

## CBI MARKET SURVEY

## THE FRESH FRUIT AND VEGETABLES MARKET IN SWEDEN

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**Introduction**

This CBI market survey gives exporters in developing countries information on some main developments in the fresh fruit and vegetables market in Sweden. 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****Consumption**

Consumption of fruit and vegetables in Sweden is comparable to other Scandinavian countries and lower than the EU average. Retail sales of fresh fruit in 2004 were 627 thousand tonnes and 70 kg per caput. Apples, bananas and citrus fruit were the most popular fruits. In the same year, the retail sales of fresh vegetables were 383 thousand tonnes and 43 kg per caput (EVD 2006).<sup>1</sup>

**Production**

Sweden is a small producer of fruit and vegetables, with a share of less than 1% in total EU production. In 2005, fruit production was 34 thousand tonnes of which 58% were apples, 30% strawberries and 6% pears. Fruit production was stable from 2001 to 2005.

Production of vegetables in 2005 was 310 thousand tonnes, an increase of 10% since 2001. Carrots were the main vegetable, accounting for 31% of total vegetables production. Other vegetables produced in Sweden were peas, cucumbers, lettuce and onions.

**Trends**

The traditional Swedish warm meal consists of potatoes, vegetables and meat. As in many countries, less time is spent on cooking and convenience products are becoming more popular. About 20% of all meals are consumed out of home, mainly in schools, canteens and other institutes. The food service sector is therefore an important sales channel for fruit and vegetables. Organic food products are popular in Sweden. The share of organic products in total food sales is around 3%.

**Opportunities and threats**

Production of fruit and vegetables is low and the climate permits only a limited variety of fruits and vegetables to be grown. Sweden therefore depends on imports for satisfying domestic demand for fruit and vegetables. According to the EVD, 95% of the fruit and 60% of the vegetables are imported. Demand for organic products, especially fresh produce, is expected to grow.

**Useful sources**

- Swedish National Food Administration – <http://www.slv.se>
- FAOSTAT, Statistical Database on Agricultural Production – <http://faostat.fao.org>

<sup>1</sup> 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.

- Swedish Ministry of Agriculture, Food and Consumers Affairs - [http://www.sweden.gov.se/sb/d/2064;jsessionid=aWwDIptLwF\\_h](http://www.sweden.gov.se/sb/d/2064;jsessionid=aWwDIptLwF_h)

## 2. Trade: imports and exports

### Imports

In 2005, fruit imports were €516 million and 611 thousand tonnes, 2.9% of total EU import value (Eurostat 2006)). From 2001 to 2005, import value of fruit increased by 20%. In 2005, 77% of total value was imported from other EU countries; 21% of from developing countries. The main imported fruits in 2005 were bananas, apples, grapes and oranges. The Netherlands and Germany were the main suppliers. The main fruits imported from developing countries were bananas, apples, tangerines, pears and quinces, and oranges (Table 2.1).

In 2005, total vegetables imports were €336 million and 290 thousand tonnes, 3.4% of total EU import value. From 2001 to 2005, import value of vegetables increased by 25%. In 2005, 99% of total import value came from other EU countries; 1% from developing countries. The most popular vegetables were tomatoes, sweet peppers, lettuce and cucumbers. The Netherlands is the largest supplier of vegetables, followed by Spain and Germany. The main vegetables imported from developing countries were sweet peppers, garlic, eggplant, cucumbers and tomatoes.

**Table 2.1 Swedish imports from developing countries and major supplying countries with their market shares, by value in thousand euro (€)**

<b>Total fruit</b>	<b>21% of total import value 2005</b>	
<b>Product</b>	<b>DC imports</b>	<b>Leading DC suppliers</b>
Bananas	70,419	Costa Rica (87%), Panama (10%), Colombia (2.7%)
Apples	18,096	Argentina (41%), Brazil (34%), Chile (20%), Uruguay (1.9%)
Tangerines	5,606	Morocco (74%), Peru (13%), Uruguay (6%), Argentina (4.0%)
Pears and quinces	3,933	Argentina (73%), Chile (19%), China (4.6%), South Africa (2.5%)
Oranges	2,624	South Africa (39%), Uruguay (29%), Morocco (13%), Egypt (10%), Brazil (4.5%)
<b>Total vegetables</b>	<b>&lt;1% of total import value 2005</b>	
<b>Product</b>	<b>DC imports</b>	<b>Leading DC suppliers</b>
Sweet peppers	388	Turkey (69%), FJR Macedonia (13%), Thailand (9%), Egypt (3.0%), Kenya (2.2%)
Garlic	173	China (91%), Egypt (9%)
Eggplant	158	Thailand (57%), Turkey (34%), Kenya (7%), Jordan (1.5%), FJR Macedonia (1.2%)
Cucumbers and gherkins	123	Turkey (54%), Jordan (30%), Egypt (11%), Iran (5%)
Tomatoes	92	Turkey (94%), Jordan (3%), FJR Macedonia (3%)

Source: Eurostat 2006

### Exports

Swedish fruit exports were €55 million and 49 thousand tonnes in 2005, 0.4% of total EU export value (Eurostat 2006). From 2001 to 2005, exports of fruit increased by 104%. The main exported fruits were bananas and cranberries. In 2005, 24% of the imported bananas were re-exported, mainly to Finland. (Import value of bananas was €162 million in 2005, of which 44% was imported directly from developing countries.)

In 2005, exports of vegetables were €20 million and 14 thousand tonnes, 0.2% of total EU export value. From 2001 to 2005, exports of vegetables increased by 123%. The main exported vegetables were lettuce, cabbages, mushrooms (*Agaricus* species) and tomatoes.

### Opportunities and threats

Sweden largely depends on other EU countries for the supply of exotics and off-season fruit (except for bananas and apples). Import of fruit from developing countries did not increase over the last years, while total fruit imports did.

Direct imports of vegetables from developing countries are very small. Exporters from developing countries are advised to also look at the EU countries that supply Sweden with products from developing countries (especially the Netherlands and Germany).

#### 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>
- Swedish Trade Federation - <http://www.svenskhandel.se>

### 3. Trade structure

The share of hypermarkets and large supermarkets in total food sales in Sweden is growing and the number of retail stores is decreasing. Multiple retailers are by far the most important outlet for fresh fruit and vegetables. The largest food retail companies in Sweden are:

- ICA Group - <http://www.ica.se>
- Coop Sweden - <http://www.coop.se>
- Axfood AB - <http://www.axfood.se/>
- BergendahlsGruppen AB - <http://www.bergendahls.se/en/>

Some of the importers and buying groups supplying these multiple retailers are:

- ICA Fukt & Grönt - <http://www.ica.se> – for ICA Group
- Coop Norden - <http://www.coopnorden.com> – for Coop Sweden
- SABA Fukt & Grönt - <http://www.saba.se> – for Coop Sweden and Axfood AB

There are also (smaller) importers, some of which are specialised in niche products such as tropical products. The main wholesale market is Årsta Partihallar - <http://www.arsta-partihallar.se>. The website lists importers active at this wholesale market.

### 4. Prices

From 2003 to 2005, the average import price of fruit increased by 2%, to €0.84 per kg. The average price of fruit imported from developing countries decreased by 10%, to €0.73. Price levels and developments of selected products from developing countries were: bananas -11%, €0.76; apples -12%, €0.68; tangerines -15%, €0.66; pears and quinces -6%, €0.66; oranges -4%, €0.40.

Over the same period, the average import price of vegetables decreased by 2% to €1.16 per kg. The average price of vegetables imported from developing countries increased by 11% to €1.38. Price levels and developments of selected products from developing countries were: sweet peppers +60%, €0.90; garlic +23%, €0.67; eggplant +18%, €1.72; cucumbers -6%, €0.97; tomatoes -5%, €0.88.

For price information, you may refer to:

- Today Market European markets - [http://www.todaymarket.com/eu\\_pric.htm](http://www.todaymarket.com/eu_pric.htm).
- Market New Service 'Fresh Tropical and Off-Season Fruit and Vegetables' of the International Trade Centre - [www.p-maps.org/mns](http://www.p-maps.org/mns).

In addition, importers and agents may also be able to give up-to-date information on prices.

### 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 defined through legislation, 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 reduced value-added tax rate (VAT) of 12% applies.

## 6. Business practices

For information on doing business in Sweden, try the following sources:

- Swedish Chamber of Commerce – <http://www.handelskamrarna.se/en>
- Swedish Federation of Trade – <http://www.svenskhandel.se>

## 7. References

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

EVD. 2006. Country information on Sweden, food products sector. Available at <http://www.evd.nl/landen>. The Agency for International Business and Cooperation, Ministry of Economic Affairs, the Netherlands.

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

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