CBI MARKET SURVEY

# The fresh fruit and vegetables market in Germany

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**Report summary**
This CBI market survey discusses the fresh fruit and vegetables market in Germany. The highlights are summarised below.

- German consumption of fresh fruit is slowly decreasing in volume, but increasing in value.
- Consumption of vegetables is stable in volume, but the value is increasing.
- Between 2003 and 2007, fruit production fluctuated between 1.2 and 1.4 million tonnes, and vegetable production decreased by 30%.
- Germany is the leading EU importer of fruit and vegetables. Developing countries ( DCs) have a 23% share of imports of fresh fruits by volume and 16% by value. The value share increased 12% since 2003.
- The most important fresh fruits from DCs are bananas, pineapples, table grapes, dates, apples, strawberries and pears.
- There are hardly any vegetable imports from DCs, except for peas and beans.
- Since most German imports occur through neighbouring countries such as the Netherlands and Belgium, DC suppliers may find importers for Germany in these countries as well.


This CBI market survey provides exporters in developing countries (DCs) with information on the main developments in the fresh fruit and vegetables market in Germany. 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.eu/marketinfo.

## 1 Market description: consumption and production

### Total consumption

Apparent consumption of fresh fruit in Germany was 10.1 million tonnes in 2007, of which fresh fruit amounted to 5.2 million tonnes or 63.8 kg per capita, and fresh vegetables amounted to 4.9 million tonnes or 59.2 kg per capita. Per capita consumption in Germany is well below the average EU consumption of 93,8 kg for fresh fruit and of 119.5 kg for fresh vegetables.

With a share of 11% of the EU consumption of fresh fruit, Germany is ranked third in the EU in this category, and in vegetables its share is 8% and its rank fifth. Between 2002 and 2007, consumption of fresh fruit decreased by 25% (-5.5% per year), while consumption of fresh vegetables fell 21% (-4.7% per year).

Germany has an important fruit and vegetables processing industry with sales of about €3.5 billion (BOGK 2007/2008) and a fruit juice industry with sales of about €3.9 billion (VdF 2007).

**Table 1.1 Apparent consumption of fresh fruit and vegetables in Germany, 2003- 2007, in thousand tonnes**

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|---|---|---|---|---|---|---|
| Fruit | 6,977 | 5,962 | 5,897 | 5,706 | 5,694 | 5,249 |
| Vegetables | 6,206 | 6,165 | 6,415 | 5,926 | 5,668 | 4,872 |
| **Total** | **13,183** | **12,127** | **12,312** | **11,632** | **11,362** | **10,121** |

Source: FAOSTAT-Food and Agriculture Organization, 2008, and Eurostat, 2007, 2008

Consumption of **fresh fruit** per household showed a decrease of 8% in volume in 2008 compared to 2005, but in value it remained nearly the same (€1.35 per kg in 2008, €1.36 per kg in 2005). Apples, bananas and oranges are the most popular fresh fruits in Germany (Table 1.2). They accounted for nearly 45% of the total fruit consumption in 2008, with apples the number one fruit with a consumption of about 20 kg per household.

Germany is by far the largest consumer of bananas in the EU. However, apples, bananas and oranges showed a decrease compared to 2007 and 2005. In 2007 grapes have become number four, with 5.5 kg per household, before mandarins with 5 kg.

The most popular apple varieties in 2007 were Jonagold (incl. Jonagored) with 18.5% of the total apple consumption, Elstar with 18%, Braeburn (14%) and Gala (11%).

Exotic fruits such as pineapple and mango are becoming more and more popular. The consumption of mangos tripled between 2005 and 20057

**Table 1.2 Household consumption of fresh fruit in Germany, 2005, 2007 and 2008, in kg per household (main varieties)**

| | Volume | | |
|---|---|---|---|
| | **2005** | **2007** | **2008** |
| **Total fruit** | **90.8** | **86.0** | **83.6** |
| | | | |
| Apples | 21.9 | 20.7 | 19.8 |
| Banana | 16.5 | 16.9 | 16.4 |
| Oranges | 9.3 | 10.0 | 9.3 |
| Grapes | 5.9 | 4.8 | 5.5 |
| Mandarines | na | 5.9 | 5.0 |
| Melons | 3.9 | 3.5 | 3.8 |
| Strawberries | 3.6 | 3.4 | 3.1 |
| Pears | 3.8 | 3.4 | 3.1 |
| Nectarines | 3.6 | 3.0 | 2.9 |
| Pineapples | 2.5 | 2.6 | 2.8 |
| Kiwi fruit | 2.3 | na | na |
| Mangos | 0.6 | na | na |

Source: ZMP 2008 (http://www.zmp.de)

The consumption of ***fresh vegetables*** in 2008 by volume was more or less the same compared to 2005, but the value increased by 14%.

The most important fresh vegetables in the German market are tomatoes, carrots, cucumbers and onions. In 2008, tomato consumption was 10.5 kg per household, carrots 7.8 kg, cucumbers 7.0 kg and onions 6.6 kg. The average prices per kg per household were €1.20 in 2008, much lower than in 2005 (€1.67).

**Table 1.3 Household consumption of fresh vegetables in Germany, 2005, 2007 and 2008 (main varieties)**

| | Volume | | |
|---|---|---|---|
| | **2005** | **2007** | **2008** |
| Total vegetables | 64.3 | 63.4 | 63.5 |
| | | | |
| Tomatoes | 10.5 | 10.5 | 10.5 |
| Carrots | 7.6 | 7.8 | 7.8 |
| Cucumbers | 7.4 | 6.7 | 7.0 |
| Onions | 6.9 | 6.5 | 6.6 |
| Peppers | 5.2 | 4.5 | 4.9 |
| Lettuce | 6.5 | 3.1 | 3.0 |
| Cauliflower | 2.2 | 2.2 | 2.3 |
| Asparagus | 1.9 | 2.0 | 1.9 |
| Leeks | 1.6 | 1.6 | 1.5 |
| White cabbage | 1.5 | 1.3 | 1.3 |

| | Volume | | |
|---|---|---|---|
| | 2005 | 2007 | 2008 |
| Mushrooms | 1.2 | Na | Na |
| Turnips | 1.1 | Na | Na |

Source: ZMP 2008

***Market segmentation***

Germany is a federal republic of 16 states (Bundesländer), amongst which large differences in demography, economy and culture exist. Important for the food market are the different culinary traditions and food preferences. The dishes in southern regions often consist of pork, potatoes and fresh and preserved vegetables. In the northern states dishes are more diverse and use a wider variety of ingredients. Due to the large groups of immigrants, severalforeign dishes have found their way into the German cuisine, for example Turkish dishes.

***Trends in consumption***

German people are very much interested in health and wellness, and although they are very price conscious as well, they are willing to spend more money on high quality products like fruit and vegetables.Q uality, freshness and origin are all important. As a result, the organic market for fruit and vegetables is growing rapidly, from 124 thousand tonnes in 2004 to 244 thousand tonnes in 2008; however, this last year sales were slightly lower than in 2007.

The main organic fruit products are bananas (44%) and apples (14%). Carrots are the most important product in the organic vegetables market: 38% of purchases of fresh organic vegetables consist of carrots. (Source: ZMP 2009). In 2008, 54% of the organic vegetables came from German soil.

In the food service segment organic food is also becoming more and more important; in 2008, 70% of the restaurants used organic fruit on a regular basis and 60% used organic vegetables.

**Production**

Germany is the seventh largest EU producer of fresh fruit and the eighth largest producer of vegetables. In 2007, fresh fruit production was 1.2 million tonnes, accounting for 3.1% of the EU total (Table 1.4). Production of vegetables was 2.5 million tonnes, which is 4.3% of the EU total (Table 1.5). These shares are much lower than Germany's share of the EU population of 16.5%, indicating that fruit and vegetable production is relatively small.

Between 2003 and 2007, the ***fresh fruit*** production fluctuated between 1.2 and 1.4 million tonnes (Table 1.4). The fluctuation is mainly caused by the apple production, by far the largest product in Germany. Apple production amounted to 912 thousand tonnes in 2007; the most important varieties were Jonagold and Elstar. Strawberry production showed a rapid growth between 2003 and 2006 but decreased in 2007 by 12%. Two other important fruit products are plums and sloes (63 thousand tonnes in 2007) and pears (47 thousand tonnes).

**Table 1.4 Production of fresh fruit in Germany, 2003-2007, in thousand tonnes**

| | 2003 | 2004 | 2005 | 2006 | 2007 |
|---|---|---|---|---|---|
| **Total fruit (excl. grapes)** | **1,329** | **1,443** | **1,244** | **1,354** | **1,184*** |
| Apples | 818 | 980 | 891 | 948 | 912 |
| Strawberries | 95 | 119 | 147 | 173 | 153 |
| Plums and sloes | 48 | 78 | 40 | 52 | 63 |
| Pears | 53 | 79 | 38 | 49 | 47 |
| Currants | 148 | 11 | 11 | 11 | 9 |
| Other | 167 | 176 | 117 | 121 | n.a. |

Source: FAOSTAT 2008

* Figure for 2007 is not complete yet, but we estimate it to be about 1.4 million tonnes.

Between 2003 and 2007, ***fresh vegetables*** production in Germany decreased by 30% (Table 1.5). However, the total figure for 2007 is probably not complete yet and could turn out to be higher.

The main product is cabbages, accounting for 29% of German vegetable production in 2007. The second largest product group is carrots and turnips with 21% of total vegetables production, followed by dry onions (363 thousand tonnes) and cucumbers and gherkins (167 thousand tonnes in 2007, a decrease of 25% compared to the last years).

The production of asparagus, a less significant product, is steadily increasing, from 65 thousand tonnes to 93 thousand tonnes in 2007. The group including pumpkins (83 thousand tonnes) is a new category in this Table.

**Table 1.5 Production of vegetables in Germany, 2003-2007, in thousand tonnes**

| | 2003 | 2004 | 2005 | 2006 | 2007 |
|---|---|---|---|---|---|
| **Total vegetables** | **3,583** | **3,836** | **3,572** | **3,074** | **2,518** |
| Cabbages and other brassicas | 785 | 795 | 722 | 737 | 736 |
| Carrots and turnips | 426 | 554 | 516 | 504 | 518 |
| Vegetables fresh, nes* | 1,200 | 1,097 | 1,000 | 368 | 369 |
| Onions, dry | 272 | 426 | 365 | 337 | 363 |
| Cucumbers, gherkins | 232 | 205 | 220 | 221 | 167 |
| Asparagus | 65 | 73 | 83 | 82 | 93 |
| Pumpkins, squash, gourds | na | na | na | 78 | 83 |
| Spinach | 57 | 59 | 69 | 55 | 59 |
| Tomatoes | 49 | 58 | 56 | 53 | 57 |
| Beans, green | 38 | 47 | 43 | 42 | 45 |
| Peas, green | 26 | 32 | 29 | 28 | 27 |
| Leguminous vegetable, nes* | 2 | 3 | 3 | 3 | 3 |
| Cauliflower, broccoli | 168 | 182 | 177 | 159 | 0 |
| Chillies and green peppers | 0 | 0 | 0 | 2 | 0 |
| Mushrooms and truffles | 60 | 50 | 50 | 55 | 0 |
| Onions (incl. shallots) green | 0 | 0 | 0 | 45 | 0 |

Source: FAOSTAT 2007
*nes: nowhere else specified

### *Forecast and trends in production*

Consumption of fruit is about four times higher than production and twice as high for vegetables. In general, production is decreasing, especially of vegetables. Fresh fruit and vegetables harvests are subject to weather conditions, which influence the need of imports to meet consumption demand.

### Opportunities and threats

The main opportunities and threats in consumption and production are listed below.

+ Germany is one of the largest markets in the EU for fruit and vegetables.
+ Interest in high quality and organic fruit and vegetables is growing.
+ Production of fruit and vegetables is decreasing, which increases the need for imports
- German consumers prefer vegetables grown in their own country and in EU countries
- German consumption (by volume) of fruit and vegetables is more or less stable with a tendency to a decline.

Trends and market developments can offer opportunities and threats to exporters. A given trend may be a threat to some, but an opportunity to others. These trends should therefore always be carefully analysed in relation to specific company circumstances. The exporter's specific situation determines whether a development or trend provides an opportunity or threat. An example of such an analysis is provided in Chapter 7 of CBI's market survey 'The fresh fruit and vegetables market in the EU, available from http://www.cbi.eu/marketinfo.

### Useful sources

- ZMP, http://www.zmp.de. Publishes an annual balance of the German and European markets for fresh fruit and vegetables, including producers, import and consumer prices.
- FAOSTAT, http://faostat.fao.org. Statistics database of the FAO.

## 2 Trade channels for market entry

### Trade channels

Germany has a well developed distribution system. An important entry point for fresh products in Germany (and the EU) is the German port of Hamburg. It has a large terminal for the storage and distribution of fresh fruit. Hamburg and Germany have benefited from the growing importance of Scandinavian and eastern European countries after their accession to the EU. Another major German port for fresh fruit is Bremerhaven. These northern ports have good connections by road, rail and water to the markets in Scandinavia, eastern and central Europe.

Many imported fresh fruits and vegetables destined for the German market are transported over land or water from the ports of Rotterdam (the Netherlands) and Antwerp (Belgium). Airfreight is also used as a means of transport for fruit and vegetables to Germany. One of the leading airlines for fresh cargo is Lufthansa.

Wholesale grocers have a full-scale infrastructure for the purchase, intermediate storage and regional distribution of the goods. The individual retail stores order their goods from the wholesaler's central (or regional) offices on a daily basis. In turn, the wholesalers order the same day or the next morning from their suppliers (importers) and often deliver the same day.

The most important trade channel for DC exporters are importers. Germany has many importers of fresh fruit and vegetables. Some of them are large with a wide product portfolio, while others focus on specific product groups or countries of origin. Large supermarkets, such as Edeka, Aldi and Lidl, have their own import company that handles the imports of fruit and vegetables.

Exporters can find all relevant information about Germany, its economy and industries at the German Business Portal, http://www.german-business-portal.info/

Large importers of fruit and vegetables in Germany are:

- Edeka Fruchtkontor, http://www.edeka.de;
- Univeg Deutschland (former Atlanta), http://www.univeg.de;
- Cobana Fruchtring GmbH, http://www.cobana-fruchtring.com;
- OGL Food Trade Lebensmittelvertrieb GmbH, http://www.ogl-foodtrade.com;
- Dole Fresh Fruit Europe oHG, http://www.dole.com.

### Retail trade and trends

In recent years the food retail market has undergone a rather drastic consolidation process. Five major trading companies now account for about 90% of the German market.Edeka is the market leader with a 25% share. Discounters had a marketshare of 43% in 2007.

Sales promotions by discounters have a strong influence on total sales. For example, in 2005 pineapples and mangos were offered at attractive prices, which boosted sales of these products. Bananas are a typical discounter product with as much as 61% of all bananas being sold through such stores. Minor exotics such as kakis, physalis and lychees are mostly sold through discount stores as well (ZMP, 2006).

More and more German discounters like Aldi and Lidl participate in the biotrend. About 40% of all organic products in Germany are distributed by discounters. Lidl plans that 20% of its assortment will consist of biological products in the long term.

The major multiple retailers in Germany are:
- Aldi, http://www.aldi.de (discounter),
- Lidl, http://www.lidl.de (discounter),
- Rewe, http://www.rewe.de,
- Edeka, http://www.edeka.de,
- Kaiser's Tengelmann AG, http://www.kaisers.de.

### Price structure
Margins vary strongly depending on the type of product, the distribution channel and the continual changes in supply and demand and the resulting price fluctuations. It is impossible to draw up a schedule of actual margins for every product/market combination. Importers and agents can give up-to-date information on the price levels of individual products. The website http://www.agribusinessonline.com reports wholesale market prices for fresh fruit and vegetables in Germany. Go to 'market prices'.

### Selecting a suitable trading partner
For information on the selection of suitable trading partners, please refer to http://www.cbi.eu/marketinfo. For general information, go to CBI's publication 'Export Planner', at http://www.cbi.eu/marketinfo.

For an overview of potential partners for exporters in DCs, please consult the following online databases:
- Förderverein GFI Deutsche Grossmärkte (Association of German wholesale markets). http://www.grossmaerkte.de;
- Website with list of (multiple) retail organisations in Germany and their websites, http://www.wer-zu-wem.de/ (in German only);
- http://www.wlw.de, Wer Liefert Was (also in English) supplier search in business to business;
- Europages, http://www.europages.com. A useful source for finding contact details and information on the activities of importers. The most interesting contacts at Europages can be found under the category Agriculture and Livestock, subcategory Fruits and Vegetables;
- http://www.foodtrader.com. B2B marketplace for the food and agriculture industry.

## 3 Trade: imports and exports

### Imports
In 2007 Germany accounted for 19% or 4.9 million tonnes of total EU fruit imports and for 23% (2.7 million tonnes) of vegetables imports. It is the major EU importer of fresh fruit and vegetables.

Between 2003 and 2007, ***fresh fruit*** imports increased by 12% in value and 43% in volume. In 2007, 84% of total import value originated from other EU countries, 5% less than in 2003; 16% came from DCs, 12% more than in 2003. By volume, 76% came from EU members and 23% from DCs. Spain, Italy and the Netherlands are the main EU suppliers of fresh fruit in Germany; Colombia, Ecuador, Panama and Costa Rica are the main DC suppliers.

Bananas amounted to 20% of total fresh fruit imports, followed by citrus fruit with 18% and apples/pears/quinces with 16%.

The main fruits imported from DCs are bananas, pineapples, table grapes, dates, apples, strawberries and pears.

In the EU Germany is the second largest importer of bananas in the EU, after Belgium. In 2007, 57% of the banana imports originated from DCs. The other part consisted of re-exports from other EU countries, in particular Belgium.

Between 2003 and 2007, imports of bananas from DCs increased by 3% in value and 43% in volume. The main supplier was Belgium with 35%, followed by Colombia (21%), Ecuador (14%), Panama (13%) and Costa Rica (8%).

The Netherlands and Belgium delivered nearly 60% of total pineapple imports to Germany in 2007, followed by Costa Rica with 17% of total value, Ecuador with 5% and Honduras with 2%. The total imports from DCs in the same year amounted to €34 million and 42 thousand tonnes, an increase of 161% in value and more than 300% in volume compared to 2003.

DC imports of table grapes (€28 million and 18,000 tonnes) in 2007 nearly doubled in value and rose by 74% in volume, compared to 2003. Egypt and South Africa were the leading DC suppliers with respectively 25% and 18% of total DC grape imports in value.

Dates and apple imports from DCs increased by 43% and 23% respectively between 2003 and 2007, while strawberry imports (€11 million) rose 400% and pears (€11 million) by more than 250%. The main DC supplier of dates was Tunisia with 56% of total imports; the main supplier of strawberries was Morocco with 5% of total import value.

**Table 3.1 Imports by and leading suppliers to Germany 2003 - 2007, share in % of value**

| | 2003 €mln | 2005 €mln | 2007 €mln | Leading suppliers in 2007 (share in %) | Share (%) |
|---|---|---|---|---|---|
| **All fresh fruit** | **3,865** | **3,678** | **3,768** | | **100%** |
| Intra EU | 3,328 | 3,225 | 3,162 | Spain (22%), Italy (19%), The Netherlands (18%), Belgium (14%), France (5%) | 84% |
| Extra EU ex. DC* | 15 | 17 | 18 | New Zealand (0.3%), USA (0.1%), Israel (0.1%) | 0.5% |
| DC* | 522 | 436 | 587 | Colombia (4.3%), Ecuador (2.9%), Panama (2.5%), Costa Rica (2.3%), Brazil (0.5%), South Africa (0.5%), Argentina (0.4%), Morocco (0.4%), Tunisia (0.3%), Egypt (0.3%) | 16% |
| **Bananas** | **736** | **765** | **754** | | **20%** |
| Intra EU | 322 | 436 | 329 | Belgium (35%), The Netherlands (4.3%), France (2.3%), Italy (0.9%), Poland (0.2%) | 44% |
| Extra EU ex. DC* | 1 | 0 | 0 | | |
| DC* | 414 | 328 | 425 | Colombia (21%), Ecuador (14%), Panama (13%), Costa Rica (8%), Peru (0.5%), Brazil (0.3%), Dominican R. (0.1%) | 56% |
| **CitrusFruit** | **738** | **677** | **667** | | **18%** |
| Intra EU | 713 | 662 | 648 | Spain (69%), The Netherlands (14%), Italy (6%), Greece (3.3%), Belgium (2.5%) | 97% |
| Extra EU ex. DC* | 7 | 4 | 3 | USA (0.4%), Israel (0.1%) | 0.5% |
| DC* | 18 | 11 | 16 | South Africa (0.4%), Morocco (0.4%), China (0.4%), Brazil (0.3%), Argentina (0.3%), Turkey (0.2%), Zimbabwe (0.1%) | 2.4% |
| **ApplesPearsQuinces** | **720** | **592** | **619** | | **16%** |
| Intra EU | 703 | 570 | 586 | Italy (43%), The Netherlands (25%), Belgium (13%), France (8%), Austria (2.8%) | 95% |
| Extra EU ex. DC* | 4 | 10 | 10 | New Zealand (1.5%), USA (0.1%) | 1.6% |

| | 2003 €mln | 2005 €mln | 2007 €mln | Leading suppliers in 2007 (share in %) | Share (%) |
|---|---|---|---|---|---|
| DC* | 13 | 12 | 23 | South Africa (1.3%), Argentina (1.2%), Brazil (0.7%), China (0.4%), Chile (0.1%) | 3.7% |
| **Grapes** | **426** | **448** | **445** | | **12%** |
| Intra EU | 412 | 435 | 417 | The Netherlands (32%), Italy (30%), Greece (11%), Belgium (8%), Spain (8%) | 94% |
| Extra EU ex. DC* | 0 | 0 | 0 | | |
| DC* | 14 | 13 | 28 | Egypt (1.5%), South Africa (1.2%), Argentina (1.0%), Brazil (1.0%), India (0.8%), Morocco (0.6%), Turkey (0.2%), Chile (0.1%) | 6.3% |
| **BerriesAndOtherMinorFruit** | **425** | **407** | **434** | | **11%** |
| Intra EU | 414 | 394 | 414 | Spain (30%), Italy (19%), Belgium (16%), The Netherlands (16%), France (6%) | 95% |
| Extra EU ex. DC* | 0 | 0 | 0 | | |
| DC* | 11 | 13 | 20 | Morocco (1.9%), Egypt (0.7%), Serbia (0.4%), Colombia (0.4%), Thailand (0.2%), Vietnam (0.2%), Malaysia (0.1%), Ghana (0.1%), Iran (0.1%), Chile (0.1%) | 4.6% |
| **Stonefruit** | **470** | **432** | **431** | | **11%** |
| Intra EU | 459 | 424 | 420 | Italy (36%), Spain (25%), France (15%), Austria (6%), The Netherlands (6%) | 97% |
| Extra EU ex. DC* | 1 | 1 | 2 | USA (0.4%), Canada (0.1%) | 0.5% |
| DC* | 10 | 7 | 9 | Turkey (1.3%), Chile (0.5%), Serbia (0.2%), South Africa (0.1%), Egypt (0.1%) | |
| **ExoticFruit** | **150** | **194** | **243** | | **7%** |
| Intra EU | 114 | 146 | 184 | The Netherlands (42%), Belgium (13%), France (10%), Spain (6%), Italy (2.3%) | 76% |
| Extra EU ex. DC* | 2 | 2 | 1 | Israel (0.5%), USA (0.1%) | 0.4% |
| DC* | 35 | 46 | 58 | Costa Rica (9%), Tunisia (5%), Ecuador (2.7%), Brazil (1.2%), Thailand (0.9%), Honduras (0.9%), Pakistan (0.7%), Iran (0.5%), South Africa (0.4%), Turkey (0.3%) | 24% |
| **Melons** | **199** | **164** | **175** | | **5%** |
| Intra EU | 192 | 158 | 167 | Spain (47%), The Netherlands (28%), Italy (8%), Greece (3.4%), France (3.4%) | 95% |
| Extra EU ex. DC* | 1 | 0 | 0 | | |
| DC* | 6 | 5 | 8 | Brazil (2.1%), Costa Rica (1.1%), Thailand (0.4%), Iran (0.1%), Ecuador (0.1%), Ghana (0.1%), Turkey (0.1%) | 4.6% |

Source: Eurostat, 2007, 2008
DC*: Developing Countries

Almost 100% of the imports of ***fresh vegetables*** are covered by intra EU countries.Tomatoes account for 30% in value of total vegetables imports. Between 2003 and 2007 these imports rose by 15%, mainly originating from the Netherlands (54% in 2007) and Spain (22% in 2007).

Cucumbers and gherkins are the second largest group of imported vegetables (12% in value) and the Netherlands and Spain are also the main suppliers of these products (respectively 52% and 32%).
Peas and beans are the only (small) product group where DC's have a substantial share of the import market - Kenya 13% and Egypt 11%.

**Table 3.2 Imports by and leading suppliers of fresh vegetables to Germany, 2003-2007, share in % of value**

| | 2003 € mln | 2005 € mln | 2007 € mln | Leading suppliers in 2007 (share in %) | Share (%) |
|---|---|---|---|---|---|
| **All fresh vegetables** | **2,866** | **2,816** | **3,001** | | **100%** |
| Intra EU: | 2,799 | 2,756 | 2,920 | The Netherlands (45%), Spain (23%), Italy (10%), France (8%), Belgium (5% | 97% |
| Extra EU ex. DC*: | 26 | 15 | 18 | Russia (0.2%), Israel (0.2%), New Zealand (0.1%), Australia (0.1%) | 0.6% |
| DC*: | 41 | 45 | 63 | Turkey (0.3%), Morocco (0.3%), Belarus (0.3%), Egypt (0.2%), Kenya (0.2%), Thailand (0.2%), Peru (0.1%), South Africa (0.1%), China (0.1%) | 2.1% |
| **Other vegetables** | **934** | **872** | **955** | | **32%** |
| Intra EU: | 889 | 835 | 911 | The Netherlands (48%), Spain (20%), France (7%), Italy (6%), Greece (4.3%) | 95% |
| Extra EU ex. DC*: | 18 | 7 | 11 | Russia (0.6%), Israel (0.4%), USA (0.1%), | 1.1% |
| DC*: | 27 | 30 | 33 | Belarus (0.9%), Morocco (0.7%), Thailand (0.6%), Peru (0.2%), Ukraine (0.1%), Turkey (0.1%), India (0.1%), South Africa (0.1%), China (0.1%), Dominican R. (0.1%) | 3.5% |
| **Tomatoes** | **781** | **805** | **896** | | **30%** |
| Intra EU: | 779 | 804 | 894 | The Netherlands (54%), Spain (22%), Italy (9%), France (8%), Belgium (7%) | 99.8% |
| Extra EU ex. DC*: | 0 | 0 | 0 | | |
| DC*: | 2 | 1 | 2 | Morocco (0.2%) | 0.2% |
| **Cucumbers and Gherkins** | **330** | **338** | **366** | | **12%** |
| Intra EU: | 327 | 337 | 360 | The Netherlands (52%), Spain (32%), Greece (6%), Belgium (2.8%), Bulgaria (1.6%) | 98% |
| Extra EU ex. DC*: | 0 | 0 | 0 | | |
| DC*: | 2 | 2 | 6 | Turkey (1.3%), Jordan (0.1%), FJR Macedonia (0.1%), Egypt (0.1%) | 1.5% |
| **Lettuce and chicory** | **341** | **348** | **283** | | **9%** |
| Intra EU: | 341 | 348 | 282 | Spain (43%), The Netherlands (18%), Italy (16%), France (12%), Belgium (10%) | 100% |
| Extra EU ex. DC*: | 0 | 0 | 0 | USA (0.1%), | |
| DC*: | 0 | 0 | 0 | Turkey (0.1%) | |
| **Alliaceous vegetables** | **171** | **147** | **191** | | **6%** |
| Intra EU: | 160 | 136 | 176 | The Netherlands (32%), Spain (22%), Italy (13%), Belgium (12%), France (9%) | 92% |
| Extra EU ex. DC*: | 8 | 7 | 7 | New Zealand (2.3%), Australia (0.9%), Israel (0.2%) | 3.7% |
| DC*: | 3 | 4 | 8 | Egypt (0.7%), South Africa (0.7%), Argentina (0.7%), Turkey (0.6%), China (0.5%), Chile (0.4%), Thailand (0.1%), India (0.1%), Ukraine (0.1%) | 4.2% |
| **Brassicas** | **166** | **161** | **150** | | **5%** |
| Intra EU: | 166 | 161 | 150 | Italy (27%), The Netherlands (25%), France (24%), Spain (18%), Belgium (2,2%) | 100% |
| Extra EU ex. DC*: | 0 | 0 | 0 | | |
| DC*: | 0 | 0 | 0 | | |
| **Edible roots** | **110** | **104** | **113** | | **4%** |
| Intra EU: | 110 | 103 | 111 | Italy (39%), The Netherlands (36%), Spain (5%), France (4.5%), Austria (3.6%) | 98% |
| Extra EU ex. DC*: | 0 | 0 | 0 | | |
| DC*: | 0 | 0 | 2 | Turkey (1.3%), China (0.1%) | 1.8% |
| **Peas and beans** | **33** | **41** | **47** | | **2%** |

| | 2003 € mln | 2005 € mln | 2007 € mln | Leading suppliers in 2007 (share in %) | Share (%) |
|---|---|---|---|---|---|
| Intra EU: | 27 | 33 | 34 | The Netherlands (36%), Spain (17%), Belgium (6%), Italy (6%), France (4.6%) | 72% |
| Extra EU ex. DC*: | 0 | 0 | 0 | | |
| DC*: | 6 | 8 | 13 | Kenya (13%), Egypt (11%), Thailand (0.7%), Morocco (0.5%), Dominican R. (0.4%), Peru (0.2%), Guatemala (0.1%), Zambia (0.1%) | 28% |

Source: Eurostat, 2007, 2008
DC*: Developing countries

**Exports**
Germany is the fourth largest exporter of ***fresh fruit*** in the EU, with a share of 5% both in value and volume. In 2007, fruit exports amounted to 795 thousand tonnes with a value of €681 million, an increase of respectively 74% and 72%. The main destinations are Austria (13%), Sweden (13%), Poland (13%) and Denmark (12%).

Bananas (53% of export value) and apples (18%) are the most important export products. In 2007, 421 thousand tonnes of bananas and 147 thousand tonnes of apples were exported . Between 2003 and 2007 the quantities nearly doubled.

Germany exported 380 thousand tonnes (€283 million) of ***fresh vegetables*** in 2007, 3% of total EU exports. Compared to 2003, volume rose by 21% and value by 32%. The main exported products were onions and tomatoes.

**Opportunities and threats**
The most important opportunities and threats in terms of imports and exports are:
+ Germany is the leading EU importer of fresh fruit and vegetables;
+ Germany is one of the largest importers of exotic fruits;
+ Banana re-export quantities nearly doubled between 2003 and 2007;
+ Fruit imports from DCs increased in both value and volume;
- Imports from DCs are relatively low in fruit (23%) and hardly existing in vegetables.

Trends and market developments can offer opportunities and threats to exporters. A given trend may be a threat to some, but an opportunity to others. These trends should therefore always be carefully analysed in relation to specific company circumstances. The exporter's specific situation determines whether a development or trend provides an opportunity or threat. An example of such an analysis is provided in Chapter 7 of CBI's market survey 'The fresh fruit and vegetables market in the EU', available from http://www.cbi.eu/marketinfo.

**Useful sources**
- EU Expanding Exports Helpdesk - http://exporthelp.europa.eu;
- German contact database: http://www.e-trade-center.com, German and foreign companies can offer their products and services and at the same time inquire about the products and services they need;
- Eurostat – official statistical office of the EU - http://epp.eurostat.ec.europa.eu;
- Understanding eurostat: Quick guide to easy comext → http://epp.eurostat.ec.europa.eu/newxtweb/assets/User_guide_Easy_Comext_20080117.pdf.

## 4 Price developments

The CBI market survey 'The fresh fruit and vegetables market in the EU' gives information on price levels of fresh fruit and vegetables in the EU. Prices in the German market will not differ much from the EU level. Prices of fresh fruit and vegetables are the result of negotiations between seller and buyer. In the negotiation process, many factors influence the final price. Exporters are advised to closely monitor market and price developments in their specific product categories, in order to quote realistic prices. In 2008 the average prices for fruit and vegetables increased by about 7% compared to 2007.

For more information on (wholesale) market prices of fresh fruit and vegetables, please refer to the following website:

- http://www.fruchtportal.de (in German language).

## 5 Market access requirements

Manufacturers in DCs preparing to access markets in Germany should be aware of the market access requirements of potential trading partners and the German government. For information on legislative and non-legislative requirements, go to 'Search CBI database' at http://www.cbi.eu/marketinfo, select the market sector and Germany in the category search, click on the search button and click on market access requirements.

For Germany, goods should be securely packed, with due regard to the nature of the goods, means of transport and likely climatic conditions during transit and delivery. German packaging regulations require suppliers of goods to arrange for the retrieval and recycling of transport and sales packaging. The environmental mark the 'Green Spot' (Der gruene Punkt) informs the consumer that the packaging can be recycled. Exporters to Germany should contact Duales System Deutschland regarding this measure, http://www.gruener-punkt.de.

Labelling on pre-packed foods must indicate in the German language the following information: the product's trade name, the net weight, the minimum shelf life, a list of the ingredients in order of prominence and the name of the producer, packer or EC distributor (Austrade 2007).

Additional information on packaging can be found at the website of the International Trade Centre (ITC) on export packaging: http://www.intracen.org/ep/packaging/packit.htm.

***Tariffs and quotas***

For many fresh fruits and vegetables entering the German market, an import duty has to be paid. This ranges from 0% for exotics such as papaya and passion fruits to 17.6% for nectarines. Entry prices or tariff quotas are commonly applied to fresh fruit and vegetables. Countries that are part of the Generalised System of Preferences (GSP) of the EU can make use of preferential duty rates, which are substantially lower than the normal rates. See also the CBI market survey 'The fresh fruit and vegetables market in the EU' for more information on GSP. Tariffs, duty rates and quotas can be found at http://exporthelp.europa.eu.

For fresh fruit and vegetables, the reduced value-added tax rate of 7% is applicable.

## 6 Doing business

The business environment in Germany is formal. Business talks are initially oriented to building trust, and not to immediately coming to an agreement or contract. Germans are not as direct as, for example, the Dutch, and more time may be spent on discussions before an agreement is reached. All elements of a prospective agreement will be discussed thoroughly and put in a formal, written document. Punctuality and precise follow up on agreements are important.

For information about payment methods and delivery terms, please refer to CBI's Export Planner, and its market survey 'The fresh fruit and vegetables market in the EU'. Both documents can be downloaded from the CBI website at http://www.cbi.eu/marketinfo.

Cultural awareness is a critical skill in securing success as an exporter. Information on cultural differences in the EU can be found in Chapter 3 of CBI's export manual 'Exporting to the EU'. These manuals can be downloaded from http://www.cbi.eu/marketinfo - go to 'Search publications'.

Visiting or participating in a trade fair in Germany can be an important promotional tool and a very good way of approaching potential trading partners. Trade journals, professional websites and newsletters are important sources of up-to-date information on developments in the fresh fruit and vegetables sector.

**Useful sources**

Relevant trade fairs for exporters of fresh fruit and vegetables to Germany are listed below.

- Fruit Logistica, http://www.fruitlogistica.com. The largest European trade fair of fruit and vegetables, with much attention to products from DCs. Held every February in Berlin.
- Biofach, http://www.biofach.de. Trade fair for organic products.
- Grüne Woche, http://www.gruenewoche.com. International exhibition for the food, agriculture and gardening industry.

Relevant sources for exporters of fresh fruit and vegetables to Germany are:

- Fruchthandel Magazine, http://www.fruchthandel.de. Leading German-language weekly magazine on the international trade of fresh fruit and vegetables;
- DFHV, http://www.dfhv.de. German fresh produce association;
- Lebensmittelzeitung, http://www.lebensmittelzeitung.com; German retail weekly;
- Fruchtportal, http://www.fruchtportal.de; German-language online news service for the fresh produce industry.

This survey was compiled for CBI by Mercadero, in collaboration with Piet Schotel.