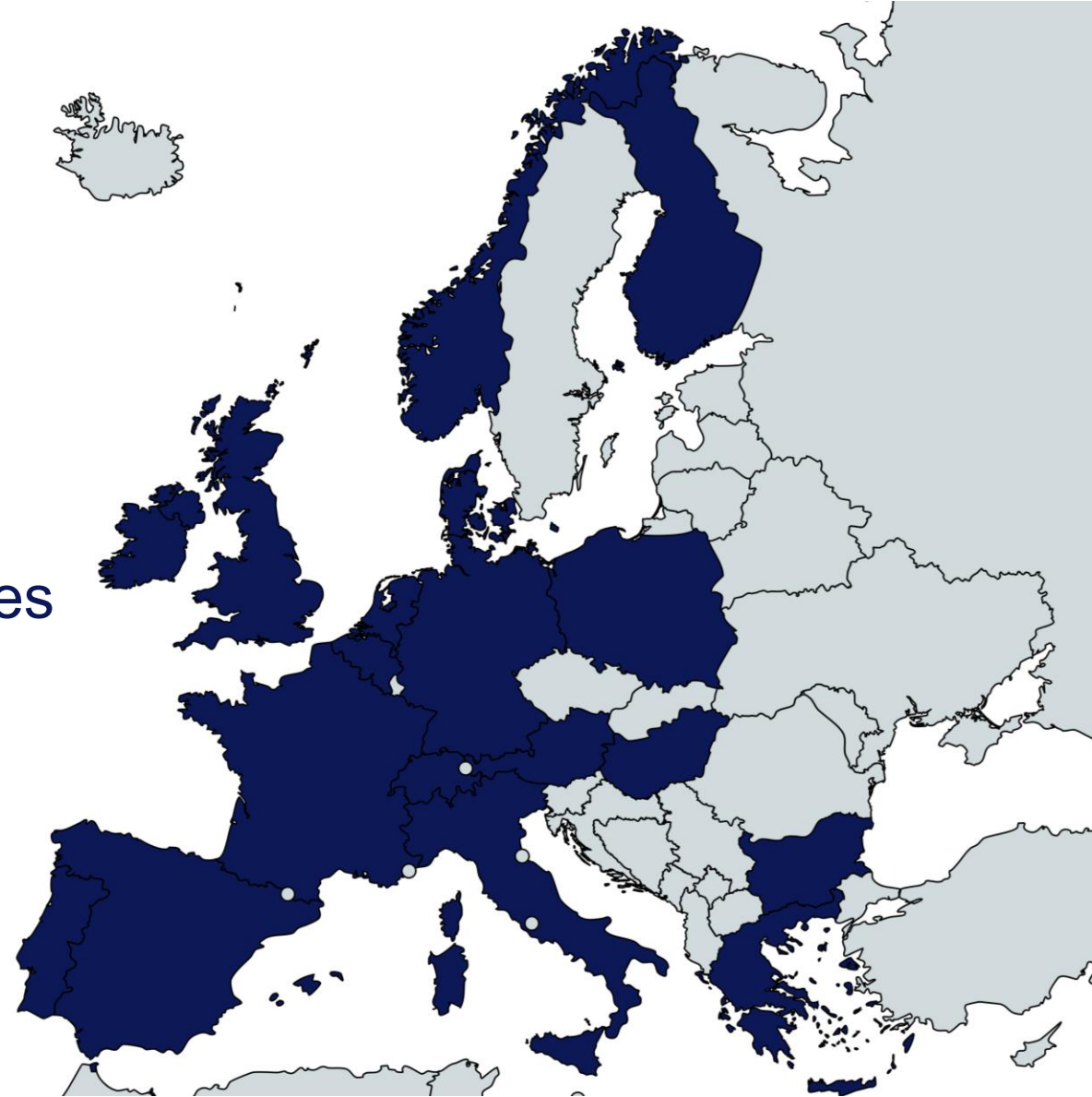
Comparisons with 2025 survey

Where comparisons are made with FoodDrinkEurope's State of the Industry survey 2025, the sample from that survey is as follows:

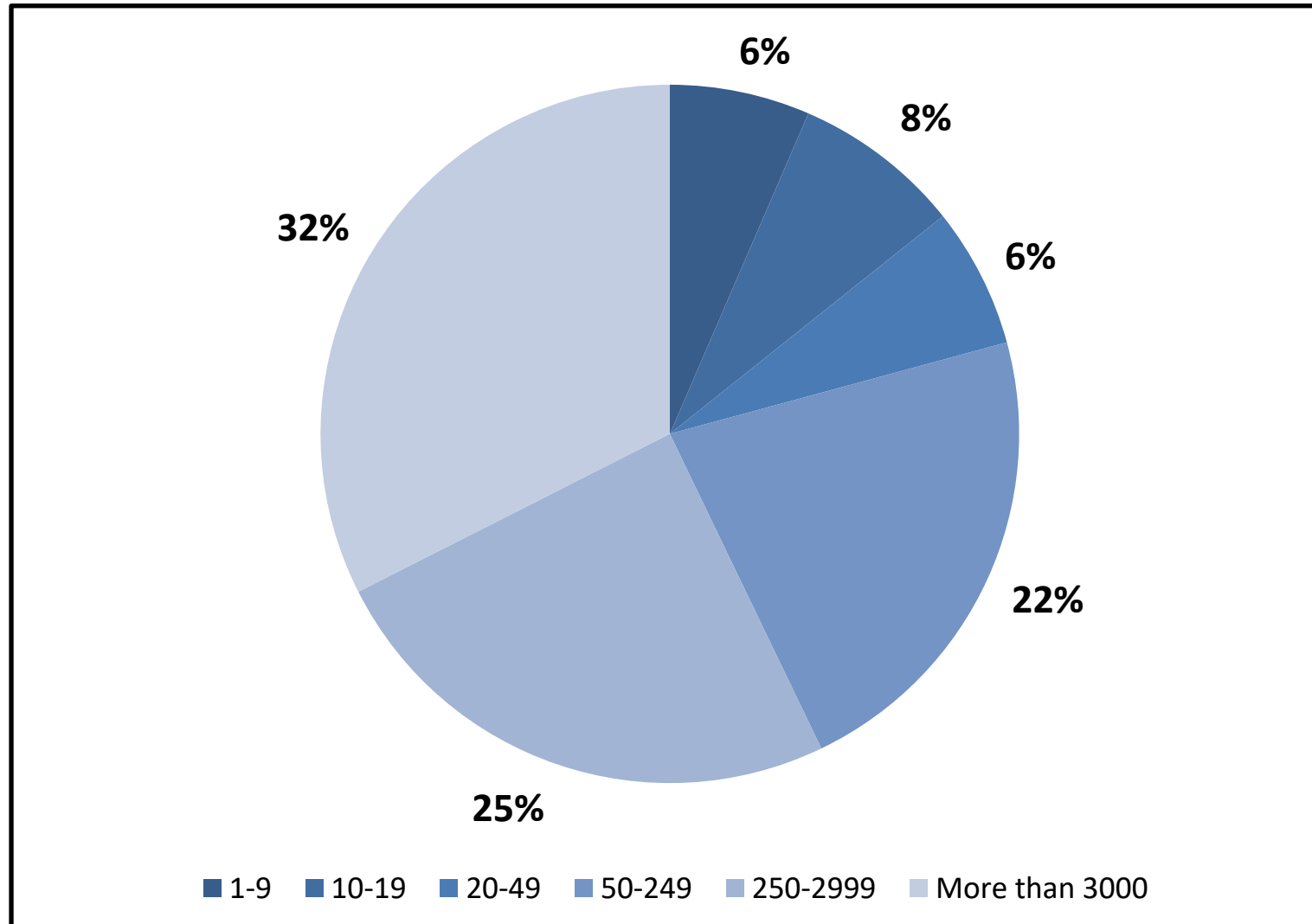
118 food and drink CEOs from:

- 62 large companies
- 56 Small- & medium-sized enterprises
- 18 EU Member States

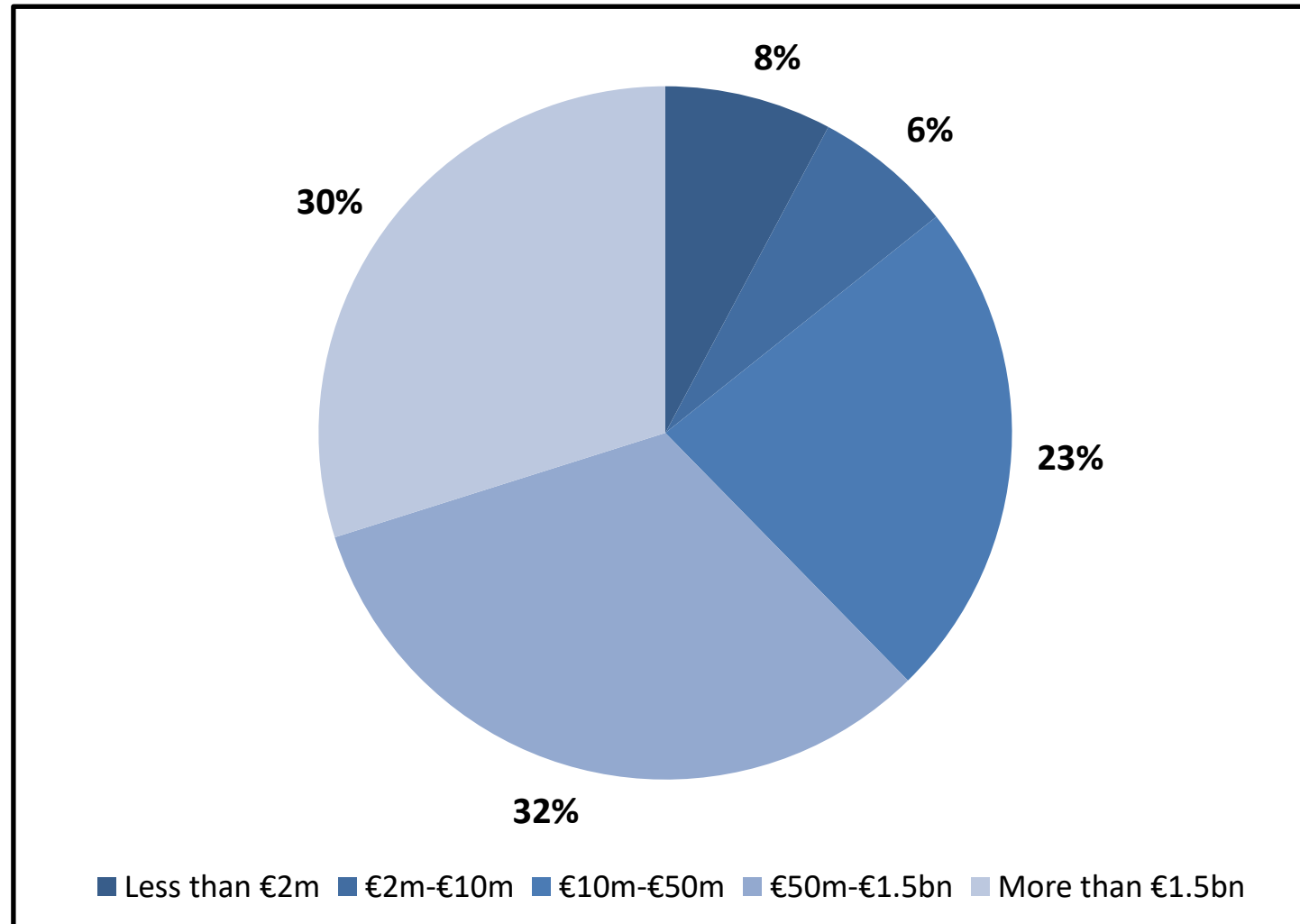
*This 2025 survey ran from
November 2024-January 2025*



How many employees does your company employ?



How much turnover does your company generate?



Key Insights

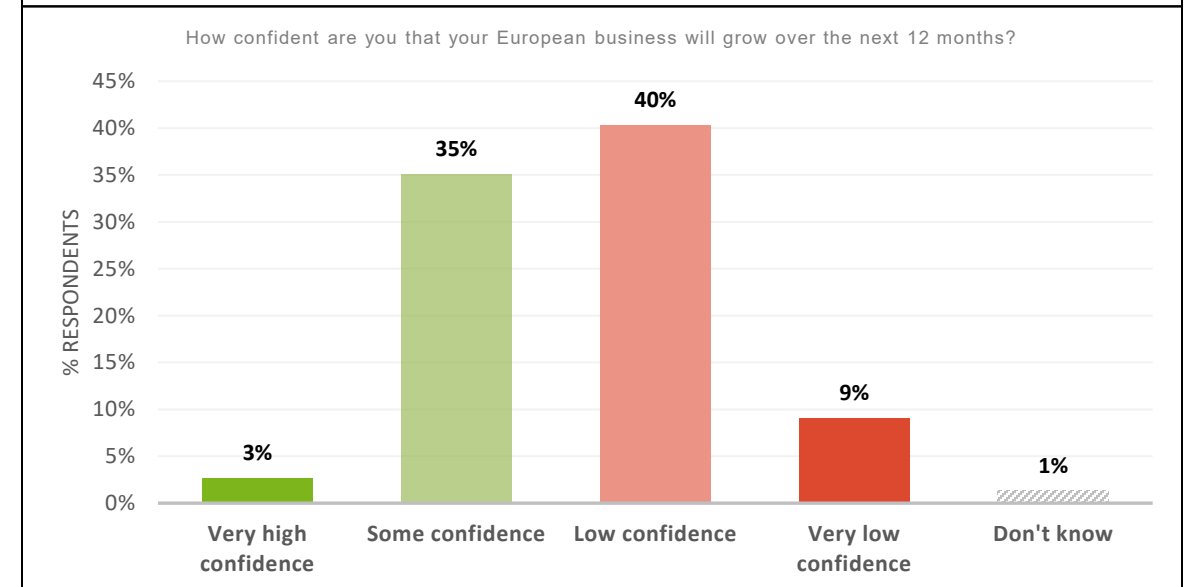
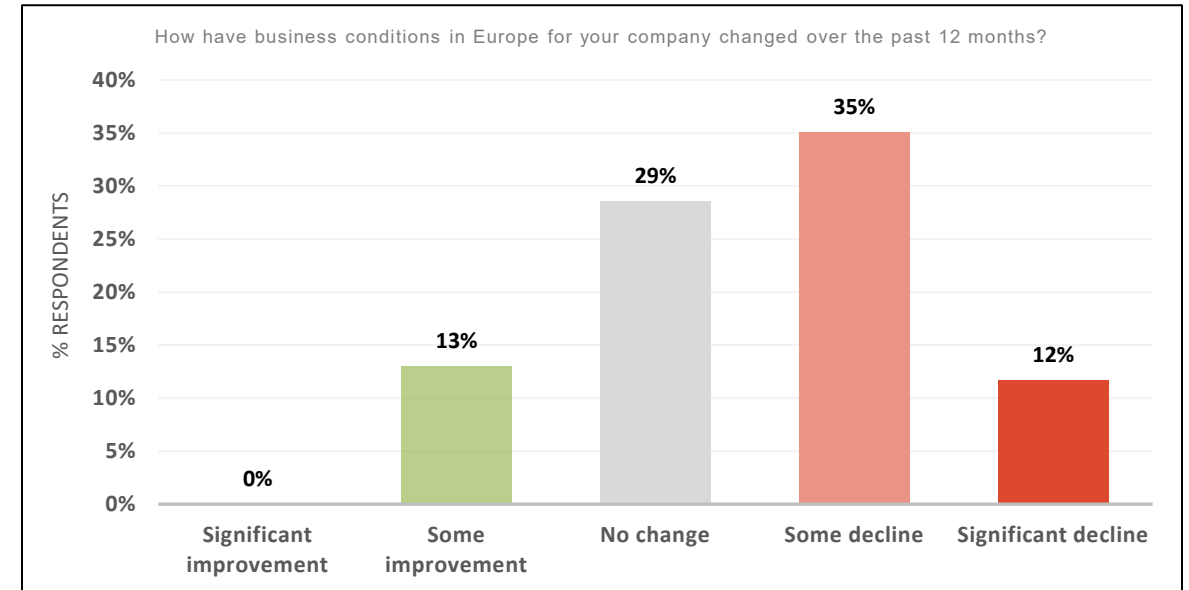
Key Insights

- 1. Business sentiment is subdued:** Only 13% of companies saw improved business conditions in the past year, signaling weak confidence across the sector.
- 2. Regulatory confidence is fading:** 60% of business leaders are not confident the EU can deliver a regulatory environment that supports both competitiveness and sustainability.
- 3. Unfair trading practices on the rise:** 62% of respondents argue that unfair trading practices have increased in the last five years.
- 4. Cost pressures and geopolitics dominate risks:** The top threats are input cost inflation (52%), reduced consumer purchasing power (49%), and geopolitical instability (43%), highlighting an urgent need for policy action.
- 5. North America and Asia overtake Europe for investment attractiveness:** North America now ranks as the #1 and Asia as #2 investment destination, yet over 50% of companies still plan to increase investments in Europe in the next year.
- 6. Businesses act on climate, but call for stronger EU support:** 80% invested in emissions reduction last year, but 72% say the EU is not doing enough, calling for more infrastructure investment, access to finance, and innovation support.
- 7. Positive progress on healthier diets hindered:** While companies are reformulating widely (82% have done so), the main barriers are consumer preferences, education and costs.

1. Business sentiment is subdued

Only **13%** of companies saw improved business conditions in the past year – a **11%** drop in ‘positivity’ from our 2025 survey

38% of respondents expect to grow over the next 12 months. Although growth confidence decreased when compared to our 2025 survey, the decline is not as steep (**4%**).



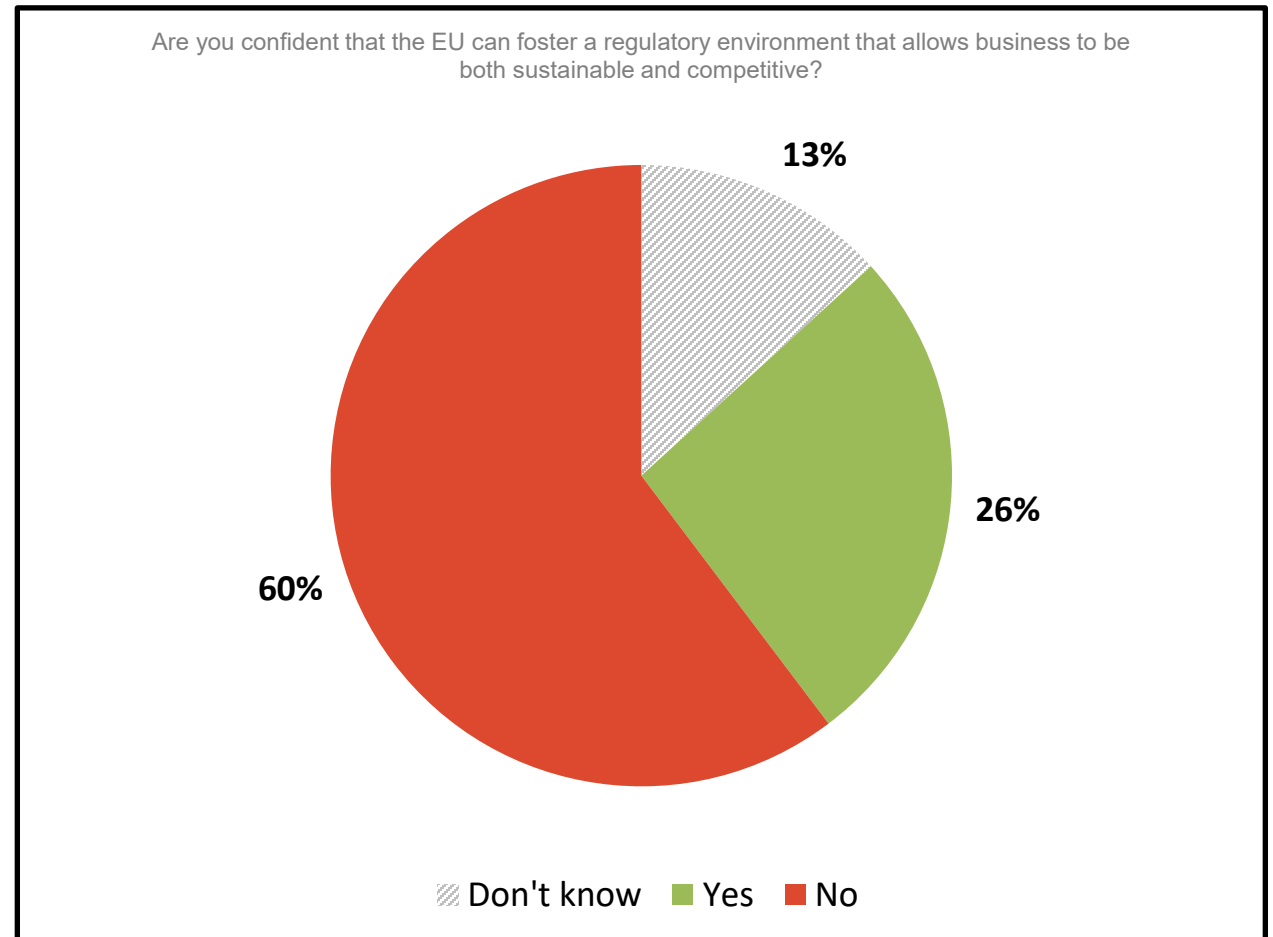
1. Business sentiment is subdued

Survey quotes from respondents:

- *“Business conditions have become more challenging due to a combination of weaker consumer purchasing power, persistent cost inflation, and increasing regulatory complexity. While demand has remained resilient in parts of the portfolio, rising compliance costs, taxes, have reduced operating flexibility and increased execution risk across European markets.” (Large company #18)*
- *“Too many regulations, too many administrative burden, too many quality documents to fill out for customers (mostly the bigger customers), too many silly quality questions, etc” (SME #11)*

2. Regulatory confidence is fading

A majority (**60%**) of respondents are not confident that the EU can foster a good regulatory environment that allows business to be both competitive and sustainable.

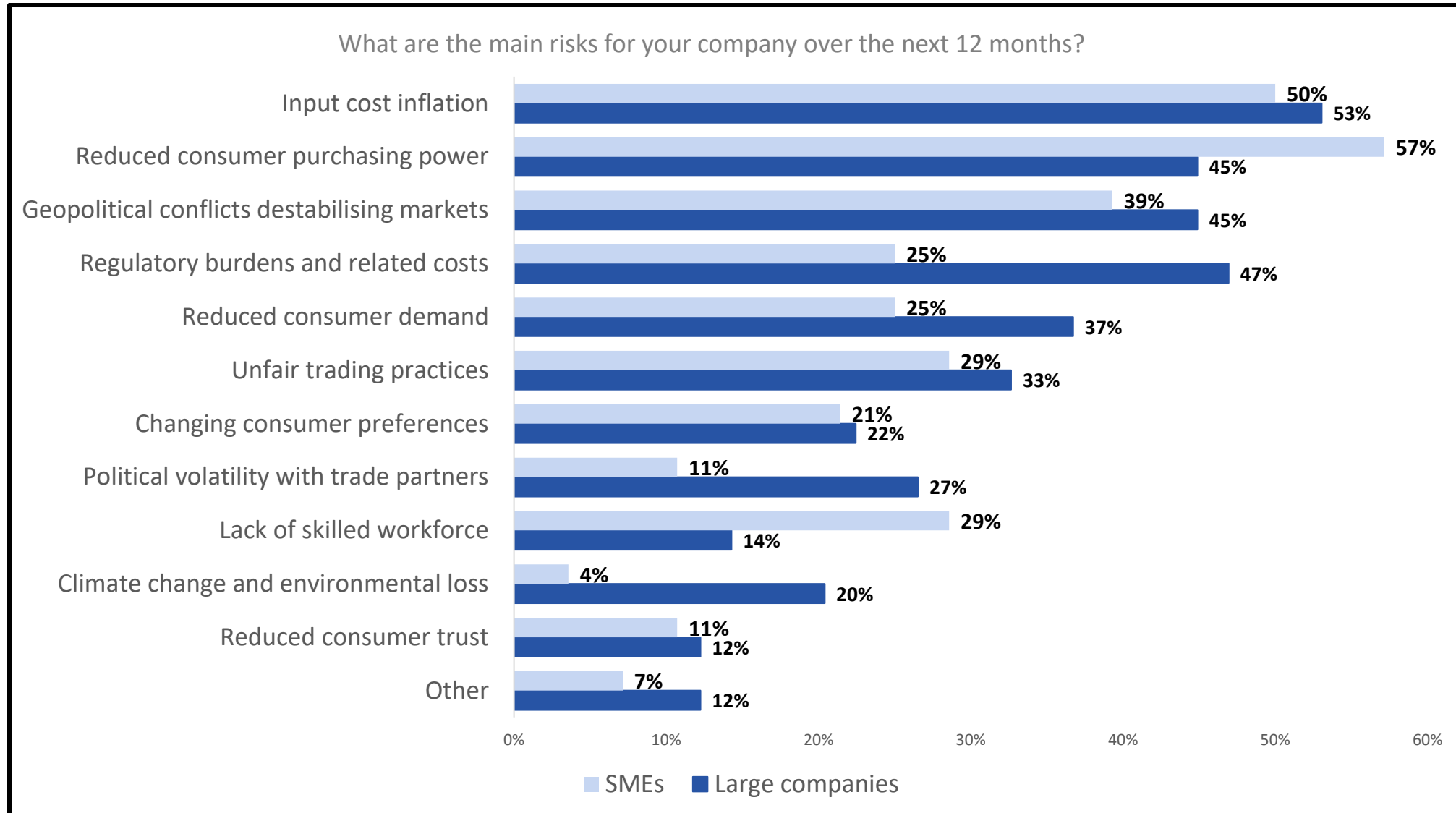


2. Regulatory confidence is fading

Survey quotes from respondents:

- *“Too many regulations and complexities that create an additional burden without creating any value or protecting our businesses and industries.” (Large company #01)*
- *“We are suffering with too much regulations and high extra costs limiting our business” (SME #27)*

3. Cost pressures and geopolitics dominate risks



3. Cost pressures and geopolitics dominate risks

Survey quotes from respondents:

- *"Availability of qualified skilled workforce – blue collar workers but equally so highly specialized experts (in areas such as IP, law, regulatory affairs) due to the increasing complexity of the operating environment ... Declining public support for R&D investments. Beneficial tax regimes for research and researchers are key to attract talent and investments and boost the innovation and competitive of the EU ” (Large company #15)*

4. Unfair trading practices on the rise

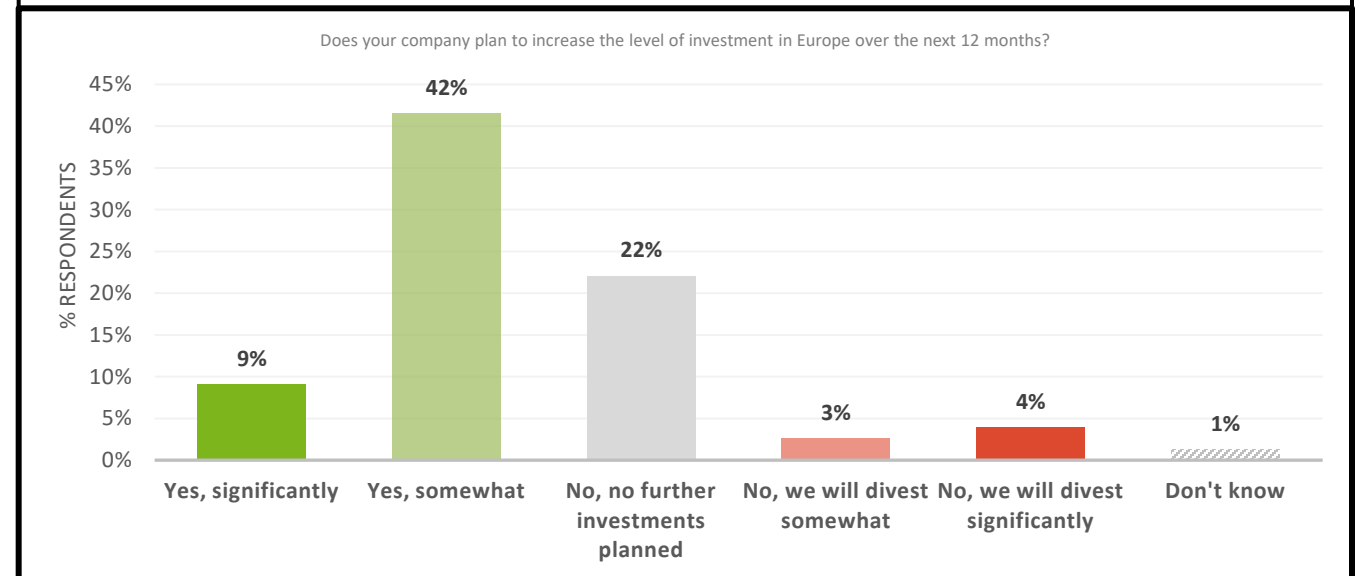
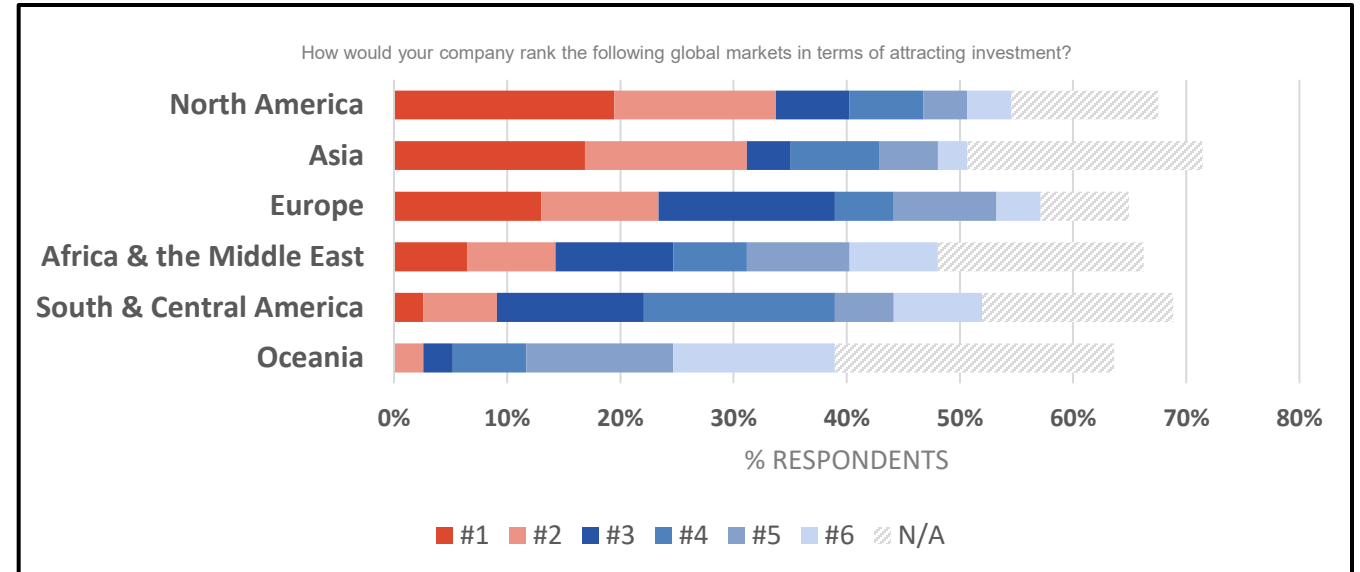
Respondents argue that unfair trading practices are increasing with biggest challenges stemming from unjustified threats to cease or reduce trading to obtain advantages **and** delisting or significantly reducing orders to obtain advantage at local level



5. North America and Asia overtake Europe for investment attractiveness

Since the two last years Europe has lost its 1st place as an attractive investment destination. This year Europe has ceded its 2nd place to Asia and now sits 3rd.

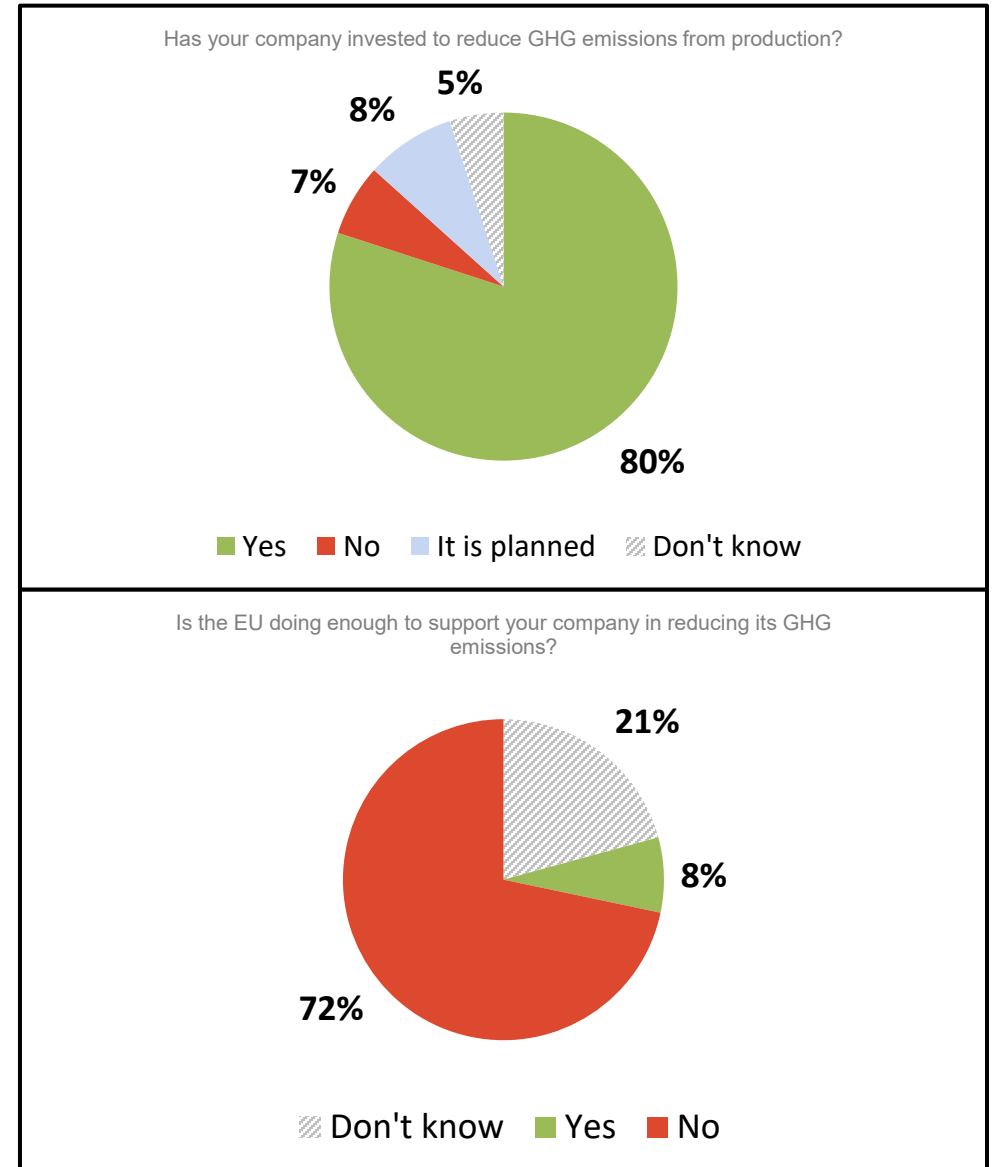
Nonetheless, 51% still plan to increase investment in Europe which is a slight increase compared to last years survey (46%)



6. Businesses act on climate, but call for stronger EU support

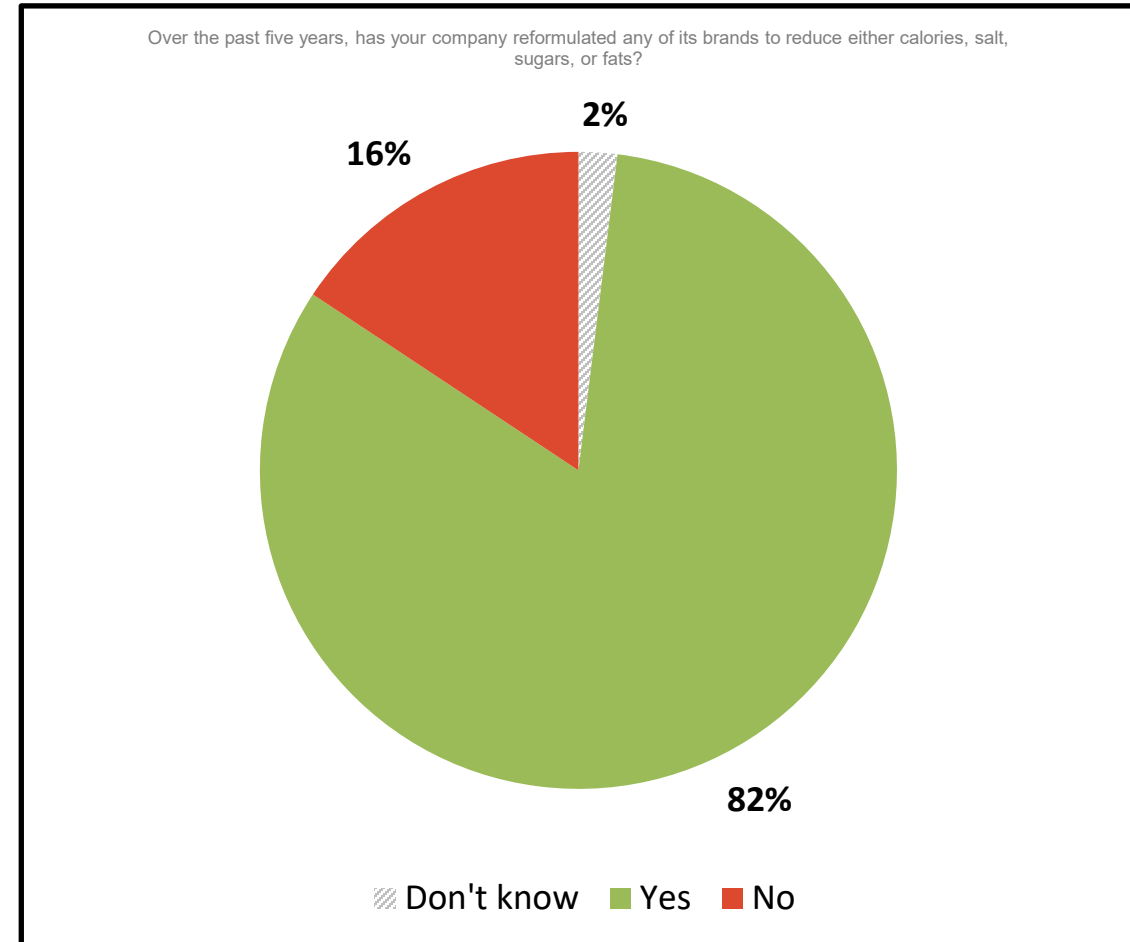
80% invested in emissions reduction last year

72% say the EU is not doing enough, which is a 10% increase from last year's survey



7. Positive progress on healthier diets hindered

Companies are widely reformulating, **82%** have done so in the past years which is 7% increase in comparison to our 2025 survey



7. Positive progress on healthier diets hindered

While companies are reformulating, the main barriers are consumer trends, preferences and education as well as the costs linked to following healthy and nutritious diets

