

# FACTSHEET – CONSUMER GOODS INDUSTRY ESTONIA



**The consumer goods industry represented 32.2% of Estonian GDP<sup>1</sup> in 2023 (1):**

- Consumer Goods Contribution to GDP in Estonia: € 12.1 billion

**Consumption is a key contributor to the economy. The Estonian consumer goods industry is an essential motor of the economy, driven by FMCG<sup>2</sup> Brands.**

**Household consumption<sup>3</sup> in Estonia (2022):**

- Represented 49,8% of GDP (2)
- Households spent €2.1 billion on FMCG brands consumed at home (3)
- Fast-Moving-Consumer-Goods (FMCG) brands represented 11.7% of household consumption at home (4)

**The Fast-moving-consumer-goods industry (FMCG) in Estonia produced €1.6 billion worth of FMCG products in 2022 (5).**

**The Estonian branded FMCG industry provides choice to consumers across the EU. By exporting their production, FMCG Brands respond to European consumer choice, contribute to the reputation of Estonia around the world while bringing revenues to the government.**

**Supporting the EU Single Market (2022) (6):**

- Estonian FMCG companies exported to other EU countries products with a value of €907,4 million
- Estonian FMCG companies imported from other EU countries products with a value of €1.3 billion

**Promoting Estonia and EU excellence outside the EU (2022):**

- Estonian FMCG companies exported €175.6 million of products to countries outside of the EU

**Bringing a positive international trade balance to Estonia (+€ 49.9 million):**

- Estonian FMCG companies imported €125.7 million of products from countries outside the EU

**The Estonian branded FMCG industry is a major contributor to government resources, supporting communities through the payment of many taxes.**

**Estonian tax revenues in 2022:**

- Accounted for 33.2% of Estonia's GDP (7)
- Taxes on production and import represented 13.5 % of Estonia GDP (40.6% of total tax revenues) (8),
- Taxes on production and import represented an amount of €4.8 billion (9) in 2022.

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<sup>1</sup>  $GDP = C + I + G + (X - M)$ , nominal expenditures approach (Consumption of Household & Government + Investments (gross capital formation) + trade surplus (export – import))

<sup>2</sup> Fast-moving-consumer-goods (FMCG) = Health&Beauty, Packaged Food, Pet Care, Beverages (alcohol & non-alcohol), Homecare, Paper tissue & hygiene. Products purchased at least once a year vs durable consumer goods

<sup>3</sup> Household consumption in addition to FMCG = clothing and footwear; housing, water, electricity, gas and other fuels; furnishings, household equipment and routine household maintenance; health; transport, communication, recreation & entertainment including culture; restaurants and hotels; miscellaneous goods and services

**The Estonian FMCG industry supports household purchasing power with higher wages and salaries than average, providing high quality jobs.**

**In Estonia, in 2022, 70% of social protection was funded by employers' contribution (10).**

**Estonia's FMCG industry in 2021:**

- Employed at least<sup>4</sup> 10.921 people (11)

**In Estonia in 2021:**

- The average annual labour costs<sup>5</sup> per employee for FMCG Companies was € 21.798<sup>6</sup> (12)
- The average full time annual adjusted salary per employee at national level was €21.131 (13)

**The Estonian branded consumer goods industry innovates and invests, supporting EU industrial sovereignty and the EU transition to more sustainable production and environment.**

**FMCG companies invested at least €126.1 million in Estonia (2021):**

- €109.5 million in assets<sup>7</sup> (21 FMCG categories). This represents at this stage, already<sup>8</sup>, 15.8% of the investments in the manufacturing sector in Estonia (14)
- €16.6 million in R&D (15)

**Total R&D expenditure carried out in Estonia was € 641.7 million (2022) (16):**

- 56.2% (€360.7 million) of total R&D expenditure came from the private sector
- 33.8% (€281.0 billion) of total R&D expenditure came from the public sector

#### Source References:

(1)	Eurostat, National accounts indicator (ESA 2010)
(2)	Eurostat _Household consumption by purpose _November 2023
(3)	Euromonitor <a href="https://www.euromonitor.com/">Euromonitor: Global Market Research &amp; Industry Analysis - Euromonitor.com</a>
(4)	Eurostat, National accounts indicator (ESA 2010 ) & Household consumption by purpose
(5)	Eurostat, Prodcom
(6)	Euromonitor based on Eurostat, Trade by commodity and NACE Rev. 2 activity
(7)	Eurostat, Tax revenues statistics, 26 October 2023
(8)	Eurostat, Tax revenues statistics, 26 October 2023
(9)	Eurostat, Tax revenues statistics, 26 October 2023 & Datacube, Statistics.sk
(10)	Eurostat May 2023, Social protection benefits, ESSPROS , 2020 data
(11)	Eurostat, Main national accounts aggregates by NACE Rev.2 activity (level 4)
(12)	Eurostat, Labour cost per employee FTE
(13)	Eurostat, Average full time adjusted salary per employee
(14)	Eurostat : SBS by detailed NACE Rev.2 activity Gross investment in tangible non-current assets
(15)	Euromonitor based on Eurostat BERD (Business Enterprise R&D), by NACE 4 digit codes for FMCG data
(16)	Eurostat GERD by sector of performance ( <a href="#">Gross domestic expenditure on R&amp;D (GERD)</a> )

<sup>4</sup> Data only available for 21 of the 32 FMCG categories

<sup>5</sup> Wages, salaries, training, taxes etc

<sup>6</sup> Data only available for 18 of the 32 FMCG categories

<sup>7</sup> Gross investment in tangible non-current assets. Data on 21 FMCG categories , data not available for all 32 FMCG categories

<sup>8</sup> Data only available for 21 of the 32 FMCG categories.