EU MARKET SURVEY 2003

PLANTS AND YOUNG PLANT MATERIAL

CENTRE FOR THE PROMOTION OF IMPORTS FROM DEVELOPING COUNTRIES

EU MARKET SURVEY

PLANTS AND YOUNG PLANT MATERIAL

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REPORT SUMMARY

The Plants and Young Plant Material discussed in this survey fall into the following groups:

Young Plant Material
- → ***in vitro* cultures** (micropropagation, tissue cultures)
- → **pot plant cuttings** (rooted and unrooted)
- → **cut flower cuttings** (rooted and unrooted)

Finished Plants (Indoor and Outdoor)
- → **flowering plants** (Azalea, pot Dendranthema, Cyclamen, Begonia, Hyacinths, pot roses, etc.)
- → **foliage plants** (Dracaena, Ficus, Hedera, palms, Yucca, Dieffenbachia, Schefflera, etc.)

It is important to note that the product group young plant material comprises cuttings, canes, young plants and in vitro cultures. The term "young plants" stands for plants or plant material which still has to be cultivated in the importing country, before it can be sold to the consumer.

The product group of finished plants, on the other hand, includes plants which enter the European market as already sellable products, and which only need to be acclimatised before they can be sold. A distinction is made between flowering pot plants, which account for a major part of the European finished plant sales, and foliage pot plants.

Consumption and trends
The total EU consumption of plants, excluding the consumption by Finland and Luxembourg, is estimated at € 8.3 billion. The consumer market for pot plants is dominated by Germany, which is by far the largest consumer of plants in the EU, followed at a distance by France. The consumption of plants in Belgium showed an upwards trend, while in The Netherlands and Portugal consumption remained the same compared to the previous year.

Production
According to AIPH (International Association of Horticultural Producers) pot plant production could be described positively, showing gains in 2000 compared to 1999. In The Netherlands and the Czech Republic, the value of pot plant production increased more than 5 percent. In France, Sweden, Hungary and Norway, the production rose to 5 percent. In five countries, pot plant production stagnated: Belgium, Denmark, Germany, Finland, the UK and Switzerland.

The Netherlands is the largest EU producer of young plant material (for pot plant and cut flower production), followed by France, Spain and Germany. France, Spain and Germany hold a strong position in the production of young Rose plant material.
Young plant material of tropical varieties (as Yucca and Dracaena) is hardly produced by European companies. These products are mainly imported.

Trade structure
Two main channels are recognised for the distribution of plants: directly from exporting grower to the wholesaler (importer/domestic producer), or from the exporting grower to the auctions. Auctions are sales outlets, generally created by EU growers to market their products. The largest auctions in Europe are located in The Netherlands, where the auctioning system originally started.

The trade in young pot plant material is differently structured compared to the trade in cut flower material or tissue cultures. European companies producing young cut flower material are often specialised in one particular cut flower. In the case of young pot plant material, however, many producers supply a wide package of products.

EU trade and the role of developing countries
Imports originating in developing countries increased in the 90s. In 2001, imports from developing countries amounted to € 139 million, accounting for 7 percent of the total EU imports of plants and young plant material. Developing countries played a relatively more important role in the Netherlands imports than in the imports of other EU countries. The Netherlands is an important market for developing countries because of its massive trading role in distributing imported plants throughout Europe. Plants and flowers are distributed world-wide through the Netherlands ports of Rotterdam and Amsterdam. These two ports play a key role in the chain of transportation (imports, exports, transit).

The importance of developing countries as suppliers to the EU was demonstrated by the presence of Costa Rica and Kenya among the top ten supplying countries. Other leading developing country suppliers were China, Guatemala, Brazil, Honduras, South Africa, Uganda, Honduras and Tanzania. China, Tanzania and Uganda have strongly increased in importance as suppliers of young plant material to the EU. Compared to 1999, these three developing countries more than doubled their exports of young plant material to the EU.

Opportunities for exporters

Pot plants
The product group pot plants is not of any interest for developing countries, because they are not able to

produce more cheaply than European growers. Nearly all European growers of tropical pot plants either buy their young plant material from importers or they have their own production facilities in tropical countries. Only a very small group of growers buys products directly from exporters.

Young plant material
The most interesting floricultural market for developing countries is young pot plant material. Developing countries play an increasingly important role in this market and large importers would be interested to make new contacts.

Young cut flower material
The market is dominated by a few big players. Nevertheless, a growing amount of Dendranthema and Dianthus cuttings is imported from abroad, as labour costs and climatic conditions are other important factors. Propagators hardly ever import these cuttings directly from foreign companies, since usually, they have set up their own production facilities in developing countries or they make use of joint venture constructions.

In order to compete, developing country exporters must supply products of consistent quality and on a regular basis. Unless exporters maintain a regular supply to the EU market, they will not succeed in developing a sustainable market in the EU. The new entrant to the EU market must recognise that competition from the often long-established suppliers is intense. Please also refer to Part C of this survey, which provides exporters of plants and young plant material in developing countries with practical steps for approaching the European market.

INTRODUCTION

This CBI survey consists of three parts: EU market Information (Part A), EU market access requirements (Part B) and export marketing guidelines (Part C).

Market Survey

Part A **EU Market Information** *(Chapter 1-8)*	**Part B** **EU Market Access Requirements** *(Chapter 9)*
Product characteristics Introduction to the EU market Consumption and production Imports and exports Trade structure Opportunities for exporters	Quality and grading standards Environmental, social and health & safety issues Packaging, marking and labelling Tariffs and quotas

Part C
Export Marketing Guidelines: Analysis and Strategy

External Analysis *(Chapter10)*	**Internal Analysis** *(Chapter 11)*

Decision Making
(Chapter 12)

Target markets and segments
Positioning and improving competitiveness
Suitable trade channels and business partners
Critical conditions and success factors

Marketing Tools
(Chapter 13)

Matching products and product range
Building up a trade relationship
Drawing up an offer
Handling the contract
Sales promotion

Chapters 1 to 8 (Part A) profile the EU market for plants and young plant material. The emphasis of the survey lies on those products, which are of importance to developing country suppliers. The major national markets within the EU for those products are highlighted.

Markets of selected EU countries are highlighted, since their markets are relatively more important than the markets of other EU countries in terms of production, consumption, imports and exports. By analysing these aspects of the market, the competing countries and countries with opportunities for developing countries are determined. This survey focuses mainly on The Netherlands, Germany, France, UK, Italy and Spain. The survey also includes contact details of trade associations and other relevant organisations.

Whereas Part A provides EU market information, Chapter 9 (Part B) describes the requirements, which have to be fulfilled in order to gain market access for the product sector concerned. It is furthermore of vital importance that exporters comply with the requirements of the EU market in terms of product quality, packaging, labelling and social, health & safety and environmental standards. These issues are therefore covered in Part B.

After having read Parts A and B, it is important for an exporter to analyse the target markets, sales channels and potential customers in order to formulate marketing and product strategies. Part C subsequently aims to assist (potential) exporters in developing countries in their export-decision-making process.

After having assessed the external (Chapter 10) and internal environment (Chapter 11), the (potential) exporter should be able to determine whether there are interesting export markets for his company.
In fact, by matching external opportunities and internal capabilities, the exporter should be able to identify suitable target countries, market segments and target product(s) within these countries, and possible trade channels to for exporting the selected products (Chapter 12).

Chapter 13 subsequently describes which marketing tools can be used to build up successful business relationships.

The survey is interesting for both starting exporters as well as exporters already engaged in exporting (to the EU market). Part C is especially interesting for more experienced exporters starting to export to the EU and exporters looking for new EU markets, sales channels or customers. Starting exporters are advised to read this publication together with the CBI's Export Planner, a guide that shows systematically how to set up export activities.

Part A
EU market information

1 PRODUCT CHARACTERISTICS

1.1 Product groups

The following product groups are covered by this market survey:

young plant material
- → ***in vitro* cultures** (micropropagation, tissue cultures)
- → **pot plant cuttings** (rooted and unrooted)
- → **cut flower cuttings** (rooted and unrooted)

finished plants (indoor and outdoor)
- → **flowering plants** (Azalea, pot Dendranthema, Cyclamen, Begonia, Hyacinths, pot roses, etc.)
- → **foliage plants** (Dracaena, Ficus, Hedera, palms, Yucca, Dieffenbachia, Schefflera, etc.)

The first product group **young plant material** comprises cuttings, canes, young plants and in vitro cultures. The term "young plants" stands for plants or plant material which still has to be cultivated in the importing country, before it can be sold to the consumer. Regarding pot plant cuttings, cultivation is of less importance than for cut flower cuttings. Varieties are of more importance in the latter product groups.

The differentiation between **indoor and outdoor plants** may not be very clear to exporters from tropical countries, as plants grown in tropical countries can be considered over there as outdoor plants, while they will be used as indoor plants in Europe.

The product group of finished plants includes plants which enter the European market as already sellable products, which only need to be acclimatised before they can be sold. A distinction is made between flowering pot plants, which account for a major part of the European finished plant sales, and foliage pot plants.

Distribution channels and users of the products mentioned above differ strongly. Finished plants are usually bought by European wholesalers, who acclimatise the plants on arriving in Europe, so that they can be sold to interior landscapers. In particular, big-size plants like palms and big Ficusses are used by interior landscapers. Young plant material and semi-finished plants usually target European growers and wholesale nurseries, who further cultivate the plants for the European market. Most cut flower cuttings are produced under licence for propagators. Hardly any small to medium-sized finished plants for the consumer market are imported from outside the European Union. For this reason, Part C of the survey will mainly focus on the market for young plant material.

The first and the third product groups mentioned above are highlighted in the product profiles in Part C of this survey.

1.2 Customs/statistical product classification

On January 1, 1988, a unified coding system was introduced to harmonise the trading classification systems used world-wide. This system is called the Harmonised Commodity Description System (HS) and was developed by the World Customs Organisation (WCO). The system comprises about 5,000 commodity groups, each identified by a six digit code, arranged in a legal and logical structure and is supported by well-defined rules to achieve uniform classification. The system is used by more than 179 countries and economies as a basis for their Customs tariffs and for the collection of international trade statistics. After the six-digit code, countries are free to use further subheadings. An 8-digit system is used in the trade data of Eurostat. Most codes, however, end with two zeros, i.e. effectively only using 6 digits. In some countries even 10 digits are occasionally used.

Table 1.1 gives the eight-digit list of the main groups of HS codes for plants and young plant material. The varieties of plants and young plant material discussed in this report are covered by Chapter 6 of the Harmonised System. The main categories as used in the report are:

Product groups	Products	User
young plant material	*in vitro* cultures	propagators
	young pot plant material	pot plant growers
	cut flower cuttings	cut flower growers
finished plants	small/medium-size finished plants	consumers
	big-size finished plants	interior landscapers, architects/building companies

Table 1.1 HS code classification for plants

HS codes	Products
Cuttings and semi-finished plants	
0602 10 90	Unrooted cuttings, canes (excl. vines)
0602 90 70	Rooted cuttings and young plants (excl. cacti)
Finished outdoor plants	
0602 90 51	Perennial plants
0602 90 59	Other outdoor plants
Finished indoor plants	
0602 90 91	Flowering plants (excl. cacti)
0602 90 99	Foliage plants

The Chapters 5 and 6 of this survey will follow the above-mentioned categories.

2 INTRODUCTION TO THE EU MARKET

The European Union (EU) is the current name for the former European Community. Since 1 January 1995 the EU has consisted of 15 member states. Ten new countries (Cyprus, Malta, Hungary, Poland, Slovakia, Latvia, Estonia, Lithuania, Czech Republic and Slovenia) will join the European Union in 2004. Negotiations are in progress with a number of other candidate member states.

In 2002, the size of the EU population amounted 379.4 million; the average GDP per capita amounted to approximately € 21,023 in 2002.

Within Western Europe – covering 15 EU member countries, Iceland, Liechtenstein, Norway and Switzerland – more than 20 million enterprises are active. Small and medium-sized enterprises (SMEs) accounted for the lion's share. In 2000, the average turnover per enterprise of SMEs and large enterprises amounted to € 600 thousand and € 255 million respectively.

EU Harmonisation
The most important aspect of the process of unification (of the former EC countries), which affects trade, is the harmonisation of rules in the EU countries. As the unification allows free movement of capital, goods, services and people, the internal borders have been removed. Goods produced or imported into one member state can be moved around between the other member states without restrictions. A precondition for this free movement is uniformity in the rules and regulations concerning locally produced or imported products. Although the European Union is already a fact, not all the regulations have yet been harmonised. Work is in progress in the fields of environmental pollution, health, safety, quality and education. For more information about harmonisation of the regulations visit AccessGuide, CBI's database on non-tariff trade barriers at www.cbi.nl/accessguide.

Monetary unit: Euro
On 1 January 1999, the euro became the legal currency within twelve EU member states: Austria, Belgium, Finland, France, Germany, Greece, Italy, Ireland, Luxembourg, The Netherlands, Spain, and Portugal. In 2002, circulation of euro coins and banknotes replaced national currency in these countries. Denmark, United Kingdom and Sweden have so far decided not to participate in the Euro.

The most recent Eurostat trade statistics quoted in this survey are from the year 1999. In this market survey, the euro/€ is the basic currency unit used to indicate value.

Trade figures quoted in this survey must be interpreted and used with extreme caution. The collection of data regarding trade flows has become more difficult since the establishment of the single market on 1 January 1993. Until that date, trade was registered by means of compulsory customs procedures at border crossings, but, since the removal of the intra-EU borders, this is no longer the case. Statistical bodies like Eurostat cannot now depend on the automatic generation of trade figures. In the case of intra-EU trade, statistical reporting is only compulsory for exporting and importing firms whose trade exceeds a certain annual value. The threshold varies considerably from country

Overview 15 EU countries, 2002

Population	379.4 million
Area	31,443,000 km²
Density	83 people per km²
Languages	15 (excl. dialects)
GDP/capita	€ 21,023
Currencies	€, UK£, DKr., SKr.
Exchange	€ 1 = US$ 0.99

Source: The World Factbook 2002

Population and GDP of selected EU countries, 2002

Countries/category	Population in millions	Age 15-64	GDP (€ billion)
Germany	83.3	68%	2,206
France	59.8	65%	1,556
UK	59.8	66%	1,485
Italy	57.7	67%	1,416
Spain	40.1	68%	836
The Netherlands	16.0	68%	417

Source: The World Factbook 2002

to country, but it is typically about € 100,000. As a consequence, although figures for trade between the EU and the rest of the world are accurately represented, trade within the EU is generally underestimated.

Furthermore, the information used in this market survey is obtained from a variety of different sources. Therefore, extreme care must be taken in the qualitative use and interpretation of quantitative data, both in the summary and throughout the text, as well as in comparisons of different EU countries with regard to market approach, distribution structure, etc.

For more information on the EU market, please refer to the CBI's manual "*Exporting to the European Union*".

The survey focuses on the 6 major EU markets for plants and young plant material. These are Germany, France, the United Kingdom, The Netherlands, Italy and Spain. These EU member countries will be highlighted, because of their relative importance in terms of consumption, production, imports and exports.

3 CONSUMPTION

3.1 Market size

Plants
The total EU consumption of plants, excluding the consumption by Finland and Luxembourg, is estimated at € 8.3 billion. The consumer market for pot plants is dominated by Germany, which is by far the largest consumer of plants in the EU, followed at a distance by France. The consumption of plants in Belgium showed a upwards trend, while in The Netherlands and Portugal consumption remained the same compared to the previous year.

Table 3.1 EU consumption of plants, 2001

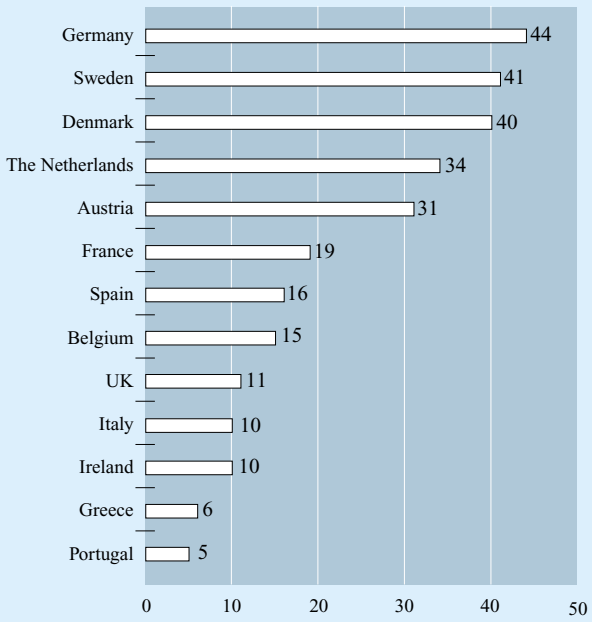
	€ million	Change compared to 2000 (%)
Germany	3,596	1
France	1,156	2
UK	678	5
Spain	630	1
Italy	546	4
The Netherlands	541	0
Sweden	367	2
Austria	249	2
Denmark	210	7
Belgium	158	10
Greece	65	2
Portugal	52	0
Ireland	37	1
Total EU	*** 8,285**	

* Data for the countries Finland, Luxembourg is not avalaible
Source: Flower Council Holland (2003)

Concerning consumption per head in 2001, the German together with the Swedish and Danish were the major purchasers of plants. The average plant consumption of these three countries per capita amounted to slightly more than € 40 per year.

The prognosis for 2003 is a further increase. East-European countries such as Hungary will witness the largest percentual increase in the consumption of plants in the next five years. The expectation for Hungary is a growth of 80 percent from 2000 till 2005. This high increase is mainly due to a strongly developing distribution system and a rise in income in Eastern Europe.

Figure 3.1 European consumption of plants per capita , 2001
€



Source: Flower Council Holland (2003)

Young plant material
Data concerning the consumption of young plant material are not available. However, an estimation could be made if one looks at the production of finished plants. If the consumption of finished plants increases, then the demand for young plant material has probably also increased.

3.2 Market segmentation

Many different types of people buy pot plants for different purposes in EU countries. Consumption patterns of buyers living in different member states are varied. Yet, it is possible to draw up a model of the main common features of EU consumers.

Segmentation by purpose of purchasing plants and plants material
The following market segments can be recognised for flowering and foliage plants:

Consumer market

- Own use → people buy plants for their home, working place, balcony/terrace and garden;
- Special occassions:
  gifts → plants are bought for special occasions like birthdays;
  funeral → plants are purchased to place on graves and use at funerals;
  holidays → plants are bought on the occasion of Valentine's Day, Mother's Day, etc.

Interior scaping

- Architects/building companies → large plants are used to decorate new or renovated buildings;
- Interior landscapers → interior scaping companies use plants to decorate offices, shopping malls, airports etc.

Own use
When a consumer buys plants for his/her own use, it is often with the intention of brightening up the home and creating a pleasant environment.

Because of the gardening trend in the last few years, implying that more attention is paid to the garden, the purchase of plants for own use has increased. Gardening is one of the do-it-yourself hobbies in Europe. Even the Europeans with little or no space for gardening use their balconies and purchase outdoor plants.

The purchase of foliage plants increased slightly, but flowering plants have still a larger market share. Foliage plants are more bought for the buyer's own use than flowering plants.

In recent years, more emphasis has been placed on decorating the house interior. Nowadays, people will spend more money than previously on decoration, like flowers and plants. The purchase for own use increased in most European countries.

Gifts
The purpose of purchasing plants is mainly to give them away as a gift (30-40%). Another 20 to 30 percent is bought for special occasions and 30 to 35 percent is used for decoration at home. Sixty percent of plant purchases is made at florists, the rest is bought at other places like garden centres and supermarkets.

The European consumer does not consider a plant as just an ordinary gift. The reason for a gift can be congratulations (birthday), an apology (argument, awkwardness), a commiseration with someone's grief (death, accident), or a sign of love or affection (Valentine's Day).

Holidays
Public holidays have an ever increasing influence on the demand for plants. On the occasion of Valentine's Day, Christmas, Mother's Day, and Secretary's Day, there are substantial peaks in plants sales. Beside the internationally well-known holidays, most countries have their own special holidays. Appendix 2 lists the main European public holidays.

The main products competing with plants are flowers, chocolates, jewellery and wine, as these tend to be bought for the same purposes. If the price of plants is relatively too high, or if plants are of poor quality, consumers tend to switch to these competing products.

It is important to bear in mind that the consumption patterns described above are highly generalised. Consumers in the various EU member states are very diverse in their purchasing behaviour. The most important characteristics of the individual EU consumer markets are given in Section 3.3.

Segmentation by buyers

Women/men
Finished plants are mainly bought by women, however, the share of men as buyers is increasing with the years. In Germany for example, women as buyers of plants accounted for 61 percent in 1999, decreasing to 60 percent in 2000. The share of men as buyers amounted to 39 percent in 1999 and increased to 41 percent in 2000.

Age of buyers
Regarding the group 25 years and older, it could be concluded that the higher the age, the larger the share of buyers. In 2000, the age group between 25-29 accounted for 40 percent as buyers of plants, while the group aged 50-59 accounted for 60 percent. Older people have shown preference for flowering pot plants above foliage pot plants.

Institutions as buyers
Institutions such as restaurants, hotels and other companies, purchase plants to decorate and brightening up spaces and offices. The non-profit sector and the services sector are major consumers of plants, accounting for 50 percent of all plants bought by the small and medium-sized enterprises. About 50 percent

of the companies purchases plants to give them away as birthday and anniversary presents.

3.3 Consumption patterns and trends

The most important consumption trends noted on the EU markets for pot plants and young plant material, according to the Flower Council of Holland, are listed below.

Consumption trends

Year-round availability
A reason for the popularity of flowering and green houseplants is that growers can maintain a much more continuous production of their lines, ensuring year-round availability.

More emphasis on home and garden decoration
People are now going out less and staying at home more, making them increasingly aware of ways in which they might make their homes more comfortable and reassuring. This places more emphasis on home and garden decoration, having a favourable influence on plant consumption.

Decorative pots and ceramics
Presently, there is a trend of adding value to plants by presenting them in groups or with the addition of co-ordinated ceramics or other fashionable containers. This can be seen as an important factor influencing the growth in plants consumption. It enables the public to see at a glance what will immediately fit into, enhance or even slightly alter, their interior surroundings.

Care for the environment
It is no longer only nature lovers who are concerned about the environment. Large groups of consumers have come to realise that the generations to come also have a right to a healthy environment. They are therefore making increasingly stringent demands with respect to the way in which products are produced. The field of ornamental plants is also receiving attention. Consumers are now not only interested in the shape, colour or fragrance of flowers and plants, but also in the way in which they have been grown. They assume that the plants and flowers they buy have been cultivated using the smallest possible amounts of crop protection agents, energy and fertilisers and generating the least possible waste.

Revival of interests in flowering pot plants
Due to promotion campagnes by e.g. Flower Councils, flowering pot plants have become more popular. Interests in flowering pot plants such as Begonia has increased again.

A distinction must be made between flowering plants and foliage plants, as most plants purchased by European consumers consist of smaller flowering plants like Kalanchoe, Ericas, Begonias etc. Depending on the country, foliage plants account for only a relatively small share of the total plant market.

The most important characteristics of the individual EU consumer markets for plants, according to the Flower Council of Holland, are as follows:

Germany

- In 2001, sales in Europe's largest market, Germany, roughly stabilised compared to the previous year.
- Flowering plants dominate the market for indoor plants with a 64 percent market share in 2000.
- Orchid (Phalaenopsis) is the most popular flowering plant, followed by Euphorbia pulcherrima, Cyclamen and Rhododendron.
- The consumption moved from cut flowers to indoor plants.
- During the purchase of a plant, the German buyer pays attention to its expected longevity, the size of the plant, and the requirements for its care.
- Major reasons for purchasing plants are: to decorate (84%), representivity (13%) and cosiness (12%). Healthy aspects were also pointed out as a reason to purchase a plant (22%).
- German people above 50 years old appreciate indoor plants rather as cosiness, while the group between 30 and 50 year old consider plants more as a decoration. The German youth mostly does not have time, space nor money for plants.
- About 50 percent of the German population purchased plants in 2000.
- The group above 50 years accounted for 60 percent of the total plant consumption.
- Foliage plants are slightly more popular among the German youth than flowering plants.
- 74% of the perennials purchased were for own use.
- About 53 percent of indoor plants was bought to give away as presents; 44 percent for own use.

France

- Total French expenditure on plants shows a negative trend.
- Interest in home interior and decoration increased, therefore plants are now considered as an end product in a decorative composition or placed in a beautiful pot.
- The market for plants is mainly represented by flowering pot plants, accounting for 85 percent of the total market.
- Flowering pot plants such as Cyclamen and Dendranthema are mainly purchased for funerals.
- Other important flowering pot plants are Begonia and Azalea.
- Foliage plants are mainly purchased for own use.

- Most of the flowering pot plants are bought impulsively; the colour and specie are determined at the salespoint.
- The market for pot plants is saturated. However, opportunities for growth could be found in the institutional market segment, and in emphasising plants as decoration products

UK

- In the UK the consumption of plants is far behind the consumption of cut flowers.
- About 25% of the UK population purchases plants. Compared to other EU countries, this is quite low. Therefore, the market for plants in the UK is small.
- UK consumers purchased flowering plants to indulge themselves.
- Flowering plants are purchased impulsively, while foliage plants are bought on a rational basis.
- A major reason for not purchasing indoor plants is the inconvenience and the responsibility related to with plants. The expected time and effort needed for the care of plants are important factors when one decides to buy plants.
- Flowering plants are purchased to give away as presents (birthdays, new house, comfort, dinners).
- The British are also described as “garden-minded” people. They prefer plants in their gardens than as opposed to in their house house.
- Between 1998 and 2000, the popularity of foliage plants decreased. The consumption of flowering plants remained stable.
- Flowering plants accounted for 72 percent of the total consumption. While foliage plants accounted for 20 percent.
- 63 percent of plants is bought for own use, while 36 percent is meant to give away as presents.
- Dendranthema is the most popular flowering plant in the UK, accounting for more than 20 percent of total consumption of flowering indoor plants. Begonia (8%), Cyclamen (7%) and Azalea (5%) followed in order of importance.
- Species of plants with a long longevity and repetitive flowering are the most popular plants.
- Of the foliage plants, Cactus is popular, with a market share of 19 percent, followed by ferns (11%) and Hedera (3%).
- Young people prefer exciting, exotic and unique plants, while old people are less aware of the trends or need to follow them.
- Christmas is a major occasion to give plants away as presents. At this time, the consumption of flowering plants is three times higher than the demand for foliage plants.
- Indoor plants are mainly purchased by people older than 55 year old.
- People younger than 25 years old do not purchase plants because a major part still live with parents. Another reason is that in this age category going-out, cosmetics, music CDs are relatively of more importance than plants.

The Netherlands

- The Netherlands market for plants showed a slight decrease in the last few years, from € 461 million in 1998 to € 437 million in 2000 (please also refer to figure 7.5).
- About 25 percent of the total market is distributed to the big users (institutions and enterprises), and 75 percent to the consumer market.
- The number of plants consumers decreased, but the remaining consumers are spending more on plants.
- Flowering plants accounted for 60 percent of the total indoor plants, indicating a share of 40 percent for the foliage plants.
- The share of flowering plants decreased during the last few years, which is in favour of foliage plants.
- The most important reason to buy indoor plants is for own use (cosiness). Also the aspect of decoration is seen as a major reason to purchase plants.
- The market share of plants bought for own use, increased in the last few year from 57 percent in 1999 to 60% in 2000.
- Notably, foliage plants are considered as improvements of the living environment.
- Higher age groups mostly buy plants. Households headed by persons of 50 years and older spend relatively more on plants than younger households.
- About 89 percent of the middle and large-sized enterprises purchased plants. The trend of this market segment stabilised in the last few years.
- The non-profit sector and commercial services companies are the major buyers in the institutional market segment, accounting together for almost 50 percent of the market.
- About 62 percent of companies and institutions stated that the major reason for purchasing plants is for the cosiness.
- About 50 percent of companies and institutions uses plants to decorate their offices.

Italy

- Italians buy plants mainly as birthday gifts. Weddings and funerals are the other two main occasions for buying pot plants.
- Foliage pot plants are mainly bought to give away as presents. This trend showed an increase in the last two years.
- Ficus Benjamina and Yucca are the most important plants bought, followed by Cyclamen, Euphorbia Pulcherrima, Azalea and Begonia.
- The foliage plant has become more popular than the flowering pot plant.
- Red is the favourite colour for consumers of flowering pot plants, however its market share is declining and colours like blue/purple and yellow are increasing their share.

Spain

- The Spanish market aims, in particular, at purchases for special occasions (birthdays and Christmas). The use of plants as decoration in organisations, companies or institutions is not that common in Spain, but it is increasing slightly. 59 percent of the indoor plants is for own use and the other 41 percent is bought for special occasions.
- Top 3 foliage pot plants bought: Kentia palms, Epipremnum and Ficus.
- The most popular flowering pot plants are Begonia, Kalanchoe and Azalea.

4 PRODUCTION

The lack of data on domestic production values of plants and young plant material in some EU countries makes it difficult to present a clear overview of production and trends. Nevertheless, it is possible to give an indication of the main plant and young plant material producing countries in the EU, by looking at the area under production.

The major producing countries of plants in the EU are:

Table 4.1 Area under production for cut flowers and plants
ha

	Area (ha)	Year
Italy	8,463	1998
The Netherlands	8,224	2001
Spain	7,617	1997
UK	7,297	2000
Germany	7,056	2000
France	6,628	1999
Austria	1,982	1999
Belgium	1,721	1999
Greece	990	1996
Denmark	444	1999
Finland	141	1999

Note:
• Data available include both cut flowers and plants.
• These data should therefore serve only as an indication.
• Data for the UK is provisional.
Source: AIPH (2002)

Production of plants
Pot plant production could be described according to AIPH (International Association of Horticultural Producers) positively, showing gains in 2000 compared to 1999. In The Netherlands and the Czech Republic, the value of pot plant production increased more than 5 percent. In France, Sweden, Hungary and Norway the production rose to 5 percent. In five countries, pot plant production stagnated: Belgium, Denmark, Germany, Finland, the UK and Switzerland.

In most European countries, the most number of pot plant enterprises was stable. However, the horticultural organisations of Belgium, Norway and Switzerland reported that the number of pot plant enterprises decreased as much as 5 percent.

Seven countries invested additional funds for pot plant production: Germany, Finland, France (same levels as in 2000), Denmark (stronger), Belgium, the UK, and Guernsy.

Table 4.2 European production of plants, values and holdings
€ resp. number of companies

	Value of production € Million	Total of companies	Year
The Netherlands	3,267	2,097	01
Italy	1,826	Na	94
Germany	1,174	11,197	97/ hold.96
France	956	7,663	98
UK	486	9,400	00 p/ hold. 98
Denmark	354	1,054	99/ value 98
Spain	345	6,454	90/ hold. 97
Austria	240	1,357	99
Belgium	238	2,953	99
Sweden	199	1,703	90/ hold. 99
Poland	186	Na	95
Norway	129	690	01/ hold. 99
Switzerland	110	543	98
Hungary	95	3,000	99
Finland	76	998	99
Guernsy	53	239	99
Czech Republic	22	1,150	99
Ireland	19	Na	98
Portugal	Na	704	94
Total	**9,775**	**51,202**	

Source: AIPH 2002

The labour force in the Czech Republic in the pot plant and tree nursery production increased. Hungary reported a decrease in the number of jobs in the pot plant sector.

In 2001, the supply of of pot plants from the Czech Republic and the UK increased by more than 5 percent. France and Luxembourg also reported increases. Horticultural organisations reported that the supply of pot plants generally was increasing. Supply increased in 1999, 2000 and 2001 in Germany, France and Hungary. In Denmark and Finland, it rose in 1999 and 2001.

The lion's share of European production consists of small flowering plants. Foliage plants are also produced, however, in smaller numbers. Young foliage plant material is either produced by European companies, or (in the case of tropical plants) imported.

Tropical flowering plants and foliage plants are also produced in greenhouses. The biggest production of potted Orchids, Bromeliads and Anthuriums is located in The Netherlands, Italy and Germany. Italy, Spain and Portugal also grow larger tropical plants like Mediterranean palms (Phoenix, Chamaedorea, Washingtonia).

The most important characteristics of the selected individual EU production markets for plants, according to the Flower Council of Holland, are listed below.

Germany

Since 1990, the production of cut flowers and pot plants in greenhouses decreased drastically. Besides this, the assortment of bedding plants moved from under glass to the open air, like Erica, Geranium, Primula and African Violet. Since then, the local production of flowering pot plants and bedding plants has increased in East Germany.

In contrast to The Netherlands, Germany cultivates more in the open air than under glass. Most Dendranthema and Rosa plants are cultivated under glass, while summer flowers and perennial plants are cultivated in the open air. Perennial plants are mainly represented by Viola and Pelargonium.

The most important horticultural areas in Germany are located in Nordrhein-Westfalen, Niedersachsen, Baden-Württemberg and Bayern. The westen area, Rain am Lech, is a new horticultural area, where mainly flowering plants, perennial and others outdoor plants are cultivated. Perennial and other outdoor palnts are mainly represented by Viola and Pelargonium.
A number of horticultural areas is also located in Eastern Germany, however, they are relatively smaller than the areas in the Western part of the country.

France

Due to competition, the number of producers of pot plants decreased the last few years. In 1998, French production of cut flowers and plants amounted to € 956 billion, of which 80 percent represents flowering plants such as Dendranthema, Rhododendron and Cyclamen. Perennial plants are mainly represented by Geranium, Begonia, Viola and Petunia. Many plant growers are not specialised as, about 33 percent of them also produces other agricultural and horticultural products.

Major French production areas of pot plants:
- Pays de Loire
- Nord-Pas-de-Calais
- Ile de France
- Aquitaine
- Rhône Alpes

UK

The horticultural production in the UK is mainly destined for the local market. The production of indoor plants is limited to mainly small pot plants and traditional products. The local indoor plants production is represented for 85 percent by flowering plants and 15 percent by foliage plants.

Pot plants, because of their weight, are usually traded over shorter distances. About half the indoor plants sold in the UK is home-grown, compared to just under a third of the cut flowers sold. Most of the UK-grown plants are flowering ones. The rest is mostly imported from The Netherlands, Denmark and Belgium.

The British growers primarily cultivated pot Dendranthema, which showed increases in production. The production of Pointsettia also showed the same upward trend. In contrast, the production of foliage plants, after an increase until 1995, slowly decreased.

The Netherlands

The production of pot plants and bedding plants has trippled since 1980, amounting to €3.3 billion in 2001. The area under production has increased by 15 percent since 1990, while the number of growers decreased by 18 percent. This indicates that an increase in scale has taken place. It should also be noted that The Netherlands produces a wide assortment of plants.

Table 4.3 Netherlands production area, 2000-2001
ha

	2000	2001
Pot plants	**1,261**	**1,283**
• Flowering plants	680	701
• Foliage plants	581	582
Young plant material	**196**	**209**
Perennial plants	**1,207**	**1,076**

Source: AIPH 2002

Italy

The horticulture production area amounted to 7,654 hectare in Italy. The production of plants is concentrated in the north (70% in Veneto and Lombardia). These two areas produce mostly small pot plants, which do not require a lot of energy as old greenhouses. The southern Italy produces large palms, like Kentia and Phoenix. Pelargonium, Primula and Begonia are other major plants being produced in the same region. Sicily, an increasing plant producing region, mainly produces citrus and semi-tropical plants. In the last few years, the production of pot plants moved to the south benefitting from government subsidies. The cultivation takes place

in a more professional way as the number of greenhouses is increasing.

Spain

Since 1994, the production of foliage pot plants has increased substantially. In 1998, the total horticultural production area amounted to 5,500 hectare. Spain mainly produces cut flowers and to a lesser extent plants. Important cultivation centres are Valencia, Catalonia and Aragon. The Canary Islands have traditionally been important suppliers of plants. In particular, Tenerife cultivates mainly middle and large tropical plants. The competitive position of Spain decreased because of a less developed sales outlets, higher labour costs and fixed costs, compared to countries like Colombia, Morocco and Turkey.

Young plant material

The Netherlands is the largest EU producer of young plant material (for pot plant and cut flower production), followed by France, Spain and Germany, which hold a strong position in the production of young Rose plant material.

Young plant material of tropical varieties (as Yucca and Dracaena) is hardly produced by European companies. These products are mainly imported.

Because of the diversity and wide assortment of products usually produced by plant nurseries, it can be interesting for nurseries in The Netherlands to produce their own young plant material. This is in particular the case for growers of pot plants. In the case of cut flower producers, the grower usually buys the young plant material from specialised companies.
Until a few years ago, plant developers mainly focused on new varieties which could increase production. However, other aspects have become important as well in recent years. Attention to quality aspects like disease resistance, colour, scent, strength and transportation sensitivity have become at least as important as productivity. Other major aspects are product range and year-round availability.

Note that production is very efficient in Europe. A European grower of Croton cuttings is able to get some 200 cuttings per square meter each year. In developing countries, production per m^2 lies markedly lower at 100-120 cuttings. Even under perfect soil conditions, watering etc. the production in tropical regions will at the most reach 150 cuttings per m^2 because:

- Tropical regions have 12 hours of daylight, while North-European countries have about 18 hours of sun in the midst of the summer. Moreover, artificial lumination has made the production more efficient.
- Growers in tropical regions often use fixed shadow screens (for instance 60 percent shade screens), while growers in Europe only use their screens when the sun is high in the sky.
- Many tropical regions are characterised by more than 150 days of rain. If a plant is wet, it will not grow.

5 IMPORTS

5.1 Total imports

The total EU imports of plants and young plant material (intra- and extra-EU) amounted to more than € 1.9 billion in 2001, representing a small increase of 6 percent in value since 1999. However, in terms of volume an increase of 34 percent was realised between 1999 and 2001.
Table 5.1 shows the importance of Germany as the leading import country, accounting for 27 percent of total EU imports in value of plants and young plant material in 2001. Other leading countries were France (15%), United Kingdom (13%), The Netherlands (10%) and Italy (7%). It should be noted that a great part of Netherlands imports was re-exported to other countries, in particular Germany.

Of the total plants and young plant material imports by EU member countries in 2001, 90 percent consisted of imports from other EU countries. In other words, only 10 percent was imported from outside the EU. With regard to extra-EU imports, The Netherlands was the leading importer, accounting for 62 percent. Table 5.2 shows the imports by EU member countries of plants and young plant material from outside the EU.

The Netherlands was the main supplier of plants and young plant material to the EU member states in 2001, accounting for € 1.0 billion or 56 percent of total imports by EU countries.

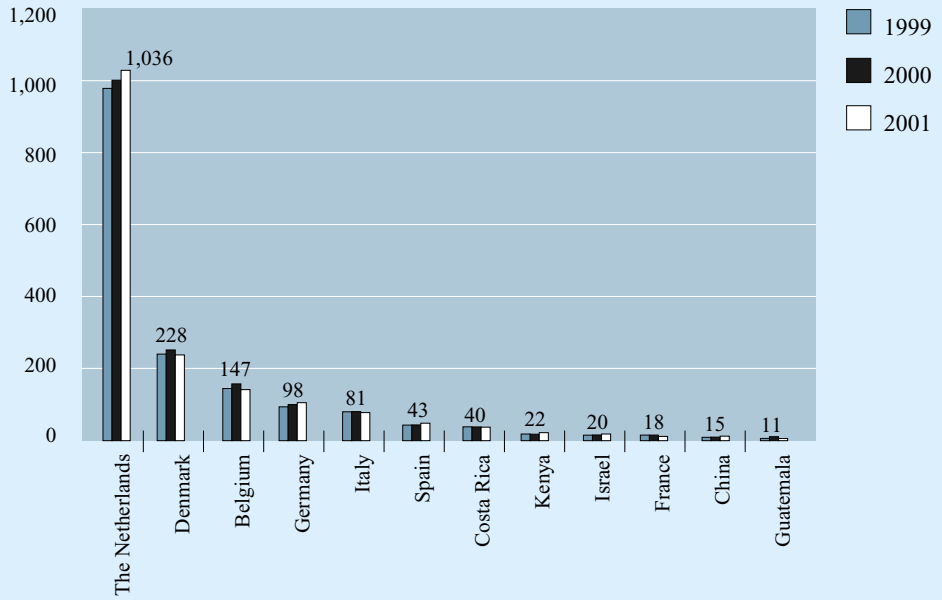
Besides The Netherlands, other major European plant suppliers to the EU were Denmark, Belgium, Germany, Italy and Spain.

Table 5.1 Total imports of plants and young plant material by EU countries, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	volume	value	volume	value	volume
Total	**1,762,900**	**845,923**	**1,857,156**	**876,130**	**1,862,760**	**1,132,142**
Germany	635,105	426,627	598,057	311,104	510,725	243,597
France	247,750	91,043	282,888	107,424	278,358	97,474
United Kingdom	178,676	51,249	194,905	155,976	243,082	482,575
The Netherlands	164,639	75,925	181,050	82,608	190,160	83,612
Italy	126,175	39,564	138,028	45,896	137,227	43,856
Belgium	93,920	49,548	101,620	53,883	115,658	54,251
Austria	92,289	28,212	98,686	29,872	108,573	32,739
Sweden	72,925	20,926	85,022	23,764	89,000	25,447
Denmark	55,229	19,339	68,130	20,669	79,231	25,468
Spain	34,812	16,754	42,322	21,934	41,347	19,981
Finland	19,443	5,930	21,313	6,727	23,690	7,390
Portugal	16,275	9,591	18,761	8,352	19,495	8,122
Luxembourg	8,104	2,420	9,051	2,060	9,191	1,690
Greece	12,075	7,505	9,399	4,021	8,791	3,716
Ireland	5,485	1,290	7,929	1,840	8,231	2,224

Source: Eurostat (2002)

Figure 5.1 The leading suppliers of plants and young plant material to the EU, 1999-2001
€ million



Source: Eurostat (2002)

Table 5.2 Extra-EU imports of plants and young plant material by EU countries, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	volume	value	volume	value	volume
Total Extra-EU	**148,119**	**63,667**	**174,025**	**69,694**	**194,738**	**74,347**
The Netherlands	92,337	41,772	110,638	46,382	121,060	48,442
Germany	16,073	6,050	15,730	6,731	18,439	5,845
Italy	7,793	3,507	9,554	3,939	11,885	6,043
Belgium	6,265	1,636	8,621	2,188	11,773	2,235
France	5,432	1,669	6,777	1,734	8,041	2,139
UK	6,838	1,348	7,953	1,224	6,600	1,021
Denmark	5,034	2,687	5,726	3,218	6,077	2,947
Spain	4,500	2,584	4,359	2,841	5,626	4,252
Sweden	1,020	239	1,371	237	2,304	247
Austria	1,011	600	1,553	562	1,373	627
Finland	626	183	895	259	963	263
Greece	560	754	519	368	302	235
Portugal	551	623	263	8	205	28
Ireland	74	14	59	3	53	13
Luxembourg	6	1	10	0	36	10

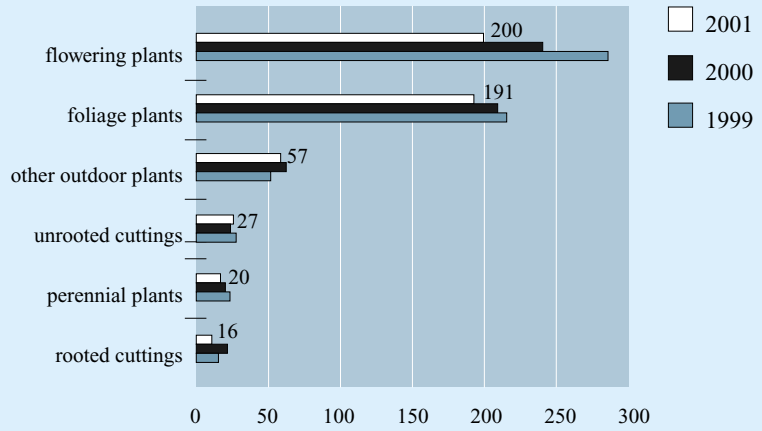
Source: Eurostat (2002)

Germany

Although its imports of plants and young plant material decreased considerably by 20 percent in value between 1999 and 2001, Germany still remained the leading European importer, with imports amounting to € 511 million in 2001. In the same year, finished indoor plants represented 77 percent of total imports of plants and young plant material. Flowering plants ranked first as the main imported finished indoor plants, accounting for 39 percent of total imports into Germany.

The Netherlands was by far the largest supplier of plants and young plant material to Germany, accounting for 66 percent of all German imports in 2001, a market share which remained fairly stable for the period reviewed. The principal non-EU suppliers in 2001 were Kenya (€ 6 million), Costa Rica (€ 1.9 million) and Poland (€ 1.7 million). Developing countries supplied mainly cuttings (unrooted) to Germany. Kenya showed a considerable increase (190%) in supplying unrooted cuttings between 1999 and 2001.

Figure 5.2 German imports of plants and young plant material, 1999-2001
€ million



Source: Eurostat (2002)

The leading suppliers of plants and young plant material to Germany (share of the total imported value in 2001):		Share of DC (% of total value)
young plant material	→ **The Netherlands (27%), Spain (25%), Kenya (13%)**	**23%**
unrooted cuttings	→ Spain (36%), Kenya (21%), France (9%)	34%
rooted cuttings	→ The Netherlands (66%), Belgium (12%), Denmark (9%)	4%
finished outdoor plants	→ **The Netherlands (76%), Italy (6%), Denmark (4%)**	**2%**
perennial plants	→ The Netherlands (79%), Denmark (7%), Spain (4%)	1%
other outdoor plants	→ The Netherlands (75%), Italy (8%), Denmark (3%)	3%
finished indoor plants	→ **The Netherlands (68%), Denmark (20%), Italy (6%)**	**0%**
flowering plants	→ The Netherlands (65%), Denmark (24%), Italy (9%)	1%
foliage plants	→ The Netherlands (72%), Denmark (16%), Belgium (6%)	1%
plants and young plant material	→ **The Netherlands (66%), Denmark (16%), Italy (6%)**	**3%**

Note: DC stands for Developing Countries

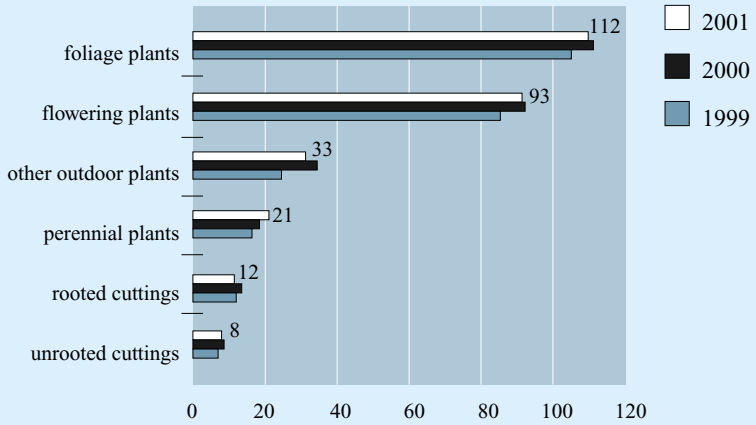
France

In 2001, France was the second largest importer of plants and young plant material in Europe. Between 1999 and 2001, French imports increased by 12 percent, amounting to € 278 million in 2001.

Over that same period of time, imports of other outdoor plants increased by 45 percent, reaching € 33 million in 2001. The leading imported product group, finished indoor plants, decreased by 8 percent, amounting to € 205 million in 2001.

In 2001, The Netherlands was the largest supplier and accounted for 55 percent of the total imported value of plants and young plant material into France. Belgium, as the second largest supplier, accounted for 22 percent of total imports or € 60 million.

Figure 5.3 French imports of plants and young plant material, 1999-2001
€ million



Source: Eurostat (2002)

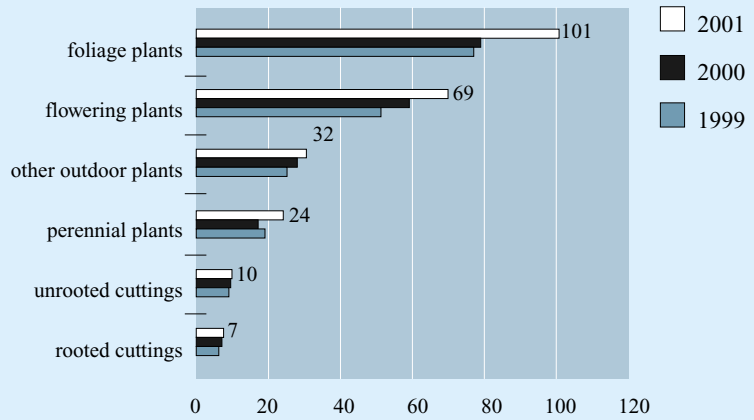
The leading suppliers of plants and young plant material to France (share of the total imported value in 2001):		Share of DC (% of total value)
young plant material	**→ The Netherlands (37%), Belgium (10%), Kenya (8%)**	**22%**
unrooted cuttings	→ Kenya (20%), The Netherlands (20%), Spain (14%)	30%
rooted cuttings	→ The Netherlands (48%), China (11%), Belgium (11%)	17%
finished outdoor plants	**→ The Netherlands (46%), Belgium (16%), Italy (15%)**	**0%**
perennial plants	→ The Netherlands (59%), Italy (15%), Spain (11%)	1%
other outdoor plants	→ The Netherlands (38%), Belgium (19%), Italy (15%)	0%
finished indoor plants	**→ The Netherlands (59%), Belgium (24%), Denmark (8%)**	**0%**
flowering plants	→ The Netherlands (62%), Belgium (20%), Denmark (13%)	0%
foliage plants	→ The Netherlands (57%), Belgium (28%), Italy (4%)	1%
plants and young plant material	**→ The Netherlands (55%), Belgium (22%), Denmark (6%)**	**2%**

United Kingdom

Compared to 1999, imports of plants and young plant material into the UK increased by 36 percent, amounting to € 243 million in 2001. Moreover, in terms of volume, imports considerably increased from 51 thousand tonnes in 1999 to 483 thousand tonnes in 2001. This increase was caused by the imports of huge volumes of indoor plants from The Netherlands, which amounted to 440 thousand tonnes in 2001. This last figure, however, is highly questionable, since according to the same Eurostat source, The Netherlands exported only 26 thousand tonnes of indoor plants to the United Kingdom in 2001.

The Netherlands alone supplied 70 percent of plants and young plant material to the United Kingdom. This share has been increasing since 1995. The second largest supplying country, accounting for € 30 million, was Denmark.

Figure 5.4 UK imports of plants and young plant material, 1999-2001
€ million



Source: Eurostat (2002)

The leading suppliers of plants and young plant material to United Kingdom (share of the total imported value in 2001):		Share of DC (% of total value)
young plant material	→ **The Netherlands (54%), Belgium (14%), Denmark (5%)**	**7%**
unrooted cuttings	→ The Netherlands (32%), Belgium (21%), Brazil (9%)	17%
rooted cuttings	→ The Netherlands (71%), Denmark (9%), Singapore (7%)	1%
finished outdoor plants	→ **The Netherlands (79%), Italy (8%), Belgium (3%)**	**0%**
perennial plants	→ The Netherlands (81%), Denmark (7%), Italy (6%)	0%
other outdoor plants	→ The Netherlands (77%), Italy (9%), Belgium (4%)	0%
finished indoor plants	→ **The Netherlands (69%), Denmark (16%), Belgium (11%)**	**0%**
flowering plants	→ The Netherlands (59%), Denmark (30%), Belgium (7%)	0%
foliage plants	→ The Netherlands (75%), Belgium (13%), Denmark (6%)	0%
plants and young plant material	→ **The Netherlands (70%), Denmark (12%), Belgium (9%)**	**1%**

The Netherlands

The Netherlands plays a leading role in the international trade in plants. It is characterised by a strong production industry, the auction marketing system that brings together both local and international supply, and a strong export trade sector.

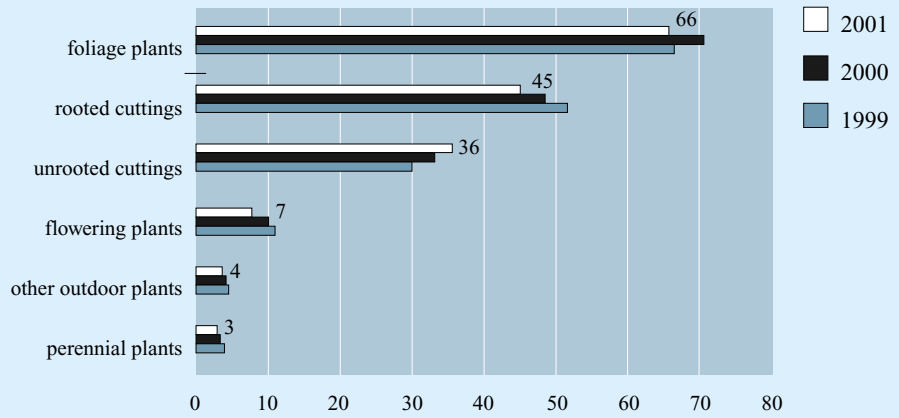
Import of plants and young plant material into The Netherlands increased by 16 percent between 1999 and 2001, amounting to € 190 million.

In that same period, only the imports of unrooted cuttings increased, reaching € 36 million. The imports of cuttings is relatively more important in The Netherlands than in other EU member countries, accounting for half of total imports in 2001.

The largest supplier to The Netherlands was Costa Rica (17%). The second and the third largest suppliers were Belgium and Germany, supplying 17 percent and 11 percent of the total Netherlands imports of plants and young plant material respectively.

Developing countries traditionally have a strong position in the Netherlands import market for cuttings, accounting for 75 percent of total cuttings imports. Imports of cuttings from developing countries, continued to grow, reaching € 76 million in 2001, an increase of 11 percent compared to the previous year. A large part of these products is re-exported to other EU countries. A number of Netherlands importers function as suppliers of young plant material to Belgian, German and Danish nurseries. Nevertheless, most of the young plant material imported from developing countries is used by Netherlands nurseries to grow finished plants.

Figure 5.5 Netherlands imports of plants and young plant material, 1999-2001
€ million



Source: Eurostat (2002)

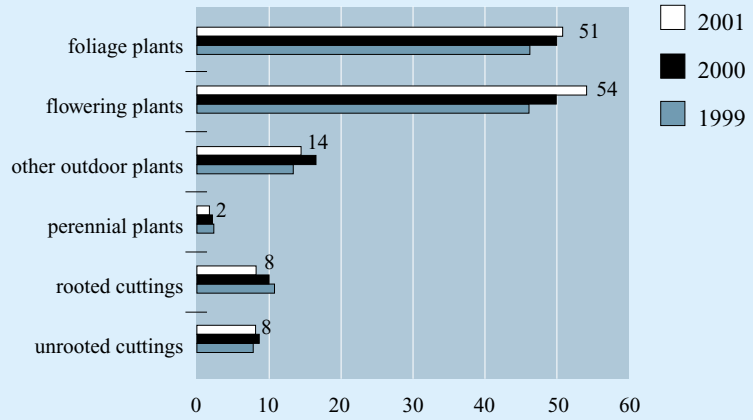
The leading suppliers of plants and young plant material to The Netherlands (share of the total imported value in 2001):		Share of DC (% of total value)
young plant material	→ **Costa Rica (26%), Kenya (10%), Uganda (5%)**	**75%**
unrooted cuttings	→ Kenya (19%), Costa Rica (15%), Uganda (11%)	82%
rooted cuttings	→ Costa Rica (38%), Belgium (9%), Guatemala (8%)	67%
finished outdoor plants	→ **Germany (50%), Italy (12%), Belgium (11%)**	**8%**
perennial plants	→ Germany (60%), Italy (14%), Poland (6%)	3%
other outdoor plants	→ Germany (47%), Belgium (14%), Italy (11%)	10%
finished indoor plants	→ **Belgium (29%), Germany (19%), China (8%)**	**28%**
flowering plants	→ Germany (45%), Denmark (23%), Belgium (14%)	2%
foliage plants	→ Belgium (31%), Germany (16%), China (9%)	31%
plants and young plant material	→ **Costa Rica (17%), Belgium (15%), Germany (11%)**	**52%**

Italy

In 2001, plants and young plant material imports amounted to € 137 million, indicating an increase of 9 percent compared to 1999. Just like most other EU member countries, Italy mainly imported finished indoor plants, which accounted for 77 percent of total imports in 2001 and increased between 1999 and 2001 by 14 percent.

Imports originated mainly in The Netherlands, amounting to € 98 million in 2001. Although imports originating in Denmark decreased between 1999 and 2001, it remained the second leading supplier to Italy.

Figure 5.6 Italian imports of plants and young plant material, 1999-2001
€ million



Source: Eurostat (2002)

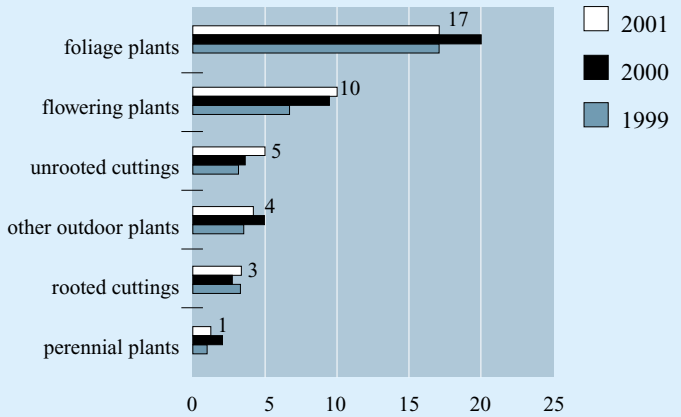
The leading suppliers of plants and young plant material to Italy (share of the total imported value in 2001):		Share of DC (% of total value)
young plant material	→ **The Netherlands (42%), Brazil (12%), Germany (10%)**	**26%**
unrooted cuttings	→ Brazil (24%), The Netherlands (23%), Kenya (9%)	45%
rooted cuttings	→ The Netherlands (61%), Germany (12%), Denmark (6%)	9%
finished outdoor plants	→ **The Netherlands (49%), Spain (14%), Germany (9%)**	**8%**
perennial plants	→ The Netherlands (780), Denmark (5%), Spain (5%)	1%
other outdoor plants	→ The Netherlands (45%), Spain (16%), Germany (10%)	9%
finished indoor plants	→ **The Netherlands (79%), Denmark (12%), Spain (1%)**	**3%**
flowering plants	→ The Netherlands (79%), Denmark (18%), Germany (1%)	0%
foliage plants	→ The Netherlands (79%), Denmark (5%), Spain (3%)	5%
plants and young plant material	→ **The Netherlands (71%), Denmark (10%), Spain (3%)**	**6%**

Spain

In 2001, imports of plants and young plant material into Spain amounted to € 41 million, representing an increase of 19 percent compared to 1999. Although imports of foliage plants decreased between 2000 and 2001, this product group remained the largest imported group in 2001.

Imports originated mainly in The Netherlands, amounting to € 24 million in 2001. Although imports originating in Italy decreased between 1999 and 2001, it remained the second leading supplier to Spain.

Figure 5.7 Spanish imports of plants and young plant material, 1999-2001
€ million



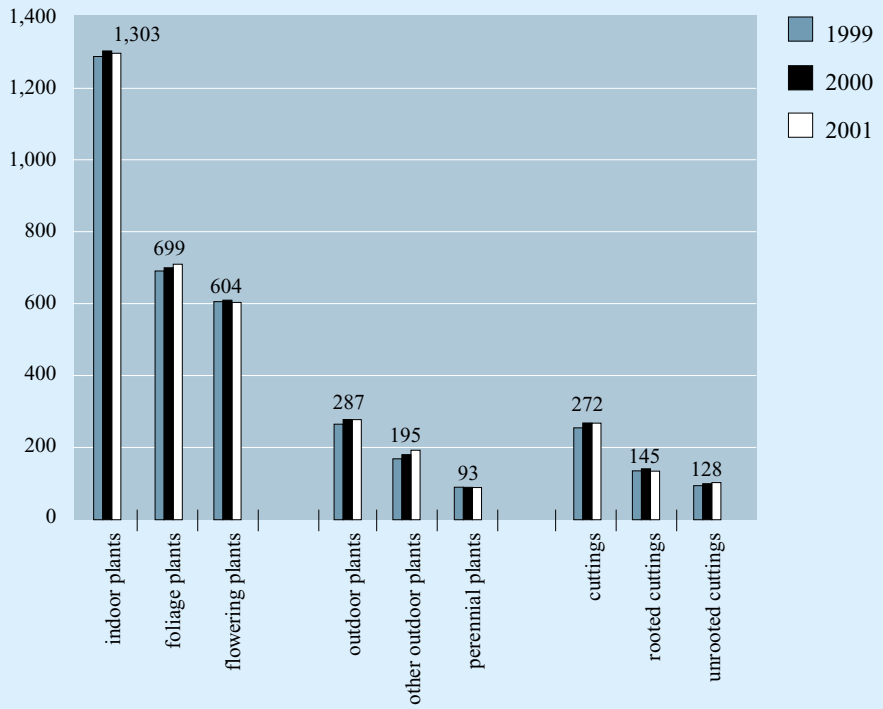
Source: Eurostat (2002)

The leading suppliers of plants and young plant material to Spain (share of the total imported value in 2001):		Share of DC (% of total value)
young plant material	→ **The Netherlands (50%), Italy (13%), Israel (9%)**	**12%**
unrooted cuttings	→ The Netherlands (39%), Israel (15%), Italy (13%)	18%
rooted cuttings	→ The Netherlands (68%), Italy (11%), UK (9%)	2%
finished outdoor plants	→ **Italy (40%), The Netherlands (27%), France (5%)**	**9%**
perennial plants	→ The Netherlands (65%), Italy (17%), Denmark (9%)	1%
other outdoor plants	→ Italy (45%), The Netherlands (17%), France (6%)	11%
finished indoor plants	→ **The Netherlands (67%), Denmark (11%), Costa Rica (4%)**	**8%**
flowering plants	→ The Netherlands (70%), Denmark (25%), Belgium (2%)	0%
foliage plants	→ The Netherlands (65%), Costa Rica (6%), Belgium (5%)	13%
plants and young plant material	→ **The Netherlands (58%), Italy (10%), Denmark (8%)**	**9%**

5.2 Imports by product group

Large quantities of plants and young plant material are traded in the European Union, not only between the EU member states, also with other countries outside the EU. From Figure 5.8 it becomes clear that the imports of finished plants (indoor) into the EU are markedly higher than the young plant material imports.

Figure 5.8 Imports of plants and young plant material into the EU by product groups, 1999-2001
€ million



Source: Eurostat (2002)

Finished indoor plants
Finished indoor plants form by far the main imported product group covered by this survey. In 2001, total EU imports of finished indoor plants amounted to € 1.3 billion. In terms of value, total imports stabilised between 1999 and 2001, however, in terms of volume, an increase of 43 percent was achieved.

Germany was the largest importer accounting for 30 percent of finished indoor plant imports by EU member countries in 2001, followed by France (16%) and the United Kingdom (13%). The main supplier was The Netherlands, supplying 61 percent of the imports.

- **Foliage plants**
  The product group of foliage plants also includes big plants targeting the interior landscaping market. These products are generally acclimatised before being sold to the end users. In terms of value, European imports of foliage plants have stabilised over recent years, while in terms of volume a strong increase was achieved. In 2001, total imports stabilised at € 699 million. In volume terms, imports more than doubled between 1998 and 2001, amounting to 656 thousand tonnes. This high volume was mainly caused by the high imports by the UK in that same year, which accounted for 63 percent of total EU imports.
  The leading importing country was Germany, accounting for about 27 percent of total value European imports. Since 1998, imports by Greece, Austria and Germany decreased by more than 15 percent. In terms of value, major increasing importing countries were Sweden (48%), Luxembourg (47%) and the United Kingdom (36%). The Netherlands was by far the leading supplier of finished foliage plants to the EU, accounting for 62 percent of total EU imports. The other EU members, in contrast, played only minor roles.

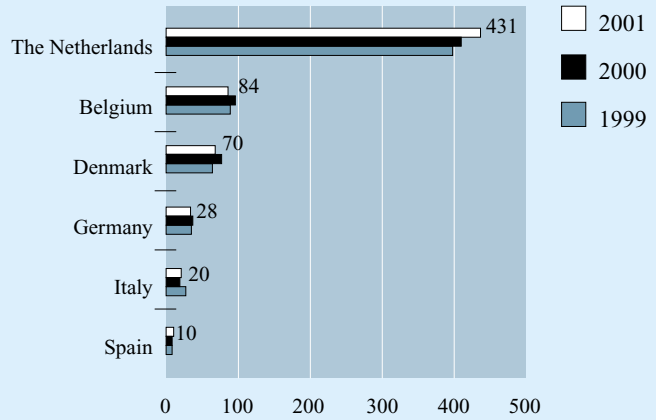
A large amount of foliage plants originally comes from tropical regions. The direct imports of finished foliage plants from developing countries, nevertheless, were rather limited. Note that developing countries have exported young plant material like Dracaena and Yucca canes to Europe, where they are further cultivated to become finished full-grown plants. The selling of these finished plants is reflected in underlying intra-EU import figures.
Still, almost two thirds of the finished foliage plants imported from outside the EU originated in developing countries. Since 1999, imports from developing countries increased by 29 percent, amounting to € 30 million in 2001. The most important supplying developing countries were China, Costa Rica and Guatemala.

Table 5.3 Imports of foliage plants into the EU, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	**671,773**	**289,775**	**692,062**	**380,299**	**699,082**	**656,122**
Germany	225,416	121,293	214,503	95,057	191,196	84,941
France	104,816	39,198	112,367	41,862	111,780	39,374
United Kingdom	74,580	21,307	76,910	124,543	101,427	414,022
The Netherlands	67,660	34,618	73,746	39,224	69,991	37,589
Italy	46,321	14,594	50,637	16,319	51,361	15,837
Belgium	37,284	20,800	41,595	22,523	47,201	23,189
Sweden	21,709	6,074	29,147	8,455	32,166	9,995
Austria	38,796	9,928	29,200	9,225	31,449	9,760
Denmark	17,452	5,170	19,659	5,076	22,745	4,966
Spain	17,031	8,358	20,058	10,299	17,213	9,987
Portugal	6,604	3,865	7,631	3,039	8,082	2,535
Finland	5,182	1,468	5,757	1,818	5,583	1,504
Luxembourg	2,549	699	4,476	1,025	3,752	843
Ireland	1,859	418	3,002	598	2,646	582
Greece	4,515	1,985	3,373	1,236	2,489	998

Source: Eurostat (2002)

Figure 5.9 The leading countries supplying foliage plants to the EU, 1999-2001
€ million



Source: Eurostat (2002)

- **Flowering plants**
  European imports of flowering plants more or less stabilised between 1999 and 2001, amounting to € 604 million in 2001. Germany was the leading importer of finished flowering plants, accounting for 33 percent of total imports. The second largest EU importer of flowering plants was France (15%), followed by the United Kingdom (11%).

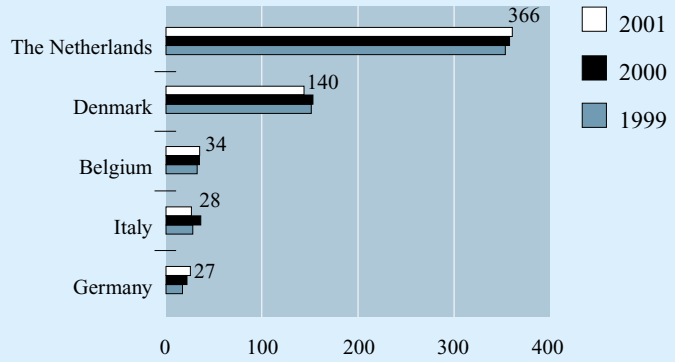
  The main supplying country was The Netherlands, accounting for 61 percent of total imports in 2001, followed by Denmark (23%). Maintaining the quality of small flowering plants during transport is difficult, when transporting over large distance. As a consequence, imports of flowering plants from outside Europe are negligible.

Table 5.4 Imports of flowering plants into the EU, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	volume	value	volume	value	volume
Total	**603,786**	**347,185**	**619,725**	**261,953**	**604,301**	**255,989**
Germany	280,078	231,697	241,468	136,221	200,358	100,657
France	85,036	30,524	93,516	33,727	93,266	30,102
United Kingdom	47,971	16,199	57,340	16,622	69,313	47,131
Italy	46,571	12,865	51,312	14,539	54,378	14,600
Austria	26,360	7,845	43,028	11,059	45,771	11,684
Sweden	39,291	11,771	43,460	12,415	43,337	12,496
Belgium	26,263	14,795	28,086	16,103	28,462	15,759
Denmark	16,491	6,118	23,711	6,354	27,722	8,796
Spain	7,159	2,834	9,528	3,690	10,272	3,093
Finland	6,435	1,966	6,320	1,937	8,192	2,727
The Netherlands	10,398	6,429	8,593	5,181	8,007	4,804
Portugal	5,684	2,524	6,734	2,580	6,744	2,269
Luxembourg	2,580	607	2,179	386	3,530	499
Ireland	2,245	566	3,103	681	3,465	819
Greece	1,226	445	1,350	458	1,480	553

Source: Eurostat (2002)

Figure 5.10 The leading countries supplying flowering plants to the EU, 1999-2001
€ million



Source: Eurostat (2002)

Finished outdoor plants
Total imports of outdoor plants amounted to € 287 million in 2001. The main outdoor plants traded in Europe are Pelargonium (Geranium), Viola, Erica calluna, Fuchsia, Buxus sempervirens, Chamaecyparis, and Petunias. Germany, France, the United Kingdom and Belgium were the leading importing countries. Most of the consumption of outdoor plants in other EU countries was met by domestic supply.
About 95 percent of imports of finished outdoor plants by EU member countries is supplied by other EU countries, with The Netherlands dominating the trade. Other suppliers are Italy, Germany, Belgium, Spain and Denmark. The position of the developing countries is negligible.

• Perennial plants
Compared to the imports of other products described in this survey, perennial plants imports into the EU are small. Total imports of perennial plants into the EU amounted to € 93 million in 2001, indicating a small increase of 4 percent. Due to a decrease in German imports, the United Kingdom became the leading EU importer, accounting for 26 percent of total perennial plant imports by EU member countries in 2001. The second largest importing EU country was France (22%), followed by Germany (22%).

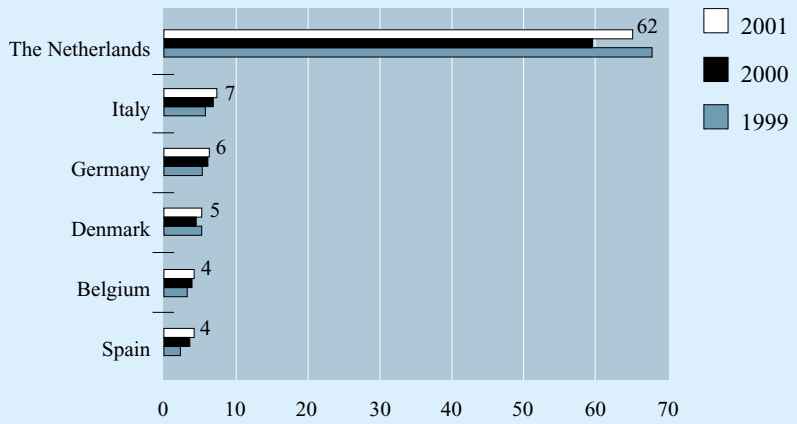
Although the Netherlands supply decreased between 1999 and 2001, it was still by far the leading supplier of perennial plants to the EU in 2001, accounting for 67 percent of total imports. Italy and Germany were other major suppliers to the EU.

Table 5.5 Imports of perennial plants into the EU, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	volume	value	volume	value	volume
Total	**88,757**	**37,560**	**86,524**	**36,793**	**92,571**	**36,723**
United Kingdom	17,124	3,882	15,802	4,615	23,849	6,813
France	16,422	4,166	17,780	5,837	20,534	6,220
Germany	31,470	17,829	27,240	14,591	20,043	9,811
Belgium	7,315	3,712	7,311	4,182	8,176	4,926
Austria	4,592	1,764	5,243	1,843	6,550	2,642
The Netherlands	3,596	2,719	3,171	1,932	2,427	2,057
Denmark	1,807	702	2,021	602	2,427	813
Sweden	1,373	545	1,430	575	2,275	601
Italy	2,419	738	2,131	549	1,709	494
Finland	557	251	635	246	1,361	690
Spain	708	221	1,518	507	1,084	436
Ireland	199	78		360	643	358
Greece	420	374	814	640	516	554
Luxembourg	350	85	381	76	515	103
Portugal	404	494	392	238	464	205

Source: Eurostat (2002)

Figure 5.11 The leading countries supplying perennial plants to the EU, 1999-2001
€ million



Source: Eurostat (2002)

• Other outdoor plants

In 2001, imports of other outdoor plants by EU member countries amounted to € 195 million. Germany was the largest importer, accounting for 29 percent of total imports in that same year.

The leading supplier was The Netherlands, accounting for 58 percent of total imports into other EU states in 2001. The role of developing countries in imports of these product groups is negligible.

Young plant material

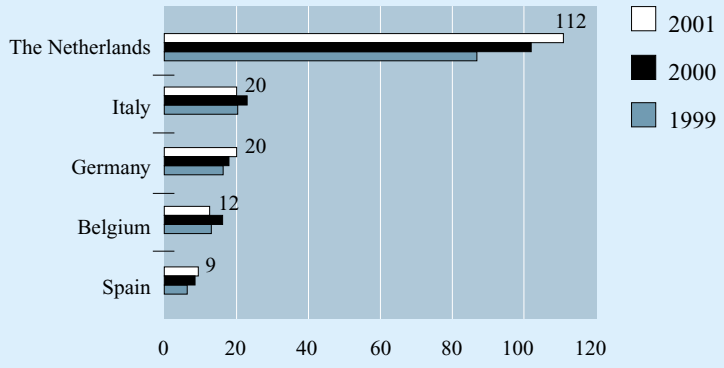
Total European imports of young plant material (plant and cut flower planting material) amounted to € 272 million in 2001. As a result of the higher quality demanded for floricultural products, young plant material has become an important factor. A shortage of specialised suppliers of young plant material in several producing countries has led to an extensive international trade in young plants.
In 2001, The Netherlands was the largest importer,

Table 5.6 Imports of other outdoor plants into the EU, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	volume	value	volume	value	volume
Total	**159,404**	**106,472**	**192,644**	**128,744**	**194,658**	**116,282**
Germany	49,939	48,044	59,437	55,408	56,684	42,140
France	22,876	12,707	36,964	21,498	33,231	17,442
United Kingdom	26,943	7,792	29,944	7,617	31,954	11,845
Belgium	12,187	7,755	13,918	8,893	17,746	8,410
Austria	11,306	6,083	11,456	5,768	14,268	6,597
Italy	12,276	7,835	15,492	10,855	13,530	9,967
The Netherlands	4,488	3,397	5,769	6,093	7,573	8,040
Spain	3,525	3,709	5,070	5,756	4,439	4,470
Finland	4,102	1,818	4,571	2,072	4,174	1,552
Denmark	2,717	654	2,654	835	3,416	1,276
Portugal	2,031	2,299	2,543	2,067	2,679	2,757
Sweden	1,004	362	1,446	425	1,744	531
Luxembourg	2,486	1,006	1,857	554	1,336	238
Ireland	848	181	860	172	1,244	429
Greece	2,679	2,830	662	731	640	588

Source: Eurostat (2002)

Figure 5.12 The leading countries supplying other outdoor plants to the EU, 1999-2001
€ million



Source: Eurostat (2002)

accounting for 38 percent of total imports by EU member countries, followed by Germany (16%), Denmark (8%) and France (7%). Furthermore, the main supplier was The Netherlands, supplying 24 percent of total EU imports of young plant material in 2001.

• Rooted cuttings

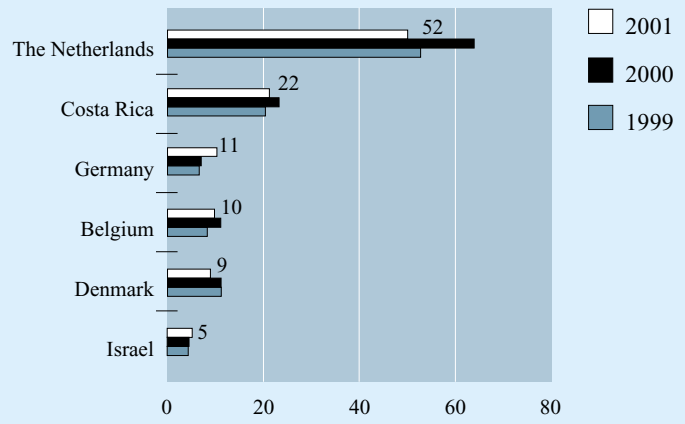
Between 1999 and 2001, imports of rooted cuttings by EU member countries more or less stabilised, amounting to € 145 million in 2001. The leading EU importer was The Netherlands accounting for 35 percent of total imports, followed by Denmark (12%) and Germany (11%).

Table 5.7 Imports of rooted cuttings into the EU, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	volume	value	volume	value	volume
Total	**138,493**	**51,511**	**155,662**	**56,101**	**144,539**	**51,563**
The Netherlands	46,386	23,852	50,614	25,839	50,535	24,334
Denmark	12,163	5,907	15,144	7,015	17,509	8,822
Germany	21,054	5,792	30,045	8,152	15,684	4,213
France	12,036	3,871	13,715	3,862	11,760	3,760
United Kingdom	7,864	1,683	8,498	1,365	9,543	1,250
Belgium	7,455	1,756	6,884	1,873	8,959	1,693
Italy	11,040	2,474	10,270	2,718	8,212	2,102
Austria	4,852	1,614	5,415	1,624	6,083	1,590
Sweden	6,967	2,095	6,426	1,753	6,059	1,567
Greece	2,711	1,459	2,819	728	3,299	847
Spain	2,963	513	2,353	532	3,060	551
Finland	1,898	330	2,431	499	2,670	677
Portugal	837	127	735	105	970	128
Ireland	136	17	168	19	140	22
Luxembourg	128	21	145	17	56	7

Source: Eurostat (2002)

Figure 5.13 The leading countries supplying rooted cuttings to the EU, 1999-2001
€ million



Source: Eurostat (2002)

The Netherlands was not only the leading importing country of rooted cuttings, but also the leading EU exporter of these products. In 2001, Netherlands supplies to other EU member countries decreased to € 52 million. Costa Rica (cuttings, mainly Dracaena airlayers), the second leading supplier, also showed decreases in the amounts exported to the EU. Other leading developing countries supplying rooted cuttings were Guatemala, Honduras, China, Sri Lanka and South Africa.

Unrooted cuttings

Compared to 1999, imports of unrooted cuttings by EU member countries increased by 27 percent, amounting to € 128 million in 2001. The Netherlands was the leading importer of unrooted cuttings and accounted for 40 percent of total imports, closely followed by Germany (21%).

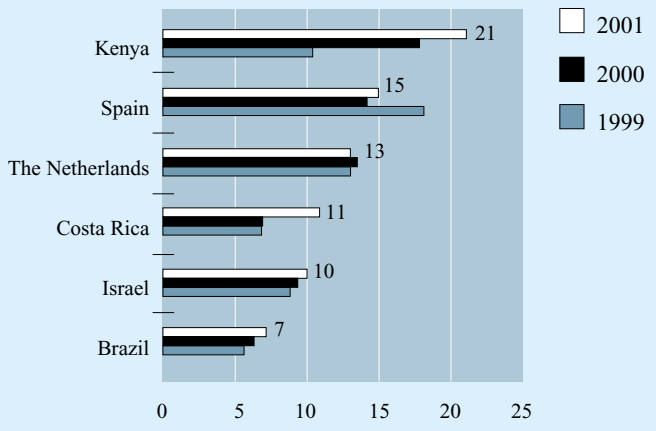
Since 1999, supplies from Kenya increased significantly, making Kenya the leading supplier of the

Table 5.8 Imports of unrooted cuttings into the EU, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	volume	value	volume	value	volume
Total	**100,687**	**13,420**	**110,539**	**12,240**	**127,609**	**15,463**
The Netherlands	32,111	4,910	39,157	4,339	51,627	6,788
Germany	27,148	1,972	25,364	1,675	26,760	1,835
Italy	7,548	1,058	8,186	916	8,037	856
France	6,564	577	8,546	638	7,787	576
United Kingdom	4,194	386	6,411	1,214	6,996	1,514
Denmark	4,599	788	4,941	787	5,412	795
Spain	3,426	1,119	3,795	1,150	5,279	1,444
Belgium	3,416	730	3,826	309	5,114	274
Austria	6,383		4,344	353	4,452	466
Sweden	2,581	79	3,113	141	3,419	257
Finland	1,269	97	1,599	155	1,710	240
Portugal	715	282	726	323 5	56	228
Greece	524	412	381	228	367	176
Ireland	198	30	140	10	93	14
Luxembourg	11	2	13	2	2	0

Source: Eurostat (2002)

Figure 5.14 The leading countries supplying unrooted cuttings to the EU, 1999-2001
€ million



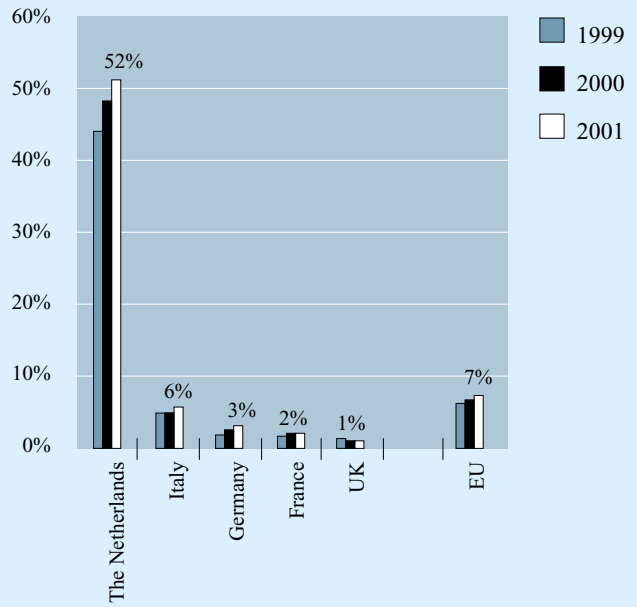
Source: Eurostat (2002)

imports by EU member countries in 2001. Around 38 percent of total unrooted cuttings imports was supplied by EU member countries. Although supplies from The Netherlands and Spain to the EU decreased, they still remained important suppliers of unrooted cuttings, together accounting for almost a quarter of total imports in 2001.

5.3 The role of the developing countries

Imports originating in developing countries increased in the 90s. In 2001, imports from developing countries amounted to € 139 million, accounting for 7 percent of the total EU imports of plants and young plant material. As shown in Figure 5.15, developing countries played a relatively more important role in the Netherlands imports than in the imports of other EU countries. The Netherlands is an important market for developing countries because of its massive trading role in distributing imported plants throughout Europe. Plants and flowers are distributed world-wide through the Netherlands ports of Rotterdam and Amsterdam. These two ports play a key role in the chain of transportation (imports, exports, transit).

Figure 5.15 Share of developing countries in imports of plants and young plant material into selected EU countries, 1999-2001 (% of imported value)



Source: Eurostat (2002)

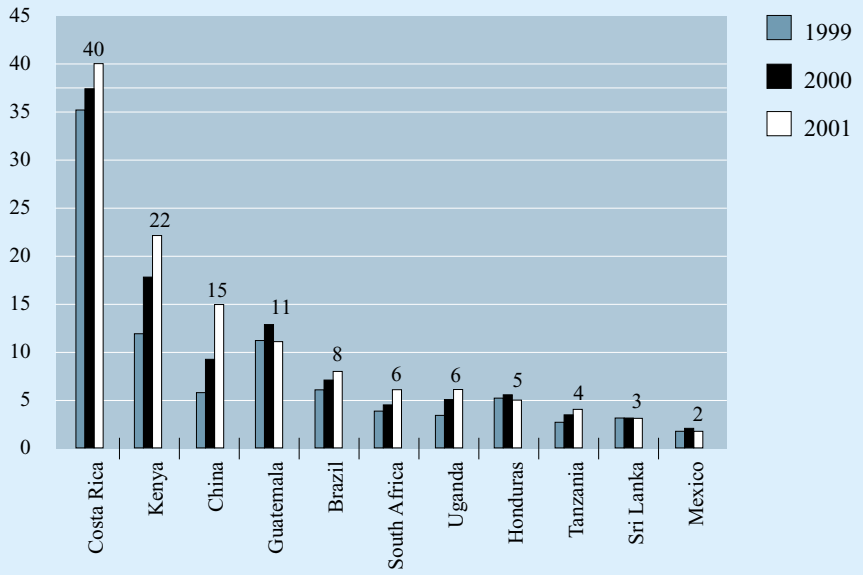
Leading developing country suppliers to the EU
(% of total imported value from developing countries in 2001)

young plant material	**→ Costa Rica (31%), Kenya (21%), Brazil (7%)**
Unrooted cuttings	→ Kenya (32%), Costa Rica (17%), Brazil (12%)
Rooted cuttings	→ Costa Rica (54%), Guatemala (12%), Honduras (8%)
finished outdoor plants	**→ Kenya (16%), Argentina (14%), Costa Rica (8%)**
Perennial plants	→ Turkey (51%), Thailand (14%), Costa Rica (12%)
Other outdoor plants	→ Kenya (18%), Argentina (16%), Sri Lanka (9%)
finished indoor plants	**→ China (28%), Costa Rica (22%), Guatemala (17%)**
Flowering plants	→ Turkey (57%), Guatemala (13%), Sri Lanka (7%)
Foliage plants	→ China (28%), Costa Rica (22%), Guatemala (17%)
plants and young plant material	**→ Costa Rica (29%), Kenya (16%), China (11%)**

Figure 5.16 below summarises the role of developing countries in the EU trade in plants. It is clear from Chapter 5 that developing countries mainly exported young plant material. Indoor foliage plants are also supplied, but to a lesser extent.

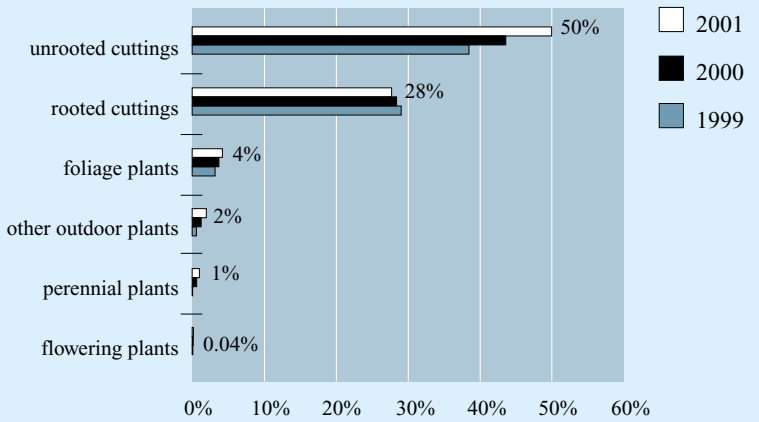
The importance of developing countries as suppliers to the EU was demonstrated by the presence of Costa Rica and Kenya among the top ten supplying countries. Other leading developing country suppliers were China, Guatemala, Brazil, Honduras, South Africa, Uganda, Honduras and Tanzania.
China, Tanzania and Uganda have strongly increased in importance as suppliers of young plant material to the

Figure 5.16 The leading plants and young plant material suppliers from developing countries to the EU, 1999-2001
€ million



Source: Eurostat (2002)

Figure 5.17 Share of developing countries in imports of plants and young plant material into the EU, 1999-2001
% imported value



Source: Eurostat (2002)

EU. Compared to 1999, these three developing countries more than doubled their exports of young plant material to the EU.

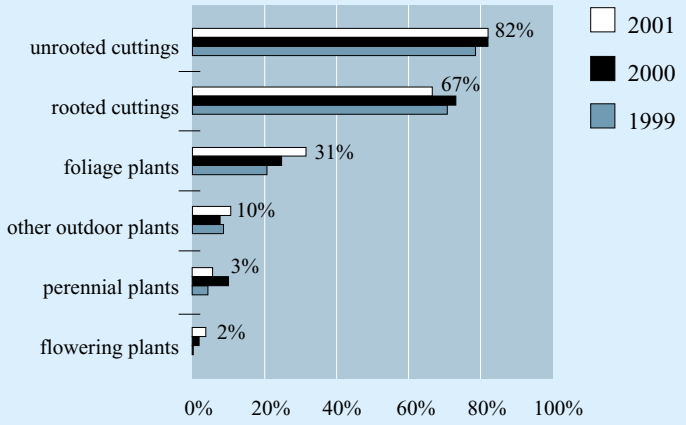
The leading developing countries exporting plants and young plant material to The Netherlands were Costa Rica, Guatemala and Kenya. Supplies from African countries (Tanzania, Kenya and Uganda) to The Netherlands increased considerably between 1999 and 2001.

Costa Rica, China and Kenya mainly exported young plant material to The Netherlands. Between 1999 and 2001, African countries such as Kenya, Uganda, South Africa, Tanzania and Zimbabwe, increased their supply of cuttings to The Netherlands considerably. The Netherlands also increased its imports of young plant material originating in Asian developing countries, such as China and India.

Leading developing country suppliers to The Netherlands
% of total imported value from developing countries in 2001

Young plant material	**→ Costa Rica (35%), Kenya (14%), Uganda (7%)**
unrooted cuttings	→ Kenya (23%), Costa Rica (18%), Uganda (13%)
rooted cuttings	→ Costa Rica (57%), Guatemala (12%), Honduras (9%)
Finished outdoor plants	**→ Kenya (27%), Tanzania (11%), China (9%)**
perennial plants	→ Thailand (53%), China (33%), Guinea (9%)
other outdoor plants	→ Kenya (10%), Tanzania (10%)
Finished indoor plants	**→ China (28%), Costa Rica (21%), Guatemala (20%)**
flowering plants	→ Turkey (92%), Egypt (4%)
foliage plants	→ China (29%), Costa Rica (21%), Guatemala (20%)
Plants and young plant material	**→ Costa Rica (32%), China (12%), Kenya (11%)**

Figure 5.18 Share of developing countries in imports of plants and young plant material into The Netherlands, 1999-2001
% imported value



Source: Eurostat (2002)

For addresses of relevant organisations and importers, please refer to CBI's Internet Site. Please note that contact details of importers are only available for exporters in developing countries including in the Company Matching Database of CBI. However, the "linkplaza" (http://www.cbi.nl/show.php?file=linkplaza.html) provides relevant links to directories with addresses of importers.

6 EXPORTS

Exports of plants and young plant material by the EU have been dominated by finished plants, which in 2001 accounted for 90 percent of the total exported value of the products covered in this survey. In 2001, plants and young plant material exports amounted to € 2.1 billion, of which 17 percent was exported to destinations outside the EU.

The Netherlands dominated the EU trade in floricultural products, accounting for 54 percent of total EU value exports of plants and young plant material in 2001.

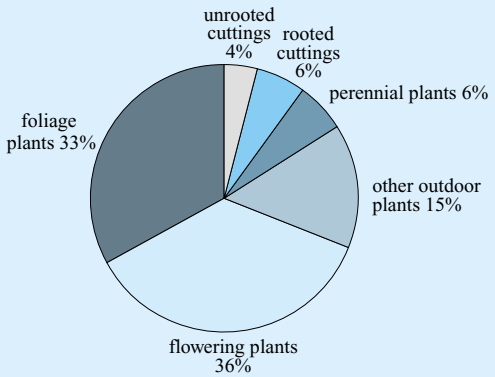
Figure 6.1 illustrates the relative importance of the finished indoor plants: they accounted for 69 percent of total plants and young plant material exports. In 2001, the EU member states' exports of indoor flowering plants amounted to € 746 million, representing 36 percent of all plants and young plant material exports. The second most exported finished plants were indoor foliage plants with an export value of € 696 million.

EU exports of plants and young plant material were mainly directed to other EU member states. Destinations were Germany (30%), France (14%), United Kingdom (10%), Switzerland (6%), Italy (5%) and The Netherlands (5%). Destinations outside the EU were Norway, USA, Poland, Japan and Russia.

The following paragraphs and figures not only deal with the exports from the EU countries selected for emphasis in this survey, but also focus on exports from Denmark and Belgium. This is due to the high ranking of these two countries in the total EU exports.

In 2001, The Netherlands was, by far, the leading exporter of plants and young plant material, accounting for 54 percent of the total exported value by EU

Figure 6.1 EU exports of plants and young plant material, 2001
% of total value



Source: Eurostat (2002)

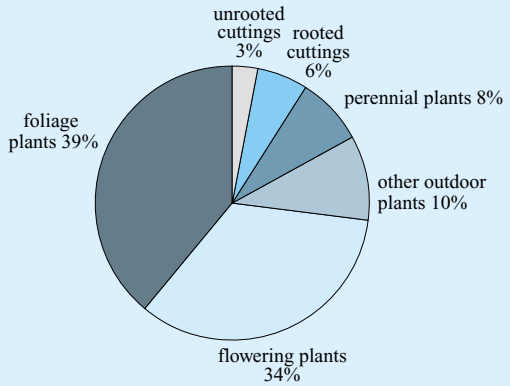
Table 6.1 Exports of plants and young plant material by the EU, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	volume	value	volume	value	volume
Total	**1,905,969**	**913,343**	**2,100,008**	**1,002,209**	**2,097,729**	**967,687**
The Netherlands	1,057,550	485,015	1,146,936	507,381	1,142,975	497,264
Denmark	321,073	107,090	342,551	110,486	352,856	110,932
Belgium	162,693	73,386	184,023	90,324	201,285	80,664
Italy	158,811	147,271	176,325	163,038	170,570	160,238
Germany	110,255	50,665	145,172	72,705	122,708	60,163
Spain	43,714	20,681	49,633	25,155	51,256	25,102
France	29,073	19,457	29,122	20,406	26,178	18,530
Portugal	7,980	3,324	9,180	4,334	10,223	3,142
Austria	6,277	2,521	6,777	3,207	9,369	3,767
United Kingdom	5,006	2,354	7,310	3,818	7,418	6,191
Sweden	2,207	808	1,546	475	1,821	704
Greece	1,116	717	995	768	751	606
Ireland	21	6	89	35	119	51
Finland	125	29	115	14	111	318
Luxembourg	76	19	231	63	92	15

Source: Eusrostat (2002)

member countries. Netherlands exports of plants and young plant material showed more or less the same pattern as that of the EU, although The Netherlands' main exported product was finished indoor foliage plants. In 2001, 36 percent of exports was directed to Germany. Other important export destinations were France (13%), the United Kingdom (11%), Italy (6%) and Belgium (4%).

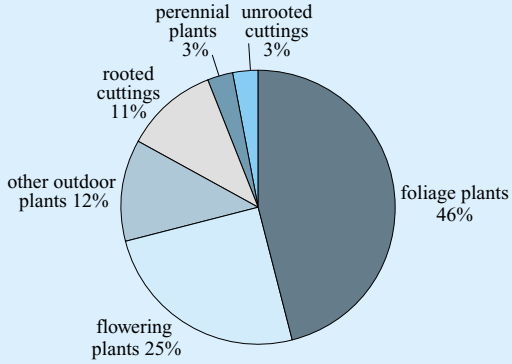
Figure 6.2 Netherlands exports of plants and young plant material, 2001
% of total value



Source: Eurostat (2002)

In 2001, Belgium exported € 201 million worth of plants and young plant material, accounting for 10 percent of total exports by EU member countries. Foliage plants were relatively important in the composition of Belgian exports of plants and young plant material.

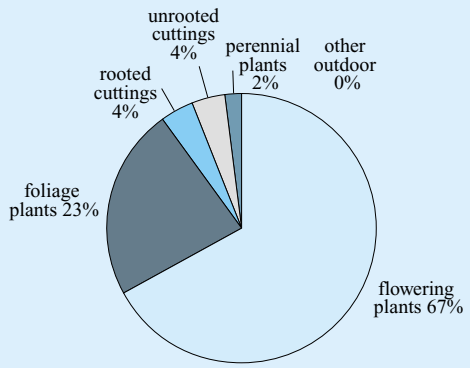
Figure 6.4 Belgian exports of plants and young plant material, 2001
% of total value



Source: Eurostat (2002)

Denmark accounted for 17 percent of the exported value by EU member countries in 2001. As can be seen in Figure 6.3, Denmark's main exported product was dominated by finished indoor flowering plants, accounting for two thirds of total exports.

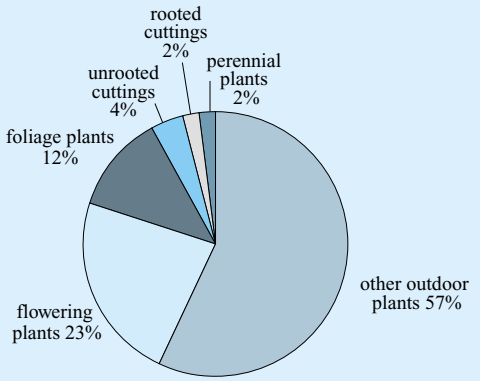
Figure 6.3 Danish exports of plants and young plant material, 2001
% of total value



Source: Eurostat (2002)

In 2001, Italian exports amounted to € 171 million, indicating an increase of 7 percent compared to 1999. More than half of Italian exports of plants and young plant material consisted of finished outdoor plants other than perennial plants.

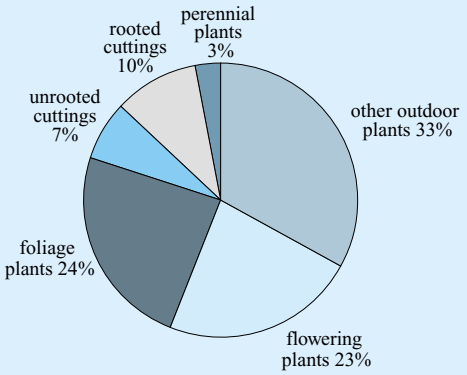
Figure 6.5 Italian exports of plants and young plant material, 2001
% of total value



Source: Eurostat (2002)

In 2001, Germany was the fifth leading exporter of plants and young plant material, with exports amounting to € 123 million. Cuttings and finished outdoor plants other than perennial plants were relatively more important in German export than in overall EU exports of plants and young plant material.

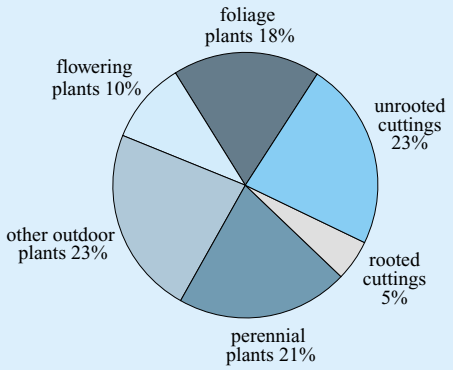
Figure 6.6 German exports of plants and young plant material, 2001
% of total value



Source: Eurostat (2002)

In 2001, France exported € 26 million worth of plants and young plant material, accounting for only 1 percent of total exports by EU member countries. Unrooted cuttings were relatively important in the composition of French exports of plants and young plant material.

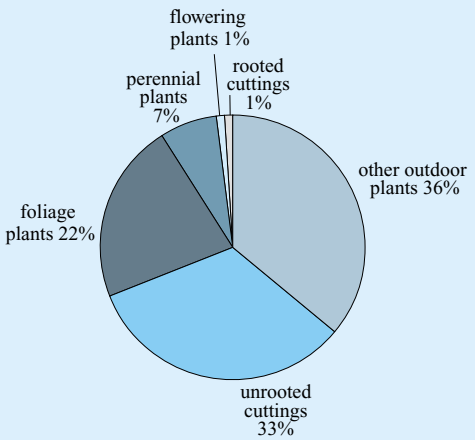
Figure 6.7 French exports of plants and young plant material, 2001
% of total value



Source: Eurostat (2002)

Spain followed Germany and in 2001 exported €51 million worth of plants and young plant material. Exports of flowering and foliage plants were relatively more important than other product groups of plants and young plant material.

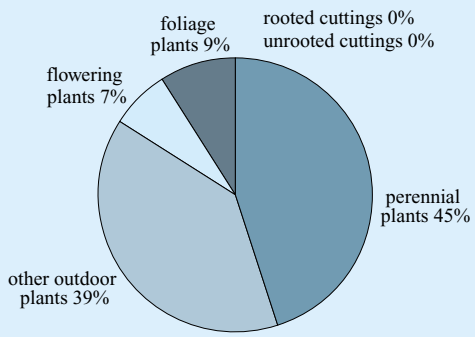
Figure 6.7 Spanish exports of plants and young plant material, 2001
% of total value



Source: Eurostat (2002)

In 2001, UK exports amounted to more than € 7 million. Almost 50 percent of UK exports of plants and young plant material consisted of perennial plants.

Figure 6.8 UK exports of plants and young plant material, 2001
% of total value



Source: Eurostat (2002)

7 TRADE STRUCTURE

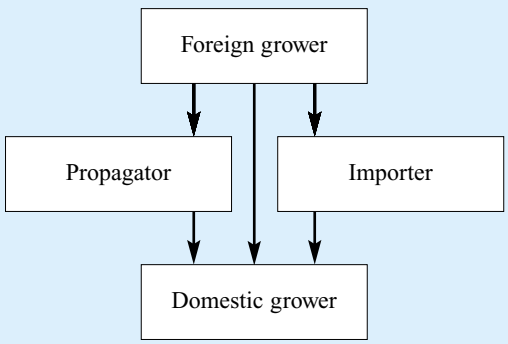
7.1 EU trade channels

Looking at the trade structure, one should be aware of the fact that each product group described in this market survey, i.e. young plant material (for cut flowers and pot plants) and finished plants (small flowering or big foliage), is characterised by its own typical trade structure. An importer of big plants for landscaping purposes is most probably not the same person as the importer of cuttings.

Even when looking into the product group of young plant material, it becomes clear that the trade in young pot plant material is differently structured compared to the trade in cut flower material or tissue cultures. European companies producing young cut flower material are often specialised in one particular cut flower. In the case of young pot plant material, however, many producers supply a wide package of products.

The following figures outline the distribution structure of young plant material and finished plants.

Figure 7.1 Distribution structure of young plant material



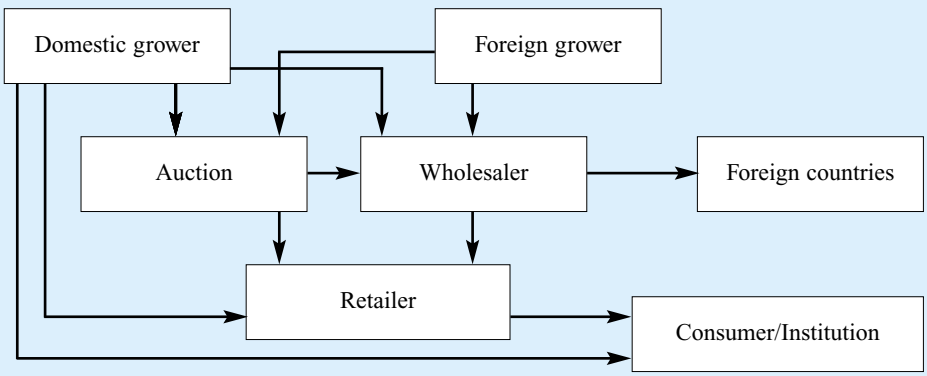
Most EU commercial laboratories for micro-propagation of plants are located in The Netherlands, France, Italy, Germany and Belgium. Production facilities in developing countries are increasingly being used besides those in Europe. Many producers now recognise that the problem of the high labour costs can most probably not be solved by mechanisation. As a consequence, many European companies have been looking for low-cost specialised facilities in the rest of the world: developing countries where labour costs are low and the techniques are available. Usually, a company in a developing country works under licence from the European company and the facilities are concerned only with the multiplication process. The rest of the product cycle is carried out by the European company: development of new varieties, selection, breeding, marketing, etc.

Developing countries emerging strongly in this respect are India, Nepal, Sri Lanka and Indonesia, where many facilities produce tissue culture. Another region where strong growth in exports of tissue culture is registered is Eastern Europe.

There are several aspects of the European floricultural trade structure interesting to all exporters of pot plants and young plant material :

Wholesale level
The wholesale trade is becoming more concentrated. This strong tendency in the European trade, towards **concentration** and thinking and operating in 'straight lines', is clearly recognisable. The fastest growing companies are the ones supplying retail chains. The method of direct trading lines between producers/exporters and the retailer is, in some European countries, partly eroding the function of the specialised importers. This leads to those same importers functioning partly as logistics service

Figure 7.2 Distribution structure of finished plants



providers, quality controllers and co-ordinators of the right assortment of plants. In general, the importers still play an individual and specific role in the chain, because they have a strong relationship with their suppliers and because they play an indispensable role as collectors of a broad package of products. In various European countries, the current growth in flower and plant sales is being driven by the supermarkets. Nevertheless, keep in mind that retail chains account for approximately 25 percent of total sales. Independent retail outlets like flower shops and street stalls are still the most important retail outlets.

Two main channels are recognised for the distribution of plants: directly from exporting grower to the wholesaler (importer/domestic producer), or from the exporting grower to the auctions.

- **Auctions**
  Auctions are sales outlets, generally created by EU growers to market their products. The largest auctions in Europe are located in The Netherlands, where the auctioning system originally started. Other countries, such as Italy, Denmark and Germany, also trade at auctions (see Appendix 5). The importance of these auctions for international trade is very small in comparison to The Netherlands, with exception of Geman NBV-UGA.

The turnover increased strongly in 2002, compared to the previous year by a percentage of 8.5, amounting to € 939 million. As in 2001, Phalaenopsis was a leading indoor plant traded at Netherlands auctions. The turnover of the Ficus decreased, amounting to € 39 million. Growers cultivated less Ficus because of the low prices in the past. Fortunately, in 2002 the price of the Ficus increased by more than 5 percent compared to the previous year.

The Netherlands auctions in particular function as a pivot around which the international floricultural trade revolves. Through their concentration of supply and demand, the system acts as a price-setting mechanism for production and trade and they have developed into a major centre for the distribution services of domestic and foreign grown products to the European markets. Since January 2002 the Flora Holland has merged a number of auctions (Naaldwijk, Bleiswijk, Rijnsburg, Southeast-Netherlands and Eelde), resulting in the biggest market share nowadays. It should be noted that Flora Holland is located in 5 different places, while the second largest auction in The Netherlands (Aalsmeer Flower Auction) is located in 1 place.

Apart from products handled for domestic growers, the auctions handle products from foreign growers as well. During periods when the choice of domestically produced plants and flowers on offer is less varied, products from abroad ensure that the range remains wide year-round.

The auction centres offer several methods to producers and traders to sell products. Chief among them is the auction clock. Another method is known as

Tabel 7.1 Top 15 finished pot plants traded at the Netherlands auctions, 2002

Indoor plants	Turnover 2002 € thousand	% change compared to 2001	Price 2002 €	Price 2001 €
Phalaenopsis (Orchid)	64,439	30.9	5.23	5.06
Ficus	39,260	-5.3	1.77	1.68
Dracaena	38,855	11.8	2.17	2.08
Kalanchoe	37,777	6.8	0.63	0.62
Anthurium	34,131	28.0	3.42	3.37
Dendranthema	27,932	4.2	0.80	0.83
Spathiphyllum	24,836	3.4	1.35	1.18
Hydrangea	24,326	8.0	2.88	2.77
Hedera	23,634	1.6	0.24	0.38
Rosa	20,883	10.1	0.97	0.98
Begonia	18,468	1.2	1.06	0.98
Hyacinthus orientalis	17,063	2.2	0.53	0.60
Saint paulia	16,144	-0.4	0.57	0.59
Calathea	14,684	6.3	2.38	2.12
Euphorbia pucherima	14,238	-1.6	1.04	0.95
Total indoor plants	**938,550**	**8.5**	**1.20**	**1.18**

Source: VBN (2002)

intermediary, adopted first for trading plants. Growers let the auction centre know in advance what price they wish to receive for their products. The centre then approaches traders, who either accept or reject this price. Thus a grower sometimes finds himself compelled to adjust his asking price. This process also works the other way around, i.e. the trader approaches an intermediary with the demand and prices he wishes.

At the moment, tele–auctioning and information auctioning are new developments. In tele-auctioning, it is no longer necessary for all the trolleys to pass before the clock during the auctioning. The lot being auctioned is displayed to the buyers via a large video screen in the clock front. Information auctioning is an electronic system allowing customers at home and overseas insight into the supply, one day prior to auctioning. This is effected via computer line connections between auction, exporter and customer. All lots to be sold are first recorded on digital camera.

Many traders who buy products through the auction centres have their own office/premises there. They can rent a space in which to process all the flowers and plants they have purchased and to prepare them for dispatch.

Retail level

The market shares at retail level vary strongly between the countries. In all countries (except United Kingdom), pot plants are primarily bought at the florists'. In Sweden, Denmark, United Kingdom, Finland, Germany and Austria, supermarkets play an important role in the retail trade. The buying in bulk by retail chains exerts a great pressure on retailers. In general, the position of supermarkets and garden centres is growing in importance.

E-commerce

Electronic commerce is currently increasing in importance in the European floricultural business. All kinds of initiatives can be seen. Most activities are directed to improving information transfer and trade (between growers, auction, wholesaler and retailer).

Tele Flower Auction was one of the first electronic trade systems seen in the floricultural trade. Another early initiative by the Container Centralen (Denmark

Table 7.1 Plants turnover of the Netherlands auctions, 1999-2002
€ 1,000

	1999	2000	2001	2002
Aalsmeer Flower Auction (VBA)	154,446	158,113	167,066	414,210
Holland Flower Auction (BVH)	127,229	133,154	135,775	
Flora Flower Auction (FloraHolland)	11,389	10,355	10,152	346,705
Southeast-Netherlands Flower Auction	8,401	8,564	9,048	
East Netherlands Auction	7,908	8,071	7,885	18,395
Vleuten Flower Auction	2,682	2,426	1,942	3,625
Total	**314,054**	**322,683**	**333,868**	**782,935**

Note: The BVH, Flora Flower Auction and the Southeast-Netherlands Flower Auction have been merged since January 2002.
Source: VBN (2002, 2003)

Table 7.2 Market shares of plant sales at retail level

	Year	florists	street markets	garden centres / growers	super-markets	others
France	1999	33	17	18	26	6
Germany	2000	38	3	23	20	16
Italy	1998	54	10	24	9	3
Spain	1999	51	19	13	11	6
The Netherlands	2001	39	8	28	21	4
United Kingdom	2001	5	3	24	47	21

Source: Board of Horticulture

and The Netherlands) was Distributed Datanet (DD), a network used for sending messages and trade information. Since then, several parties have set up other systems including FlorEcom (Netherlands electronic order system, initiative of auctions and wholesalers), FlowerAccess (order system for retailers, set up at Flower Auction Aalsmeer).

In the following section, the six most important countries will be discussed for their plant trade channels. Remarkable in this section is the big difference between wholesalers in Germany and the United Kingdom, mainly due to the larger German plant market in the EU.

Germany

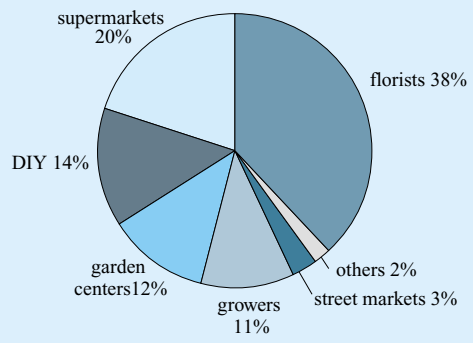
Wholesale level

It is estimated that about 1,700 wholesalers are currently active in Germany (including cash-and-carry), distributing some 53 percent of all pot plants. The rest is sold directly by growers to retailers and consumers. Most wholesalers are active in both western and eastern states. In the eastern part, former state-owned wholesale chains, which have been privatised, are also now fulfilling a wholesale function.

There are traditional wholesale markets, spread out amongst almost all the main cities (Hamburg, Berlin, Düsseldorf and Cologne). Products sold by growers and wholesalers in these markets mainly aim at regional florists.

The German auction, the NBV-UGA, plays an important role in the German plant trade. The auction has also developed so-called 'Abholmärkte' (cash-and-carry) where plants are sold. This organisation imports some plants (mainly from Europe) to complement the assortment, and even also accepts plants from foreign producers. It is estimated that 70-80 percent of production in the Niederrhein region of Germany is traded at this wholesale organisation. The main pot plants produced by German growers are the Erica gracilis, followed by Azaleas.

Figure 7.3 The German market shares at retail level, 2000



Source: Flower Council Holland (2001)

Retail level

The 13 thousand florists account for 38 percent of all plants sold to consumers. Their share is still stable, in contrast to the second most important retail outlet, the supermarket chains, whose share is increasing. The main supermarkets are Edeka, Rewe, Markant, Aldi, Lidl and Metro. Remarkable is the importance of the so-called 'Bau Märkte' or Do-It-Yourself shops (D.I.Y. shops). These shops and supermarkets mainly supply lower priced products, consequently, the market price of plants in general is under pressure.

Table 7.3 Market share of a number of supermarkets selling plants, 2000

	Indoor plants		Pirennials	
	1999	2000	1999	2000
Edeka	3.8	3.7	3.3	3.5
Rewe	3.6	3.3	3.3	3.5
Tengelmann	1.2	0.8	0.7	0.5
Markant	2.5	2.4	1.7	1.8
Spar	1.1	0.9	0.7	0.4
Aldi	3.2	3.1	3.7	4.1
Metro	2	2.4	1.3	1.5
Others	3.3	3.1	2.6	2.6
Total	**20.7**	**19.7**	**17.3**	**17.9**

Source: Flower Council Holland (2001)

Garden Centres and "Do-It-Yourself"

The number of DIYs (Do-It-Yourself) with their own department for flowers and plants is increasing. These DIYs are more professionally equipped and therefore are considered as garden centres. The distinction between DIYs and garden centres is nowadays not easy to make.

DIYs mainly supply plants not because of their lack of knowledge on and expriences with flowers, but rather because of the degree of care and attention flowers require in comparison to plants.

In 2000, there was a total of 3,200 garden centres and DIYs with departments for garden products. The most important garden centres in Germany are Dehner, Blumen Risse and Klee Garten-Fachmarkt. The number of DIYs with a garden department increased, mainly represented by Obi, Praktiker, Toom, AVA-Marktkauf, Hornbach and Bauhaus.

In Germany, the increase of selling points resulted in a competitive war, in which price is regarded as a weapon. Important aspects during purchasing are "quick", "frequent", "efficient quantity" and "complete". Just-in-time suppliers are more in demand, resulting in orders placed more often and for small quantities.

Growers
Growers with a direct channel to consumers have a positive image amongst older people. According to German consumers, growers supply varied plants and of good quality. It could be difficult for consumers to reach growers since they are usually located at places outside purchasing centres, or at the border of cities. Many growers are also located nearby funeral/cremation facilities.

Indoor plants accounted for 27 percent of growers' total turnover, while perennials have a market share of 28 percent.

France

Wholesale level
In France, about 230 wholesalers trade in plants. The number of wholesalers is still growing.

There are 12 wholesale markets in France. These can be separated into dispatch markets situated in the production areas, and markets around the large cities. The main wholesale market is at Rungis, which supplies Paris and the large region surrounding it. The other markets are situated in Lille, Lyon, Nantes, Bordeaux, Marseille, Rouen and Toulouse. There are two main markets situated in southern France at Nice and Hyères-Ollioules, which mainly market regional produce.

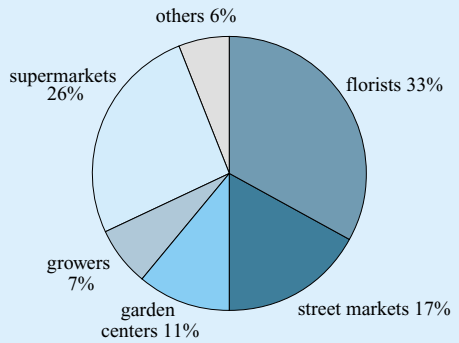
It should be noted that, due to the protection that the French wholesale markets enjoy, they differ from other EU markets. Access to the wholesale markets in France is therefore limited. This protection is not in line with the EU competition clause and, therefore, it is expected that the wholesale markets in France will be opened up and become accessible to others in the future.

Retail level
In France, most pot plants are sold at the florist's, accounting for 34 percent of total retail turnover. Over the last few years, the market share of florists has been eroded by the strong growth in sales by supermarkets.

The role of retail chains is becoming more important. Garden centres and supermarkets are channels through which plants are being distributed. The garden centres have a strong market position due to their organisation. About 50 percent of the garden centres are organised and joined centres. The most important French garden centres are:

- Jardiland with 80 shops
- Truffaut with 28 shops
- Delbard with 16 shops
- Vilmorin with 58 shops
- Gamm vert with 620 shops
- Semaphor with 50 shops

Figure 7.4 The French market shares at retail level, 1999



Source: Oniflor (2001)

United Kingdom

Wholesale level
There are about 35 wholesale markets in the United Kingdom, where flowers and pot plants are traded. Wholesalers trading outside the wholesale markets, so-called "secondary wholesalers", have been growing strongly in importance in recent years. In general these "secondary wholesalers" have a broader assortment and are more modern in marketing and sales development than the other wholesalers.

Wholesalers accounted for 36 percent of the total market for plants. The difference between plants and cut flowers is that the market share of "Flying Dutchmen" (wholesalers who deliver direct from their truck to retailers all over Europe) is not that large, accounting for 10 percent of the market. This is of course to the advantage of the UK suppliers distributing their products to florists. The market share directly purchasing from Netherlands exporters is smaller than in the case of cut flowers and amounted to 4-5 percent.

The phenomenon of cash-and-carry is not that common in the United Kingdom as in countries like The Netherlands, Belgium and Germany. It accounted for only 1 percent of the market in the UK.

Retail level
Supermarkets and garden centres are the leading retailers of pot plants in the United Kingdom. The market share of garden centres is decreasing, however, while supermarkets and DIY shops are increasing in

importance. The share of supermarkets increased from 34 percent in 1996 to 51 percent in 2001. Florists and garden centres consider supermarkets as strong competitors, since supermarkets are able to offer low-priced plants. In order to compete with supermarkets, they focus on services, knowledge and quality.

The rate of circulation of plants supplied by supermarkets in the UK is high, consequently fresh and new products are regularly offered. The disadvantage of buying plants at supermarkets is that these stores are not equipped with staff who are knowledgable on plants. Nowadays, this problem is solved by hiring professionals for this department of a supermarket. Supermarkets mainly supply flowering plants.

Garden centres mainly distributed garden plants, perennials and indoor plants (mainly foliage plants). Consumers purchase plants at garden centres due to the knowledge of staff and the pleasur of shopping there. The margins used by garden centres are averaged at 100 percent. Products supplied by garden centres and DIYs score high on quality, price and assortment, however, DIYs' services are less than services offered by garden centres. Furthermore, plants supplied by DIYs are generally not suitable for special occasions, since the type of plants supplied is cheap and often not beautifully presented. Nevertheless, the role of DIYs is on the increase.

The Netherlands

Wholesale level

The wholesale trade is being restructured, and a reduction in the number of companies and a concentration of the volume of businesses can be observed. The operators who are making the most progress are the exporters in developing countries working with the supermarkets.

There are two main wholesale distribution channels for imported products in The Netherlands: the co-operative auctions and private importers.

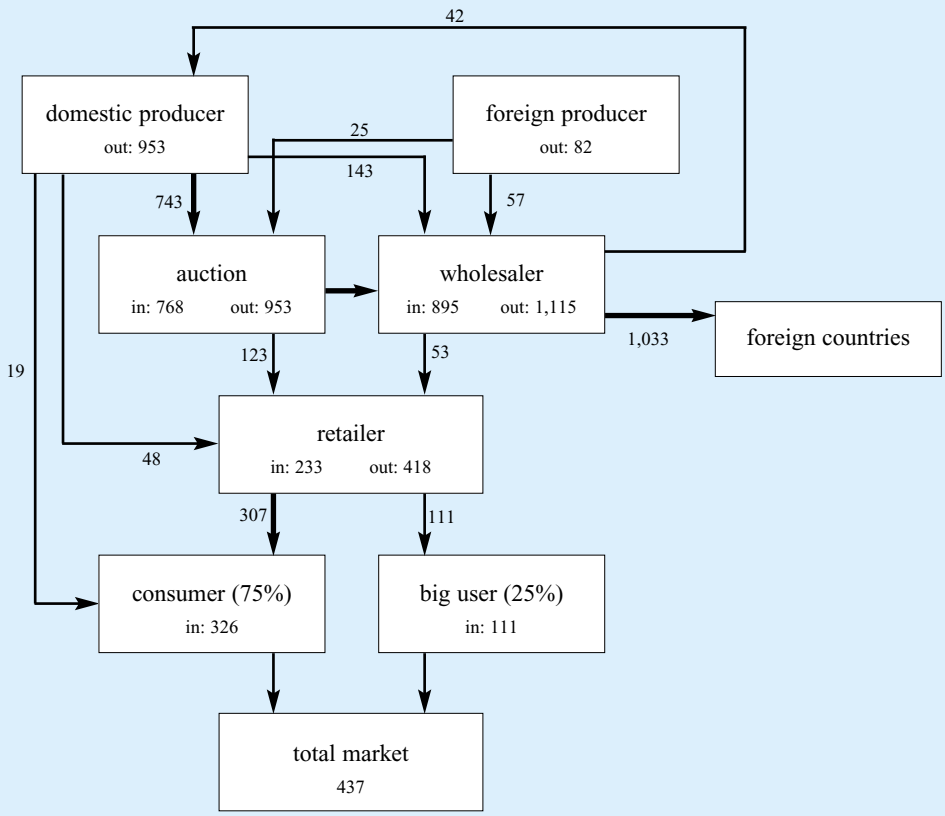
Auctions

The Netherlands floricultural trade is based strongly on the auction system. The two largest auctions (FloraHolland and Flower Auction Aalsmeer) accounted for about 97 percent of the total auction sales of plants. In the case of imports of plants, auctions are less important than for cut flowers.

Importers

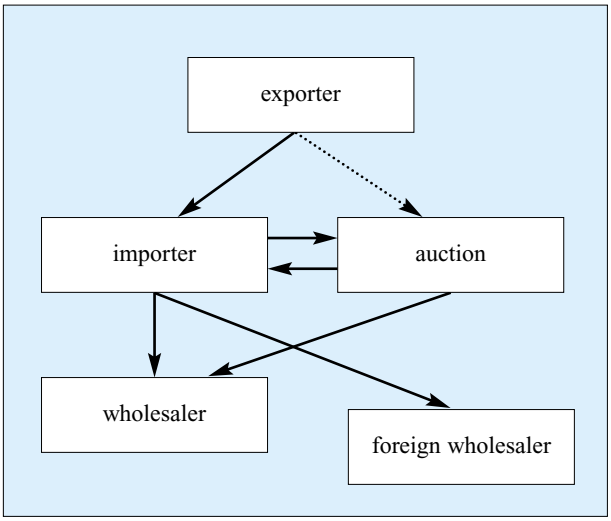
Most exporters in developing countries sell their products directly to importers. In the case of plants,

Figure 7.5 Netherlands distribution of plants, 2000 million €



Source: PT (2001)

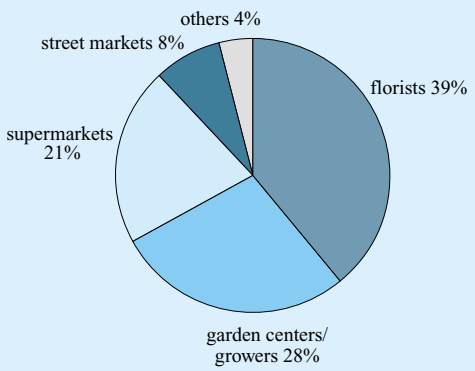
many importers are actually wholesale nurseries (or so-called 'handelskwekerijen'). Importers, in turn, can sell the imported products also at the auctions or sell them directly to (foreign) wholesalers.



Wholesalers sell to retailers. The so-called 'flying Dutchmen' are wholesalers who deliver direct from their truck to retailers all over Europe. The number of wholesalers is decreasing, partly because of the success of cash-and-carry centres, which have approximately a 70 percent market share for plants.

Retail level
The number of supermarkets in The Netherlands has decreased considerably, and is expected to fall even more. On the other hand, the size of supermarkets is increasing.

Figure 7.6 The Netherlands market shares at retail level, 2001



Source: HBD (2002)

Supermarkets do not play an important role for institutional market demand. Consumers, in contrast, spend € 151 million on plants at supermarkets. About 47 percent of the supermarkets in The Netherlands holds assortments of cut flowers and plants.

Garden centres have increased their market share regarding plants. About 25 percent of middle-sized and large companies purchase plants at garden centres.

Both flowering and foliage plants are mostly purchased at the 4,656 more expensive florists. The importance of garden centres is somewhat stronger for foliage plants than for flowering plants.

Italy

Wholesale level
In Italy, domestic growers must market their own products to the wholesalers and retailers, and sometimes even to the consumer, hereby competing with each other. Two kinds of wholesaler markets exist in this country: "dispatch markets" and "wholesale markets".

Italian dispatch markets, where growers offer their produce to the wholesalers, are mainly situated in the production areas (San Remo, Pescia, Viareggio, Ventimiglia, Kari, Vittoria and Napels). The other wholesale markets are situated in the major cities (Genoa, Milan, Messina, Rome and Turin), where retailers buy flowers from wholesalers.

About 30 percent of the local production is distributed through the dispatch market. Since the products are often of inferior quality, this market has no influence on the market price.

Netherlands exporters have a good name in Italy due to their large assortments and quick delivery. More and more Netherlands exporters are supplying large Italian wholesalers.

Retail level
At the retail level, the main share is traded by florists. This group is followed by garden centres and growers. Street vendors and supermarkets are of minor importance in Italy. However, street vendors play a more important role in the markets for cut flowers.

The Italian retailers are now being confronted by modernisation. There is a fundamental divide between the economy and development in the north (stable/flourishing) and the poorer south. Most of the hypermarkets, supermarkets and retail chains are located in the north of the country: Piemont, Toscane and Veneto.

Spain

Wholesale level
The lion's share of production is distributed through wholesalers. The relationship between distribution and

production in Spain has always been strong. Many producers supply wholesalers, who in their turn supply retailers, producers and exporters. 65 percent of pot plants is directly supplied by producers/wholesalers. Imported plants are mainly distributed by special wholesalers.

Direct to the consumers	10%
Special wholesalers	25%
Producers/wholesalers	65%

Retail level
About 65 percent of the total cut flowers and plants was distributed by florists. Spain had counted 8,000 sales points of cut flowers and plants, of which 6,000 is represented by special flower shops. The retailer sells flowers as well as plants. About 57 percent of the turnover of florists is accounted by plants, and 43 percent by cut flowers. The margins used by florists are generally high, consequently, flowers are considered as a luxury product.

A relatively new but strongly increasing channel for pot plants is garden centres. The garden centres are mainly located nearby big cities.

	Margins
Florists	200%
Garden centres	100%
Supermarkets	80%

7.2 Distribution channels for developing country exporters

The ways in which importers establish new contacts with suppliers from developing countries are the following:
- visiting the country in which one intends to set up/expand production capacity;
- recommendation by someone from an importer's network (e.g. embassy);
- international trade fairs;
- samples sent by producers (very rarely).

Exporters in developing countries could approach the market by:
- inviting EU importers to visit their companies;
- building a network in order to extend their contacts;
- visiting international trade fairs;
- sending samples to EU importers.

Young plant material
In the case of young plant material, the large importers state that a good way to approach the market is by establishing direct contacts between importers and exporters. Note that this should not be accomplished through trade fairs.

Large importers are not very positive about trade fairs as an instrument to promote the access of exporters in developing countries. This opinion should be obvious as, at the fair, exporters gain direct contact with European growers, while big importers prefer to remain in firm control of the trade.

For European growers, however, importing via large importers may be the most effective way to come in contact with suppliers of young plant material. Large importers know the language of the region, they know all about logistics and transport tariffs (by sea and air) and they are familiar with the payment methods. Furthermore, they are constantly in contact with the producers in developing countries and they generally have their own personnel overseas, in order to guarantee constant quality and to coach local staff wherever necessary.

Young cut flower material
Most young cut flower material in Europe is produced by The Netherlands, followed by France and Germany. In the case of roses, the importance of France and Germany is more distinct. The high quality of the cuttings required by the European growers is the main reason for the large domestic supply in the important buying countries. The market is dominated by a few large players.

Nevertheless, an increasing amount of Dendranthema and Dianthus cuttings is imported from abroad, as labour costs and climatic conditions are other significant factors. Propagators hardly ever import these cuttings directly from foreign companies, since usually, they have set up their own production facilities in developing countries or they make use of joint venture constructions.

Pot plants
The products mentioned in the group small and medium-sized finished plants are finished plants targeting the consumer market. Nearly all pot plants, particularly smaller flowering varieties (Azaleas, Begonias, Cyclamen, etc.), are produced in Europe. The supply by growers in developing countries is negligible.

The product group pot plants is not very interesting for developing countries, because they are not able to produce pot plants more cheaply than European growers. Furthermore, transportation costs are a major obstacle for exporting pot plants.

Flowering plants
The main supplying countries of flowering plants are The Netherlands, followed at distance by Denmark, Belgium, Italy and Germany. Maintaining the quality of small flowering plants during transport is difficult, when transporting over larger distance. As a consequence, imports of flowering plants from outside Europe are negligible.

Foliage plants
A large number of foliage plants originally stems from tropical regions. The direct imports of finished foliage plants from developing countries, nevertheless, is rather limited. Note that developing countries export young plant material like Dracaena and Yucca canes to Europe, where they are further cultivated to become finished full-grown plants.

Interior landscaping
The number of buyers of products falling under this group is limited. Generally, importers specialised in supplying interior landscaping know their way in this specialised market, and therefore are not eager to search for new suppliers. The access to this market segment for exporters in developing countries is limited.

8 OPPORTUNITIES FOR EXPORTERS

The market for floricultural products consists of a range of product groups with largely varying opportunities for developing countries. The whole floricultural market can be characterised as highly competitive and, noticeably, many importers mention that they are looking for something new, special, different. Importers will not easily change from one floricultural supplier to another, but co-operation with someone supplying a new product is considered very attractive. If you have a new speciality, you can make higher profits than with the conventional floricultural products.

Interviews with importers revealed that quality is the main constraint for co-operation with producers in developing countries. Quality comprises a wide range of aspects such as:
- management
- communication
- continuity (constant, sufficient supply)
- standard sizes
- packaging.

Quality in general is always a potential bottleneck for floricultural products, for which high quality demands are set. Sound management is the basis for good quality of the product. If a producer is not able to set up a good management system, he will not be able to produce products of a quality level that is required by the European trade.

For more detailed information please refer to Part B and Part C of the survey.

Interesting products

Pot plants
The product group pot plants is not of any interest for developing countries. Developing countries are not able to produce more cheaply than European growers. Nearly all European growers of tropical pot plants either buy their young plant material from importers or they have their own production facilities in tropical countries. Only a very small group of growers buys products directly from exporters. For this reason, Part C will focus on the market segment of young plant material.

Young plant material
This survey has revealed that the most interesting floricultural market for developing countries is the one for young pot plant material. Developing countries play an increasingly important role in this market and large importers said that they were interested in making new contacts.

Central America is a leading supplying region of young plant material, for instance: Guatemala, Costa Rica, Honduras, Dominican Republic and El Salvador. Furthermore, Ivory Coast, Sri Lanka and India have production capacity to access the European market. Ivory Coast has lost ground, with failing management being mentioned as the reason.

Young cut flower material
The market is dominated by a few large players. Nevertheless, a growing amount of Dendranthema and Dianthus cuttings is imported from abroad, as labour costs and climatic conditions are other influential factors. Propagators hardly ever import these cuttings directly from foreign companies, since usually, they have set up their own production facilities in developing countries or they make use of joint venture constructions.

It has to be noted that many leading cut flowers such as Anthuriums, Daffodils, Freesias, Gladioli, Iris, Lilium, Limonium, Orchids and Summer flowers are propagated by means other than cuttings (seeds, bulbs, in vitro etc.).

Dendranthema cuttings are hardly produced by European companies.

Variety	Sales trend	Price trend	Main origins	Factors of competitiveness
Dendranthema cuttings (unrooted)	↗	→	Brazil, Costa Rica, Guatemala, Honduras, Kenya, Uganda, South Africa, Tanzania	• uniformity • phytosanitary regulations
Dianthus cuttings (unrooted)	→	→	Spain, Canary Islands, Portugal	• transportability • price

stabilisation (→), increase (↗)

Access to the market for young cut flower material is extremely difficult for new companies in developing countries. The market is dominated by a few players, quality requirements are very high and propagators have already set up their own production facilities in developing countries or make use of joint venture constructions.

Specialties
Products traded under the Floricultural Environmental Programme / Milieu Project Sierteeltgewassen (MPS) certainly stand good chances, see also Section 9.1 of the survey.

There are steady niches for plants and smaller or larger trees (and branches) of special or rare shape such as the Bonsai tree and the Tree Paeonia. As there is only a small number of European traders of such products, therefore the best market strategy would be a direct approach rather than participation in a trade fair.

Non-tariff trade barriers
Regulations and standards with respect to quality, safety, health, environment and labour conditions are rapidly gaining importance, and are considered to increasingly pose obstacles to exporters in developing countries wishing to export to the EU. The market opportunity for developing countries also depends on these non-tariff trade barriers.

It is important that products from developing countries comply with quality and grading standards (Plant health control and CITES) as described in Section 9.1.1 of this survey. As also mentioned in this same Section, when products do not comply with these standards trade may be prohibited or restricted.

As for the labelling or certification (Sections 9.1.2, 9.1.3 and 9.1.4) it often is on a voluntary basis. However, exporters in developing countries should consider some of these instruments as a management and marketing instrument to create a distinct profile for themselves, in order to improve their market position. The proliferation of labelling and certification schemes contributes to market opportunities to exporters in developing countries.

Development of the US$ and € exchange rates
The exchange rate of the US$ compared to the € is also of influence on exports originating in developing countries. Most of the developing countries use the US$ as a “trade-currency”, meaning that this is used to calculate cost prices and turnovers. As the US$ is at the moment of less value than the €, the trade has become attractive for many developing countries. The lower exchange rate of the US$ has resulted in lower cost price, and at the same time turnovers are relatively higher as the products are exported to euro countries

Part B
EU Market access requirements

9 REQUIREMENTS FOR ACCESS

This chapter will only deal briefly with the relevant issues within this subject. References to relevant information sources will be made. Since CBI's AccessGuide is an important instrument providing the larger part of the information described below, Appendix 7 includes interesting articles, which have been used in this chapter.

AccessGuide
AccessGuide is CBI's database on European non-tariff trade barriers, specially developed for companies and business support organisations in developing countries. Registered companies and organisations have unlimited access to AccessGuide information.

Exporters in developing countries wishing to penetrate the European Union should be aware of the many requirements of their trading partners and EU governments. Standards that are being developed through legislation, codes, markings, labels and certificates with respect to environment, safety, health, labour conditions and business ethics are gaining importance. Exporters need to comply with legislation in the EU and also have to be aware of the many market requirements. AccessGuide provides clear information on these standards and their implications.

For more information please refer to www.cbi.nl/accessguide.

9.1 Non-tariff trade barriers

9.1.1 Legislative requirements

Regarding the plants and young plant material, the following regulations are relevant:
- Plant health control
- CITES regulation
- Breeders' regulation

The following texts will deal briefly with these standards. For more detailed information on the first three standards, please refer to CBI's AccesGuide.

Plant health control
This legislation is laid down in **Directive 2000/29/EC** on protective measures against the introduction into the Community of organisms harmful to plants or plant products and against their spread within the Community. Directive 2000/29/EC replaces Directive 77/93/EEC. The essence of the legislation is that the member states have to ban the introduction into their territory of:

- harmful organisms,
- plants and plant products which are contaminated by the relevant harmful organisms,
- introduction into relevant protected zones of certain harmful organisms and certain plants and plant products.

Harmful organisms can, for instance, relate to certain insects, mites and nematodes, bacteria, fungi and viruses and virus-like organisms.

The harmful organisms or the plants and plant products which are contaminated with certain organisms are listed in the Annexes to the Directive.

When plants and plant products are imported in the EU from third countries (non-EU member states) and when these plants and plant products are listed in Annex II of the Directive, this implies that all batches will be checked as to contamination by the harmful organisms. If the batch is contaminated, steps will be taken.

All plant products, including products other than those plant and plant products mentioned in the Directive are checked as to their quality when they are imported. If during such an inspection or any other inspection harmful organisms listed in Annexes of the Directive are found, steps will be taken as well.

It is therefore vitally important for exporters in developing countries to be aware of the fact that certain harmful organisms which might be present on their produce are banned from introduction in the EU and that certain product groups will always be inspected regarding these organisms.

CITES regulations
The Convention on International Trade in Endangered Species (CITES) lays down provisions for the protection of endangered species of flora and fauna through controls of the international trade in specimens of these species.

Note that according to CITES, the trade in products containing material from endangered species may be prohibited or restricted. This regulation is of special importance for flowers and plants, leather articles, handicrafts and jewellery. Check the CITES lists, to find out whether or not your product contains material from endangered species.

It is important for producers in developing countries to know that there is an EU Regulation (338/97 EC) which harmonises the implementation of CITES in the EU. This is more strict than the CITES convention and sets additional import restrictions.

CITES lists the relevant endangered species in three separate appendices. It is important that producers in developing countries know which provisions apply to which species in each of the appendices. The species are listed in the detailed legislation of Council Regulation (EC) No 338/97 which can be examined on the EU website.

Breeders' regulations
Creating and selecting new plant varieties diversifies the number of varieties offered on the market. Furthermore, the technical performance of varieties in terms of yield, size, appearance, disease-resistance and adaptation to different agricultural and climatic conditions, is improved. In this respect, the breeders' work benefits the whole industry by making productive plant-based materials available to producers and invigorating the market by constantly introducing new products.

There are several protection frameworks for new plant varieties:
1. International level: UPOV (International Union for the Protection of New Plant Varieties);
2. European level: CPVO (Community Plant Variety Office);
3. Other countries: national patent registration offices.

Protection in countries belonging to the UPOV
The UPOV is a group of countries which operates according to the principles of the Convention of the same name in 1961 in Paris (revised in 1972, 1979 and 1991). The registered office of this inter-governmental organisation is in Geneva (Switzerland). The purpose of the UPOV Convention is to ensure that the member States of the UPOV acknowledge the achievements of breeders of new plant varieties, by making available to them an exclusive property rights, on the basis of a set of uniform and clearly defined principles. The rights are granted for a limited period of time (25 years) at the end of which varieties protected by them pass into the public domain.

The Convention therefore established four simple protection principles:
1. The creator of a variety is the only person who can ensure its multiplication;
2. Protection applies to all parts of the plant, and to the products derived from harvesting that plant;
3. The breeder is fully entitled to authorise the commercial use of all or part of his protected variety in exchange for the payment of a fee or royalty; and
4. The notion of an essentially derivative variety (the breeder is also protected against varieties too close to his own).

For more detailed information, please refer to the Internet site: www.upov.int.

Protection in EU countries (CPVO)
The CPVO is a Community institution, seated in Angers (France) with independent legal status and has been operational since 27 April 1995. Protection to breeders is offered by a Community Plant Variety Right (CPVR), which is an industrial property right, like patents and copyrights, but designed for plant varieties of which material is produced and commercialised.

Before April 1995, a breeder wanting to protect a variety throughout the European Union had to submit an application to each of the Member States. Since the new Community Plan Variety protection system was introduced, the applicant needs to submit only one application to obtain the same level of protection. Community plant variety protection always goes beyond national protection (or a patent), so these forms of protection are never combined.

In order for a specific variety to be granted Community protection, a technical examination of its distinctness, uniformity and stability (DUS) must be carried out. To avoid needless repetition, the CPVO can make use of the results of earlier DUS examinations carried out by the examination offices of the Member States for official purposes. More information can be obtained from CPVO in France or from the national institutions like the Board for plant breeders' rights in The Netherlands (for addresses please see Appendix 3.5).

Other forms of protection: patents and trade marks
Patents:
The TRIPS rule (Trade-Related Aspects of Intellectual Property) of the World Trade Organisation stipulates that member countries must develop provisions for the protection of varieties in their territory. TRIPS allows its member countries to choose between joining the UPOV and using patents.

Trade mark:
Since 1 April 1994, breeders have been able to apply for a European trade mark. This can be used by the breeder and by companies which pay for the use of licences. Trade marks can last longer than protection rights, which are limited to 25 years.

Licence agreements:
A breeder can decide to entrust the production of a protected variety to 'licensed' companies. He must then entrust the marketing material to the multiplier. The multiplier is required to identify the plants by their names and trade marks. Licences can be exclusive or non-exclusive. In the case of a non-exclusive licence, several companies can protect the variety.

Breeder's right and developing countries
When an exporter would like to do business in a plant to which a patent is applied, he can only obtain young plant material from the one company holding the patent. Propagating of this plant matrial is also prohibited.

Useful Internet sites

AccesGuide (quality and grading standards)
www.cbi.nl/accessguide/
CITES **www.cites.org**
Environment Directorate General
www.europa.eu.int/comm/dgs/environment
Food and Veterinary Office
www.europa.eu.int/comm/dg24
Plantenziektenkundige Dienst
(part of the Netherlands Ministry of Agriculture, Nature Management and Fisheries)
www.minlnv.nl/pd
UPOV **www.upov.int**
CPVO **www.cpvo.fr**

9.1.2 Trade-related environmental issues

Environmental, social, health and safety aspects play a role in preparing the product group 'plants and young plant material' for export to the European market. Environmental aspects of products have become a major issue in Europe. Besides governmental actions (legislation and regulation), a strong consumer movement is noticeable especially in the northern parts of the EU (Scandinavia, Germany and The Netherlands). It is the objective of this section briefly to highlight several aspects which currently play an important role in the EU. For more detailed information, please refer to CBI's AccessGuide.

Sustainable development for businesses
The concept of sustainable development, adopted by nearly all the countries in the world in the 1992 Rio de Janeiro Conference, represents the philosophy that economic development should automatically take into account the issue of the environment, recognising the fact that polluting activities now will have great (negative) impacts on the way future generations can live. In this respect all parties, including the general public but also manufacturers, are asked to accept their social responsibility and minimise the environmental impact of their activities. This is called sustainability.

In recent years, issues such as (environmental) Life Cycle Assessment of products, Cleaner Production (CP) and Ecodesign have all become important tools for companies to improve on the environmental performance of their products and production processes (by analysing where the environmental impacts are the largest and how a company may improve on these points). This can lead to both internal (improved efficiency) and external (perceived image) advantages.

Results of applying the above tools can be company-internal improvements in environmental performance. However, in order to be able to use the environmentally sound approach of a company to its products and production processes, 'green' marketing tools such as ecolabels (for products) and environmental management standards (for the whole organisation) have been created both by governments and private parties.

EUREPGAP
The Euro-retailer Produce Working Group (EUREP) represents leading European food retailers and is aimed at promoting and encouraging best agricultural practice in the farming of fruits and vegetables, in animal production, combinable crops and also flowers and ornaments. Therefore, EUREP developed a framework for Good Agricultural Practice, called EUREPGAP. The main aim of the initiative is to ensure food safety in the production chain.

EUREPGAP is a private standard and is applicable within Europe and worldwide. EUREP encourages the close communication of all stakeholders by facilitating communication between retailers, growers, suppliers and support organisations. For now, this standard is only applicable when supplying to one of the supermarkets/retailers that are part of the EUREP initiative.

This means that growers in developing countries should take this standard seriously when they are supplying to these parties. European food retailers will also demand the EUREPGAP standards from their suppliers, possibly including growers and exporters in developing countries.

EUREP represents leading European food retailers such as Albert Heijn, Safeway and Tesco. Besides the food retailers, there is a growing group of associate members

The major part of the previous Section has dealt with standards (plant health control and CITES) which have to be met by developing countries. This Section, however, deals with issues which are voluntary for exporters in developing countries and give them a marketing edge over the competition. Exporters should consider some of these instruments as a management and marketing instrument to create a distinct profile for themself, in order to improve their market position. The proliferation of labelling and certification schemes contributes to market opportunities for exporters in developing countries.

who support the idea and assist in drafting the proposals for the continuous improvement of the framework. The EUREP secretariat is hosted by the EHI – EuroHandelsinstitüt in Cologne, Germany. In the Netherlands, EUREPGAP cooperates with MPS (floriculture) and Certerra (horticulture). For more information on MPS, please refer to Section 9.1.2.

For more detailed information on EUREPGAP, please refer to CBI's AccessGuide.

Ecolabels and environmental friendly production
The demand for environmentally sound products is increasing, especially in the area of consumer goods. Consumers demand products which are easily recognisable as such and are labelled according to legal stipulations. The hallmark for such environmentally sound products is normally referred to as an ecolabel. The hallmark indicates that the product has a reduced impact on the environment compared with similar products. Ecolabels are voluntary and give a marketing edge over the competition. Important labels in the EU which are applicable to plants and young plant material are the Milieukeur label and the Blue Angel.

Floriculture Environment Programme (MPS)

MPS stands for Milieu Project Sierteelt, or 'Floriculture Environmental Project' and is an international, accredited environmental standard.
The standard has been promoting the use of environmentally sound methods in the cultivation of flowers and plants since 1995.

The MPS project is an initiative of the Dutch floricultural sector, including the flower auctions and several floricultural organisations. The MPS foundation's aim is to reduce the burden on the environment caused by the cultivation of flowers and plants. Growers who take part in the MPS scheme register and lower the use of fertilisers, energy and waste. The lower their consumption figures, the higher the growers' classification in the MPS grading system. All nurseries growing cut flowers, bulbous flowers, pot plants, herbaceous perennials and nursery stock can participate in the MPS project, as well as traders and florists.

Presently, MPS not only focuses on environmental issues, but also on safety, health and working conditions. The MPS participants who meet all of the social requirements may use the 'socially qualified' label.

MPS and developing countries

MPS is a business-to-business label, meaning that commitments are made within the sector without consumers' knowledge. A company can join MPS and achieve the label when it has met requirements of the environmental audit. Regular checks will guarantee that a company still is actively engaged in the regime. MPS flowers and plants are priced the same as flowers and plants from other sources, however, MPS products are often of a better quality. It is quite difficult for exporters in developing countries to acquire the MPS label since audits are expensive and, furthermore, the label is created on the basis of quality requirements from the Western countries. However, developing countries should consider MPS label as a management and marketing instrument.

For more detailed information, please refer to CBI's AccessGuide.

Environmental standards
The ecolabelling procedures are purely aimed at the products and will indicate that the product with a label has a lesser impact on the environment than other similar products. If a manufacturer, however, wants to indicate to external parties that he is manufacturing in an environmentally conscious way, then he has to comply with norms which have been developed for this purpose. At the moment, the most interesting standard for exporters in developing countries is ISO 14001.

The purpose of the ISO 14001 standard is essentially to enable the international recognition of an individual company's environmental management system. The relevance of the standard for the future can be clearly seen by following the development and uptake of the ISO 9001 and ISO 9002 quality standard. Although voluntary, customer pressure is resulting in the ISO 9001 and IS0 9002 quality standard becoming increasingly necessary for doing business around the world. Similarly, the ISO 14001 environmental management standard may become a de facto requirement for being able to compete in many regions of the global marketplace. Check the ISO website for more information or refer to CBI's AccessGuide.

Another environmental management standard that is also operational in the European Union is the Environmental Management and Audit Scheme (EMAS). This scheme was set up by the Comité Européen de Normalisation (CEN) in 1993. However, EMAS registration is only possible for EU based businesses. Presently, there are more than 8,000

companies world-wide ISO 14001 certified. In comparison, some 2,000 companies are EMAS verified.

Production-related issues
The cultivation of flowers and plants can potentially be environmentally very unsound, depending on the manner of cultivation and the chemicals used for disease control, pest and weed control, as well as the use of fertilisers. Inappropriate floriculture methods can seriously damage and pollute large areas of land and water. Too much use and misuse of, often toxic, herbicides and pesticides can cause damage to human, animal and plant life.

Plants can be nursed and grown in soil or by using artificial soil media. Artificial soil media have environmental advantages and disadvantages. The main advantage is that generally less pesticides are needed. The main disadvantage is the production and disposal of these media.

The amount of waste, caused by dumped containers, can be reduced by using containers which are made of biodegradable materials, for example peat, paper or biodegradable plastic. Another option is to collect used plastic containers and re-use or recycle them. If possible, containers made of recycled plastic should be used.

Fertilisers
The extensive use of fertilisers can cause eutrophication (the aging process of a body of water choked by plant life; evolution into a marsh, with the depletion of available oxygen followed by eventual disappearance) threaten the supply of drinking water, cause atmospheric emissions and effect the crop quality. Experiments prove that it is possible to grow plants without chemical fertilisers. Manure from barnyards, stables or feedlots can be used as natural fertilisers. Other sources of organic or natural fertilisers include bone, castor bean, cottonseed, fishmeal, dried blood and sewage sludge. Furthermore, it is possible to collect waste from agricultural and floricultural companies and compost it.

Pesticides
The use of pesticides can have various environmental and health impacts. It is important for farmers and workers to deal with pesticides in a way that will have little or no effect on their health and the environment. Awareness of different ways to control pests is important: alternative methods, integrated pest management (IPM) and developments in biotechnology. If pesticides are used it, is important to take the necessary precautions.
For more detailed information, please refer to CBI's AccessGuide.

In vitro cultures
The most obvious advantage of *in vitro* cultures is that more plants are produced more quickly from a limited number of stock plants. A negative environmental impact of *in vitro* culture might be that the biodiversity is reduced, because the cells of one (or just a few) plants are multiplied. On the other hand, crossing different cells in *in vitro* culture can increase biodiversity. Applying *in vitro* cultures can have several advantages for growers in developing countries. *In vitro* culture growing is often labour intensive, which makes it attractive to be applied in developing countries. Furthermore, older varieties of certain plants can often be found in developing countries; these are stronger because they have grown without chemicals, sometimes with little irrigation and in poor soils. These varieties can be used for multiplying by using *in vitro* cultures.

9.1.3 Trade related social and health & safety issues

Health and safety issues
The growing social awareness in the EU may have implications for companies in developing countries in their capacity as trading partners. However, occupational health and safety should not only be important with regard to demands on the EU market. The issue is also essential to get better motivated personnel with respect to productivity, product quality, and therefore, a stronger position on the trade market.

The prime health and safety concern in this sector is the use of pesticides. Not only can the use of pesticides cause immediate and long term health and safety problems at the production site, but they can negatively influence the competitiveness of the products on the EU market as well. Other important issues are good housekeeping, safety of machines and physical straining.

Concerning working conditions, the best method is of course not to work with pesticides. If this cannot be avoided, the employee should have access to facilities to take a shower after working with the pesticides. While spraying, a mask with a clean mouth-filter should be worn. Furthermore, it is important that employees do not drink, smoke or eat during working with pesticides and that they wear appropriate protection equipment. The instructions on the can should be read or explained and the cans should be handled carefully (difficult movements, such as climbing onto a tractor, should not be made). The mixture should be made outside, out of the wind, using suitable specific instruments.

Social issues
With the rise of socially responsible consumerism, all actors in the product chain from primary producers to final consumers are in need of market based tools to address social accountability.

Social Accountability 8000 (SA8000) is a universal management system for companies seeking to guarantee the basic rights of their workers. The standard is applicable to all industries and is based on the internationally accepted ILO Conventions. Starting with certification of many toy manufacturers, manufacturers of garments, manufacturers of plastics and manufacturers of pharmaceuticals, it now has 183 facilities certified, 31 industries represented and 30 countries involved.

Exporters in developing countries trading with European companies and wish to demonstrate to companies and consumers that they are treating workers fairly can apply for certification. Applying codes of practice in Europe is not without its problems, but in developing countries, their implementation will be even harder for exporters and growers. Many developing countries suppliers feel frightened by the number of requirements in codes, and feel resentful because they think they have to incur extra costs often without clear financial reward. However, if importers show suppliers that they understand their constraints, and show willingness to provide some support with the most difficult areas, both sides can benefit from improved trading relationships.

Useful Internet sites

EUR-LEX *(official documents and legislation, including preferential arrangements)*
www.europa.int/eur-lex
Environment Directorate General
www.europa.eu.int/comm/environment
EU Eco-label
www.europa.int/comm/dg11/ecolabel/index.htm
European Environment Agency
www.eea.eu.int
Milieukeur
www.milieukeur.nl
Milieu project Sierteelt
www.st-mps.nl
Skal **www.skal.nl**
RAL **www.ral.de**
Bio-Siegel
www.bio-siegel.de
International Organisation for Standardisation (ISO)
www.iso.ch

For more information, please refer to CBI's AccessGuide.

9.1.4 Packaging, marking and labelling

Packaging is used to protect products against mechanical damage and to create a more favourable micro climate. It is another essential factor in ensuring the product's quality, since it both presents the product and protects it. However, according to the way in which packaging is applied, it can also be a major risk to quality, due to bruising and less than optimum conditions of temperature and humidity.

Different packaging materials are used, depending on the type of product and the function of protection and influence over the micro climate required. Packaging can be divided into sleeves and wraps in paper or plastic materials, and external packaging in boxes, up to the sealed pallet.

Cuttings and other young plant material are usually transported wrapped in paper and put in boxes. Canes are also transported in crates. Big-sized plants, like palms for the interior landscaping market, are wrapped in plastic sleeves when transported to Europe.

Mechanical damage

Handling of carton boxes, as well as vibrations during transport, may cause mechanical damage to the packed products. The most effective way of preventing such damage is "compact packaging", a rather tight wrapping of the flowers and plants in sleeves, cylinders, etc. When placed in carton boxes, flowers may be pressed together by interior filling (wood, foam), in order to prevent movement during distribution. Sensitive flowers heads may need to be separated by specially designed folding carton pieces.

When plastics or rubber materials are used to immobilise flower stems, the degree of friction between this material and the stem should be measured (drop test of the box). As a matter of fact, it may well be that a friction material has good properties for protecting a flower stem. Two observations must be made about the packaging of flowering plants. First, one should take into account that the stacking strength of a carton box depends on the length of the horizontal edges, which show vertical fluting, and second, that a carton box delivers its maximum strength when compressed over a depth of 1-2 centimetres. Therefore, a filling grade of 100 percent will result in a situation where the flowering plants bear the total load and the box nothing at all. Overfilling of a carton box of flowering plants is a major error, which commonly occurs in today's practice. It should, therefore, be avoided at all cost.

The packaging has to satisfy a number of conditions, mainly in the field of handling, and the protection of

the quality. The transport volume must be as efficient as possible, and a high level of uniformity is desirable. In order to optimise transportation, it is recommended to use boxes, the measurements of which are in accordance with the EU pallet sizes or the airfreight pallet.

Since changes in the environmental policy follow each other at a rapid pace, exporters are advised to ask the importer about the latest regulations and/or requirements related to packaging.

The trade in flowers and plants generates a considerable amount of (transport and sales) packaging waste such as boxes, trays and plastics. Furthermore, packaging materials can cause pollution due to toxic substances. The best solution should be found in environmentally sound packaging, while sufficiently protecting the plants. It is important to use re-usable and recyclable material and to limit the amount of packaging where possible.

9.2 Tariffs and quota

In general, all goods entering the EU are subject to import duties. External trade conditions in the European Union are mostly determined by EU regulations. The level of the tariffs depends on:

- country of origin
- product

In order to support exports from developing countries, the EU operates the Generalised System of Preferences (GSP). Under the GSP scheme of the EU, imports from a number of developing countries are admitted at a reduced tariff and imports from a group of least developed countries at a zero tariff.

Based on the outcome of the Uruguay Round, and the general trend towards liberalisation of world trade, it was felt necessary to reconsider the GSP. A general lowering of trade barriers would mean an erosion of the relative advantage of the preferences received by developing countries. A renewed GSP was therefore required. The renewed preferential scheme was introduced on 1 January 1995.

The EU Commission has established a new scheme of preferential rights since 1 January 1997. This new scheme was formally published under Regulation EC 1256/96 in the Official Journal Nr. L 160. It also applies to floricultural products.

Import duties specified are applicable for a number of developing countries. A form A or EUR I form has to be provided, in case a tariff is applicable and the exporter in a developing country wants to take advantage of the GSP tariff.

It should be noted that a recent tariff applied to plants and young plant material originating in Costa Rica is 0. However, from November 2003, tariffs will increase to

Useful Internet sites

Netherlands Custom Services
www.douane.nl/taric-nl
Directorate General XXI
http://europa.eu.int/comm/taxation_customs/publications/info_doc/taxation/tva/taux_tva-2002-5-1en.pdf

Table 9.1 European Union import tariffs (as a percentage of CIF value), without duties and VAT

HS code	Description	Customs duties (%) Conventional	Developing countries
	Young plant material		
0602 10 90	Unrooted cuttings and slips (excl. Vines)	4	0
0602 90 70	Rooted cuttings and young plants (excl. Cacti)	6.5	0-3.0
	Outdoor plants		
0602 90 51	Perennial plants	8.3	0-6.6
0602 90 59	Other outdoor plants	8.3	0-6.6
	Indoor plants		
0602 90 91	Flowering plants (excl. cacti)	6.5	0-3
0602 90 99	Foliage plants	6.5	0-3

Source: Internet site of the Dutch Customs (www.douane.nl/taric-nl), April 2003

50 percent of the above stated tariffs. As from 2004 onwards, the conventional tariffs will be applicable.

Regarding plants and young plant material, no quotas are applied.

Financial instruments in the EU
Besides legislation, one of the instruments of the EU to promote environmentally sound products is the awarding of (tariff) preferences or the levying of so-called 'environmental taxes' on products. An example of preferential systems is the General System of Preferences (GSP) encouragement regime (see above). On the other hand, in the EU, various financial instruments are being used to discourage the entrance of polluting products in the market. This happens through the establishment of specific taxes, like the so-called 'ecotax'.

Value Added Tax (VAT)
All fiscal borders disappeared in the EU on 1 January 1993. The EU decided at that moment that all VAT (tax levied at the consumption level) rates for floricultural products must be harmonised at a high level. It was proposed to set this level at a minimum of 14 percent in 1997. However, many countries, especially those with significant domestic production, are lobbying for a low VAT rate on ornamental horticultural products, and other agricultural products.

Taxing ornamental horticulture at a high rate can have substantial consequences for pot plants producers, when VAT drives prices up high enough to strangle consumer demand. When France increased its VAT rate, it caused a 20 percent loss of sales. Lately, France has gone back to the low rate of 5.5 percent. The proposal to increase VAT in Germany from 7 percent to 16 percent was in April 2003 cancelled.

Tabel 1.2 **VAT rates applied to pot plants in the EU, May 2002**
in %

Country	VAT rate	
Finland	22	
Sweden	25	
United Kingdom	17.5	
Denmark	25	
		↑ High VAT rate
		↓ Low VAT rate
The Netherlands	6	
Belgium	6	
Germany	7	
Greece	8	
Spain	7	
France	5.5	
Ireland	12.5	
Italy	10	
Luxembourg	6	
Austria	10	
Portugal	12	

Source: DGXXI, European Commission (August 2002)

Part C
Export marketing guidelines: analysis and strategy

PART C

How do you get involved in the international marketplace? How much time and money will it take? Should you make exporting part of your business plan? These are common concerns of growers who realise the importance of international trade, but are not sure if they are capable of exporting. That is what Part C is all about: to help you evaluate whether to get involved in international business, and learn how to go about exporting.

The first Chapters 10, 11 and 12 aim at assisting potential exporters in the **decision-making process** whether or not to export to the EU. By matching opportunities in the market with the capabilities of the company, the exporter will be able to identify suitable export products, target countries, market segments, and possible trade channels.

Subsequently, Chapter 13 provides sector specific knowledge and sources to enable the exporter to further investigate what to export, to which markets, through which channels, and at what prices. In other words, which **marketing tools** can be used to build a successful business relationship.

Keep in mind that the export marketing process is integrated; each individual part is inter-linked.

The information provided in the previous parts of this survey is an essential ingredient in conducting the analysis and formulating a well-defined export strategy. Where applicable, reference will be made to the related sections in Parts A and B.

For general information on export marketing and how to conduct market research, please refer to CBI's Export Planner and CBI's new manual on market research.

The first part of this market survey already revealed that European companies do not import finished pot plants from developing countries. The young plant industry shows better opportunities for developing countries. This not only applies to rooted and unrooted cuttings for cut flowers and pot plants, but also to services related to in-vitro or micropropagation. These export marketing guidelines will focus on potential exporters of young plant material (for pot plant and cut flower cultivation).

10 EXTERNAL ANALYSIS

The external analysis or market audit assists the exporter to identify market opportunities, suitable sales channels and many more relevant information on the market and the external environment.

10.1 Market developments and opportunities

As a first step towards the identification of the most suitable export markets, the exporter needs to research the importance of potential markets and understand the ungoing developments that shape the market structure. This should be done by means of a systematic method of market research, involving a preliminary screening of potential markets followed by a more detailed assessment of the targeted markets.

As the market for young cut flower material is quite different from the market for young pot plant material, there is no use putting effort in the analysis of the European young cut flower market if you are specialised in young pot plant material like croton cuttings.

Markets can be researched using primary or secondary data sources. Primary market research means collecting data directly from the foreign marketplace through interviews, surveys, and other direct contact with market participants. Primary research has the advantage of being tailor-made to meet your company's needs and provide answers to specific questions, but this data collection can be very time-consuming and expensive.

For a global scan of the market, most companies make use of secondary data sources such as trade statistics, to focus their marketing efforts. This type of research is a valuable and relatively easy first. Specific market developments as described in Chapters 3, 4, 5, 8 and 9 of this market survey, for instance, can be used as a starting point for your export market research.

Results of the research inform the company of the largest markets for its product, the fastest growing markets, market trends and outlook, market conditions and practices, and competitors and their products. Based on all the information, a company must decide which markets are the most promising.

Market access requirements
Quality standards and other non-tariff barriers
Section 9.1 of this survey described a wide array of non-tariff barriers which could be applicable to exporters of young plant material. It is important to determine which standards and regulations apply to your situation. Not all standards are compulsory or widely recognised by your potential customers.

Questions that need to be answered:

- Market size: What is the (estimated) market size for your potential export products? Try first to focus on your product group, then on your specific products.
- Market developments: How has the total market volume developed during the last 3-5 years? If there is no information on specific young plant products, then try to obtain information on the development of the market for finished products. It is for instance not possible to obtain exact figures on sales of yucca canes (yucca stem cuttings). Still, from the stagnating sales of finished yucca pot plants, you can determine that the market for yucca canes in all probability is also sluggish.
- Imports: How have imports developed during the last 3-5 years? Again, there probably is no specific information on all products available.
- Are importers and potential business partners in the EU interested in new suppliers of your particular products?

Where to find information?

ⓘ The market information described in **Part A of this market survey** can be very useful as a starting point for your export market research. Where applicable, the sources for this market information are also mentioned in the specific chapters.
ⓘ For more general information, you can use the EU statistics bureau **Eurostat**: http://europa.eu.int/comm/eurostat
ⓘ For a list of the European **national trade statistics bureaus**, please refer to the Eurostat Internet site.
ⓘ **Flower auctions** provide information on sales of finished cut flowers and pot plants.
ⓘ In some cases, **trade associations** are able to assist you with more specific information on product trends. For a list of trade associations please refer to Appendix 3.2.
ⓘ **Trade press**
Useful sources for information on market developments are (international) trade magazines which can be relevant for exporters who want to develop a better insight into the EU markets. Some of the most interesting magazines for exporters of plants and young plant material are:
-Floraculture International (English, free subscription)
-Horticultura Internacional (Spanish)
-Grower (English)
-Taspo (German)
-Lien Horticole (French)
Please refer to Appendix 3.4 for a more extensive list of names and addresses of publishers.

For exporters of young plant material, a compulsory regulation like phytosanitary regulations can embody a major obstacle to export to the European Union. Not only general regulations which prohibit the import of certain species and soils, but also the costs of inspection at the border could represent a major barrier.

What is more, most European propagators entering into a co-operation agreement with an African, Asian or Latin-American company introduce their own quality system. In some cases, the propagator will even insist on placing an operations or quality manager in the young plant producing company.

Keep in mind that regulations and standards are continuously changing. Therefore, it is recommended to check the up-to-date situations with importers or the relevant organisations.

Questions that an exporter should answer are:

- What standards are set on the quality of products?
- What standards on the quality of your company (ISO)?
- To what degree do phytosanitary regulations apply to the products?
- Do breeders' rights apply to your varieties (UPOV, CPVO)? Who is the owner of the varieties you produce?
- Especially in the case of young plant material that is collected from the wild, it is important to check if CITES regulations apply.
- What is the importance of environmentally sound production methods?

Where to find information?

ⓘ In Sections 9.1 of this survey, you can find information on quality standards; trade-related environmental, social and health & safety issues; and packaging, marking and labelling. This section also provides websites like CBI's AccessGuide which can be of assistance in obtaining product specific information.

ⓘ Other potentially useful information sources are colleague exporters and European importers.

Tariff barriers

At present, in the case of exporting young plant material from most developing countries to the EU, import tariffs do not apply (see Section 9.2). However, the EU has decided that a country like Costa Rica should not completely be considered as a developing country. As a result, the EU import tariff applicable to young plant material exported from Costa Rica is going to increase from 0 percent to somewhere between 4 percent to 6.5 percent in 2004 (please also refer to Section 9.2). European young plant propagators are already shifting their interest in co-operating with companies in Costa Rica to companies located in nearby countries like Guatemala and Honduras, where tariffs will remain 0 percent.

The Costa Rican example shows that exporters should not only look at the current tariff, but also consider whether the tariff will remain the same for the coming years. It is also important to bear in mind that changes in the level of import tariffs applicable to other countries may influence your competitive position.

Questions that an exporter should answer are:

- Are there import restrictions that limit sales opportunities?
- Which import tariffs apply to your export products?

Where to find information?

ⓘ Refer to Section 9.2, for information on applied import tariffs. This section also provides Internet sites that are helpful to find product specific information.

10.2 Competitive analysis

As the example in the previous section showed, competitors and their pricing will have a direct effect on the potential of your trade opportunities.

In many cases, growers of young plant material in developing countries benefit from their climatic conditions. This is often one of the most important factors that positively distinguishes your company from competitors in other countries, particularly from competitors in Europe. Other positive factors are for example labour costs, costs of land, etc.

Needless to say, there are also factors which weaken your competitive position. European companies for instance have the advantage of being close to their customers which in general makes marketing of products and communication easier. Another important difference is the fact that cultivation technology and input is readily available to European companies (see Chapter 4 of part A).

Growers of young plant material in other developing

countries also represent an important group of potential competitors. You can find useful information in Chapter 5 of Part A on product streams originating in these countries.

As an initial step towards understanding your competition, you should prepare a list of all the competition and then select who your main competitors are. To learn more about competition you can do a secondary research study and ask customers and suppliers for their opinions. You can also prepare a list of your main competitors' strengths and weaknesses.

The young plant industry is open to new entrants and you should expect increased competition. Constantly check with customers, suppliers and your competition to see if they have heard of any new businesses. These sources may also give you some insight in where and how the competition is selling their products. Which trade channels are used by your competitors, and why?

Of course, trade shows can be helpful for making contact with new customers and learning about market developments. They can however also be used to find out more about competition. If you sell young plant material, take the time to attend industry trade shows to see what your competition is like.

Important questions to be answered are:

- How many suppliers are currently active in the market?
- Who are your main competitors? What are their strengths and weaknesses compared to your company?
- To what degree is the sector in the target market supported by the local government?

10.3 Sales channel assessment

Having assessed the prospective markets and market segments, it is now also important to understand the trade structure and supply chains supplying these market segments. After the assessment of the exporter's capabilities (next chapter), the exporter is able to determine the most suitable sales channel.

The information provided in Chapter 7 of Part A should be used as a starting point.
In the case of young plant material, the exporter should clearly understand that in fact there are two distinct forms of exporting:

1) Direct exporting: selling independently produced young plant material on an arm's-length basis to European importers and growers.
2) Producing young plant material on a contract base for one or more European companies with which the exporting company has entered into some kind of cooperation agreement.

Both these types of trade relations can be found the young pot plant and young cut flower material industry. Long-term cooperation agreements, however, are found particularly in the case that growers produce young cut flower plants for European breeders and in the case of producing young pot plant directly for European growers.

On the other hand, European import / wholesale companies, which offer a wide assortment of products to their customers (growers), mostly prefer to do business on an arm's-length basis without long-term contracts. Importers are often on the lookout for specific products to complete their assortment. As the products which importers are looking for can vary per company, information on the type of products and varieties can best be obtained from these companies themselves.

Important questions to be answered are:

- Which potential sales channels exist?
- Which products do the different sales channels trade?
- What are the most important requirements of the identified sales channels? What are the conditions for an exporter to take part in a specific supply chain?
  - What quality standards do the sales channels demand?
  - What kind of packaging is used in the various sales channels?
  - What are the requirements concerning production process (environmental, ISO, MPS, EUREP-GAP, etc.)?

Where to find information?

- ⓘ Refer to Chapter 7, and Section 7.2 in particular, for information on potential sales channels.
- ⓘ For information on the sales channels for laboratories offering services in the field of in-vitro propagation, refer to the related product profile in Section 10.6.

10.4 Logistics

When transporting products overseas, the exporter ideally looks for the fastest and most efficient mode(s) of transportation that will deliver the product in perfect condition at the lowest possible costs. The actual selection will be a compromise among these factors.

In the case of young plant material, two types of international transportation can be recognised: ocean cargo and air cargo:

- Ocean transportation takes longer than airfreight, butthe cost of transportation is usually lower. This type of transportation is used for bulbs, dormant bare root nursery stock and larger pot plants.
- Due to the fast in-transit time, air shipment is mostly used. However, the cost for moving product by air tends to be higher than the cost of ocean transportation. This type of transportation is used for instance for perishable cuttings, liners, propagation material, and bare root perennials.

For highly perishable products, like most young plant material, time in transit is the critical factor in determining which transportation method should be used.

Freight rates vary depending on the product being shipped, its value, level of service provided, destination, weight, and seasonal variations in demand for cargo space.

In case of airfreight, the costs of a shipment are mostly calculated on the actual weight (in kilograms). Sea freight rates are also often calculated on the basis of the volume (length x width x height) of the shipment.

Important questions to be answered are:

- How often does the sales channel require delivery?
- What cycles of delivery does this channel require?
- What lot sizes does this sales channel demand?
- What formalities does the sales channel require to behandled by the exporter?

Where to find information?

- Also refer to Chapter 7 and Section 9.1 for information on sales channel requirements.
- Airfreight forwarders and air carriers are the best sources for obtaining freight rates. There are also companies that specialise in publishing air cargo tariffs. These publishing companies charge a fee for their services.

10.5 Prices & margins

Information on EU wholesale prices for finished pot plants can be obtained from a number of sources. ITC in Geneva collects prices at the wholesale level on EU markets and publishes a weekly bulletin. The Federation of Dutch flower auctions (VBN) publishes sales statistics for finished pot plants for the Netherlands auctions. The German auction NBV-UGA also publishes its prices.

Although a large share of European wholesale trade passes through the auction, these prices should be seen only as indicative. In the case of average annual prices, no account is taken of the possible strong seasonal price fluctuations. Furthermore, varieties are often grouped together and statistics do not specify the differences in size and quality.

Obtaining information on prices of young plant material is more difficult as this product is not traded at the European auctions. The best way to get an idea of the price level of specific products and varieties is to get in contact with European propagators, importers or growers. European growers for instance know what they pay for their planting material.

It is not possible to give an accurate picture of the margins in the trade. Trade margins vary greatly depending on the type of product (young plant material, finished plants, landscaping), the distribution channel, the continuous changes in supply and demand and the resulting price fluctuations. In the case of co-operation agreements, the margins in the young plant industry also often depend on the level of the margins in related sectors. For instance, margins for Kenyan producers of chrysanthemum cuttings are strongly influenced by the profitability of Kenyan cut rose farms as these are often able to switch from cultivating roses to producing young plants.

Sources for price information:

- ⓘ **ITC's Market News Service (MNS)**
  Information on prices of ornamental plants is available on a weekly basis.
  Internet site: http://www.intracen.org
- ⓘ **Federation of Dutch Flower Auctions (VBN)**
  The VBN publishes prices of products traded at the Netherlands auctions.
  Internet site: http://www.vbn.nl
- ⓘ **Auction NBV/UGA (Germany)**
  Prices at the German NBV and UGA auctions.
  Internet site: http://www.nbv-uga.de
- ⓘ **International Association of Horticultural Producers (AIPH)**
  Information on prices and trends for plants can be found in the statistical yearbook.
  Internet site: http://www.aiph.org

10.6 Product profiles

This section gives two product profiles for micropropagated tissue cultures and chrysanthemum cuttings. These product profiles stand model for the product profiles the exporter should develop for his own (prospective) export products. By constructing an overview of the most important products, exporters are better able to determine which products are most suited to export to the EU.

Product profile: MICROPROPRAGATED TISSUE CULTURES

1. Product information:

In-vitro culture of plants or plant cell and tissue cultures.

= Sterile isolation of plants, or parts of plants, on aseptic artificial culture media, with the aim to propagate higher plants.

Main pot plants:

- Anthurium
- Bromeliads
- Orchid

Main cut flowers:

- Alstromeria
- Anthurium
- Asclepia
- Aster
- Gerbera
- Lilium
- Limonium
- Orchid

2. Market development:

European plant development companies and suppliers of young plant material usually breed, select and propagate their own young plant material. These young plants are sold to domestic growers as well as growers abroad. The companies have switched more and more to in-vitro propagation over the last ten to twenty years.

A broader application of in-vitro propagation at this moment is restrained by a number of reasons such as induction of rest, internal infections, bad rooting, growth deficiencies, product specific problems and high costs. The high costs of micropropagation are mainly caused by the labour intensity of the process.

Many producers now recognise that the problem of the high labour costs can most probably not be solved by mechanisation. As a consequence, many European producers have been looking for low-cost specialised facilities in the rest of the world.

A trend that can be recognised is the demand for laboratories in developing countries which have experience with specific products and developed 'protocols' for these products.

Main EU buyer countries:
The Netherlands, France, Germany and Belgium.

3. Sales channels:

Laboratories in developing countries either:

a) work independently and sell their services to European companies; or
b) work under licence for the European company; or
c) enter into some kind of co-operation (joint-venture) with the European company.

The laboratories are concerned only with the multiplication process. The European company carries out the rest of the product cycle: development of new varieties, selection, breeding, marketing, etc. In the case the laboratory has not developed its own protocols for the specific product, the European company often supplies the necessary technical instructions and even the growing media.

4. Main suppliers:

Most commercial laboratories for micropropagation of plants are located in The Netherlands, France, Italy, Germany and Belgium. More and more production facilities in developing countries are used besides those in Europe. Labour costs in developing countries are low and the techniques are available. Usually, a company in a developing country works under licence of the European company.

Developing countries emerging strongly in this respect are India, Nepal, Sri Lanka and Indonesia, where many facilities produce tissue culture. Another region where strong growth in exports of tissue culture is registered is Eastern Europe. If measures concerning breeder's rights were taken, China could also become a major player in the future.

5. Quality improvement:

- It is absolutely necessary to carry out the preparation and cutting of explants, etc. on the table of a laminar airflow cabinet. **A laminar airflow cabinet** is a space in which the air sucked from the outside (a room) is first filtered through very fine filters. It is recommended that the cabinet is serviced at least once a year. The laminar airflow cabinets should be built in a special room, which is kept sterile and dust-free by the use of filters.

continued

continue micropropragated tissue cultures

- Sterilisation of nutrient media can be carried out by physical destruction of the micro-organisms by steam or irradiation, by chemical destruction, or by physical removal of micro-organisms by filtration or washing. In most cases, media are sterilised by autoclaving in large pressure cookers. Thermolabile chemicals (e.g. colchicine, zeatin, gibberellic acid) should be filter-sterilised to prevent breakdown in the autoclave.
- Microcuttings must be acclimatised to increased light intensity in much the same manner as acclimatisation to decreased relative humidity. If too much leaf surface is injured by direct transferral to higher light intensity (sun-burning), the vigour of the cutting will be reduced markedly, because the plant is too small to have enough stored starch to force a new flush of growth.

6. Factors of competitiveness:

1. Quality of the process and the product is by far the most important determinant for the success of an in-vitro laboratory.
2. Experience with particular products: for which products does the laboratory have protocols
3. Also the price of your services is an important factor as cost efficiency is the main motivation for European companies to outsource the micro-propagation process.

Product profile: CHRYSANTHEMUM CUTTINGS

1. Product information:

Unrooted chrysanthemum (Dendranthema) cuttings, young cut flower material
Main cultivars:

- Dendranthema (Indicum Gr.) Reagan (White, Sunny, Dark Splendid)
- Dendranthema (Indicum Gr.) Euro
- Dendranthema (Indicum Gr.) 'White Spider'
- Dendranthema (Indicum Gr.) 'Stallion' (santini)

2. Market development:

The market for chrysanthemum cut flowers of course directly influences demand for chrysanthemum cuttings. Chrysanthemum cut flowers are sold in bunches or used in the production of bouquets. In the European Union, the chrysanthemum is facing difficult times as demand is decreasing. Many consumers consider the chrysanthemum to be an old-fashioned flower. Nevertheless, chrysanthemums are still one of the major cut flowers sold. In the coming years, East-European markets, which are still developing, will probably play an important role in the demand for chrysanthemums.

Most chrysanthemum cuttings in Europe are produced by Netherlands companies, followed at a distance by French, German and UK companies. The high quality of the cuttings required by the European growers is the main reason for the large domestic supply in the important buying

3. Sales channels:

Most propagators import unrooted cuttings, which are then rooted in their own greenhouses. The rooting of the imported cuttings takes about two weeks. They then sell the rooted cuttings to the growers. A small portion of the unrooted cuttings is sold directly to the growers who prefer to root the cuttings themselves.

Propagators hardly import chrysanthemum cuttings directly from foreign companies. Usually, they set up their own production facilities in developing countries or they make use of joint-venture constructions.

Important European companies developing and propagating chrysanthemum cuttings are: Fides Goldstock Breeding, Delifor, Dekker Breeding, Royal van Zanten.

4. Main suppliers:

Most of the chrysanthemum cuttings (unrooted) imported by European companies originate in Latin American countries like Costa Rica, Guatemala, Honduras and Brazil. Production is also located in African countries like Kenya, Uganda and South Africa.

continued

continue chrysanthemum cuttings

countries. Nevertheless, a growing amount of cuttings is imported from abroad, as labour costs and climatic conditions are other important factors.

As a result of fierce competition, there is only a small number of chrysanthemum development companies left (mainly located in The Netherlands). Nevertheless, they introduce an estimated 20 to 30 new varieties per year.

5. Quality:

- It is very important that the cuttings you deliver are uniform.
- The cuttings should be free from viruses, bacteria and other harmful organisms and they should comply with phytosanitary regulations.
- Post-harvest treatment:

- Chrysanthemum cuttings can be picked from the mother plants two or three times a week. After 20 weeks, cuttings should be 5.5 to 6.5 cm long and weigh 1 to 1.5 grams.
- After harvest, cuttings must be pre-cooled and then cold stored (0-4∞C).
- During transport, the cuttings must be maintained under cool conditions (conditioned air freight).
- In many cases, cuttings are packed about 50 pieces in a plastic bag, 40 bags in a cardboard box.

Keep in mind that if your company is going to produce for a European company, the European company most probably will require you to use their quality management system. In most cases, the European company also provides assistance in implementing the quality requirements.

6. Factors of competitiveness:

1. Production location:
   The production location is one of the major factors of competitiveness. European chrysanthemum breeders outsource the propagation activities mainly because of the better climatic conditions and the low labour costs.
2. Uniformity:
   Importers expect uniformity of the cuttings.
3. Phytosanitary regulations:
   The cuttings must comply with European phytosanitary regulations.
4. Logistics:
   When producing in tropical circumstances, transportation to the airport and cold-room facilities at the airport are of major importance.

11 EXTERNAL ANALYSIS

The internal analysis or company audit is a review of the company's strength and weaknesses in terms of all company resources such as export marketing capabilities, finance, personnel, internal organisation, management, infrastructure, etc. As a result of this internal analysis, you will be able to assess to which extent your company is able to take advantage of the opportunities identified in the former chapter. Furthermore, with a thorough understanding of your company's unique capabilities, you are able to invest in opportunities that exploit your strengths.

11.1 Product range

A product range can consist of several product groups (range width), each with several different products (range depth). Again, one product can consist of several varieties (see example).

A supplier can only select a suitable business partner when armend with correct information about the range that he or she is able to offer. A precise review of the product range, therefore, aims at matching products on offer with market opportunities. Keep in mind that varieties are sometimes known under different trade names overseas.

Example of a company's product range

Product range (range width)	**Products (range depth)**	**Varieties**
micropropagated plant material	Anthurium and Phalaenopsis seedlings *(in flasks, for domestic and export market)*	• Anthurium 'Tropical' (= young cut flower material • Anthurium 'Amazone (= young pot plant material) • Phalaenopsis 'Petit Avenir' (= young pot plant material)
young pot plant material	Anthurium young plants *(cuttings, for domestic and export market)*	• Anthurium 'Tropical' (= young cut flower material) • Anthurium 'Leny' (= young pot plant material)
finished pot plants	Phalaenopsis pot plants *(pot plants, for domestic market)*	• Phalaenopsis 'Petit Avenir' (= young pot plant material)

The next step is to review product characteristics of the products and varieties on offer.

Example of product characteristics

Product	**Variety**	**Size**	**Supply period**	**Packaging**	**Availability**
Micropropagated Anthurium seedlings etc.	'Tropical'	2-3 cm	year round	20 seedlings per flask	2,000 flasks per week

Questions an exporter needs to answer:

- Which products are you currently producing? How comprehensive is your product range?
- Which products do you consider to be the main products you are specialised in?
- What new products would you be able to cultivate / produce?

11.2 Product standards, quality, USPs and production capacity

A means to assess your company's potential in exporting is by examining the unique or important features of your company and products. If those features are hard to duplicate abroad, then it is more likely that you will be successful overseas. A unique selling proposition or USP defines what makes your business unique from every other competitor in the field. It spells out the precise niche you seek to fill, and how you aim to fill it.

There are two major benefits in developing the USP. First, it clearly differentiates your business in the eyes of your current and potential customers or clients. Second, it focuses your staff on delivering the promise of the USP, thus helping to improve your internal performance.

What a USP could look like:

- One sentence.
- Clearly written, so that anyone can understand it.
- It should be believable.
- Composed of one benefit that is unique solely to your company or product

How to develop your USP? Sit down with a notebook and:

- ☑ Brainstorm.
- ☑ List all the benefits your company or product can offer.
- ☑ Prioritise those benefits in order of what is the strongest, and most unique to your business.
- ☑ Write one sentence that conveys the first benefit on the list.

Quality

Quality is probably the main competitive factor in the young plant business. It is an absolute requirement for plant propagators in the Europe market to supply top-quality produce to their growers. It is therefore obvious that it is also the key issue when looking for suppliers in developing countries.

In the young plant trade, quality however not only means product quality. Management quality is just as important. In the case of co-operation agreements, it is the general impression of the company's management that often determines whether the European propagator decides to enter into a long-term relationship.

Check your current quality standards with the voluntary and compulsory standards described in Chapter 9. Also refer to Chapters 8, 9 and 10 for information on the importance of the various quality standards for your product-market combinations.

Questions an exporter needs to answer:

- What quality standards does your product and production process comply with?
- What is the general level of your product quality compared to other products in the identified market?
- In case environmental labelling significantly improves the competitiveness of your export product, which one is the most interesting for your product-markets combination?

Production capacity

The foreign buyer is seldom looking for a 'spot' purchase. Instead, he is looking for a quality product at a fair price with continued availability. If you are merely seeking to market your sporadic surplus capacity, then the entry into the foreign trade market will probably be a disappointment. On the other hand, if the company is willing to devote even 10 percent of its production capacity to foreign markets and the servicing of these accounts, it can reasonably expect to build substantial and permanent trade in those markets suited to its products. However, keep in mind that:

Often, the volume of the product marketed is not as important as a consistent and reliable supply of the actual product.

Questions that need to be answered:

- How is the present capacity being used?
- Will new export activity hurt domestic sales?
- What will be the cost of setting up additional production capacity and is it possible at all?
- What cycles of production apply to your products? Is there a seasonal emphasis and how does this match up to the demand in the target market?
- Are there fluctuations in the annual workload? When? Why?

11.3 Logistics

It is a good idea to use a freight forwarder to arrange transportation services on your behalf. They can simplify the shipping process because they are familiar with import and export regulations. It is important to use a forwarder who is experienced in handling ornamental product or perishables, as well as one that is experienced in the destination country.

Freight forwarders are cost effective to use, because they can negotiate the best rates with airlines. They usually operate on a fee basis paid by the exporter, and these are part of the cost price.

Questions that need to be answered:

- How often are you able to deliver?
- What lot sizes do you generally produce or are you able to produce?
- Are there cold-room facilities at your production base?
- Are you able to maintain a cold chain during the transportation of the products? (air-conditioned domestic transport, cold-room facilities at the airport)
- What are the typical costs of logistics? (Check with freight forwarders)

Packaging

Packaging is used to protect against mechanical damage and to create a more favourable microclimate. It is an essential factor in determining the product's quality. However, according to the way in which packaging sometimes is applied in developing countries, it can also be a risk to quality, due to bruising and less than optimum conditions of temperature and humidity.

The packaging has to satisfy conditions in the field of handling. The transportation volume must be as efficient as possible and a high level of uniformity of packaging is desirable. In order to optimise transportation, EU grower and traders generally use boxes of which the measurements are in accordance with airfreight pallets and auction carts.

Packaging design should take the following into account:

- Proper storage and transport;
- Standard packaging sizes;
- Recyclable materials or two-way systems.

Most unrooted cuttings are packed in bunches of 20 to 50 (depending on the size of the cutting) in small plastic bags, which are then put in cardboard boxes (single or double wall). The boxes should be able to withstand rough handling and net tie down by air-carriers. Often, newspapers, or other material is used to further protect the cuttings against mechanical damage during transport.

Points of interest when choosing the right packaging:

Have your customers ever complained about the quality of your products?

Look for possible causes:

→ Unsuitable packaging material
→ Insufficient ventilation during transport
→ Wrong climatic conditions during transport
→ Other causes

Do you use different packaging methods for different products?

→ Different cuttings require different climatic conditions (temperature, ventilation) during transport.
→ Some products need more space than others (bruising, ventilation).

In the case of marine transport, different kinds of products shipped together in one container should have compatible:

→ Temperature needs
→ Ethylene sensitivity
→ Relative humidity needs
→ Airflow characteristics

Does your importer use special transport packaging?

→ Perhaps you could use this special transport packaging as well? Using the wrong packaging size can have a negative effect on your business.
→ Maybe you could make use of the importer's packaging know-how.
→ Are the cardboard boxes including the products directly forwarded to the end-users (growers)?

Fully recyclable packages must be used when trading with certain business partners.

→ Use cardboard and avoid plastic foil if possible.
→ Colouring materials, used for printing, should not be harmful to the environment.
→ Use glue that does not harm the environment or no glue at all.
→ Do not use metal clips for the cartons.
→ Avoid waxed boxes or any combined packaging materials

The exporter should always discuss the preferred type of packaging with his customer. As some of the exported young plant material is directly forwarded to the end-user (growers), the importing company might want to have the printing work on boxes already done in the export country.

Because inclusion of native soil is not allowed, field grown plants must be thoroughly root washed before shipment to remove all traces of soil. Plants that have been thoroughly root washed may be packed in materials such as unused peat, wood shavings, perlite, etc.
Bark, as a component of sterile planting media, is prohibited in Europe. For more information on this subject, please refer to Section 9.1.

Useful information on packaging for marine container transport can be found at:
http://postharvest.ucdavis.edu/Pubs/Marine_Transport/Marine_Transport.shtml

11.4 Marketing and sales

How do you sell to current export markets? What works in one European market is likely to work in another, subject to refinement based on market intelligence and knowledge about specific trade channel requirements.

What existing contacts does the company have in the target markets - relatives, friends, suppliers, etc? It is an advantage to have some local presence in the target market that can gather information, monitor progress and follow up leads.

A serious export marketing campaign requires substantial management time to execute it properly. Therefore, the company needs to be realistic as to how much time can be devoted to export marketing.

More information on how to make use of your marketing tools to foster your export activities will be described in Chapter 13.

Questions that need to be answered:

- Does your company have people specifically assigned to marketing and sales activities?
- Which persons do you know in the target markets?
- What sales support material is available?

11.5 Financing

Export marketing is expensive. If financial resources are limited, then marketing plans will have to be modest. It is no good developing five new markets if the company only has the money to develop one.

Questions that need to be answered:

- What amount of money can be allocated to setting up new export activities?
- What level of export operating costs can be supported?
- How are the initial expenses of export effort to be allocated?
- What other new development plans are in the works that may compete with export plans?
- Is outside capital necessary to support efforts?

11.6 Capabilities

Commitment to export
It is important to consider whether or not the company has staff who are able to sell and develop an international business. The company should be able to generate the physical and administrative infrastructure to deal with increased activities related to exporting - not only in dealing with orders but also with processing Customs and shipping documentation. If this type of infrastructure is limited, then it is a weakness in developing sustained export activities.

Questions that should be answered are:

- What kind of commitment is the top-level management willing to make to an export effort? How much senior management time should be allocated? How much could be allocated?
- What organisational structure is required to ensure that export sales are adequately serviced? Who will be responsible for the export activities (export department's organisation and staff)?
- What are the management's expectations of the effort?

Export experiences
It is important to learn from past experience. If the company has tried and failed to penetrate an export market previously, this can be analysed to determine where things went wrong.

Questions that should be answered are:

- In which countries has business already been conducted?
- From which countries have inquiries already been received?
- What general and specific lessons have been learned from past export experience?

Language skills

When dealing with European trade partners in the young plant material business, English is the most used language. Although most European trade partners will not be native speakers themselves, the vast majority speaks English fluently. In almost all cases, foreign language skills, particularly English, are essential when entering the European market. When dealing with France, knowledge of the French language is a distinct advantage. If you can communicate in Spanish, you have a competitive advantage if you address the Spanish market.

On the few occasions when correspondence and documents in English will not suffice, exporters can usually find sources of translation capabilities for the more popular European languages. Language capability can be advantageous since it facilitates cultural and social relationships.

Questions that should be answered are:

- Which language skills are necessary when dealing with your selected markets?
- Which language capabilities are available within the export company?

12 DECISION MAKING

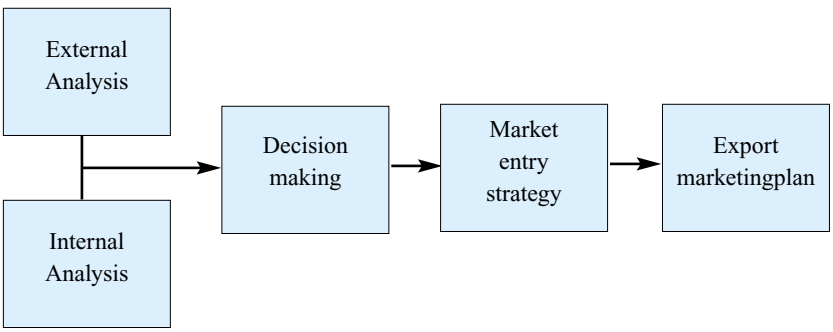
Through of conducting the external analysis (market audit) and internal analysis (company audit) (Chapters 10 and 12), you will be able to come to a decision whether or not to export.

- ☑ You have identified products suitable forexport development. Also, you know what modifications, if any, must be made to adapt them to overseas market.
- ☑ You know what countries and market segments you are going to target for sales development and/or cooperation agreements.
- ☑ You have identified the best sales channel (direct exporting or cooperation agreements).
- ☑ You know what special challenges pertain to the selected markets (competition, cultural differences, import controls etc.) and what strategies you will use to address them.

Once a company has determined that it has exportable products, it must still consider whether the development of an export business adheres to the company objectives. In order to arrive at this conclusion the management should ask itself the following questions:

- What does the company want to gain from exporting?
- Is the goal of exporting consistent with other company goals?
- Are the benefits worth the costs or would company resources be better spent developing new domestic business?

Companies can waste a lot of time and money attempting to enter markets which do not have potential or for which their product is not suitable. To be successful in export marketing, exporters need to focus on specific products and markets and be prepared to deal with all foreseeable situations.



If you have come to the decision to export, the next phase of the export marketing process is to draw up a Export Marketing Plan (EMP) which defines a marketing strategy, how the company is going to penetrate the identified market. The marketing strategy is designed around the information collected in the company and market audit and the marketing tools described in the next chapter.

Formulating an export marketing strategy based upon sound information and its proper assessment increases the chances that the best options will be selected, resources will be utilised effectively, and efforts will consequently be carried through to completion.

For assistance in writing an EMP, please refer to the CBI's *"Export Planner"*.

13 MARKETING TOOLS

Which marketing tools are available to you to help build up your export business? This Chapter will provide you with insight and give tips on how to make use of your marketing tools to promote the sales of your products and to build a favourable trade relationship.

13.1 Matching products and the product range

In the company audit (see Section 11.1), the exporter reviewed the company's product range and product characteristics. The aim of this review was to enable the exporter to match market opportunities with the company's products on offer. This review can also be used as a starting point for considering opportunities for improving the exporter's product range.

In most cases, exporters will find out that the current product range does not match the demand of the identified market segments and sales channels. The cause of this mismatch can, for example, lie in the fact that currently produced varieties are outdated.

Keep in mind that the choice of the product range should be guided by:

(1) Market demand

In most cases, exporters of young plant material should keep in mind that they not so much offer ready-made products but merely offer the capacity to produce young plant material according to customers' specifications. This particularly applies to exporters owning micropropagation facilities.

It is therefore important to understand that your (potential) business partner can give you information on the desired varieties.

Besides this, European growers are usually interested in new varieties, hardier and more disease- resistant plants. New, as in new varieties, should be thought of as products which are not available in Europe, no matter how established they are in the exporter's own market. It can also mean young plant material that is available in certain sizes or forms not found elsewhere.

(2) Local climatic conditions

As many new varieties are developed for western European greenhouse conditions, not all products can be optimally produced under all climatic conditions. Look for products that fit your situation.

In the case of exporters who are looking for varieties to improve their product range, a couple of possible sources exist:

- ⓘ **Trade magazines** like 'Floraculture International' (free subscription) often give useful information on new and popular varieties and pack trials organised by European young plant producers. For a list of trade magazines see Appendix 3.4.
- ⓘ Visiting **trade fairs** is also a good way of becoming informed about potentially interesting varieties.
- ⓘ From more **detailed trade statistics** (for instance auction sales), you can often determine which varieties are most popular in the target markets.

Note that one of the most important issues in selecting new varieties is the question whether or not the variety can be successfully produced under your production circumstances.

13.2 Building up a relationship with a suitable trade partner

One of the most ominous obstacles for exporters can be the search to contact, attract and secure a good importer or trade partner. Many avenues are available for locating trade partners. You should employ any and all, which seem appropriate for your product-market combination.

How to find a potential trading partner

The main ways European importers use to look for new suppliers from developing countries are the following:

- Visiting the country in which one intends to set up/expand production capacity;
- Recommendation by someone he knows; and
- International trade fairs.

The best ways for exporters in developing countries to approach potential European customers are:

- Direct mail: You can write a letter (post, fax or e-mail) directly to a European company. Most companies will respond that they are not interested or that they already carry a competitive line. However, only a few positive replies are needed to continue your search and evaluation of prospective distributors.
- Personal visits: Once you have received a number of interested replies, plan a trip to that market. Additionally while travelling, stop in other potential markets to assess the situation as well as attempt to make contacts. Many times a personal visit will pay for itself in terms of the benefits gained.
- Invite EU importers or potential business partners to visit your company;
- Build a network in order to extend your contacts;
- Visit international trade fairs;

Also refer to the recently published CBI manual *"Your Image Builder"*.

In the case of young pot plant material, a number of European importers mentioned that a good way to approach the market is by establishing direct contact with them. Note that this should not be organised through trade fairs. Importers are not always positive about trade fairs as an instrument to promote the access of exporters in developing countries. This opinion may be obvious as, at the fair, exporters gain direct contact with European growers, while big importers prefer to maintain in control of the trade.

For European growers, however, importing via large importers may be the most effective way to come in contact with suppliers of young plant material. Large importers know the language of the region, they know all about logistics and transport tariffs (by sea and air) and they are familiar with the payment methods. Furthermore, they are constantly in contact with the producers in developing countries and they generally have their own personnel overseas, in order to guarantee constant quality and to coach local staff wherever necessary.

How to identify the most suitable trade partner?
Evaluate the potential trade partners on which you have obtained information, using the following criteria:
- Is the information complete? (full address, telephone / fax number, e-mail address, contact person)
- Is the importer active in the country you selected?
- What kind of trade relation is the potential trade partner interested in (arm's-length, co-operative agreement, joint-venture)? Does this correspond with your preferred type of relations?
- What is the position of the potential trade partner in the market?
- What is the financial status and credibility of the company?

Using these criteria, draw up a priority list of the contacts you have received.

Going by the priority list, you must identify the trade partners which best match your own company profile, product range and export strategy. Particularly in the case of future long-term close cooperation, it is important to gain a clear picture of the company you are dealing with and understand their business activities.

13.3 Drawing up an offer

There are two different kinds of offers:
1. general offer or company introduction; and
2. specific offers.

(a) Drawing a general offer
The purpose of a general offer is to make the first contact with potential trading partners who the supplier does not yet know personally.
A general offer consists of sending a short profile of your own company and a summary of your product range.
In a personal letter, briefly introduce your company and what you have to offer.

(b) Drawing up a specific offer
A specific offer is legally binding for a certain period of time. You must therefore be capable of fulfilling the terms of your offer. You should make up a specific offer only when you know the business partner personally or after you have made the initial contact.

When sending a specific offer, it should include:
- Name of the person responsible in your company;
- Exact description of the products offered;
- Price of the products offered in accordance with the Incoterms 2000 (if applicable, split up by delivery quantities or quality); and
- Possible delivery date.

In case a sample of the product is required:
- Product samples must correspond to the goods available for delivery (if they do not, this can have a lasting negative effect on business relations).

Other tips:
- It is important to ask (by telephone or e-mail) whether the offer (and the samples, if applicable) has arrived in good shape.
- It is a good idea to invite your customer to visit your company.
- Possibly propose a visit to the country of destination.
- In that case:
  - If necessary, hire an interpreter.
  - Ask your own consulate, trade promotion organisation, or other intermediary for assistance.
- First time exporters should start with small samples, rather than large high-value commercial shipments. An exporter should be testing whether his plants meet the phytosanitary requirements of the destination country, transportation routing, airline handling and packing methods.

Price setting
To establish an overseas price for ready-to-sell young plant material, you need to consider many of the same factors involved in pricing for the domestic market.

These factors include competition; costs such as production, packaging, transportation and handling, promotion and selling expenses; the demand for your product or service and the maximum price which the market is willing to pay.

In most cases, an exporter will have to follow market prices. However, in case of some products, like specialty products, you will be able to set your own export price. There are two common methods of calculating your price for exports:

- **Domestic Pricing** is a common but not necessarily accurate method of calculating prices for exports. This type of pricing uses the domestic price of the product as a base and adds export costs, including packaging, shipping and insurance. Because the domestic price already includes an allocation of domestic marketing costs, prices determined using this method might be too high to be competitive.
- **Incremental Cost Pricing** determines a basic unit cost that takes into account the costs of producing and selling products for export, and then adds a mark-up to arrive at the desired profit margin. To determine a price using this method, first, establish the 'export base cost' by stripping profit mark-up and the cost of domestic selling. In addition to the base cost, include genuine export expenses (export overheads, special packing, shipping, port charges, insurance, overseas commissions, and allowance for sales promotion and advertising) and the unit price necessary to yield the desired profit margin.

How you price your product is worth a good deal of thought and effort since it directly affects your ability to make a profit. Take some time to research the following management questions:

Questions to ask when setting your price

How much does it cost to grow your product?

→ Production costs not only include costs for growing, but also for packaging, distribution and promoting your products.
→ The costs of unsold products also should be included.

What are your profit goals?

→ A profit goal states how much a business should earn.
→ You can set the profit goal as a percentage (margin) above the product costs or set the total profit figure for the entire business.
→ A profit goal can guide decisions on the amount of produce you will grow and the price you will charge.

How will you market your product?

→ Are you producing young plant material on a contract basis for a European propagator or grower?
→ Do you sell your products on an arms-length basis to customers in Europe?

What price do competitors charge?

→ Try to gain an industry focus on your pricing by researching your competitor's price levels.
→ By walking through the steps indicated in Section 10.2 you will know the prices competitors charge and why they charge what they do. Use the competitive analysis to develop the upper limit of your price range. Be sure you compare your products to competitors.
→ If competition is intense, you should price at the lower end of the price range unless you can distinguish your product through quality or a unique selling feature.

What is the customer demand for my product?

→ How unique is your product (or production location in the case you offer propagation capacity)?
→ To price according to demand you have to know more about the size and nature of your customer base and their feelings about pricing.
→ You will need to keep an eye on general market trends, particularly if your product range has many substitutions. See also Chapter 3.

Understanding how to price your product is an essential step in developing your business. You must continually monitor your price including your costs of production, your competition and your customers and be prepared to make adjustments.

Below you find an overview of the way you can calculate the price of your export product (for information on Incoterms see Section 13.4).

Export price calculation

Total costs per unit
+ Profit
+ Commissions
+ Domestic banking fees
+ Palletisation / export packing
+ Freight forwarding and documentation fees
+ USDA inspection and phytosanitary certificate fees
+ Other direct expenses related to special shipping requirements such as temperature recorder charges

= EXW price (Ex Works)
+ Inland transportation

= FAS price (Free Alongside Ship)
+ Terminal handling charges

= FOB price (Free On Board)
+ Ocean freight charges
+ Ancillary charges

= CFR price (Cost & Freight)
+ Insurance

= CIF price (Cost, Insurance, Freight)

13.4 Handling the contract

When handling the contract, you should consider the terms and the fulfilment:

Contract terms

Terms of payment

There are various methods of receiving payment for your exports. The most commonly used terms in the young plant trade are open account and payment in advance.

- **Open Account**
  Selling on open account carries the greatest risk for the exporter. Under this method the buyer does not pay for the goods until they have been received. If the buyer refuses to pay, the only recourse by the exporter is to seek legal action in the buyer's country. Thus, the open account method should only be utilised when there is an established relationship with the buyer and the country of the buyer possesses a stable political and economic environment. If your sales must be made on open account, the date upon which the payment is due should be stipulated.
- **Payment in advance**
  This method is the most desirable from the seller's standpoint, because all risk is eliminated. While cash in advance may seem most advantageous to you, insisting on these terms may cost you sales. Just like domestic buyers, foreign buyers prefer greater security and better cash utilisation. Some buyers may also find this requirement insulting, especially if they are considered credit worthy in the eyes of the rest of the world. Advance (partial) payments and progressive payments may be more acceptable to a buyer, but even these terms can result in a loss of sales in a highly competitive market.

Most export shipments are partly pre-paid before the plants are shipped. Because collections from customers are more difficult overseas, it is recommended to get a minimum of 50 percent in advance. Once on-going business and trust is established, exporters should grant their foreign customers standard payment terms. Because of the possible complications and costs, letters of credit are often avoided in the plant trade.

In the case of co-operation agreements with overseas companies, payment terms could also include periodical payments.

Terms of sale

Export terms of sale determine what costs are covered in the price of the cargo. They also indicate at what point ownership transfers to the buyer and at what point responsibility for the cargo is transferred. International commercial terms (Incoterms) provide "the international rules for the interpretation of trade terms."

The most commonly used trade term is:

- **FOB (Free on Board)**
  Under this term, the seller quotes a price for goods that includes the cost of loading at the port of departure. The buyer arranges for transportation and insurance.

Other trade terms less frequently encountered are:

- **CFR (Cost and Freight)**
  For shipments to designated overseas port of import, the seller quotes a price for the goods that includes the cost of transportation to the named point of debarkation. The buyer is responsible for the cost of insurance. This is referred to as C&F in the old Incoterms. The seller pays for the cost of unloading cargo at the port of destination, to the extent that they are included in the freight charges. If the charges are separate, they fall to the account of the buyer.
- **CIF (Cost, Insurance, Freight)**
  Under this term, for shipments to designated overseas port of import, the seller quotes a price for the goods, including insurance costs and all

transportation and miscellaneous charges, to the point of debarkation from the vessel or aircraft. The seller pays for the cost of unloading cargo at the port of destination, to the extent that they are included in the freight charges. If the charges are separate, they fall to the account of the buyer.

Contract fulfilment
It is important that an exporter discusses the 'what ifs' with his trade partner: what if there is a problem with inspection, what if a claim is necessary because the airline mishandles the young plants, and what if your customer has a problem with product quality after arrival.

Important issues are:
- ☑ Procure the delivery documents in good time.
- ☑ If there is a supply agreement, comply strictly with all parts. If you cannot comply with any part of the agreement (e.g. delivery delays or quality problems), inform the customer clearly and in good time.
- ☑ Co-operate on a partnership basis and seek a common solution even if conflicts arise.
- ☑ Fulfilling the contract should have a high priority, particularly when delivering for the first time.

Other more practical questions that should be asked are:
- When is the shipment needed?
- Does the customer have a preferred freight carrier?
- Which airport (or ocean port) is most convenient?
- Does he have an agent to clear the shipment through Customs?
- Does the customer want to pay for the shipment to be insured?

13.5 Sales promotion

One of the major critical success factors for exporters of young plant material to the European Union is attention to customer requirements and the ability to maintain good relationships with their European business partners. Sales promotion revolves around developing and expanding these customer relations and thereby maintaining and increasing sales volume.

Some tips for developing customer relations:
- Take good care of existing contacts. This includes for example expressions of thanks to business partners, regular information on the company developments like product range, quality improvements, etc.
- Always reply to a letter of inquiry. If you cannot supply this contact, say so, explaining that you will get in touch with him for the next campaign.

Communication
It is advisable to commence with communication measures, which only require a small amount of planning and co-ordinating, such as revising the company's standard printed matter:
- Standardise all printed paper used outside the company (letterheads, visiting cards, fax form, etc.)
- A brochure of your company (including photos of production sites and produce) can be useful for promoting new contacts and sales.

Constant, prompt and reliable communication is a vital prerequisite for maintaining a long-term business relationship with your customers. If possible, smaller firms should also try to be reachable by (mobile) phone at office hours.

Sales organisation
The term 'sales organisation' refers to the organisational system that carries out the sales of the company's products. A sales organisation usually consists of back office and sales force.

As most sales are conducted by telephone, fax or e-mail, having well-functioning sales staff is an absolute precondition for successful market participation. This also applies to smaller company where one person has to take up different (sales) functions.

An essential tool used in sales is a detailed and up-to-date customer database. This database can vary from a simple collection of customer data sheets to an advanced customer relation management system. However, the customer database should at least contain the following information:
- Basic information on the customer: name, address, telephone numbers, etc.
- Changing data on the customer: data resulting from business activities with the customer, such as telephone calls, offers, sales information, etc.

The customer database should give the sales person a quick review of the most important customer information when making or answering a telephone call or planning a visit.

If possible, the database should be computerised, because this simplifies changes, updating, sorting and selection procedures, etc. If computerisation is not possible, the customer database should be on file cards (see example).

Example customer data sheet

General information

Company name:
Postal address:
Street address
Country:
Telephone:
Fax:
E-mail:
Contact name:

Customer no.:
First contact date: _ _ / _ _ / _ _ _ _
Customer class*: A B C D
Customer type: *(importer, grower, propagator)*
Other info:

Sales information

Sales realised: *(last year)*
Sales planned: *(this year)*
etc..

Contact record

No. 1
Contact date: _ _ / _ _ / _ _
Contact type: (telephone, visit, fax, etc.)
Information:

No. 2
Contact date: _ _ / _ _ / _ _
Contact type: (telephone, visit, fax, etc.)
Information:

No. 3
Contact date: _ _ / _ _ / _ _
Contact type: (telephone, visit, fax, etc.)
Information:

* Classify your customers by importance to your company (sales, quality of relation, etc.)

Internet

As a source of information and means of communication, Internet is generally considered to have many opportunities for companies in developing countries. The main advantages of the Internet are:

- Low cost of communication;
- Fast delivery of information;
- Independence of distance and timeline;
- Multimedia possibilities.

Besides one-to-one communication through the use of E-mail, Internet offers opportunities for presentations, (market) research, distribution, sales and logistical improvements. If your target group consists of importers/growers in overseas countries, you can advertise for (new) customers on your Internet site, showing your company, product range and indicating the production circumstances.

Trade fairs

We have stated earlier in this survey that, in the case of young pot plant material, European importers are not in favour of trade fairs as a means to promote suppliers from developing countries.

However, visiting or even participating in a trade fair abroad can be an efficient tool for communicating with prospective customers. It provides more facilities for bringing across the message than any other trade promotional tool. It can also be an important source of information on market developments, production techniques and interesting varieties.

Important motives for companies visiting European trade fairs are:

- Establishing contacts with potential customers;
- Orientation on the European market;
- Gathering information on specific subjects;

Although significant costs are involved, actually participating in a trade fair could be interesting for a number of companies to meet, for example, European companies interested in setting up young plant production facilities in tropical regions. One of the major advantages of participating yourself in a trade fair is the ability to present your company and products in a more extensive way (3-D presentation, company video, and product displays).

Participation in a trade fair is not interesting for exporters of niche products like bonsai trees and tree Paeonia. As there is only a small number of European traders of such products, the best market strategy would be a direct approach, rather than participation in a trade fair.

Floricultural trade fairs are organised in many European Union countries. The most relevant fairs for exporters of plant and young plant material are listed in the box

below. The contact addresses of these and other trade fairs are listed in Appendix 3.3.

Main European trade fairs

Trade fair	Where?	When?	What?
International Horti Fair	Amsterdam, The Netherlands	5-8 November 2003 (annual)	International trade fair for cut flowers, plants, equipment and florists' requisites.
IPM	Essen, Germany	January / February 2004 (annual)	International trade fair for cut flowers, plants, equipment and florists' requisites.
Florissimo	Dijon, France	11 March - Sunday 20 march 2005 (every 4 years)	International exhibition for exotic flowers and plants.
Flormart-Miflor	Padova, Italy	12-14 September 2003, February 2004 (semi-annual)	International trade fair for cut flowers, plants, equipment and florists' requisites.
Iberflora	Valencia, Spain	October 2003 (annual)	Garden and horticultural technology trade fair
Salon du Végétal	Angers, France	18-20 February 2004 (biennial)	International horticultural trade fair
Four Oaks Trade Show	Cheshire, United Kingdom	2-3 September 2003	Horticultural trade fair

More comprehensive overviews of worldwide trade fairs can be found on the following websites:

http://www.flowercouncil.org/
http://www.cha-hort.com/
http://www.floraculture intl.com/

For additional information on trade fair participation, please refer to CBI's Handbook "Your show master - a guide for selection, preparation and participation in trade fairs."

Assistance with market entry

Local business support organisations
Before approaching organisations abroad, an exporter should first check with local business support organisations (trade promotion organisations, Chambers of Commerce, etc.) and foreign representatives in his or her country.

Import Promotion Organisations
In most EU countries, there are organisations that promote imports from developing countries through specific export promotion activities:

- They supply information on: statistics and other information on national markets, regular news bulletins, importer databases, and market opportunities;
- Individual assistance is offered: management training, testing products by display and adaptation services; and
- They can establish contacts: collective trade fair participation and selling missions.

Branch organisations
As is probably the case in your own country, in most European countries, producers, wholesalers and often retailers are also organised in so-called branch organisations. These organisations can be of use to new exporters to the EU. An example is the Flower Council of Holland, which can give you information on trends in several European cut flower and houseplant markets.

Information how to reach these organisations can be found in Appendix 3.5.

Appendices

APPENDIX 1 DETAILED IMPORT STATISTICS

The source of the data presented below is Eurostat COMEXT 2001.

PLANTS AND YOUNG PLANT MATERIAL

Imports of plants and young plant material by EU member countries, by country of origin, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	1,762,900	845,923	1,857,156	876,130	1,862,760	1,132,142
Intra EU	1,614,781	782,256	1,683,131	806,436	1,668,022	1,057,795
Extra EU	148,119	63,667	174,025	69,694	194,738	74,347
Developing countries	102,108	47,561	121,038	52,314	139,080	57,635
Leading suppliers:						
The Netherlands	988,210	508,002	1,017,882	514,333	1,036,176	782,137
Denmark	233,009	86,311	244,340	82,082	228,346	73,560
Belgium	143,742	64,270	158,661	71,448	147,243	62,198
Germany	81,810	32,961	91,388	37,142	98,013	43,012
Italy	92,955	57,301	88,945	60,823	80,807	58,844
Spain	41,669	18,806	41,552	22,131	43,413	19,920
Costa Rica	35,743	20,322	37,863	21,211	39,748	22,702
Kenya	11,781	1,338	17,755	1,321	22,220	1,447
Israel	16,609	1,482	17,749	1,489	20,078	1,535
France	19,268	9,266	21,573	10,661	17,975	10,168
China	5,678	4,475	8,772	5,847	15,271	8,152
Guatemala	11,285	9,119	13,704	10,163	10,818	7,868
Poland	6,596	4,473	7,691	5,494	8,381	5,086
Brazil	6,259	622	7,102	812	7,881	698
Portugal	4,844	1,911	5,677	2,648	5,980	3,237
South Africa	3,730	495	4,173	319	5,654	575
Singapore	5,008	742	5,753	659	5,575	451
Uganda	2,695	292	4,009	400	5,529	560
Honduras	4,963	3,889	5,422	3,718	4,891	3,638
United Kingdom	4,577	1,329	4,272	1,172	4,319	1,412
Taiwan	2,078	1,055	3,695	1,713	4,228	2,219

Exports of plants and young plant material by EU member countries, by country of destination, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	1,905,969	913,343	2,100,008	1,002,209	2,097,729	967,687
Intra EU	1,627,843	810,876	1,779,067	884,636	1,738,215	848,567
Extra EU	278,126	102,467	320,941	117,573	359,514	119,120
Leading destinations:						
Germany	674,304	390,397	685,537	392,318	632,654	364,890
France	258,705	122,895	301,362	145,723	301,327	140,918
United Kingdom	164,893	54,861	189,976	63,654	219,321	73,347
Switzerland	97,239	35,985	104,912	40,243	124,606	38,084
Italy	88,962	31,578	101,499	37,641	102,909	35,078
The Netherlands	94,646	50,453	112,929	60,897	101,771	53,884
Sweden	90,070	26,902	98,365	29,192	95,234	27,575
Austria	65,344	27,173	72,633	30,885	72,592 3	1,341
Belgium	62,709	29,843	66,407	34,433	64,504	35,330
Spain	36,853	26,907	45,112	32,879	43,210	31,105

Denmark	33,513	15,893	40,568	19,574	35,659	15,824
Norway	26,313	7,734	30,665	9,583	34,350	9,942
USA	28,456	5,024	29,013	3,380	29,290	3,016
Finland	19,401	7,153	20,433	8,137	22,726	8,654
Poland	17,244	8,418	19,411	9,396	22,506	10,326
Japan	17,058	1,246	20,616	1,243 2	0,465	1,193
Russia	2,445	1,189	9,362	3,888	19,166	8,509
Portugal	16,158	13,719	17,616	13,057	17,656	11,264

INDOOR PLANTS

Imports of indoor plants by EU member countries, by country of origin, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	1,275,559	636,960	1,311,787	642,252	1,303,383	912,111
Intra EU	1,239,064	612,965	1,270,572	614,937	1,256,346	881,941
Extra EU	36,495	23,995	41,215	27,315	47,037	30,170
Developing countries	23,194	17,415	25,911	20,521	30,055	23,839
Leading suppliers:						
The Netherlands	768,453	414,558	778,905	416,145	797,234	697,476
Denmark	212,637	77,873	223,225	74,710	209,868	67,319
Belgium	117,536	51,904	124,711	54,612	117,629	47,709
Germany	49,558	17,464	56,191	18,767	55,704	21,944
Italy	62,972	36,361	53,396	32,663	47,953	32,196
Spain	12,414	8,083	13,361	9,204	13,719	7,240
China	3,556	3,442	5,699	4,817	8,442	5,774
Costa Rica	6,613	5,325	6,567	5,093	6,660	5,813
France	9,490	3,965	10,870	4,887	6,350	4,424
Guatemala	4,678	4,672	6,389	5,523	5,188	4,700
Israel	1,570	232	1,922	333	3,409	661
Singapore	2,819	491	3,307	469	2,962	297
United Kingdom	2,796	969	2,068	585	2,519	864
USA	2,106	1,301	1,965	1,201	2,479	1,445

• Flowering plants

Imports of flowering by EU member countries, by country of origin, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	603,786	347,185	619,725	261,953	604,301	255,989
Intra EU	603,070	346,618	618,950	261,287	603,285	255,431
Extra EU	716	567	775	666	1,016	558
Developing countries	163	85	84	112	246	186
Leading suppliers:						
The Netherlands	364,092	236,924	365,301	155,773	366,381	162,440
Denmark	147,212	55,853	148,818	51,550	139,510	44,819
Belgium	34,521	18,100	33,942	16,469	33,769	12,962
Italy	29,806	22,267	34,137	22,772	28,169	20,145
Germany	19,134	8,927	25,284	8,834	27,438	10,520
Spain	3,231	1,874	3,373	2,033	3,476	2,278
France	2,786	1,582	3,229	1,539	1,863	1,178
United Kingdom	810	240	896	206	971	294
Sweden	228	89	1,679	428	566	181
Portugal	423	326	550	355	500	303
Luxembourg	90	60	374	337	378	199
Estonia	56	24	54	26	311	196

• Foliage plants

Imports of foliage plants by EU member countries, by country of origin, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	671,773	289,775	692,062	380,299	699,082	656,122
Intra EU	635,994	266,347	651,622	353,650	653,061	626,510
Extra EU	35,779	23,428	40,440	26,649	46,021	29,612
Developing countries	23,031	17,330	25,827	20,409	29,809	23,653
Leading suppliers:						
The Netherlands	404,361	177,634	413,604	260,372	430,853	535,036
Belgium	83,015	33,804	90,769	38,143	83,860	34,747
Denmark	65,425	22,020	74,407	23,160	70,358	22,500
Germany	30,424	8,537	30,907	9,933	28,266	11,424
Italy	33,166	14,094	19,259	9,891	19,784	12,051
Spain	9,183	6,209	9,988	7,171	10,243	4,962
China	3,551	3,441	5,698	4,817	8,438	5,774
Costa Rica	6,603	5,309	6,567	5,093	6,645	5,810
Guatemala	4,678	4,672	6,386	5,523	5,156	4,697
France	6,704	2,383	7,641	3,348	4,487	3,246
Israel	1,483	206	1,845	320	3,388	660

OUTDOOR PLANTS

Imports of outdoor plants by EU member countries, by country of origin, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	248,161	144,032	279,168	165,537	287,229 1	53,005
Intra EU	238,950	137,573	267,446	157,617	273,464	142,783
Extra EU	9,211	6,459	11,722	7,920	13,765	10,222
Developing countries	1,424	1,368	2,756	1,808	5,029	3,922
Leading suppliers:						
The Netherlands	152,524	77,002	161,680	80,146	173,824	69,332
Italy	25,564	19,760	29,932	25,752	27,010	24,142
Germany	20,290	12,396	23,655	15,681	25,894	16,508
Belgium	15,385	9,146	19,827	12,381	15,931	10,407
Spain	8,400	6,808	12,478	10,963	13,252	11,149
Denmark	7,987	5,415	8,344	3,823	7,662	2,765
France	4,838	4,905	6,119	5,412	5,439	4,956
Portugal	1,502	1,226	2,293	1,886	2,194	2,129
Poland	1,268	2,488	1,603	3,198	1,757	2,843
New Zealand	1,140	36	1,476	59	1,430	72
United Kingdom	1,045	261	1,621	531	1,226	394

• Perennial plants

Imports of perennial plants by EU member countries, by country of origin, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	88,757	37,560	86,524	36,793	92,571	36,723
Intra EU	87,859	37,059	84,998	35,434	90,754	34,872
Extra EU	898	501	1,526	1,359	1,817	1,851
Developing countries	146	65	323	188	526	230

Leading suppliers:						
The Netherlands	65,416	22,155	58,789	18,849	61,878	17,717
Italy	5,442	3,238	7,081	5,262	7,379	4,416
Germany	5,042	3,137	6,110	3,661	6,310	3,635
Denmark	4,735	3,729	3,789	1,642	4,648	1,342
Belgium	3,167	1,395	3,614	1,657	3,835	1,829
Spain	1,880	1,309	3,480	2,091	3,829	2,689
France	1,455	1,932	1,492	2,085	2,065	2,772
Poland	365	291	675	1,014	683	1,295
United Kingdom	241	74	434	119	423	191
Turkey	0	0	26	7	270	41
Hungary	49	60	41	22	160	144

• Other outdoor plants

Imports of other outdoor plants by EU member countries, by country of origin, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	159,404	106,472	192,644	128,744	194,658	116,282
Intra EU	151,091	100,514	182,448	122,183	182,710	107,911
Extra EU	8,313	5,958	10,196	6,561	11,948	8,371
Developing countries	1,278	1,303	2,433	1,620	4,503	3,692
Leading suppliers:						
The Netherlands	87,108	54,847	102,891	61,297	111,946	51,615
Italy	20,122	16,522	22,851	20,490	19,631	19,726
Germany	15,248	9,259	17,545	12,020	19,584	12,873
Belgium	2,218	7,751	16,213	10,724	12,096	8,578
Spain	6,520	5,499	8,998	8,872	9,423	8,460
France	3,383	2,973	4,627	3,327	3,374	2,184
Denmark	3,252	1,686	4,555	2,181	3,014	1,423
Portugal	1,473	1,207	2,283	1,883	2,044	2,003
New Zealand	1,123	36	1,408	56	1,384	59
Israel	1,365	194	1,549	140	1,115	51

YOUNG PLANT MATERIAL

Imports of young plant material by EU member countries, by country of origin, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	239,180	64,931	266,201	68,341	272,148	67,026
Intra EU	136,767	31,718	145,113	33,882	138,212	33,071
Extra EU	102,413	33,213	121,088	34,459	133,936	33,955
Developing countries	77,490	28,778	92,371	29,985	103,996	29,874
Leading suppliers:						
The Netherlands	67,233	16,442	77,297	18,042	65,118	15,329
Costa Rica	29,027	14,951	31,068	15,951	32,679	16,613
Kenya	10,783	1,087	17,459	1,292	21,350	1,388
Spain	20,855	3,915	15,713	1,964	16,442	1,531
Germany	11,962	3,101	11,542	2,694	16,415	4,560
Israel	13,566	1,047	14,151	1,002	15,513	818
Belgium	10,821	3,220	14,123	4,455	13,683	4,082
Denmark	12,385	3,023	12,771	3,549	10,816	3,476
Brazil	6,070	467	6,770	498	7,633	521
China	1,945	944	2,919	989	6,661	2,364

France	4,940	396	4,584	362	6,186	788
Italy	4,419	1,180	5,617	2,408	5,844	2,506
Guatemala	6,595	4,446	7,293	4,639	5,596	3,166
Poland	4,686	1,369	4,997	1,388	5,523	1,536
Uganda	2,659	284	4,009	400	5,466	553
South Africa	3,211	266	3,828	252	5,341	386
Tanzania	1,776	190	2,733	244	3,863	352
Honduras	4,551	3,624	5,023	3,473	3,262	2,195
Portugal	2,517	151	2,109	107	2,247	358
Taiwan	1,079	360	2,063	595	2,044	685
Sri Lanka	2,118	856	1,992	707	1,775	805
Ceuta	319	236	1,564	261	1,683	186
Mexico	1,691	153	1,803	114	1,626	121
Singapore	965	69	1,319	89	1,543	89

• Unrooted cuttings

Imports of unrooted cuttings by EU member countries, by country of origin, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	100,687	13,420	110,539	12,240	127,609	15,463
Intra EU	50,324	5,922	46,873	5,423	47,947	5,887
Extra EU	50,363	7,498	63,666	6,817	79,662	9,576
Developing countries	38,223	6,462	48,551	5,425	63,851	8,233
Leading suppliers:						
Kenya	10,470	1,047	17,143	1,250	20,593	1,335
Spain	18,040	1,093	14,452	1,085	15,196	1,197
The Netherlands	13,267	2,496	13,750	2,419	13,350	2,281
Costa Rica	7,742	2,781	7,755	1,959	11,073	2,881
Israel	8,985	286	9,743	280	10,222	245
Brazil	5,906	401	6,554	445	7,440	466
Uganda	2,659	284	4,009	400	5,458	552
Germany	5,060	797	4,340	327	5,152	529
South Africa	2,560	215	2,950	235	4,261	371
Belgium	3,033	261	3,468	252	4,096	256
Tanzania	1,767 1	86	2,729	242	3,812	346
China	145	14	765	215	3,555	1,145

• Rooted cuttings and young plants

Imports of rooted cuttings and young plants by EU member countries, by country of origin, 1999-2001
€ 1,000 / tonnes

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	138,493	51,511	155,662	56,101	144,539	51,563
Intra EU	86,443	25,796	98,240	28,459	90,265 2	7,184
Extra EU	52,050	25,715	57,422	27,642	54,274	24,379
Developing countries	39,267	22,316	43,820	24,560	40,145	21,641
Leading suppliers:						
The Netherlands	53,966	13,946	63,547	15,623	51,768	13,048
Costa Rica	21,285	12,170	23,313	13,992	21,606	13,732
Germany	6,902	2,304	7,202	2,367	11,263	4,031
Belgium	7,788	2,959	10,655	4,203	9,587	3,826
Denmark	10,848	2,777	10,926	3,141	8,979	2,797
Israel	4,581	761	4,408	722	5,291	573

Guatemala	6,017	4,197	6,785	4,519	4,908	2,868
Poland	3,943	1,223	3,978	1,148	4,269	1,267
Italy	1,919	498	2,809	1,823	3,250	2,059
Honduras	4,153	3,075	4,923	3,424	3,111	2,091
China	1,800	930	2,154	774	3,106	1,219
France	840	209	597	167	2,826	611
Taiwan	874	235	1,595	326	1,670	454
Spain	2,815	2,822	1,261	879	1,246	334
Sri Lanka	1,319	720	1,354	593	1,194	716
South Africa	651	51	878	17	1,080	15

GERMANY:

imports of plants and young plant material into Germany, by country of origin, 1999-2001
€ 1,000 / tonnes

INDOOR PLANTS

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	505,494	352,990	455,971	231,278	391,554	185,598
Intra EU	500,373	350,939	452,687	229,788	388,755	184,552
Extra EU	5,121	2,051	3,284	1,490	2,799	1,046
Developing countries	3,385	1,115	1,539 7	43	1,396	620
Leading suppliers:						
The Netherlands	362,644	278,065	306,616	159,956	268,207	128,390
Denmark	90,564	37,992	92,994	34,048	78,068	27,730
Italy	25,611	20,079	27,726	20,206	23,512	17,494
Belgium	16,906	10,923	16,223	9,247	14,321	8,062
Spain	1,838	2,409	2,912	3,377	2,691	1,877
France	1,858	813	4,716	1,922	1,114	561
Singapore	472	58	419	25	433	35
Poland	170	285	501	353	420	215
China	245	167	397	240	405	272

OUTDOOR PLANTS

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	81,409	65,873	86,677	69,999	76,727	51,951
Intra EU	78,735	62,578	83,041	65,416	71,915	47,773
Extra EU	2,674	3,295	3,636	4,583	4,812	4,178
Developing countries	471	57	873	102	1,894	228
Leading suppliers:						
The Netherlands	60,824	50,045	62,156	51,082	58,676	38,239
Italy	8,420	4,993	10,128	7,641	4,845	3,758
Denmark	4,799	4,123	3,906	2,353	3,073	1,520
Spain	1,668	728	2,662	1,147	2,426	1,593
Belgium	2,047	1,753	2,209	1,680	1,774	1,643
Poland	666	2,224	1,053	2,869	1,151	2,263
Singapore	633	45	769	49	855	51
Czech Rep.	470	709	608	1,442	663	1,558
France	811	801	1,137	802	656	639
Kenya	19	2	101	6	454	25
Sri Lanka	288	39	362	49	392	55
Malaysia	54	4	209	15	341	22

Turkey	0	0	45	10	314	48
Dominican Republic	6	3	0	0	173	56

YOUNG PLANT MATERIAL

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	48,202	7,764	55,409	9,827	42,444	6,048
Intra EU	39,924	7,060	46,599	9,169	31,616	5,427
Extra EU	8,278	704	8,810	658	10,828	621
Developing countries	5,498	409	6,788	446	9,681	503
Leading suppliers:						
The Netherlands	15,748	3,675	24,606	6,116	11,661	3,222
Spain	13,597	2,111	10,453	1,428	10,511	1,114
Kenya	1,916	133	3,418	198	5,550	307
Belgium	2,828	341	2,900	324	3,418	277
France	3,044	121	3,214	113	2,480	77
Costa Rica	889	63	1,019	28	1,803	55
Denmark	2,157	562	3,122	882	1,608	506
Portugal	1,169	75	879	49	1,143	106
Mexico	921	55	876	45	775	35
Italy	890	66	1,241	217	773	119
Malaysia	403	37	495	45	607	48
Israel	1,956	113	1,231	64	478	15
Guatemala	588	43	410	47	363	22
Singapore	339	26	325	22	355	20
Brazil	153	7	112	5	135	5
Poland	191	67	160	42	133	48
China	4	0	5	0	96	12
USA	98	33	104	26	75	24
Morocco	0	0	16	1	74	5
Thailand	81	5	58	3	72	4
India	59	0	53	0	67	0
Czech Rep.	36	6	65	11	52	8

FRANCE:

imports of plants and young plant material into France, by country of origin, 1999-2001
€ 1,000 / tonnes

INDOOR PLANTS

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	189,852	69,722	205,883	75,589	205,046	69,476
Intra EU	188,342	69,441	204,089	75,235	203,097	69,040
Extra EU	1,510	281	1,794	354	1,949	436
Developing countries	533	216	694	269	805	352
Leading suppliers:						
The Netherlands	112,008	38,347	119,907	40,550	121,022	37,314
Belgium	45,083	19,166	49,120	21,446	49,896	18,561
Denmark	15,495	4,635	16,568	5,283	15,583	4,721
Italy	6,524	3,407	7,546	3,295	6,129	4,005
Spain	4,658	2,414	5,030	2,889	4,949	2,501
Germany	3,730	1,151	4,013	1,221	4,755	1,468
Singapore	648	25	848	27	774	31
Portugal	300	160	485	289	442	323
China	172	131	380	210	302	208

OUTDOOR PLANTS

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	39,298	16,873	54,744	27,335	53,765	23,662
Intra EU	38,835	16,725	54,357	27,170	53,015	23,345
Extra EU	463	148	387	165	750	317
Developing countries	70	42	90	45	262	110
Leading suppliers:						
The Netherlands	18,827	4,099	24,017	5,670	24,973	4,439
Belgium	7,594	4,501	11,842	7,235	8,492	4,723
Italy	4,503	3,758	7,405	7,138	8,060	7,095
Spain	3,134	2,096	5,205	4,126	6,269	4,252
Germany	3,028	1,064	3,404	1,260	2,912	1,049
Portugal	1,403	1,095	2,062	1,586	1,870	1,647
Denmark	173	61	208	80	229	71
United Kingdom	154	41	153	40	178	49
Poland	112	67	167	102	150	159

YOUNG PLANT MATERIAL

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	18,600	4,448	22,261	4,500	19,547	4,336
Intra EU	15,141	3,208	17,665	3,285	14,205	2,950
Extra EU	3,459	1,240	4,596	1,215	5,342	1,386
Developing countries	2,639	1,116	3,446	1,098	4,351	1,272
Leading suppliers:						
The Netherlands	7,496	1,830	8,400	1,772	7,268	1,550
Belgium	2,855	488	3,123	542	2,016	611
Kenya	552	19	1,059	46	1,602	72
Germany	1,312	275	1,863	295	1,542	183
China	770	754	932	693	1,352	898
Spain	1,242	112	1,633	134	1,203	104
Denmark	1,407	348	1,274	337	1,088	322
Italy	334	109	847	169	692	157
Taiwan	391	62	720	80	676	88
Tunisia	373	25	517	28	534	30
Côte d'Ivoire	488	162	502	174	469	163
Portugal	444	33	467	26	384	18
Costa Rica	119	114	158	104	189	95
Israel	283	5	229	4	184	4

UNITED KINGDOM:

Imports of plants and young plant material into the UK, by country of origin, 1999-2001
€ 1,000 / tonnes

INDOOR PLANTS

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	122,551	37,506	134,250	141,165	170,740	461,153
Intra EU	120,870	36,935	132,590	140,687	169,218	460,902
Extra EU	1,681	571	1,660	478	1,522	251
Developing countries	543	199	223	38	111	13

Leading suppliers:						
The Netherlands	57,961	16,296	81,432	123,829	117,445	440,038
Denmark	27,150	10,107	26,652	7,487	27,402	9,125
Belgium	16,412	6,828	20,217	7,722	18,545 7	,548
Italy	15,873	2,803	1,554	661	3,574	2,683
Germany	1,085	316	2,153	828	1,600	1,036
Singapore	499	66	821	111	931	150
France	2,148	568	390	129	339	213
Austria	0	0	0	0	174	195
Israel	310	51	242	30	154	14
Taiwan	38	3	0	0	133	11

OUTDOOR PLANTS

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	44,067	11,674	45,746	12,232	55,803	18,658
Intra EU	42,224	11,304	43,581	11,934	53,854	18,307
Extra EU	1,843	370	2,165	298	1,949	351
Developing countries	111	55	206	45	155	13
Leading suppliers:						
The Netherlands	34,049	7,271	34,115	6,643	43,947	11,235
Italy	3,973	2,782	4,287	3,122	4,305	4,950
Belgium	1,630	575	1,746	646	1,856	1,015
Denmark	872	244	1,756	423	1,837	428
New Zealand	897	28	1,350	54	1,260	54
France	466	150	800	337	892	368
Germany	704	150	734	682	644	183
Spain	243	13	51	64	288	113
Singapore	501	132	239	45	181	13

YOUNG PLANT MATERIAL

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	12,058	2,069	14,909	2,579	16,539	2,764
Intra EU	8,744	1,662	10,781	2,131	13,410	2,345
Extra EU	3,314	407	4,128	448	3,129	419
Developing countries	1,431	224	1,288	121	1,238	86
Leading suppliers:						
The Netherlands	6,073	1,220	6,849	1,594	8,961	1,496
Belgium	608	79	1,146	95	2,336	173
Denmark	1,248	292	1,151	277	787	365
Singapore	226	18	529	35	711	43
Germany	212	22	772	92	697	92
Brazil	637	57	661	52	629	39
Israel	1,418	61	1,662	58	578	19
Taiwan	72	5	326	23	269	22
Guatemala	87	5	199	10	258	14
Spain	394	26	356	20	187	13
Australia	85	98	156 1	85	170	208
Kenya	179	19	128	8	147	7
Ireland	20	1	69	7	146	14
France	5	1	68	15	144	36
Portugal	58	1	234	12	96	148
Costa Rica	66	3	76	19	74	3

THE NETHERLANDS:

Imports of plants and young plant material into The Netherlands, by country of origin, 1999-2001
€ 1,000 / tonnes

INDOOR PLANTS

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	78,058	41,047	82,339	44,405	77,998	42,393
Intra EU	57,884	24,417	56,864	24,157	49,319	20,398
Extra EU	20,174	16,630	25,475	20,248	28,679 2	1,995
Developing countries	14,327	12,766	18,838	16,259 2	2,171 1	8,545
Leading suppliers:						
France	28,166	10,678	26,940	11,102	22,563	9,323
The Netherlands	15,696	6,496	17,402	7,185	14,495	6,094
Germany	1,841	1,961	3,794	3,419	6,292	4,181
Italy	6,829	2,941	5,741	2,213	5,665	1,632
United Kingdom	4,328	3,874	4,629	3,738	4,599	4,298
Ireland	3,944	4,352	5,556	5,288	4,325	4,372
Denmark	2,259	1,415	1,954	979	1,774	906
Greece	621	524	1,235	943	1,714	1,417
Portugal	647	572	1,054	1,210	1,520	1,557

OUTDOOR PLANTS

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	8,084	6,116	8,940	8,025	10,000	10,097
Intra EU	6,188	5,877	6,729	7,784	7,814	9,601
Extra EU	1,896	239	2,211	241	2,186	496
Developing countries	414	38	545	40	846	72
Leading suppliers:						
Germany	4,121	4,491	4,413	6,026	5,002	6,825
Italy	652	514	694	366	1,180	961
Belgium	584	494	560	808	1,110	1,618
Israel	850	67	1,031	69	619	35
Poland	407	98	263	99	322	324
Kenya	91	9	54	3	225	20
Sweden	340	102	366	122	176	42
Denmark	252	183	231	172	112	41

YOUNG PLANT MATERIAL

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	78,497	28,762	89,771	30,178	102,162	31,122
Intra EU	8,230	3,859	6,819	4,285	11,967	5,171
Extra EU	70,267	24,903	82,952	25,893	90,195	25,951
Developing countries	58,100	22,678	68,876	23,965	76,241	24,343
Leading suppliers:						
France	23,785	11,836	25,717	13,066	26,862	14,210
The Netherlands	6,842	844	10,001	905	10,681	866
Germany	2,659	284	4,009	400	5,466	553
Italy	3,104	234	3,648	235	5,223	374
United Kingdom	4,474	532	4,852	533	5,217	349

Ireland	966	69	1,932	270	5,077	1,416
Denmark	3,353	1,903	5,400	2,968	4,584	2,705
Greece	3,496	319	3,948	357	4,483	380
Portugal	5,173	3,621	5,597	3,592	4,223	2,464
Spain	1,774	187	2,729	242	3,863	352
Belgium	3,299	287	3,481	162	3,453	194
Luxembourg	4,492	3,582	5,023	3,473	3,189	2,115
Ceuta	2,411	1,411	240	17	2,022	89
Melilla	299	49	1	0	1,993	448
Iceland	205	230	1,519	259	1,683	186
Norway	1,241	238	174	10	1,613	266
Sweden	1,248	673	1,231	584	1,335	740
Finland	435	156	765	1,218	1,208	1,452
Liechtenstein	1,465	349	1,378	152	1,050	44

ITALY:

Imports of plants and young plant material into Italy, by country of origin, 1999-2001
€ 1,000 / tonnes

INDOOR PLANTS

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	92,892	27,459	101,949	30,858	105,739	30,437
Intra EU	89,654	25,774	98,555	29,147	101,157	28,346
Extra EU	3,238	1,685	3,394	1,711	4,582	2,091
Developing countries	2,290	1,512	2,251	1,490	2,650	1,764
Leading suppliers:						
The Netherlands	69,410	19,616	78,102	22,677	83,565	23,228
Denmark	14,093	3,807	14,212	3,854	12,641	3,258
Spain	862	462	1,675	909	1,481	705
Belgium	2,337	893	1,795	745	1,438	494
Germany	2,020	720	1,630	586	1,236	389
China	1,040	917	967	817	1,189	1,000
Israel	347	25	510	33	1,169	143
Costa Rica	598	286	657	311	755	376
France	691	188	870	276	634	246

OUTDOOR PLANTS

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	14,695	8,573	17,623	11,404	15,239	10,461
Intra EU	13,825	7,902	16,110	10,091 1	3,064	7,528
Extra EU	870	671	1,513	1,313	2,175	2,933
Developing countries	201	369	617	924	1,233	2,429
Leading suppliers:						
The Netherlands	7,160	2,488	8,432	3,087	7,486	2,138
Spain	2,426	2,579	2,983	3,700	2,203	2,783
Germany	1,834	1,312	1,969	1,193	1,411	1,150
Belgium	823	481	1,006	769	844	572
Argentina	0	0	99	190	701	1,446
Japan	354	100	564	148	636	208
France	1,079	724	1,201	996	617	432
Denmark	253	84	229	73	209	99

Egypt	59	195	167	454	144	530
Brazil	49	78	259	252	141	122

YOUNG PLANT MATERIAL

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	18,588	3,532	18,456	3,634	16,249	2,958
Intra EU	14,903	2,381	13,809	2,719	11,121	1,939
Extra EU	3,685	1,151	4,647	915	5,128	1,019
Developing countries	3,159	1,125	3,983	879	4,284	985
Leading suppliers:						
The Netherlands	10,110	1,767	9,124	1,940	6,843	1,325
Brazil	1,577	63	1,671	52	1,916	63
Germany	1,240	212	1,066	130	1,577	256
Israel	469	16	537	16	738	18
Kenya	168	10	703	30	718	27
France	1,061	119	804	113	701	109
Denmark	1,056	137	873	131	693	97
Costa Rica	623	536	433	290	673	511
Spain	833	56	1,134	219	671	42
Belgium	319	54	673	149	525	89
Guatemala	391	451	503	419	354	308
Togo	92	17	212	39	143	24
Mexico	6	0	112	9	99	20
South Africa	0	0	127	13	95	10
Indonesia	0	0	0	0	95	3
New Zealand	50	7	2	0	90	12
Portugal	34	0	7	5	81	12
Colombia	152	22	119	15	63	8
Morocco	0	0	27	2	40	3

SPAIN:

Imports of plants and young plant material into Italy, by country of origin, 1999-2001
€ 1,000 / tonnes

INDOOR PLANTS

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	24,190	11,192	29,586	13,989	27,485	13,080
Intra EU	22,394	10,051	27,590	12,498	24,658	10,629
Extra EU	1,796	1,141	1,996	1,491	2,827	2,451
Developing countries	1,399	1,076	1,666	1,390	2,279	2,302
Leading suppliers:						
The Netherlands	17,867	7,830	21,513	9,390	18,347	7,267
Denmark	1,286	322	1,334	329	3,094	358
Costa Rica	1,205	936	906	699	1,091	982
Belgium	648	368	1,678	741	1,026	451
Italy	1,082	1,009	1,309	1,138	929	846
France	921	367	1,242	777	915	1,634
Argentina	0	0	468	485	434	515
Israel	213	16	138	8	257	72
Cuba	16	10	63	90	226	398

OUTDOOR PLANTS

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	4,233	3,930	6,588	6,263	5,523	4,906
Intra EU	3,835	3,557	5,763	5,592	4,697	3,906
Extra EU	398	373	825	671	826	1,000
Developing countries	63	75	374	538	517	980
Leading suppliers:						
Italy	1,650	2,101	2,747	3,952	2,184	2,651
The Netherlands	1,379	482	1,934	709	1,478	446
France	477	789	352	410	297	172
Belgium	77	37	272	223	245	178
Israel	126	72	165	12	245	8
Costa Rica	36	34	145	141	208	193
Portugal	47	98	80	178	191	388
Denmark	140	43	197	48	150	45
Germany	55	5	171	71	130	25
Egypt	0	0	92	214	125	526
Morocco	16	29	11	45	79	187
South Africa	0	0	0	0	54	3

YOUNG PLANT MATERIAL

	1999		2000		2001	
	value	**volume**	**value**	**volume**	**value**	**volume**
Total	6,389	1,632	6,148	1,682	8,339	1,995
Intra EU	4,083	562	4,610	1,003	6,366	1,194
Extra EU	2,306	1,070	1,538	679	1,973	801
Developing countries	1,032	942	774	618	987	762
Leading suppliers:						
The Netherlands	2,333	344	2,665	674	4,133	954
Italy	855	96	848	169	1,055	117
Israel	1,248	127	643	51	788	31
Costa Rica	815	899	646	602	656	626
Germany	141	30	326	19	457	34
United Kingdom	307	30	174	11	287	11
France	147	23	226	67	198	44
USA	0	0	113	9	159	7
Denmark	67	11	118	17	139	15
Kenya	28	2	87	3	129	5
Honduras	0	0	0	0	73	80
Portugal	230	27	78	5	58	3
China	97	10	6	1	57	9
Guatemala	26	20	23	11	39	40

APPENDIX 2 MAIN EUROPEAN PUBLIC HOLIDAYS OF IMPORTANCE TO THE FLORICULTURAL TRADE - 2004

date	holiday	country
January:		
1 January	New Year's Day	B, G, F, GR, UK, L, NL, A, E, H
6 January	Feast of the Epiphany	GR, A, E, H
7 January	Ioannis Name Day	GR
20 January	St. Sebstian's Name Day	E
February:		
11 February	Rosenmontag	G
14 February	St. Valentine's Da	B, G, FI, F, GR, UK, IRE, I, L, NL, A, E, S, H
second Sunday in February	Mother's Day	N
March:		
1 March	St. David's Day	UK
8 March	Woman's Day	G, A, E
10 March	Mother's Day	UK, IRE
17 March	St. Patrick's Da	UK, IRE
19 March	San José's Name Day	E
25 March	Evangelos Name Day	GR
first Sunday in March	Grandmother's Day	B, F
April:		
4 April	Palm Sunday	F, P
9 April	Good Friday	G, UK
11 April	Easter	B, G, F, UK, I, L, NL, A, E, S, H
18 April	Secretary Day	B, F, L, NL
23 April	San Jorge Name Day	GR, UK, E
25 April	Revolution Day	P
27 April	Nuestra Señora de Monserrat	E
30 April	Queen's Day	NL
May:		
1 May	Labour Day	B, G, F, GR, L, N, E, H, P, A, D
4 May	Commemoration Day	NL
5 May	Liberation Day	NL
8 May	Victoire	F
15 May	San Isidro	E
19 June	Whitsun, Pentecost	B, G, FL, NL, A, H
20 May	Ascension Day	B, G, F, L, A, NL
21 May	Constantin and Helena Name Day	GR
30 May	Fronleichnam	D, A
first Sunday in May	Mother's Day	E, L
first Monday in May	May Day	UK
second Sunday in May	Mother's Day	G, I, NL, B, DK, A, GR
last Sunday in May	Mother's Day	F, S, FI
June:		
1 Jun	Graduation	FI
4 June	Spring Bank Holiday	UK, IRE
5 June	National Holiday	DK

23 June	Midsummer's eve	S
21 June	Feast of the Music	F
23 June	National Holiday	L
24 June	San Juan Name Day	E
23 June	Midsommar	N, D
24 June	Midsommar	FI
29 June	San Pedro	E
second Sunday in June	Father's Day	B, A, G
third Sunday in June	Father's Day	F, UK, IRE, NL

July:

7 July	San Fermin	E
11 July	Holiday of the Dutch Cult. Comm.	B
14 July	National Holiday	F
16 July	Carmen Name Day	E
21 July	National Holiday	B
22 July	Holiday in Castellon	E
25 July	Apostol Santiago	E
26 July	Santa An	E
31 July	San Ignacio	E

August:

1 August	National Holiday	H
15 August	Assumption	B, FI, L, A, P, H, E

September:

11 September	Diada	E
12 September	Marie's Name Day	UK, I, E
14 September	Stavros Name Day	GR
17 September	Sofia Name Day	GR
27 September	Holiday of the French Cult. Comm.	B
second Sunday in June	Patient's Day	B, NL
third Saturday in Sept	Grandparent's Day	UK, IRE

October:

5 October	Saint Fleur	F
6 October	Erntedank	G
12 October	National Holiday	E
15 October	Teresa Name Day	E
26 October	National Holiday	A
26 October	Dimitros Name Day	GR
28 October	National Holiday (Ochi)	GR
first Sunday in Oct	Father's Day	L

November:

1 November	All Saints' Day	B, G, F, I, L, N, A, P, E, H
9 November	Almudena	E
11 November	Armistice	B, F
15 November	Holiday of the German Cult. Comm.	B
20 November	Buss und Bettag	G
25 November	Catherine Name Day	F, GR
30 November	St. Andrew's Day	UK
second Sunday in Nov	Father's Day	FI, N, S
third Sunday in Nov	Grandparent's Day	B
Last Sunday before Advent	Totensonntag	G

December:

3 December	San Francisco Javier	E
6 December	Nikolas Name Day	GR, B, NL
6 December	Day of the Spanish Constitution	E
6 December	Independence Day	F
8 December	The Immaculate Conception	A, E, P, I
9 December	Anna Name Day	GR
25/26 December	Christmas	B, G, FI, F, GR, UK, IRE, I, L, NL, A, E, H
26 December	San Esteban	E
27 December	Stefanos Name Day	GR
31 December	New Years' Eve	B, G, FI, F, GR, UK, IRE, I, L, NL, A, E, H, S
first Sunday after November 26	Advent	G, A, S

B	Belgium	F	France	IRE	Ireland
DK	Denmark	G	Germany	I	Italy
GR	Greece	UK	United Kingdom	L	Luxembourg
E	Spain	H	Switzerland	NL	The Netherlands
FI	Finland	N	Norway	A	Austria
P	portugal	S	Sweden		

APPENDIX 3 USEFUL ADDRESSES

3.1 Sources of price information

ITC Market News Service (MNS)
Information on prices of ornamental plants are available on a weekly basis.
Internetsite: http://www.intracen.org

Federation of Dutch Flower Auctions (VBN)
The VBN publishes prices of products traded at the Netherlands auctions.
Internetsite: http://www.vbn.nl

NBV/UGA (Germany)
Prices at the German NBV and UGA auctions.
Internetsite: http://www.nbv-uga.de

International Association of Horicultural
Producers Information on prices and trends of plants in the statistical yearbook.
Internetsite: http://www.aiph.org

3.2 Trade associations

INTERNATIONAL

AIPH
International Association of Horticultural Producers
E-mail: pt@tuinbouw.nl
Internet: http://www.aiph.org

Union Fleurs
International Association of Flower Wholesalers
Address: P.O. Box 2275, 36 292 Tingrid, Sweden
Telephone: +46 (0)45 985180
Fax: +46 (0)45 988541
E-mail: bgr.rolf.persson@swipnet.se

AUSTRIA

Bundesverband der Erwerbsgärtner Österreichs
Address: Draschestr. 13-19, 1232 Wien, Austria
Telephone: +43 (0)1 6102 514
Fax: +43 (0)1 6102 521
E-mail: office@gartenbau.or.at

BELGIUM

Algemeen Verbond van de Belgische Siertelers
Belgian Nurserymen and Growers' Federation
Address: Kortrijksesteenweg 390, 9000 Gent, Belgium
Telephone: +32 (0)9 2422 775
Fax: +32 (0)9 2422 779
E-mail: Patrick.dieleman@boerenbond.be
Internet: http://www.avbs.be

DENMARK

Dansk erhvervsgartnerforening (DEG)
Danish growers association
E-mail: jh@deg.dk
Internet: http://www.deg.dk

Container Centralen
E-mail: ccdk@container-centralen.com
Intrenet: http://www.container centralen.com/cc/uk/index.html

Danpot
E-mail: danpot@flowercom.dk
Internet: http://www.danpot.dk

FRANCE

Fédération des grossistes en fleurs et plantes (FGFP)
French wholesalers federation
Internet: http://www.fgfp.com

GERMANY

Arbeitskreis Deutsche In Vitro Kulturen (ADIVK)
E-mail: adivk@t-online.de
Internet: http://www.adivk.de

BGI
Association of the German Flower Wholesale and Import Trade
E-mail: bgi@blumen-wordlwide.com
Internet: http://www.bgi.blumen-worldwide.com

Zentralverband Gartenbau e.V. (ZVG)
German growers association
E-mail: webmaster@g-net.de
Internet: http://www.zvg-bonn.de

ITALY

ANCEF
Associazione Nationale Commercianti Exportatori Fiori Italian exporters and wholesalers association
E-mail: ancef@sanrimo.it
Internet: http://www.ancef.it

THE NETHERLANDS

Hoofdbedrijfschap Agrarische Groothandel
Dutch Floricultural Wholesale Board
E-mail: info@hbag.nl
Internet: http://www.hbag.nl

Bloemenbureau Holland
Flower Council of Holland
E-mail: flower@bbh.nl
Internet: http://www.bbh.nl

Productschap Tuinbouw
Product Board for Horticulture
E-mail: pt@tuinbouw.nl
Internet: http://www.tuinbouw.nl

Vereniging van Bloemenveilingen in Nederland (VBN)
Association of Dutch auctions
E-mail: info@vbn.nl
Internet: http://www.vbn.nl

Vereniging van Groothandelaren in Bloemkwekerij Producten (VGB)
Association of Dutch Wholesalers in floricultural products
E-mail: receptie@vgb.nl
Internet: http://www.vgb.nl

NORWAY

Opplysningskontoret for blomster og planter
Norwegian horticultural growers association
E-mail: obp@gartnerforbundet.no
Internet: http://www.obp.no/blomstertips.htm

SWEDEN

Blomster Grossisternas Riksförbund (BGR)
Swedish Wholesaler Association
Address: Västergatan 9, 241 31 Eslöv, Sweden
Telephone: +46 (0)413 15850
Fax: +46 (0)413 60666

UNITED KINGDOM

Flower Importer Trade Association (FITA)
c/o Fresh Life Marketing Ltd
Address: Town Mill, Bagshot Rd, Chobham, Surrey GU24 8BZ, United Kingdom
Telephone: +44 (0)1276 855655
Fax: +44 (0)1276 855882
E-mail: knaccutchan@freshlife.co.uk

The Fresh Produce Consortium
E-mail: info@freshproduce.org.uk
Internet: http://www.freshproduce.org.uk

Flower and Plants Association
E-mail: info@flowers.org.uk
Internet: http://www.flowers.org.uk

3.3 Trade fair organisers

AUSTRIA

IGM
International Horticultural Exhibition, cut flowers and plants, horticultural technology
Frequency: annual (28 August - 1 September 2003)
E-mail: messe@tulln.at
Internet: http://www.tulln.at/messe

DENMARK

DAN-GAR-TEK/DAN-PLANT
horticultural technology
Frequency: biennial (August 2004)
E-mail: tc@occ.dk
Internet: http://www.dan-gar-tek.dk

FRANCE

Salon du Végétal
international horticultural trade fair
Frequency: biennial (18-20 February 2004)
E-mail: salon@bhr-vegetal.com
Internet: http://www.salon-du-vegetal.com/

Florissimo
international exhibition fair for exotic plants, flowers and foliage
Frequency: every 4 years (11 March 2005 - 20 March 2005)
E-mail: contact@dijon-congrexpo.com
Internet: http://www.dijon-congrexpo.com

Hortiflor
retail orriented trade fair for cut flowers and pot plants
Frequency: annual (8-10 March 2003)
Internet: http://www.hortiflor.org/ or http://www.idexpo.com/uk/salons/hortiflor/index.html

GERMANY

IPM
international trade fair for cut flowers and plants, equipment and florists' requisites
Frequency: annual (January / February 2004)
E-mail: info@messe-essen.de
Internet: http://www.ipm-messe.de

GAFA - Internationale Gartenfachmesse
International garden trade fair
Frequency: annual (31 August - 2 September 2003)
E-mail: info@koelnmesse.de
Internet: http://www.koelnmesse.de

International Green Week (IGW)
international exhibition for the food, agricultural, and horticultural industries
Frequency: 16-25 January 2004
E-Mail: igw@messe-berlin.de
Internet: http://www.gruenewoche.com

ITALY

Flormart-Miflor
flowers, plants, equipment
Frequency: semi-annual (12-14 September 2003, February 2004)
Email: info@padovafiere.it
Internet: http://www.flormart.it/

THE NETHERLANDS

International Horti Fair
Equipment, flowers and plants
Frequency: annual (5-8 November 2003)
Email: info@rai.nl
Internet: http://www.flowertradeshow.nl or http://www.hortifair.nl

Plantarium
mainly domestic produces nursery stock, but also international traders and producers
Frequency: annual (20-23 August 2003)
E-mail: info@plantarium.nl
Internet: http://www.plantarium.nl

SPAIN

Iberflora
garden and horticultural technology show
Frequency: annual (October 2003)
E-mail: amorales@feriavalencia.com
Internet: http://www.feriavalencia.com/iberflora

UNITED KINGDOM

Horticulture
International Flower & Plant Trade Exhibition
Frequency: annual (February 2001)
Email: nxhort@nexusmedia.com

IFTEX
International Flower & Plant Trade Exhibition
Frequency: annual (September 2001)
Email: nxhort@nexusmedia.com

Four Oaks Trade Show
Frequency: annual (September 2003)
Email: show@fouroaks.u-net.com
Internet: http://www.fouroaks-tradeshow.com/

3.4 Trade press

INTERNATIONAL

"Floraculture International"; "Growertalks"; "Greenprofit"
(International floricultural magazine, production and trade, English)
E-mail: info@ballpublishing.com
Internet: http://www.growertalks.com

BELGIUM

"Fleurs creatif"; "Espaces Verts"; "Groen"
(French and Dutch)
E-mail: info@rekad.be
Internet: http://www.rekad.com

FRANCE

"Lien Horticole"
(French)
E-mail: info@hortilien.com
Internet: http://www.hortilien.com

GERMANY

"Gartenbörse"
(Magazine for producers and wholesalers, German)
E-mail: gartenfundus@freenet

"TASPO"
(Floricultural magazine, German)
E-mail: info@thalakermedien.de
Internet: http://www.taspo.de/

ITALY

"Flortecnica"
(Production and marketing of floricultural products, Italian (including summary in English))
E-mail: flortec@flortec.it.
Internet: http://www.flortecnica.it

THE NETHERLANDS

"Groot Handelsblad"
(Trade journal for the floricultural Wholesalers, Dutch)
E-mail: adequaat@adequaat.nl
Internet: http://www.adequaat.nl

"Vakblad voor de Bloemisterij"
"Prophyta"
(Trade journal for floriculture, Dutch)
E-mail: klantenservice.doetinchem@ebi.nl
Internet: http://www.bloemisterij.ebi.nl

SPAIN

"Horticultura Internacional"; "Horticom"
(Horticultural trade magazine, Spanish (including summary in English))
E-mail: horticom@ediho.es
Internet: http://www.horticom.com

UNITED KINGDOM

"International Floriculture Online Report (formerly the Quarterly Report)"
(International floricultural wholesale reports, English)
E-mail: sales@pathfastpublishing.com
Internet: http://www.pathfastpublishing.com

"Grower"
(English)
E-mail: editor.horticulture@nexusmedia.co,
Internet: http://www.hhc.co.uk/horticulture

3.5 Other useful address

INTERNATIONAL

International Chamber of Commerce
E-mail: icc@iccwbo.org
Internet: http://www.iccwbo.com

Global Crop Protection Federation (GCPF)
E-mail: info@croplife.org
Internet: http://www.gcpf.org

EUROPEAN UNION

European Commission
For ACP countries: DG VIII (General directorate for Development VIII)
E-mail: civis@europarl.eu.int
Internet: http://europe.eu.int

BELGIUM

Association of European Chambers of Commerce and Industry
E-mail: eurocham@mail.interpac.be
Internet: www.ecu-notes.org/atoz997/eurocham.html

FRANCE

C.P.V.O.
E-mail: cpvo@cpvo.fr
Internet: http://www.cpvo.fr

GERMANY

Federal Statistical Office
E-mail: info@destatis.de
Internet: http://www.statistik-bund.de

THE NETHERLANDS

ATO-DLO
(Research Institute, provides information on post-harvest)
E-mail: info@ato-dlo.nl
Internet: http://www.ato-dlo.nl

Centrale dienst voor In- en Uitvoer
Central Service for Imports and Exports
Address: P. O. Box 3003, 9700 RD Groningen, The Netherlands
Telephone: +31 (0)50 5239111
Fax: +31 (0)50 5260698

Chamber of Commerce
Association of Chambers of Commerce in The Netherlands
E-mail: info@databank.kvk.nl
Internet: http://www.kvk.nl

CITES-bureau in The Netherlands
Address: Laser Zuidwest, P.O. box 1191, NL-3300 BD Dordrecht, The Netherlands
Telephone: +31 (0)78 6395341/61
Fax: +31 (0)78 6395350 (for permit applications)

Keuringsdienst van Waren
Health and Safety Standards Inspectorate for Health Protection
Internet: http://www.keuringsdienstvanwaren.nl

Stichting Milieukeur (Milieukeur Foundation)
The Netherlands Competent Body for the EU Ecolabel and for the Milieukeur Label
E-mail: milieukeur@milieukeur.nl
Internet: http://www.milieukeur.nl

Milieu Project Sierteelt (MPS)
Foundation Floriculture Environmental Project
E-mail: recording@st-mps.nl
Internet: http://www.st-mps.nl

Plantenziektenkundigedienst
Internet: http://www.minlnv.nl/pd

Raad voor kwekersrecht
(Board for plant breeders' rights)
E-mail: raad.kwekersrecht@rkr.ago.nl
Internet: http://www.ago.nl/kwekersrecht

SGS
European Quality Certification Institute E.E.S.V.
E-mail: sgs.nl@sgsgroup.com
Internet: http://www.sgs.nl

SKAL
Contact point for SKAL certification
Email: info@skal.com
Internet: www.skal.com

SWITZERLAND

CITES Secretariat
E-mail: cites@unep.ch
Internet: http://www.cites.org /CITES/eng/index.shtml

APPENDIX 4 LIST OF DEVELOPING COUNTRIES

The list of developing countries as applied in this market survey, is the OECD DAC list of countries receiving Official Development Assistance (Part I). The list used is the one as at 1/1/2003.

Afghanistan
Albania
Algeria
Angola
Anguilla
Antigua and Barbuda
Argentina
Armenia
Azerbaijan
Bahrain
Bangladesh
Barbados
Belize
Benin
Bhutan
Bolivia
Bosnia & Herzegovina
Botswana
Brazil
Burkina Faso
Burundi
Cambodia
Cameroon
Cape Verde
Central African rep.
Chad
Chile
China
Colombia
Comoros
Congo
Cook Islands
Costa Rica
Côte d'Ivoire
Croatia
Cuba
Djibouti
Dominica
Dominican republic
Ecuador
Egypt
El Salvador
Equatorial Guinea
Eritrea
Ethiopia
Fiji
Gabon
Gambia
Georgia
Ghana
Grenada
Guatemala
Guinea
Guinea-Bissau
Guyana
Haiti
Honduras
India
Indonesia
Iran
Iraq
Jamaica
Jordan
Kazakhstan
Kenya
Kiribati
Korea, Rep. of
Kyrgyz Rep.
Laos
Lebanon
Lesotho
Liberia
Macedonia
Madagascar
Malawi
Malaysia
Maldives
Mali
Marshall Islands
Mauritania
Mauritius
Mayotte
Mexico
Micronesia, Fed. States
Moldova
Mongolia
Montserrat
Morocco
Mozambique
Myanmar
Namibia
Nauru
Nepal
Nicaragua
Niger
Nigeria
Niue
Oman
Pakistan
Palau Islands
Palestinian Admin. Areas
Panama
Papua New Guinea
Paraguay
Peru
Philippines
Rwanda
Samoa
São Tomé & Principe
Saudi Arabia
Senegal
Seychelles
Sierra Leone
Solomon Islands
Somalia
South Africa
Sri Lanka
St. Helena
St. Kitts-Nevis
St. Lucia
St. Vincent and Grenadines
Sudan
Surinam
Swaziland
Syria
Tajikistan
Tanzania
Thailand
Timor
Togo
Tokelau
Tonga
Trinidad & Tobago
Tunisia
Turkey
Turkmenistan
Turks & Caicos Islands
Tuvalu
Uganda
Uruguay
Uzbekistan
Vanuatu
Venezuela
Vietnam
Wallis & Futuna
Western Samoa
Yemen
Yugoslavia, Fed. Rep.
Zambia
Zimbabwe

Note: Eurostat figures do not include figures for St. Kitts-Nevis

APPENDIX 5 MAIN EUROPEAN WHOLESALE MARKETS AND AUCTIONS

WHOLESALE MARKETS

FRANCE

Marché d'Intérêt National, M.I.N.
Consumption market
Internet: http://www.min-arnavaux.enprovence.com

Marché d'Intérêt National
Dispatch market
Address: PAL 1, 06042 Nice Cedex, France
Telephone: +33 (0)4 92297575
Fax: +33 (0)4 92297599

Marché d'Intérêt National
Consumption market
Address: 34-36, Rue Casimir-Premier, 69297 Lyon Cedex 02, France
Telephone: +33 (0)78 425867
Fax: +33 (0)78 425399

Marché d'Intérêt National de Lille
Consumption market
Address: Cidex 1-A, 59160 Lomme, France
Telephone: +33 (0)3 20924515
Fax: +33 (0)3 21930032

GERMANY

Marktgemeinschaft Blumengrossmarkt Hamburg e.G.
Importer of cut flowers and pot plants
E-mail: info@blumengrossmarkt-hh.de
Internet: http://www.blumengrossmarkt-hh.de

Blumengrossmarkt Berlin Wirtschaftgenossensch. e.G.
Address: Friedrichstrasse 18, 10961 Berlin, Germany
Telephone: +49 (0)30 2516026
Fax: +49 (0)30 2518795

Blumengrossmarkt München,
E-mail: info@ blumengrossmarkt-muenchen.de
Internet: http://www.blumengrossmarkt-muenchen.de

ITALY

Plant markets
Mercato dei Fiori
The following addresses are flower and plant markets without a specific contact organisation:

Address: via St. Michel 19, 15100 Alessandria, Italy
Address: via Circondaria 10, 50127 Firenze, Italy
Address: Piazzale Kennedy, 16129 Genova, Italy
Address: via Monte STelephonela, 10015 Ivrea, Italy
Address: via Provinciale per Taranto, 73100 Lecce, Italy
Address: via Marco Bruto 17, 20138 Milano, Italy
Address: via Tommaseo 61, 35161 Padova, Italy
Address: via Salvo d'Acquisto 6, 51017 Pescia PT, Italy
Address: via Trionfale 45, 00195 Roma, Italy
Address: via Armea, 18033 San Remo IM, Italy
Address: via dante Alighieri 46, 78057 Taviano, Italy
Address: via Carelli, 70058 Terlizzi, Italy
Address: via Perugia 29, 10192 Torino, Italy
Address: via Aurelia Nord, 55049 Viareggio LU, Italy
Address: Contrada Gaspanella, 97019 Vittoria RG, Italy

NORWAY

A.L. Økern Torvhall
Wholesale market Oslo
Internet: http://www.cape-daisy.dk

SPAIN

Mercat de Flor y Planta Ornamental de Catalunya
Internet: http://www.mercatflor.com

Mercabarna
E-mail: mb@mercabarna.es
Internet: http://www.mercabarna.es

Mercaflor
E-mail: info@mercavalencia.es
Internet: http://www.mercavalencia.es

UNITED KINGDOM

New Covent Garden Market
E-mail: info@cgma.gov.uk
Internet: http://www.cgma.gov.uk

New Smithfield Market
Internet:
http://www.manchester.gov.uk/markets/newsmith

AUCTIONS

BELGIUM

Bloemenveiling Aalst
Email: b.mots@flora-veiling.be
Internet: http://www.flora-veiling.be

Euroveiling
Address: Oorlogskruisenlaan 1, 1120 Brussels, Belgium
Telephone: +32 (0)2 2410050
Fax: +32 (0)2 2410057

DENMARK

GASA Odense
E-mail: blomster@gasa-odense.dk
Internet: http://www.gasa.odense.dk

GASA Århus
E-mail: gasa-aarhus@gsa.dk
Internet: http://www.gasa-aarhus.dk

GERMANY

NBV+UGA
Niederrheinische Blumenvermarktung eG
E-mail: straelen-topf@nbv-uga.de
Internet: http://www.nbv-uga.de

ITALY

COMICENT
Centro Commercializzazione Fiori Dell' Italia Centrale
Email: info@comicent.it
Internet: http://www.comicent.it

THE NETHERLANDS

Bloemenveiling Aalsmeer
Importer of flowers and plants
E-mail: info@vba.nl
Internet: http://www.vba-aalsmeer.nl

Bloemenveiling FloraHolland
Importer of flowers and plants
Email: info@bvh.nl
Internet: http://www.bvh.nl/

APPENDIX 6 USEFUL INTERNET SITES

http://www.plantindex.com/
European Plant Inedx: horicultural database in Europe. The guide to plants and horticultural machines in Europe. European growers, traders or horicultural suppliers can register here. (Language: French, German, Dutch, Spanish, English and Italian)

http://www.ukexnet.co.uk/
The Commercial Horicultural Index Organisations site gives information about publications, trade shows and horicultural organisations. (Language: English)

http://www.agriholland.nl/
This site gives information about the latest news flashes on the European horicultural market. Among other practical information, this Internet site links to Internet sites with price indications. (Language: Dutch)

http://www.vba.com/english/index.html/
The world's largest flower auction, Aalsmeer Flower Auction (VBA), is the centre for international production and trade in floricultural products. The Internet site provides general and specific information on the market for flowers and plants. (Language: Dutch, English)

http://www.ballpublishing.com/
Up-to-date information on various magazines like Growertalks, Floraculture International, Seed Trade News and Greenprofit. This site provides summaries on current issues and an article archive. (Language: English)

http://www.flowerweb.nl/
This Internet site offers links to various useful national and international Internet sites, of traders, importers/exporters but also other organisations. (Language: English, Dutch, German).

http://www.intracen.org/
Internet site of ICT with link to MNS Market News Service. Depending on the product group, the MNS product specialist contacts these sources of information to obtain up-to-the-minute data concerning the actual prices paid for specific products, supply and demand and any other economic information that may have an effect on the market situation over the next few days. The information collected is then analysed, tabulated and processed in a computer programme specially designed for each product group and is transmitted to MNS subscribers by airmail, Email or Fax. (Language: English)

http://www.bbh.nl/
The Internet site of the Bloemenbureau Holland (Flower Council of Holland) provides information on the market for floricultural products. The Flower Council, which is the marketing and promotion organisation for flowers and plants from The Netherlands, designs and implements marketing programmes. One can find information on trends, market segments, floricultural market in EU countries and programmes.. (Language: English, Dutch)

http://www.bvh.nl/
FloraHolland is market leader in the world. FloraHolland has five locations, being Naaldwijk, Rijnsburg, Bleiswijk, ZON and Eelde. Besides the locations close to the Dutch production and sales outlets, FloraHolland has a strong direct sales department that is active at all locations. Their website provides information on the Netherlands auction, buyers and growers. Daily prices and average prices of flowers are also given. (Language: English, Dutch)

http://www.hbag.nl/
Internet site of the 'hoofdbedrijfschap Agrarische groothandel' gives an overview of data on exports, trading organisation, links etc. (Language: Dutch)

http://www.coleacp.org/
Interprofessional Association of exporters, importers and other operators from the ACP-EU industry. COLEACP aims to promote competitive ACP exports of fresh fruit and vegetables, flowers and ornamental plants. (Language: French, English)

http://www.snm.agriculture.gouv.fr/
This Internet site provides information on price on the various auctions in France. (French language)

http://www.minlnv.nl/
The Internet site of the Netherlands Ministry of Agriculture, Nature management and Fishery provides information on policy and statistics on agriculture, nature management and fisheries. It also links up to other useful sites in Europe. (Language: English, Dutch)

http://www.agrarischplein.nl/main_akk.html/
This site focuses on current affairs and matters, and also links up to other interesting sites. (Language: Dutch).

http://www.tuinbouw.nl/home.htm/
The Productschap Tuinbouw (PT) is a platform in the horticultural sector. The Netherlands horticultural sector consists of 55,000 small companies. The PT forms the

umbrella organisation for the horticulture. The PT site provides information about data, new technologies, news flashes, market information, EU information and restrictions on quality for imports. (Language: Dutch).

http://www.rhs.org.uk/
The Royal Horicultural Society gives seasonal advice to producers and consumers on the Internet. The Royal Society also functions as an e-commerce company; the customer can order plants on the web. It also provides information on flower shows in Europe.(Language: English).

http://www.flowers.org.uk/
The Flowers and Plants Association site gives information on consumption patterns and trends, latest news and current innovative technologies. Flowers and Plants is an organisation for cut flowers and indoor plants. (Language: English).

http://www.greenprofit.com/
The site provides statistics on consumer buying trends, solid informative industry news, reports on the new floral and gardening hard and live goods, and merchandising and display ideas. (Language: English).

http://www.floracultureintl.com/
FloraCulture International magazine and site bring news and information on the worldwide floriculture industry. The site gives valuable information on the import/export trade, international growing techniques, new varieties, and innovative, labor-saving equipment. (Language: English).

http://www.zvg.ivm.de/
Web site of the Zentralverband Gartenbau that provides you with information about trade organisations in Germany. The data entries provide information on production, import and exports from Germany to EU countries. (Language: German)

http://www.ediho.es/horticom/
This site providses information on technology, services and trade of the international horticultural industry. One can find information about horticultural publications, press releases, themes and authors and trade fairs. It also links up to other useful sites on the web. (Language: English).

http://www.tuinbouwinfo.nl/
The Tuinbouwinfo site gives information on growers of cut flowers, pot plants and young plant material in Europe. It also links up to other horticultural websites in Europe. (Language: Dutch).

APPENDIX 7 REFERENCES

The following articles from CBI's AccesGuide were used in Chapter 9 of the survey.

- AccessGuide legislation overview: flowers, plants
- NL Label for floriculture: MPS
- International code for agriculture: EUREPGAP
- German labels for organic products
- German labels for flowers
- International management system: ISO 14000
- AccessGuide intro: occupational health & safety
- AccessGuide intro: social issues
- International social standards: ILO Conventions
- International social management system: SA 8000
- Floriculture: cleaner production
- Pesticides: practical use and alternatives
- Pesticides: internationally used negative lists

CBI: YOUR EUROPEAN PARTNER FOR THE EUROPEAN MARKET

The CBI (Centre for the Promotion of Imports from developing countries) is an agency of the Dutch Ministry of Foreign Affairs. The CBI was established in 1971. The CBI's mission is to contribute to the economic development of developing countries by strengthening the competitiveness of companies from these countries on the EU market. The CBI considers social values and compliance with the most relevant environmental requirements to be an integral part of its policy and activities.

CBI offers various programmes and services to its target groups:

Market information
A wide variety of tools to keep exporters and Business Support Organisations (BSOs) in developing countries in step with the very latest development on the EU market.
These include market surveys and strategic marketing guides for more than 40 product groups, manuals on export planning and other topics, fashion and interior forecasts and the CBI News Bulletin, a bi-monthly magazine. This information can also be obtained from our website at www.cbi.nl For all information on non-tariff trade barriers in the EU CBI has a special database, AccessGuide, at www.cbi.nl/accessguide
And finally CBI's Business Centre is offering free office facilities, including telephones, computers, internet and copiers for eligible exporters and BSOs. Market reports, international trade magazines, cd-roms and much more can be consulted in the information section of the business centre.

Company matching
The company matching programme links well-versed suppliers in developing countries to reliable importing companies in the EU and vice versa. The online matching database contains profiles of hundreds of CBI-audited and assisted exporters in developing countries that are ready to enter into various forms of business relationships with companies in the EU, as well as many EU companies interested in importing or other forms of partnerships such as subcontracting or private labelling.

Export development programmes (EDPs)
EDPs are designed to assist entrepreneurs in developing countries in entering and succeeding on the EU market and/or in consolidating or expanding their existing market share. Selected participants receive individual support over a number of years by means of on site consultancy, training schemes, trade fair participation, business-to-business activities and general export market entry support. Key elements usually include technical assistance in fields such as product adaptation, improving production, implementing regulations and standards and export marketing and management assistance.

Training programmes
Training programmes for exporters and BSOs on, among others, general export marketing and management; trade promotion; management of international trade fair participations and developing client-oriented market information systems. The duration of the training programmes vary between two days and two weeks and are organized in Rotterdam or on location in developing countries.

BSO development programme
Institutional support for capacity building for selected business support organisations.
The programme is tailored to the specific needs of participating BSOs and can include train-the-trainer assistance, market information systems support and staff training. CBI's role is advisory and facilitative.

Please write to us in English, the working language of the CBI.

Centre for the Promotion of Imports from developing countries
Centrum tot Bevordering van de Import uit de ontwikkelingslanden

Mailing address:
CBI
P.O. Box 30009
3001 DA Rotterdam
Phone +31 (0) 10 201 34 34
Fax +31 (0) 10 411 40 81
E-mail cbi@cbi.nl
Internet www.cbi.nl

Office:
WTC-Beursbuilding, 5th Floor
37 Beursplein, Rotterdam, The Netherlands.

Mailing address: P.O. Box 30009, 3001 DA Rotterdam, The Netherlands
Phone: +31 10 201 34 34 Fax: +31 10 411 40 81
E-mail: cbi@cbi.nl Internet: http://www.cbi.nl
Office: WTC-Beursbuilding, 5th floor
37 Beursplein, Rotterdam, The Netherlands