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Food Processing and
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Meat or alternative proteins – mechanical engineering presents innovative solutions at IFFA 2025

German manufacturers of machinery for processing of meat and alternative proteins could not record renewed growth in 2024 after a ten-year upward trend. They are optimistic about IFFA 2025, which will take place in Frankfurt from 4 to 8 May 2025, and expect significant impetus from the world's leading trade fair.

Frankfurt, 15 January 2025 – According to preliminary data from the Federal Statistical Office, the production of food processing and packaging machinery in Germany increased by 3 percent to almost 17 billion euros in 2024. This means that the fifth-largest mechanical engineering sector has once again grown against the trend in the overall mechanical engineering sector, which expects an 8 percent drop in production for 2024. This was announced by the VDMA at the press conference for IFFA 2025.

Packaging machines account for around half of the production value. In the heterogeneous food machinery sector, process technology for the meat and protein industry is the largest sub-sector, which has recorded above-average growth rates in recent years. “Between 2014 and 2023, the production of meat processing machines in Germany increased by a total of almost 40 percent to a value of 1.4 billion euros. According to the data available so far, we will not reach this very high level in 2024,” says Klaus Schröter, Chairman of the IFFA Advisory Board and Chairman of the VDMA Process Technology Division for Meat and Protein Processing.

In addition to the base effect due to the high reference value in 2023, Schröter sees a temporary decline in investments resulting from higher energy prices for the manufacturing industry, higher interest rates and the investment climate, which is characterized by many uncertainty factors.

In this context, the German Food Processing and Packaging Machinery Association expects a drop in production of around five percent for meat processing machines in 2024.

European exports in 2024 below very strong previous year's level

To date, the VDMA only has data available for 2024 on German and EU-27 foreign trade. Accordingly, European exports of meat processing machinery fell by 6.5 percent in the first 8 months of 2024 compared to the very high level of the previous year. According to VDMA estimates, the rate of decline will decrease in the remaining months due to deliveries, but the high level of global foreign trade in 2023 will not be reached.

“German exports of meat processing machines alone increased by 6 percent to 730 million euros in 2023. There has been considerable investment in automation and modernization, particularly in the USA and in many European countries,” states Schröter. These investments were also made in response to labor shortages and high demands on production safety.

European companies lead the global competition – China is catching up

International foreign trade in meat processing machinery – based on export data from around 50 industrialized countries – grew by 3 percent in 2023 and reached a peak value of 2.7 billion euros. Almost 80 percent of the machines traded worldwide came from the EU-27, with Germany leading the top 10 supplier countries with a 27 percent share, followed by the Netherlands with a 21 percent share.

China's exports of meat processing machinery have increased significantly in recent years, making the People's Republic the third most important exporter in 2023 with a share of 9 percent. It was followed by Italy with 7 percent, the USA with 5 percent and Denmark, Poland, Spain, France and Austria with supply shares of between 3 and 4 percent.

The top 10 sales markets for imported machines in 2023 were the USA, Russia, the Netherlands, Germany, the United Kingdom, Australia, France, Poland, China and Spain. “The industrialized countries will remain very important in the future, but strong impetus also came from Asia in 2023, for example, with Thailand, Malaysia, Indonesia, Central and South America with Mexico, Brazil, Colombia, Saudi Arabia and South Africa, just to name a few,” Schröter comments on the global demand.

Whether the high level of international foreign trade in meat processing machinery will be reached or undershot in 2024 will not be known until May 2025, when the foreign trade data of the industrialized countries are fully available to the VDMA.

Positive prospects in a dynamic market environment

Schröter is positive about the future prospects of the supplier industry for the meat and protein sector. “The global food industry is developing very dynamically. In many countries, the food industry is the strongest economic sector with continued high growth rates.”

Global sales of meat and alternative proteins are increasing - with varying dynamics and regional focuses. In most countries in Western Europe and North America, meat consumption is stable at a high level or falling slightly. At the same time, the market for alternative proteins in these regions is growing from its current low level, but with high growth rates. According to the British market research institute Euromonitor International, global volume sales of meat products will increase by 8 percent and sales of plant-based alternatives by 25 percent until 2028.

Demographic developments, nutritional trends, changing consumer habits and ever shorter product life cycles are shaping the markets. In addition, the high demands placed on food safety, quality and variety as well as sustainable production and high price and competitive pressure are ensuring continued investment in technology.

Digitalization and AI for sustainable production

Customers focus on sustainable solutions for the production process: energy efficiency, avoiding product losses, reducing water and media consumption, holistic energy concepts for waste heat and optimized, easily recyclable packaging are the most important topics.

Digitalization is a central component of sustainable production, as process data evaluation can optimize the use of resources, reduce production downtime and provide services remotely. Data and its use generate added value in terms of increased efficiency, product safety and transparency throughout the entire manufacturing and packaging process.

Artificial intelligence (AI) is playing an increasingly important role. AI facilitates the analysis of real-time data from the production process, detects anomalies and helps to reduce unplanned downtimes. In cleaning processes, artificial intelligence (AI) enables the detection of contamination levels and self-adapting cleaning processes. The simulation of production processes with the help of AI

and digital twins is becoming increasingly important. In particular, it helps with complex investment decisions and creates investment security.

These and other topics will play a central role at IFFA 2025. “We are very much looking forward to the international supplier industry presenting a wide range of innovations and to discussing requirements and trends with the international visitors in a personal exchange,” concludes Klaus Schröter, Chairman of the VDMA Process Technology Division for Meat and Protein Processing.

Do you have any questions? Beatrix Fraese, expert for markets and economy and Deputy Managing Director of the VDMA Food Processing and Packaging Machinery Association will be happy to answer them:

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The Food Processing and Packaging Machinery Association is one of the largest of a total of 35 business sectors in the VDMA and represents a very heterogeneous industry: its approximately 330 member companies are manufacturers of bakery machines, meat and alternative protein processing machines, beverage production machines, dairy technology, confectionery machines, machines and systems for the processing of plant-based raw materials, packaging machines and machines and systems for the manufacturing of pharmaceutical and cosmetic products. The predominantly medium-sized companies account for over 80 percent of the sector's turnover.

Service, representation of interests and networking are the pillars of our trade association's work. Furthermore, we advise and support our members on economic and technical topics.

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