

## THE FOOD INDUSTRY

As a whole the food industry contributes 33% of total value added by the industrial sector and 42% of total industrial output, according to latest available data (1986). Growth in production value between 1980 and 1989 was 40%. The evolution of production and sales indexes of the food industry is shown in Charts No 14 and 15.

The food industry is composed of several sectors which have different structural characteristics and developments. These subsectors are:

Sub-sectors:	Code	1986 Total Supply (US\$ M)
* Slaughterhouses and Meat Process.	(3111)	761.2
* Dairy Products	(3112)	322.8
* Fruit & Vegetable Processing	(3113)	176.9
* Fish & Seafood Processing	(3114)	751.4
* Edible Oil & Hydrogenated Fats	(3115)	224.7
* Flour Milling, Bakery and Pastes	(3116/7)	870.4
* Sugar Refineries	(3118)	224.9
* Other Foodstuff	(3119/22)	422.4
* Softdrinks, Beer, Wine & Liquors	(3131/2)	373.0
* Tobacco industry	(3140)	94.0

Note: Figures are in US\$ M of 1989.  
For more details see Table Nr. 16 and 17.

However, not only physical volume of production increased. Within the food industry, quality, assortment and variety of goods increased significantly during the last decade, due to technological improvements in several sub-sectors, foreign competition and consumer habits sophistication.

At the same time, many industries reoriented their business to export markets, implying technological changes both in production processes and management technics. Since 1980, food exports have increased 162% reaching US\$ 984 M in 1989.

Another generalized trend within the food industry, is toward concentration of ownership in each market and the increase of foreign investments. Multinationals are the market leaders in almost all the sub-sectors of the food industry.

Following is a brief description of the main subsectors within the food industry: