

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## Germany

**Post:** Berlin

### Organic Food Retail

**Report Categories:**

Agricultural Situation

Market Development Reports

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**Report Highlights:**

Germany is the 2<sup>nd</sup> biggest organic market of the world with good prospects for U.S. organic products like salmon, tree nuts, fruits and vegetables, processed food products and others. The German organic market is heavily depending on imports to meet consumer demands. The EU-U.S. Organic Equivalence arrangement has created new export opportunities for some U.S. companies. BioFach, the world's largest strictly organic trade fair, is held annually in Germany.

## General Information:

### Organic Food Market

After the U.S., the German organic food market is the 2<sup>nd</sup> biggest market of the world. Sales of organic food in Germany have steeply increased over the last couple of years and peaked in 2013 with organic food sales reaching over €7.5 billion. That's nearly a third of the total organic food sales in the European Union and just about 4% of the total food sales in Germany. Since 2000, sales of organic food in Germany have more than tripled, but domestic production have failed to keep pace and the increasing demand was mostly covered by higher imports. Numerous products were imported into an ever greater extent which can potentially be produced domestically. The market share of imports has increased significantly. Main reasons for the higher share of imports are price increases for conventional products, high sale and rental prices for agricultural land, and uncertainty about the financial support for organic farming.

### Organic Food Retail Channels

Organic food sales in Germany are split between traditional food retail companies and specialist organic food stores. Major driver for the growth in organic food sales was the expansion of specialist organic retail shops in recent years. Traditional food retail accounts for one half of the organic food sales in Germany, and the other half goes to organic retail shops and specialty shops like bakeries, butchers, fruit & vegetable stores, open markets or direct sales from the farm. In contrast to the conventional food retail market the organic food retail scene is neither consolidated, concentrated nor saturated. (For more information about the food retail market in Germany please see [GAIN report](#)). It is estimated that there are over 2,400 organic food retail shops in Germany. But just the company "Denn's", as the biggest organic food retailer, is truly nationwide. The other big organic food chains are just regional or in some cities.

#### *Profiles of Top 5 Organic Retail Companies*

Company	Sales (€Mil/2013)	Number of Outlets	Locations
Denn's	615	148	nationwide
Alnatura	594	80	Mainly in Southern and Western Germany but also in Berlin, Bremen, Hannover, and Hamburg.
Basic	120	26	Berlin, Rhine-Ruhr Area, Munich, Stuttgart, Frankfurt.
BioCompany	100	41	Strong in Berlin, and Potsdam but also in Dresden and Hamburg.
Ebl	45	23	Nuremberg and Bamberg
SuperBioMarkt	43	20	North-Rhine Westphalia and Osnabrück

Source: FAS Berlin, Lebensmittelzeitung

### The EU-U.S. Organic Equivalence Cooperation

In February 2012, the European Union and the United States announced an important new arrangement to expanded market access, reduce duplicative requirements, and lower certification costs for the trade

in organic. Growing demand in Germany, supported by the arrangement, is creating new export opportunities for U.S. companies in the following market segments: tree nuts, fresh fruit, specialty grains, dried fruit, vegetables and processed food products.

Please see GAIN report “[The EU-U.S. Organic Equivalence Cooperation](#)” for more information.

### **Road Map to the German Market**

Germany is not only the largest market for organic products in Europe but also the largest organic producer. In spite of this fact, Germany is increasingly dependent on imported organic products not just for products that aren't growing in Germany but also for potatoes, fruit and vegetables, dairy products, meat and others.

The German organic market offers good opportunities for U.S. exporters of organic products. However there are a number of challenges U.S. exporters must meet before exporting to Germany. Success in introducing food products depends mainly on knowledge of the market and personal contact. The U.S. supplier should analyze German/EU food law, packaging and labeling requirements, business practices and trade-related laws and tariffs, potential importers and the distribution system. The Office of Agricultural Affairs (OAA) offers guidelines on business practices and import regulations.

Purchasing by German food retailers is fragmented and competitive. Few German retailers import products directly from other countries, except for items that they purchase in large quantities. Most food retailers would rather buy from central buyers/distributors importing food and beverages. In general, these wholesalers have specialized in products or product groups and some are even experts in food products from a specific country of origin. Thus, specialized importers have an in-depth knowledge of importing requirements, such as product certification, labeling and packaging. They also typically handle shipping, customs clearance, warehousing and distribution of products within the country

Participating in German food trade shows is a proven way to find the right distributor and facilitates the direct contact with German food brokers, importers, and wholesalers. Trade shows like the BioFach show in Germany enjoy an exceptional reputation within the global organic food industry and its outreach is global. Please contact us for more information on the biofach show:

[AgBerlin@fas.usda.gov](mailto:AgBerlin@fas.usda.gov)

### **Post Contact and Further Information**

Internet home pages of potential interest to U.S. food and beverage exporters are listed below:

USDA/FAS/Berlin [www.usda-mideurope.com](http://www.usda-mideurope.com)

U.S. Mission to the European Union [www.fas.usda.gov/posthome/useu/usda.html](http://www.fas.usda.gov/posthome/useu/usda.html)

FAS/Washington [www.fas.usda.gov](http://www.fas.usda.gov)

European Importer Directory [www.american-foods.org](http://www.american-foods.org)

If you have questions or comments regarding this report, or need assistance exporting to Germany, please contact the U.S. Agricultural Affairs Office in Berlin at the following address:

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Embassy of United States of America  
Clayallee 170  
14195 Berlin  
Germany Tel: (49) (30) 8305 – 1150  
Email: [AgBerlin@fas.usda.gov](mailto:AgBerlin@fas.usda.gov)  
Home Page: [www.usda-mideurope.com](http://www.usda-mideurope.com)

Please view our Home Page for more information on exporting U.S. food and beverage products to Germany, including market and product “briefs” available on specific topics of interest to U.S. exporters. Importer listings are available from the Agricultural Affairs Office for use by U.S. exporters of U.S. food and beverage products.

Recent reports of interests to U.S. exporters interested in the German Market include:

Report Title	Report Number	Month Report was written
FAIRS Report	<a href="#">GM14001</a>	January 2014
Retail Report	<a href="#">GM14028</a>	August 2014
Exporter Guide	<a href="#">GM14044</a>	December 2014