

CBI MARKET SURVEY

THE FRESH FRUIT AND VEGETABLES MARKET IN DENMARK

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Introduction

This CBI market survey gives exporters in developing countries information on major developments in the fresh fruit and vegetables market in Denmark. The information is complementary to the information provided in the CBI market survey 'The fresh fruit and vegetables market in the EU' which covers the EU in general. That survey also contains an overview and explanation of the selected products dealt with, some general remarks on the statistics used as well as information on other available documents for this sector. It can be downloaded from <http://www.cbi.nl/marketinfo>.

1. Market description: consumption and production**Consumption¹**

Compared to other EU countries, Denmark has a small market for fruit and vegetables. Consumption per caput of fruit and vegetables was 139 kg in 2001 (DIPO 2003). With a population of 5.35 million people in 2001, this was equivalent to a total consumption of 744 thousand tonnes of fruit and vegetables. From 1995 to 2001, consumption grew by 36%. Danish consumers in 2001 spent 11.5% of the total household income on food products.

Production

Denmark's production is one of the smallest in the EU, accounting for less than 1% of total EU production. In 2005, fruit production was 66 thousand tonnes, an increase of 83% compared to 2001 (FAO 2006). Apples were the main product, accounting for 49% of fruit production, followed by sour cherries, pears and a variety of berries.

In 2005, vegetable production was 259 thousand tonnes, an increase of 5% compared to 2001. The main products were carrots (25% of total vegetable production), green peas (15%), cabbages (13%) and onions (12%).

Trends

Denmark is, together with the other Scandinavian countries Sweden and Finland, the most expensive country for consumer goods in the European Union (European Union 2002). One of the important consumer trends is the growing demand for low prices. Both the number of discount stores and the sales volume of discounters is increasing. Increased participation of women in the labour and growing number of single household increases the demand for convenience products.

Danish consumers are open to new products and are interested in exotic products. Larger supermarkets already offer tropical fruits year round but there is room for growth. Danish consumers are also highly interested in organic products and the demand for these products is strong. Organic food products account for 3.5% of food sales (Organic Europe 2006).

¹ These figures may differ from figures in the CBI market survey Fresh fruit and vegetables in the EU. In the CBI market surveys covering individual countries, national sources are preferred for providing the most detailed information, while the general survey uses statistics that are easily comparable between countries.

Opportunities and threats

Denmark's production of vegetables and especially fruits is short of consumption. Because of climatic conditions, only temperate species of fruit and vegetables can be produced. Production in greenhouses is limited. Therefore, Denmark depends very much on imports, especially for exotics and off-season products.

Useful sources

- Ministry of Food, Agriculture and Fisheries. <http://www.fvm.dk>.
- Danish Import Promotion – <http://www.dipo.dk>.
- Danish Veterinary and Food Administration – <http://www.uk.foedevarestyrelsen.dk>.
- FAOSTAT, Statistical Database on Agricultural Production – <http://faostat.fao.org>.
- Organic Europe, information on organic production in Europe – <http://www.organic-europe.net>.
- Statistics Denmark – <http://www.dst.dk>

2. Trade: imports and exports

Imports

In 2005, Danish fruit imports were €318 million and 343 thousand tonnes. This was 2% of total EU import value in 2005 (Eurostat 2006). From 2001 to 2005, import value of fruit increased by 32%. 95% of total value was imported from other EU countries; 5% of the imports came from developing countries.

Fruit products with the largest import value in 2005 were bananas (of which only 5% was imported from developing countries), apples and grapes. The Netherlands, Germany and Spain are the main suppliers. Fruit products with the largest imports from developing countries were apples, bananas, pears and quinces, dates, and grapes (Table 2.1).

In 2005, total vegetables imports were €217 million and 167 thousand tonnes (2% of total EU import value). From 2001 to 2005, import value of vegetables increased by 44%. 98.4% of total import value in 2005 came from other EU countries; only 1.6% came from developing countries.

Vegetables with the largest import values in 2005 were tomatoes, sweet pepper and cucumbers. The Netherlands, Spain and Germany were the main suppliers of vegetables. Vegetables with the largest imports from developing countries were sweet corn, asparagus, garlic, sweet pepper and eggplant.

Table 2.1 Danish import from developing countries and leading supplying countries with their market shares, in thousand euro (€)

Total fruit		5% of total import value 2005	
Product	DC imports	Leading DC suppliers	
Apples	5,229	Argentina (32%), Brazil (29%), Chile (25%), South Africa (13%)	
Bananas	3,453	Ecuador (55%), Colombia (20%), Costa Rica (18%)	
Pears and quinces	1,741	Argentina (42%), Chile (31%), South Africa (25%)	
Dates	1,727	Iran (68%), Tunisia (18%), Pakistan (9%)	
Grapes	1,399	South Africa (56%), Chile (19%), Turkey (12%), Brazil (7%)	
Total vegetables		1.6% of total import value 2005	
Product	DC imports	Leading DC suppliers	
Sweet corn	625	Thailand (100%)	
Asparagus	695	Thailand (98%), Chile (1.6%)	
Garlic	502	China (98.6%), Mexico (1.4%)	
Sweet peppers	455	Turkey (83%), Thailand (13%), Kenya (2.3%)	
Eggplant	144	Thailand (52%), Turkey (35%), Kenya (10%)	

Source: Eurostat 2006

Exports

Denmark is a small exporter of fruit and vegetables compared to other EU countries. Exports of fruit amounted to €23 million and 25 thousand tonnes in 2005, 0.2% of total EU export value of fruit (Eurostat 2006). From 2001 to 2005, export value of fruit increased by 79%. The main exported fruits were bananas (55% of export value in 2005) and apples (12%). Bananas were mainly exported to Sweden.

In 2005, exports of vegetables were €16 million and 16 thousand tonnes, 0.2% of total EU export value. From 2001 to 2005, export value of vegetables increased by 36%. The main export products were cabbage, lettuce and tomatoes.

Opportunities and threats

Denmark is only a small importer of fruits and vegetables from developing countries except for bananas. Most exotics and off-season fruit and vegetables are imported from other EU countries, mainly Germany and the Netherlands. Fruit and vegetables exporters should therefore not only look to Danish importers, but also to importers in those EU countries supplying Denmark indirectly.

Useful sources

- EU Expanding Exports Helpdesk - <http://export-help.cec.eu.int/>
- Eurostat – official statistical office of the EU - <http://epp.eurostat.cec.eu.int>
- Danish Import Promotion - <http://www.dipo.dk>
- Danish Association of Commercial Agents and Exclusive Distributors – <http://www.commercial-agents.dk>

3. Trade structure

Small, independent grocery stores are losing market share to the multiple retailers every year. Discount stores are, as in many EU countries, expanding their market share in Denmark. The Largest multiple retailers in Denmark are:

- Coop Denmark (<http://www.coop.dk>);
- Dansk Supermarked (<http://www.dsg.dk>);
- Supergros (<http://www.supergros.com>);
- EDEKA (<http://www.edeka.de>).

Dansk Supermarked has its own central buying/importing facilities. Imports of fruit and vegetables for Coop Denmark are organised by NAF International (part of Coop Norden - <http://www.coopnorden.com>). Imports of fruit and vegetables for Edeka are organised by Edeka Fruchtkontor in Germany (<http://www.edeka.de>).

Denmark has a well-developed infrastructure. Many international carriers use the airport of Copenhagen. The major international port is Copenhagen. The road network is very good and there is a good connection by road to Sweden by means of a bridge between Copenhagen and Malmö.

Denmark's largest wholesale market is Copenhagen Wholesale Market – <http://www.groenttorvet.dk>. The website (in Danish) lists importers and wholesalers active in the Danish market.

4. Prices

From 2003 to 2005, the average import price of fruit increased by 20%, to €0.92 per kg. The average price of fruit imported from developing countries increased by 3%, to €0.68. The price level and development of selected products are: apples +5%, €0.68; bananas -12%, €0.47; pears and quinces -7%, €0.63; dates +1%, €1.10; grapes +32%, €1.36.

Over the same period, the average import price of vegetables increased by 25% to €1.29 per kg. The average price of vegetables imported from developing countries decreased by 25%, to

€1.70. The price level and development of selected products were: asparagus -4%, €5.02; garlic +3%, €0.78; sweet pepper +59%, €1.14; eggplant +117%, €1.89.

For more price information, you may try the Market New Service 'Fresh Tropical and Off-Season Fruit and Vegetables' of the International Trade Centre - www.p-maps.org/mns.

Or contact importers and agents for up-to-date information on the price of individual products.

5. Market access requirements

Manufacturers in developing countries should be aware of the market access requirements of their trading partners and the country government. Requirements are demanded through legislation and through labels, codes and management systems. These requirements are based on environmental, consumer health and safety and social concerns. For more information go to 'Search CBI database' at <http://www.cbi.nl/marketinfo>

For fresh fruit and vegetables, the value-added tax (VAT) rate of 25% is applicable.

6. Business practices

Danish importers emphasize long-lasting business relationships with the foreign company based on mutual interest and are open to new suppliers. The key to successful penetration of the Danish market for fresh fruit and vegetables is the quality of the products (standards are high). Living up to delivery time and agreements regarding quality, price and quantity is essential.

For more information on doing business in Denmark, please contact the Danish Association of Commercial Agents and Exclusive Distributors - <http://www.commercial-agents.dk>

7. References

DIPO. 2003. Danish Import Promotion Office for Products from Developing Countries. Fruit and vegetables, a survey of the market for fruit and vegetables in Denmark. Available at <http://www.dipo.dk>.

European Union 2002. Price differences for supermarket good in Europe. Working document of Directorate General Internal Market. Available at http://europa.eu.int/comm/internal_market/economic-reports/index_en.htm.

Eurostat. 2006. Statistical Office of the European Communities, COMEXT database on external trade, available at <http://fd.comext.eurostat.ec.eu.int/xtweb/>.

FAO. 2006. FAOSTAT, Statistical Database on Agricultural Production. Available at <http://faostat.fao.org>.

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