CBI MARKET SURVEY

The honey and other bee products market in Ireland

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Introduction

This CBI market survey gives exporters in developing countries information on some main developments in the honey and other bee products market in Ireland. The information is complementary to the information provided in the CBI market survey 'The honey and other bee products 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

Consumption

Ireland is a small consumer of honey in the EU, accounting for only 0.6% of the total EU market. In 2007, Ireland consumed 1.9 thousand tonnes of honey. Between 2003 and 2007, consumption increased by 9.7% annually, although it decreased slightly between 2006 and 2007. Per capita consumption amounted to 0.44 kg in 2007, which was low compared to the EU average of 0.63 kg that year (Eurostat/FAOSTAT, 2008). Consumption is expected to remain stable in the coming years.

The most popular monofloral honey in Ireland is white clover honey, which is light-coloured, varying from white to light amber. It has a mild pleasant flavour, which the Irish like. Some Irish connoisseurs of honey rate hawthorn honey as their favourite with its rich, nutty flavour. It has a very good 'body' or density and has a dark, brownish colour and a distinctive aroma. Another popular monofloral honey is heather honey, which has its own particular flavour, unlike that of any other honey. Honeys which are often blended to attain an attractive taste are Irish blackberry honey and oilseed rape honey (The Federation of Irish Beekeepers' Associations).

Boyne Valley Honey is the best-selling brand of honey in Ireland with a market share of around 80-85% (http://www.boynevalley.com).

Irish consumers value the texture of the honey, prefer small-scale produced honey over mass-production and are at the same time very price-sensitive.

The organic food market is rather small in Ireland, with a value of € 66 million in 2005, and a per capita consumption of € 16 (Research Institute for Organic Agriculture (FiBL), 2008). Organic food sales represent less than 0.5% of the total food market in Ireland, although the market is increasing. Around 70% of the organic food is imported, while 30% comes from domestic production.

The Fair Trade Labelling Organization started selling Fair Trade honey in Ireland in 2006, when they sold 1 tonne of honey.

There are no data available on the consumption of beeswax in Ireland. However, based on import and export figures and the size of the beekeeping sector in Ireland, consumption is estimated to be very small compared to other EU countries.

Production
Ireland is one of the smallest producers of honey in the EU and production remained stable during the review period. In 2007, only 200 tonnes of honey were produced. Production will remain very small in the coming years.

According to the Irish agriculture and food development authority, there are around 2 thousand beekeepers, who have 22 thousand hives. These beekeepers are organised in 45 local beekeepers associations which, in their turn, are organised in the Federation of Irish Beekeepers' Associations (http://www.irishbeekeeping.ie).

The main plants from which bees get their nectar in Ireland are white clover, blackberry, lime, tree ling heather, bell heather, hawthorn, sycamore, fruit blossom (e.g. raspberry), oil seed rape, and knapweed. Most honey produced in Ireland is polyfloral honey.

Production of bee products other than honey is negligible.

Opportunities and threats
- \- Ireland is only a small market for honey in the EU. Honey is not as common in Ireland as it is in other EU countries. The country lacks a significant beekeeping sector to promote and stimulate honey consumption.
- \+ However, as production covers less than 10% of the market, Ireland is dependent on imports for its honey supply. Moreover, honey consumption increased during the review period, while production remained stable, indicating more room for imports.
- +/-The organic and Fair Trade market segments are small in Ireland. However, in the coming years there could be opportunities in these segments, because they are growing.
- +/-Irish consumers are price-sensitive. This could provide opportunities for developing country exporters of low-priced honey. On the other hand, it could form a threat to exporters who focus on other aspects of honey.

Please refer to Chapters 1 and 2 of the CBI market survey covering the EU market for general opportunities and threats in the EU.

2 Trade channels for market entry

The distribution of honey and other bee products from developing countries to Irish consumers does not differ much from other EU countries. Honey exporters supply their products to importers or packers, which are located in Ireland or the UK. Please refer to Chapter 3 of the CBI market survey covering the EU for more information. An interesting player for developing country exporters in the Irish market is Boyne Valley (http://www.boynevalley.com).

Honey and other bee products need to pass through various intermediaries (e.g. freight company, importer, packer, retailer, etc.) from the moment of export to the moment that the final consumers purchase the product. All of the intermediaries add value to the product and the prices paid for the product are therefore different at every stage. Generally speaking, retail prices are around 2.5-3 times higher than producer prices. Please refer to the survey covering the EU market for more detailed information on the price structure of honey.

Finding a trade partner in Ireland should not deviate from the general EU method. The following sources can also be used for finding a trading partner through a business-to-business database such as:
- Agronetwork.com - http://www.agronetwork.com/global
- Europages - http://www.europages.com
- Alibaba – http://www.alibaba.com
- InterTradeIreland - http://www.intertradeireland.com

3 Trade: imports and exports

Imports

Ireland is a small-sized importer of honey and beeswax in the EU, accounting for 1.2% of total EU imports in 2007, when Ireland imported € 5.0 million / 2.2 thousand tonnes of honey and beeswax. Imports consisted almost entirely of honey, and they increased by 7.0% annually in value terms and by 14% annually in terms of volume between 2003 and 2007. Imports increased in line with consumption. As Ireland hardly produces any honey, imports are needed to cover demand.

Developing countries accounted for 37% of the imports, which was somewhat lower than the EU average of 42%. Imports from developing countries increased by 10% annually in value during the review period, while at EU level imports from developing countries decreased. The leading supplier is the UK, accounting for 38% of the Irish honey imports. Supplies from the UK consist largely of re-exports and increased by 12% annually in the period 2003-2007. Argentina is the second largest supplier, accounting for 32%, and with an annual increase of 6.3% in its supplies to Ireland. Emerging suppliers are Australia, Mexico, Uruguay, China and India. On the other hand, imports from Belgium, The Netherlands, Hungary, Romania and Canada decreased considerably during the review period.

Exports

Irish exports of honey are very small, amounting to € 2.6 million / 542 tonnes, or 1.0% of total EU exports. However, exports increased substantially between 2003 and 2007, by 32% annually in terms of value, and by 24% annually in terms of volume. Since exports are higher than the Irish honey production, re-export plays a role here. The main countries of destination were The Netherlands and the UK.

Opportunities and threats

+ Honey imports by Ireland increased during the review period, as a result of the increasing consumption. Developing countries account for a significant share in Irish imports, and this share increased during the review period.
+ Several countries are emerging suppliers, such as Mexico, Uruguay, China and India, indicating there are opportunities for new developing country suppliers.
- Note that Ireland is only a very small EU importer of honey. Moreover trade with its neighbouring country the UK is increasing.

Please refer to Chapter 4 of the CBI market survey covering the EU for more information on opportunities and threats.

Useful sources

- EU Expanding Exports Helpdesk - http://exporthelp.europa.eu/
- Eurostat – official statistical office of the EU - http://epp.eurostat.ec.europa.eu

4 Price developments

In the long term, honey prices in Ireland are mainly influenced by global market prices. Increased imports of low-priced honey from the world's leading producers have pushed down honey prices in Ireland. Contrary to this development, the global prices of honey are currently increasing, because of a worldwide supply shortage of honey. The weather conditions and bee losses have a negative influence on the production of honey, which makes the product scarcer, resulting in increasing prices.

For more information on price developments, please refer to Chapter 5 of the CBI market survey 'The honey and other bee products market in the EU'.

5 Market access requirements

As a manufacturer in a developing country preparing to access Ireland, you should be aware of the market access requirements of your trading partners and the Irish government.
For information on legislative and non-legislative requirements, go to 'Search CBI database' at http://www.cbi.eu/marketinfo, select your market sector and target country in the category search, click on the search button and click on market access requirements.

Detailed information on packaging can be found at the website of ITC on export packaging: http://www.intracen.org/ep/packaging/packit.htm

Information on tariffs and quota can be found at http://exporthelp.europa.eu/

6 Doing business

Information on doing business like approaching potential business partners, building up a relationship, drawing up an offer, handling the contract (methods of payment, and terms of delivery) and cultural differences can be found in CBI's export manuals 'Export Planner', 'Your image builder' and 'Exporting to the EU'. These can be downloaded from http://www.cbi.eu/marketinfo - go to search publications. For more information on doing business in Ireland, visit the following websites:

Trade Associations
- Food and Drink Industry Ireland (FDII) - http://www.fdii.ie
- Federation of Irish Beekeepers' Associations - http://www.irishbeekeeping.ie

Trade press
- Checkout – principal Irish food magazine - http://www.checkout.ie

Trade fairs
- IFEX Belfast - http://www.ifexexhibition.co.uk - Catering, Hospitality, Food & Drink Trade Show. The fair is held once every two years, and the next one will be in April 2010.
- CATEX - http://www.catexexhibition.com - The largest Irish Catering exhibition. The fair is held once every two years, and the most recent one was from 9 to 11 February 2009.
- Shop - http://www.expo-events.com/shopexpo - Ireland's International Annual Retail, Food and Drink Event. The fair is held once every year, and the next one will be from 28-30 September 2009.

This survey was compiled for CBI by ProFound – Advisers In Development