CBI MARKET SURVEY

The honey and other bee products market in Belgium

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Report summary
This CBI market survey discusses the following highlights for the honey and other bee products market in Belgium:

- Consumption of honey in Belgium is small. Belgium consumed only 6.9 thousand tonnes of honey in 2006. Between 2003 and 2006, consumption of honey fluctuated as a result of price developments on the global market. Creamed honey is popular amongst a notably large share (70%) of the population and the markets for Fair Trade and organic products are growing.
- Belgium produced only 2.2 thousand tonnes of honey in 2006 and the self-sufficiency rate for the Belgian honey market was 32%, indicating opportunities for exporting honey to Belgium.
- Although Belgium is a small honey consumer, the country is the 7th largest honey importer in the EU. Between 2003 and 2007, imports decreased by 5.5% annually in terms of value to € 16 million. In terms of volume, however, imports increased by 6.6% annually to 12 thousand tonnes, which is far more than the country consumes. Belgium plays an important role in EU trade.
- Developing countries accounted for 54% of the Belgian imports of honey in 2007. Imports of honey from developing countries increased by 4.3% annually during the review period. Emerging suppliers are Mexico, China, India and Chile, each showing large annual increases.

This survey provides exporters of honey and other bee products with sector-specific market information related to gaining access to Belgium. By focusing on a specific country, this survey provides additional information, complementary to the more general information and data provided in the CBI market survey 'The honey and other bee products market in the EU', which covers the EU market 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

This survey provides information on honey and other bee products. The product selection is explained in Appendix A of the survey 'The honey and other bee products market in the EU'. The following chapter only provides information on honey and beeswax, as no reliable information on the markets for other bee products was available for the Belgian market.

Consumption and industrial demand

Belgium is a small honey consumer compared to other EU countries. Honey consumption amounted to 6.9 thousand tonnes in 2006, accounting for 2.1% of the total EU consumption that year (Eurostat/FAOSTAT, 2008). Between 2003 and 2006, total honey consumption in Belgium increased by an average of 6.2% annually. The increase took place between 2005 and 2006; between 2003 and 2005 consumption was still decreasing. Belgian per capita consumption amounted to 0.66 kg in 2006, similar to the EU average.

In terms of volume, honey consumption is expected to remain stable in the coming years. Consumers are using honey less and less as a bread spread, while the use of honey in food preparation is increasing. The health trend may have a positive influence on honey consumption, as it is perceived to be a natural healthy product.

Belgian consumers have a strong preference for creamed honey, compared to other EU countries. According to industry sources, approximately 70% of the consumers prefer creamed honey over liquid honey. Due to the successful introduction of the squeeze bottle, the market share of liquid honey is expected to increase at the cost of creamed honey. Furthermore, blended honeys are most popular. However, a large variety of monofloral honeys is also available. Popular honeys include acacia, linden-blossom, clover, orange-blossom, lavender, thyme, rosemary, eucalyptus and heather.

Furthermore, apparent consumption of beeswax amounted to 83 tonnes in 2005, a decrease of 8.4% annually compared to 2003.

Market segmentation

The major honey brand in Belgium is Meli. The company Meli estimated its own market share in Belgium at 70% in 2008 (Het Nieuwsblad, 2008). Meli also sells its products under the brands Melapi and Meliflor. Private labels are also important.

Industry vs. consumers
Honey is mostly used by the end consumers/households. Around 86% of the consumed honey is used as table honey, and 14% as industrial honey. Furthermore, around two thirds of the Belgians consume honey, most of which is consumed by children aged 4-10 years (Reybroeck, 2003).

Organic segment
Increased consumer concerns about the environment have caused a rise in demand for organic food products, including honey in Belgium. In 2006, the turnover of organic food sales amounted to € 245 million; an increase of 33% compared to the previous year. Sales of organic products have been increasing steadily over the past years, and accounted for 1.7% of the total food market in 2006. Per capita consumption amounted to € 23 per person in that year (Research institute of Organic Agriculture (FiBL), 2008). Organic honey used to be sold exclusively in specialised shops. At present, organic honey can also be found in many supermarkets. The product has become mainstream.

Fair Trade segment
In 2006, sales of Fair Trade Labelling Organisation (FLO) certified honey amounted to 65 tonnes. Between 2003 and 2005, sales decreased significantly from 83 tonnes to 63 tonnes. Between 2005 and 2006, the sales increased again, but only slightly. Other European countries saw a larger increase than Belgium in the sales of Fair Trade honey. However, the Fair Trade market is expected to grow in the next few years. According to Idea Consult and Rogil Field Research, approximately 20% of Belgian consumers is willing to buy Fair Trade products. Fair Trade honey had a 1.4% share in the Belgian honey market in 2001.

Trends

The natural health trend is likely to have a slightly positive impact on honey sales. In the eyes of consumers, honey has the image of being natural, pure and healthy. Please refer to the CBI market survey 'The honey and other bee products market in the EU' for more information on the natural health trend.

Production

Belgium is only a small producer compared to other EU countries, accounting for 1.1% of total EU honey production in 2006, when Belgium produced 2.2 thousand tonnes of honey (FAOSTAT, 2009). A comparable producer in size is Slovenia. In 2003, Belgian honey production was smaller than usual. Production recovered in 2004 and remained stable up to 2006. Furthermore, Belgium produced 50 tonnes of beeswax in 2005, indicating a stable production as from 2003.

The honey production is small, as only a few beekeepers are professional. The rest of the approximately 8.6 thousand beekeepers are hobbyists. This also explains the relatively low average production per beehive of around 12 kg annually (Virtual Beekeeping Gallery, 2003). The monofloral honeys produced in Belgium include rapeseed and linden honey. Most of the Belgian beekeepers sell their production directly to consumers.

Trends

A tooth-friendly additive isomaltulose, made from honey and sugar cane, is also used in chocolate for example, indicating the trend for healthier sweeteners instead of sugar.

Opportunities and threats

- Belgium is only a small market for honey and beeswax in the EU.
+ Belgium is for approximately 32% self-sufficient regarding honey supplies. It relies on relatively large amounts of imports to satisfy internal demand.
+ The market segments of Fair Trade and organic are growing in Belgium, which provides opportunities to export products for these niche markets. Moreover, the Belgian production of organic products is far below the domestic demand for these products.

Exporters should note that a development or trend can be an opportunity for one exporter, while posing a threat to other exporters. Exporters should therefore analyse if the developments and trends discussed in the previous sections provide opportunities or threats, depending on their specific situation. Please refer to Chapter 7 of the CBI EU market survey on honey and other bee products for an example of such an analysis.

Useful sources

- Miel Maya (Non-Governmental Organisation in the Fair Trade market for honey): http://www.maya.be
- Belgian Federation of Beekeepers - http://www.honeybee.be
- FEVIA - http://www.fevia.be - food industry federation

2 Trade channels for market entry

Trade channels

The trade channels for honey from developing countries to Belgian consumers do not differ from other EU countries. Honey producers in developing countries are often organised in groups (cooperations or associations) which collect the honey and establish trade relationships with interested buyers in Belgium. The buyers can be importers or packers, but often fulfil both functions. Please refer to Chapter 3 of the CBI market survey covering the EU for more information.

The importer-packers mostly supply retailers. Large packers, which trade conventional honeys, often supply large retailers such as supermarkets. Smaller packers often supply health shops, organic shops and other specialty food shops. Industrial users are also mainly supplied by large packers. However, some catering businesses look for specialty honeys, such as Fair Trade honey, which are mostly supplied by small packers.

The distribution of honey at retail level is divided between supermarkets (56%), specialised shops and pharmacists (20%) and direct sales by beekeepers (24%) (Maya, 2003).

Interesting importers in Belgium include:

- Meli - http://www.meli.be – Importer, packer, wholesaler. Market leader.
- Weyn's Honing - http://www.weyns-honing.com –
- Bijenhof - http://www.bijenhof.be – Importer, packer and wholesaler. Specialised in private label production.
- Miel Maya Honing - http://www.maya.be – importer which helps beekeeping projects in developing countries. This NGO has also strong relations with the company Maya Fair Trade (http://www.maya-ft.be), which is very active in the Belgian Fair Trade market and also distributes its products through Oxfam Fair Trade (http://www.oft.be).
- Artisani - http://artisani-herbs.com – Importer, trader and webshop.

Price structure
Honey needs 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. Industry sources estimate the following costs and margins:

- Transport and Customs: 10%
- Commission for importer: 5%
- Packer (blending, filtering and packing): 10%
- Wholesaler: 5-10%
- Retailer: 25%-100% (depending on retail channel)
- VAT: 6-21% (depending on country)

The margins for each intermediary are variable and depend on the scale in which the honey is traded, the type of honey (e.g. conventional or organic), the number of intermediaries, etc. Organic honey normally has a premium of 15 to 20% above the global market prices. Please refer to the survey covering the EU market for more detailed information on the price structure of honey.

Finding a suitable trading partner
Finding a trade partner in Belgium does not deviate from the general EU method. Buyers and suppliers often find each other through existing contacts in their network. If you can not rely on your network, some research will be required. Contact details can be found at http://www.goldenpages.be or through the Chamber of Commerce. Search for importers directly or ask wholesalers or trade associations for contact details of importers or other companies or organisations which can help you in your search.

Another way to get in touch with the appropriate contacts is visiting trade fairs. Please refer to section 6 of this survey for a list of interesting trade fairs in Belgium. Participating in or visiting trade fairs is also important for price benchmarking, establishing quality requirements and looking at what 'extras' your competitors offer. Brokers can also help you to find suitable partners.

Internet provides many sources on business practices and culture, such as http://www.kwintessential.co.uk/resources/global-etiquette/belgium-country-profile.html. Please keep in mind that these pages only give general remarks. Therefore, when conducting business, use your intuition and an understanding attitude.

Finally, the Internet 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

Refer to chapters 3 and 4 of CBI's 'From survey to success. Guidelines for exporting honey and other bee products to the EU' for more information on selecting trade partners.

3 Trade: imports and exports

The information in the following chapter is limited to honey and beeswax. The other bee products do not have their own HS codes and only make up a small part of the product groups of the HS to which they belong. Consequently, the consolidated statistics on the product groups to which they belong are not useful.

Imports

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

Product	2003 € mln	2005 € mln	2007 € mln	Leading suppliers in 2007 Share in %	Share (%)
Honey	11	9.4	6.4	Intra-EU: Germany (19), France (8.2), Hungary (5.9), Romania (2.8), The Netherlands (2.6)	44
	0.1	0.2	0.4	Extra-EU ex. DC*: New Zealand (1.9), Switzerland (0.3), Canada (0.2), USA (0.1)	2.6
	6.9	6.8	7.9	DC*: Mexico (16), Argentina (13), China (11), India (4.8), Chile (2.9), Uruguay (1.9), Guatemala (1.0), Tanzania (0.6), El Salvador (0.6), Zambia (0.3)	54
Beeswax	0.6	0.2	0.8	Intra-EU: France (46), Germany (29), Netherlands (4.6), United Kingdom (1.2), Hungary (0.1)	81
	0.06	0.01	0.02	Extra-EU ex. DC*: USA (2.1)	2.1
	0.07	0.1	0.2	DC*: Tanzania (8.5), Ethiopia (6.2), China (2.3)	17

Source: Eurostat (2008)
*Developing Countries

Honey
Although Belgium is a small consumer of honey, it imports considerable amounts of honey. Belgium is the 7th largest importer of honey in the EU, behind Spain and ahead of Austria, accounting for 3.9% of the total EU imports in 2007. In that year, Belgium imported € 16 million / 12 thousand tonnes of honey. Between 2003 and 2007, Belgian imports of honey decreased on average by 5.5% annually in terms of value. The imported volume, however, increased by 6.6% annually in this period, indicating a decreasing import price, due to falling prices on the global market and the strong increase in (low-priced) imports from China. The increase in the imported volume coincides with the increase in consumption, while production remained stable since 2004.

Developing countries accounted for 54% of the imports, which was high compared to the EU average share of 41%. Moreover, between 2003 and 2007, imports from developing countries increased by 3.4% annually in terms of value, while imports from intra-EU countries decreased. The leading supplier of honey to Belgium is Germany, from which the imports decreased by 18% annually during the review period. In contrast, imports from Mexico, Argentina and China increased, by 9.4%, 1.8% and 83% annually respectively in the period under review. Other emerging suppliers are India (with a 66% annual growth rate) and Chile (73%).

Fair trade
Imports of Fair Trade certified (FLO) honey by the Belgian Fair Trade importer Miel Maya Honing increased from 200 tonnes in 2004 to 300 tonnes in 2007. The honey was imported from Mexico and Guatemala, in the region where the Mayas lived. In the future, Miel Maya Honing will also import from Nicaragua, Argentina and maybe Africa.

Beeswax
Belgium is a medium-sized EU importer of beeswax, accounting for 4.2% of total EU imports in 2007, when Belgium imported € 1.0 million / 241 tonnes of beeswax. Between 2003 and 2007, imports increased by 8.4% annually in terms of value, and by 9.2% annually in terms of volume. The imports are much higher than consumption of beeswax, indicating that it is mostly re-exported to other countries.

Developing countries accounted for 17% of the Belgian imports of beeswax, which was low compared to the EU average of 56%. However, imports from developing counties increased strongly during the review period, by 27% annually on average, indicating an increased share in imports. Emerging suppliers are Tanzania and Ethiopia, which started supplying significant amounts of beeswax to Belgium between 2006 and 2007. China is also an emerging supplier. However, imports from Nigeria and Argentina ceased to exist, indicating that importers can easily switch to other suppliers.

Exports
Belgium is a medium-sized EU exporter of honey, accounting for 3.7% of total EU exports. In 2007, Belgium exported € 9.0 million / 4.1 thousand tonnes of honey. Between 2003 and 2007, these exports increased by 0.2% annually on average in terms of value, and by 13% annually in terms of volume. The main countries of destination were Germany (27%), The Netherlands (23%) and France (23%). The exports of honey are likely to concern re-exports, as Belgium does not produce much honey, but imports a lot.

Belgium is also a medium-sized EU exporter of beeswax, accounting for 5.1% of total EU exports. In 2007, Belgium exported € 655 thousand / 147 tonnes of beeswax, which is likely to concern re-export. Between 2003 and 2007, exports increased by 9.4% annually in terms of value, and by 5.1% annually in terms of volume. The main countries of destination were The Netherlands (28%), France (20%), Australia (20%) and Panama (13%).

Opportunities and threats
+ Despite being a small consumer, Belgium is an increasingly important importer of honey and beeswax in the EU (indicating re-export). Especially in terms of volume, imports increased significantly during the review period.
+ Moreover, the share of developing countries in Belgian imports of honey is high and increasing, indicating expanding opportunities for exporting honey.
+/-Although their share is increasing, developing countries still account for a small share in Belgian imports of beeswax. Moreover, it appears that importers can easily switch to other suppliers of beeswax, which poses a threat to exporters.
- China strongly increased its supplies of honey to Belgium, posing a threat to other developing countries suppliers, which now need to compete with the low-priced honey from China.
+ The market segment of Fair Trade honey is growing in Belgium, and imports are increasing as demand exceeds supply; this provides opportunities for developing country exporters which have obtained a Fair Trade label.

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Useful sources
- EU Expanding Exports Helpdesk - http://exporthelp.europa.eu/
- ➔ go to: trade statistics
- Eurostat – http://epp.eurostat.ec.europa.eu - official statistical office of the EU

➔ go to 'themes' on the left side of the home page
➔ go to 'external trade'
➔ go to 'data – full view'
➔ go to 'external trade - detailed data'

4 Price developments

In the long term, honey prices in Belgium 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 Belgium. Belgian beekeepers have been unable to compete with cheap imports.

The result is a large difference between the low-priced imported honey and honey from Belgian beekeepers. The latter needed to upgrade their quality and image to justify their high prices.

Short-term price developments mainly result from weather conditions and major events, such as the ban on Chinese honey (imposed in 2002, due to contamination by chloramphenicol).

Currently, worldwide prices of honey are increasing dramatically, 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 more scarce, resulting in increasing prices.

Furthermore, information on the producer prices in Belgium is available at FAOSTAT. In 2002, the producer price of honey amounted to € 1,305 per tonne, but increased to an amount of € 1,397 per tonne in 2004. However, this price decreased again between 2004 and 2006, to an amount of € 1,371 per tonne in the latter year. The producer prices in Belgium are low, compared to other West European countries.

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'.

Useful sources
- The Public Ledger - http://www.agra-net.com ➔ go to the left side of the web page and look for The Public Ledger
- Skamberg market updates - http://skamberg.com/honey.htm - Market analysis by a major importer in the US.
- FAOSTAT - http://faostat.fao.org

5 Market access requirements

As a manufacturer in a developing country preparing to access Belgium, you should be aware of the market access requirements of your trading partners and the Belgian 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. You need to comply with EU legislation and have to be aware of the additional non-legislative requirements that your trading partners in the EU might request.

For information on legislative and non-legislative requirements, go to 'Search CBI database' at http://www.cbi.eu/marketinfo, select 'food ingredients' and Belgium in the category search, click on the search button and click on market access requirements.

Pre-packed honey is hardly imported by EU countries, due to freight costs and limitations to heat crystallised honey when converting it back to liquid honey.

Honey from outside the European Union is usually imported in bulk, in standard lacquered, epoxy-lined steel drums which can contain 200 litres / 300 kg of honey. Beeswax can also be used for the lining. Paraffin wax should not be used. Phenol, which was previously used for the lining of the drums is now prohibited, as it is dangerous to human health. Exporters must always use clean drums which are completely free from residual taste or smell; they must never use drums previously used for chemicals. The drums must have a rubber seal around the closure. A full container carries approximately 62 drums of 300 kg.

Industrial users in the EU require different packaging methods to those for honey destined for consumers. These methods vary from full truckloads of 25,000 kg (for food industry and honey packers), "cubitainers" of 10,000 kg, and drums of 300 kg, to plastic buckets of 25 kg or 12.5 kg.

Beeswax is exported in small blocks of less than 25 kg and wrapped in special paper or plastic foil. Importers in the EU prefer to receive blocks of beeswax bare, without any cover of jute or polyethylene bags. They stick to the beeswax when it melts during transport. Instead, the blocks are put in stainless steel containers. Other metals negatively affect the quality of the beeswax.

Additional information on packaging can be found in the CBI market survey 'The honey and other bee products market in the EU' and 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

General 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) can be found in CBI's export manuals 'Export Planner' and 'Your image builder'. Furthermore, 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.

Sales promotion

Common practices of sales promotion in Belgium do not differ considerably from other European countries. In general, good care should be taken of existing contacts through prompt, constant and reliable communication. Letters of inquiry should always be replied to. Essential tools are a detailed and up-to-date customer database and websites proposing well-defined products, competitive advantages (e.g. USP, quality, cost reduction and delivery reliability) and client references, to facilitate building trust.

Trade press can function as a means for gaining insight into market developments and competition, but can also have a promotional function. This concerns finding potentially interesting companies, as well as promotion of your own activities and products.

Trade fairs offer companies in developing countries the opportunity to establish contacts and a trustworthy image through several participations, to promote their products, and to conduct EU market orientation.

Useful sources

Trade associations

- FEVIA - http://www.fevia.be - Food Industry Federation / Fédération de l'Industrie Alimentaire (only available in Dutch).
- PROBILA-UNITRAB - http://www.probila-unitrab.be - National Federation of Processors and Distributors of Organic Products
- Bioforum – http://www.bioforum.be - umbrella organisation for the organic sector (only available in Dutch).

Trade fairs

- Vitasana Expo - http://www.vitasanaexpo.be – trade fair for organic and special diet food and natural supplements. The next one will be held from September 27 to 28, 2009.
- 'Tavola' in Kortrijk - http://www.biztradeshows.com/belgium - forum for producers and buyers of quality food.
- Intrafood - http://www.intrafood.be - trade fair on food ingredients. It is held once a year, and the next one will be in September 2009.
- PPT Food - http://www.easyfairs.com – trade fair on food and drink industry. It is held once a year, and the next one will be in February 2010.

Check Eventseye (http://www.eventseye.com/) for more trade fairs in Belgium.

Trade press

- VMT - http://www.vmt.nl - a source of sector specific information for the food industry of Belgium and The Netherlands (only available in Dutch).

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