

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Organic Food Retail

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Market Development Reports

Approved By:

Paul Spencer

Prepared By:

Leif Erik Rehder/ Anthony Le

Report Highlights:

Germany is the second largest organic market of the world and presents good prospects for U.S. exporters of organic products, especially salmon, tree nuts, fruits and vegetables and processed food products and food ingredients. The German organic market is heavily dependent on imports to meet consumer demand. 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. This report also provides information on organic food retail prices in Germany.

Why Imports Are Growing

After the United States, the German organic food market is the second largest in the world. Sales of organic foods have increased in recent years, peaking in 2012 at over €7 billion. That's nearly a third of the total organic food sales in the European Union and about 4% of the total food sales in Germany. Since 2000, sales of organic food in Germany have more than tripled but domestic production has failed to keep pace. Increasing demand has largely been covered through increased imports. The growing share of imports is supported by a number of factors, including price increases for conventional products, high sale and rental prices for agricultural land, and uncertainty about the financial support for organic farming. In addition, many demanded organic products cannot be reliably produced in Germany due to the climate.

Organic Food Retail Channels

Organic food sales in Germany are split between traditional food retail companies and specialty organic food stores. Traditional food retailers accounts for one half of the organic food sales in Germany, and about half goes to organic retail shops and specialty shops such as bakeries, butchers, fruit & vegetable stores, open air markets and 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 information about traditional food retail in Germany please see this [GAIN report](#)). It is estimated that there are over 2,400 organic food retail shops in Germany. Only "Denn's", the biggest organic food retailer, is nationwide. Other big organic food chains are regional or limited to a few cities.

Profiles of Top 5 Organic Retail Companies

Company	Sales (€Mil/2012)	Number of Outlets	Locations
Denn's	535	114	nationwide
Alnatura	516	80	Mainly in Southern and Western Germany but also in Berlin, Bremen, Hannover, and Hamburg.
Basic	111	25	Berlin, Rhine-Ruhr Area, Munich, Stuttgart, Frankfurt.
BioCompany	81	33	Strong in Berlin, and Potsdam but also in Dresden and Hamburg.
SuperBioMarkt	36	18	North-Rhine Westphalia and Osnabrück

Source: FAS Berlin

Prices for organic food

The following table gives you an indicative overview of prices and products on the German organic food market from an informal survey taken in late January, 2014:

Item/Company	denn's	Alnatura	Basic	BioCompany
Apples	3.29€/kg	3.29€/kg	3.29-3.49€/kg	3.29€/kg
Salmon	--	11.95€/750g (Sea Salmon)	7.79€/250g (Wild Salmon)	--
Cereals	2.99€/250g	2.29€-2.99/250g	1.99€-3.79/250g	2.99€/250g
Dried Prunes	3.99€/250g	1.95€/200g	3.99€/250g	3.99€/250g
Almonds	8.49€-9.49€/500g (deshelled)	9.49€/500g (deshelled)	3.90€/1kg (shelled)	8.99€/500g (deshelled)
Walnuts	3.69€/100g (kernels)	2.95€/150g (kernels)	7.98€-12.90/1kg (whole)	7.99/1kg (whole)
Maple Syrup	4.99€/ 250ml	4.95€/250ml	5.49€- 6.99€/250ml	4.99€- 6.89€/250ml
Ketchup	2.39€-2.99€/500ml	1.75€- 3.49€/500ml	2.79€- 3.79€/500ml	1.99€- 2.69€/500ml

Source: FAS Berlin

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. In essence, most products certified under the USDA National Organic Program can now be sold as organic in Germany with no additional certification. Growing demand in Germany, supported by this 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 Europe's largest organic producer. In spite of this fact, Germany is increasingly dependent on imported organic products not just for products that do not grow well in Germany but also for potatoes, fruit and vegetables, dairy products, meat and certain food ingredients.

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. A good source of background regulatory information are the [German](#) and [EU](#) Food and Agricultural Import Regulations and Standards (FAIRS) reports.

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 specializing in imported 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. Within this tight knit community of importers, reputation is an important business component.

Participating in German food trade shows is a proven way to find the right distributor and facilitates 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

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

U.S. Mission to the European Union www.fas.usda.gov/posthome/useu/usda.html

FAS/Washington www.fas.usda.gov

European Importer Directory 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:

Foreign Agricultural Service
U.S. Department of Agriculture
Embassy of United States of America
Clayallee 170
14195 Berlin
Germany Tel: (49) (30) 8305 – 1150
Email: AgBerlin@fas.usda.gov
Home Page: 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	GM14001	January 2014
Retail Report	GM13031	August 2013
Exporter Guide	GM13019	May 2013

