EU MARKET SURVEY 2005

Fresh fruit and vegetables

CBI

Centre for the Promotion of
Imports from developing countries

EU MARKET SURVEY 2005

FRESH FRUIT AND VEGETABLES

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ProFound
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In collaboration with
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Photo courtesy: The Greenery bv

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REPORT SUMMARY

This EU market survey profiles the EU market for fresh fruit and vegetables and consists of two parts. Part A provides market information for he major national markets within the EU and providing statistical market information on consumption, production and trade, and information on trade structure. The selected markets are: The Netherlands, Germany, France, the UK, Italy, Spain and Belgium. Part A also covers the requirements of the EU market in terms of product quality, packaging, labelling and social, health & safety and environmental standards.

After having read Part A, it is important for an exporter to analyse the target markets, sales channels and potential customers in order to formulate marketing and product strategies. Part B subsequently aims to assist (potential) exporters in developing countries in their export-decision-making process.

Exporters are advised to consult CBI's Export Planner, a guide that shows how to set up export activities systematically, before using the marketing guidelines in this publication.

Consumption
The fruit and vegetable assortment for the European consumer includes an enormous variety of products from all over the world, delivered on the basis of the supply calendars of the grower and the seasonal supply of the European home-grown production. According to the Freshfel Consumer Monitor 2004, Cyprus has a relatively high per capita consumption of fresh fruit, amounting to 177.3 kg in 2003. The Czech Republic (75 kg), Slovenia (69 kg) and, to a lesser extent, Poland (64 kg) are also new EU member states which have a high per capita consumption. Other leading fresh fruit consuming EU member countries are Mediterranean countries like Spain (91 kg) and Italy (82 kg), and northern EU member states like Belgium (82 kg), The Netherlands (69 kg) and Germany (60 kg). In most countries, apples and citrus fruit are the most popular fresh fruit products.

Cyprus is also the leading EU consumer of fresh fruit, with a per capita consumption of 150 kg in 2003. Poland (111 kg), Slovenia (111 kg) also belong to the top consuming EU member states, followed by Germany (84 kg), Italy (78 kg), the Czech Republic (79 kg), Hungary (63 kg), and Belgium (62 kg). Tomatoes, carrots, onions and cucumbers are the most popular fresh vegetable products in most of the EU member states.

Characteristics of the present-day European consumer:
- Health food
- Organic food
- Food safety, quality and environment consciousness
- Convenience (mini products, cut/sliced fruit and vegetables)
- Exotic fruit and vegetables

Production in the EU
Most countries in the EU have extensive domestic production of fruit and vegetables. However, the temperate climate of northern Europe limits the production of various fruit and vegetables. Production in greenhouses partly compensates for the restrictive climatic conditions, although for bananas and a wide range of exotics, a big and developing market exists, which cannot, or only insufficiently, be supplied by domestic (European) production. EU production is substantial for some products like citrus fruit and apples. However, at the same time the production is season-bound, offering opportunities for suppliers from outside the EU to supply the European market in its off-season periods, although improved storage and distribution has enabled producers to reduce the negative influence of the seasons.

The total EU production of fresh fruit amounted to almost 65 million tonnes in 2004 (FAO). The leading EU producers of fruit are, by far, Italy (17.1 million tonnes) and Spain (16.9 million tonnes).
In the same year, total EU production of fresh vegetables amounted to around 63.6 million tonnes. Also in the case of fresh vegetables, Italy (15 million tonnes) and Spain (12 million tonnes) are the leading supplying EU member countries.

The ten new EU member states (Czech Republic, Estonia, Slovak Republic, Cyprus, Latvia, Lithuania, Malta, Romania, Poland and Hungary) have a competitive advantage in several sub sectors, like berries in Poland, frozen products, canned products and fruit juices. In 2004, the new member countries produced a total amount of almost 6.3 million tonnes of fruit, of which Poland accounted more than half. Important fruit species produced within the region are apples, grapes, sour cherries and plums. In the same year, vegetable production amounted to 8.3million tonnes, representing a small increase since 2002. Poland accounted for almost 60 percent of the production, followed by Hungary (22%). The leading vegetable product grown in this area is cabbages, followed by carrots, onions and tomatoes.

Imports
In 2003, total imports by EU member countries of fresh fruit amounted to about € 17.1 billion, representing a total increase of 8 percent since 2001. In terms of volume, imports by EU member countries increased by 5 percent, reaching 22.2 million tonnes in 2003. Imports from outside the EU into the member states (so-called extra-EU imports) amounted to € 7.1 billion / 9.7 million tonnes, representing an increase in both value and volume during the survey period.

Germany, the UK and France are the leading EU importers of fresh fruit, while the leading suppliers are Spain, Italy, The Netherlands, Belgium and France. Bananas, apples, grapes and several citrus fruits are the most popular import products in the EU within the fresh fruit category.

Developing countries play a major role in the supply of papayas, tamarinds, lychees, bananas, guavas, mangoes, pineapples, dates, passion fruit and avocados to the EU. In 2003, developing countries supplied at least half of total imports (in value) by EU member countries of these products. The leading developing countries exporting fresh fruit to the EU are South Africa and Latin-American countries like Costa Rica, Ecuador, Colombia, Chile, Argentina, Brazil and Panama. These Latin-American countries are mainly high in the list because of the substantial banana supplies. Other leading developing countries are Côte d'Ivoire, Turkey, Morocco and Cameroon.

Although smaller than fruit imports, the imports of fresh vegetables by EU member countries still amounted to almost € 9.2 billion / 10.4 million tonnes in 2003. Compared to 2001, this represented a total increase of 9 percent in terms of value and 6 percent in terms of volume.

The leading EU importers of fresh vegetables are Germany, the UK, France and The Netherlands. Leading suppliers to the EU are, by far, Spain and The Netherlands, together accounting for 60 percent of total supplies in terms of value in 2003. Tomatoes, capsicum, lettuce and onions are the major fresh vegetable products imported by EU member countries.

Whereas Latin-American countries dominate the extra-EU import of fruit, African countries are important extra-EU suppliers of vegetables in particular to France, the UK, The Netherlands and Italy. Nevertheless, vegetable imports are, notably more than fruit imports, dominated by intra-EU trade. The leading fresh vegetable exporter among the developing countries is Morocco, followed by Kenya, Turkey, Egypt and Peru. Developing countries play a significant role in the supply of peas and beans and sweet maize,

supplying respectively 54 and 47 percent of total imports (in value) by EU member countries in 2003.

Exports
In 2003, total exports by EU member countries of fresh fruit amounted to almost € 11.8 billion / 15.4 million tonnes, representing a total increase of 7 percent in terms of value since 2001. In terms of volume, exports remained fairly stable. Most of the quantities exported concerned intra-EU trade. In 2003, only 15 percent of the export value of fresh fruit by EU member countries was transported to countries outside the EU.

The leading EU exporting countries, Spain and Italy, by virtue of climatic conditions, exported large quantities of fruit. The leading fresh fruit products exported by EU member countries are apples, oranges, bananas and mandarins / clementines. Banana exports, however, mostly consist of re-exports, since banana production within the EU is very limited. Other exotics only play a minor role in EU exports, mainly comprising re-exports.

As from 2001, exports of fresh vegetables by EU member countries increased by 13 percent in value and by 7 percent in volume, amounting to € 9.2 billion / 10.6 million tonnes in 2003. Spain and The Netherlands are the leading EU exporters, together accounting for almost 70 percent of total EU exports (in value) in 2003. Contrary to the Spanish exports, which consist mainly of domestic produce, the largest part of the Netherlands exports is made up of re-exports. The fresh vegetables exported by the EU countries are mainly traded within the EU itself. Only about 13 percent is exported to countries outside the EU. Major exported fresh vegetable products by EU member countries are tomatoes and capsicum.

Re-exports
Increasing internationalisation, which is also particularly the case in the European Union, has an impact on the fruit and vegetables trade. A total of nearly € 26.3 billion of fresh fruit and vegetables was imported by EU member countries in 2002, whereas exports amounted to € 21.0 billion in the same year. The major share of imports and exports was transported to other destinations, partly as re-exports, partly as transit trade.

The sharp growth in re-exports and transit trade for fruit and vegetables can partly be attributed to the new markets, which have opened up in Eastern Europe. The Netherlands and Belgium account for a large share of the re-exports and transit trade, though Germany and France also increasingly fulfil this function.

Trade structure
A strong tendency towards concentration and consolidation can be noticed in the horticultural trade, both on the buyers' and suppliers' level. As a result, the demand for consistent volumes and qualities of fresh produce increases, causing firms to introduce procurement methods that manage the supply chain more efficiently.
Importers, trade fairs and increasingly the Internet are valuable sources for finding trading partners in the EU. Contact details of trade fair organisers are listed in this survey.

Opportunities for exporters
Opportunities for developing country exporters could lie in the trade of fresh fruit and vegetables, in which developing countries play an important role as suppliers and in the trade of exotics and off-season fresh fruit and vegetables. If trade in lesser-known exotic products is considered, marketing strategies should specifically take into account ethnic minorities, living in the target market, who are familiar with these products. The organic food market could also be interesting for growers in developing countries, although it should be realised that certification can be a valuable and demanding process.

Although exporters to the EU are not yet obliged to have an HACCP (Hazard Analysis Critical Control Point) system and their system will not be subject to control by the food inspection service in the importing country, the adopting of an approved HACCP system, or working according to a similar principle of quality control, will be a very positive argument in export business. It should be noted, however, that as from 2006, developing country exporters will also be obliged to have HACCP system.

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INTRODUCTION

This CBI survey consists of two parts: EU Market Information and EU Market Access Requirements (Part A), and Export Marketing Guidelines (Part B).

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Chapters 1 to 8 of Part A profile the EU market for fresh fruit and vegetables. The emphasis of the survey lies on those products, which are of importance to developing country suppliers. The major national markets within the EU for those products are highlighted. These are The Netherlands, Germany, France, the United Kingdom, Italy, Spain and Belgium.

Chapter 9 subsequently describes the requirements, which have to be fulfilled in order to get market access for the product sector concerned. It is furthermore of vital importance that exporters comply with the requirements of the EU market in terms of product quality, packaging, labelling and social, health & safety and environmental standards.

After having read Part A, it is important for an exporter to analyse target markets, sales channels and potential customers in order to formulate export marketing and product strategies. Part B therefore aims to assist (potential) exporters from developing countries in their export-decision making process.

After having assessed the external (Chapter 10) and internal environment (Chapter 11), the (potential) exporter should be able to determine whether there are interesting export markets for his company.
In fact, by matching external opportunities and internal capabilities, the exporter should be able to identify suitable target countries, market segments and target product(s) within these countries, and possible trade channels to export the selected products (Chapter 12).

Chapter 13 subsequently describes marketing tools, which can be of assistance in successfully achieving the identified export objectives.

The survey is interesting for both starting exporters as well as well as exporters already engaged in exporting (to the EU market). Part B is especially interesting for more experienced exporters starting to export to the EU and exporters looking for new EU markets, sales channels or customers. Starting exporters are advised to read this publication together with the CBI's Export planner, a guide that shows systematically how to set up export activities and the interactive tool on the CBI website 'Export marketing plan'.

PART A:

EU MARKET INFORMATION AND ACCESS REQUIREMENTS

1 PRODUCT CHARACTERISTICS

1.1 Product groups

The assortment of imported fresh fruit and vegetables can be classified according to the following table. Please refer to Appendix 1 for a complete list of the products selected in this survey.

FRESH FRUIT	
A Temperate • apples / pears • grapes • deciduous fruit (peaches, nectarines, apricots, cherries, etc.) • berries (strawberries, raspberries, blueberries, etc.) • melons / water melons • etc.	**B Tropical and subtropical (incl. exotics)** • bananas • citrus fruit • pineapples • avocados • mangoes • lychees • papayas • others: passion fruits, carambolas, durian, dates, figs, etc.
FRESH VEGETABLES	
A Temperate • tomatoes • onions / shallots / garlic • beans & peas • asparagus • courgettes • eggplants • capsicum • sweet maize • etc.	**B Tropical and subtropical** • cassava • arrowroot • yams • sweet potatoes • dasheen • breadfruit • etc.

Temperate fruit and vegetable products
The temperate fruit and vegetables assortment offered to the European consumers consists of products, which are not, or only occasionally, supplied from outside Europe. Some remarks need to be made regarding a number of major vegetable products:

potatoes
Potatoes are only superficially discussed in this survey, because there is hardly any opportunity for suppliers from developing countries to the European countries. The advanced preservation techniques applied in Europe make sure that the selling season extends almost throughout the year. The Netherlands, France and Germany are the leading potato exporters in Europe. The European import of potatoes is limited to the so-called firstling potatoes, which can be regarded as forerunners of the main harvest of the European potato season. As for the early, or firstling, potatoes, Egypt, Israel, Cyprus, Morocco and Malta play a part during the European spring.

onions
The export possibilities for suppliers of onions grown in developing countries are also remote, as they supplied only 13 percent of the total value imported by EU member countries in 2003. In general, there is an abundant supply of European onions. Suppliers in The Netherlands, Spain, France, Belgium and Italy fill the European market for an important part. During the European spring and early summer, there is some import into the European market from New Zealand, Argentina, China, Australia, Egypt and Chile.

others
There is also a number of other products, which will find only limited opportunities in the European fresh produce market. In general, this is applicable to *leaf vegetables*, with the exception of the specific, so-called Asian vegetables. Other product varieties which have hardly any chances on the European market are for instance *tomatoes*, *cabbage varieties, cauliflower*, *cucumbers* and the like. The self-supplying degree of the EU member states for these products is very high. Only occasionally, for instance in cases of bad harvests or drastically reduced yields, are these products imported from outside the EU, but even then in relatively small quantities. Products grown in greenhouses, under glass or plastic, generally have sufficient protection against severe weather influences. When there are problems in production and harvesting in certain regions in Europe, neighbouring European countries will be the first suppliers to fill the gaps.

Tropical and subtropical fruit and vegetable products
The main imported product group within this category consists of citrus fruit. The citrus assortment on the European Union market consists of numerous varieties of oranges, mandarins, grapefruit and lemons. The most important orange varieties are Valencias, Navels and Salustianas, for which there is a great demand. As for the mandarin varieties, the Clementines are particularly popular. Many new citrus fruit varieties have been introduced, with great appreciation for the so-called "easy-peelers". In the case of grapefruit, the red and pink varieties are the most popular in the increasing market for the consumption of grapefruit.

exotics
The exotics assortment consists of an extremely varied number of products, which have become reasonably well known on the European market during the past twenty years. These products originate in tropical and sub-tropical countries where they are considered as ordinary products. On the European market, they are, however, regarded as special products because of their -seen through European eyes-exotic character.

Due to quick and successful introduction on EU markets, some of these products can hardly be considered as exotics anymore. This can be seen as a positive development for exporters in developing countries. Consumers have become accustomed to these products, which have now gained a common place in the shops and on shopping lists, such as pineapples, bananas, kiwi fruits, avocados and mangoes. On the other hand, there are many other exotic varieties which are less, or only vaguely, known to the consumer. However, the supply as well as the number of supplying countries of exotics is still increasing.

Off-season products
The assortment of imported off-season products consists of those fruit and vegetable varieties, which are shipped mostly from overseas countries to the European markets during the European winter period. Apples and pears are the main fruit varieties of the off-season products. Developing countries in particular play an important role in the supply of peas and beans. Other off-season products are: snowpeas (mangetout), capsicum (sweet pepper), courgettes, melons, grapes, peaches and nectarines. In addition, during the European spring/summer period large quantities of citrus fruit are imported into the European market from the southern hemisphere. Therefore, from a European point of view, citrus fruit also belongs to the off-season assortment. For products which keep well, like apples, the seasons of the northern and southern hemisphere more or less follow each other, or there is partly an overlap of the respective supply periods. It has to be noted, however, that overlapping periods occur more frequently than before. This is due to improved growing techniques and improvement in the storage life of the product. This means that the off-season period, in which the EU is highly dependent on suppliers from outside Europe, is becoming shorter. However, the demand in this period is increasing.

Mushrooms
Mushrooms and truffles make up a very particular market segment among the vegetable products. Although there is a strong demand in the European markets, there are only limited opportunities (mainly special products) for suppliers from outside Europe.

Conclusion
It can be concluded that the opportunities for fruit and vegetable producers in developing countries on the European market can mainly be found in products which are hardly grown anywhere in Europe, i.e. **tropical and subtropical products (exotics)** and the so-called **off-season products**.

1.2 Customs/statistical product classification

On January 1, 1988, a unified coding system was introduced to harmonise the trading classification systems used world-wide. This system is called the Harmonised Commodity Description System (HS) and was developed by the World Customs Organisation (WCO). The system covers about 5,000 commodity groups, each identified by a six-digit code, arranged in a legal and logical structure and is supported by well-defined rules to achieve uniform classification. More than 179 countries and economies use the system as a basis for their Customs tariffs and for the collection of international trade statistics. After the six-digit code, countries are free to use further subheadings. The trade data of Eurostat uses an eight-digit system. Most codes, however, end with two zeros, i.e. effectively only using 6 digits. In some countries even 10 digits are sometimes used.

Table 1.1 gives the four-digit list of the main HS codes for fruit and vegetables. The varieties of fresh fruit and vegetables discussed in this report are covered by Chapters 7 and 8 of the Harmonised System. Please refer to Appendix 1 for a more detailed HS code classification.

Table 1.1 HS code classification of fresh fruit and vegetables

HS codes	Products
Fresh Vegetables	
0702	tomatoes
0703	onions, garlic, leek
0704	cabbage, cauliflower, sprouts
0705	lettuce, chicory
0706	carrots, celeriac, horseradish
0707	cucumbers, gherkins
0708	peas, beans
0709	artichokes, asparagus, eggplants, celery, mushrooms, truffles, capsicum, spinach, olives, capers, fennel, sweet maize, courgettes
Fresh Fruit	
0803	bananas
0804	dates, figs, pineapples, avocados, guavas, mangoes, mangistan
0805	citrus fruit (oranges, mandarins, clementines, tangerines, lemons, grapefruit)
0806	grapes
0807	melons, papayas
0808	apples, pears
0809	apricots, cherries, peaches, nectarines, plums
0810	strawberries, raspberries, blackberries, mulberries, red / white / black currants, kiwi fruits, durians, jackfruit, lychees, passion fruit, star fruit

2 INTRODUCTION TO THE EU MARKET

The European Union (EU) is the current name for the former European Community. Since the 1st of January 1995, the EU has consisted of 15 member states. Ten new countries joined the EU in May 2004. They are the Czech Republic, Estonia, Slovak Republic, Cyprus, Latvia, Lithuania, Malta, Slovenia, Poland and Hungary. Negotiations are in progress with a number of other candidate member states. In this survey, the EU will be referred to as the EU25, unless otherwise stated.

In 2004, the size of the EU population totalled 456.3 million; the average GDP per capita amounted to approximately € 20,730 in 2004 (€ 1 = US$ 1.24).

Table 2.1 Population and GDP of selected and new EU countries, 2004

Countries	**Population*** ***million***	**Age 15-64** ***%***	**GDP per capita** ***(€)*** **
EU-25	456.9	67.2	22,400
Selected (EU) countries			
Germany	82.4	66.7	26,800
France	60.7	65.2	26,700
UK	60.4	66.5	28,700
Italy	58.1	66.7	23,300
Spain	40.3	68.0	19,600
The Netherlands	16.4	67.8	28,700
Belgium	10.4	65.7	27,200
New EU countries			
Poland	38.6	70.3	5,100
Czech Republic	10.2	71.1	8,600
Hungary	10.0	69.1	7,900
Slovakia	5.4	71.0	6,200
Lithuania	3.6	68.7	5,200
Latvia	2.3	69.4	4,800
Slovenia	2.0	70.6	13,000
Estonia	1.3	67.7	6,600
Cyprus	0.8	67.7	16,800
Malta	0.4	68.8	10,700

Source: * The World Factbook 2005 / ** Eurostat, 2005

Within Western Europe – covering 15 EU member countries, Iceland, Liechtenstein, Norway and Switzerland – more than 20 million enterprises are active. Small and medium-sized enterprises (SMEs) accounted for the lion's share. In 2000, the average turnover per enterprise of SMEs and large enterprises amounted to € 600,000 and € 255 million respectively.

EU Harmonisation

The most important aspect of the process of unification (of the former EC countries), which affects trade, is the harmonisation of rules in the EU countries. As the unification allows free movement of capital, goods, services and people, the internal borders have been removed. Goods produced or imported into one member state can be moved around between the other member states without restrictions. A precondition for this free movement is uniformity in the rules and regulations concerning locally produced or

imported products. Although the European Union is already a fact, not all the regulations have yet been harmonised. Work is in progress in the fields of environmental pollution, health, safety, quality and education. For more information about harmonisation of the regulations visit AccessGuide, CBI's database on non-tariff trade barriers at http://www.cbi.nl/accessguide

Monetary unit: Euro
On 1 January 1999, the euro became the legal currency within twelve EU member states: Austria, Belgium, Finland, France, Germany, Greece, Italy, Ireland, Luxembourg, The Netherlands, Spain, and Portugal. In 2002 circulation of euro coins and banknotes replaced national currency in these countries. Denmark, United Kingdom and Sweden have decided not to participate in the Euro.

The most recent Eurostat trade statistics quoted in this survey are from the year 2003. In this market survey, the € is the basic currency unit used to indicate value.

Trade figures quoted in this survey must be interpreted and used with extreme caution. The collection of data regarding trade flows has become more difficult since the establishment of the single market on 1 January 1993. Until that date, trade was registered by means of compulsory customs procedures at border crossings, but, since the removal of the intra-EU borders, this is no longer the case. Statistical bodies like Eurostat cannot now depend on the automatic generation of trade figures. In the case of intra-EU trade, statistical reporting is only compulsory for exporting and importing firms whose trade exceeds a certain annual value. The threshold varies considerably from country to country, but it is typically about € 100,000. As a consequence, although figures for trade between the EU and the rest of the world are accurately represented, trade within the EU is generally underestimated.

Furthermore, the information used in this market survey is obtained from a variety of different sources. Therefore, extreme care must be taken in the qualitative use and interpretation of quantitative data, both in the summary and throughout the text, as also in comparisons of different EU countries with regard to market approach, distribution structure, etc.

For more information on the EU market, please refer to the CBI's manual Exporting to the European Union.

Table 2.2 Exchange rates of EU currencies in US$, 1999-2005

Country	Currency	1999	2000	2001	2002	2003	2004	March 2005
EU	€	1.063	0.920	0.900	0.946	1.125	1.24	1.320
Denmark	Dkr	0.14	0.12	0.12	0.13	0.15	0.167	0.178
Sweden	Skr	0.12	0.10	0.10	0.10	0.12	0.136	0.145
UK	GB£	1.61	1.52	1.44	1.50	1.63	1.833	1.907
Poland	PLN	0.252	0.230	0.244	0.245	0.257	0.275	0.329
Estonia	EEK	0.068	0.059	0.057	0.060	0.072	0.079	0.084
Czech Republic	CZK	0.029	0.026	0.026	0.031	0.036	0.039	0.044
Hungary	HUF	0.004	0.004	0.003	0.004	0.004	0.005	0.005
Slovakia	SKK	0.024	0.022	0.021	0.022	0.027	0.031	0.035
Lithuania	LTL	0.250	0.250	0.250	0.732	0.328	0.360	0.382
Latvia	LVL	1.695	1.639	1.587	1.639	1.754	1.887	1.896
Slovenia	SIT	0.005	0.004	0.004	0.004	0.005	0.005	0.006
Cyprus	CYP	1.852	1.613	1.563	1.639	1.923	2.128	2.263
Malta	MTL	2.500	2.273	2.222	2.326	2.632	2.941	3.058

Source: CBS Statline / Eurostat (2005)

This survey focuses on the seven major EU markets for fresh fruit and vegetables: Germany, France, the United Kingdom, The Netherlands, Italy, Spain and Belgium. These EU member countries are highlighted, because of their relative importance in terms of consumption, production, imports and exports.

Besides the seven selected countries, attention is paid to main developments in the accession countries (10 new EU countries i.e. Poland, Hungary, Czech Republic, Slovakia, Lithuania, Estonia, Slovenia, Malta and Cyprus).

3 CONSUMPTION

3.1 Market size

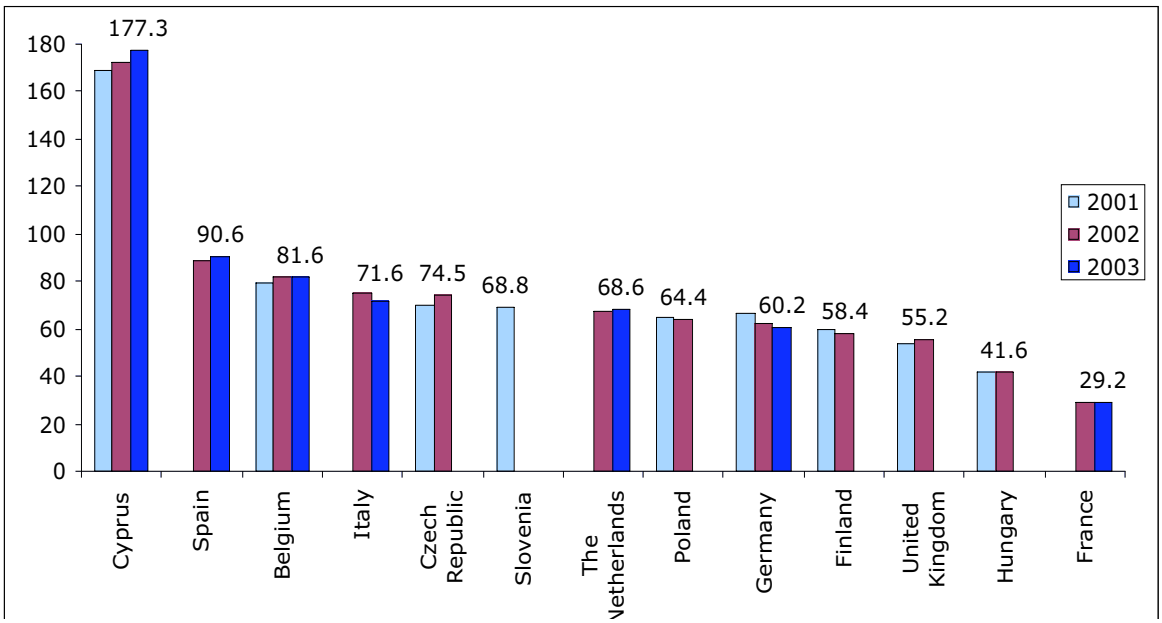
3.1.1 The European Union market

The European Union market for fresh fruit and vegetables has for several years shown increasing signs of saturation. The maturity of the national fresh produce markets is reflected by the stable, and, in some EU member countries, even declining consumption statistics for both fruit and vegetables.

Please note that the Figures 3.1 and Figure 3.2 present consumption data for only 13 EU member states. These data are mostly derived from different national organisations, which use various definitions to assess the national fruit and vegetable consumption. The availability of consolidated data for the 25 EU member countries remains very limited. Nevertheless, the figures presented below give a good overview of the consumption patterns in the different regions in the EU.

Fruit
According to the Freshfel Consumer Monitor 2004, Cyprus has a relatively high per capita consumption of fresh fruit, amounting to 177.3 kg in 2003. The Czech Republic (75 kg) and Slovenia (69 kg) are also new EU member states which have a high per capita consumption. Other leading fresh fruit consuming EU member countries are Mediterranean countries like Spain (91 kg) and Italy (82 kg). In most countries, apples and citrus fruit are the most popular fresh fruit products.

Figure 3.1 Per capita consumption of fresh fruit in selected EU member countries, 2001-2003, kg per year

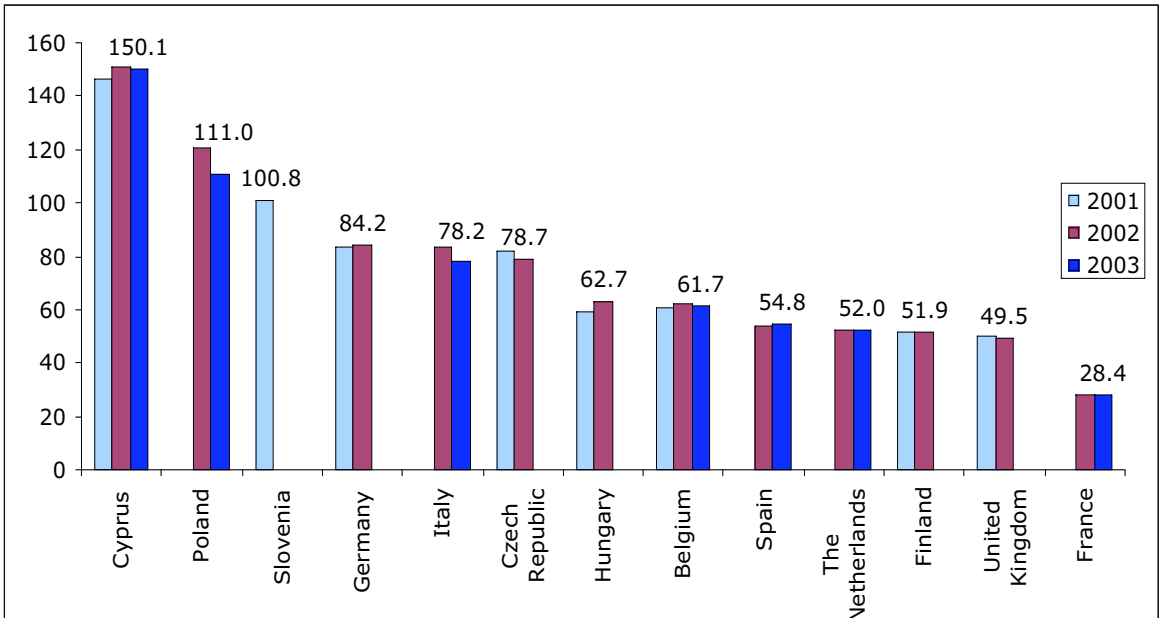


Source: Freshfel Europe Monitor 2004

Vegetables
Cyprus is also the leading EU consumer of fresh vegetables, with a per capita consumption of 150 kg in 2003. Poland (111 kg), Slovenia (111 kg) also belong to the top consuming EU member states, followed by Germany (84 kg), Italy (78 kg) and Czech

Republic (79 kg). Tomatoes, carrots, onions and cucumbers are the most popular fresh vegetable products in most of the EU member states.

Figure 3.2 Per capita consumption of fresh vegetables in selected EU member countries, 2001-2003, kg per year



Freshfel Europe Monitor 2004

3.1.2 Germany

According to the German organisation ZMP, per capita consumption of fresh fruit and vegetables in Germany was estimated at almost 146 kg in the period April 2002 until March 2003, representing a small decrease of 2 percent compared to the preceding period. German per capita fruit and vegetable consumption is substantially high by EU standards.

Fruit

Total fruit consumption in Germany was estimated at 5.1 million tonnes in 2002/03, representing a decrease of 7 percent compared to 2001-2003. As can be seen in Table 3.1, German consumption of all fruit species decreased between 2000/01 and 2002/03, in some cases even substantially. The decline in overall fruit consumption was triggered by several factors, although the fruit prices, which were unjustly experienced by consumers as increasing, and the lack of confidence related to the introduction of the Euro are viewed as the main causes. The leading fruit species consumed in Germany was apples, which accounted for almost 30 percent of total fruit consumption in 2002/03, followed by bananas (19%), oranges (11%) and clementines (7%).

Vegetables

In the period 2002/03, total fresh vegetable consumption in Germany was estimated at almost 7.0 million tonnes, representing a relatively small decrease compared to the preceding period. The major vegetable product consumed in Germany was tomatoes (25 percent of total fresh vegetable consumption in 2002/03), and the various cabbage varieties (11%). Tomato consumption increased considerably between 2000/01 and 2002/03. Other increases occurred in the consumption of cucumbers, mushrooms, peas and spinach.

Table 3.1 Consumption of fresh fruit and vegetables in Germany, 2000-2003, 1,000 tonnes

	2000/01	2001/02[1]	2002/03[1]		2000/01	2001/02	2002/03[2]
total fruit	**5,498**	**5,158**	**5,131**	**total vegetables**	**6,687**	**7,107**	**6,991**
apples	1,575	1,446	1,454	tomatoes	1,570	1,612	1,715
bananas	997	917	921	cabbages	935	810	778
oranges	575	496	538	cucumbers	496	498	532
clementines	345	297	344	carrots	544	546	527
peaches	296	271	279	onions	536	543	518
grapes	328	313	269	lettuce	257	233	253
berries	262	289	253	mushrooms	178	199	184
pears	213	189	211	beans	166	187	169
lemons	134	140	132	asparagus	119	117	115
prunes	87	83	82	peas	98	128	105
cherries	114	103	85	leek	88	88	79
grapefruit	70	64	59	spinach	68	76	76
apricots	42	32	39	celery	54	48	49
other fruit	*460*	*518*	*465*	*other vegetables*	*1,779*	*2,022*	*1,894*

[1] estimation
[2] provisional
Note: the annual data in table 3.1 cover the periods from April until March.
Source: ZMP, 2004 and 2005

3.1.3 France

Fresh fruit and vegetables enjoy a very positive image among French consumers. French consumers regard these products as safe and the purchase of fresh fruit and vegetables is considered a pleasant activity. Total fresh fruit and vegetable consumption amounted to 3.56 million tonnes in 2003, representing a total value of € 6.87 billion.

Fruit
Total French consumption of fresh fruit amounted to € 3.4 million / 1.8 million tonnes in 2003, representing a small increase of 5 percent in value and 2 percent in volume compared to the preceding year. Popular fresh fruit species are apples, oranges, bananas, and clementines. During the past few years, exotic fruit species like lychees and mangoes gained more popularity, although their sales still account for a modest share of total fruit sales.

Vegetables
In 2003, consumption of fresh vegetables in France amounted to almost 3.5 billion / 1.75 million tonnes, which represented a slight increase of 2 percent in value and 1 percent in volume compared to the preceding year. Tomatoes, carrots and endive are among the most popular fresh vegetable in the French fresh vegetable market.

Table 3.2 Total consumption of fresh fruit and vegetables in France, 2002-2003, € million / 1,000 tonnes

	2002		2003	
	value	volume	volume	value
Total fruit	**3,242**	**1,774**	**3,393**	**1,805**
Total fresh vegetables	**3,407**	**1,729**	**3,476**	**1,753**

Source: Ctifl / Secodip, 2003/2004

Table 3.3 Consumption of fresh fruit and vegetables in France, 2002, € million / 1,000 tonnes

FRUIT	value	volume	VEGETABLES	value	volume
apples	529	350	tomatoes	315	286
peaches	284	140	melon	277	136
strawberries	220	50	endive	230	109
pears	175	92	carrots	188	179
apricots	113	47	onion	120	80
kiwi fruit	99	35	leek	101	65
cherries	75	19	cucumbers	90	69
prunes	39	19	cauliflower	72	53
			asparagus	70	19
			artichokes	66	23

Source: Ctifl / Secodip, 2003/2004

3.1.4 United Kingdom

Concerns over obesity and health made the UK Government launch a "5-a-Day" programme to encourage people to eat more fruit and vegetables in 2003. Despite recognition of the health benefits of fruit and vegetable consumption, only 25 percent of the population meets the target of 5 portions per day. The figures were even lower for low income and young consumers.

In comparison to other EU countries, the United Kingdom has a low per capita consumption of fresh fruit and vegetables. In the period 2002-2003 total per capita consumption of fresh fruit and vegetables amounted to 79.6 kg (Family Food Survey 2002-03). The source of the data provided in this section is not the same as the source in Section 3.1.1. Since different sources often use various definitions to assess the national fruit and vegetable consumption, this partly explains why the per capita consumption figures in Table 3.4 deviates from the data in Section 3.1.1.

Table 3.4 Per capita consumption of fresh fruit and vegetables in the United Kingdom, 2001-2003, kg per year

	2001/02	2002/03		2001/02	2002/03
total fruit	**39.0**	**41.3**	**total vegetables**	**38.0**	**38.3**
bananas	10.6	10.8	onions	5.1	5.2
apples	9.1	8.9	carrots	5.3	5.1
other citrus fruit	4.1	4.8	tomatoes	5.0	5.0
stone fruit	3.4	3.7	cauliflower	3.8	4.0
oranges	2.9	3.2	lettuce & salads	3.3	3.2
grapes	2.5	2.6	cabbages	2.4	2.3
pears	2.0	2.2	cucumbers	1.9	1.9
melons	2.0	2.1	mushrooms	1.9	1.8
other soft fruit	1.4	1.6	peas & beans	1.4	1.5
other fresh fruit	*1.1*	*1.2*	turnips	1.2	1.2
			brussels sprouts	0.8	0.8
			other fresh vegetables	5.8	6.2

Source: Defra National Statistics 'Family Food' 2004

Fruit

UK household consumption of fresh fruit has increased over the long term. Average fresh fruit consumption increased by 55 percent between 1975 and 2003 (USDA, 2005). Increased banana consumption has been one of the key drivers of this consumption growth and it is now the nation's leading fruit. Recent growth in fruit consumption has

been driven by the 'other fruit' category. Key factors contributing to this category growth include the increased availability of exotic fruits and the extended marketing seasons afforded by global supply and improved transportation. In 2002/2003, the British consumed almost 41.3 kg of fresh fruit per person. Together, fresh banana and apple consumption represented almost half of total fruit consumption. Except for apples, the per capita consumption of all the fresh fruit products increased during the review period.

Vegetables
In 2002/2003, per capita consumption of fresh vegetables in the United Kingdom amounted to 38.3 kg, representing an increase of 0.3 kg compared to the period 2001/2002. The most popular vegetable products were onions, carrots and tomatoes, together representing 40 percent of total vegetable consumption. The composition of the fresh vegetable consumption in 2002/2003 remained more or less the same as in 2001/2002.

3.1.5 Spain

According to the Spanish Ministry of Agriculture, Fishery and Foodstuffs, Spain consumed a total of almost € 8 billion / 6.2 million tonnes of fresh fruit and vegetables in 2004. In the same year, per capita consumption reached about 150 kg (€ 190).

Fruit
In 2004, Spain's per capita consumption of fresh fruit amounted to 93.3 kg, which is one of the highest levels within the EU. Total consumption reached 3.9 million tonnes, representing a value of € 4.9 billion.

Orange is the most popular fresh fruit product, accounting for 22 percent of total fruit consumption (in volume), followed by (water)melons (17%), apples (12%) and bananas (10%).

Table 3.5 Consumption of fresh fruits and vegetables in Spain, 2004, € million / 1,000 tonnes / kg

	value	volume	per capita		value	volume	per capita
Total fresh fruit	4,709	3,918	93.3	**Total fresh vegetables**	3,252	2,373	56.5
oranges	761	859	20.5	tomatoes	670	593	14.1
(water)melons	493	665	15.9	onions	245	287	6.8
apples	585	487	11.6	lettuce, endive	391	239	5.7
bananas	505	409	9.7	peppers	301	181	4.3
pears	376	308	7.3	carrots	113	133	3.2
mandarins	261	229	5.5	courgettes	144	112	2.7
peaches	311	208	5.0	green beans	265	101	2.4
kiwi fruit	286	117	2.8	capsicum	91	84	2.0
strawberries	201	103	2.4	leafy vegetabl.	97	70	1.7
grapes	157	96	2.3	cabbages	56	64	1.5
lemon	102	93	2.2	eggplants	74	55	1.3
prunes	111	62	1.5	garlic	114	40	1.0
cherries	128	44	1.0	mushrooms	111	37	0.9
pineapples	48	29	0.7	asparagus	38	24	0.6
other fresh fruit	*383*	*209*	*5.0*	*other fresh veg.*	*542*	*353*	*8.4*

Source: MAPYA (2005)

Vegetables
In 2004, total Spanish consumption of fresh vegetables amounted to somewhat almost 2.4 million tonnes, representing a per capita consumption of 56.5 kg. In terms of value, total Spanish vegetable sales amounted to € 3.3 billion, representing a per capita expenditure of € 77.50.

Tomatoes are by far the leading consumed fresh vegetable product, accounting for a quarter (in volume) of total consumption, followed by onions (12%), lettuce and endives (10%).

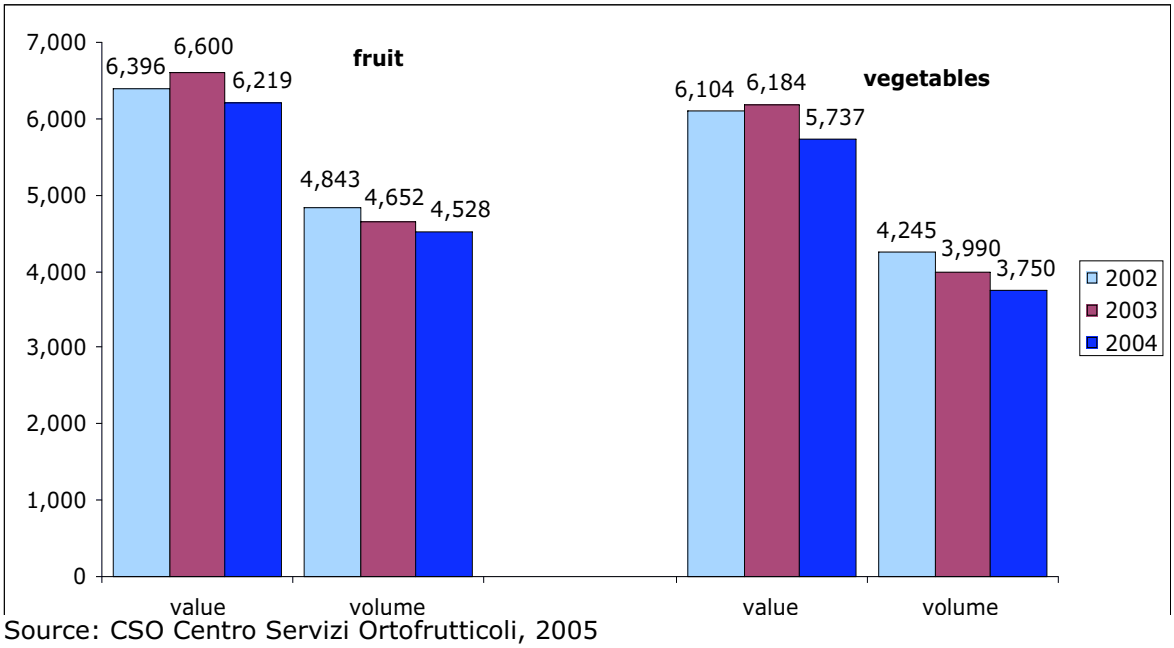
3.1.6 Italy

In 2004, total sales of fresh fruit and vegetable (excluding potatoes) in Italy amounted to almost 8.3 million tonnes, representing a value of almost € 12 billion.

Fruit
Per capita consumption of fresh fruit in Italy amounted to about 72 kg in 2003, making it one of the highest fruit consumption levels in Europe. Total fruit sales amounted to almost € 6.2 billion / 4.5 million tonnes in 2004, representing a decrease of 6 percent in value and 3 percent in volume compared to the preceding year.

The decrease in domestic fresh fruit consumption is also illustrated by the 15 percent decrease in apple consumption between 2002 and 2003. This trend became evident after the introduction of the Euro which caused an increase in retail prices (real or perceived). Furthermore, changes in lifestyle are favouring a shift in consumption habits away from fresh fruit to processed fruit.

Figure 3.3 Volume sales of fresh fruit and vegetables in Italy, 2002-2004, € million / 1,000 tonnes



Source: CSO Centro Servizi Ortofrutticoli, 2005

Citrus fruit were by far the most popular fruit category, accounting for about 30 percent of total sales in 2003, followed by apples (23%), bananas (12%), pears (10%) and peaches (9%).

Vegetables
Total Italian consumption of fresh vegetables amounted to € 5.7 billion / 3.8 million tonnes, representing a decrease of 7 percent in value and 6 percent in volume compared to the preceding year. On a per capita base, fresh vegetable consumption amounted to an annual 78 kg. The most popular fresh vegetable product in Italy is by far tomatoes.

3.1.7 The Netherlands

According to a survey published by the Commodity Board for Horticulture, one of the major trends in The Netherlands is the growing demand for convenient and time-saving ways of preparing meals. This trend applies in particular to vegetables and is expressed by the growing demand for prepacked and semi-prepared vegetables. According to the National Food Consumption Survey 2003, of the National Institute for Health and Environment (RIVM), per capita consumption among young people in The Netherlands (aged between 19 and 30) of fresh fruit and vegetables remains very low. Consumption of vegetables amounted to 95 grams per day, or 35 kilos per year, about half the Institute's recommendation. Fruit consumption was even lower, at 81 grams per day, or 30 kilos per year.

Fruit
According to the Commodity Board of Horticulture, total household purchases of fresh fruit in The Netherlands amounted to 654 thousand tonnes in 2002. The most popular fruit species in The Netherlands remain apples, oranges and bananas, accounting for about two thirds of total fruit consumption. Other important fruit species were mandarins, melons and pears. In recent years, kiwi fruits have gained more popularity, climbing up to number 8 of the fruit top 10 in 2002.

In terms of value, the total fresh fruit consumption amounted to € 978 million in 2002. Prepacked fruit accounts for over half of total fruit consumption. Prepacked fruit is mostly purchased in supermarkets, whereas greengrocers and markets sell relatively small amounts of prepacked fruit.

Table 3.6 Consumption of fresh fruit and vegetables in The Netherlands, 2002, 1,000 tonnes

	2002		2002
total fruit	**653.5**	**total vegetables**	**503.5**
fruit top 10:		*vegetables top 10:*	
apples	174.5	cauliflower	43.3
oranges	156.7	onions/shallots	41.7
bananas	102.4	tomatoes	41.2
mandarins	57.3	cucumbers	39.9
pears	34.5	carrots	36.9
melons	20.7	lettuce	31.7
grapes	18.1	chicory	29.3
kiwi fruits	17.3	green beans	19.8
grapefruit	14.7	leek	18.7
strawberries	13.6	endive	17.9
		selected others:	
		broccoli	17.3
		white mushrooms	16.0
		peppers	14.3

Source: Commodity Board for Horticulture, 2003

Vegetables
In 2002, total consumption of fresh vegetables (excluding potatoes) in The Netherlands amounted to 503.5 thousand tonnes, representing a value of € 1,042 million. Domestically grown products like cauliflower, onions/shallots and tomatoes dominate the consumption of vegetables. Cucumbers and carrots are also popular vegetable species. Together, the top 5 vegetables accounted for 40 percent of total vegetable purchases in 2002. Prepacked vegetables accounted for more than 50 percent of total vegetable sales.

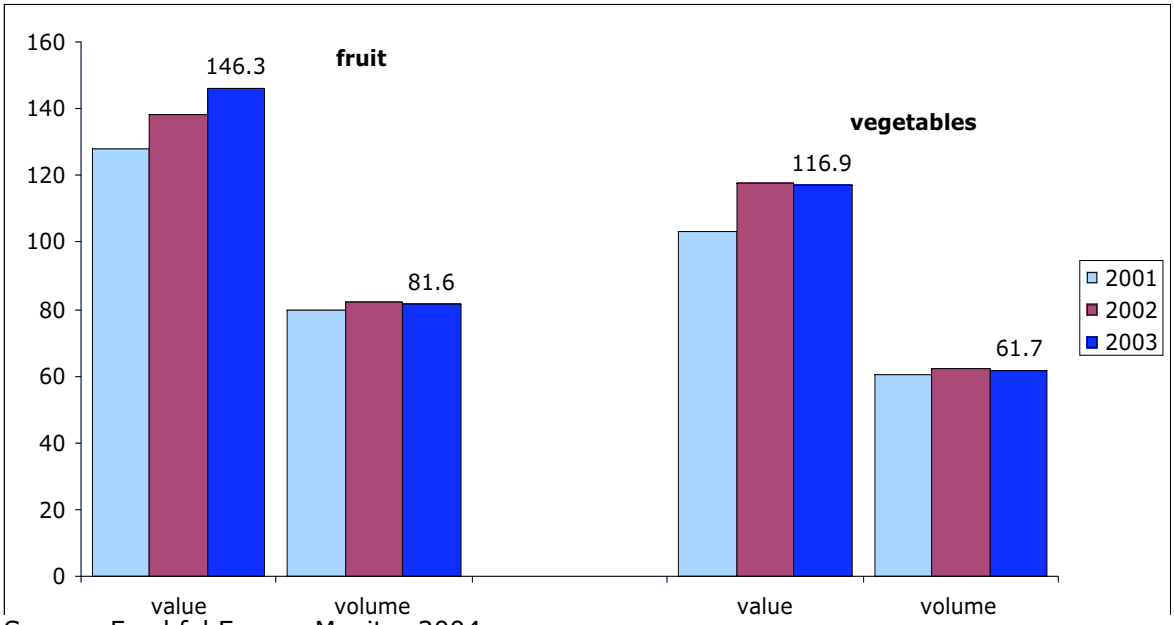
3.1.8 Belgium

In 2003, average per capita consumption of fresh fruit and vegetables in Belgium amounted to 143.3 kg, representing a value € 263. According to the consumption data, Belgium is one of the leading fruit consuming EU member states.

Fruit
Between 2001 and 2003, Belgian fresh fruit consumption remained fairly stable in terms of volume, but increased by 14 percent in terms of value, reaching € 146.3 / 81.6 tonnes in 2003. In the same year, total consumption of fresh fruit amounted to approximately € 1.5 billion / 849 thousand tonnes.

Vegetables
The consumption of vegetables showed almost the same pattern as for fruit; in terms of volume, per capita consumption remained fairly stable, whereas in terms of value it increased by a total 13 percent between 2001 and 2003, amounting to € 117 / 61.7 kg in 2003. Total Belgian fresh vegetable consumption amounted to about € 1.2 billion / 642 thousand tonnes.

Figure 3.4 Per capita consumption of fresh fruit and vegetables in Belgium, 2001-2003, value in € per year, volume in kg per year



Source: Freshfel Europe Monitor 2004

3.2 Market segmentation

The fresh fruit and vegetable market in the European Union can be segmented according to the following methods:
⇒ Product classification
⇒ End-user markets

⇒ Organic or conventional products
⇒ Socio-economic factors

Product classification
Segmentation of the fresh fruit and vegetable market is possible with the help of the product classification as presented in Section 1.1 of this survey. This classification reveals the following market segments:
- domestically produced fruit and vegetables (temperate fruit and vegetable products);
- well-known products not, or only sporadically, produced in northern Europe;
- exotics (tropical/subtropical products);
- off-season products.

Please refer to Chapter 1 for a description of the different segments.

End-user markets
The market for fresh fruit and vegetables can also be segmented according to:
- consumer market (retail shops, supermarkets, grocery stores);
- out-of-home market (restaurants, business canteens, gas stations, institutions, fast-food chains); and
- industrial sector.

With regard to the first two segments, it is estimated that in The Netherlands, the consumer market segment is about twice the size of the out-of-home segment. Data on the share of the latter segment are not available. However, it is expected to expand in the near future due to the proportional increase of the ageing population (more institutions), single households and a growing prosperity. The same development can also be expected for other EU member countries.

Fresh fruit and vegetables in the industrial sector are mostly processed into products like baby-food, deep frozen food, ready-to-cook products, and canned products. That is why fresh fruit and vegetables destined for the industrial sector are cultivated more extensively and on a larger scale than for the fresh consumer and out-of-home market. Hence, the quality requirements for the fresh products for the industrial sector are often lower than for the consumer market.

Organic versus conventional production
Another segmentation of the market for fruit and vegetables can also be made according to whether the products are grown by organic[1] farming or by conventional farming. This is particularly important since the demand for organic food is increasing in the EU member countries and these can offer interesting market opportunities for developing countries exporters. Organic products still account for only a small share of the total food consumption, although most markets for organic fruit and vegetables experienced strong growth rates during the past years. Particularly high growth rates in the organic fresh fruit and vegetable market have been observed in the United Kingdom, France, Switzerland and Italy. It is estimated that Italy showed a growth rate of 20 percent in 2002, and Switzerland 15 percent. It is also estimated that in Italy, organic fresh fruit and vegetables comprise already 30 percent of organic consumption.

Because of its nature, organic production is highly suitable for farmers in developing countries, having a potential comparative advantage in meeting demand for many organic foods in major markets. Firstly, due to climatic constraints, some products

[1] The Basic Standards of IFOAM (International Federation of Organic Agriculture Movements) represent the world-wide consensus of what is organic. The EU Regulation for organic food is based on the IFOAM standards. Uniform standards for organic food production and labelling throughout the EU were established by the passing of Council Regulation (EEC) 2092/91. This regulation and subsequent amendments establish the main principles for organic production at farm level and the rules that must be followed for the processing, sale and import of organic products from third (non-EU) countries.

cannot be grown profitably in the cooler, mostly industrialised, countries as demonstrated by tropical fruits and off-season fruits and vegetables. Secondly, in a number of developing countries, traditional production systems may be more attuned to the production of organic foods than the more intensive input production systems usually found in developed countries. Finally, the fact that organic farming tends to be labour intensive may give a comparative advantage to developing countries, where labour costs are relatively lower than in developed countries.

For in depth information about organic fresh fruit and vegetables, please also refer to the FAO study 'World Markets for Organic Fruit and Vegetables - Opportunities for Developing Countries in the Production and Export of Organic Horticultural Products' which can be downloaded at http://www.fao.org/docrep/004/y1669e/y1669e00.htm#Contents

Another interesting report, published by the United Nations Conference on Trade and Development (UNCTAD), is titled 'Organic Fruit and Vegetables from the Tropics' (2003) and provides in-depth market, certification and production information for producers and international trading companies. It can be downloaded at http://www.unctad.org/en/docs//ditccom20032_en.pdf

For more information on organic production and its certification, please contact SKAL, Ecocert, Soil Association or other EU inspection organisations; refer to Appendix 3.6 for contact details of these organisations. Please also refer to CBI's EU Market Survey "Organic Food Products" for more detailed information.

Besides the differentiation between organic versus conventional fresh fruit and vegetables, a differentiation between fair-trade and conventional fresh produce can also be made. The EU market for fair-trade also opens up new opportunities for developing country exporters. Particularly in the United Kingdom, where the social aspect of production and income distribution plays an important role, this segment creates more opportunities.

Socio-economic factors
The spending patterns of EU consumers is also highly influenced by socio-economic factors like age, gender, ethnic identity, education level, income level, occupation, etcetera.

Combined with these factors, the EU market for fresh fruit and vegetables can also be segmented according to Southern and Northern/Western EU member states. In general, it could be concluded that consumers in Southern EU member states (e.g. Greece, Spain, Italy) more often consider fresh fruit and vegetables as an essential part of the daily meals. Southern EU consumers hence tend to spend more time and money in the purchase (shop more in markets) and preparation of the fruit and vegetables. Moreover, fruit and vegetable sales in these countries are relatively stable in relation to prices increases and income declines.

Consumers in Western and Northern EU member states, on the other hand, are much more focused on convenience (cut, sliced, small portions) and the price of the products. Roughly speaking, it could be stated that during economic declines and with high product prices, consumers in these countries tend to be more price conscious in their purchase of fresh fruit and vegetables. However, it must be mentioned that when it comes to the sales of organically grown fresh fruit and vegetables, EU consumers are often willing to pay a high price, even during economic slow-downs.

3.3 Consumption patterns and trends

The population in Western Europe is still growing and will continue to grow until about two decades from now. It is estimated that thereafter, Western Europe will start to show

a declining population size. However, already now the composition of the population is changing. It shows a rapidly growing number of elderly people combined with a decreasing number of young people. We also see a family 'dilution'; family households are getting smaller because people are having fewer children. Moreover, the number of single households in Western Europe is substantial and still increasing, making these people a highly significant consumer group for food suppliers.
Prosperity in the EU has increased over years, and eating behaviour is related to income and life style. Despite this increase in prosperity, the food market in the EU is highly competitive, since consumers are not going to eat more, but will only, at the very most, switch to other products.

A number of trends affecting European consumer demand for fresh fruit and vegetables can be distinguished in the past few years. These include:

Health food
European consumers have a strongly increased interest in a healthy life and, consequently, in the consumption of health food. Health food refers to food products, which are low in fat and have limited sugar and salt content; this includes functional foods, which have specific health-promoting properties and food products with added vitamins and minerals or bacteria, which support the intestinal function. Fresh fruits and vegetables are generally associated with health foods. This is because fruit and vegetables contain vitamins and natural antioxidants, which are supposed to have properties preventive to heart diseases and cancer.

Organic and fair-trade products
Since European consumers have recently experienced several food scares, many people are concerned about the safety of food, as well as the effects of intensive farming on the countryside and on the environment in general. These factors, combined with the increasing awareness of the importance of diet and nutrition, have intensified interest in organic foods, which are grown according to principles laid down in directive EC 2092/91 (for detailed information, refer to http://www.cbi.nl/accessguide).

Fuelled by the social consciousness amongst EU consumers regarding production methods and income distribution, the demand for fair-trade products has also increased. There is a trend for organic and fair trade to go together. Europe's leading fair trading house Gepa (Germany) is increasingly linking organic quality to a fair trade price. Some 60 percent of its products comes from organic agriculture.

Social accountability
Social accountability refers to issues like food safety, traceability, health, and environment consciousness. In the scope of the increasing interest for these issues in the EU, a group of leading European food retailers launched the EurepGap Protocol in 1999. EurepGAP is a quality management system falling under the concept of Good Agricultural Practices (GAP). The objective of EurepGap (Euro-Retailer Produce Working Group for Good Agricultural Practice) is to raise standards for the production of fresh fruit and vegetables by promoting food safety, the sustainable use of natural resources and more environment-friendly production.

As from 1 January 2004, the leading European supermarket chains only trade fresh fruit and vegetables, which comply with EurepGap standards. Working according to EurepGap standards will be a very positive argument in export business. Producers in developing countries experience difficulties in complying with the Eurep standards and some interest parties are calling for relaxation of the standards. In the EU, several projects have been launched, in which developing country exporters are guided through the process towards EurepGap certification. For more information on the Eurep Group and EurepGap Protocol, please refer to http://www.eurep.org.

Besides GAP, the concept of GMP (Good Manufacturing Practices) is also relevant for the fresh fruit and vegetable sector. An example of such systems are HACCP (refer to Section 9.1.2) and BRC (http://www.brc.org.uk).

As a result of several food scares (BSE / mad cow disease, dioxin) consumers increasingly pose questions on the production process and demand open, honest, and informative labelling. This has resulted in a discussion in the fruit and vegetable industry about "tracking and tracing".

The European Commission also recognises the importance of food safety and set up the European Food Safety Authority (EFSA) in January 2002. Please also refer to Appendix 3.6 for Internet links to programmes and practical information concerning food safety regulations within the EU.

Convenience
European people (including women) are working more and more and have busy social lives. Moreover, the number of single households increases. Less time is left for the preparation of a full meal and, as a result, the demand for products requiring extensive preparation has declined, while the opportunities for easy to prepare, semi-prepared, catered and processed products are increasing. The high cost of labour in Europe constantly encourages the shift towards adding value in the country of production. In the fresh fruit and vegetable sector, this has led to prepacked products and consumer packs containing (semi-)prepared vegetables such as sliced runner beans, topped and tailed 'mangetout' peas and mixed packs of fruit and vegetables for stir-fry meals. Prepared vegetables (cut, washed, scraped or pre-cooked) are particularly popular among younger consumers. According to the European Fresh Produce Monitor 2002, about 56 percent of total fruit sales in Germany concerns fruit that is already prepacked. In the UK, this share lies at 37.7 percent, in Ireland 20.5 percent and in Italy 13.4 percent.

Another outcome of the trend to convenience is the introduction of mini products (mini-paprika, mini-cauliflowers, mini-cucumbers, etc.). On the one hand, the diminishing household sizes have inflicted this trend. On the other hand, it satisfies the increasing demand for innovative, eccentric and fancy products as a reaction to the fairly saturated fresh produce EU market.

Exotics and off-season products
A remarkable increase can be seen in the consumption of exotic fruits and off-season products like mangoes, papayas, passion fruit and avocados. Until the 1970s, there was hardly any consumption of exotics, though small quantities were imported to meet the demand of ethnic minority groups. The increase in ethnic minorities living in the EU is considered to be responsible for the initial increases in sales of all kinds of exotic and tropical fruits. Once the products were on the shelves, other groups became inclined to buy them. If trade in lesser-known exotic products is considered, marketing strategies should specifically take into account minorities familiar with these products.

In their search for products with more added value, major importers in The Netherlands are now promoting lesser-known exotics like kumquats, rambutan and mangosteen. Complying with the demand for convenience, they provide the exotics in easily recognisable packages, containing small amounts and with practical product information. This makes it easier for European consumers to become familiar with these relatively new and unknown products. Supermarkets are increasingly interested in selling exotics in these standardised packages.

The production of some categories, for example bananas, is overwhelmingly in the hands of (large) multinational companies. This means that developing country exporters should seek market segments in which small amounts of the product can be traded and in which they are able to compete. In this sense, market opportunities in the EU for developing

country exporters lie in the production of tropical and subtropical products (exotics) which are hardly grown in Europe, off-season fruit and vegetables (like strawberries and asparagus) and in the production of organically grown products.

Key Consumption Trends
• Greater demand for convenience • More diversity of choice • Growth of demand for ethnic and exotic ingredients • Increased demand for organic and fair-trade products • More ready-cooked, take-out foods • Growth of out-of-home market

4 PRODUCTION

4.1 European Union

Most countries in the EU have extensive domestic production of fruit and vegetables. However, the temperate – and often unstable – climate of northern Europe limits the production of various fruits and vegetables. Production in greenhouses partly compensates for the restrictive climatic conditions, but, for bananas and a wide range of exotics, there exists a big and developing market, which cannot, or only insufficiently, be supplied by domestic (European) production. There is a large production of citrus fruit and apples in the EU but at the same time the production is season-bound, offering opportunities for suppliers from outside the EU to supply the European market in off-season periods. However, improved storage and distribution has enabled producers to reduce the negative influence of the seasons.

A decrease in the number of fruit and vegetables growers can be noticed in Northern European countries. This development is partly caused by the trend towards consolidation at buyers' level, and partly by the fact that more and more suppliers find it hard to conform to the European regulations for agricultural production. On top of that, EU production of fresh fruit and vegetables is relatively costly, because of high labour and investment costs. As a consequence, growers have to change their production to large-scale production or consolidate in order to stay in the market.

Buyers of larger volumes are the power behind consolidation at the supplier level, forcing shippers to attempt to match the scale of their customers in order to serve them efficiently. These large-scale suppliers have sufficient financial resources and backing, and can bear the costs and risks associated with producing crops in several regions or countries over extended periods.

Fruit
Between 2002 and 2004, the total production of fresh fruit (including wine grapes) in the EU increased by 6.6 percent, amounting to about 65.1 million tonnes in 2004. In 2004, Italy, Spain and France were the leading EU producers, together accounting for almost 70 percent of total EU fruit production. Other large producers of fresh fruit in the European Union are Germany, Greece and Poland. It I of interest to note that larger producers such as these countries saw their production increase, while many smaller and medium large producers like Belgium, the Czech Republic, Slovenia and the United Kingdom faced declining fruit production.

Grapes, apples and oranges are the leading product groups. Between 2002 and 2004, production of grapes increased by 14 percent, amounting to 28.2 million tonnes. In the same period, the harvest of apples remained fairly stable, although it remained the second fruit product grown in the EU. With 3 million tonnes in 2004, the production of pears was also considerable. The production of peaches and nectarines in the EU amounted to 4.3 million tonnes in 2004, representing an increase of 4.6 percent since 2002.

In 2004, the production of citrus fruit in the EU amounted to 10.8 million tonnes, representing an increase of 3 percent since 2002. The two leading citrus fruit producing countries in the European Union are Spain and Italy and Greece, together accounting for about 95 percent of total EU citrus fruit production in 2004. Of the different citrus fruits considered, both small citrus fruits and lemons and limes showed a larger increase, while oranges remained fairly stable (-0.9 percent). In 2004, the estimated harvest of oranges in the EU amounted to more than 6 million tonnes. In that same year, EU growers produced 2.9 million tonnes of small citrus fruits (mandarins, clementines, tangerines and satsumas) and 1.75 million tonnes of lemons. The importance of grapefruit is

relatively insignificant, since estimated production amounted to only 83 thousand tonnes in 2004.

Table 4.1 Production of fresh fruit in the EU, 2002-2004, 1,000 tonnes

	2002	2003	2004		2002	2003	2004
Total EU-25	**61,034**	**61,617**	**65,063**	**Total EU-25**	**61,034**	**61,617**	**65,063**
Italy	16,076	15,727	17,090	grapes	24,749	25,177	28,211
Spain	15,751	17,497	16,899	apples	12,114	11,727	12,298
France	10,654	9,584	11,490	oranges	6,068	6,358	6,016
Germany	4,425	4,202	4,607	peaches & nect.	4,160	4,444	4,350
Greece	3,833	4,256	4,151	pears	3,122	2,848	3,029
Poland	3,006	3,297	3,365	small citrus fruit[1]	2,737	2,865	2,892
Portugal	2,023	1,819	1,969	lemons & limes	1,591	1,769	1,749
Hungary	1,205	1,317	1,531	plums	1,313	1,372	1,377
Austria	1,061	1,111	1,096	strawberries	978	873	901
Netherlands	575	569	589	apricots	599	520	624
Belgium	571	468	503	cherries	585	548	517
Czech Republic	508	448	471	kiwi fruit	522	502	504
Slovenia	299	292	284	bananas	457	450	453
Cyprus	239	259	259	sour cherries	314	371	346
United Kingdom	294	247	248	figs	179	176	176
Slovakia	177	216	199	*other fresh fruit*[2]	*1,546*	*1,617*	*1,620*
Lithuania	93	80	77				
Latvia	67	53	62				
Denmark	35	50	47				
Sweden	32	32	33				
Estonia	30	27	28				
Luxembourg	35	23	23				
Ireland	24	23	23				
Finland	17	14	14				
Malta	6	7	7				

[1] This category includes mandarins, clementines, tangerines and satsumas
[2]This category includes: Avocados, other berries, blueberries, carobs, other citrus fruit, cranberries, currants, dates, other fruit fresh, other fresh fruit tropical, gooseberries, grapefruit and pomelos, persimmons, pineapples, quinces, raspberries, other stone fruit.
Source: FAOSTAT, 2005

Between 1995 and 2004, the kiwi fruit production in the EU was characterised by fluctuations varying from 386 to over 526 thousand tonnes. Kiwi fruit production in 2004 amounted to 504 thousand tonnes, representing a considerable decrease compared to the record production level in 2000.

According to FAO data, there is a minor banana production in the EU, amounting to about 450 thousand tonnes in 2004, of which Spain accounted for more than 90 percent.

Vegetables
Total EU production of fresh vegetables reached almost 64 million tonnes in 2004. Please note that FAO also includes melons and watermelons in the production figures for vegetables, although in this market survey these products are considered as fruit species.

Table 4.2 Production of fresh vegetables in the EU, 2002-2004, 1,000 tonnes

	2002	2003	2004		2002	2003	2004
Total EU-25	**62,901**	**64,072**	**63,638**	**Total EU-25**	**62,901**	**64,072**	**63,638**
Italy	14,155	15,155	14,980	tomatoes	14,966	15,873	15,833
Spain	11,961	12,052	12,061	lettuce & cabb.	7,643	7,887	7,952
France	8,937	8,673	8,496	onions	4,918	4,754	4,732
Poland	4,677	4,887	4,895	carrots	4,801	4,885	4,688
Greece	4,074	4,000	3,999	(water)melons	4,064	4,363	4,261
Netherlands	3,750	3,793	3,753	cucumbers	2,184	2,172	2,164
Germany	3,702	3,622	3,603	cauliflower	2,022	2,182	2,137
United Kingdom	2,767	2,654	2,726	green peas	1,539	1,464	1,489
Portugal	2,224	2,228	2,329	mushrooms	1,085	1,059	1,062
Belgium	1,773	1,854	1,849	beans, green	911	856	848
Hungary	1,894	1,987	1,814	artichokes	834	733	751
Austria	559	524	574	eggplants	635	684	693
Lithuania	290	459	459	leeks	674	680	678
Slovakia	344	345	339	spinach	498	501	500
Czech Republic	354	319	302	garlic	287	286	243
Sweden	277	278	277	asparagus	239	245	232
Denmark	246	243	249	*other veg.*[1]	*15,600*	*15,447*	*15,375*
Finland	232	231	229				
Ireland	222	214	222				
Latvia	148	218	169				
Cyprus	149	151	151				
Slovenia	59	55	54				
Estonia	44	64	48				
Malta	49	51	46				
Luxembourg	16	16	16				

[1] This category includes other vegetables fresh, string beans, pumpkins, squash, gourds, okra, green corn (maize), green chillies and peppers, and green broad beans.
Source: FAOSTAT, 2005

Besides being the leading EU producers of fresh fruit, Italy and Spain also dominate the EU production of fresh vegetables, together accounting for more than 40 percent of total EU production. In 2004, total Italian production of vegetables amounted to almost 15 million tonnes, which represented an increase of 6 percent compared to the preceding year. Spain is the second largest producing country, responsible for a production of more than 12 million tonnes in 2004.

Production figures for selected fresh vegetable species grown in the EU are listed in Table 4.2 for the period 2002-2004. The largest product group, tomatoes, is rather uninteresting for exporters in developing countries. Leading tomato producers in the EU are Italy and Spain, together accounting for over two thirds of total EU production. Spain and The Netherlands are leading EU producers of onions, while France, the United Kingdom and Italy produce most of the carrot supplies. The leading EU producers of asparagus are Spain, the United Kingdom, Germany and Italy.

New member states
The ten new EU member countries produce relatively small amounts of fresh fruit and vegetables, compared to the other EU member countries. Only Poland is among the large producing countries, especially when production of vegetables is considered.
At the moment, the infrastructure in the ten new member states is relatively poor. However, with their accession to the European Union, these countries have become part of the highly organised EU infrastructure. It is expected that they will expand their

production considerably within the next decade, not only for the domestic consumption, but also for export objectives.
Some other specific features of the fruit and vegetable sector in the ten new EU member states are:

- Predominantly small farms, although intensive production is well developed and organised in some sub-sectors.
- Poor storage capacity and marketing infrastructure. This leads to short marketing periods and high price fluctuations. Investment capacity (irrigation, equipment, orchards, etc) is, however, increasing.
- Competitive advantage in several sub-sectors, like berries in Poland, frozen products, canned products and fruit juices.
- Recent developments of large distribution chains imply better organisation of producers.
- The level of direct marketing by farmers on local markets is higher than in the EU-15, depending on the individual country.

4.2 Production in the selected countries

4.2.1 Germany

German production of fresh fruits increased by 4 percent between 2002 and 2004, amounting to 4.6 million tonnes. The most important product groups are apples and grapes, both representing around a third of total production. By far the most important apple varieties grown are 'Jonagold' and 'Elstar'. According to USDA, production of apples was 10 percent less than previously expected, because of scab fungus and small fruit diameter. Due to higher stocks, prices have come under pressure, and producer prices are fluctuating between 15 and 30 percent below prices in the previous year. This situation continues due to imports from Poland, Europe's largest apple producer.

Table 4.3 Production of fresh fruit and vegetables in Germany, per product group, 2002-2004, in 1,000 tonnes

	2002	2003	2004		2002	2003	2004
Total fruit	**4,425**	**4,202**	**4,607**	**Total vegetables**	**3,702**	**3,622**	**3,603**
apples	1,471	1,578	1,600	cabbages	664	757	750
grapes	1,425	1,170	1,480	carrots	415	426	420
pears	532	374	500	onions	293	272	280
plums	424	479	450	cucumbers	239	232	230
currants	148	148	148	lettuce	219	202	200
cherries	110	135	120	cauliflower	128	137	132
other fruit	*315*	*318*	*309*	*other vegetables*	*1,744*	*1,596*	*1,591*

Source: FAOSTAT, 2005

German production of vegetables has been decreasing steadily since 2002. During the period 2002-2004, German production decreased by a small 3 percent, amounting to 3.6 million tonnes in 2004. The leading product groups are cabbages and carrots.

4.2.2 France

France is Europe's third largest producer, both of fresh fruits and fresh vegetables. After a decrease in 2003, production again increased, amounting to 11.5 million tonnes. Between 2002 and 2004, production increased by 8 percent. By far the most important product group produced are grapes, with a share of almost 70 percent in total production. Apples are also a leading product groups with a share of over 20 percent. Peaches and nectarines are also of importance.

Table 4.4 Production of fresh fruit and vegetables in France, per product group, 2002-2004, in 1,000 tonnes

	2002	2003	2004		2002	2003	2004
Total fruit	**10,654**	**9,584**	**11,490**	**Total vegetables**	**8,937**	**8,673**	**8,496**
grapes	6,853	6,307	7,800	lettuce & cabbage	993	891	910
apples	2,432	2,137	2,400	tomatoes	803	825	855
peaches & nectar.	455	347	408	maize	525	508	510
plums	246	250	250	carrots	728	688	469
pears	246	199	240	green peas	447	421	430
apricots	169	124	157	onions	505	426	423
other fruit	*253*	*220*	*235*	*other vegetables*	*4,936*	*4,914*	*4,899*

Source: FAOSTAT, 2005

French vegetable production has been decreasing steadily since 1999. The total decrease during the period 2002-2004 amounted to 5 percent. Total production of vegetables in that year reached 8.5 million tonnes. The most important product groups are lettuce and cabbage, with a market share of 11 percent, followed by tomatoes (10%) and green corn (6%). Of the tomatoes produced, 93 percent is grown in greenhouses and 7 percent in the open air. In contrast to Spain the percentage of tomatoes destined for processing, around a quarter, is much smaller. In 2004, French production of fresh tomatoes for the processing industry remained well below EU quota, a result of its relatively low profitability compared to other farm products in France, and compared to tomato products processed in competitor countries. In 2004, French production for processing is expected to have declined significantly. Moreover, the leading tomato processor has been bought by a Chinese company and now focuses on reprocessing Chinese products.

4.2.3 United Kingdom

Characterised by a leading fruit sector in long-term decline, the UK has become increasingly dependent on international trade to meet consumer demand for apples and pears. The United Kingdom domestic production of fresh fruits is rather limited compared to other major European countries: production amounting to only 248 tonnes in 2004. Between 2002 and 2004 the production of fruit decreased by 16 percent. With a share of 50 percent in total production, apples are the most important product group.

Table 4.5 Production of fresh fruit and vegetables in the United Kingdom, per product group, 2002-2004, in 1,000 tonnes

	2002	2003	2004		2002	2003	2004
Total fruit	**294**	**247**	**248**	**Total vegetables**	**2,767**	**2,654**	**2,726**
apples	179	125	125	carrots	717	587	650
strawberries	39	42	42	onions	310	891	910
pears	34	30	30	green peas	407	389	390
currants	13	19	19	cabbages	244	234	234
other fruit	*29*	*31*	*32*	*other vegetables*	*1,089*	*553*	*542*

Source: FAOSTAT, 2005

UK production of vegetables is much larger than its fruit production. Between 2002 and 2004, total production of fresh vegetables remained fairly stable, amounting to 2.7 million tonnes in 2004. Although it decreased almost 10 percent in the period reviewed, carrots remain the largest product group; other important products are onions and green peas.

4.2.4 Spain

After a peak in 2003, in which Spain realised a record fruit production of 17.5 million tonnes, fruit production decreased 3.5 percent in 2004, amounting to 16.7 million tonnes. Presently Spain (and also Portugal) is suffering from long periods of drought, which affects the harvests of many fresh fruit and vegetable products.

By far the largest product group is grapes, with a share of more than 40 percent in total production. The leading producing regions for table grapes are Murcia, Andalusia and, most importantly, Valencia.

Table 4.6 Production of fresh fruit and vegetables in Spain, per product group, 2002-2004, in 1,000 tonnes

	2002	2003	2004		2002	2003	2004
Total fruit	**15,751**	**17,497**	**16,899**	**Total vegetables**	**11,961**	**12,052**	**12,061**
grapes	5,875	6,864	6,902	tomatoes	3,878	3,849	3,900
oranges	2,867	3,113	2,900	green chillies & peppers	980	994	1,031
small citrus fruit	1,952	2,082	2,100	melons	991	1,032	1,000
peaches & nect.	1,247	1,310	1,111	onions	1,136	1,020	1,015
lemons & limes	920	1,071	1,050	lettuce	915	957	960
pears	608	672	657	watermelons	609	714	688
apples	651	791	614	cauliflower	432	488	492
bananas	412	405	409	cucumbers	440	440	440
strawberries	329	263	286	*other vegetables*	*3,020*	*2,998*	*2,975*
other fruit	*1,631*	*1,594*	*1,565*				

Source: FAOSTAT, 2005

Spain is the largest producer of citrus fruits in Europe, with a record high production in 2004. Other important product groups are peaches and nectarines, although production declined by 11 percent between 2002 and 2004. Pears and apples are also of importance. Moreover, Spain is Europe's leading banana producer and the leading producer of strawberries.

Spain is also the second largest vegetable producer in Europe, after Italy. Production remained fairly stable during the period reviewed, amounting to 12 million tonnes in 2004. The most important product group is tomatoes with about a third of total production. Another important product group is green chillies and peppers, with a share of 9 percent. Of the total EU production of green chillies and peppers, Spain produces half. Other important product groups are cantaloupes and other melons, onions and lettuce.

4.2.5 Italy

Italy is Europe's largest producer of both fresh fruits and fresh vegetables. The production of fresh fruit increased by 6 percent in the period reviewed, amounting to 17 million tonnes. The leading product group is grapes, with about half of the total EU production. With an increase in production of 14 percent, grapes are responsible for the larger part of the total Italian production increase. Other major product groups are apples, oranges and peaches and nectarines.

Italian apple production is characterised by decreasing areas planted and a shift towards high value varieties. Moreover, production is decreasing in the south, due to competition and increasing in the north (especially in Trentino-Alto Adige), where cooperatives guarantee better market access by offering well-known brands and improved techniques.

The area is also better located relative to the main markets in Germany and northern Europe. Overall, the area used for apple production decreased, from 62 thousand hectares in 2002 to 56.7 thousand in 2003. The total area used for citrus production, of which a large portion concerns blood oranges, was 173,000 hectares in 2003. The main pear varieties produced are Abate Fétel and Conference.

Table 4.7 Production of fresh fruit and vegetables in Italy, per product group, 2002-2004, in 1,000 tonnes

	2002	2003	2004		2002	2003	2004
total fruit	**16,076**	**15,727**	**17,090**	**total vegetables**	**14,155**	**15,155**	**14,980**
grapes	7,394	7,484	8,400	tomatoes	5,748	6,634	6,500
apples	2,199	1,945	2,012	lettuce	916	914	900
oranges	1,724	1,962	1,800	carrots	561	578	580
peaches & nect.	1,587	1,357	1,750	melons	506	580	570
pears	923	822	820	cauliflower	452	504	500
small citrus fruit	548	562	570	watermelons	545	528	500
lemons and limes	486	549	550	pumpkins	410	466	460
kiwi fruit	379	364	365	cabbages	422	456	450
apricots	200	109	209	*other vegetables*	*5,017*	*4,915*	*4,970*
other fruits	*1,215*	*1,046*	*1,188*				

Source: FAOSTAT, 2005

Production of vegetables has also been increasing in Italy. Between 2002 and 2004, production increased by 6 percent to almost 15 million tonnes. The leading product groups are tomatoes with a share of more than 40 percent in total production. Between 2002 and 2004, production increased by 13 percent. Italy produces 40 percent of tomatoes in the EU. Production increases were more significant in northern regions, with an average of + 29%. Other important product groups are lettuce and carrots.

Table 4.8 Production and use of tomatoes in Italy, 2004

	Volume	% of total
for fresh consumption	770	12%
for processing	5800	88%
for canning	*3300*	*50%*
for paste production	*1834*	*28%*
for sauce production	*666*	*10%*
Total	**6570**	**100%**

Source: USDA (2004)

4.2.6 The Netherlands

Production figures of fruits in The Netherlands, a medium producer, remained fairly stable in the period reviewed. According to USDA, the most important product groups are pears (6,400 hectares) and especially apples (10,300 hectares). Apples represent 60 percent of total Netherlands fruit production, pears another 30 percent.

The importance of Netherlands vegetable production is much larger, with a sixth position in Europe. Production has remained fairly stable in recent years, amounting to 3.7 million tonnes in 2004. The most important product groups are onions, with a share of 21 percent in EU total production, tomatoes (16%), carrots (11%) and cucumbers and gherkins (11%). The Netherlands is a leading supplier to the EU of many vegetables, produced in its greenhouses, such as tomatoes, courgettes, egg plants etc.

Table 4.9 Production of fresh fruit and vegetables in The Netherlands, per product group, 2002-2004, in 1,000 tonnes

	2002	2003	2004		2002	2003	2004
total fruit	**575**	**569**	**589**	**total vegetables**	**3,750**	**3,793**	**3,753**
apples	354	359	359	onions	817	809	808
pears	171	159	180	tomatoes	555	595	590
strawberries	35	36	35	carrots	422	432	430
other fruits	*15*	*15*	*15*	cucumbers	433	430	429
				chillies/peppers	310	315	315
				cabbages	237	261	260
				mushrooms	270	263	260
				other vegetables	*706*	*688*	*661*

Source: FAOSTAT, 2005

4.2.7 Belgium

Belgian production of fruit is comparable to production in The Netherlands, both concerning total production and composition. After a sharp decline of almost 20 percent between 2002 and 2003, production increased again in 2004, amounting to 503 thousand tonnes. The most important product groups are apples, with a 56 percent share in total production and pears (34%). According to Belgium's national statistical organisation, Statbel, the total number of fruit growers decreased by 5 percent between 2002 and 2004, amounting to 2,836.

The production of fruit is concentrated in just 2 Belgian provinces, Limburg and Brabant. Acreage devoted to fruit production is 21,054 hectare, of which 98% is on open fields, dominated by the production of apples and pears. The production of strawberries and grapes takes place in greenhouses or plastic tunnels, on the remaining two percent.

Table 4.10 Production of fresh fruit and vegetables in Belgium, per product group, 2002-2004, in 1,000 tonnes

	2002	2003	2004		2002	2003	2004
total fruit	**571**	**468**	**503**	**total vegetables**	**1,773**	**1,854**	**1,849**
apples	349	274	280	tomatoes	234	250	250
pears	171	142	170	carrots	231	230	230
strawberries	40	38	40	green peas	177	192	190
other fruits	*11*	*14*	*13*	leeks	170	170	170
				cabbages	113	150	150
				green beans	97	105	100
				other vegetables	*751*	*757*	*759*

Source: FAOSTAT, 2005

Belgium's vegetable production increased by 4 percent between 2002 and 2004. Apart from 'other vegetables' most important product groups were tomatoes, with a share in total production of 14 percent, and carrots (12%). The production of cabbage is increasing fast, by 33 percent between 2002 and 2004. According to Statbel, the total number of vegetable growers decreased by 9 percent between 2002 and 2004, amounting to 4,718.

Belgian vegetables are produced on an estimated 1,200 hectares. Approximately 50 percent of all greenhouses is located in the province of Antwerp, producing tomatoes

(63%), lettuce (27%), cucumbers (4%) and peppers (6%). Although tomatoes still lead greenhouse production, their production has fallen by 20% over the past decade while the production of peppers increased rapidly.

5 IMPORTS

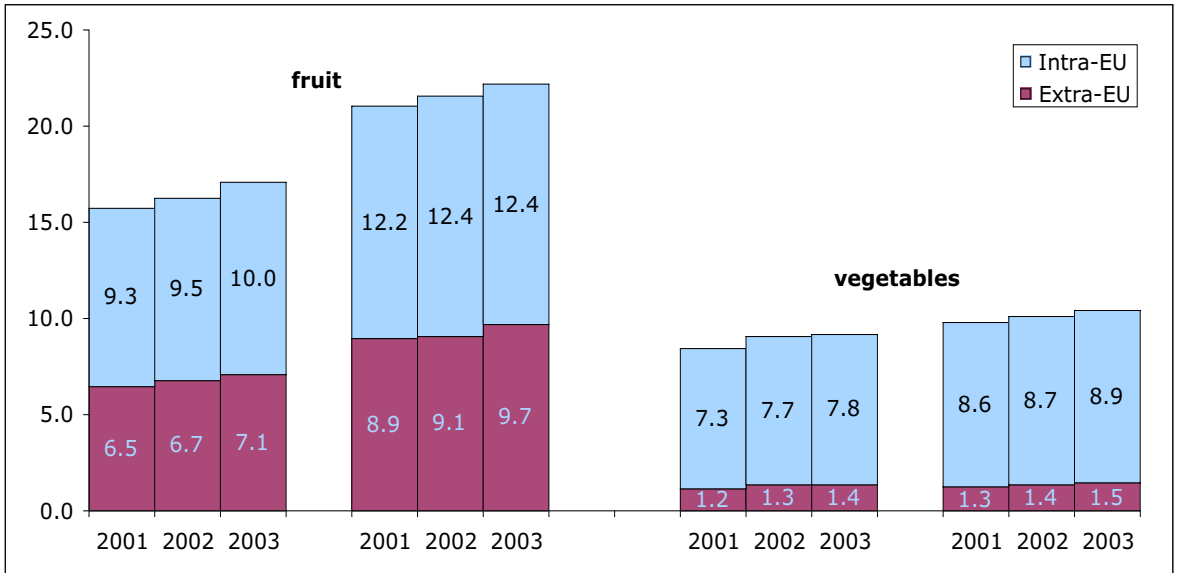
5.1 Total imports

Fresh fruit and vegetables have to compete with a range of processed foods, which offer quick, easy and simple solutions to the lack of time in preparing meals confronting today's consumer in the EU. Competition facing developing-country exporters seems even harder, since less than 10 percent of fresh vegetable and about 35 percent of fresh fruit imports (in value) by EU member countries was supplied by developing countries in 2003. According to the trade statistics, developing countries have a strong position in the trade of fresh fruit like papayas, tamarinds, lychees, bananas, guavas, mangoes, pineapples, dates, passion fruit, and avocados, all of which at least half of imports is supplied by developing countries. In the trade of fresh vegetables, developing countries play an important role only in the supply of peas and beans, sweet maize, although asparagus and courgettes are also increasingly supplied by developing countries.

5.1.1 The European Union market

Large quantities of fruit and vegetables are traded in the European Union, not only between the EU member states, but also with other countries outside the EU. In 2003, the 25 EU member states together imported € 26.3 billion / 32.5 million tonnes of fresh fruit and vegetables. From Figure 5.1, it becomes clear that the imports of fresh fruit by EU member countries are markedly higher than the fresh vegetable imports. Moreover, statistics covering the years 2001 to 2003 show an upward trend in both the intra- and the extra-EU imports of fresh fruit and fresh vegetables.

Figure 5.1 Imports of fresh fruit and vegetables by EU-25 member countries, 2001-2003, value in € billion, volume in million tonnes



Source: Eurostat (2005)

Fruit

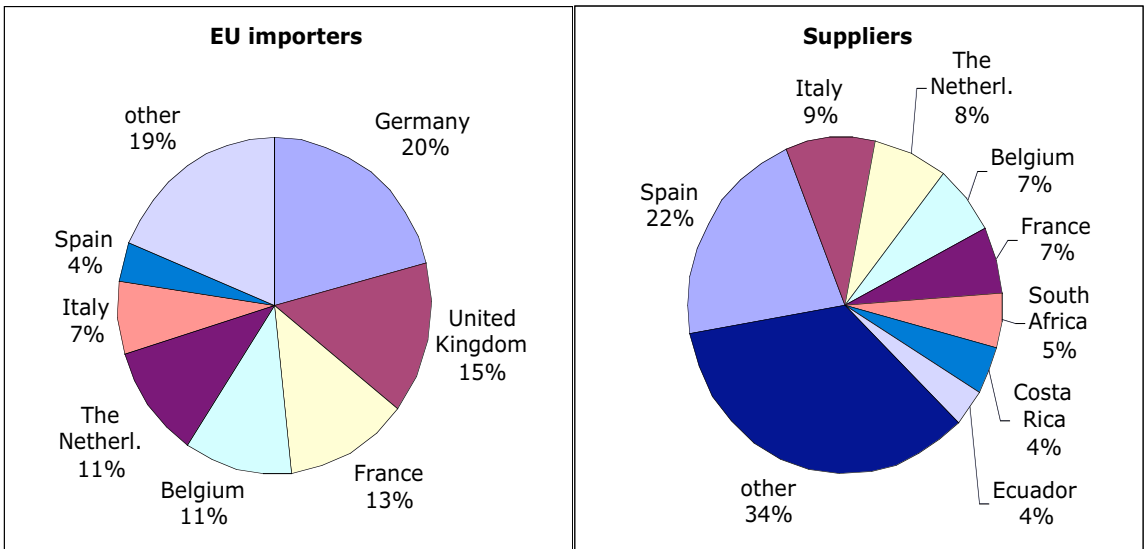
In 2003, total imports by EU member countries of fresh fruit amounted to about € 17.1 billion, representing a total increase of 8 percent since 2001. In terms of volume, imports by EU member countries increased by 5 percent, reaching 22.2 million tonnes in 2003. Imports from outside the EU into the member states (so-called extra-EU imports) amounted to € 7.1 billion / 9.7 million tonnes, representing an increase in both value and volume during the survey period.

Table 5.1 Imports of fresh fruit by EU member countries, 2001-2003, € million / 1,000 tonnes

	2001		2002		2003		Average annual change in value
	value	volume	value	volume	value	volume	
Total EU	15,781	21,079	16,253	21,512	17,109	22,160	+4%
Intra-EU	9,300	12,166	9,529	12,439	9,985	12,432	+4%
Extra-EU	6,481	8,912	6,724	9,073	7,124	9,728	+5%
Developing countries	5,480	7,574	5,742	7,637	6,107	8,345	+6%
Germany	3,587	4,692	3,607	4,877	3,580	4,736	-0.1%
United Kingdom	2,356	2,837	2,575	2,996	2,486	2,989	+3%
France	2,029	2,455	2,026	2,581	2,188	2,571	+4%
Belgium	1,544	2,167	1,710	2,110	1,898	2,219	11%
The Netherlands	1,644	2,012	1,599	1,953	1,850	2,274	+6%
Italy	1,033	1,328	1,066	1,459	1,222	1,591	+9%
Spain	603	838	580	767	675	900	+6%
Sweden	429	527	474	554	502	604	+8%
Austria	437	599	429	531	461	574	+3%
Poland	493	967	465	918	447	887	-5%
Portugal	365	544	333	496	347	497	-2%
Denmark	241	313	263	337	276	359	+7%
Finland	199	236	206	223	216	236	+4%
Czech Republic	185	429	217	456	213	480	+8%
Ireland	159	166	178	186	167	180	+3%
Greece	121	176	125	247	141	182	+8%
Hungary	43	194	78	203	103	220	57%
Slovakia	70	169	73	179	69	182	-1%
Slovenia	56	97	58	102	60	105	+4%
Lithuania	47	108	49	113	56	129	+9%
Luxembourg	43	34	42	31	50	35	+8%
Latvia	42	97	45	98	45	105	+3%
Estonia	28	56	28	58	34	71	+11%
Malta	19	30	18	28	17	28	-5%
Cyprus	6	7	6	6	6	6	-4%

Source: Eurostat (2005)

Figure 5.2 Leading EU importers and leading suppliers to the EU of FRESH FRUIT, % of the total imported value in 2003



Source: Eurostat (2005)

Almost 60 percent of the imported value is supplied by the EU member countries, mostly represented by Spain and, to a lesser extent, Italy and The Netherlands. As can also be seen in Figure 5.2, Germany, the United Kingdom and France are the leading EU importers of fresh fruit.

Among the ten new EU member countries, Poland is the leading fresh fruit importer, followed at a distance by the Czech Republic and Hungary. These imports, however, are very modest compared to the huge quantities imported by the original 15 EU member countries.

Vegetables
Although smaller than fruit imports, the imports of fresh vegetables by EU member countries still amounted to almost € 9.2 billion / 10.4 million tonnes in 2003. Compared to 2001, this represented a total increase of 9 percent in terms of value and 6 percent in terms of volume.

Table 5.2 Imports of fresh vegetables by EU member countries, 2001-2003, € million / 1,000 tonnes

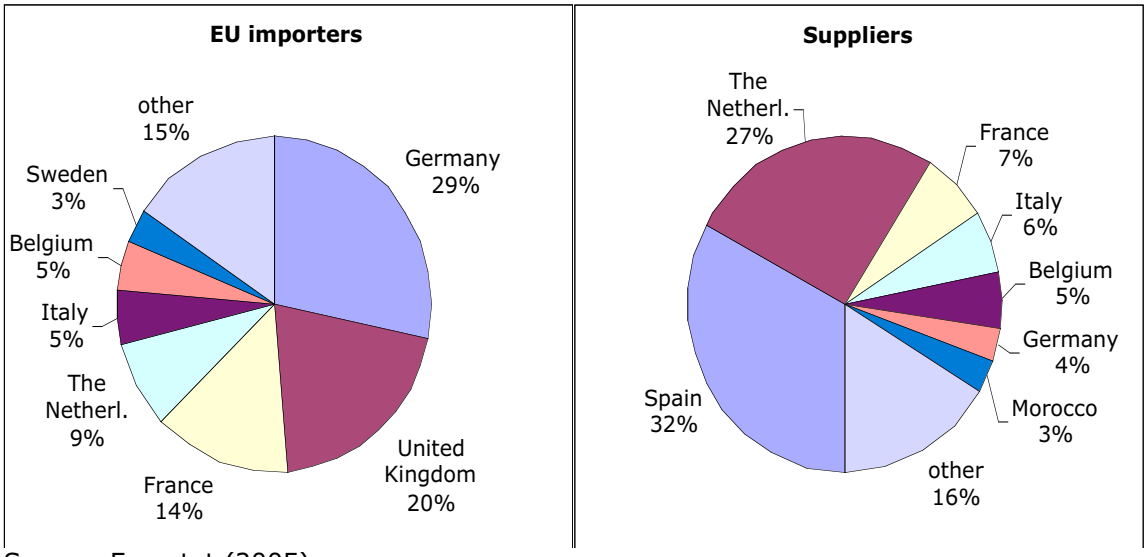
	2001		2002		2003		Average annual change in value
	value	volume	value	volume	value	volume	
Total EU	8,455	9,834	9,066	10,079	9,197	10,381	+4%
Intra-EU	7,270	8,564	7,738	8,714	7,818	8,894	+4%
Extra-EU	1,185	1,270	1,328	1,364	1,379	1,487	+8%
Developing countries	730	675	876	755	868	854	+10%
Germany	2,748	2,935	2,824	2,895	2,596	2,591	-3%
United Kingdom	1,724	1,461	1,870	1,566	1,871	1,612	+4%
France	1,125	1,413	1,228	1,396	1,295	1,485	+7%
The Netherlands	674	799	729	810	787	883	+8%
Italy	326	342	389	394	464	472	+19%
Belgium	388	879	425	927	459	1,126	+9%
Sweden	269	254	286	259	306	258	+7%
Austria	279	285	274	258	299	278	+4%
Denmark	150	147	162	156	165	159	+5%
Spain	106	188	132	220	161	225	+23%
Czech Republic	112	258	136	287	135	310	+10%
Ireland	98	105	114	118	119	121	+11%
Finland	87	72	96	72	103	78	+9%
Poland	106	187	107	177	90	181	-8%
Portugal	78	186	83	178	89	168	+7%
Greece	28	49	48	78	59	92	+47%
Luxembourg	35	23	36	22	42	24	+9%
Slovenia	33	52	31	49	35	59	+4%
Hungary	11	39	18	48	29	73	+64%
Lithuania	21	34	18	30	27	34	+20%
Slovakia	20	60	26	73	26	81	+15%
Latvia	20	39	20	36	19	36	-2%
Estonia	13	25	13	25	16	31	+12%
Cyprus	1.9	2.8	2.2	2.6	3.1	4.6	+29%
Malta	0.8	0.7	0.8	1.0	1.3	1.2	+33%

Source: Eurostat (2005)

The leading EU importers are Germany, the United Kingdom, France and The Netherlands, together accounting for over 70 percent of total EU imports in 2003. In the same year, leading suppliers of fresh vegetables to the EU were, by far, Spain and The

Netherlands, together supplying 60 percent of imports (in value) by EU member countries.
Among the ten new EU member states, the Czech Republic was the leading importer, followed by Poland. In 2003, the ten new EU member states together imported € 381 / 810 thousand tonnes, which is even less than the imports of a single country like Belgium.

Figure 5.3 Leading EU importers and leading suppliers to the EU of FRESH VEGETABLES, % of the total imported value in 2003

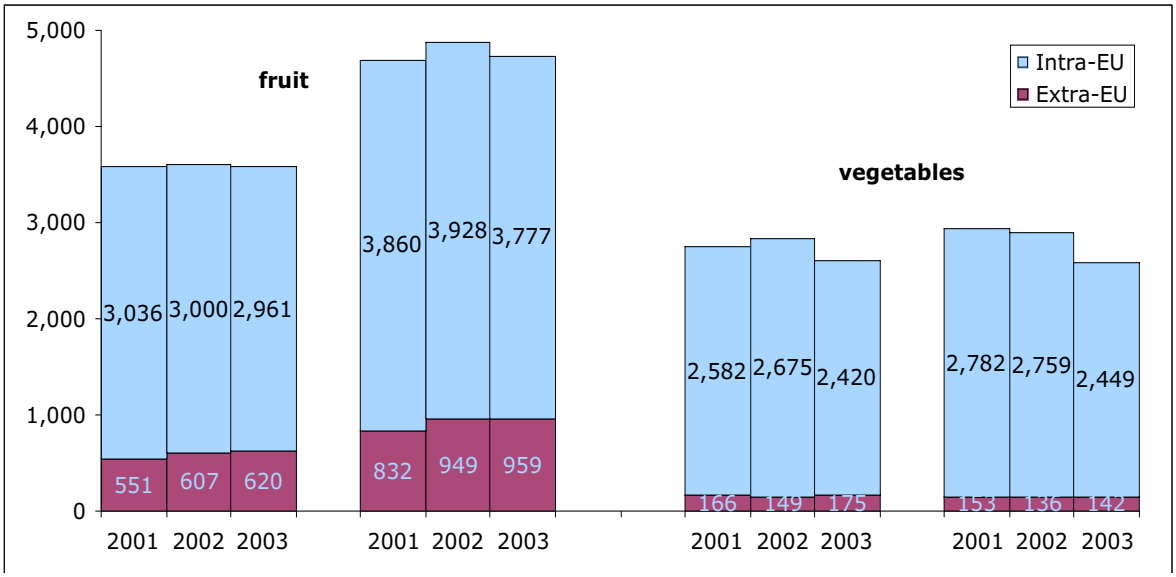


Source: Eurostat (2005)

5.1.2 Germany

Germany is the largest import market in the European Union for both fresh fruit and fresh vegetables. In 2003, total imports of fresh fruit and vegetables into Germany amounted to € 6.2 billion / 7.3 million tonnes.

Figure 5.4 Imports of fresh fruit and vegetables into Germany, 2001-2003, value in € million, volume in thousand tonnes



Source: Eurostat (2005)

Fruit

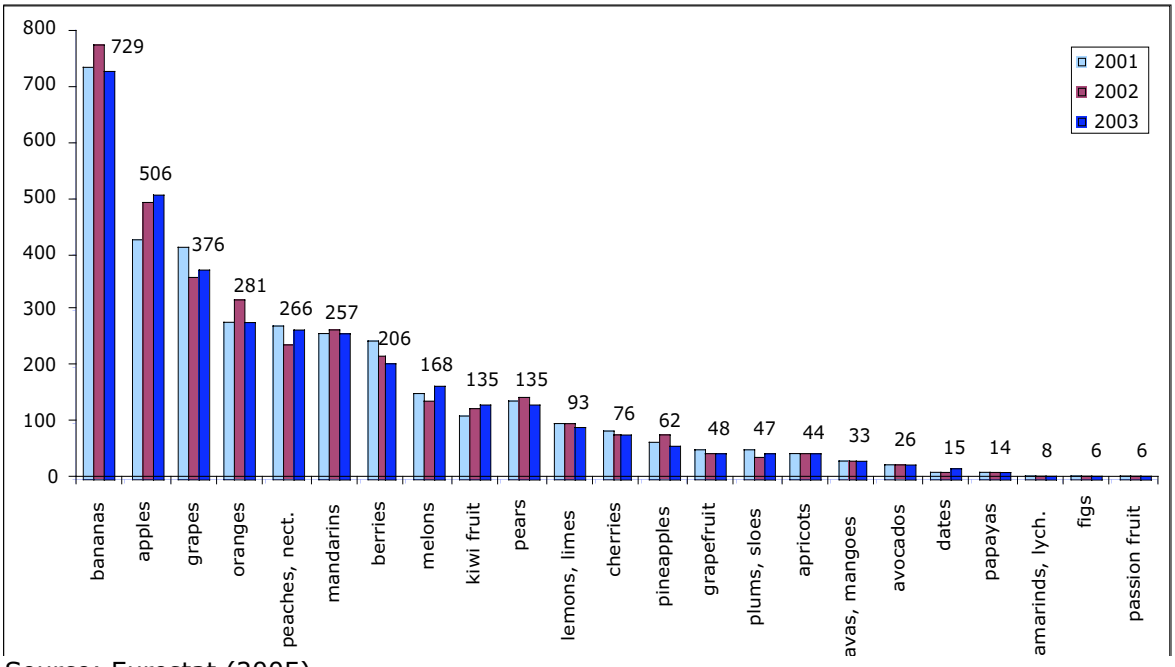
With imports amounting to € 3.6 billion / 4.7 million tonnes in 2003, Germany is, by far, the leading EU importer of fresh fruit. During the period 2001-2003, German fresh fruit imports remained fairly stable in terms of value, but fluctuated somewhat in terms of volume. More than 80 percent of the import value was supplied by the other EU member states.

Leading suppliers of FRESH FRUIT to GERMANY (share of the imported value in 2003)
→ Spain (25%), Italy (20%), The Netherlands (14%), Belgium (13%), France (7%), Ecuador (5%), Colombia (3%), Greece (2%), Panama (2%), Costa Rica (2%)

Traditionally, Germany is the main *banana* consuming country of the European Union. It was in Germany where consumers protested most strongly against the introduction of the banana market regulation in 1993 (see Section 9.2). In 2003, total imports amounted to almost 1.2 million tonnes, representing a total value of € 729 million. More than 40 percent of the bananas are supplied through re-exports from other EU member countries, all bananas being supplied by developing countries. Other important suppliers are mainly Latin-American countries like Ecuador, Colombia, Panama and Costa Rica.

Besides bananas, other leading products imported into Germany are *apples*, *grapes* and *citrus fruit*. German imports of citrus fruit amounted to almost € 684 million in 2003, representing a total volume of 1.0 million tonnes. The leading imported citrus fruit are oranges, followed by mandarins and clementines. Most citrus fruit was supplied by Spain (72% of the import value), followed by The Netherlands (10%, re-exports), Belgium (5%), Italy (3%), and Greece (3%). Only 3 percent of total citrus fruit imports into Germany was supplied by developing countries.

Figure 5.5 Imports of selected fresh fruit products into Germany, 2001-2003, € million



Source: Eurostat (2005)

An increasingly popular tropical fruit in Germany is *kiwi fruits*. Between 2001 and 2003, the import value of this fruit increased by about 18 percent. Other fruit products which

increased substantially during the same period are *avocados* (+20%), *dates* (+24%) and *papayas* (+23%).

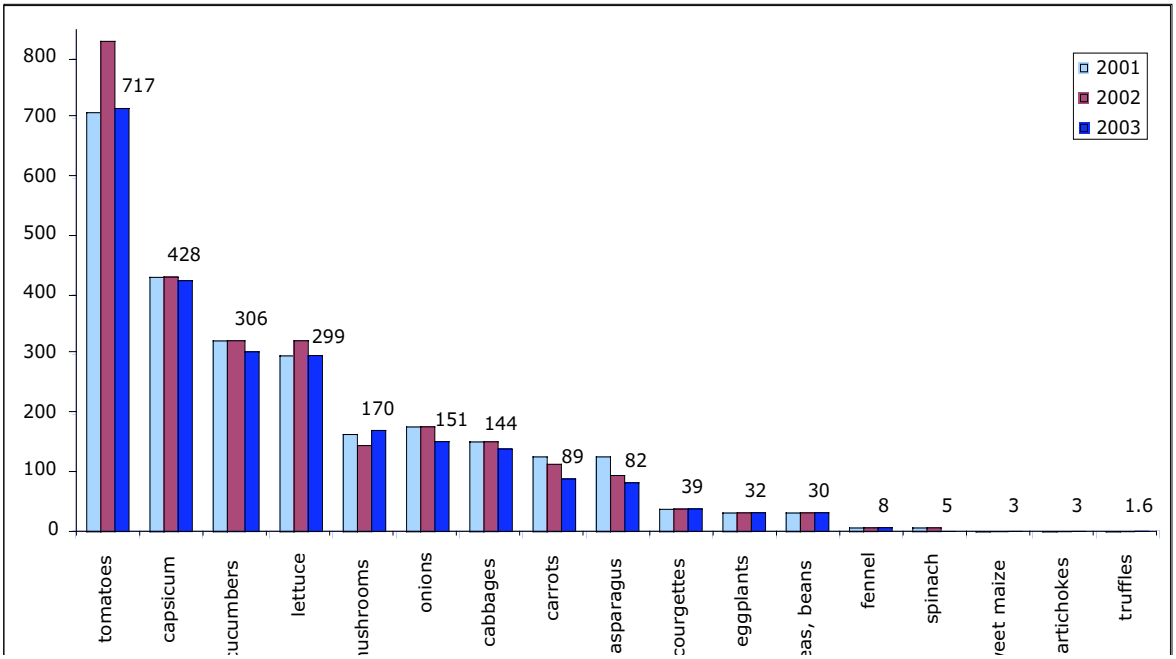
Vegetables
After a small 3 percent increase in value between 2001 and 2003, German fresh vegetable imports decreased by 8 percent in value, amounting to € 2.6 billion in 2003. In the same year, German fresh vegetable imports in terms of volume amounted to 2.6 million tonnes, representing a decrease by 12 percent since 2001.

Only 7 percent of the total imported value originated outside the European Union. Developing countries supplied 1 percent. The primary reason for the minor importance of developing countries is the fact that fresh vegetable imports mainly consist of traditional products like *tomatoes, capsicum, cucumbers*, *lettuce*, *onions* and *carrots*, which are almost entirely supplied by the other EU member countries.

Leading suppliers of FRESH VEGETABLES to GERMANY (share of the imported value in 2003)
→ The Netherlands (40%), Spain (28%), Italy (10%), Belgium (6%), France (6%), Poland (3%), Greece (2%)

Please note that most of the German imports of the individual vegetable products decreased between 2001 and 2003, in some cases – notably carrots and asparagus – even substantially.

Figure 5.6 Imports of selected fresh vegetable products into Germany, 2001-2003, € million

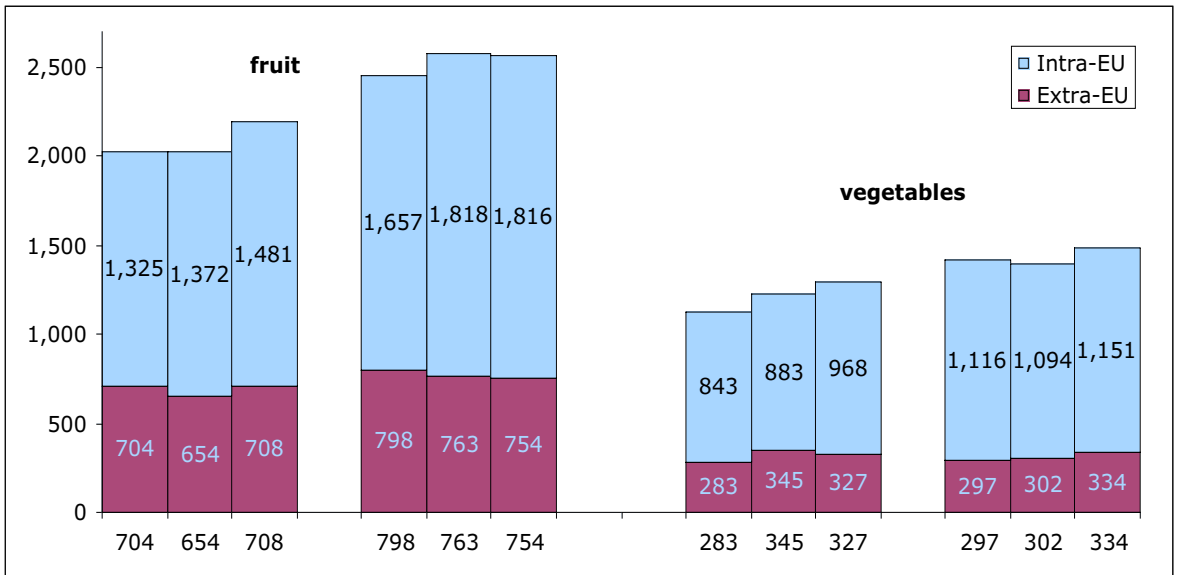


Source: Eurostat (2005)

5.1.3 France

France is the third leading EU importer of fresh fruit and vegetables. In 2003, total fruit and vegetable imports amounted to almost € 3.5 billion / 4.1 million tonnes.

Figure 5.7 Imports of fresh fruit and vegetables into France, 2001-2003, value in € million, volume in thousand tonnes



Source: Eurostat (2005)

Fruit

As from 2001, volume imports of fresh fruit into France increased by 8 percent in value and by 5 percent in volume, reaching € 2.2 billion / 2.6 million tonnes in 2003. Of the imported value, 27 percent was supplied by developing countries.

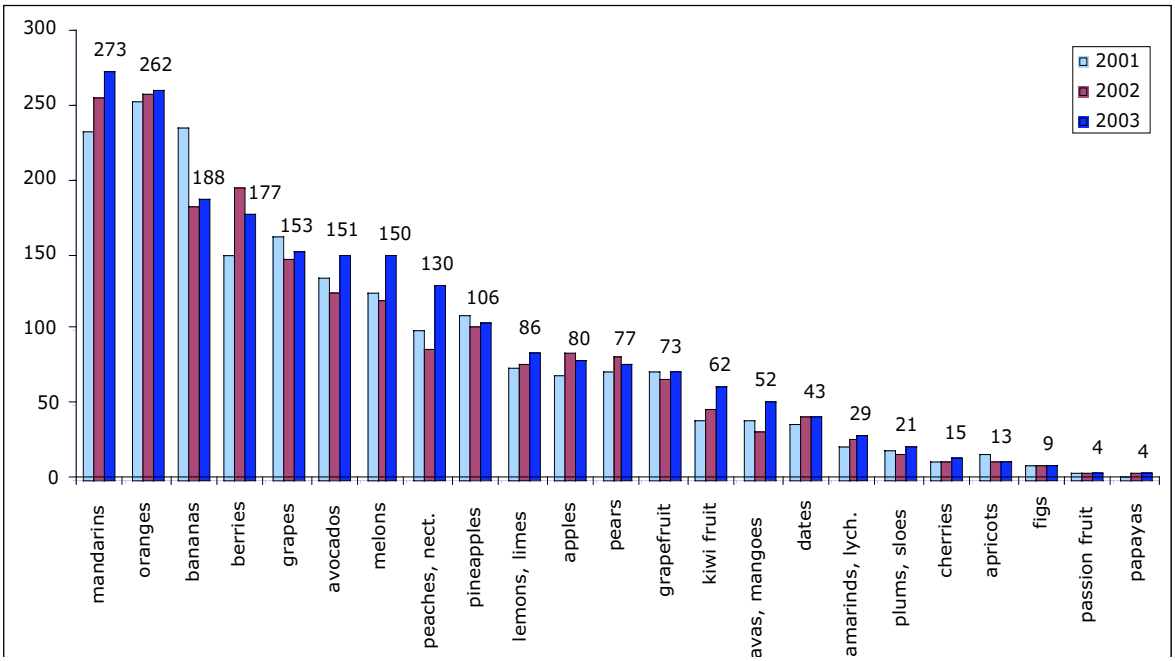
Leading suppliers of FRESH FRUIT to FRANCE (share of the imported value in 2003)
→ Spain (43%), Italy (8%), Belgium (7%), Côte d'Ivoire (6%), The Netherlands (6%), Morocco (4%), Israel (4%)

The major fresh fruit product imported into France is *citrus fruit*, with imports amounting to € 694 million / 1.0 million tonnes in 2003. This representing an increase of about 10 percent in both value and volume since 2001. Mandarins / clementines and oranges are the most popular citrus fruit, together accounting for a quarter of total fruit imports (in value) in 2003.

Unlike in most EU member countries, *bananas* are not the main fresh fruit product imported into France. Imports of bananas into France amounted to € 188 million / 388 thousand tonnes in 2003, although imports decreased considerably compared to 2001.

Avocados and *pineapples* are an interesting market segment in France, since both are imported in relatively large amounts, compared to other EU member countries.

Figure 5.8 Imports of selected fresh fruit products into France, 2001-2003, € million

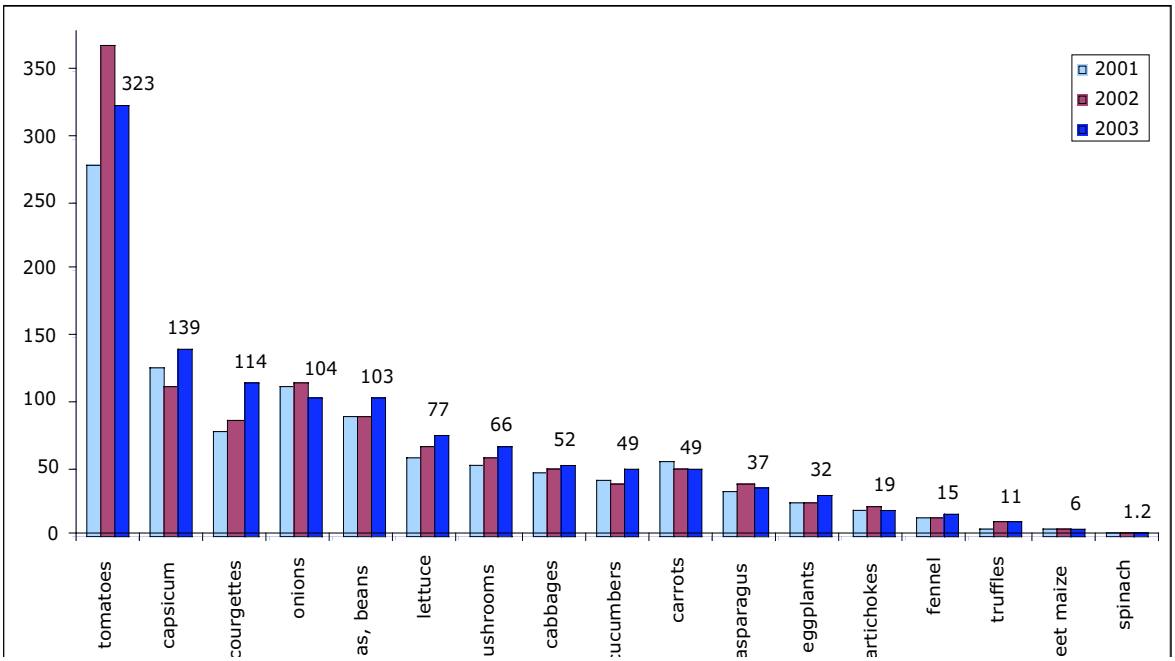


Source: Eurostat (2005)

Vegetables

After Germany and the United Kingdom, France is the third largest fresh vegetable importing country in the European Union. In 2003, total imports reached 1.5 million tonnes, representing a value of more than € 1.3 billion. Since 2001, imports increased by 15 percent in terms of value, and by 5 percent in terms of volume.

Figure 5.9 Imports of selected fresh vegetable products into France, 2001-2003, € million



Source: Eurostat (2005)

French imports are characterised by well-known products like *tomatoes*, *onions* and other domestically produced products. Nevertheless, French imports of *courgettes*, *peas and beans*, *eggplants*, *artichokes* and *truffles* are relatively high compared to other EU member countries. After tomatoes, *capsicum* is the second leading vegetable imported into France in 2003, accounting for € 139 million / 116 thousand tonnes in the same year.

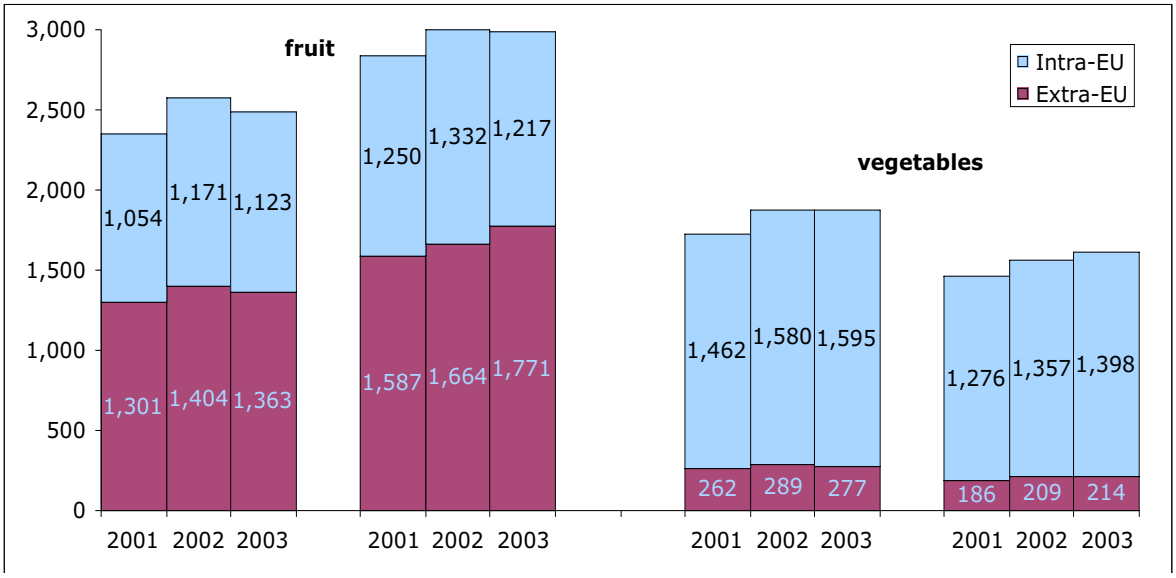
More than a quarter of the total imported value is supplied by developing countries, which is a relatively high share by overall EU standards.

Leading suppliers of FRESH VEGETABLES to FRANCE (share of the imported value in 2003)
→ Spain (44%), Morocco (16%), The Netherlands (11%), Belgium (10%), Italy (6%), Germany (3%), Israel (2%)

5.1.4 United Kingdom

After Germany, the United Kingdom is Europe's second largest importer of fresh fruit and vegetables, with imports amounting to € 4.4 billion / 4.6 million tonnes in 2003. It should be noted that, since the UK is not part of the European Monetary Union, developments in the imports are also influenced by the £ / € exchange rate. By contrast, the other member countries highlighted in this survey are in fact part of the EMU, and hence share the same legal currency, the Euro. Please refer to Chapter 2 for an overview of the average £ / € exchange rate of the past few years.

Figure 5.10 Imports of fresh fruit and vegetables into the United Kingdom, 2001-2003, value in € million, volume in thousand tonnes



Source: Eurostat (2005)

Fruit

After an increase of 9 percent in value and 6 percent in volume between 2001 and 2002, UK imports of fresh fruit decreased by 3 percent in value, but remained stable in volume, amounting to € 2.5 billion / 3.0 million tonnes in 2003.

About 55 percent of the imported value was sourced outside the EU. Developing countries supplied 46 percent of total fruit imports (in value).

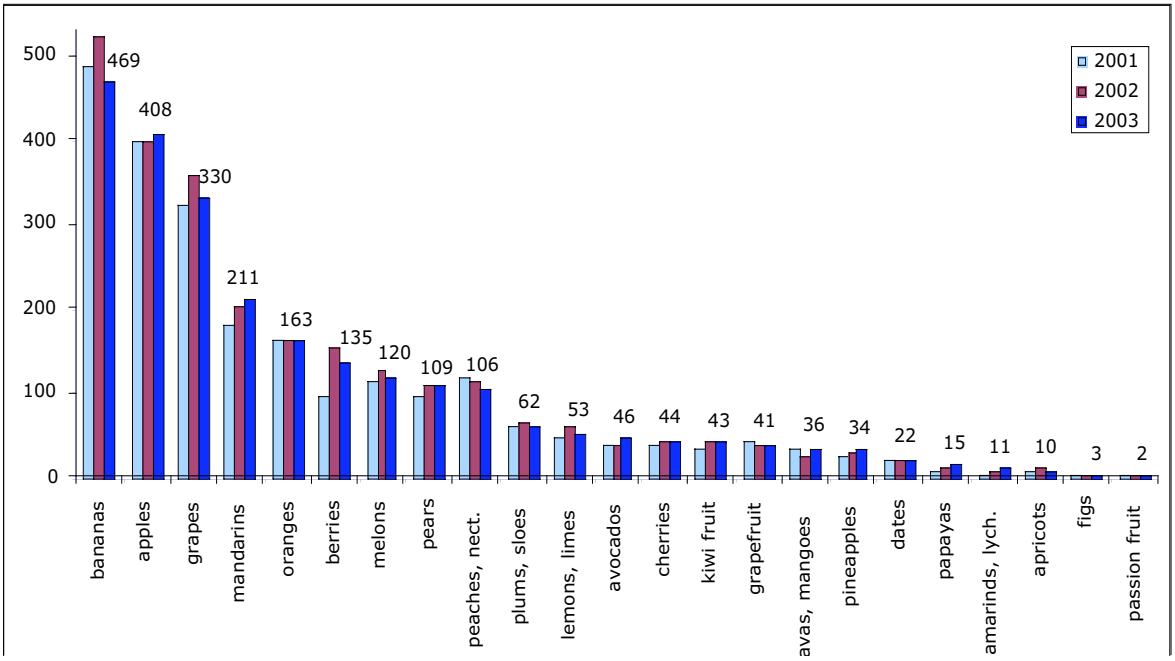
Leading suppliers of FRESH FRUIT to the UK (share of the imported value in 2003)
→ Spain (18%), South Africa (12%), France (9%), The Netherlands (6%), Italy (5%), Costa Rica (5%), Chile (4%)

Bananas are the leading fruit product imported into the UK, with imports amounting to € 469 million / 880 thousand tonnes. Leading suppliers are Cameroon, Costa Rica, Colombia, Dominican Republic, and Belgium (re-exports). Other leading import products are *apples* and *grapes*.

Kiwi fruits and *pineapples* each represent only a small share of total fruit imports, although imports of these products increased considerably in terms of both value and volume between 2001 and 2003. In the latter year, UK imports of kiwi fruits amounted to € 43 million / 34 thousand tonnes, whereas pineapples imports reached € 34 million / 42 thousand tonnes.

In 2003, total *mango and guava* imports by the United Kingdom increased to € 36 million / 33 thousand tonnes. The Asian ethnic communities in the United Kingdom prefer very sweet Indian and Pakistani mango varieties. For example, Indian Alphonse mangoes are popular with the South Asian community, while Julie mangoes from St. Lucia appeal to people of Caribbean descent.

Figure 5.11 Imports of selected fresh fruit products into the United Kingdom, 2001-2003, € million



Source: Eurostat (2005)

Vegetables

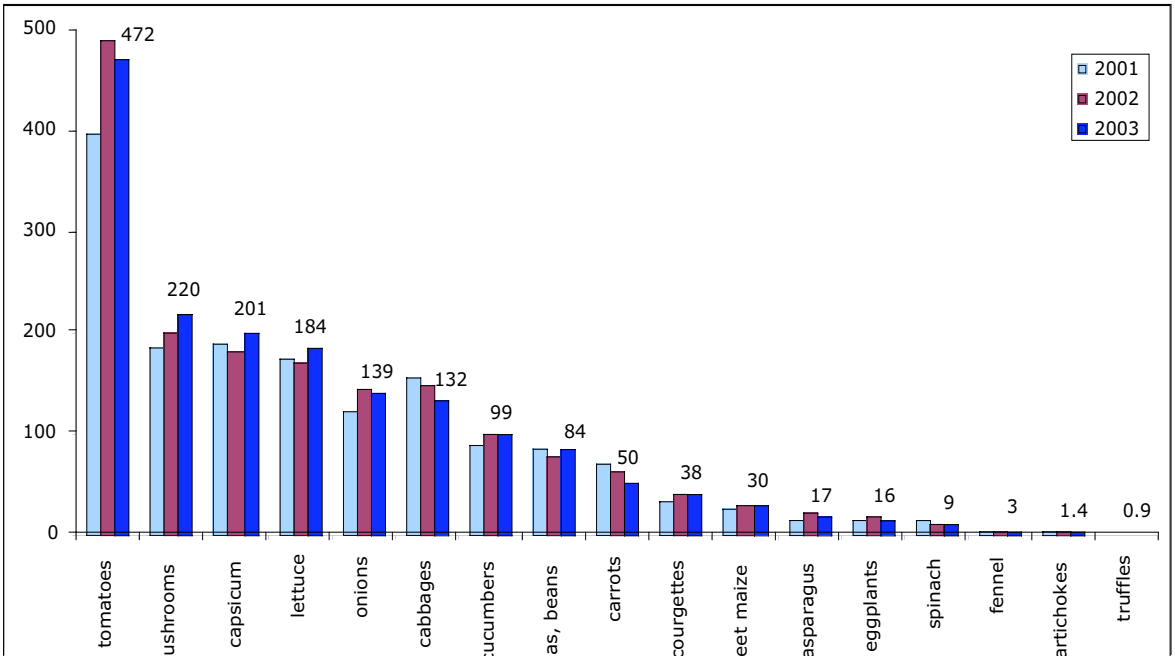
Between 2001 and 2003, total fresh vegetable imports into the United Kingdom increased by 9 percent in value and by 10 percent in volume, reaching about € 1.9 billion / 1.6 million tonnes in 2003.

In the 2003, developing countries supplied 12 percent of total vegetable imports in terms of value.

Leading suppliers of FRESH VEGETABLES to the UK (share of the imported value in 2003)
→ Spain (35%), The Netherlands (29%), Ireland (8%), France (6%), Kenya (5%), Italy (2%)

Traditionally, products like *tomatoes*, *lettuce*, *onions* and *cabbages* are very popular products in the UK. *Mushrooms* and *capsicum* are also major import products, each representing more than 10 percent of total vegetable imports into the UK in 2003.

Figure 5.12 Imports of selected fresh vegetable products into the United Kingdom, 2001-2003, € million

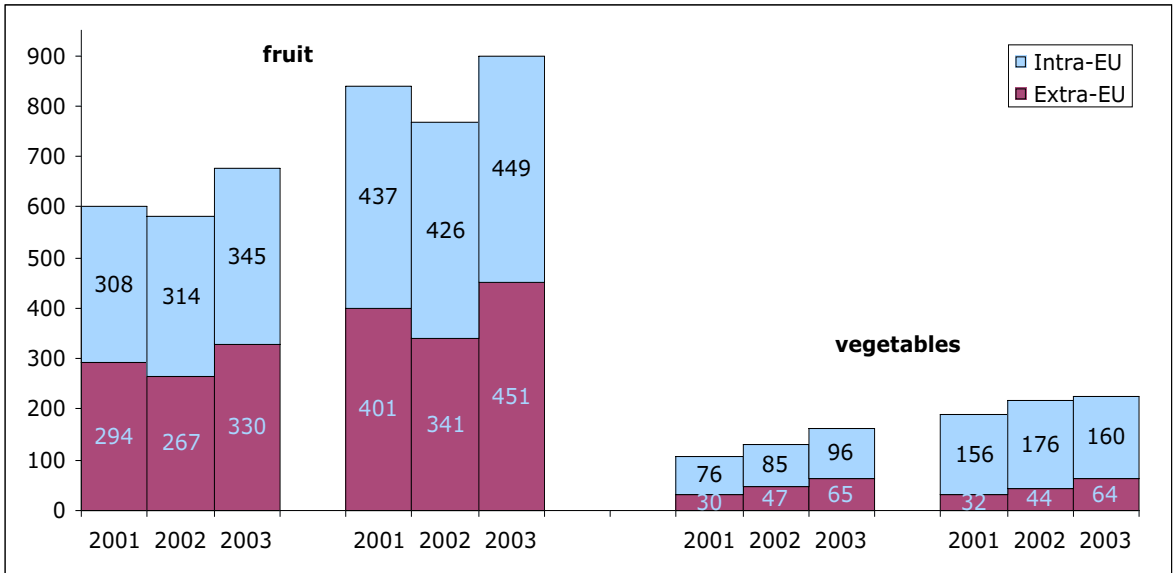


Source: Eurostat (2005)

5.1.5 Spain

In 2003, Spain imported a total of 1.1 million tonnes of fresh fruit and vegetables, representing a value of € 836 million. Although Spain is a relatively small importer of fresh fruit and vegetables, this country can prove interesting for developing country exporters. Unlike most of the other leading importers, which re-export a large part of their imports, the quantities imported into Spain are almost entirely consumed in the domestic market. It should be noted, however, that Spain, next to Italy, is the leading EU grower of fresh produce, serving a large part of the domestic needs for fresh fruit and vegetables. Nevertheless, there is still a market for exporters in developing countries in the supply of exotics and off-season products.

Figure 5.13 Imports of fresh fruit and vegetables into Spain, 2001-2003, value in € million, volume in thousand tonnes

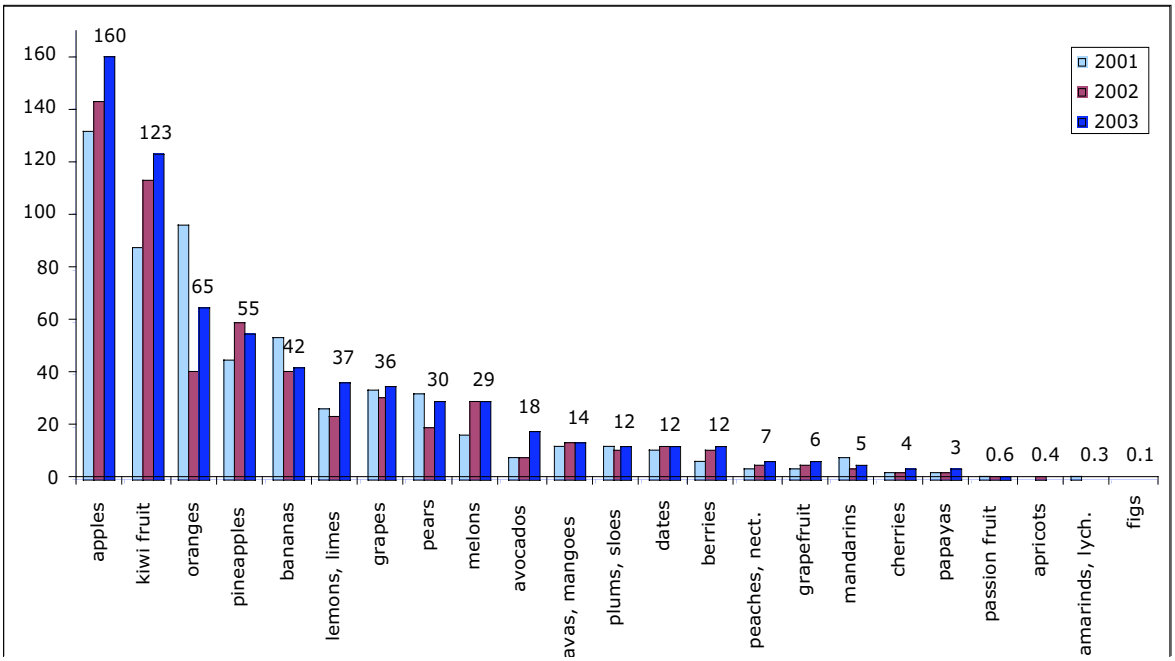


Source: Eurostat (2005)

Fruit

After a decrease of 4 percent in value and 8 percent in volume, between 2001 and 2002, imports of fruit into Spain increased by 16 percent in value and 17 percent in volume, amounting to € 675 million / 900 thousand tonnes in 2003. More than 40 percent of the import value originated in developing countries.

Figure 5.14 Imports of selected fresh fruit products into Spain, 2001-2003, € million



Source: Eurostat (2005)

Apples are the leading fresh fruit product imported into Spain, accounting for about a quarter of total fruit imports. Because of the extensive domestic cultivation of fruit, the

composition of Spanish imports differs substantially from those of other EU countries, while the imported values also fluctuate considerably.

Leading suppliers of FRESH FRUIT to SPAIN (share of the imported value in 2003)
→ France (23%), Italy (12%), Chile (10%), Argentina (9%), Belgium (6%), South Africa (6%), New Zealand (5%)

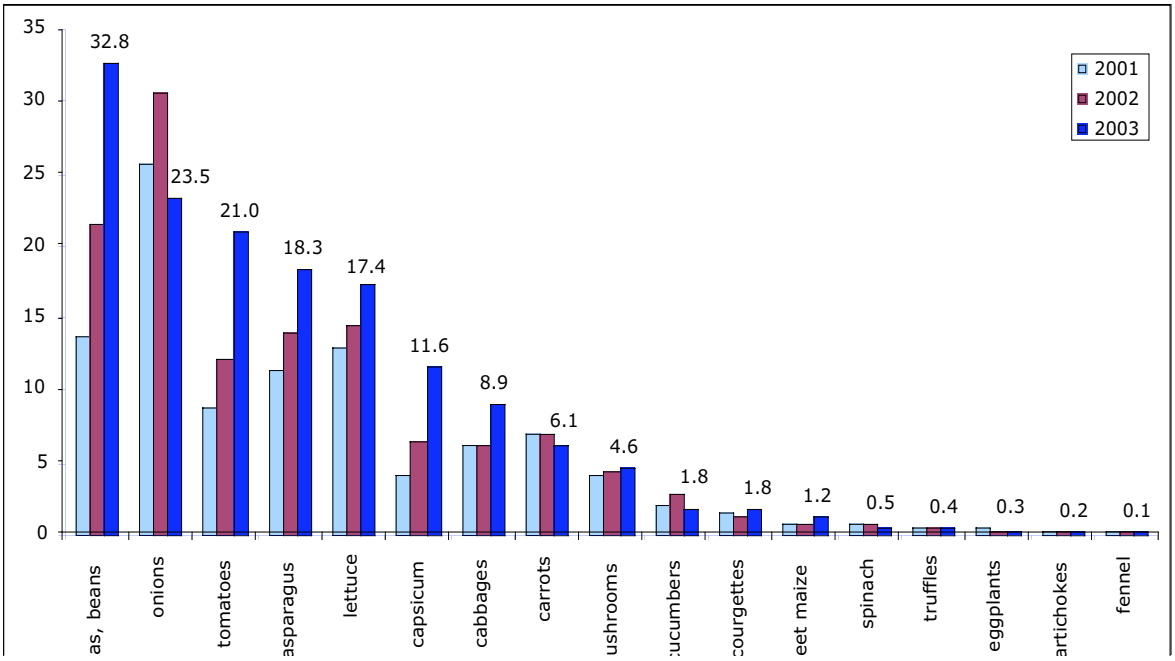
Vegetables

As from 2001, Spanish imports of fresh vegetables increased by more than 50 percent in value and by 20 percent in volume, amounting to € 161 million / 225 thousand tonnes in 2003. Almost 40 percent of the imported value originated in developing countries, which is relatively high by EU standards.

Leading suppliers of FRESH VEGETABLES to SPAIN (share of the imported value in 2003)
→ France (32%), Morocco (24%), The Netherlands (10%), Peru (10%), Belgium (6%), Portugal (4%)

In 2003, *peas and beans, onions, tomatoes asparagus, lettuce* and *capsicum* were the leading products imported into Spain, together accounting for over 75 percent of total vegetable imports (in value) in 2003. With the exception of onion imports, the import values of these products increased substantially between 2001 and 2003.

Figure 5.15 Imports of selected fresh vegetable products into Spain, 2001-2003, € million



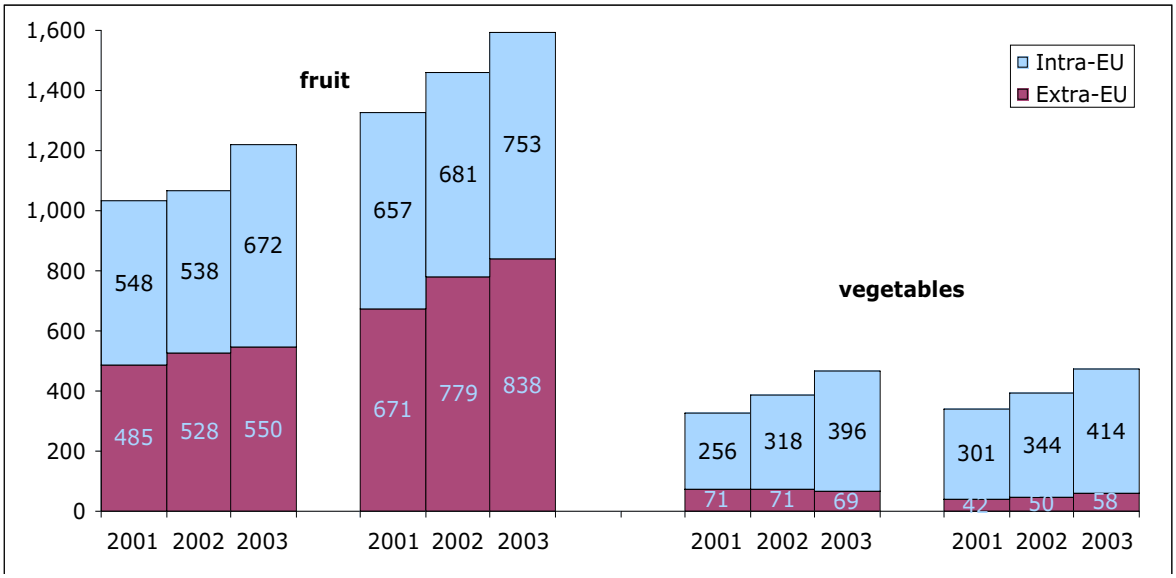
Source: Eurostat (2005)

5.1.6 Italy

In comparison to Germany and France, Italy imports rather moderate quantities of fresh fruit and vegetables. In 2003, fresh fruit and vegetable imports into Italy amounted to no more than € 1.7 billion / 2.1 million tonnes.

Italian producers are relatively well capable of supplying the Italian market. Because of the climatic circumstances in Italy, the cultivation of products like citrus fruit and kiwi fruits is possible. In North European countries, these products have to be imported from southern hemisphere countries or South European countries like Spain, Greece and Italy. Nevertheless, there is a market in Italy for exporters in developing countries in the supply of exotics and off-season products.

Figure 5.16 Imports of fresh fruit and vegetables into Italy, 2001-2003, value in € million, volume in thousand tonnes



Source: Eurostat (2005)

Fruit

As from 2001, Italian imports of fresh fruit increased by 18 percent in value and by 20 percent in volume, reaching about € 1.2 million / 1.6 million tonnes in 2003.

Imports from non-EU countries accounted for 45 percent of total imports, which is well above the EU average. Almost all products originating outside the EU are supplied by developing countries.

Leading suppliers of FRESH FRUIT to ITALY (share of the imported value in 2003)
→ Spain (29%), Ecuador (12%), France (9%), Argentina (6%), Costa Rica (5%), Chile (5%), Belgium (4%),

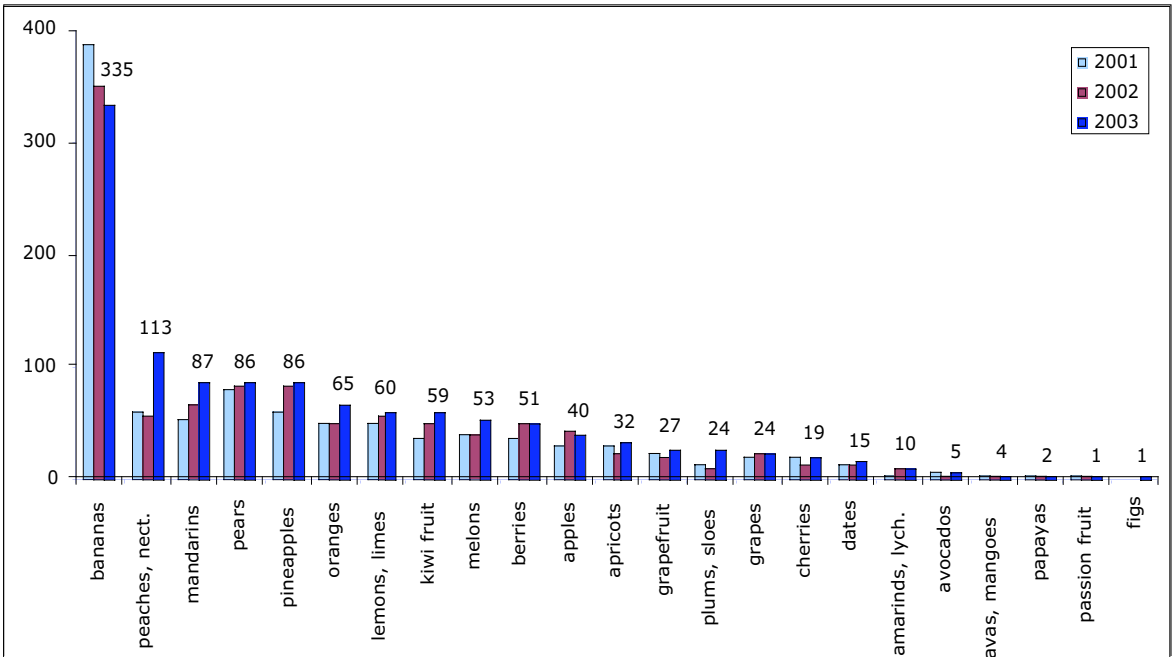
Although decreasing during the period 2001-2003, also in Italy *bananas* take up the lion's share of the fresh fruit import market. In 2003, more than a quarter of Italian fresh fruit imports (in value) consisted of fresh banana imports, amounting to € 335 million / 599 thousand tonnes.

Between 2001 and 2003, total *citrus fruit* imports into Italy increased by 37 percent in terms of value and by 47 percent in terms of volume, amounting to € 240 million / 367 thousand tonnes in 2003. In the same year, citrus fruit imports accounted for 20 percent of total Italian fresh fruit imports in terms of value.

Compared to the other EU member states, *pineapples* are a relatively important import product in Italy. Imports of pineapples increased considerably, reaching € 86 million / 83

thousand tonnes in 2003, representing an increase of more than 40 percent in value and 17 percent in volume since 2001.

Figure 5.17 Imports of selected fresh fruit products into Italy, 2001-2003, € million



Source: Eurostat (2005)

Vegetables

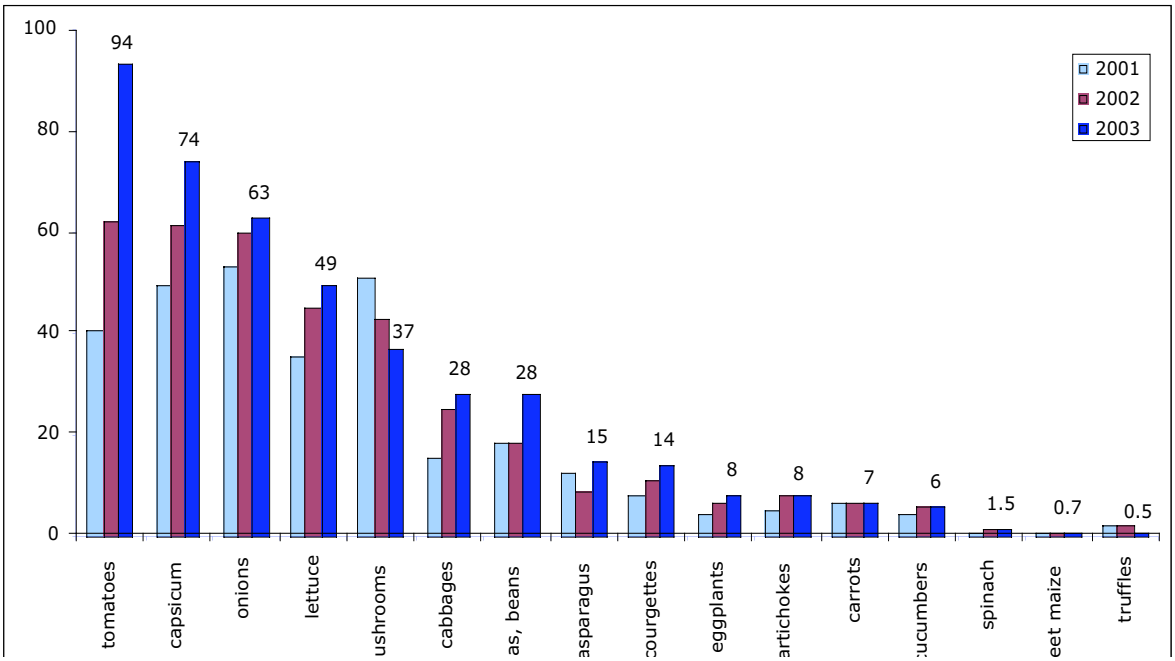
Among the group of selected leading EU importers, Italy shows the largest increases in vegetable imports. Between 2001 and 2003, Italian fresh vegetable imports increased by about 40 percent in both value and volume, reaching € 464 million / 472 thousand tonnes in 2003. The share of the imported value originating in developing countries amounted to 9 percent, which the same as for the EU average.

Leading suppliers of FRESH VEGETABLES to ITALY (share of the imported value in 2003)
→ Spain (31%), The Netherlands (20%), France (19%), Germany (9%), Egypt (3%), Belgium (3%)

In 2003, *tomatoes, capsicum*, *onions,* and *lettuce* were the three main products imported into Italy. These products take up a relatively high share in total fresh vegetable imports. Between 2001 and 2003, there has been a remarkable increase in the import values of these products (+132%, +48%, +18% and + 38% respectively). Other important import products, which increased (substantially) in terms of value during the survey period, are *cabbages* (+68%), *peas and beans* (+55%), *courgettes* (+70%), *eggplants* (+84%) and *artichokes* (+55%).

Tomato imports fluctuated considerably. As Italy is a major tomato producer itself, tomato imports merely function as a supplement to domestic produce. As a consequence, imports of tomatoes depend strongly on the domestic harvest.

Figure 5.18 Imports of selected fresh vegetable products into Italy, 2001-2003, € million

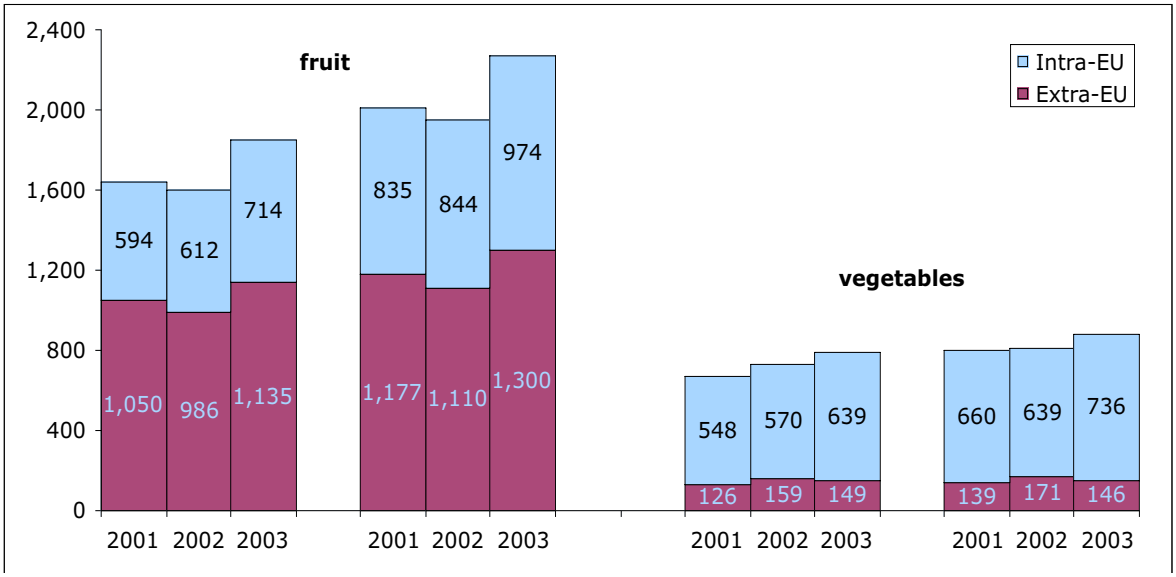


Source: Eurostat (2005)

5.1.7 The Netherlands

The Netherlands ranks among the leading EU importers as well as (re-)exporter of fresh fruit and vegetables, accounting for almost € 2.6 billion / 3.2 million tonnes of imports in 2003. The significance of the imports from developing countries depends on the product (exotics) and season (off-season products). The role of countries outside the EU is much more pronounced in the supply of fresh fruits than of fresh vegetables.

Figure 5.19 Imports of fresh fruit and vegetables into The Netherlands, 2001-2003, value in € million, volume in thousand tonnes



Source: Eurostat (2005)

Fruit

After a small 3 percent decrease between 2001 and 2002 in both value and volume, Netherlands imports of fresh fruit increased by 16 percent in both value and volume, amounting to € 1.8 billion / 2.3 million tonnes in 2003. About 56 percent of the total Netherlands import value was sourced from developing countries.

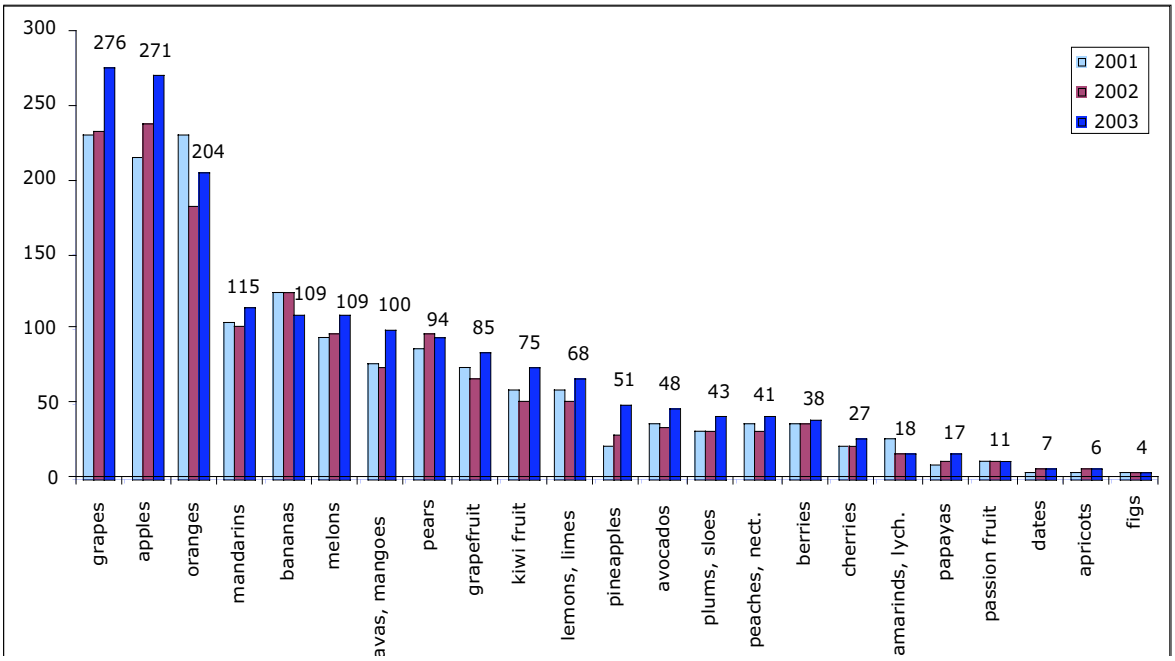
Leading suppliers of FRESH FRUIT to THE NETHERLANDS (share of the imported value in 2003)
→ South Africa (16%), Spain (13%), Belgium (11%), Brazil (10%), Chile (10%), France (6%), Argentina (6%)

Between 2001 and 2003, the imported values of the leading two fresh fruit products – *grapes and apples* – increased considerably (+20% and +26% respectively). Compared to other EU member countries, *banana* imports into The Netherlands play a relatively minor role, representing a share of only 6 percent of total fresh fruit imports in 2003. In the same year, banana imports amounted to € 109 million / 202 thousand tonnes.

Besides oranges, *mandarins* and *grapefruit* are also popular citrus fruit species. Between 2001 and 2003, citrus fruit imports fluctuated substantially, decreasing by 15 percent in terms of value between 2000 and 2001, and afterwards increasing by 16 percent. In 2003, total citrus fruit imported into The Netherlands amounted to € 473 million / 774 thousand tonnes.

In 2003, *guava and mango* imports amounted to € 100 million / 92 thousand tonnes, representing an increase of about 30 percent in both value and volume since 2001. In terms of value, guava and mango imports represented 5 percent of total fruit imports, which was relatively high compared to the EU average.

Figure 5.20 Imports of selected fresh fruit products into The Netherlands, 2001-2003, € million



Source: Eurostat (2005)

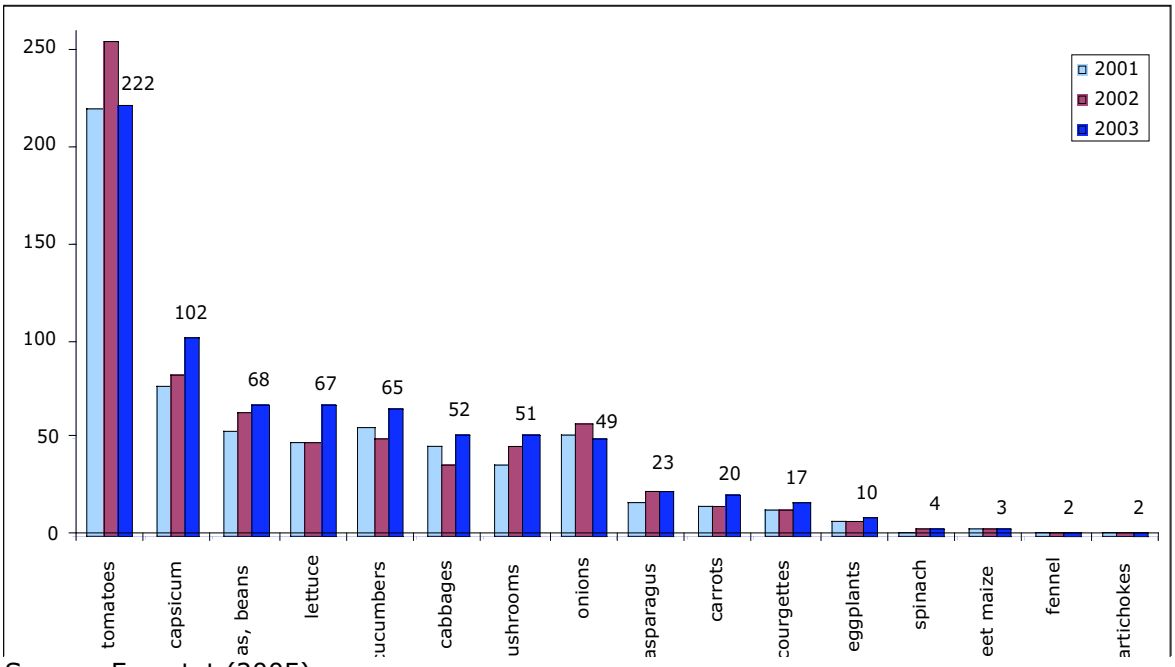
Vegetables
During the survey period (2001-2003), imports of fresh vegetables into The Netherlands increased by 17 percent in value and by 10 percent in volume, amounting to € 787 million / 883 thousand tonnes in 2003.

As is the case for most of the other EU member countries, the largest share of Netherlands imports of fresh vegetables originated in other EU countries (mainly Spain), whereas about 20 percent was imported from outside the EU in 2003.

Leading suppliers of FRESH VEGETABLES to THE NETHERLANDS (share of the imported value in 2003)
→ Spain (51%), Belgium (11%), Germany (9%), France (5%), Israel (4%), Italy (2%), Kenya (2%)

As can be seen in Figure 5.21, *tomato* imports fluctuated considerably between 2001 and 2003, although it remained, by far, the leading fresh vegetable product imported into The Netherlands. Other major imported products are *capsicum*, *peas and beans, lettuce* and *cucumbers*, all of which showed a considerable increase in the imported values during the survey period.

Figure 5.21 Imports of selected fresh vegetable products into The Netherlands, 2001-2003, € million

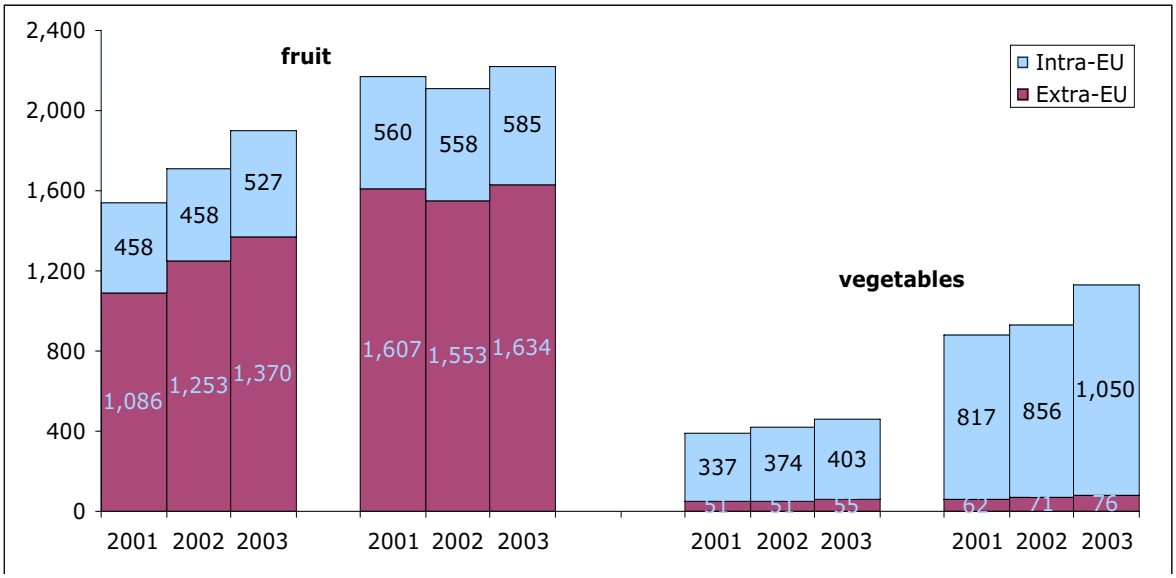


Source: Eurostat (2005)

5.1.8 Belgium

Belgium ranks among the leading EU importers of fresh fruit and vegetables, accounting for almost € 2.3 billion / 2.8 million tonnes in 2003. Just like The Netherlands, Belgium serves as an important transit port for the rest of Europe. The role of Belgium in the trade of fresh fruit is much more extensive than in the trade of fresh vegetables.

Figure 5.22 Imports of fresh fruit and vegetables into Belgium, 2001-2003, value in € million, volume in thousand tonnes



Source: Eurostat (2005)

Fruit

Between 2001 and 2003, fresh fruit imports into Belgium increased by almost 25 percent in value, amounting to € 1.9 billion in the latter year. In terms of volume, imports fluctuating somewhat, amounting to 2.2 million tonnes in 2003.

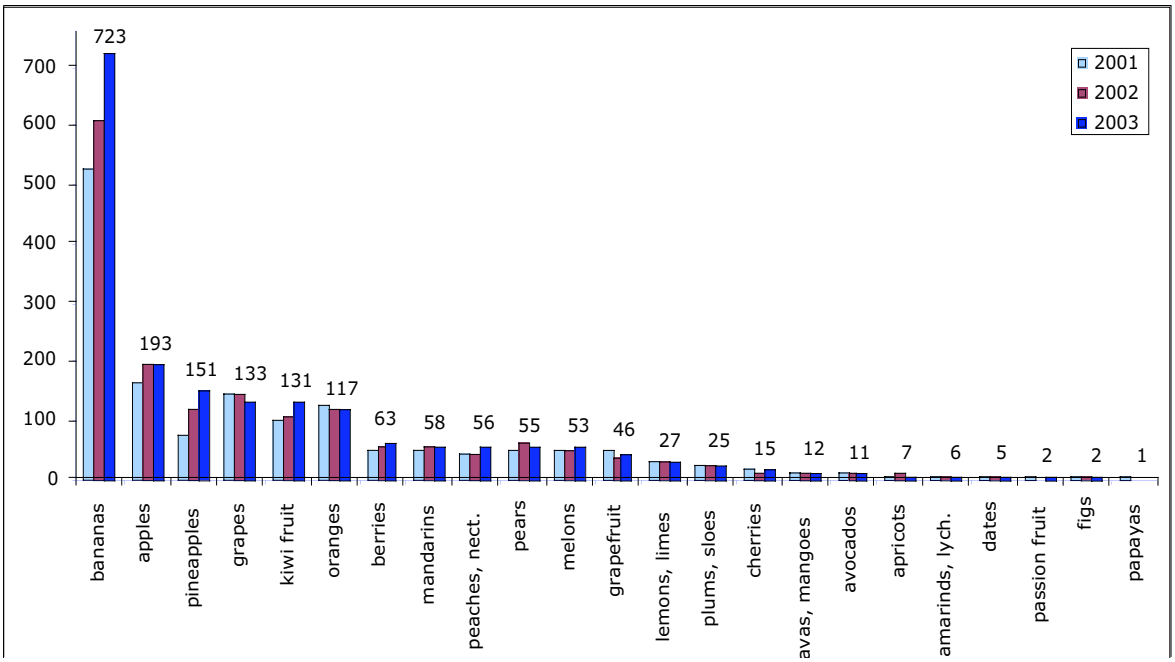
Within the EU, Belgium has the highest share of fresh fruit imports originating in developing countries. In 2003, this share reached 60 percent of the total import value and 64 percent of the total import volume.

Leading suppliers of FRESH FRUIT to BELGIUM (share of the imported value in 2003)
→ Costa Rica (13%), Colombia (13%), New Zealand (10%), Spain (9%), The Netherlands (8%), Ecuador (6%)

In 2003, Belgian *banana* imports accounted for almost 40 percent of the total fresh fruit import value, which is well above the overall EU average (20%). In the same year, banana imports amounted to € 723 million, representing a considerable 38 percent increase since 2001. In terms of volume, banana imports fluctuated somewhat, amounting to 969 thousand tonnes in 2003. Most of the imports, however, are re-exported to other EU member states.

Besides banana imports, there has also been a considerable increase in the import values of *pineapples* (+98%), *kiwi fruit* (+27%) and *berries* (+35 %) between 2001 and 2003.

Figure 5.23 Imports of selected fresh fruit products into Belgium, 2001-2003, € million



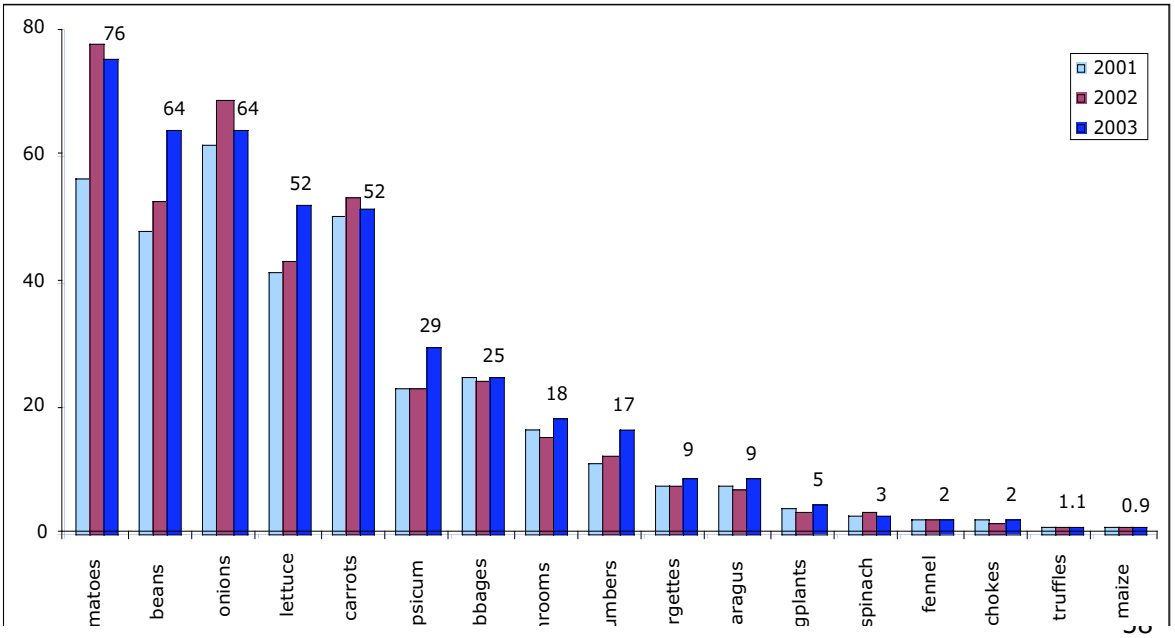
Source: Eurostat (2005)

Vegetables

As from 2001, imports of fresh vegetables into Belgium increased by 18 percent in terms of value and by 28 percent in terms of volume, amounting to € 459 million / 1.1 million tonnes in 2003. Only 12 percent of the total import value originated in countries outside the EU.

Leading suppliers of FRESH VEGETABLES to BELGIUM (share of the imported value in 2003)
→ The Netherlands (43%), France (23%), Spain (16%), Israel (3%), Italy (3%), Germany (2%), Argentine (2%)

Figure 5.24 Imports of selected fresh vegetable products into Belgium, 2001-2003, € million



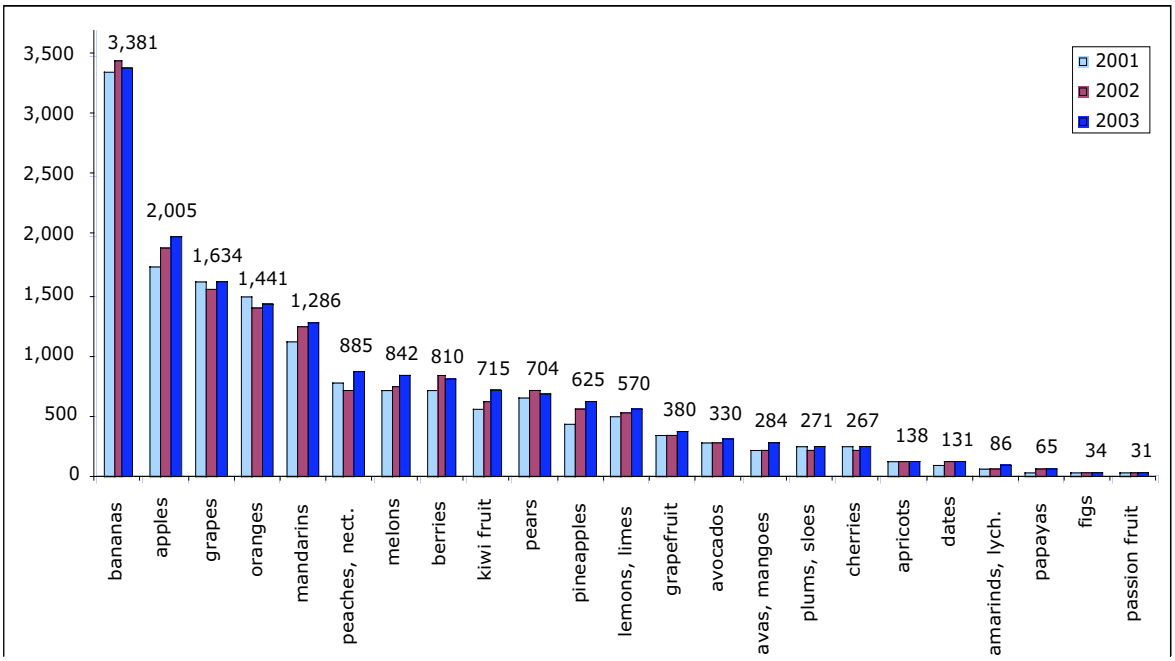
Source: Eurostat (2005)

Tomatoes are the leading vegetable import product. In 2003, Belgian tomato imports amounted to € 76 million / 69 thousand, representing an increase of 34 percent in value and 16 percent in volume since 2001. Other increases took place in the import values of *peas and beans* (+33%), *lettuce* (+25%), *capsicum* (+27%) and *cucumbers and gherkins* (+51%).

5.2 Imports by product group

Fruit
In 2003, total imports of fresh fruit by EU member countries amounted to over € 17.1 billion / 22.2 million tonnes. As can be seen in Figure 5.25, bananas, apples, grapes and several citrus fruits are the most popular import products within the fresh fruit category.

Figure 5.25 Imports of selected fresh fruit products into the EU-25, 2001-2003, € million



Source: Eurostat (2005)

Bananas
Traditionally, the leading fresh fruit product imported into the European Union is bananas. During the survey period (2001-2003), the banana imports remained fairly stable in both terms of value and volume, amounting to € 3.4 billion / 5.7 million tonnes in 2003. Banana imports enter the European Union markets directly as well as indirectly via Belgium, Germany, France and The Netherlands.

Leading suppliers of bananas to the EU (share of the imported value in 2003)
→ Ecuador (17%), Costa Rica (15%), Colombia (14%), Belgium (12%), Panama (7%), Cameroon (6%), Germany (5%)

Apples, grapes, berries, pears
Other important fresh fruit products are apples, representing 12 percent of total fruit imports by EU member countries, grapes (10%), berries (5%) and pears (4%). In 2003, apple imports amounted to almost € 2.0 billion / 3.0 million tonnes, while grape imports

were € 1.6 billion / 1.3 million tonnes, berry imports € 810 million / 466 thousand tonnes and pear imports € 704 million / 911 thousand tonnes. Between 2001 and 2003, the import value of apples increased by 15 percent while the import values of the other products increased between 2001 and 2002 but decreased in the subsequent period.

Leading suppliers (share of the imported value in 2003) to the EU of:	
apples	→ France (21%), Italy (17%), The Netherlands (10%), New Zealand (10%), Belgium (8%), South Africa (7%)
grapes	→ Italy (24%), South Africa (15%), The Netherlands (12%), Spain (10%), Chile (9%), Greece (7%)
berries	→ Spain (43%), The Netherlands (12%), Belgium (9%), Poland (6%), France (5%), Morocco (4%)
pears	→ The Netherlands (21%), Italy (15%), Argentina (15%), Belgium (11%), Spain (10%)

Citrus fruit

When grouped together, citrus fruit forms, next to bananas, the leading import product group in both terms of value and volume, with imports by EU member countries amounting to nearly € 3.7 billion / 5.9 million tonnes in 2003. Between 2001 and 2003, total citrus fruit imports by EU member countries increased by 4 percent. The leading EU importers of citrus fruit are France and Germany, each accounting for 19 percent of the total imports value in 2003, followed by The Netherlands (13%), and the UK (13%).

European production of citrus fruits takes place in the Mediterranean countries Spain, Italy, and Greece. The harvest period in these countries is October to May. During a long period of the year, the EU countries are dependent on the supply of citrus fruit from outside Europe. Spain is one of the world's leading suppliers of citrus fruit, with a share of about 30 percent of total Spanish exports of agricultural products.

Because of the strongly improved storage life of the product, the selling seasons of the citrus producing and exporting countries have become longer. Where formerly the supply periods of the various countries more or less followed each other, we now more often see overlapping periods and, as a result, also increasing competition. Because of the improvement in the growing techniques, some countries are able to harvest earlier and later so that the supply season is extended. This also affects the competitive position of other supplying countries.

Leading suppliers (share of the imported value in 2003) to the EU of:	
oranges	→ Spain (53%), South Africa (9%), The Netherlands (6%), Morocco (5%), Greece (5%)
mandarins	→ Spain (72%), Morocco (6%), The Netherlands (3%), South Africa (3%), Turkey (2%)
lemons, limes	→ Spain (46%), Argentina (23%), The Netherlands (8%), Brazil (4%), Turkey (3%)
grapefruit	→ USA (20%), South Africa (17%), The Netherlands (13%), Israel (8%), Turkey (8%)

In general, in the field of citrus, and notably where oranges, mandarins and lemons are concerned, there is a plentiful supply on the European market. This means that the supplying countries will have to export products which, on a qualitative level, can compete with the produce of the leading suppliers, who have made a more or less standardised product out of varieties, sizes and packaging of citrus fruit.

Please note that, although The Netherlands is listed as a leading supplier of citrus fruit to the other EU member countries, this only concerns re-exports, which are originally supplied by other countries.

Melons, peaches and nectarines, cherries

Between 2001 and 2003, melon (including watermelon) imports by EU member countries increased by 15 percent in value amounted to € 842 million / 1.6 million tonnes in the latter year. About 30 percent of the imported value was supplied extra-EU. The leading EU importer of melons is Germany, accounting for 20 percent of the import value in 2003, followed by France (18%), the UK (14%) and The Netherlands (13%).

Although peaches and nectarines are imported in large quantities by the EU member countries, this product group is not particularly interesting for developing country exporters, since 96 percent of imports is provided by the other EU countries (predominantly Spain and Italy). In 2003, total peach and nectarine imports amounted to € 885 million / 779 thousand tonnes. In the same year, Germany imported 30 percent of total EU imports, followed by the France (15%), Italy (13%) and the UK (12%).

Cherry imports amounted to € 267 million / 139 thousand tonnes in 2003. Countries outside the EU supplied about half of the total imported value. The leading EU importer of cherries is represented by Germany, accounting for almost 30 percent of value imports in 2003. Other leading EU importers are Austria (18%), the UK (16%), and The Netherlands (10%).

Leading suppliers (share of the imported value in 2003) to the EU of:		
melons	→	Spain (45%), Brazil (10%), The Netherlands (8%), France (6%), Costa Rica (6%), Morocco (4%)
peaches	→	Spain (49%), Italy (31%), France (10%), The Netherlands (2%), Germany (2%), Chile (2%)
cherries	→	Turkey (27%), Spain (14%), Italy (8%), France (7%), Austria (5%), The Netherlands (5%)

Kiwi fruits, pineapples, avocados

In 2003, kiwi fruit imports amounted to € 715 million, representing an increase of almost 30 percent since 2001. In terms of volume, imports remained fairly stable, amounting to 567 thousand tonnes in 2003. The leading EU importer of kiwi fruits is Germany, accounting for 19 percent of the import value in 2003, followed by Belgium (18%), Spain (17%) and The Netherlands (11%).

Leading suppliers (share of the imported value in 2003) to the EU of:		
kiwi fruits	→	Italy (29%), New Zealand (24%), Belgium (21%), Chile (9%), France (6%)
pineapples	→	Costa Rica (29%), Côte d'Ivoire (17%), France (10%), Ghana (8%), Belgium (7%)
avocados	→	South Africa (19%), Spain (16%), Mexico (13%), Israel (13%), The Netherlands (9%), France (8%)

Other relatively significant imported exotics are pineapples and avocados. During the survey period, pineapple imports by EU member countries increased almost 40 percent in value and 20 percent in volume, amounting to € 625 million / 666 thousand tonnes in 2003. In the same year, Belgium was the leading EU importer of pineapples, accounting for 24 percent of the total imported value, followed by France (17%), Italy (14%), Germany (10%) and Spain (9%). During the same period, avocado imports increased by 20 percent in value and by 2 percent in volume, reaching € 330 million / 194 thousand

tonnes in 2003. The major EU importer of avocados is, by far, France, accounting for almost half of avocado imports (in value) in 2003, followed by The Netherlands (14%) and the UK (14%).

Plums and sloes, guavas and mangoes, apricots, dates

In 2003, imports by EU member countries of plums and sloes amounted to € 271 million / 264 thousand tonnes. The leading EU importer of sloes and plums is the UK, accounting for 23 percent of the total EU import value in 2003, followed by Germany (17%), and The Netherlands (16%).

Mango and guava imports by EU member countries have increased during the past years, both in terms of value and volume, while suppliers around the world are stepping up production. The world's top supplying countries (in Latin America and Africa) have benefited from the shift towards sea freight, delivering the fruit in the right condition. Between 2001 and 2003, mango and guava imports by EU member countries increased by 18 percent in value and by 29 percent in volume, amounting to € 284 million / 251 thousand tonnes in 2003. The Netherlands is, by far, the leading EU importer of mangoes and guavas, accounting for more than a third of the total imported value in 2003, followed by France (18%), the UK (13%), and Germany (12%).

In 2003, apricot imports by EU member countries amounted to € 138 million / 105 thousand tonnes. Germany and Italy were the leading EU importers, accounting for 55 percent of the total import value. Countries outside the EU supplied only 13 percent of the imported value.

Between 2001 and 2003, imports of dates by EU member countries increased by 17 percent in value and 8 percent in volume, amounting to € 131 million / 70 thousand tonnes in 2003. The leading EU importer of dates is France, accounting for one third of total value imports in 2003, followed by the UK (17%), Germany (12%) and Italy (11%). About 85 percent of the total imported value is supplied by countries outside the EU. The most important time for date sales in the EU is during the Islamic Ramadan month.

Leading suppliers (share of the imported value in 2003) to the EU of:	
plums, sloes	→ Spain (29%), South Africa (18%), Chile (9%), The Netherlands (8%), France (8%)
guavas, mango	→ Brazil (34%), The Netherlands (13%), Peru (6%), South Africa, (6%), Côte d'Ivoire (5%)
apricots	→ Spain (36%), France (31%), Greece (6%), Turkey (6%), Italy (5%), South Africa (3%)
dates	→ Tunisia (41%), Israel (19%), Algeria (10%), France (9%), Iran (6%), USA (3%)

Tamarinds and lychees, papayas, figs, passion fruit

Although the imported quantities of tamarinds, lychees, papayas, figs and passion fruit are relatively small, these product groups can be interesting for developing country exporters. Not only is the European consumer becoming more familiar with these tropical fruits, thus raising consumption, but most of EU imports of these products is supplied by developing countries.

In 2003, EU imports of tamarinds and lychees amounted to some € 85.7 million / 40.0 thousand tonnes, of which the lion's share (about 70 percent) was imported from developing countries. The remainder consisted mainly of re-exports (primarily from France and The Netherlands), although Spain, a minor producer, also exports to other EU member countries. In 2003, was France the largest EU importer of tamarinds and lychees, accounting for one third of the total EU import value. Most of the remaining

imports went to The Netherlands, the UK, Italy and Germany. In Germany, as is the case with much of its fresh fruit imports, the major part of the domestic requirements is met by re-exports from other EU members, most notably The Netherlands, France and Belgium.

In 2003, papaya imports by EU member countries amounted to € 64.8 million / 49.5 thousand tonnes, representing an increase of almost 50 percent in value and more than 100 percent in volume since 2001. About 75 percent of the imported value originated in developing countries. The leading EU importers of papayas are The Netherlands (26%), the UK (24%), Germany (21%) and Portugal (10%).
More detailed information on the EU papaya market can be found in the CBI EU Market Brief 'Papayas' (2005).

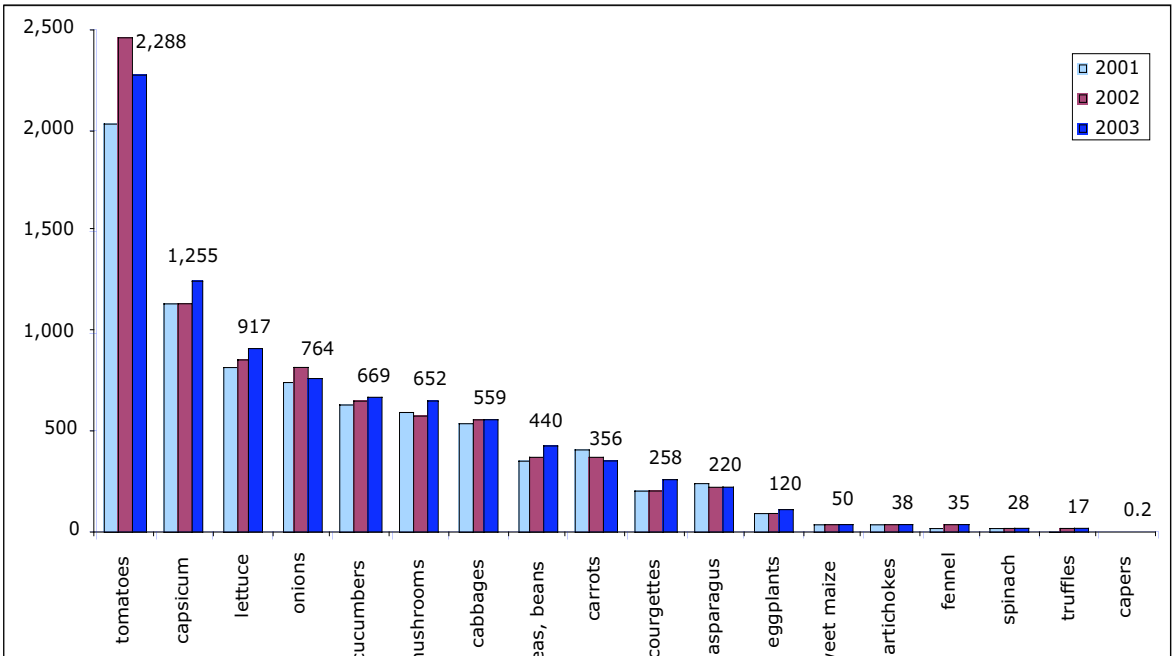
In 2003, fresh fig imports by EU member countries amounted to € 33.5 million / 19.5 thousand tonnes, representing an increase by 19 percent in value and by 16 percent in volume since 2001. Almost half of the export value was directly sourced from developing countries, while a large part was re-exported by other EU member countries (mainly The Netherlands). The leading EU destinations are France (27%), Germany (18%), Austria (18%), The Netherlands (13%), and the UK (9%).

EU imports of passion fruit amounted to some € 31.1 million / 11.2 thousand tonnes in 2003, of which about 55 percent was imported from developing countries. In the same year, the leading EU destination of passion fruit consignments was The Netherlands (mostly for re-exports), accounting for 36 percent of total EU passion fruit imports (in value), followed by Germany (18%) and France (14%).

Leading suppliers (share of the imported value in 2003) to the EU of:	
tamarinds/ lych.	→ Madagascar (40%), South Africa (23%), France (11%), The Netherlands (9%), Thailand (5%)
papayas	→ Brazil (53%), The Netherlands (17%), India (5%), Pakistan (4%), Ghana (3%)
figs	→ Turkey (34%), The Netherlands (17%), Brazil (11%), Spain (10%), Italy (8%), Austria (5%)
passion fruit	→ The Netherlands (30%), Malaysia (25%), Kenya (13%), Colombia (5%), Zimbabwe (4%),

Vegetables
In 2003, total imports by EU member countries of fresh vegetables amounted to almost € 9.2 billion / 10.4 million tonnes. Figure 5.26 shows that tomatoes, capsicum, lettuce and onions are the leading fresh vegetable products imported by EU member countries.

Figure 5.26 Imports of selected fresh vegetable products into the EU, 2001-2003, € million



Source: Eurostat (2005)

Tomatoes, capsicum, onions

The most important fresh vegetable product imported by EU member countries is tomatoes (considering that potatoes are not included in this survey). In 2003, tomato imports reached an import level of € 2.3 billion / 2.2 million tonnes. In the same year, Germany accounted for almost a third of the import value, followed by the UK (21%), France (14%) and The Netherlands (10%).

Most noticeable is the relatively large amounts of capsicum imported into the EU, although only 5 percent of the imported value is supplied by developing countries. Capsicum imports by EU member countries amounted to more than € 1.3 billion / 865 thousand tonnes in 2003. Capsicum used to be traditionally better known in southern Europe than in the northern member states. However, since the early 1980s, capsicum has also been widely accepted in dishes in many northern European households. Germany is the leading EU importer, accounting for 34 percent of the import value in 2003, followed by the UK (16%), France (11%) and The Netherlands (8%).

Leading suppliers (share of the imported value in 2003) to the EU of:	
tomatoes	→ Spain (37%), The Netherlands (35%), Belgium (7%), Morocco (5%), Italy (5%), Germany (3%)
capsicum	→ Spain (40%), The Netherlands (38%), Israel (4%), Turkey (3%), France (3%), Hungary (2%)
onions	→ The Netherlands (23%), Spain (22%), France (9%), Belgium (8%), Italy (7%), New Zealand (5%)

Another major imported fresh vegetable product is onions. In 2003, imports amounted to € 764 million / 1.7 million tonnes. Germany was the leading EU importer, accounting for 20 percent of the imports in 2003, followed by the UK (18%) and France (14%). About a quarter of the imported value was supplied extra-EU, of which more than half from developing countries.

Peas and beans
Between 2001 and 2003, pea and bean imports by EU member countries increased by 20 percent in value and 30 percent in volume, amounting to € 440 million / 469 thousand tonnes in 2003. About 55 percent of the imported value was supplied by developing countries. In 2003, France was the leading EU importer of peas and beans, accounting for 23 percent of the imported value, followed by the UK (19%), The Netherlands (15%) and Belgium (15%).

French beans supplied to Europe have provided a major source of revenue for Africa and African growers. This business has been soaring, thanks to investments in modern transportation and refrigeration facilities. African exports are likely to remain high, accounting for most of the European supply from December to May.
Snow peas began as a speciality item, but are now increasingly becoming mainstream due to their year-round availability. Snow peas, sometimes referred to as 'mange tout', are especially popular with caterers and restaurants.

Leading suppliers of peas and beans to the EU (share of the imported value in 2003)
→ Kenya (19%), Morocco (17%), Spain (15%), France (13%), The Netherlands (11%), Egypt (6%)

Mushrooms, truffles
After small decrease in both value and volume between 2001 and 2002, imports of fresh and chilled mushrooms by EU member countries increased by 12 percent in value and 19 percent in volume, amounting to € 652 million / 290 thousand tonnes in 2003. Major EU importers of mushrooms are the UK and Germany, together accounting for 60 percent of imports. The Netherlands (260 thousand tonnes in 2004, FAO) is, by far, the leading EU producer of mushrooms, followed by France (170 thousand tonnes). With the opening up of the Eastern European countries, these countries, and particularly Poland (120 thousand tonnes), are becoming worthy competitors for the Netherlands mushroom trade. Some of the Netherlands growers have even moved (part of) their businesses to an Eastern European country.

Truffles are a very valuable and expensive vegetable product and hence the imports by EU member countries are much smaller than mushroom imports. In 2003, total imports amounted to € 16.5 million / 505 tonnes. France is, by far, the leading EU importer, accounting for two thirds of the total import value, followed by Germany (10%) Belgium (7%), and the UK (5%).

Leading suppliers (share of the imported value in 2003) to the EU of:	
mushrooms	→ The Netherlands (29%), Ireland (20%), Poland (14%), Belgium (6%), Germany (5%)
truffles	→ Spain (45%), Italy (31%), France (13%), Germany (3%), China (3%), Ireland (3%)

Asparagus, courgettes, eggplants
As from 2001, asparagus imports by EU member countries decreased by 9 percent in value and by 5 percent in volume, amounting to € 220 million / 76.4 thousand tonnes in 2003. Most European countries get their asparagus imports from Greece, Spain and, increasingly, Peru. The strong increase in asparagus imports since the late 1980s has mainly been supplied by these two countries. The main Spanish and Greek seasons run concurrently from March to June, and it is during this period (especially April and May) that EU fresh asparagus imports are at their highest levels. Europeans generally prefer asparagus with large stalks and (with the exception of the UK) have traditionally consumed white, rather than green, asparagus. In the past few years, green asparagus

has also gained popularity on the mainland European market, to the point where most off-season fresh asparagus imports are of green, rather than white, varieties. The leading EU importer of asparagus is Germany, accounting for almost 40 percent of total asparagus imports (in value), followed by France (17%), The Netherlands (10%), Spain (8%), and the UK (8%).

In 2003, imports by EU member countries of courgettes amounted to € 258 million / 241 thousand tonnes, representing an increase of almost 30 percent in value and 11 percent in volume since 2001. The leading EU importer of courgettes is by far France, accounting for 44 percent of the total import value, followed by Germany (15%) and the UK (15%).

During the survey period (2001-2003), eggplant imports by EU member countries increased by 20 percent in value and 23 percent in terms of volume, reaching € 120 million / 121 thousand tonnes in 2003. The main EU importers of eggplants are Germany and France, each accounting for about a quarter of the total import value.

Leading suppliers (share of the imported value in 2003) to the EU of:	
asparagus	→ Spain (35%), Peru (18%), Greece (16%), The Netherlands (10%), France (4%), Hungary (3%)
courgettes	→ Spain (63%), Morocco (14%), France (7%), The Netherlands (6%), Italy (5%), Germany (2%)
eggplants	→ Spain (48%), The Netherlands (35%), Germany (3%), Turkey (3%), France (3%), Italy (3%)

Sweet maize
About half of the imports by EU member countries of sweet maize is supplied by developing countries. Between 2001 and 2003, imports increased by 17 percent in value and by about half in volume, amounting to € 50.1 million / 40.6 thousand tonnes in 2003. The leading EU importer is by far the UK, accounting for 60 percent of the import value.

Leading suppliers of sweet maize to the EU (share of the imported value in 2003)
→ Thailand (32%), France (11%), USA (11%), Spain (10%), Morocco (10%), The Netherlands (7%)

Baby corn
Baby corn is used primarily in Asian cuisine, and consumption of this product is highest in communities with large numbers of Asian immigrants. Thailand is the undisputed leading supplier and exports both fresh and canned baby corn. Very limited statistics are available at both the import and the export end.

Asian vegetables
Asian vegetables, including karela (bitter melon), dudhi (long squash), fuzzy squash, valore (long bean), turia (chinese okra), oriental eggplant, lemon grass and others are highly appreciated by the Asian ethnic market in Europe. Karela and valore are the items most demanded, followed by oriental eggplant. Import figures are not readily available but it appears that the United Kingdom, because of its large Asian population, is the largest European market and Kenya the largest supplier. Other suppliers include Surinam, Ghana, Zambia, Zimbabwe, Uganda, Thailand, Pakistan and India.

5.3 The role of the developing countries

Compared to the trade in fresh fruit, EU trade of fresh vegetables is mostly intra-EU oriented. In general, it can be stated that developing countries play a far less pronounced role in the supply of fresh vegetables than in the supply of fresh fruit. In 2003, 36 percent of the fresh fruit import value and 9 percent of the fresh vegetable import value consisted of imports originating in developing countries.

Fruit
In 2003, fresh fruit imports by EU member countries, originating in developing countries, amounted to € 6.1 billion / 8.3 million tonnes, representing an increase of 11 percent in value and of 10 percent in volume since 2001. The share of developing countries in imports by EU member countries remained fairly stable during the same period at around 35 percent.

Table 5.3 shows that the share of developing countries in the imports of fresh fruits to the UK, Belgium, The Netherlands and France is larger than in the other EU member countries.

Table 5.3 EU imports of fresh fruit originating in developing countries, 2001-2003, € million / thousand tonnes

	2001		2002		2003		share DC in total import value
	value	volume	value	volume	value	volume	
Total developing countries	**5,480**	**7,574**	**5,742**	**7,637**	**6,107**	**8,345**	**36%**
United Kingdom	1,063	1,360	1,162	1,449	1,145	1,567	46%
Belgium	876	1,390	1,031	1,333	1,134	1,416	60%
The Netherlands	932	1,059	878	1,001	1,038	1,210	56%
France	571	677	530	643	580	649	42%
Germany	460	664	525	780	522	793	15%
Italy	453	633	497	748	515	802	27%
Spain	260	366	237	309	288	415	43%
Poland	182	370	174	343	158	362	35%
Portugal	159	222	145	204	147	218	42%
Sweden	118	141	126	136	122	150	38%
Austria	109	111	108	107	120	120	24%
Czech Republic	73	138	86	149	82	162	26%
Greece	48	75	55	80	57	90	42%
Hungary	18	91	34	88	43	95	41%
Slovakia	33	69	33	66	28	66	40%
Ireland	28	47	33	56	26	50	43%
Lithuania	22	40	21	36	26	48	16%
Slovenia	22	41	24	43	26	54	47%
Estonia	9	16	9	14	12	21	35%
Finland	22	30	14	19	11	17	4%
Denmark	9	13	10	14	11	17	5%
Malta	7	11	8	13	7	15	43%
Luxembourg	3.3	4.9	2.2	2.2	4.0	4.9	8%
Latvia	1.1	1.9	1.3	2.8	2.3	4.5	5%
Cyprus	0.9	1.0	1.1	1.2	1.2	1.3	20%

Source: Eurostat (2005)

More than seventy countries from all continents are responsible for the immense product flows directed at the European countries. The leading developing countries exporting fresh fruit to the EU are South Africa and Latin-American countries like Costa Rica, Ecuador, Colombia, Chile, Argentina, Brazil and Panama. These Latin-American countries are mainly high in the list because of the substantial banana supplies. Other leading

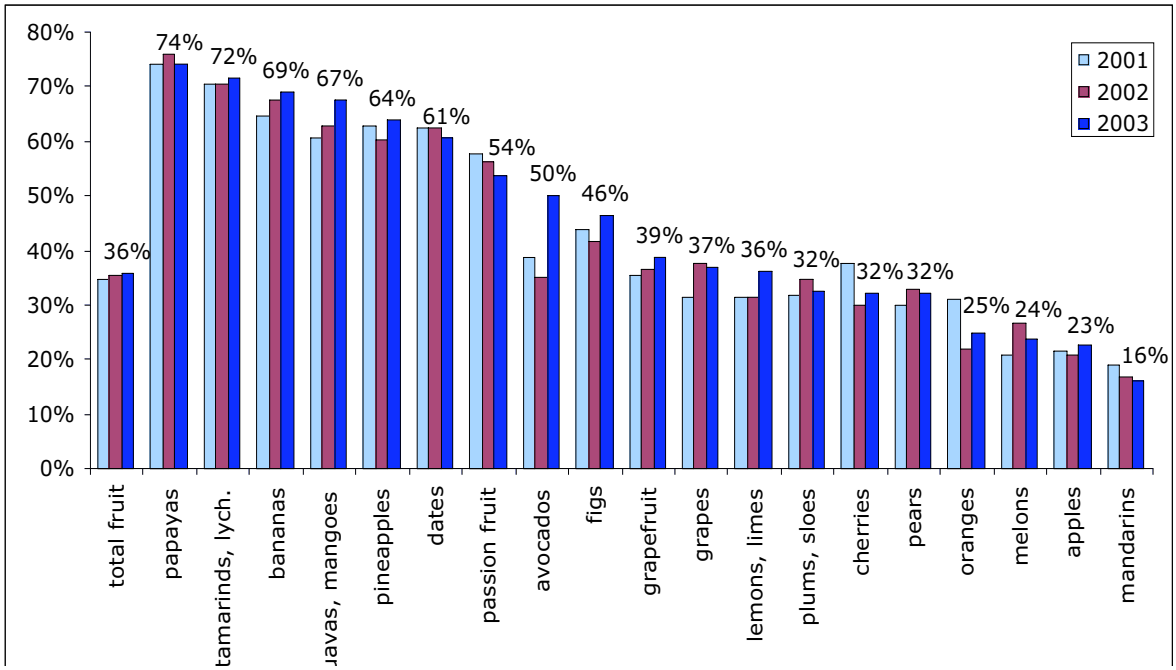
developing countries are Côte d'Ivoire, Turkey, Morocco and Cameroon. For a detailed list, please refer to Appendix 2.

Leading developing country suppliers to the EU (% of total 2003 imports from developing countries)		**Total share DCs**
papayas	Brazil (72%), India (5%), Pakistan (5%), Ghana (5%), Thailand (4%)	**74%**
tamarinds, lych.	Madagascar (55%), South Africa (32%), Thailand (7%), India (2%)	**72%**
bananas	Ecuador (25%), Costa Rica (22%), Colombia (20%), Panama (10%), Cameroon (8%), Côte d'Ivoire (6%)	**69%**
guavas, mangoes	Brazil (50%), Peru (10%), Côte d'Ivoire (8%), South Africa (8%), Pakistan (6%)	**67%**
pineapples	Costa Rica (46%), Côte d'Ivoire (26%), Ghana (13%), Ecuador (5%)	**64%**
dates	Tunisia (67%), Algeria (16%), Iran (10%)	**61%**
passion fruit	Malaysia (46%), Kenya (23%), Colombia (9%), Zimbabwe (8%)	**54%**
avocados	South Africa (38%), Mexico (26%), Kenya (15%), Peru (12%), Chile (5%)	**50%**
figs	Turkey (74%), Brazil (23%), Peru (1%)	**46%**
grapefruit	South Africa (44%), Turkey (21%), Argentina (13%), Honduras (6%)	**39%**
grapes	South Africa (41%), Chile (26%), Brazil (10%), Argentina (6%), Turkey (6%)	**37%**
lemons, limes	Argentina (65%), Brazil (12%), Turkey (9%), South Africa (8%), Mexico (4%)	**36%**
plums, sloes	South Africa (56%), Chile (28%), Argentina (9%), Turkey (4%)	**32%**
cherries	Turkey (83%), Chile (8%), Argentina (4%)	**32%**
pears	Argentina (46%), South Africa (29%), Chile (18%), China (4%), Turkey (3%)	**32%**
total fruit	**South Africa (14%), Costa Rica (12%), Ecuador (10%), Colombia (8%), Chile (8%)**	**36%**

DCs = Developing countries

Developing countries play a major role in the supply of papayas, tamarinds and lychees, bananas, guavas and mangoes, pineapples, dates, passion fruit and avocados to the EU. In 2003, these countries supplied at least half of total imports (in value) by EU member countries of these products.

Figure 5.27 Share of developing countries in imports of selected fresh fruit into the EU, 2001-2003, % imported value



Source: Eurostat (2005)

Vegetables

In 2003, the EU imported € 868 million / 854 thousand tonnes of fresh vegetables from developing countries, which represented an increase of 19 percent in value and 27 percent in volume since 2001.

Table 5.4 reveals that developing countries play a relatively more important role in Spain and France than in other EU countries. Please also note that the share of developing countries in overall EU imports of fresh vegetables increased continuously during the survey period.

Table 5.4 EU imports of fresh vegetables originating in developing countries, 2001-2003, € million / thousand tonnes

	2001		2002		2003		share DC in total import value
	value	volume	value	volume	value	volume	
Total developing countries	**730.0**	**674.9**	**876.2**	**754.9**	**867.9**	**854.1**	**9%**
France	235.7	260.3	305.6	267.8	279.2	292.5	22%
United Kingdom	207.5	111.9	231.0	126.7	221.7	135.4	12%
The Netherlands	75.5	53.9	94.8	71.5	87.3	66.1	11%
Spain	27.9	29.5	43.9	40.5	61.8	60.0	38%
Austria	32.7	36.4	41.7	40.8	51.5	52.9	17%
Italy	38.3	26.2	40.3	32.3	43.4	42.7	9%
Belgium	24.6	31.3	26.1	34.1	29.7	39.2	6%
Germany	44.4	41.3	34.8	28.8	25.7	24.6	1%
Greece	10.7	26.5	17.8	46.9	21.3	48.2	36%
Czech Republic	7.9	14.2	10.8	16.1	10.9	22.6	8%
Poland	6.5	14.8	6.7	13.9	9.4	22.6	11%
Slovenia	5.2	9.4	5.2	9.7	6.7	16.1	19%
Slovakia	3.0	7.7	4.4	9.9	5.1	11.3	20%
Hungary	1.5	4.2	3.0	6.0	3.5	9.1	12%

Denmark	3.2	1.4	2.7	1.2	2.6	1.2	2%
Sweden	2.1	1.3	2.2	1.6	2.0	1.6	1%
Luxembourg	0.2	0.1	0.5	0.2	1.9	1.2	5%
Ireland	0.6	1.5	1.3	2.6	1.4	2.4	1%
Finland	0.5	0.2	0.8	0.3	0.7	0.3	1%
Lithuania	0.6	0.9	0.6	1.0	0.6	1.3	2%
Latvia	0.3	0.5	0.7	1.6	0.6	1.5	3%
Portugal	0.3	0.2	0.4	0.2	0.4	0.3	0%
Malta	0.2	0.2	0.2	0.3	0.3	0.3	24%
Estonia	0.4	0.9	0.3	0.7	0.3	0.8	2%
Cyprus	0.1	0.1	0.1	0.1	0.1	0.1	4%

Source: Eurostat (2005)

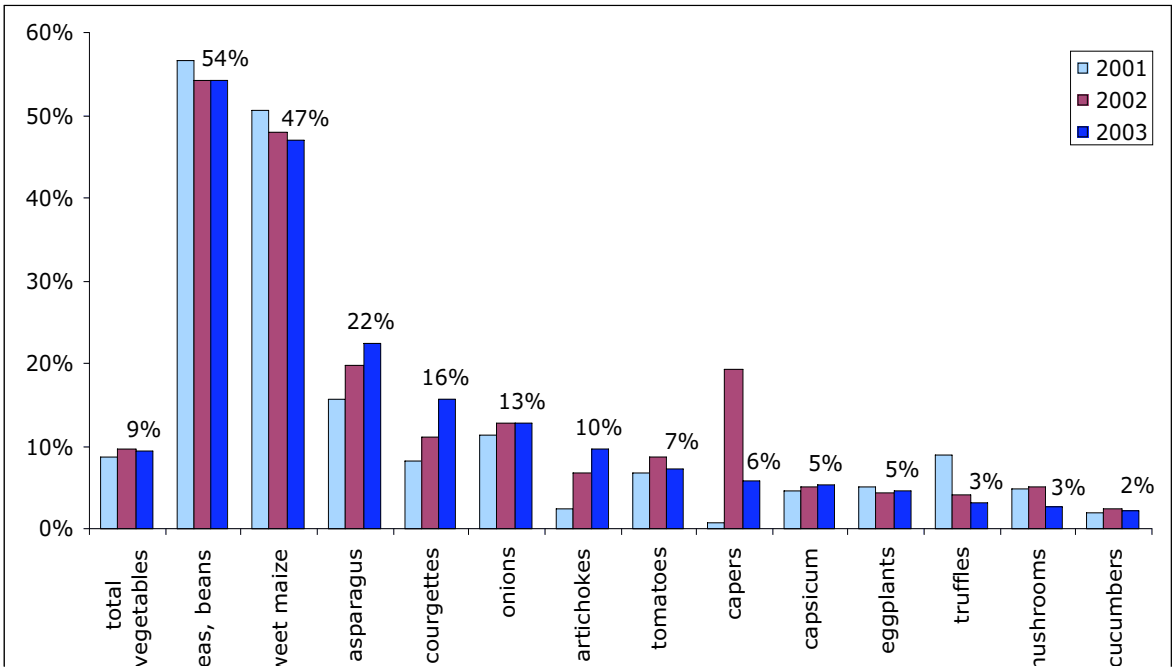
Whereas Latin-American countries dominate the extra-EU import of fruit, African countries play a more important role in the extra-EU import of vegetables into France, the UK, The Netherlands and Italy. Nevertheless, vegetable imports are, notably more than fruit imports, dominated by intra-EU trade. The leading fresh vegetable exporter among the developing countries is Morocco, followed by Kenya, Turkey, Egypt and Peru.

Leading developing country suppliers to the EU (% of total 2003 imports from developing countries)		**Total share DC**
peas, beans	Kenya (34%), Morocco (32%), Egypt (11%), Guatemala (5%), Senegal (4%)	**54%**
sweet maize	Thailand (67%), Morocco (21%), Zimbabwe (4%), Zambia (4%)	**47%**
asparagus	Peru (82%), Thailand (8%), Mexico (3%), Morocco (2%), South Africa (2%),	**22%**
courgettes	Morocco (90%), Turkey (9%), South Africa (1%)	**16%**
onions	Argentina (29%), China (24%), Egypt (13%), Chile (9%), Turkey (8%)	**13%**
artichokes	Egypt (99%), Tunisia (1%)	**10%**
tomatoes	Morocco (75%), Turkey (18%), Senegal (2%)	**7%**
capers	Morocco (98%), Dominican Republic (2%)	**6%**
capsicum	Turkey (50%), Morocco (32%), Egypt (4%), Thailand (2%), Dominican Rep. (2%)	**5%**
eggplants	Turkey (74%), Thailand (7%), Kenya (7%), Surinam (4%)	**5%**
truffles	China (85%), Croatia 12%), Morocco (2%)	**3%**
mushrooms	Serbia & Montenegro (36%), China (16%), Turkey (15%), South Africa (8%)	**3%**
cucumbers	Turkey (55%), Morocco (27%), Jordan (7%)	**2%**
total vegetables	**Morocco (32%), Kenya (15%), Turkey (11%), Egypt (6%), Peru (5%), Thailand (4%), Argentina (3%)**	**9%**

DC = Developing countries

Peas / beans and sweet maize are, by far, the leading fresh vegetables supplied by developing countries to the EU. As shown in Figure 5.28, other important fresh vegetable products supplied by developing countries are asparagus, courgettes and onions.

Figure 5.28 Share of developing countries in imports of selected fresh vegetables into the EU, 2001-2003, % of imported value



Source: Eurostat (2005)

6 EXPORTS

6.1 European Union

Fruit
In 2003, total exports of fresh fruit by the 25 EU member countries amounted to about € 11.8 billion / 15.4 million tonnes, representing a total increase of 7 percent in terms of value since 2001. In terms of volume, exports remained fairly stable.

The leading EU exporting countries, Spain and Italy, by virtue of climatic conditions, exported large quantities of fruit. In 2003, Spain was the leading EU exporter of fresh fruit produce, accounting for 36 percent of the exported value, followed by Italy (16%). Other major EU exporters are Belgium, The Netherlands and France. Most of the exports from The Netherlands and Belgium, however, concerns re-exports.

Leading destinations of EU exports were mostly other EU member states, primarily represented by Germany (29%), France (13%), the UK (9%), The Netherlands (8%) and Italy (6%). Main destinations outside the European Union are Russia, EFTA member countries and, to a lesser extent, the USA. In 2003, only 15 percent of the exported value of fresh fruit by EU member countries was transported to countries outside the EU.

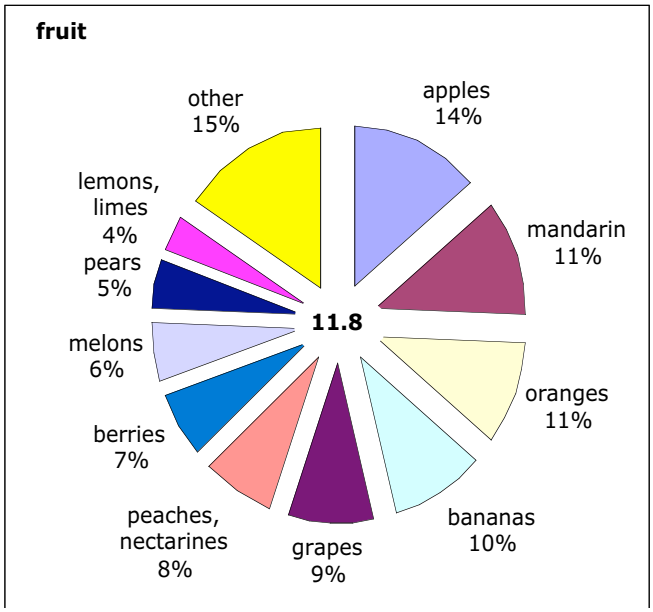
Table 6.1 Exports of fresh fruit by EU member countries, 2001-2003, € million / 1,000 tonnes

	2001		2002		2003		Average annual change in value
	value	volume	value	volume	value	volume	
Total EU	10,995	15,167	11,409	15,323	11,776	15,362	+3%
Intra-EU	9,266	11,879	9,632	12,161	9,968	12,219	+4%
Extra-EU	1,729	3,288	1,777	3,162	1,808	3,143	+2%
Spain	3,538	5,053	3,979	5,548	4,198	5,584	+9%
Italy	2,009	2,722	1,902	2,546	1,900	2,394	-3%
Belgium	1,597	1,940	1,593	1,888	1,616	1,878	+1%
The Netherlands	1,276	1,401	1,243	1,376	1,467	1,670	+8%
France	1,264	1,542	1,407	1,624	1,309	1,543	+2%
Germany	304	355	362	421	328	373	+5%
Greece	468	1,017	357	684	298	547	-20%
Austria	131	152	127	147	159	185	+11%
Poland	88	351	112	427	133	458	+23%
Portugal	75	107	72	104	82	104	+6%
United Kingdom	63	68	74	70	70	79	+6%
Sweden	27	26	48	48	57	57	+48%
Hungary	55	199	33	185	54	246	+11%
Cyprus	28	69	33	76	35	77	+12%
Ireland	23	19	23	20	16	14	-15%
Czech Republic	13	55	15	96	15	57	+9%
Denmark	10.8	15.9	8.6	13.1	11.8	16.8	+8%
Slovakia	9.4	31.0	6.7	24.2	8.5	33.4	-1%
Slovenia	4.8	21.4	4.3	14.3	8.3	26.8	+41%
Lithuania	2.2	12.1	2.2	4.6	3.8	12.9	+36%
Luxembourg	5.5	5.6	2.0	1.8	2.3	2.0	-23%
Latvia	1.3	1.4	1.9	2.6	2.2	2.2	+29%
Finland	2.3	2.5	1.6	1.5	1.3	1.2	-26%
Estonia	0.4	0.5	0.5	0.4	0.4	0.3	-9%
Malta	0.13	0.24	0.03	0.04	0.01	0.03	-69%

Source: Eurostat (2005)

The most important European fresh fruit products exported are apples, mandarins / clementines, oranges and bananas. In 2003, these products together accounted for nearly half of total fruit exports (in terms of value). It should be mentioned, however, that EU banana exports mostly consist of re-exports, as banana production within the EU is very limited. Other exotics only play a minor role in EU exports, mainly comprising re-exports.

Figure 6.1 EU exports of fresh fruit, 2003, % of total value, value in € billion



Source: Eurostat (2005)

Vegetables

As from 2001, total exports of fresh vegetables by the 25 EU member countries increased by 13 percent in value and by 7 percent in volume, amounting to € 9.2 billion / 10.6 million tonnes in 2003. Spain and The Netherlands are, by far, the leading EU exporters, together accounting for almost 70 percent of total EU exports (in value) in 2003. However, contrary to the Spanish exports, which consist mainly of domestic produce, the largest part of the Netherlands exports is made up of re-exports.

Other major EU exporters of fresh vegetables are France, Italy and Belgium. The fresh vegetables exported by the EU countries are mainly traded within the EU itself. Only about 13 percent is exported to countries outside the EU. Leading destinations outside the EU are Switzerland, the USA, Russia and Norway.

Table 6.2 Exports of fresh vegetables by EU member countries, 2001-2003, € million / 1,000 tonnes

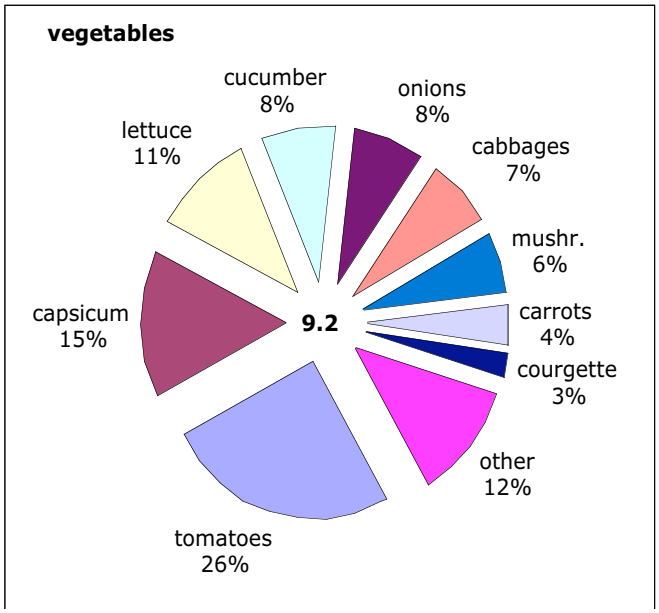
	2001		2002		2003		Average annual change in value
	value	volume	value	volume	value	volume	
Total EU	8,098	9,977	8,518	10,065	9,181	10,648	+6%
Intra-EU	7,103	8,365	7,347	8,421	7,977	8,723	+6%
Extra-EU	995	1,611	1,170	1,643	1,204	1,925	+10%
Spain	2,810	3,661	2,928	3,555	3,112	3,518	+5%
The Netherlands	2,456	2,770	2,608	2,900	3,105	3,492	+13%

France	702	810	768	867	719	861	+2%
Italy	716	842	722	801	686	691	-2%
Belgium	566	687	574	706	636	755	+6%
Germany	202	307	221	329	186	255	-3%
Poland	107	327	127	256	182	459	31%
Ireland	123	54	128	65	122	59	+0%
Austria	77	117	91	139	106	161	+17%
United Kingdom	57	101	69	113	68	103	+10%
Hungary	82	112	73	100	67	75	-10%
Greece	93	71	103	75	66	47	-13%
Portugal	28	21	36	67	35	68	+13%
Lithuania	20	13	10	9	22	10	+37%
Denmark	12	18	13	15	18	26	+22%
Sweden	9	8	10	8	16	13	+38%
Slovakia	17	36	17	38	14	31	-9%
Cyprus	7.8	8.3	7.0	7.6	8.3	7.8	+5%
Czech Republic	4.3	8.4	3.9	7.4	5.0	11.1	+9%
Finland	2.9	1.3	3.1	1.8	2.9	1.5	+1%
Estonia	1.4	1.4	1.6	1.3	2.1	1.1	+21%
Luxembourg	2.8	1.9	1.9	1.1	2.0	1.2	-13%
Latvia	1.6	0.6	0.9	2.3	1.5	1.0	+12%
Slovenia	1.0	0.7	0.4	0.6	0.6	0.8	-5%
Malta	0.02	0.01	0.02	0.02	0.00	0.00	-34%

Source: Eurostat (2005)

Tomatoes and capsicum are the leading European export products, together accounting for more than 40 percent of total vegetables exports (in value) in 2003. Other major exports products are lettuce, cucumbers, onions and cabbages. For more detailed statistics of the various fresh vegetable products exported by the EU, please refer to Appendix 2.

Figure 6.2 EU exports of fresh vegetables, 2003, % of total value, value in € billion



Source: Eurostat (2005)

Re-exports

Increasing internationalisation, which is also particularly the case in the European Union, has an impact on the fruit and vegetable trade. A total of nearly € 26.3 billion of fresh

fruit and vegetables was imported by EU member countries in 2003, whereas exports amounted to € 21.0 billion in the same year. The major share of imports and exports was transported to other destinations, partly as re-exports, partly as transit trade. In the case of re-export, the products are declared at the national Customs, whereas for transit trade the products enter the country, but there is no formal declaration at Customs.

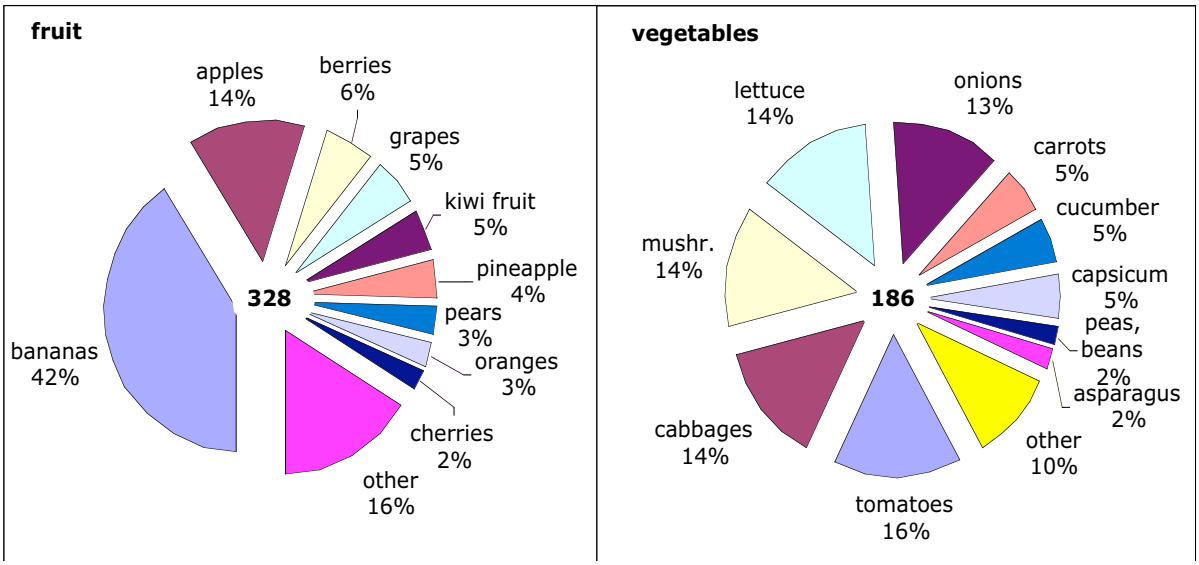
The sharp growth in re-exports and transit trade for fruit and vegetables can partly be attributed to the new markets, which have opened up in Eastern Europe. The Netherlands and Belgium account for a large share of the re-exports and transit trade, though Germany and France also increasingly fulfil this function.

6.2 Exports by the selected countries

6.2.1 Germany

Compared to the other major EU member states, Germany is a relatively small exporter of fresh fruit and vegetables. Its main export products are bananas (re-exports), apples, and tomatoes.

Figure 6.3 German exports of fresh fruit and vegetables, 2003, % of total value, value in € million

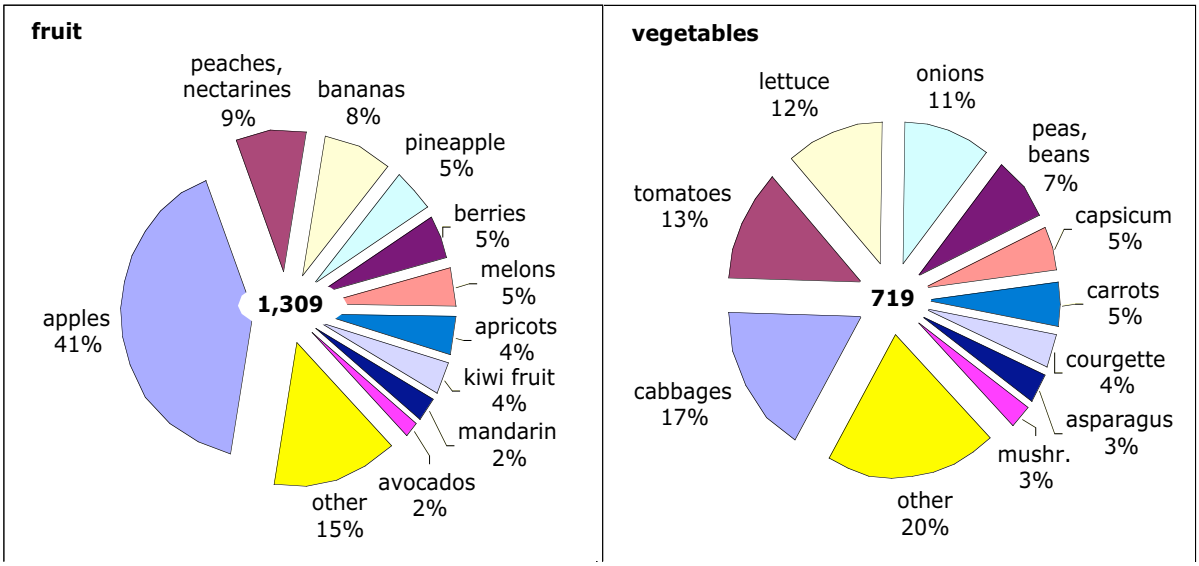


Source: Eurostat (2005)

6.2.2 France

France ranks among the leading EU exporters of fresh fruit and vegetables. Its main exports products are apples, peaches / nectarines, bananas, cabbages and tomatoes. Particularly the fruit exports increased considerably during the period 2001-2003.

Figure 6.4 French exports of fresh fruit and vegetables, 2003, % of total value, value in € million

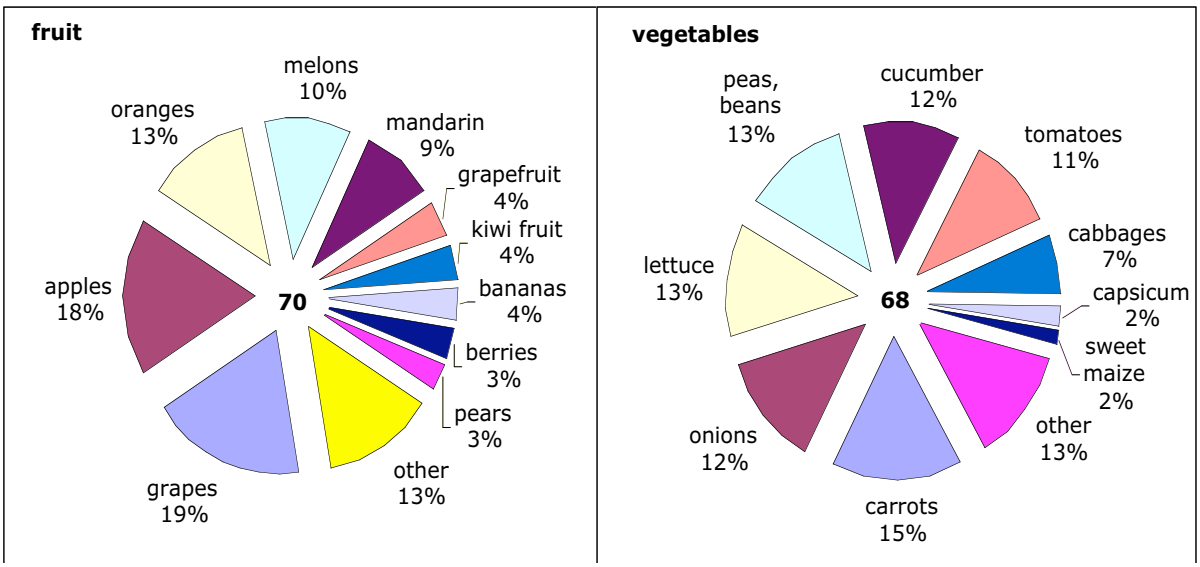


Source: Eurostat (2005)

6.2.3 United Kingdom

The United Kingdom exports only small amounts of fresh fruit and vegetables, accounting for less than 1 percent of total EU exports.

Figure 6.5 UK exports of fresh fruit and vegetables, 2003, % of total value, value in € million

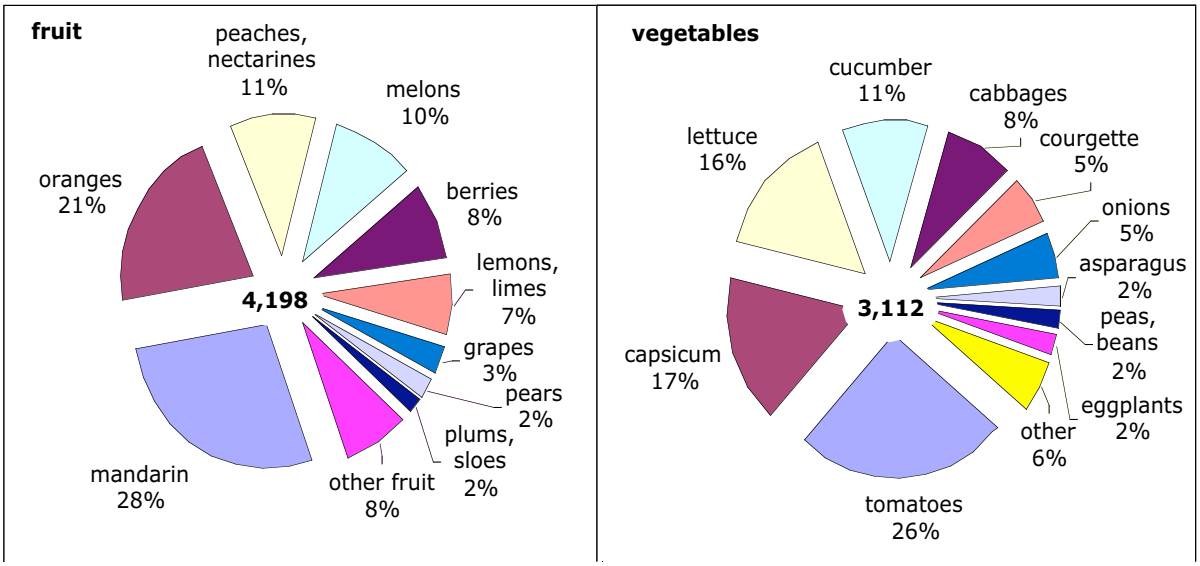


Source: Eurostat (2005)

6.2.4 Spain

Spain is the leading EU exporter of both fresh fruit and vegetables. Most of the exports is destined for other EU member states. The leading export products are citrus fruit (mainly oranges and mandarins / clementines), tomatoes, capsicum and lettuce. The lion's share of the exports consists of domestically grown product.

Figure 6.6 Spanish exports of fresh fruit and vegetables, 2003, % of total value, value in € million

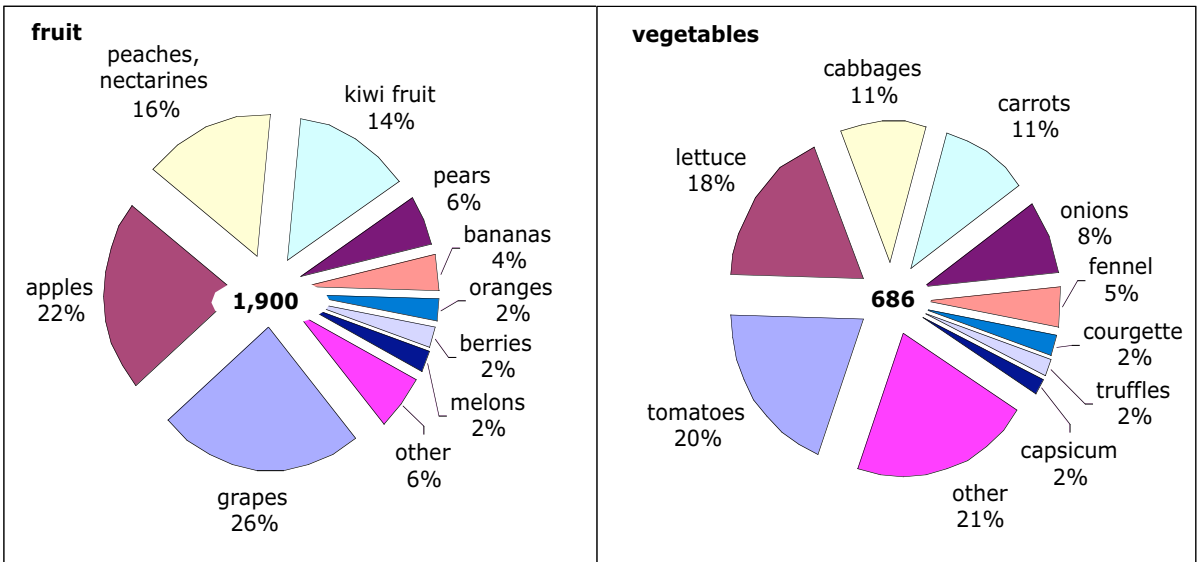


Source: Eurostat (2005)

6.2.5 Italy

In 2003, Italy accounted for 16 percent total EU fresh fruit exports and for 7 percent of total EU fresh vegetable exports. Grapes, apples, peaches / nectarines, kiwi fruit, tomatoes and lettuce are the most exported products.

Figure 6.7 Italian exports of fresh fruit and vegetables, 2003, % of total value, value in € million



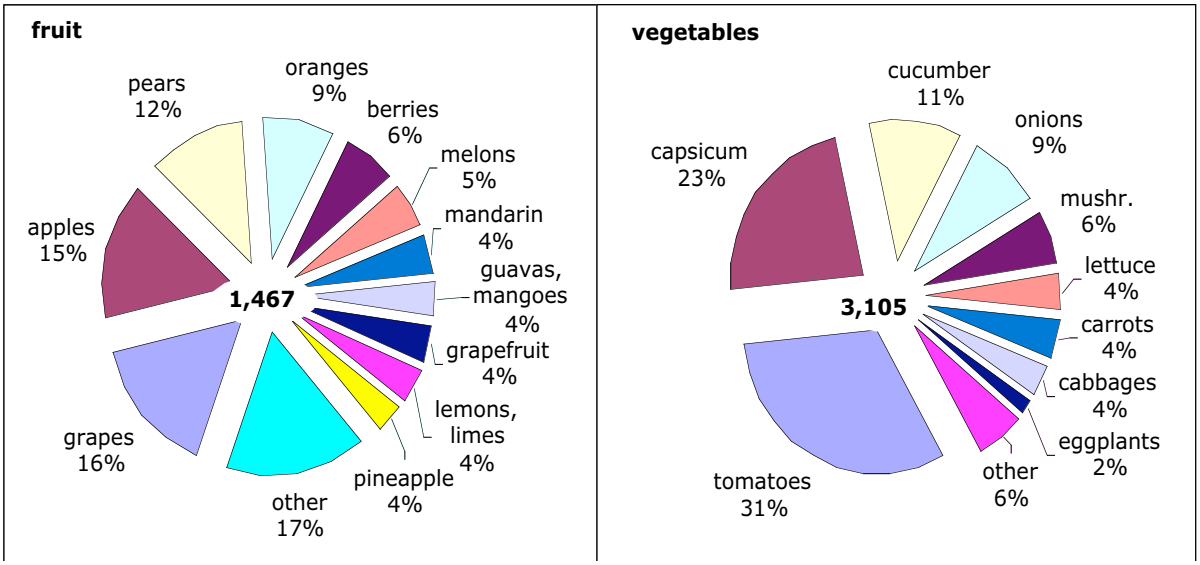
Source: Eurostat (2005)

6.2.6 The Netherlands

The Netherlands is the second leading EU exporter of fresh vegetables and the fourth leading EU exporter of fresh fruit. Moreover, Netherlands exports increased considerably

during the period 2001-2003. Leading export products are tomatoes, capsicum, cucumbers, grapes, apples and pears.

Figure 6.8 Netherlands exports of fresh fruit and vegetables, 2003, % of total value, value in € million

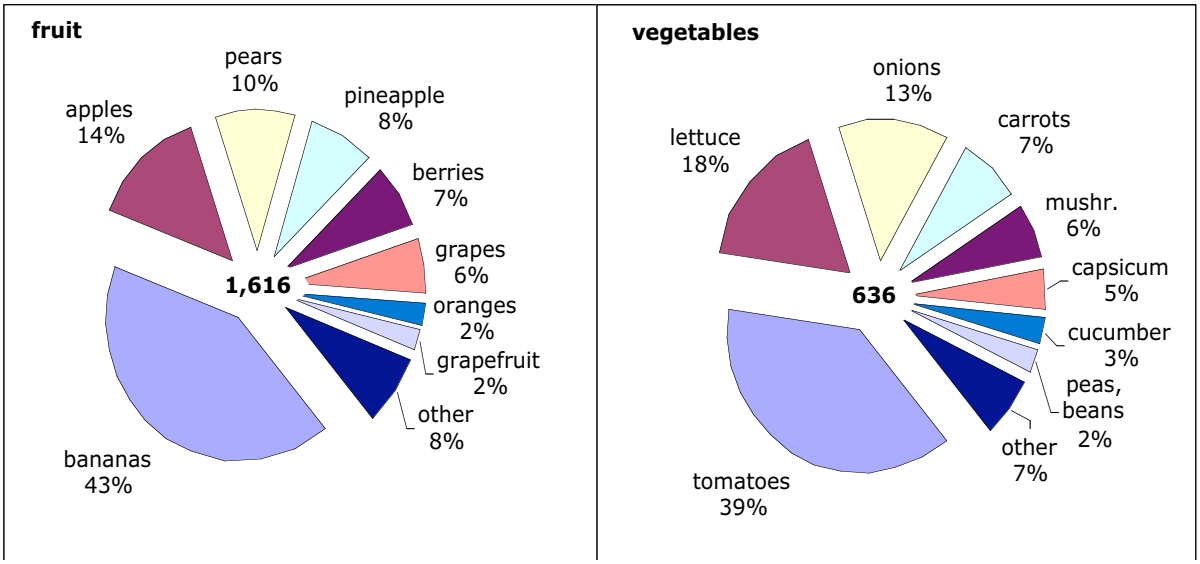


Source: Eurostat (2005)

6.2.7 Belgium

Belgium ranks among the leading EU exporters of fresh fruit and vegetables and serves, just like The Netherlands, as a crucial transit port for the rest of Europe. Leading Belgian export products are bananas, tomatoes, apples and lettuce.

Figure 6.9 Belgian exports of fresh fruit and vegetables, 2003, % of total value, value in € million



Source: Eurostat (2005)

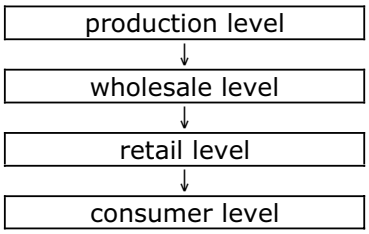
7 TRADE STRUCTURE

The strong tendency in the horticultural trade towards concentration and thinking and operating in 'straight lines' is continuing. The method of direct trading lines between producers/exporters and large retail chains is, in some European countries, partly eroding the function of the specialised importers. This leads to those same importers functioning to a certain extent as logistics service providers, quality controllers and co-ordinators of the stream of goods.

7.1 EU trade channels

7.1.1 European Union

From the producer to the consumer, fresh fruit and vegetables exported to the EU pass



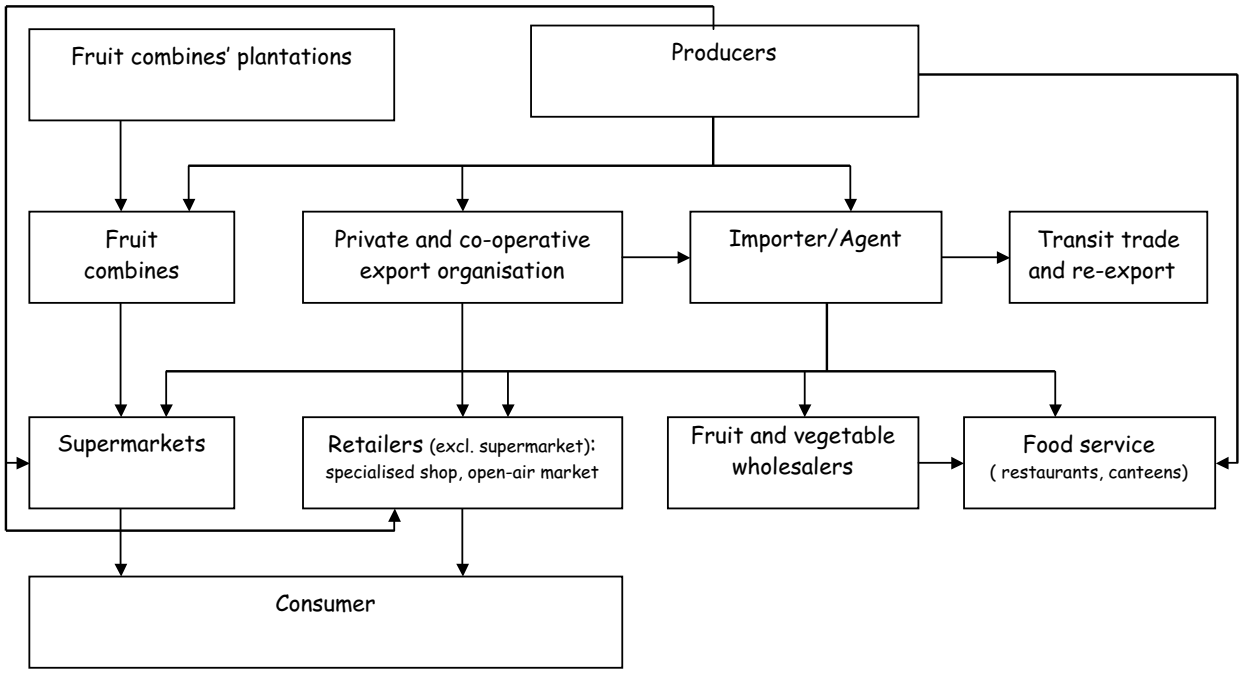
through four sales levels:

For a detailed diagram – though only indicative – of these sales channels, see Figure 7.1.

Production level

parties involved	scope of work
Producer	• fresh fruit production • pre-harvest treatment • first processing level • quality control • large-scale packaging
Private and co-operative export organisation	• goods treatment (washing, sorting, etc.) • packaging goods for export, often in customer's packaging (with price tags) • sales and marketing in their own name or on behalf of their members
Fruit combines (plantations)	• fresh fruit production, in some cases buying from other producers • quality control • packaging goods for the exporter • sale of goods for the exporter in their own name to contract importers

Figure 7.1 Distribution channels of the fresh fruit and vegetables trade in the European Union



Wholesale level

Most importers (importing wholesalers) take care of the import formalities and process the imported goods for further distribution in the importing country or for re-export to other countries. They also perform additional tasks such as ripening bananas, portioning and packaging fresh fruit for self-service, or repalletising goods on to different sized pallets. In most cases, importers have long-standing contacts with their suppliers. Importers also advise the suppliers on issues such as quality, size and packaging. In some cases, importers also make use of agents.

Specialised agents function as intermediaries for establishing contacts between exporters and importers. They do not trade products on their own account. They maintain contacts with foreign suppliers and procure produce for their customers, who are generally wholesalers. Most agents work on the basis of a commission on the sales price.

Fruit combines run their own plantations and buy additional products from private producers if necessary. They mostly run their own fleets of ships. The combines' businesses are mainly situated in North, Central and South America. The significance of the fruit combines and their contract importers is expected to increase in the future, because professional marketing directed at consumers and retailers is becoming more important.

In Europe, the strong growth of large retail chains reflects the strong tendency in the trade towards concentration and thinking and operating in 'straight lines'. The method of direct trading lines between producers/exporters and the large retail chains is, in some European countries, partly eroding the function of the specialised importers. This leads to those same importers functioning partly as logistics service providers, quality controllers and co-ordinators of the stream of goods. In general, the importers still play an individual and specific role in the chain, because they have a strong relationship with their suppliers and because they play an indispensable role as collectors of a broad package of products.

The present situation in the European distribution structure forces fruit and vegetable exporters in developing countries to be highly aware of and attentive to the demands set by the large retail chains on the import trade and to cater fully to them. The leading implication here is that the large retail chains aim at trade on a large scale. This demands uniform quality and volume on the side of the exporter.

At the same time, large catering establishments have moved towards centrally controlled systems of purchasing, which are more economic in terms of both time and money because of direct supply from the producer sector.

This consolidation of buyers is occurring throughout the food distribution system. As a result, demand for consistent volumes and qualities of fresh produce increases, causing firms to introduce procurement methods that manage the supply chain more efficiently. Buyers are increasingly developing partnerships with preferred suppliers, in order to ensure availability of produce, which meets their specifications on a week-in, week-out basis. Buyers of larger volumes are the power behind consolidation at the supplier level, forcing shippers to attempt to match the scale of their customers in order to serve them efficiently.

The emergence of larger scale suppliers implies that only a limited number of firms has sufficient financial resources and backing, and is able to bear the costs and risks associated with producing crops in several regions or countries over extended periods.

For example, a number of Spanish growers is producing in more than one region of Spain, as well as in the Canary Islands and in Morocco, in order to extend seasons. Consistency of supply over extended seasons has, in and of itself, become a source of strategic competitive advantage for many shippers.

Retail level
Marketing and sales to the public are the most important functions at the retail level. The structure of the retail trade for fruit and vegetables offers the consumer the possibility to make a choice from various points of sale, the most important being:

- specialised fruit and vegetables shops;
- hyper / supermarkets;
- open-air markets;
- producers/farmers.

The traditional trade channels, i.e. the markets and greengrocers, continue to sell a significant share of the fresh products in most of the key markets. This is particularly true for Italy and Spain, where large supermarket and hypermarket chains have not made the same inroads as in the northern European markets. In France and the United Kingdom, multiples are taking an increasing share of the sale of fresh fruit and vegetables. Hypermarkets and supermarkets are also at the forefront of the increasing sales of pre-packed produce. The fruit and vegetable product assortment in the supermarkets and hypermarkets has become increasingly diversified. The development of so-called mini-products (see Section 3.3) illustrates only one example of the many initiatives to adapt to the changing household composition of today's consumer. In this respect, retailers and breeders (product development companies) are increasingly collaborating in order to develop new and innovative product concepts.

A lot of effort goes into the design of the fresh produce departments to appeal to the consumer, both in terms of convenience and product variety. Supermarket organisations have also increasingly penetrated the function of the specialised wholesale trade for fruit and vegetables and have founded their own distribution centres in order to collect the products and supply their own stores. Apart from that, a tendency can be noticed whereby the fruit and vegetables departments of the superstores try to imitate the typical characteristics of the (small) specialist shop.

Supermarket chains increasingly seek to ensure their supplies through direct contact with growers and grower associations, especially for bulk tropical fruit and vegetables, which already have a considerable market. This has resulted in sellers of fresh fruit and vegetables facing fewer, but larger buyers. The growing market share of big supermarket chains and their increasing international co-operation have major implications for exporters of fresh fruit in developing countries. Because of this growth in supermarkets, spurred on by changes in shopping habits - consumers increasingly prefer one-stop shopping and superstores - fruit is increasingly channelled through large and sophisticated handling companies, skilled in all aspects of importation and distribution.

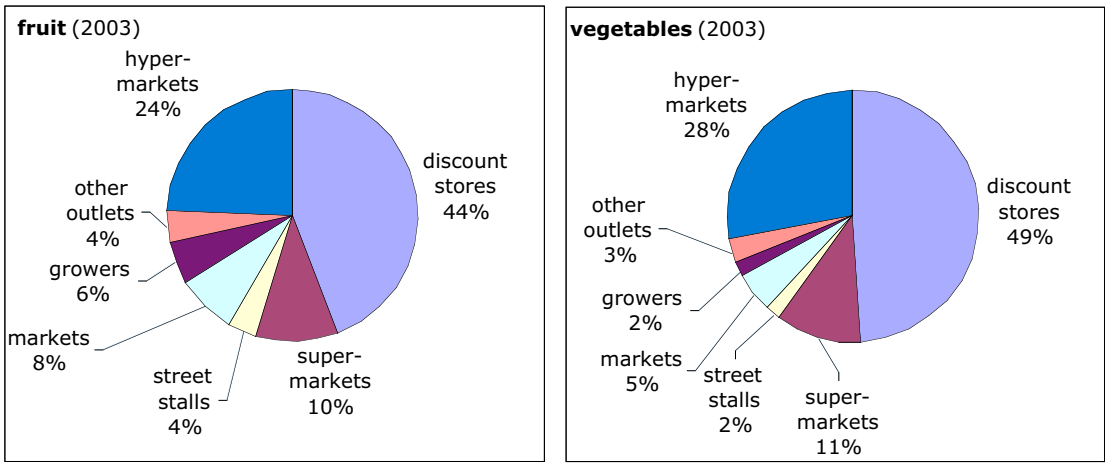
Major distributors in the EU include the following companies:
- Fyffes (United Kingdom/Ireland);
- Scipio / Atlanta Group (Germany);
- Dole Fresh Fruit Europe Ltd. Co. (Germany);
- Pomona (France).
- Geest (United Kingdom)
- The Greenery (The Netherlands)
- Del Monte Fresh Produce (Europe)

7.1.2 Germany

The German port of Hamburg, with its large fruit terminals, functions as a major point of entry for fresh products. The growing importance of Scandinavian and East-European markets can be seen as the major reason for the development of Hamburg as a centre of fruit distribution. Of all the northern ports, Hamburg's turnover in bananas has expanded at the fastest rate. Another major German port for fresh fruit (closely situated to Hamburg) is Bremerhaven.

Nevertheless, the German trade in fresh fruit and vegetables is also characterised by large quantities of products, which have entered the EU at the ports of Rotterdam (The Netherlands) and Antwerp (Belgium).

Figure 7.1 Retail distribution of fresh fruit and vegetables in Germany, 2003, market share in %



Source: ZMP, 2005

At the retail level, the discount stores are the most important outlet for fresh fruit and vegetables in Germany, commanding a market share of more than 40 percent. This share has continuously increased in recent years, reflecting the relative importance of discount stores among the German consumers compared to other EU consumers.

Hypermarkets account for more than a quarter of the fresh fruit and vegetables sold to German consumers. The 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 (or buy) the same day or the next morning from their suppliers (importers) and often deliver the same day.

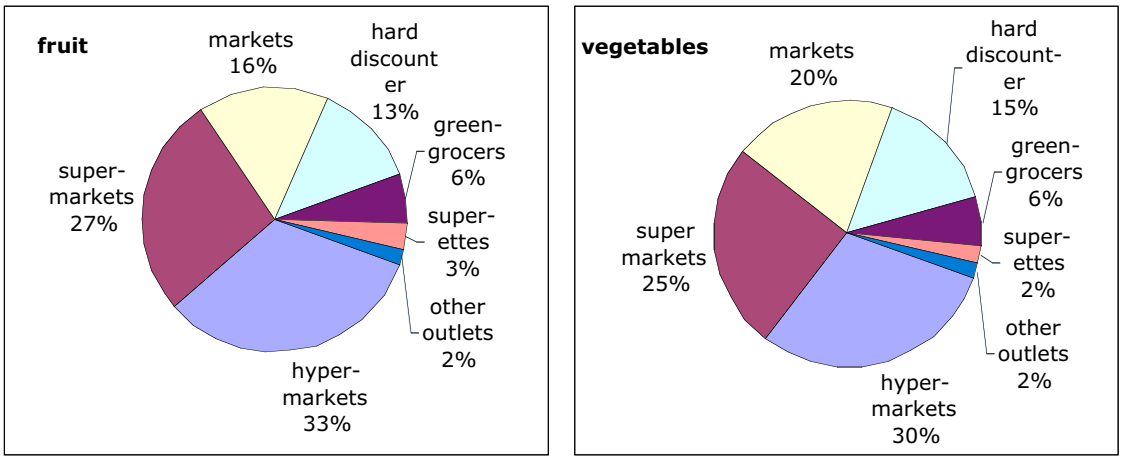
7.1.3 France

France has one of the most highly developed distribution systems for fresh fruit and vegetable products in the world. From the farmer, to the retailer and to the consumer there is an extensive network of transportation and distribution channels, which assures consumers of receiving the final product in good quality and at the proper time.

Usually, French imports from developing countries are brought in via the northern French port of Le Havre, or via the Belgian port of Antwerp and The Netherlands port of Rotterdam. Imports from the Mediterranean and African countries come through the southern port of Marseilles. Imports from other EU and European countries are often brought in by trucks through the world's largest wholesale food market at Rungis, which is located about 12 kilometres south of Paris.

Besides the market at Rungis, important wholesale markets in France are located at Lyon, Marseilles, Nice, Bordeaux, Nantes and Lille. Two types of wholesale markets can be distinguished: consumption markets and production markets. At consumption markets (Rungis), wholesalers and importers supply both local and foreign produce to cities and urban districts. At the production markets, local produce is supplied to the surrounding regions.

Figure 7.2 Retail distribution of fresh fruit and vegetables in France, 2003, % of volume



Source: Ctifl / Secodip, 2004

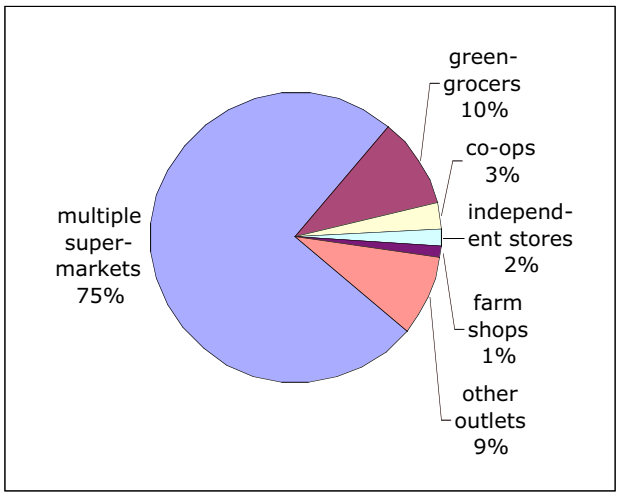
In France, hypermarkets play a major role in the sales of fresh fruit and vegetables at retail level. Almost a third of the French consumption is purchased at these outlets. The importance of hypermarkets is still increasing, while the role of hard discounters is also growing. This growth takes place at the cost of markets, supermarkets and superettes (small neighbourhood supermarkets).

7.1.4 United Kingdom

In the UK, 50 per cent of fresh produce (by volume) is sold through retail outlets, the remainder through the wholesale trade and for processing. Multiples account for an

increasing share of the fresh fruit and vegetables trade in the United Kingdom. Around 75 percent of total trade at retail level is sold in supermarkets.

Figure 7.3 Retail distribution of fresh fruit and vegetables in the UK, % of total retail sales



Source: http://www.austrade.gov.au

Some of the major distributors in the European Union are UK-based enterprises. Besides supplying the UK market, trading companies like Albert Fisher, Fyffes and Geest also serve many other EU countries with fresh produce.

Many importers of fresh fruit and vegetables have in-house distribution networks and warehousing facilities, while smaller importers contract out. Many importers of fresh produce have controlled atmosphere warehousing facilities and even packing houses, responding to the growing retail demand for pre-packaged, and sometimes trimmed, fruits and vegetables.

Supermarkets, such as Tesco, Sainsbury and ASDA, dominate the retail distribution of fresh produce. They do not buy directly, but from preferred suppliers in the UK, who source and deliver the produce according to the supermarkets' requirements.

Smaller retailers, such as greengrocers and independent stores, often buy from the wholesale markets as they are buying in smaller quantities and are more flexible with their product offer. Some (bigger) retailers have a buyer located at the bigger wholesale markets, such as New Covent Garden in London or Rungis in Paris, France.

This wholesale sector tends to be more price conscious than the retail channel. Many small and specialist companies located in these wholesale market supply restaurants and independent retailers. These companies buy mostly in small quantities and make spot purchases.

7.1.5 Spain

Just like in most other EU member countries, Spain's food distribution sector has reached maturity and is becoming more concentrated and specialised, with greater market power held by fewer companies. The number of supermarkets and hypermarkets in Spain is continuously increasing while the number of traditional food outlets is decreasing. However, many consumers still prefer to purchase fresh products like fresh fruit and vegetables at neighbourhood supermarkets and traditional outlets. As a reaction,

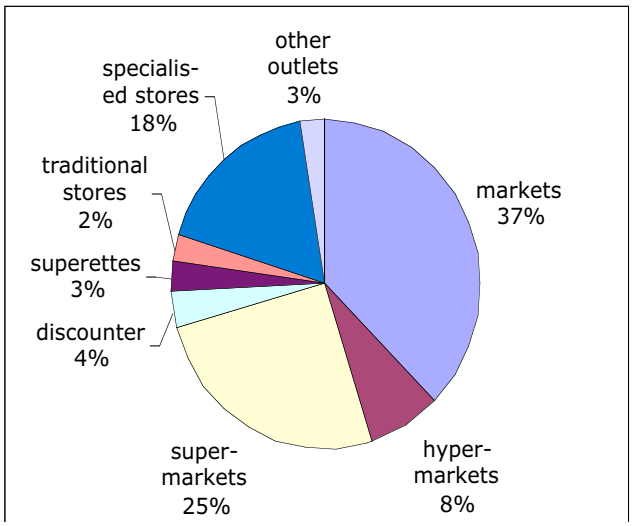
hypermarkets offer convenient products (prepared, sliced, cut) and high-quality fresh fruit and vegetables.

Most fresh produce is distributed through 22 public wholesale markets located around Spain. In the large cities, the big grocery retail chains have their own buyers, who buy and receive fresh products from wholesale companies, forwarding them to their supermarkets.

7.1.6 Italy

At the wholesale level, the Italian trade structure for fruit and vegetable corresponds to a large extent to the trade structure of the other European countries. Nevertheless, one can say that the role of the wholesale markets is fairly limited compared to, for example, France. Their function as a meeting place for traders has been taken over by the trade fairs and trade exhibitions.

Figure 7.4 Retail distribution of fresh fruit and vegetables in Italy, 2002, % of total volume sales



Source: CSO Centro Servizi Ortofrutticoli, 2005

One of the main characteristics of the Italian fruit and vegetables trade structure is the fact that the traditional trade channels, i.e. the markets and greengrocers, continue to account for a significant share of the fresh produce sales. Just as in other South European countries like Spain and Greece, large supermarket and hypermarket chains have not yet made the same inroads as in the northern European markets. Nevertheless, the market share of the supermarkets and hypermarkets is increasing.

Hypermarkets are more common in the north of Italy, than in the south. The regional differences within Italy are also illustrated by the fact that traditional retail outlets and the so-called 'superettes' (i.e. small neighbourhood supermarkets) are more common in the South. Supermarkets are equally spread over the entire country.

7.1.7 The Netherlands

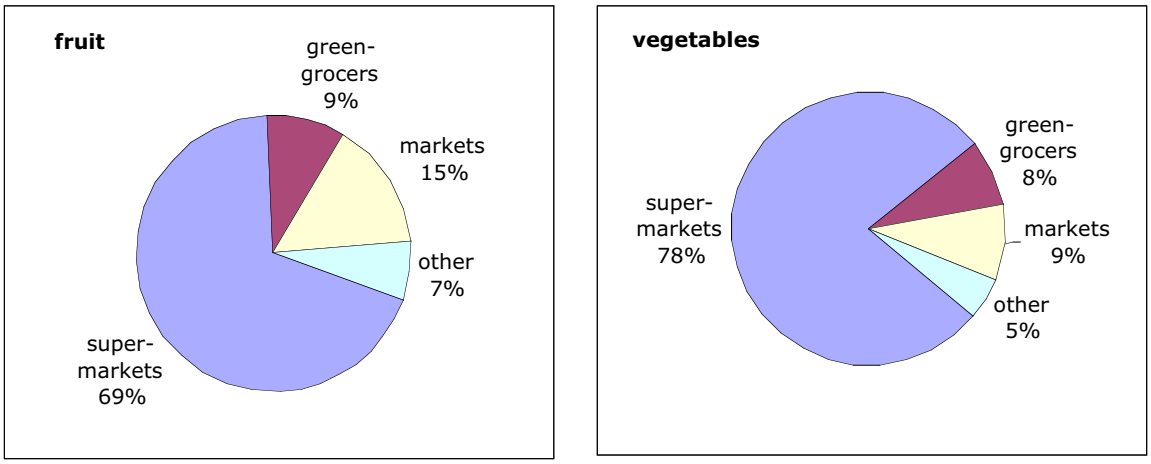
The import trade in The Netherlands, as far as its location is concerned, is strongly concentrated in Rotterdam and the surrounding area. Offices, storage firms and export companies, port facilities, service companies in the field of transport, dispatch and survey, make the Rotterdam port area a dynamic and efficient transfer and distribution centre. Moreover, the distance between the Port of Rotterdam and Amsterdam 'Schiphol' International Airport is only about 60 kilometres. As far as the Port of Rotterdam is

concerned, fruit is the spearhead. Rotterdam's great advantage is the concentration of haulage companies, fruit traders, Customs, inspection companies, and auctions. Co-operation between a number of import companies established in Rotterdam has resulted in fruit terminals and cold-stores being located at the Merwe Port of Rotterdam, in order to realise a more efficient supply and transport of fruit and vegetables. South of Rotterdam, there is another concentration of international trade companies in the field of vegetables and fruit, to be found at the 'Freshworld Barendrecht'.

Since 1998, a number of prominent trading companies has merged with The Greenery. The flow of products is co-ordinated from a central point instead of various auctions. As a result, customers can now be supplied throughout the year with a complete range of vegetables, fruit and mushrooms from sources at home and abroad. The Greenery B.V. is now one of the leading concerns in Europe in the vegetable, fruit and mushroom sector. The company has a turnover of approximately € 1,6 billion and has 2,200 employees, 1,800 of whom work in The Netherlands, and 400 outside – mainly in Belgium, Germany, Spain, Italy and the United Kingdom.

The tendency in the horticultural trade towards concentration is also reflected in the construction of a business unit 'Sales Operations'. The Greenery and its business companies joined forces in this business unit to accomplish more involvement of the business companies in the net yield of growers, better co-ordination in the sales and purchasing activities, and better co-ordination in general. There are, however, limitations to concentration attempts, as was experienced by The Greenery and Co-operation Fruitmasters in their intended co-operation in the form of Fruit-XL. After an investigation, the Netherlands Competition Authority (NMa) concluded that a possible collaboration between the two companies might hinder competitiveness in the Netherlands market, after which the co-operation was ended.

Figure 7.5 Retail distribution of fresh fruit and vegetables in The Netherlands, 2002, % of volume



Source: Productschap Tuinbouw 2003

During the past fifteen to twenty years, big shifts have taken place in the market shares of these points of sale. The supermarkets have gained a considerable market share within rather a short period, to the detriment of greengrocers. In 2002, the market share of the supermarkets stood at 69 percent for fresh fruit and 78 percent for fresh vegetables. The open-air market has a relatively weak position. Buying fruit and vegetables in the supermarket is especially attractive for the consumer from the convenience angle: i.e. shopping for all consumer goods at the same time at the same location. According to consumer research, this turns out to be the major advantage of the supermarket. In the course of the year, the market share of the greengrocers in the sale of fresh fruit and vegetables has steadily decreased to 8-9 percent in 2002.

7.1.8 Belgium

Belgium serves as a major transit port for global exports, particularly of fresh fruit. The most important factor that has contributed to this significant position is the location: Belgium is located in the heart of Western Europe and border the North Sea. In addition, Belgium has an excellent infrastructure and is located at the mouths of some major European rivers.

Imports from other EU countries as well as extra-EU imports are mostly brought in through the European Centre for Fruit and Vegetables in Brussels. This centre has more than 30 buyers and sellers, as well as Customs authorities and a branch office of the Ministry of Agriculture. Every year, close to a million tonnes of fruit and vegetables are traded. From here, the products are transported to wholesale markets and large retailers both inside Belgium and internationally.
Pleas refer to Appendix 3.3 for contact details of the European Centre for Fruit and Vegetables, located in Brussels (Belgium).

7.2 Distribution channels for developing country exporters

The most interesting distribution channels for developing country exporters of fresh fruit and vegetables are importers. Importers not only have experience and knowledge of the international market, they also have strong relationships with suppliers and buyers all over the world. In regard to serving supermarket organisations the importer will now more and more emphasise his function as co-ordinator of the stream of goods to final destinations. He has to play a more specialised role as quality controller and also as logistics service provider. Therefore, developing country exporters are advised to contact and co-operate with specialised importers for the distribution of their products. This applies especially to cases where it concerns tropical fruit varieties and off-season products. Besides that, importers do not only focus on the demand of the home market. Because of their favourable, geographical location, many EU importers have the possibility to export imported products to all other European countries.

Developing-country exporters of organically grown products (see also Section 9.1.1 of this survey) can get themselves listed as suppliers on http://www.green-tradenet.de and on http://www.greentrade.net, two Internet sites where suppliers and buyers of organic products come together on a market place. Suppliers can specify their offer and company name. Please refer to Appendix 9 for the contact details of Green Trade Net and GreenTrade.

The Internet site http://www.europages.com is another good 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 & Livestock, subcategory Fruits and Vegetables. These, and other sources on which buyers and sellers can meet online, are listed below.

Internet sites	
online marketplace for organically grown products	http://www.green-tradenet.de
online marketplace for organically grown products	http://www.greentrade.net
online source of importers in the EU	http://www.europages.com
B2B marketplace for the food and agriculture industry	http://www.foodtrader.com
marketplace for sellers and buyers of fresh produce	http://www.agromarketplace.com
Freshinfo fresh produce marketplace	http://www.freshinfo.com
Agribuys	http://www.agribuys.com
FoodMarketExchange.com	http://www.foodmarketexchange.com

Trade fairs are also important meeting points for developing countries' exporters and EU importers. A trade fair is a good opportunity for personal contact between business partners. Please refer to Section 13.5 and Appendix 3.4 for more information on trade fairs.

8 PRICES

8.1 Prices developments

Domestic, import and export prices of fresh fruit and vegetables are dependent on several factors, such as the total supply of the products, the type of the product, its origin. In the case of commodity products like pineapples and bananas, the highly changeable harvests of fresh fruit and vegetables are an important determinant of price fluctuations of fruit and vegetables.

Prices of fresh products are set on a global level, and speculation on the harvests can cause rapid changes in the price level of the fresh fruit and vegetables. Other important factors can be the size of the order, the quality of the product and the inflation and exchange rate.

Margins in the international trade in fresh fruit and vegetables are under pressure. Margins for European importers for instance are typically below 10%. There is a number of reasons why it is not possible to give an accurate picture of the margins for all product and all parties in the import trade, wholesale and retail trade:

- The wide range in the fruit and vegetables assortment; and
- The great differences between the various product groups (temperate products and tropical, subtropical products and specialities).

Prices for fresh fruit and vegetables vary considerably. Therefore, it is recommended to monitor world markets and price movements, in order to be able to set a realistic price.

In Table 8.1 we provide price information for selected fresh fruit species in a number of EU member countries.

Table 8.1 Wholesale market prices of a selection of products, by country of origin, January 2005, in €

	Unit	Germany	France	The Netherl.	United Kingdom
BANANAS					
Côte d'Ivoire (air/Red)	Kg	-	3.50	-	-
Kenya (air/Red)	Kg	-	-	4.50	-
Colombia (air/Small)	Kg	-	5.50	-	-
Ecuador (air/Small)	Kg	-	-	5.33	-
Ecuador (sea/Small)	Kg	-	-	1.87	-
PINEAPPLES					
Benin (air/Smooth Cayenne)	Kg	-	1.80	-	-
Côte d'Ivoire (air/Smooth Cayenne)	Kg	-	1.65	-	-
Côte d'Ivoire (air/Victoria)	Kg	-	2.80	-	-
Mauritius (air/Victoria)	Box	-		9.50	-
Reunion (air/Victoria)	Kg	-	3.38	-	-
South Africa (air/Victoria)	Box	11.00	-	9.00	-
Costa Rica (sea/MD-2)	Box	12.63	-	13.36	-
Costa Rica (sea/MD-2)	Kg		1.15	-	-
Côte d'Ivoire (sea/Smooth Cayenne)	Box	6.50	-	8.50	9.82
Côte d'Ivoire (sea/Smooth Cayenne)	Kg	-	0.80	-	-
Ghana (sea/Smooth Cayenne)	Box	6.50	-	-	-

Table 8.1 Continued

	Unit	Germany	France	The Netherl.	United Kingdom
MANGOES					
Brazil (air/Kent)	Kg	-	3.85	-	-
Peru (air/Kent)	Kg	-	4.25	-	-
Thailand (air)	Kg	4.00	-	-	-
Brazil (air/Palmer)	Kg	2.69		-	-
Brazil (sea/Atkins)	Kg	0.48	0.97	0.56	0.89
Ecuador (sea/Atkins)	Kg	0.29	-	0.44	0.85
Peru (sea/Atkins)	Kg	-	-	0.50	0.89
Brazil (sea/Keitt)	Kg	0.29	-	-	-
Ecuador (sea/Keitt)	Kg	0.29	-	-	-
Brazil (sea/Kent)	Kg	0.56	1.23	1.40	-
Ecuador (sea/Kent)	Kg	-	-	0.63	-
Peru (sea/Kent)	Kg	0.63	1.13	0.73	-
LITCHI					
Reunion (air)	Kg	-	6.00	-	-
Madagascar (sea)	Kg	1.69	1.45	1.13	1.97
Mauritius (sea)	Kg	-	-	-	1.96
South Africa (sea)	Kg	1.90	2.90	2.25	2.68
LIMES					
Mexico (air)	Kg	-	6.00	-	-
Brazil (sea)	Kg	0.84	1.75	1.07	1.81
Mexico (sea)	Kg	1.23	2.58	1.31	2.00
AVOCADOS					
Israel (sea/Ettinger)	Box	-	4.36	5.00	-
Israel (sea/Fuerte)	Box	-	4.38	4.50	-
Israel (sea/Hass)	Box	-	5.75	5.75	-
Mexico (sea)	Box	-	6.25	-	-
Israel (sea)	Box	-	-	-	5.72
Israel (sea/Pinkerton)	Box	5.56	4.46	5.25	-
Brazil (sea/Tropical)	Box	-	12.40	-	-
Spain (truck/Fuerte)	Box	5.25	4.90	-	-
Spain (truck/Hass)	Box	-	7.25	8.16	-
Spain (truck)	Box	-	-	4.50	6.07
PASSION FRUIT					
Brazil (air/Purple)	Kg	-	-	-	2.23
Colombia (air/Purple)	Kg	-	-	4.47	-
Israel (air/Purple)	Kg	-	-	-	4.76
Kenya (air/Purple)	Kg	4.00	5.60	4.38	4.47
Reunion (air/Purple)	Kg	-	9.20	-	-
South Africa (air/Purple)	Kg	5.00	5.25	-	-
Zimbabwe (air/Purple)	Kg	-	5.65	4.50	4.29
Colombia (air/Yellow)	Kg	7.00	7.70	6.17	-

Source: FruiTrop, January 2005

8.2 Sources of price information

Information on EU wholesale prices for fresh fruit and vegetables can be obtained from a number of sources:

- **ITC's Market News Service (MNS)**
  ITC publishes wholesale prices of various fresh fruit and vegetables (including exotics) on a weekly basis.
- **ZMP**
  This German organisation publishes an annual balance of the German and European market for fresh fruit and vegetables, including producer and import prices. In addition, information about the consumer prices is collected.
- **Netherlands' Commodity Board for Horticulture**

This Board publishes auction and wholesale prices on a weekly basis.

ⓘ **INTERFEL**
The French association publishes an annual balance of the French fruit and vegetables trade. This publication includes an extensive section giving prices.

ⓘ **Individual importers and other trade parties**
Trading companies can give you information on the price level of individual products.

ⓘ **Internet sites**
There are also several Internet sites, which publish very up-to-date prices for fruit and vegetables. These sites provide agricultural market information as received from the USDA Agricultural Marketing Service (AMS), and are directly linked to price terminals at various European auctions (Hamburg, London, Paris and Rotterdam):

Information source	Internet sites
Today's Market Prices	http://www.todaymarket.com
USDA International Wholesale Market Price Reports	http://www.ams.usda.gov/fv/mncs
SNM (Services des Nouvelles des Marchés)	http://www.snm.agriculture.gouv.fr
Agribusiness Online	http://www.agribusinessonline.com/prices
FAO (International banana prices)	http://www.fao.org/es/esc/prices/PricesServlet.jsp?lang=en&ccode=
ZMP (retail prices in Germany)	http://www.zmp.de
Infoagro.com	http://www.infoagro.com

9 EU MARKET ACCESS REQUIREMENTS

Since CBI's AccessGuide is an important instrument providing the greater part of the information described below, this chapter will only deal briefly with the relevant issues within this subject. References to relevant information sources will be made.

AccessGuide
AccessGuide is CBI's database dedicated to European non-tariff trade barriers, specially developed for companies and business support organisations in developing countries. Registered companies and organisations have unlimited access to AccessGuide information.

Exporters in developing countries wishing to penetrate the European Union should be aware of the many requirements of their trading partners and EU governments. Standards that are being developed through legislation, codes, markings, labels and certificates with respect to quality, environment, safety, health, labour conditions and business ethics are gaining importance. Exporters need to comply with legislation in the EU and also have to be aware of the many market requirements. AccessGuide provides clear information on these standards and their implications.

For more information please refer to http://www.cbi.nl/accessguide

9.1 Non-tariff trade barriers

9.1.1 Product legislation

The quality of the product is the key to successful penetration of the European Union market. Following the harmonisation of legislation in the EU since January 1993, uniform quality legislation applies EU-wide. Please refer to http://europa.eu.int/eur-lex/lex/en/index.htm for the complete text of the directives and regulations mentioned in the sections below. Also refer to AccessGuide for analysis of EU legislation and for links to the specific directives and regulations in Eurlex.

General Food Law
During the last few years, a number of food scandals erupted in the EU: from mad cow's disease to dioxin in chicken meat. In order to reassure consumers and restore confidence in food products, legislation on food products has become more stringent and increasingly complex.

In 2002, regulation EC 178/2002 has been adopted, laying down the general principles and requirements of food legislation, establishing the European Food Safety Authority and laying down procedures in matters of food safety. The regulation is commonly known as the General Food Law, and also includes provisions on the traceability of food (art. 18). The core aspects of the General Food Law have taken force in January 2005.
For more information, please refer to AccessGuide or the following link:
http://www.europa.eu.int/comm/food/index_en.html

EU Marketing Standards
The marketing standards for quality and labelling of fruit and vegetables are laid down in basic regulation EC 2200/96 (of 28 October 1996), in the framework of the Common Agricultural Policy (CAP). Products which do not comply with these standards are barred from the market. The box below presents an overview of the fresh fruit and vegetable products, which are subject to the quality standards as laid down in the above-mentioned regulation. Moreover, there are separate regulations covering EC marketing standards for

bananas. These standards only apply to unripened green bananas, at the import stage and at inland ripening premises.

With the aid of colour cards, measuring instruments and precise descriptions, the grower is able to grade and group his products very effectively. One such instrument, for example, measures the firmness of a tomato.

For a detailed description of the standards for the individual fresh products subject to regulation EC 2200/96, please refer to
http://www.defra.gov.uk/hort/hmi/common/standard.htm

Fresh fruit and vegetables subject to EC Marketing Standards as laid down in regulation EC 2200/96		
Fresh fruit	→	apples, apricots, avocados, cherries, clementines, grapes, kiwi fruits, lemons, mandarins, melons, nectarines, oranges, peaches, pears, plums, strawberries, watermelons
Fresh vegetables	→	artichokes, asparagus, beans, brussels sprouts, cabbage, carrots, cauliflower, celery, chicory, courgettes, cucumbers, eggplants, garlic, iceberg lettuce, leeks, lettuce / endives, mushrooms (cultivated), onion, peas, spinach, sweet peppers, tomatoes

Source: DEFRA Internet site, 2005

Besides EU legislation, importers of fresh fruit and vegetables have their own quality standards. The EU requirements must therefore be seen as indicative for the quality that is demanded by the European importers. The care and handling between harvest and delivery to the country of import is often one of the weakest points in the relationship between producer and importer. The UN standards apply in the case of a product, which is not covered by the EU quality standards.

Please refer to Appendix 3.1 of this market survey for contact details of the standards organisations. These organisations are able to inform you of the quality standards that apply to the various products.

Certificate of Conformity
In June 2001, the EU Commission adopted regulation EC 1148/2001. Under this regulation, all import consignments of fresh fruit and vegetables from countries outside the EU and subject to the EC Marketing Standards will require a recognised Certificate of Conformity before they are allowed to enter the EU market. Products covered by EU marketing standards, which are intended for processing, require a Certificate of Industrial Use but are not subject to conformity. For more information about these certificates, please refer to http://www.defra.gov.uk/hort/hmi.htm

MRLs
Imports of fresh fruit and vegetables to the EU have to comply with the legislation for Maximum Residue Limits (MRLs) of a large number of pesticides. The maximum limits for pesticide residues in and on certain products of plant origin, including fruit and vegetables, are laid down in directive 90/642/EEC. For a comprehensive overview of the approved levels of pesticides, please refer to the box with useful Internet links.

Useful Internet sites	
CBI's AccessGuide	http://www.cbi.nl/accessguide
EU pesticide residues legislation	http://europa.eu.int/comm/food/plant/protection/pesticides/index_en.htm
European Plant Protection Organisation (EPPO)	http://www.eppo.org

FAOSTAT	http://faostat.fao.org/faostat/collections?subset=FoodQuality

Phytosanitary regulations and plant protection
In general terms, the international standard for phytosanitary measures was set up by the International Plant Protection Committee (IPPC) in order to protect the import of agricultural goods which might have or carry with them plant diseases or insects. In the EU these rules are laid down in the regulation EC 2002/89. With respect to fresh fruits and vegetables, the main object of this directive is to prevent the EU crops from contact with phytosanitary harmful organisms from imported consignments.

Article 13 is the crux of the directive and authorises the Plant Protection Service to inspect a large number of fruit and vegetables upon arrival in the EU. The annex specifies these plant products, while excluding the following products from inspection: strawberry, grape, melon, kiwi, onion, garlic and avocado. The inspection consists of a physical examination of the consignment on phytosanitary risk, identification and validity of the covering phytosanitary certificate. The phytosanitary certificate is an official document that certifies that the products described have been inspected according to appropriate procedures, are considered to be free from quarantine pests and conform to the current regulations of the importing country. If the imports of fresh fruit and vegetables do not comply with the requirements, these consignments may not enter the EU market.

Requirements of the phytosanitary certificates:
- shall bear the official text in conformity with the FAO model (see Annex VI A and VI B);
- shall be drawn up in one of the official languages of the European Community;
- shall be filled in completely, and either entirely in capital letters or entirely in typescript; if an annex is used, the phytosanitary certificate shall bear the words: "see annex" and the annex shall bear the words: "annex to phytosanitary certificate number … " and the annex must be authorised by stamp of the organisation and signature;
- shall be stamped and signed by an authorised officer of the Plant Protection Service;
- shall be issued not more than 14 days before leaving the country;
- shall indicate the origin and the destination of the plants or plant products;
- shall indicate, besides the name of the produce, the botanical names of the plants
- number and description of packages;
- net weight;
- authenticated copies or duplicates of the phytosanitary certificate shall only be issued with the indication of "COPY" or "DUPLICATE". (Annex VI A VI B). A photocopy or fax copy or e-mail copy is not acceptable.

Useful Internet sites	
CBI's AccessGuide	http://www.cbi.nl/accessguide
International Plant Protection Committee (IPPC)	https://www.ippc.int
European Plant Protection Organisation (EPPO)	http://www.eppo.org

9.1.2 Market requirements

The previous section has dealt with requirements which have to be met by developing countries. The following section deals with issues which are non-mandatory for exporters in developing countries and give them a marketing edge over the competition.

Environmental, social, health and safety aspects of products and production have become major issues in Europe. Depending on the product group in question, these aspects may play a vital role in preparing for exports to the European market. Exporters of fresh fruit

and vegetables to the EU must be aware of the food safety, health and environmental considerations of European customers and try to satisfy these customer needs by offering products which comply with both legislative and market requirements.

Exporters should consider some of these instruments as a management and marketing instrument to create a distinct profile for themselves, in order to improve their market position. The proliferation of labelling and certification schemes contributes to market opportunities for exporters in developing countries.

Social market requirements
With the rise of socially responsible consumerism, all actors in the product chain from primary producers to final consumers are in need of market based tools to address social accountability.

Social Accountability 8000 (SA8000) is a universal management system for companies seeking to guarantee the basic rights of their workers. The standard is applicable to all industries and is based on the international accepted ILO Conventions. Starting with certification of many toy manufacturers, manufacturers of garments, manufacturers of plastics and manufacturers of pharmaceuticals, at present (measured 31 October 2004) it has 492 facilities certified, 51 industries represented and 40 countries involved.

To certify business conformance with SA8000, qualified auditors visit factories and assess performance on a wide range of issues: child labour, health and safety, freedom of association and the right to collective bargaining, disciplinary practices, working hours and compensation.

SA8000 Signatory program can be considered a tool to demonstrate a real and credible commitment to achieving decent working conditions in their supply chains. The program is set up to assist companies who are working towards certification. Applying codes of practice in Europe is not without its problems, but in developing countries, their implementation will be even harder for exporters and growers. Companies will be controlled once a year. Subcontractors are required to follow SA8000, but are not necessarily audited.

Environmental market requirements
Environmental aspects of products have become an issue in Europe. The concept of sustainable development represents the philosophy that economic development should automatically take into account the issue of the environment, recognising the fact that polluting activities now will have great (negative) impacts on the way future generations can live. In this respect all parties, including the general public but also manufacturers, are asked to accept their social responsibility and minimise the environmental impact of their activities.

Besides governmental actions (legislation), the major retailers in the EU also play an important role in tackling environmental issues. Moreover, a strong consumer movement is noticeable especially in the northern parts of the EU (Scandinavia, Germany and The Netherlands). It is the objective of this section to briefly highlight several aspects which currently play an important role in the EU. For more detailed information, please refer to CBI's AccessGuide.

In recent years, issues such as (environmental) Life Cycle Assessment of products, Cleaner Production (CP) and Ecodesign have all become important tools for companies to improve on the environmental performance of their products and production processes (by analysing where the environmental impacts are the largest and how a company may improve on these points). This can lead to both internal (improved efficiency) and external (perceived image) advantages.

Organic production, Ecolabels and fair trade labels
Results of applying the above tools can be company-internal improvements in environmental performance. However, in order to be able to use a company's environmentally sound approach to its products and production processes, 'green' marketing tools such as environmental management standards (for the whole organisation, such as ISO 14001 and EUREPGAP) and ecolabels have been created both by governments and private parties. The demand for environmentally sound products is increasing, especially in the area of consumer goods. Consumers and traders demand products which are easily recognisable as such and are labelled according to legal stipulations. Ecolabels are voluntary and give a marketing edge over the competition. Examples are the EU Ecolabel, the Netherlands Milieukeur, the German Blue Angel and the Scandinavian White Swan.

Labels referring to the organic production of fruit and vegetables could also be considered ecolabels. The EKO quality label is the label in The Netherlands that guarantees the organic origin and quality of agricultural products.

In a further attempt to foster organic production and to have a common EU label across the EU, the EU Commission has recently adopted EU label to identify food produced according to the EU organic standards. EU standards for organic food production and labelling are laid down in regulation EEC 2092/91. This regulation and subsequent amendments establish the main principles for organic production at farm level and the rules that must be followed for the processing, sale and import of organic products from third (non-EU) countries. For more information on organic production, please refer to the CBI EU Market Survey "Organic Food Products" or to http://www.cbi.nl/accessguide

Besides the product-oriented labels, there are also so-called fair trade labels, like the labels of the Max Havelaar Foundation and TransFair International. In 2003, Max Havelaar reached agreement with all international Fair Trade organisations part of the FLO (Fairtrade Labelling Organisation) to use one logo. This will help consumers to recognise the Fair Trade products more easily. Fair trade labels exist for fresh fruit products like bananas (including organic bananas). Oké is the brand for several fair trade products and is connected to the Max Havelaar or TransFair label. At present, an increasing number of Oké tropical fruit products are coming at the market, including citrus, pineapple and mangoes.

Consumer health and safety requirements
Consumer health and safety is very important in the whole food chain, starting from farming to processing to the shelves in the EU supermarkets. There are a number of safety initiatives in Europe, including the EUREPGAP on Good Agricultural Practices (GAP) that is being developed by the main European retailers. There is also an international management system based on the system of HACCP which can be independently certified.

EurepGap
A code for fresh fruit and vegetables which is gaining ground in Europe is EurepGap (see also Section 3.3). The Euro-Retailer Produce Working Group (EUREP) has developed the Good Agricultural Practice standards. The Working Group has responded to increasing consumer interest in food safety and environmental issues. The framework of EurepGap requires companies to have a good management system in place to deal with quality, hygiene and environmental matters. Please refer to CBI's AccessGuide for additional information on EurepGap. Although EurepGap standards are yet not common practice in all the EU member states, it is expected that they will be increasingly accepted and applied in the future, particularly by the large supermarket chains.

Management systems
The need for good quality management takes on increasing importance. Two systems to demonstrate reliability of your quality control system are:

- HACCP
- ISO 9000.

Although not directly an obligatory standard for producers of fresh fruit and vegetables yet, exporters must be aware of the fact that in the field of processed fruit and vegetables, HACCP and ISO 9000 are strongly increasing in importance in Europe. Please refer to CBI's AccessGuide at http://www.cbi.nl/accessguide and to ISO's Internet site http://www.iso.ch for detailed and up-to-date information.

The Hazard Analysis Critical Control Point (HACCP) system is applicable to companies that process, treat, pack, transport, distribute or trade foodstuffs. At present the legislation as laid down in Directive 93/43/EEC applies to producers within the EU, although European importers may in turn require it from their non-EU producers.

In addition, a new Regulation (EC) 852/2004 has been passed that will enforce the same requirements for food imported into the EU as for food produced within the EU. The applications under the new Regulation will come into force on 1 January 2006 at the earliest. This means that HACCP will also be obligatory for developing country exporters dealing with EU member states.

The ISO 9000 standards provide a framework for standardising procedures and working methods, not only with regard to quality control but also to the entire organisation. This means that quality, health, safety and environmental management programmes become strongly interwoven with the overall ISO management plan. ISO 9000 does not specifically address product safety and quality, but it is a guarantee that you always do things the same way. One has to bear in mind that the decision to become ISO 9000 certified means a firm commitment, which will draw on the company's human and financial resources and which unavoidably will continuously add procedures and paper work. Nevertheless, manufacturers, which have obtained an ISO 9000 series certificate, possess an important asset. The certification may be a vital factor in the selection process applied by trade partners in Europe.

For detailed information about the above-mentioned issues, please refer to CBI's AccessGuide or to other relevant organisations.

Useful Internet sites	
AccessGuide	http://www.cbi.nl/accessguide
EUR-LEX (*documents and legislation)*	http://europa.eu.int/eur-lex/lex/en/index.htm
Environment Directorate General	http://www.europe.eu.int/comm/environment
SKAL	http://www.skal.com
Max Havelaar Foundation	http://www.maxhavelaar.nl
TransFair International	http://www.transfair.org

9.1.3 Occupational health and safety

The growing social awareness in the EU may have implications for companies in developing countries in their capacity as trading partners. However, occupational health and safety (OHS) should not only be important with regard to demands on the EU market. The issue is also essential to get better motivated personnel with respect to productivity, product quality, and therefore, a stronger position on the trade market.

The prime health and safety concern in this sector is the use of pesticides. Not only can the use of pesticides cause immediate and long term health and safety problems at the

production site, but they can negatively influence the competitiveness of the products on the EU market as well.

Other important issues in this respect are good housekeeping, working with machinery and tools, noise and vibrations, and physical strain (ergonomics). Please refer to CBI's AccessGuide for additional information on these issues.

Concerning working conditions, the best method is of course not to work with pesticides. If this cannot be avoided, the employee should have access to facilities to take a shower after working with the pesticides. While spraying, a mask with a clean mouth-filter should be worn. Furthermore, it is important that employees do not drink, smoke or eat during working with pesticides and that they wear appropriate protection equipment. The instructions on the can should be read or explained and the cans should be handled carefully (difficult movements, such as climbing onto a tractor, should not be made). The mixture should be made outside, out of the wind, using suitable specific instruments.

9.1.4 Packaging, marking and labelling

Requirement in terms of packaging and labelling are subject to the marketing standards established by the European Union. For detailed information concerning packaging, marking and labelling for various fruit and vegetable species, please refer to http://www.defra.gov.uk/hort/hmi/common/standard.htm

Packaging
Packaging is used to protect the produce against mechanical damage and to create a more favourable microclimate. It is another essential factor in determining the product's quality, since it both represents the product and protects it. Special transport packaging is necessary to ensure that fresh fruit and vegetables arrive in perfect condition at their destination. Packaging plays an important role in the retail presentation of the product, but in trading circles packaging has a technical function as well. The box or crate should not only be strong and easy to handle, but also of an eye-catching and attractive design, providing useful information about the contents.

It is possible to distinguish three packaging methods for fresh fruit and vegetable products:

unpacked	→	In self-service stores selling loose goods, the consumer selects, packs, weighs and labels the product. This method of presentation is suitable for products that do not damage easily, like apples and citrus.
partly packaged	→	Products sold either in open trays, open bags or nets, open carrier bags or in open baskets, boxes or crates.
finished packages	→	Sealed nets or bags, sealed carrier bags, trays or baskets sealed in plastic foil, and in closed boxes and crates.

There are no important statutory obligations at European Union level for the packaging of fresh fruit and vegetables. Nevertheless, it is recommended to comply with the wishes of the importer, who knows the demands of his buyers. This goes for the packaging material, as well as for the sizes of the packaging.

Size
Where the sizes of the packaging are concerned, the general standards, which are common in practice, should be taken into account. One should adapt to the generally accepted sizes of the cartons:
60 by 40 cm; and
40 by 30 cm

The preference for these sizes has to do with the size of pallets and roll containers, which are used for the distribution of the multifarious vegetable and fruit assortment to the supermarkets.

Food contact materials
The European Union has laid down rules for materials and articles coming into contact with food (including for example packaging). These rules should prevent circumstances in which certain materials and articles may endanger human health or bring about an unacceptable change in the composition of the foodstuffs.

Regulation EC 1935/2004 replaces and repeals Directive 89/109/EEC serves as the framework Regulation that lays down the common principles and rules for food contact materials. Besides the general requirements, it also lists certain specific materials and articles coming into contact with food, which may be regulated by additional Directives.

Packaging waste
The European Commission presented the Export Packaging Note in October 1992, in line with the effort of the European Union to harmonise national measures concerning the management of packaging and packaging waste. The packaging note was followed by a directive in December 1994 (94/62/EC). The directive emphasises the recycling of packaging material. No later than 30 June 2001, the member states (excluding Ireland, Portugal and Greece) were required to reprocess between 50 and 65 percent of the packaging waste. Member states are allowed to set higher percentages as objectives, as long as intra-EU trade is not hampered.

Exporters in developing countries targeting the European market have to be aware of these agreements and take appropriate measures in order to become or remain interesting trade partners for European businesses. The environmental requirements will be transposed to the exporter. That means that packaging (transport packaging, surrounding packaging and sales packaging) materials should be limited and be re-usable or recyclable. Otherwise, the importer will be confronted with additional costs, thus reducing the competitiveness of the exporter.

Since changes in the environmental policy follow each other at a rapid pace, exporters are advised to ask the importer about the latest regulations or requirements related to packaging. For more information about environmental regulations concerning packaging, please also refer to CBI's AccessGuide and ITC.

Mixed packaging
In order to stimulate the consumption of exotic fruit, experiments have been made with mix-packing of exotics. Different exotic products are packed in one carton as saleable units, from which the consumer can make a choice in the shop. Practice teaches that the importer or wholesaler can best make the composition of these exotic-mix cartons. It is only in the final distribution link that the mix cartons show advantages. The assembling and shipment of these mixed exotics in the exporting country must be dissuaded, because some fruits do not go together very well. The discharge of ethylene from one fruit accelerates the ripening of the other, while there are also fruits, which can influence one another as to taste or smell. An additional disadvantage is formed by the aspect of extra packaging costs, which makes the already relatively expensive exotic product even more expensive.

Wood packaging material
The EU has set new phytosanitary measures for all wooden packaging material that is used with the import of goods into the EU from third countries. The background for this legislation is to protect the EU from the introduction of organisms harmful to plants and plant products via wood packaging material.

The Directives require heat treatment or fumigation and marking of wooden packaging materials (including for example packing cases, boxes, crates, drums and similar packing, pallets, box pallets and other loader boards, pallet collars).

CBI AccessGuide provides information on the scope and requirements of this new legislation.

Labelling
As a result of several food scares (BSE / mad cow disease, dioxin) consumers increasingly pose questions on the production process and demand open, honest, and informative labelling. This has resulted in a discussion in the fruit and vegetable industry about "tracking and tracing". With good chain management and control within the chain, distributors are able to supervise all kinds of aspects of fresh fruit and vegetables such as plant material, growth, harvest, storage, distribution and processing. The fruit and vegetable industry is increasingly paying attention to chain management and labelling systems with which products can be traced back to the producer.

Labelling requirements for fresh fruits and vegetables are laid down in the annexes to the respective regulations on marketing standards. The annexes stipulate that the labels on all packages must include the name and address of the packer/dispatcher, the nature of the produce, its origin and commercial specifications. Regulation 907/2004 amends the marketing standards applicable to fresh fruit and vegetables with regards to presentation and labelling. Labels for fresh fruit and vegetables should at least contain the country of origin, date of packaging and the name of the producer, so as to ensure full traceability back to the grower.

For more information about regulations concerning packaging methods and labelling, please also refer to CBI's AccessGuide at http://www.cbi.nl/accessguide

9.2 Tariffs and quota

Access for fruit and vegetables to the European market is regulated through the EU basic regulation EC 2200/96, this regulation covers amongst other things:

- a list of products to which quality standards apply;
- the entry-price system;
- duties.

An overview of EU legislation on fruit and vegetables is available at http://europa.eu.int/eur-lex/lex/en/repert/036054.htm

Customs duties
In general, all goods, including fresh fruit and vegetables, entering the EU are subject to import duties. External trade conditions in the European Union are mostly determined by EU regulations. The level of the tariffs depends on:

- the country of origin
- the product.

In order to support exports from developing countries, the EU operates the Generalised System of Preferences (GSP). Under the GSP scheme of the EU, imports from a number of developing countries are admitted at a reduced tariff and imports from a group of least developed countries at a zero tariff.

Based on the outcome of the Uruguay Round, and the general trend towards liberalisation of world trade, it was felt necessary to reconsider the GSP. A general lowering of trade barriers would mean erosion of the relative advantage of the preferences received by developing countries. A renewed GSP was therefore required. The renewed preferential scheme was introduced on 1 January 1995.

Import duties specified are applicable for a number of developing countries. A form A or EUR I form has to be provided, in case a tariff is applicable and the exporter in a developing country wants to take advantage of the GSP tariff.

Useful Internet Sites	
GSP	http://europa.eu.int/comm/trade/issues/global/gsp/index_en.htm
Netherlands Custom Services	http://www.douane.nl/taric-nl
TARIC Database	http://europa.eu.int/comm/taxation_customs/dds/en/tarhome.htm
Expanding Exports Helpdesk	http://export-help.cec.eu.int/

Please also refer to Appendix 1 for a detailed overview of Customs duties per product.

For more information about Customs duties and GSP, please contact the European Commission or Customs in the country of destination. For contact details, please refer to http://www.wcoomd.org

Banana market regulation
On 1 July 1993, the controversial banana market regulation came into force. As from that moment, importers of traditional '**dollar bananas**' (a term referring to bananas originating in Latin America and produced by multinationals like Dole, Chiquita and Del Monte) were only entitled to import up to a limited amount of bananas into the EU. Since then, the regulation has been revised on several points.

The new banana import regime in the EU, as agreed upon in May 2001, is a two-step process towards a tariff-only system that should enter into force no later than 1 January 2006. During the transitional period 2001-2005, bananas will continue to be imported into the EU under a tariff-rate quota system.

As from 1 January 2002, the following tariff quotas apply:
- A bound quota A of 2,200,000 tonnes at € 75 duty per tonne
- An autonomous quota B of 453,000 tonnes at € 75 duty per tonne
- An additional quota C of 750,000 tonnes

Non-traditional ACP bananas will have access within these quotas at zero duty. Traditional ACP states are those listed in the Annex to regulation 404/93.

For more information on the new banana import regime, please refer to Commission regulation EC 896/2001, regulation EC 2587/2001, and Commission regulation EC 349/2002, which can be obtained from http://europa.eu.int/eur-lex/lex/en/index.htm

Entry-price system
In principle, the price setting of products in a free market is established on the basis of demand and supply. However, in the EU the price setting for imported fruit and vegetables is regulated following the so-called entry-price system, which became operational as from 1995. The entry-price system establishes an EU entry (i.e. minimum) price. If a product's import price lies under this entry price, a duty is imposed (depending on the difference between the two prices). It is possible for an importer to clear a shipment through Customs using either the invoice value or a set value. The entry-price system applies to tomatoes, cucumbers, courgettes, apples and lemons the entire year and to other products (artichokes, other citrus fruit, table grapes, pears, apricots, cherries, peaches, nectarines and plums) during certain periods.

Following the entry-price system, the value of every imported 'party' (the terminology used in the official documents) must in principle conform to the entry price. If a 'party' is imported at a price under the entry price, an extra agricultural duty will be applied in

addition to the Customs duty. With this agricultural duty the price ranges between 100 and 102 percent of the entry price. The agricultural duty is applied as follows:

- When the value of the imported party is between 92 and 94 percent of the entry price, 8 percent of the entry price will be added to the normal Customs duty;
- When the value of the imported party is between 94 and 96 percent of the entry price, 6 percent of the entry price will be added to the normal Customs duty;
- When the value of the imported party is between 96 and 98 percent of the entry price, 4 percent of the entry price will be added to the normal Customs duty;
- When the value of the imported party is between 98 and 100 percent of the entry price, 2 percent of the entry price will be added to the normal Customs duty.

Parties, which are imported at less than 92 percent of the entry-price, will be penalised by an extra levy, known as the maximum tariff equivalent. For apples and pears the limit is set at 86 percent and for lemons at 84 percent of the entry price.

The full details of the entry-price system can be found in regulation EC 3223/94, available at http://europa.eu.int/eur-lex/en/lif/reg/en_register_036054.html

Value Added Tax (VAT)

Although fiscal borders between EU countries were, in theory, eliminated from 1 January 1993 onwards, in practice, harmonisation of VAT (tax levied at consumer sales' level) rates has not yet been achieved. Table 9.1 summarises the VAT rates applied in the different EU member states for foodstuffs in general. Regarding fresh fruit and vegetables, mostly the reduced rate applies. Please refer to the Ministry of Finance of the respective country for specific information on the relevant rate applied to fresh fruit and vegetables.

Table 9.1 VAT rates (in %) applied to foodstuffs in the EU as per 1 September 2004

	Super Reduced Rate	Reduced Rate	Standa-ed Rate		Super Reduced Rate	Reduced Rate	Standa-rd Rate
Austria	-	10	-	Latvia	-	9	18
Belgium		6/12	21	Lithuania	-	5	18
Cyprus	0	5	15	Luxembourg	3	-	-
Czech Rep.	-	5	-	Malta	0	5	-
Denmark	-	-	25	Poland	3	7	-
Estonia	-	-	18	Portugal		5 / 12	19
Finland	-	17	-	Slovakia	-	-	19
France	-	5.5	19.6	Slovenia	-	8.5	-
Germany	-	7	16	Spain	4	7	-
Greece	-	8	-	Sweden	-	12	25
Hungary	-	15	-	The Netherlands	-	6	-
Ireland	0	4.4	13.5	United Kingdom	-	0	17.5
Italy	4	10	-				

Source: European Commission (2005)

Useful Internet Sites

- http://europa.eu.int/comm/taxation_customs/index_en.htm
- http://europa.eu.int/comm/taxation_customs/resources/documents/vat_rates_2004-en.pdf

Thus far, the previous part of this market survey – Part A – provided market information on the EU market for fresh fruit and vegetables and on the requirements for market access. The next part – Part B – aims at assisting (potential) exporters in developing countries in their decision-making process as to whether to export or not.

PART B:

EXPORT MARKETING GUIDELINES: ANALYSIS AND STRATEGY

How do you get involved in the international marketplace? How much time and money will it take? Should you make exporting part of your business plan? These are common concerns of producers who realise the importance of international trade, but are not sure if exporting is for them. That is what Part B is all about: to help you to evaluate whether to get involved in international business, and learn how to go about exporting.

The first Chapters 10, 11 and 12 aim at assisting potential exporters in the **decision-making process** whether or not to export. By matching external opportunities and internal capabilities, the exporter will be able to identify suitable export products, target countries, market segments, and possible trade channels.

Subsequently, Chapter 13 provides sector specific knowledge and sources to enable the exporter to further investigate what to export, to which markets, through which channels, and at what prices. In other words, which **marketing tools** can be used to build a successful business relationship?

Keep in mind that the export marketing process is integrated; each individual part is inter-linked.

The information provided in the previous parts of this survey is an essential ingredient in conducting the analysis and formulating a clearly targeted export strategy. Where applicable, reference will be made to the concerning sections in Parts A and B.

For general information on export marketing and how to conduct market research, please refer to CBI's *'Export Planner'* and CBI's manual on market research *'Your Guide to Market Research'*.

10 EXTERNAL ANALYSIS: MARKET AUDIT

The external analysis or market audit assists the exporter to identify market opportunities, suitable sales channels and much more relevant information on the market and the external environment.

10.1 Market developments and opportunities

As a first step towards the identification of the most suitable export markets, the exporter needs to research the importance of potential markets and understand the ongoing developments that shape the European fresh fruit and vegetable market structure. This should be done by means of systematic market research, involving a preliminary screening of potential markets followed by a more detailed assessment of the targeted markets.

Markets can be researched using primary as well as secondary data sources. Primary market research consists of a company collecting data directly from the foreign marketplace through interviews, surveys, and other direct contact with market participants. In general, European fresh fruit and vegetable importers are quite willing to give information on market developments. Primary research has the advantage of being tailor-made to meet your company's needs and provide answers to specific questions, but this data collection can be very time-consuming and expensive.

For a global scan of the market, most companies make use of secondary data sources such as trade statistics, to focus their marketing efforts. This type of research is a valuable and relatively easy first step for a company to take. Specific market developments as described in Chapters 3, 4, 5, 8 and 9 of this market survey for instance should be used as a starting point for your export market research.

Keep in mind that, already in the early stages of market research, it is important to focus on your product group. For instance, the market for bulk and storable products, like apples, differs completely from the market characteristics of ethnic tropical fruits. There is no use putting effort into the analysis of the European market for all products if you are specialised in a certain product.

Section 3.3 identifies a number of general consumption patterns and trends. It is important to assess the implications and opportunities of important general trends like health food, convenience, and exotics for your products and situation.

Off-season products
An off-season range offers particular opportunities for exporting to the EU. This means that you export certain kinds of fruits and vegetables to the EU during seasons in which they are not (or only in small quantities) available due to the local climate (see box on the next page). There is an all-year round demand for most products which domestic producers can only satisfy in part or not at all.

Results of the research inform the company of the largest markets for its product, niche markets, the fastest growing markets, market trends and outlook, market conditions and practices, and competitive firms and products. Based on all the information, a company must decide which markets are the most promising.

During the market assessment you should not only focus on large markets, but also try to find out whether there are interesting niche markets. Niche markets, like ethnic fruits and vegetables, might present interesting export opportunities, particularly for starting exporters from developing countries.

When are products off-season in the European Union?				
product	**March - April**	**May - July**	**August - October**	**November - February**
Avocado	×			×
Carambola	×		×	×
Citron	×			×
Guava and mango	×			×
Melon	×			×
Orange			×	
Papaya	×			×
Passion fruits	×			×
Pepino	×		×	×
Pineapple	×	×		×
Pitahaya	×		×	×
Tamarind	×		×	×

Questions that need to be answered:

- Market size: What is the (estimated) market size for your potential export products? Try first to focus on your product group, then on your specific products.
- Market development: How has the total market volume developed during the past 3-5 years? If there is no information on your specific products or varieties, then try to obtain information on the development of markets for related products.
- Imports: How have imports developed during the past 3-5 years? Again, there probably is no information on all specific products available.
- Are importers and potential business partners in the EU interested in new suppliers of your particular products?

Where to find information?

ⓘ The market information described in **Part A of this market survey** can be very useful as a starting point for your export market research. Where applicable, the sources for this market information are also mentioned in the specific chapters.
ⓘ For more general information and a list of the European **national trade statistics bureaus**, you can use the EU statistics bureau **Eurostat**: http://europa.eu.int/comm/eurostat
ⓘ In some cases, **trade associations and commodity boards** are able to assist you with more specific information on product trends. For a list of trade associations, please refer to Appendix 3.3.
ⓘ **Trade press**
ⓘ Useful sources of information on market developments are (international) **trade magazines** which can be relevant for exporters who want to develop a better insight into the EU markets. Some of the most interesting magazines for exporters of fresh fruit and vegetables are:
- L'Echo (French)
- Eurofruit (English, sections in other languages)
- FLD (French)
- Foodnews (English)
- Fresh Produce Journal (English)
- Fruchthandel (German)
- Fruitrop (French, English)
- International Fruit World (English)
- Primeur (Dutch, French)
- Valencia Fruits (Spanish)
- Vakblad AGF (Dutch)

Appendix 3.5 presents a more extensive list of names and addresses of publishers.

Market access requirements

Quality: non-tariff barriers and standards

As Section 9.1 of this survey already showed, the European market sets high demands on quality. In most cases, European retail outlets (supermarkets, specialised shops, weekly markets) sell only first quality products. However, not every sales outlet demands first quality goods. An exception is the processing industry, which also uses second quality fruit for products, such as jams, fruit juices and fruit pulps.

A wide array of non-tariff barriers which could be applicable to exporters of fresh fruit and vegetables were described in that same section. It is important to determine which standards and regulations apply to your particular situation.

Compulsory standards like the regulations on Maximum Residue Levels (MRLs) should of course always be met. In the case of non-compliance, your products will be taken out of the market and in some cases even a fine could be imposed. However, not all standards are compulsory or widely recognised by your potential customers. For instance, there is a lot of talk about EurepGap, which is an initiative of mainly (UK-based) supermarket chains. These standards, however, are not (yet) common practice in all channels.

The so-called shelf ripeness (ripeness at the retail outlet) is a major quality issue for many products. Shelf ripeness is of course primarily influenced by the moment products are picked and by the way they ripen during shipment (product characteristics, duration, climatic conditions). The ideal shelve ripeness can vary per product and per trade channel. While some channels (in many cases supermarkets) prefer fairly raw products, other channels like those supplying ethnic markets prefer riper products. It is important for you, together with your importer, to determine the ideal ripeness.

Keep in mind that regulations and standards are continuously changing. Therefore, we recommend that you check the up-to-date situations with importers or the relevant organisations.

Questions that an exporter should answer are:
- What standards are set on the quality of products (EC Marketing standards, (informal) trade standards)?
- What standards are required on the quality of your company's management and production process (ISO, HACCP, EurepGap)?
- To what degree do phytosanitary regulations and plant protection regulations (EPPO) apply to the products?
- What is the importance of environmentally sound production methods (Organic production and Ecolabelling)?

Where to find information?
- ⓘ Sections 9.1 of this survey gives information on quality standards; trade-related environmental, social and health and safety issues; and packaging, marking and labelling. This section also provides Internet sites like CBI's AccessGuide that can be of assistance to obtaining product specific information.
- ⓘ For information on trade-related environmental issues, please refer to Section 9.1.3.
- ⓘ Other potentially useful information sources are colleague exporters and European importers.

Tariff barriers

Two different parties are involved in the payment of Customs duties: the party that is charged with the duties (i.e. the one that bears the financial burden) and the party which actually makes the payment.

In the EU, importers must bear the financial burden of Customs duties. However, they settle the duties with their supplier, the exporter(s) in the case that the goods were

shipped on consignment conditions. The forwarding agents mostly handle all the import formalities, i.e. they collect the goods from the seaport or the airport, deal with the Customs formalities and pay the respective Customs duties on behalf, and for account of, the importer.

Questions that an exporter should answer are:
- Are there import restrictions which limit sales opportunities?
- Does the entry-price system apply to your products?
- Which import tariffs apply to your export products? Do these tariffs apply all year or only in certain periods of the year?
- Which import tariffs apply to those countries which produce the same products you are planning to export?

Where to find information?
ⓘ Refer to Section 9.2, for information on applied import tariffs. This section also provides Internet sites that are helpful for finding product specific information.
ⓘ Another important source of information on the level of import tariffs is your importer or forwarding agent.

10.2 Competitive analysis

Competitors and their pricing will have a direct effect on the potential success of your trade opportunities. It is therefore important to learn more about your competitive environment.

As an initial step towards understanding your competition, you should prepare a list of all the competition and then pinpoint who your main competitors are. To learn more about competition you can do secondary research study by asking customers and suppliers for their opinions. You can also prepare a list of your main competitors' strengths and weaknesses.

The fresh fruit and vegetables industry is open to new entrants and you should expect more competition. Constantly check with customers and suppliers to see if they have heard of any new businesses. These sources may also give you some insight into where and how the competition is selling its products. Which trade channels are used by your competitors, and why?

Useful information can also be found in this survey: Chapter 4 gives you insight into production of fresh fruits and vegetables in the EU; Chapter 5 describes the major suppliers from outside the EU.

Trade shows can of course be helpful for gaining contact with new customers and learning about market developments. It can however also be used to find out more about competition. Take the time to attend industry trade shows to see what your competition is like.

Producers of horticultural products in developing countries benefit from their geographic location, which offers them good climatic conditions or the possibility to supply off-season. These are often the most important factors that positively distinguish your company from competitors in other countries, particularly from competitors in Europe. Other positive factors are for example labour costs, costs of land, etc.

Needless to say, there are also factors that weaken your competitive position. European companies for instance have the advantage of being close to their customers, which in general facilitates marketing of products and communication. Another important difference is the fact that cultivation technology and inputs is readily available to European companies (see Chapter 4 in Part A).

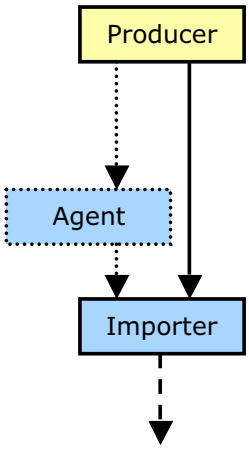
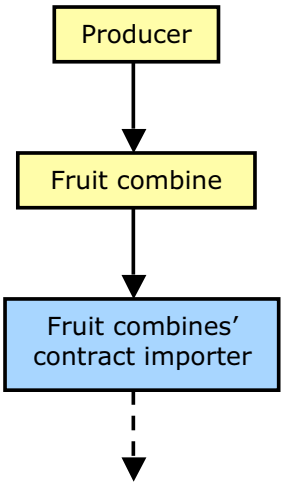
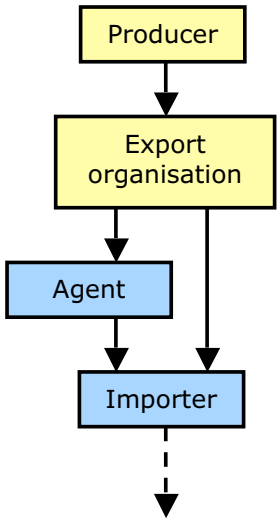
Thanks to the development of new techniques and varieties, the storage capabilities are increasing for many fruits and vegetables. As a result, European growers are able to expand their supply period and are therefore increasingly becoming strong competitors for exporters of off-season products from the Southern Hemisphere.

Important questions to be answered are:
- How many suppliers are currently active in the market?
- Who are your main competitors? What are their strengths and weaknesses compared to your company?
- To what degree is the sector in the target market supported by the local government?

10.3 Sales channel assessment

Having assessed the prospective markets and market segments, it is now important to understand the trade structure and supply chains supplying these market segments. After the assessment of the exporter's capabilities (next chapter), this will enable the exporter to determine the most suitable sales channel. The information provided in Chapter 7 of Part A should be used as a starting point.

To successfully market your products in the EU, detailed knowledge of the various sales channels and the market participants is necessary. In the case of the international fresh fruit and vegetables trade, there are roughly three distinct sales channels through which exporting to the EU market is possible:

Direct exporting	**Indirect exporting**	
1. European importer	**2. Fruit combine**	**3. Export organisation**
Selling directly to a European importer (with or without the assistance of an agent).	Supplying a fruit combine that exports your products to the European market.	Exporting by means of a private or co-operative export organisation (including marketing boards)
		

In some countries, different sales channels are more or less specialised in supplying different types of retail outlets. For instance, large fruit combines have their own marketing organisations, making it possible to organise special promotions together with large retail chains.

Each supply chain has its own specific conditions, which should be met by the exporter. For instance, when delivering products to importers who supply the supermarket chain, food safety and, consequently, tracking and tracing have become major issues (see also Sections 3.3 and 10.4).

Nevertheless, it is not always possible to make a clear distinction between importers supplying supermarket chains, specialised shops, or the out-of-home market. Many European importers serve several retail types as their customers.

To give you an understanding of some of the potential business partners in your own country, an overview of their scope of work is given in the table below:

Market parties in the EXPORTING country	
Market party	**Scope of work**
Private and co-operative export organisations	• Goods treatment (washing, sorting, etc.). • Packaging of goods for export, often in customer's packaging (pricing tags, bar coding). • Sales and marketing in their own name or on behalf of their members. • Collective agreements with freight forwarders, making it possible to negotiate better services and prices.
Marketing boards	• Goods treatment (washing, sorting, etc.) and packaging. • Marketing goods under their own name. • Sales and distribution of the complete national production. • Responsibility for all marketing activities for the (compulsory) members. • Sale to a restricted number of selected importers (so-called 'panel lists').
Fruit combines (plantations)	• Production, in some cases buying from other producers. • Quality control. • Packaging goods for the exporter. • Sale of goods under their own label to contract importers.

It is also important to understand the role of the parties, active in the destination country:

Market parties in the IMPORTING country	
Market party	**Scope of work**
Agent	• Agents establish contacts between producers / export organisations and buyers in the importing country. • Agents actively offer products on behalf of third parties. • Most agents are specialised either in products or sales channels. • Usually take 2-3% commission on sales.
Importer	• In contrast to agents, importers buy and sell on their own account. They take the full risk unless it was shipped on consignment terms. • Clearing goods from Customs. • In some cases, treatment of goods or packaging. • Processing for sale. • Quality check. • Distribution of the goods. • Importer's margins are usually somewhere between 5 and 10%.
Fruit combines' contract importers	• These companies market the products of fruit combines. • Clearing goods from Customs. • In some cases, treatment of goods or packaging. • Branch offices carry out marketing and advertising for their own goods.

As a rule, exporters in developing countries and EU wholesale grocers, which deliver directly to retail shops, do not deal directly with one another. The main reason is the fact that exporters do not have the necessary infrastructure (sales offices, storage capacity, logistics). Exceptions are, for example, contacts with the retail trade's buying groups (of large supermarket chains).

Long-term contracts or co-operation agreements between importers in Europe and producers or exporters in developing countries are not widespread. However, the importance of standards like EurepGap, traceability and year-round availability of goods is increasing. As a result, it is expected that suppliers of large European retail chains will seek to plan and secure their supply of imported produce in the future.

E-commerce
E-commerce is a relatively new method of transacting business using information technology, which allows physical processes to be replaced by electronic ones. In many cases, it is an open system, usable by all enterprises anywhere, provided an appropriate infrastructure is present, and has low barriers to entry, unlike earlier forms of electronic data interchange. In the coming years, it will therefore also have a significant impact on exporters in developing countries.

With the aim to create a broader marketplace for fresh fruit and vegetables, business-to-business (B2B) companies have proliferated. Although the number and range of e-commerce sites has grown over the last years, E-commerce has not yet become of major importance in the international fruit and vegetable trade. The development of these B2B sites can be explained by three main targets: to cut transaction costs, improve efficiency, and expand the trading horizon. Some of these sites sell any type of fresh food, seafood, meat, dairy, fruit and vegetables, this is the case of sites like http://www.agribuys.com, http://www.foodstrading.com, and http://www.foodtrader.com.

Important questions to be answered are:
- Which potential sales channels exist for your products in the target market?
- Which products do the different sales channels trade? What product assortment does this sales channel demand?
- What are the most important requirements of the identified sales channels? What are the conditions for an exporter to function in a specific supply chain?
  - What quality standards do the sales channels demand?
  - What kind of packaging is used in the various sales channels?
  - What are the requirements concerning production process (environmental, ISO, EurepGap, traceability etc.)?
- What sales support material is necessary for business contact with this sales channel (price lists, quality certificates, campaign folders, sales statistics, sales brochures)?

ⓘ Refer to Chapter 7, and Section 7.2 in particular, for information on potential sales channels.
ⓘ Section 13.2 of these marketing guidelines gives information on how to identify suitable business partners and how to further develop a business relationship.

10.4 Logistics

When transporting perishable products overseas, the exporter ideally looks for the fastest and most efficient mode(s) of transportation that will deliver the product in perfect condition at the lowest possible costs. The actual selection will be a compromise among these factors.

In the case of exports of fresh fruit and vegetables from developing countries to the EU, two types of transportation methods are used: ocean cargo and air cargo:

- *Ocean cargo*
  Ocean transportation takes longer than air freight, but the cost of transportation is usually lower.
  Conditions for sea transportation have considerably improved over the last few years. The range of vessels has developed and diversified: there are reefer vessels, refrigerated containers to be found in the hold of these vessels or loaded onto container ships, which are equipped with refrigeration supply points.

  The market share of refrigerated containers tends to increase. The main reasons for the growth in the use of refrigerated containers are the developing supply, the improved services, and the decreasing prices. Another advantage of container shipment is the fact that quality is easier to control. In the hold of a boat, products can affect each other's quality, because diseases and smells can spread more easily between products.

  Freight rates vary, depending on the product being shipped, its value, level of service provided, destination, weight, and seasonal variations in demand for cargo space.

  In some developing countries, the existence of large banana exports enables regular maritime routes to be set up on which other less voluminous or seasonal products can be transported. Usually, these goods need to be transported at a lower temperature than bananas (12-14ºC): 8ºC for mangoes, pineapples and papayas, 7ºC for green beans and 4-7ºC for melons.

  The costs of a shipment are primarily calculated on the basis of the volume (length x width x height) of the shipment. Calculations on the basis of actual weight or positional weight are only rarely used.

- *Air cargo*
  Due to the fast in-transit time, air freight is mostly used for highly perishable and low volume products. However, the costs for moving products by air tend to be higher than the cost of ocean transportation. Examples of products shipped by air are green beans from Kenya and papayas from Brazil.

  Products are loaded either onto passenger planes or onto cargo planes on regular routes. These can be planes operated by airline companies as well as charter planes belonging to specialised companies. On scheduled flights, exporters are dependent on the freight space offered to them per stopover.

Freight forwarders
It is a good idea to use a freight forwarder to arrange transportation services on your behalf. They can simplify the shipping process because they are familiar with import and export regulations. It is important to use a forwarder that is experienced in handling fresh fruit and vegetables or other perishables, as well as one who is experienced in the destination country. Freight forwarders can also assist you in handling all the documents.

Freight forwarders are cost effective to use, because they can negotiate the best rates with shipping and airlines. They usually operate on a fee basis paid by the exporter, and these are part of the cost price.

Cold chain
In handling perishable products, maintaining a cold chain is a major logistical issue. It determines for a large part the quality of the product as it arrives at the European retail shop. The saying is "one hour lost in departure to being refrigerated will be one day less for the sale in the destination". Check whether you and your freight forwarders are able to manage the cold chain. Make use of temperature recorders to check whether your products travel in optimal climatic conditions during their entire voyage.

Removal of field heat by the process of pre-cooling to a recommended storage temperature and relative humidity is absolutely necessary in order to maintain the quality of fruits and vegetables. The quality of most products will deteriorate rapidly if field heat is not removed before loading into the means of transport. The rate of respiration and ripening increases two to three times for every 10ºC above the recommended storage temperature.

Tracking & tracing
Consumer safety has become one of the most critical, priority issues for the fresh fruit and vegetables supply chain. Current food safety requirements have made the tracing of goods increasingly important in case of product recalls along the supply chain, but also in case of product liability aspects.

'Tracking' is about the location of products, and 'tracing' is about where the products come from. Traceability systems are used for accurate and timely identification of products, their origin, location within the supply chain and efficient recall. Furthermore, they help determine the origin of a food safety problem, comply with legal requirements and meet consumers' expectations for the safety and quality of purchased products.

Traceability is becoming a major issue for exporters when supplying European importers serving (UK-based) supermarket chains as their clients (see also EurepGap, Section 9.1.1). As a consequence, growers and exporters in developing countries delivering to this type of customers, have to participate in their controlled supply chain. This means that the grower/exporter has to put extra effort into communicating information for example on product specifications with the rest of the supply chain. Furthermore, when developing a traceability system, it is important to meet internationally accepted business standards, as this is the key to designing cost-effective and efficient traceability systems. This way, different customers and legal requirements can be satisfied. Nevertheless, in practice, the exporter should always discuss this with his importer.

Packaging
Special transport packaging is necessary to ensure that the produce travels safely from the producer to the consumer. Packaging is used to protect against mechanical damage and to create a more favourable microclimate. It is an essential factor in determining the product's quality. However, according to the way in which packaging sometimes is applied in developing countries, it can also be a risk to quality, due to bruising and less than optimum conditions of temperature and humidity.

The packaging has to satisfy conditions in the field of handling. The transportation volume must be as efficient as possible and a high level of uniformity of packaging is desirable. In order to optimise transportation, EU growers and traders generally use boxes of which the measurements are in accordance with pallet sizes.

Packaging design should take the following into account:
⇨ Proper storage and transport;
⇨ Standard packaging sizes;
⇨ Recyclable materials or two-way systems; and
⇨ Attractive and sales-promoting design.

Where the sizes of the packaging are concerned, the general standards, which are common in practice, should be taken into account. One should adapt to the generally accepted sizes:
- Boxes: 600 x 400 mm (ISO module), or 300 x 400 mm (half ISO module)
- Pallets: 1,000 x 1,200 mm (industrial palettes), or 800 x 1,200 mm (Europallets)

The exporter should always discuss the preferred type of packaging with their customer.

Important questions to be answered are:
- How often does the sales channel require delivery? What cycles of delivery does this channel require?
- What lot sizes does this sales channel demand?
- What formalities does the sales channel require the exporter to perform?
- What packaging methods are required?

ⓘ Freight forwarders and carriers are the best sources for obtaining freight rates. There are also companies that specialise in publishing (notably air) cargo tariffs. These publishing companies charge a fee for their services.
ⓘ International Federation of Freight Forwarders Association (FIATA): http://www.fiata.com
ⓘ Directory of Freight Forwarding Services: http://www.forwarders.com
ⓘ International Air Transport Association (IATA): http://www.iata.org
ⓘ Holland International Distribution Council (information on various aspects of using The Netherlands as a distribution centre for Europe; setting up a representative office, warehouse facilities and transport facilities, etc.): http://www.hidc.nl
ⓘ Extensive lists of freight forwarders can be found at: http://www.cargoweb.nl and http://www.shipguide.com
ⓘ For more information, refer to the Internet site of Euro Retailer Produce Working Group (EUREP): http://www.eurep.org
This Internet site givers information on the "Fresh Produce Traceability Guidelines" (FPT Guidelines). The guidelines provide fresh produce supply chain actors with a global traceability system. They provide a guide for fresh produce growers, packers, logistic providers, exporters/importers, and distributors as well as their customers and suppliers, seeking to introduce EAN-UCC standards to efficiently implement an internationally agreed upon traceability system.

10.5 Value chain

The value chain covers the full range of activities required to bring a product from its conception to its end use and beyond, such as research and development, raw material supply and all activities of production, marketing and sales to international buyers, and beyond that to disposal and recycling. Activities that comprise a value chain can be contained within a single company or divided over different companies, and can cover a single geographical location or be spread over wider areas.

The value-chain approach is a systematic approach for designing strategy with respect to buyer requirements and market conditions (market access regulations, standards and consumer preferences) with which a company has to conform in order to gain access to a market and be competitive.

The value-chain approach builds upon sustainable supply chain management, by providing a framework to:
- Improve efficiencies within the existing supply chain (thereby enhancing sector competitiveness);
- Capture and retain a higher proportion of the product's final market value within the existing value chain;
- Increase the sector's added value by establishing new value chains within the sector;
- Improve the sector's contribution to development objectives.

From a company perspective, the value-chain approach offers more than a theoretical concept. It is a very practical tool for analysing linkages in the supply chain and assessing potential for capturing, retaining and adding value to the company's product, keeping in mind its final user.

Guiding value chain analysis at company level

a. Try to note all the steps required to get from raw materials to end-users.
b. Make this list as detailed as possible, since one of the objectives of value chain analysis is to understand where, when and how to simplify or adjust the chain.
c. Determine the value each step adds to the final product from the point of view of the end user.
d. Once this chain is clear, you can explore avenues to increase your profitability as well as increase the benefits to the end user; for example:
   - Identify which steps can be combined to add value more efficiently;
   - Determine which steps are not adding any value but just adding costs;
   - Determine better communication flows in both directions to assist rapid adjustment to market factors;
   - Determine your own "value niche" along this chain.

It is important to understand where you, as a producer of fresh fruit and/or vegetables, fit into the supply chain, so as to ensure that the value you add continues to be important for your direct customers, as well as your customers' customers. The value chain can be a useful tool to help in this process.

As an example of a value chain analysis, Figure 10.1 shows the cost structure of African exports to the United Kingdom of two types of bean. One type of bean (mangetout) is exported from Zimbabwe, and the other from Kenya.

Figure 10.1 Value chain/cost structure African fresh vegetable exports to the United Kingdom

	One tonne export lot of mangetout from Zimbabwe		Export of fresh vegetables from Kenya
Stage	Price per tonne (£)	% of final price	% of final price
Producer	630	11.9	14.1
Exporter	291	5.5	
Packaging	274	5.2	13.1
Air freight and handling[a]	1036	19.6	21.2
TOTAL CIF from Africa	2230	42.2	48.4
Importer charges and commission	624[b]	11.8	6.1
Supermarket			
Stockout[c]	714	13.5	
Other costs	285	5.4	45.5
Mark-up	1427	27.0	
Total price	5281	100.0	100

Notes:

(a) While the air freight charges might appear high, they match those for the Gambia in the early 1990s calculated by Little and Dolan (1993). In this case, air freight costs came to 45% of total CIF exports' cost.

(b) Includes airport handling, transport and storage in UK, as well as importer's (i.e. category manager) commission. In the Kenyan example, the UK airport costs may be included in the 'air freight and handling' category.

(c) Includes losses from unsold produce, etc.

Source: Dolan, Humphrey and Harris-Pascal (1999)

Critical factors for building a competitive advantage
The presentation of success stories by entrepreneurs in developing countries highlighted the following as **critical factors** for building a competitive advantage:

- Increasing the range of products and identifying market demands.
- Cost and price calculation based on a business plan.
- Putting the emphasis on the quality of the product, and exercising strong control on the tracking and tracing of products.
- Introducing the use of new technologies.
- Promoting involvement and loyalty of staff, as well as integration into the life of the local community.
- Co-operating with buyers, in order to obtain necessary pre-financing, technologies or packaging.
- Reducing the number of middlemen.

☞ Factors that contribute to **success** are: niche products for niche markets, moving up the value chain through R&D and processing, responding to the ever-rising demand from consumers for higher quality standards, or shortening the distribution chain to capture a greater market share.

Please also refer to Chapter 8 and Section 13.3 for information on developments of prices and price setting.

10.6 Product profiles

In this section, we give two examples of product profiles: mangoes and asparagus. These stand model for the product profiles the exporter should develop for his own (prospective) export products. By constructing an overview of their most important products, exporters are better able to determine which products to export to the EU.

PRODUCT PROFILE: MANGO	
1. Product information:	mango (*Mangifera indica L.*, of the Anacardiaceae family) CN/HS number: 0804 50 00 Main varieties: • Varieties important to mango trade in the world are Haden, Tommy Atkins, Kent and Keitt. • Asian varieties: Alphonso, Kesar, Sindhri, Langra, Toyapuri, Chausa, Desmeri, Caraball, Pico, Arumani • African varieties: Amelie, N'gowe, Apple, Ruby, Heidi, Boribo • Carribean varieties: Julie, Gaham, Palwie • Other: Mabrouka, Bocado, Rosa, Ataulfa
2. Market requirements:	European quality standards: Non-existing, except for the general minimum criteria for imported fruit and vegetables into the EU (EC 2200/96). International standards: There are two references for mango: • World standard of Codex Alimentarius (Stan 184-1993) • UN/ECE standard FFV-45 The OECD (1993) has published explanatory leaflets facilitating the common interpretation of standards from UN/ECE. The mainstream trade requires fruits weighing 350 to 500 grams, brightly coloured (yellow/red/orange), with a good flesh/wastage ratio, fibreless, without turpentine smell, but juicy and aromatic. The ethnic markets, especially in UK, prefer smaller fruits, highly coloured, often with superior taste and flavour. Packaging: Mangoes are packaged in a single layer in fruit crates and cartons. Due to their great sensitivity to pressure, the fruit are sometimes wrapped in paper or padded with wood wool, bast, straw or hay. No real packaging standard exists, although a 4 kg net box (30 x 40 x 10 cm) is common. Cartons are telescopic or single piece folding. Some African suppliers use 5kg boxes. Minimum labelling: - Identification (name and address) of the exporter, packer and/or dispatcher - Nature of the produce if the contents are not visible from outside - Name of variety - Origin of produce - Class - Size expressed as the minimum and maximum weight - Number of fruit Documentation required: - Air-way Bill or Bill of Loading - Phytosanitary certificate from the country of origin - EUR 1 for ACP countries for Customs tax exemption, Form A for the other countries - Commercial invoice in case of fixed price terms
3. Market development:	Mango is one of the tropical fruits which have experienced a tremendous development in recent years. One of the main reasons is the shift from air to sea freight with bulk deliveries at competitive prices. The mainstream demand is for fruits of count 8 and 10 or smaller size (12) per 4 kg carton. Coloured mangoes (floridian types) are preferred to the green varieties (Amelie type). Other varieties from India, Caribbean or Kenya are more in demand by the ethnic markets in the UK and in other European countries (e.g. Netherlands). Consumption calendar: Mangoes are supplied all year round. During the late summer (August/September) and in February, supplies are smaller than during the

	winter season (November/December) and May. The heaviest supply period is from May to June. The main importing European countries are: The Netherlands, the United Kingdom, Belgium, Germany, Portugal and Spain. Portugal is one of the biggest consumer markets for mangoes in Europe. On the other hand the leading import country, The Netherlands, re-exports most of the imports to other European countries (Germany or Scandinavia).
4. Main suppliers:	Local production: Orchards exist in Spain covering about 800 ha with an estimated production of 1,000 to 1,500 tonnes a year. Main varieties: Sensation (main export), Keitt, Tommy Atkins and Manzanilla. Europe: Spain Africa: South Africa, Côte d'Ivoire, United Arab Emirates, Kenya, Gambia Asia: India, Pakistan, China America: USA, Mexico, Brazil, Cuba, Venezuela
5. Quality improvement:	Mangoes are harvested when unripe (at the pre-climacteric); they must still be green and firm-fleshed. Harvesting is done by hand or using special fruit picking poles. The greatest possible care must be taken with harvesting as even the smallest of cracks results in rapid spoilage by rotting. The stalk-cutting operation also has to be done carefully. The sap must not touch the fruit because sap-stain develops easily. At the time of harvest, the mangoes must be capable of post-ripening, as they will otherwise not reach optimum quality. Post-ripening may be accelerated by temperatures of 25 - 30°C and treatment with ethylene. Once harvested, any exuding latex is cleaned off and the mango is treated with hot water and fungicides in order to extend the relatively short storage life. Where Antrhacnose disease is likely to be a problem, a well-managed pre-harvest fungal spray programme is necessary and a post-harvest hot-water fungal dip may also be desirable. Fruit fly infestation can be controlled by an integrated pest control programme and a hot water bath at harvest. It is important for exporters to note that chemicals used post harvest should comply with EU Maximum Residue Level (MRL) regulation. Recommended storage temperature is between +10 and +12°C with a relative humidity of 90% to 95%. The temperature during the transport must be between +8 and +10°C.

PRODUCT PROFILE: ASPARAGUS	
1. Product information:	asparagus (*Asparagus officinalis*) Other varieties: Mac Lean, Taï So Differing cultivation and harvesting methods result in the following three colour variants: • Blanched or white asparagus: Blanched asparagus is grown in raised mounds. As soon as the tip peeks through the soil of the mound, the asparagus is harvested (cut). Immediate harvesting prevents the asparagus from changing colour. • Purple asparagus: If asparagus is not cut immediately after its tip emerges from the soil, the part of the plant above ground turns purple to blue, as the pigment anthocyanin is formed by exposure to sunlight. • Green asparagus: Green asparagus is grown in level beds where it is exposed to sunlight. Firstly, the pigment anthocyanin forms, resulting in purple colouring and then the asparagus turns green due to chlorophyll formation.
2. Market requirements:	European quality standards: non-existing, except for the general minimum criteria for imported fruit and vegetables into the EU (EC 2200/96). Quality requirements: Shoots must be whole, fresh in appearance and fresh smelling, sound, free from damage by rodents or insects, practically unbruised, clean (practically free from each soil or any other dirt), free from any undue external moisture (adequately 'dried' if they have been washed), and free from foreign smell or taste. Minimum labelling: - Identification of the exporter and/or packer - Nature of the produce (asparagus followed by the indication white, green etc. and where appropriate, the indication short) - Origin - Class: Shoots in 'class I' must be well formed, they may be slightly curved. With regard to the normal characteristics of the group to which they belong, their tips must be compact. For the 'white' asparagus group, the tips may be slightly coloured before cutting and a faint pink tint appearing on the shoot after cutting is allowed, provided these colorations disappear after cooking. No woody shoots are allowed in the white asparagus group. - Size: Shoots are sized by length and diameter. By length: above 17 cm for long asparagus, between 12 ad 17 cm for short asparagus, under 12 cm for asparagus tips By diameter: the diameter of shoots shall be measured at the mid-point of their length. The minimum diameter and the sizing of class I shoots (in one bundle) shall be: White asparagus: length 22 cm max. diameter 10-16 mm, > 16 mm (+10 mm) e.g. 16-26 mm, or 17-27 mm. Green asparagus: length 27 cm max., diameter 6-12 cm, > 12 cm (+8 cm) e.g. 12-20 mm, or 13-21 mm. - Packaging: In bundles (firmly bound) of 500 g, 1 kg or 2 kg. Shoots on the outside of each bundle must correspond in appearance and size with the average of the whole bundle. Shoots must be of uniform length, each bundle may be protected by paper.
2. Market development:	Asparagus is becoming a year-round product. Increasing popularity amongst consumers (retailers) and restaurants. Germany is the main market for asparagus in the EU.
3. Main suppliers:	Supply calendar: Jan-April: imports from outside Europe i.e. Peru, Mexico May-July: European production Nov-Dec: imports from outside Europe i.e. Peru, Mexico

	The main European suppliers are Germany, France, Netherlands, Belgium, Spain, Hungary, Greece, Poland. The leading supplying countries outside Europe are Peru, Thailand and Mexico.
4. Quality:	The quality of asparagus cannot be determined from its colour, as this mainly depends on the cultivation and harvesting methods adopted. Signs of perfect quality are an undamaged, tight head (it must not be open) and straight growth. In addition, asparagus must not be woody or exhibit any shrivelled or discoloured cut ends. Harvesting: Asparagus should be harvested before the shoots can emerge, using a special asparagus knife. This approach yields shoots at least 25 cm long. Care must be taken not to injure other, still buried shoots. In order to harvest asparagus shoots with a compact tip and white or slightly purple in colour, they should be cut twice a day. If cutting is only performed once a day, some tips of the remaining shoots may open and change colour very quickly. Green asparagus is cut before the scale-like leaves of the tips separate, since a closed -non-flowering- tip is regarded as a sign of high quality. After harvesting, asparagus should be immediately deposited at collection sites in the shade, and as soon as possible placed in cold, clean water. Post-harvesting handling: Washing and treatment with cold water. Hydro-cooling should be employed. • Packaging: Asparagus is packaged loose or in bundles in cartons, fruit crates, crates, trays and baskets made of wood or plastic. The content varies, depending on the type of packaging, from 500 g (trays, bundles) to 10 kg (boxes, fruit crates). During transport, the product should be covered with perforated film, to prevent drying-out and quality impairment. The possible deposition of moisture on the inside of the film does not impair quality, but rather assists in keeping the product fresh. • Storage: It is essential to keep the asparagus cool at all logistic stages. There should also be a high relative humidity in the cooling-room (95% or above). The asparagus should be protected by covering it with moist cloths or bags of perforated plastic sheets to keep it from drying out. The storage temperature should be kept between 0° and 2° C. Temperatures below 0°C should be avoided. Asparagus already begins to freeze at –0.8°C. • Transport: Air transport is preferred. Transport to the airport in refrigerated trucks. The interruption of cooling will cause irreversible damage. In the case of sea transport, the use of refrigerated containers with controlled atmosphere is essential.

11 INTERNAL ANALYSIS: COMPANY AUDIT

The internal analysis or company audit is a review of the company's strength and weaknesses in terms of all company resources such as export marketing capabilities, finance, personnel, internal organisation, management, infrastructure, etc. As a result of this internal analysis, you will be able to assess to which extent your company is able to take advantage of the opportunities identified in the former chapter. Furthermore, with a thorough understanding of your company's unique capabilities, you will be able to invest in opportunities that exploit your strengths.

11.1 Product range

By reviewing the company's product range and product characteristics, the exporter will be able to match market opportunities with the company's products on offer. A product range can consist of several product groups (range width), each with several different products (range depth). Again, one product can consist of several varieties (see example).

A supplier can only select a suitable business partner when supplied with correct information about the range that he or she is able to offer. A careful review of the product range, therefore, aims at matching products offered with market opportunities. Keep in mind that varieties are sometimes known under different trade names overseas.

Example of a company's product range

Product range (range width)	**Products (range depth)**	**Varieties**
tropical products	kiwi fruits	• 'Hayward' • 'Abbot'
subtropical products	melons	• Honey Dew 'Gold Rind' • Honey Dew 'Green Flesh' • Honey Dew 'Orange Flesh'
etc.		

The next step is to review product characteristics of the products and varieties on offer.

Example of product characteristics

Product	**Variety**	**Size**	**Supply period**	**Packaging**	**Availability**
kiwi fruits	'Hayward'	extra large	all year	300x400 mm one-way cardboard box (single layers with plastic inserts)	500 kg weekly
melons	Honey Dew 'Gold Rind'	2 kg	November to February	600x400 mm two-way plastic box	5 tonnes per season
etc.					

Questions an exporter needs to answer:
- Which products are you currently producing? How comprehensive is you product range?
- Which products do you consider to be the main products you are specialised in?
- What new products would you be able to produce?

11.2 Product standards, quality, and production capacity

USP
In understanding your own company, it could be very helpful to develop a *Unique Selling Proposition*, or USP. Your USP is what differentiates your product or service from your competitors. Your chances in the market may greatly increase when you have a USP.

There are two major benefits in developing the USP. Firstly, it clearly differentiates your business in the eyes of your current and potential customers or clients. Secondly, it focuses your staff on delivering the promise of the USP, thus helping to improve your internal performance.

What a USP could look like:
- One sentence.
- Clearly written, so that anyone can understand it.
- It should be believable.
- Composed of one benefit that is unique solely to your company or product.

How to develop your USP? Sit down with a notebook and:
- ☐ Brainstorm.
- ☐ List all the benefits your company or product can offer.
- ☐ Prioritise those benefits in order of what is the strongest, and most unique to your business.
- ☐ Write one sentence that conveys the first benefit on the list.

☞ Thinking about what happens with your export product, after the importer has received it, can help you bring to new ideas.

A USP usually does not refer to one single subject, but is a mix of different subjects to set the exporter apart from his competitors. Examples of USPs for the fresh fruit and vegetable sector could be based on the following aspects:
- ⇒ Good price-quality ratio
- ⇒ Product specifications exceeding the requirements of trade partners
- ⇒ Consistent and high quality of products guaranteed by the exporter
- ⇒ Providing good service, for example
  - Replying within 24 hours to any question or request
  - Open communication
  - On-time delivery
  - Honouring agreements to the letter, even when they have financial implications.

Quality
Together with your prices, quality is probably the main competitive factor on which you will compete in the fresh fruit and vegetables trade. It is important to consider to which extent your company is able to deliver the quality that is required in the identified markets and sales channels.

Note that quality not only means product quality. Management quality is just as important. Delivery reliability and the ability to learn and adapt are important selection criteria for European companies looking for new (long-term) suppliers. Furthermore, keeping to the agreed quality is indispensable for building up a long-term business relationship.

Check your current quality standards with the voluntary and compulsory standards described in Chapter 9. Also refer to Chapters 8, 9 and 10 for information on the importance of the various quality standards for your product-market combinations.

Questions an exporter needs to answer:
- What management quality standards does your company fulfil (ISO)?
- What is the general level of your product quality compared to other products in the identified market? Does your product have any official quality standards?
- In case environmental labelling could significantly improve the competitiveness of your export product, which one is the most interesting for your product-markets combination?

Production capacity
Although some foreign buyers are looking for a 'spot' purchase, most importers are searching for suppliers that produce a quality product at a fair price with continued availability. If you are merely looking to market your sporadic surplus capacity, then entry into the European market will probably be a disappointment.

On the other hand, if the company is willing to devote even 10 percent of its production capacity to foreign markets and the servicing of these accounts, then it can reasonably expect to build substantial and permanent trade in those markets suited to its products. However, keep in mind that, the volume of the product marketed is often not as important as the consistent and reliable supply of the product.

Questions that need to be answered:
- What quantities do you produce?
- How is the present capacity being used?
- Will new export activity hurt domestic sales?
- What will be the cost of setting up additional production capacity and is that possible at all?
- What cycles of production apply to your products? Is there a seasonal emphasis and how does this match up to the demand in the target market?
- Are there fluctuations in the annual workload for staff at the farm, packaging station or the management? When? Why?

11.3 Logistics

Availability of low-cost and high-quality freight services between your country and the destination country is a major criterion for a successful export business. Depending on your product's characteristics and trade channel's requirements, you will have to decide whether air freight or sea freight is the best way of moving your goods to the European market.

For example, in the case of papayas, the ripening process is very hard to predict and control. For that reason, it is problematical to ship papayas by ship. Usually, airfreight is used to get the papayas in the required ripeness stage at their destination.
On the other hand, (bulk) products with good storage capability are typically transported by ship, as this is more cost efficient.

Clustering
In many developing countries, exporters of fresh produce can organise themselves in exporter's associations or shipping boards to be able to negotiate time and volume rates with ocean carriers. In Côte d'Ivoire, for example, OCAB, an organisation of exporters of fresh fruit and vegetables, has been chartering boats on spot prices since 2000. It could be interesting for you to determine whether your company could hook up with other exporters in your country. Port authorities and trade publications of origin and destination countries are the best sources of current information on services provided by competing air and ocean carriers.

Questions that need to be answered:
- How often are you able to deliver?
- What lot sizes do you generally produce or are you able to produce?
- What is the preferred transportation method for your products?
- Are there cold room facilities at your production base? Are you able to maintain a cold chain during the transportation of the products (air-conditioned domestic transport, cold room facilities at the (air)port)?
- What are the typical costs of logistics? (Check with freight forwarders)
- Does your company have experience with tracking and tracing?

Points of interest when choosing the right packaging:

Have your importers ever complained about the quality of your products? Have they ever received rotten, spoiled or blemished products?

Look for possible causes:
- _ Unsuitable packaging material
- _ Insufficient ventilation during transport
- _ Wrong climatic conditions during transport
- _ Problems with the products itself (diseases for examples)
- _ other causes

Do you use different packaging methods for different products?
- → Different products require different climatic conditions (temperature, ventilation) during transport.
- → Some products need more space than others (bruising, ventilation).

In case of marine transport, different kinds of products shipped together in one container should be compatible:
- _ Temperature needs
- _ Ethylene sensitivity
- _ Relative humidity needs
- _ Airflow characteristics

Does your importer use special transport packaging?
- → Perhaps you could use this special transport packaging as well? Using the wrong packaging size can have a negative effect on your business.
- → Maybe you could make use of the importer's packaging know-how.
- → Are the cardboard boxes including the products directly forwarded to the wholesalers?

Fully recyclable packages must be used when trading with certain business partners.
- → In the case of one-way systems, use cardboard and avoid plastic foil if possible.
- → Colouring materials, used for printing, should not be harmful to the environment.
- → Use glue that does not harm the environment or no glue at all.
- → Do not use metal clips for the cartons.
- → Avoid waxed boxes or any composite packaging materials

Useful information on packaging for marine container transport can be found at:
ⓘ (MNS)

11.4 Marketing and sales

How do you sell to current export markets? What works in one European market is likely to work in another, subject to refinement based on market intelligence and knowledge about specific trade channel requirements.

What existing contacts does the company have in the target markets - relatives, friends, suppliers, etc? It is an advantage to have some local presence in the target market that can gather information, monitor progress and follow up leads.

A serious export marketing campaign requires substantial management time to undertake it properly. Therefore, the company needs to be realistic as to how much time can be devoted to export marketing.

More information on how to make use of your marketing tools to foster your export activities will be described in Chapter 13.

Questions that need to be answered:
- Does your company have people specifically assigned to marketing and sales activities?
- Which persons do you know in the target markets?
- What sales support material is available?

11.5 Financing

Export marketing is expensive. If financial resources are limited, then marketing plans will have to be modest. It is not sound developing five new markets if the company only has the money to develop one.

Local banking systems in developing countries are sometimes insufficient to handle exporting. It is therefore recommended to use an international bank, which is also located in the importing country. Moreover, this will also simplify the payments between you and your business partner. Each country has a list of their local banks with their corresponding banks in other countries or special relationships with financial institutes outside their country. Choosing the right bank can facilitate and speed up money transfers considerably.

Questions that need to be answered:
- What amount of money can be allocated to setting up new export activities?
- What level of export operating costs can be supported?
- How are the initial expenses of export effort to be allocated?
- What other new development plans are in the works that may compete with export plans?
- Is outside capital necessary to support efforts?

☞ A proper marketing strategy for fresh fruit and vegetables takes into account current issues in the trade such as EurepGap and organic production.

☞ Although it helps to look at the European market, developing country exporters should draw up a marketing strategy aiming at markets at national, regional, and international level. While adopting this approach, developing country exporters will not be solely dependent on one market sector. In this way, fluctuations in the international market can be buffered by demand in the national and regional market.

11.6 Capabilities

Apart from the subjects mentioned-above, the following capabilities should be assessed as part of the internal analysis

Commitment to export
It is important to consider whether the company has people who are able to sell and develop an international business. The company should be able to generate the physical and administrative infrastructure to deal with increased activities from exporting - not

only in dealing with orders but also with processing Customs and shipping documentation. If this type of infrastructure is limited, then it is a weakness in developing sustained export activities.

Questions that should be answered are:
- What kind of commitment is the top-level management willing to make to an export effort? How much senior management time should be allocated? How much could be allocated?
- What organisational structure is required to ensure that export sales are adequately serviced? Who will be responsible for the export activities (export department's organisation and staff)?
- What are the management's expectations of the effort?

Export experiences
It is important to learn from past experiences. If the company has tried and failed to penetrate and export market previously, this can be analysed to determine where things went wrong.

Questions that should be answered are:
- In which countries has business already been conducted and what were your experiences?
- From which countries have inquiries already been received and what did you do with them?
- What general and specific lessons have been learned from past export experiences?

Language skills
When dealing with European trade partners in the fresh fruit and vegetables business, English is the most frequently used language. Although most European trade partners will not be native speakers themselves, the vast majority speaks English fluently. In almost all cases, foreign language skills, particularly English, are essential when entering the European market. When dealing with France, knowledge of the French language is a distinct advantage. If you can communicate in Spanish, you have a competitive advantage if you target the Spanish market.

On the few occasions when correspondence and documents in English will not suffice, exporters can usually find sources of translation capabilities for the more widely-used European languages. Language capability can be advantageous since it facilitates cultural and social relationships.

Questions that should be answered are:
- Which language skills are necessary when dealing in your selected markets?
- Which language capabilities are available within the export company?

12 DECISION MAKING

12.1 SWOT and situation analysis

Answers to the questions mentioned in Chapters 10 and 11 can help an exporter not only to decide whether or not to export but also determine what methods of exporting should be initially used.
A SWOT analysis can be used as a tool to analyse the identified opportunities and threats and the company's identified relative strengths and weaknesses. Carrying out an analysis using the SWOT framework helps an exporter to focus his activities into areas where he is strong and where the greatest opportunities lie. A SWOT analysis is just one of many good techniques that can help an exporter to build a strong competitive position for his organisation.

Questions that should be answered:

Strengths:
- What are your advantages?
- What do you do well?
- What relevant resources do you have?
- What do other people see as your strengths?

☞ Consider this from your own point of view and from the point of view of the people you deal with. Do not be modest, but be realistic. If you are having any difficulty with this, try writing down a list of your characteristics. Some of these will hopefully be strengths.

☞ In looking at your strengths, think about them in relation to your competitors. For example, if all your competitors provide high quality products, then a high quality production process is not a strength in the market, it is a necessity.

Weaknesses:
- What could you improve?
- What do you do poorly?
- What should you avoid?

☞ Again, consider this from an internal and external basis: do other people seem to perceive weaknesses that you do not see? Are your competitors doing any better than you? It is best to be realistic now, and face any unpleasant truths as soon as possible.

Opportunities:
- Where are the good opportunities awaiting you?
- What are the interesting trends you are aware of?
- Useful opportunities can come from such things as: changes in technology and markets on both a broad and narrow scale, changes in government policy related to your field, changes in social patterns, population profiles, lifestyle changes, etc.

☞ A useful approach to looking at opportunities is to look at your strengths and ask yourself whether these open up any opportunities. Alternatively, look at your weaknesses and ask yourself whether you could open up opportunities by eliminating the weaknesses.

Threats:
- What obstacles do you face?
- What is your competition doing?
- Are the required specifications for your job, products or services changing?

- Is changing technology threatening your position?
- Do you have bad debt or cash-flow problems?
- Could any of your weaknesses seriously threaten your business?

☞ Carrying out this analysis will often be illuminating - both in terms of pointing out what needs to be done, and in putting problems into perspective.

☞ You can also apply SWOT analysis to your competitors. This may produce some interesting insights.

☞ **Simple rules for successful SWOT analysis**

- Be realistic about the strengths and weaknesses of your organisation.
- Analysis should distinguish between where your organisation is today, and where it could be in the futures.
- Be specific. Avoid grey areas.
- Always analyse in context to your competition i.e. better then or worse than your competition.
- Keep your SWOT short and simple.

An example of a SWOT analysis for an exporter of fresh fruit and vegetables in developing country is provided Table 12.1. It should be noted that this matrix should be treated as an example and that it should be adapted to the exporter's own situation.

Table 12.1 Example of a SWOT analysis for exporters of fresh fruit and vegetables in developing countries

INTERNAL FACTORS	
Strengths	***Weaknesses***
• *Access to natural resources* • *Low raw material prices* • *Low labour costs* • *Tropical climate and tropical products* • *Low or zero import duty in target markets* • *Diverse agricultural base* • *Human resources* • *Important contribution to the supply of national and regional consumer products*	• *Entrepreneurial capacity* • *Negotiation skills* • *Language and communication* • *Certification* • *Lack of marketing knowledge* • *Lack of knowledge of supply* • *Inadequate hygiene conditions in processing plants* • *Difficult export distribution channels* • *Lack of information on regulations, prices etc* • *Low level of organisation in the industry* • *Access to finance / banking systems*

EXTERNAL FACTORS	
Opportunities	***Threats***
• *Growing demand on the EU market for convenience and health food* • *Increasing familiarity with exotic and tropical fruits* • *Enlargement of EU* • *Organic production and certification* • *Growing demand for value-added products*	• *The EU Market for fresh fruit and vegetables is saturated* • *Entrance of East European countries to the EU* • *Tariff barriers* • *Technical trade barriers, especially for agricultural products into the EU* • *Concentration and consolidation of buying power* • *High investments in required* • *Sustainable use of the raw materials (biodiversity).*

Within the SWOT figure, a distinction can be made in the SWOT figure between internal factors (strengths and weaknesses) and external factors (opportunities and threats). Nevertheless, factors of sectoral and of company level are both found under the internal factors in this figure. For example, "lack of marketing knowledge" and "low level of organisation of the industry" are both internal factors, although the first is at company level and the latter at sectoral level.

Such an analysis should be adapted to your personal circumstances since the factors differ for each exporter in the world. While for one exporter of fresh produce 'negotiation skills' are a weakness, for another exporter this problem may not even be an issue.

Please note that also within a company a threat or weakness can change into an opportunity or strength. A good example concerning this matter is 'technical trade barriers and new regulations imposed by the EU.' The regulations can be a threshold for exporting to the EU. However, when an exporter has adapted the export product to EU standards, he will have access to the EU market. In this way, the factor of technical trade barriers can be seen as an opportunity instead of a threat.

Be aware that success in export is by no means guaranteed by taking into account all the factors mentioned so far. Your environment consists of other critical conditions and success factors, that are often more difficult to influence as an individual company, than changing for example internal factors. Some of the critical conditions such as low level of organisation in the industry and financing have already been included in the figure above. However, other factors (sector-specific) should also be included in the SWOT analysis, such as:

- Sector policies;
- Availability of sector/branch organisations;
- Clustering/co-operation within the sector, organisation of supply and production, value chain management (please also refer to Section 10.5);
- Know-how and technical assistance;
- Foreign trade assistance;
- Financing.

☞ Inquiring of local business support organisations or colleague exporters can be a good starting point in being aware of other critical conditions for successful exporting.

12.2 Strategic options and objectives

By conducting the external analysis (market audit) and internal analysis (company audit) (Chapters 10 and 11), you will be able to come to a decision whether or not to export.

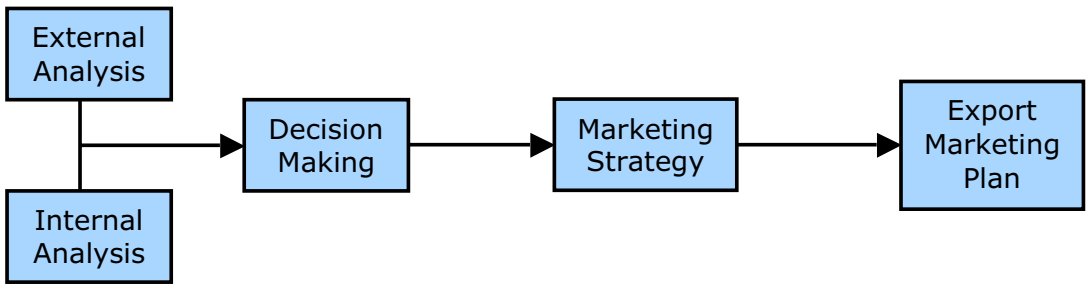
You have identified products suitable for export development. Also, you know what modifications, if any, must be made to adapt them to overseas markets.
You know what countries and market segments you are going to target for sales development and/or co-operation agreements.
You have identified the best sales channel (direct exporting or co-operation agreements).
You know what special challenges pertain to the selected markets (competition, import controls etc.) and what strategies you will use to address them.

Once a company has determined that it has exportable products, it must still consider whether the development of an export business adheres to the company objectives. In order to arrive at this conclusion, the management should ask itself the following questions:

- What does the company want to gain from exporting?
- Is the goal of exporting consistent with other company goals?
- Are the benefits worth the costs or would company resources be better spent developing new domestic business?

☞ **Advantages and disadvantages of exporting**	
Advantages:	**Disadvantages**
• enhance domestic competitiveness • increase sales and profits • gain global market share • reduce dependence on existing markets • exploit corporate technology and know-how • extend the sales potential of existing products • stabilise seasonal market fluctuations • enhance potential for corporate expansion • sell excess production capacity • gain information on foreign competition	• develop new promotional material • subordinate short-term profits to long-term gains • incur added administrative costs • allocate personnel for travel • wait longer for payments • modify your product or packaging • apply for additional financing • obtain special export licenses

Companies can waste a lot of time and money attempting to enter markets which do not have potential or for which their product is not suitable. The market for fresh fruit and vegetables is diverse: each market segment requires different product standards and a different approach. To be successful in export marketing, exporters need to focus on specific products and markets and be prepared to deal with all foreseeable situations. Therefore, several possible strategies have to be considered.



The above figure could be summarised in the following strategic steps:

- External analysis (market audit, Chapter 10) and internal analysis (company audit, Chapter 11)
- SWOT (Chapter 12)

- Decision making and formulation objectives (Chapter 12)
- Elements, which can be used as inputs for the Market Entry Strategy and Export Marketing Plan (Chapter 13).

☞ **An international business plan should define your company's:**
- Readiness to export
- Export pricing strategy
- Reason for exporting
- Potential export markets and customers
- Methods of foreign market entry
- Exporting costs and projected revenues
- Export financing alternatives
- Legal requirements
- Transportation method
- Overseas partnership and foreign investment capabilities
- Corporate commitment to the exporting process

If you have come to the decision to export, the next phase of the export marketing process is to draw up an Export Marketing Plan (EMP), which defines a marketing strategy stating how the company is going to penetrate the identified market. The marketing strategy is designed around the information collected in the internal and external analysis and the marketing tools will be described in the following chapter.

Formulating an export marketing strategy based upon sound information and its proper assessment increases the chances that the best options will be selected, resources will be utilised effectively, and efforts will consequently be carried through to completion.

For assistance in writing an EMP and formulate answer on the questions asked in this chapter, please refer to CBI's *"Export Planner"* or the interactive tool on the CBI website *"Export Marketing Plan."* For general information on conducting market research, please refer CBI's *"Your Guide to Market Research."*

13 EXPORT MARKETING

Which marketing tools can you use to successfully build your export business? This chapter will provide you with insight and give tips on how to make use of your marketing tools to promote the sales of your products and to build a favourable trade relationship.

13.1 Matching products and the product range

In the company audit (see Section 11.1), the exporter already has reviewed the company's product range and product characteristics. The aim of this review was to enable the exporter to match market opportunities with the company's products on offer. This review is also the starting point for considering possibilities to improve the exporter's product range.

In some cases, exporters may find out that the current product range does not match the identified market segment and sales channel's demand. A possible cause of this mismatch can be that there is no demand in the European market for such varieties, even if the products are successfully sold in your own country or other export markets.

Grading your export products
Importers and consumers of fruits and vegetables demand high quality fresh products in return for the high prices they pay. Growers and shippers should use the buyer's specifications for grading to monitor quality, condition, size, and maturity. While not all products have official grading standards, common sense techniques can be used to ensure the packing and transportation of only high quality items.

Sort and package produce by size and level of maturity:
- Use voluntary grading standards or buyer's specifications.
- Place only uniform sizes or amounts in each shipping container.
- Place only products with a uniform level of maturity in each container.
- Clearly mark the grade, size, weight, or count on the container.

13.2 Building up a relationship with a suitable trade partner

One of the most ominous obstacles for exporters can be to search, attract and secure a good importer or trade partner. Many avenues are available for locating trade partners. You should employ any and all, which seem appropriate for your sales channel.

How to find a potential trading partner
The best ways for exporters in developing countries to approach potential trading partners in the European fresh fruit and vegetable market are:
- Direct mail: You can write a letter, e-mail or fax directly to a European company. Most companies will probably respond that they are not interested or that they already carry a competitive line. However, only a few positive replies are needed to continue your search and evaluation and narrowing down of prospective distributors.
- Personal visits: Once you have received a number of "interested" replies, plan a trip to that market. Additionally while travelling, stop in other potential markets to assess the situation as well as attempt to make contacts. Many times a personal visit will pay for itself in terms of the benefits gained.
- Invite EU importers or potential business partners to visit your company.
- Build a network in order to extend your contacts.
- Visit international trade fairs.

How to identify the most suitable trade partner?
Evaluate the potential trade partners about which you have obtained information by using the following criteria:

_ Is the information complete (full address, telephone / fax number, e-mail address, contact person)?
_ Is the importer active in the country you selected?
_ Could the importer be interested in your products?
_ What kind of trade relation is the potential trade partner interested in (arms-length, co-operative agreement, contract basis)? Does this correspond to your preferred type of relationship?
_ What is the position of the potential trade partner in the market?
_ What is the financial status and credibility of the company?

Using these criteria, draw up a priority list of the contact addresses you have received.

You must use the priority list to identify the trade partners that match best your own company profile, product range and export strategy. Particularly in the case of future long-term close co-operation, it is important to get a clear picture of the company you are dealing with and understand their business activities.

For more information on how to build a business relationship, please also refer to the recently published CBI manual "*Your image builder*".

13.3 Drawing up an offer

There are two different kinds of offers:
1. general offer or company introduction; and
2. specific offers.

(a) Drawing a general offer
- The purpose of a general offer is to make the first contact with potential trading partners not yet personally known to the supplier.
- A general offer consists of sending a short profile of your own company and a summary of your product range.
- In a personal letter, briefly introduce your company and what you have to offer.

(b) Drawing up a specific offer
A specific offer is legally binding for a certain period of time. You must therefore be capable of fulfilling the terms of contract. You should make up a specific offer only when you know the business partner personally or after you have made the initial contact.

When sending a specific offer, it should include:
- Name of the person responsible in your company;
- Exact description of the products offered;
- Price of the products offered in accordance with the Incoterms 2000 (if applicable, split up by delivery quantities or quality); and
- Possible delivery date.

In case a sample of the product is required:
- Product samples must correspond to the goods available for delivery (if they do not, this can have a lasting negative effect on business relations).
- State the treatment methods used. If possible, provide quality certificates from an internationally recognised inspection company.

Some more tips to increase the effectiveness of your offer:
- A telephone call to ask whether the offer (and the samples, if applicable) has arrived.
- An invitation to visit your company.
- Possibly propose a visit to the country of destination.
  In that case:
  - If necessary, hire an interpreter.

- Ask your own consulate, business support organisation, or other intermediary for assistance in planning your visit.

- First-time exporters should start with small samples, rather than large high-value commercial shipments. An exporter should be testing whether his products meet the phytosanitary requirements, transportation routing, handling and packing methods.

Price setting

To establish an overseas price, you need to consider many of the same factors involved in pricing for the domestic market. These factors include competition; costs such as production, packaging, transportation and handling, promotion and selling expenses; and most important in the fruit and vegetable market: the demand for your product and the maximum price which the market is willing to pay.

In most cases, an exporter will have to follow market prices. However, in case of some products, like speciality products, you will be able to set your own export price. There are two common methods of calculating your price for exports:

- Domestic Pricing is a common but not necessarily accurate method of pricing exports. This type of pricing uses the domestic price of the product as a base and adds export costs, such as packaging, shipping and insurance. Because the domestic price already includes an allocation of domestic marketing costs, prices determined using the method might be too high to be competitive.
- Incremental Cost Pricing determines a basic unit cost that takes into account the costs of producing and selling products for export, and then adds a mark-up to arrive at the desired profit margin. To determine a price using this method, first, establish the 'export-base cost' by stripping away profit mark-up and the cost of domestic selling. In addition to the base cost, include genuine export expenses (export overheads, special packing, shipping, port charges, insurance, overseas commissions, and allowance for sales promotion and advertising) and the unit price necessary to yield the desired profit margin.

How you price your product is worth considerable thought and effort since it directly affects your ability to make a profit. Take some time to research the following management questions:

Questions to ask when setting your price

How much does it cost to grow your product?

→ Production costs not only include costs for growing, but also for packaging, distribution and promoting your products.

→ The costs of unsold products should also be included.

How will you market your product?

→ Do you sell your products directly to customers in Europe?

→ Are you producing on a contract basis for a European buyer?

What price do competitors charge?

→ Take an industry focus on your pricing when researching what competitors are pricing.

→ By walking through the steps indicated in Section 10.2 you will know the prices competitors charge. Use the competitive analysis to develop the upper limit of your price range. Be sure you compare your products to competitors.

→ Competition is intense In the fruit and vegetable trade. You should therefore try to price at the lower end of the price range unless you can distinguish your product through quality or a unique selling feature.

What is the customer demand for my product?

→ How unique is your product or assortment?
→ To price according to demand, you have to know more about the size and nature of your customer base and their feelings about pricing.
→ You will need to keep an eye on general market trends. See also Chapter 3.

Understanding how to price your product is an essential step in developing your business. You must continually monitor your price including your costs of production, your competition and your customers and be prepared to make adjustments. In competitive businesses like the fresh fruit and vegetables trade, the successful company is the one that can adapt and continue to operate profitably.

Below, you find an overview of the way you can calculate the price of your export product (for information on Incoterms see the next Section).

Export price calculation
Total costs per unit
+ Profit
+ Commissions
+ Domestic banking fees
+ Palletisation / export packing
+ Freight forwarding and documentation fees
+ USDA inspection and phytosanitary certificate fees
+ Other direct expenses related to special shipping requirements such as temperature recorder charges
= EXW price (Ex Works)
+ Inland transportation
= FAS price (Free Alongside Ship)
+ Terminal handling charges
= FOB price (Free On Board)
+ Ocean freight charges
+ Ancillary charges
= CFR price (Cost & Freight)
+ Insurance
= CIF price (Cost, Insurance, Freight)

13.4 Handling the contract

In the fresh fruit and vegetables trade, the use of written contracts is not a widespread practice. Most importers prefer to work on a trust base without written contracts. They argue that it is not efficient to put a contract together each time a deal is made. An exporter should keep in mind, however, that in case of a conflict with your importer, communication via e-mail, fax or even by a telephone, also functions as a contract, although an e-mail and a phone call is not legal tender.

In the case contracts are used, the following terms should be considered:

(a) Contract terms:
- Conclude the delivery conditions according to Incoterms 2000.
- When delivering for the first time, it is common to deliver the goods free on commission and freight-paid.

(b) Contract fulfilment:
- Procure the delivery documents in good time.
- If there is a supply agreement, comply strictly with all parts.

- If you cannot comply with any part of the agreement (e.g. delivery delays or quality problems), inform the customer clearly and in good time.
- Co-operate on a partnership basis and seek a common solution if conflicts arise.
- Fulfilling the contract should have a high priority, particularly when delivering for the first time.

Trade relations between exporter and importer are based on trust and can only be built up by meeting the high expectations of the importer. If an importer finds that the product does not meet his expectations, this will immediately backfire on the business relationship with the exporter.

Consignment basis
Arrangements on consignment basis or 'at risk' are often used in the trade of fresh fruit and vegetables. In actual fact, consignment arrangements are not sales at all, in that title to the goods never passes to the importer. Goods are consigned to the importer until sold to a third party, whereupon title is transferred.

Under consignment sale, the exporter bears the risk that prices may turn out to be less than expected, possibly resulting in a loss after transport costs are paid. Alternatively, prices and, hence, profits might be higher than expected.

Terms of payment
The determination of payment conditions for a regular export transaction is part of the package of negotiations between seller and buyer, who actually have more or less opposing interests. The seller wants to have the least possible payment guarantee. The buyer wants to be sure about quantity and quality of the goods he is buying, before he pays the agreed price.

A Letter of Credit (LC) is seldom used. It is often considered cumbersome and prevents the option of retaining the money if the consignment does not prove to be as good as expected. When relations are established, Cash Against Documents (CAD) is also a method used. However, open account is most commonly used in the fresh fruit and vegetables sector. Importers or agents generally transfer payment within 30 days.

The importer determines the import duty with the Customs, and pays a deposit. Another possibility for the importer is to pay the current levy at Customs' clearance.

- **Open account**
  The process is fast and reliable, depending on the credit worthiness of the importer. The bank carries out the transactions through swift electronic data system and the transfer costs are not very high.

- **Cash Against Documents (CAD)**
  Also known as Documents against Payment (D/P). The buyer takes possession of the goods only after payment. Although this method is not often used, it is very safe and the costs amount to one pro mille.

- **Letter of Credit (LC)**
  In other sectors, the irrevocable LC is very often used in the beginning of a business relationship when the importer and exporter do not know each other very well yet. The LC is irrevocable and will always be paid. The costs are higher when compared to the D/P method.

Terms of sale
Export terms of sale determine which costs are covered in the price of the cargo. They also indicate at what point ownership transfers to the buyer and at what point

responsibility for the cargo is transferred. International commercial terms (Incoterms 2000) provide "the international rules for the interpretation of trade terms."

The most commonly used trade terms are:

- **CIF (Cost, Insurance, Freight)**
  Under this condition, for shipments to designated overseas port of import, the seller quotes a price for the goods, including insurance costs and all transportation charges, to the point of debarkation from the vessel or aircraft. The seller pays for the cost of unloading cargo at the port of destination, to the extent that this is included in the freight charges. If the charges are separate, they fall to the account of the buyer.
- **FOB (Free on Board)**
  Under this term, the seller quotes a price for goods that includes the cost of loading at the port of departure. The buyer arranges for transportation and insurance.

Other trade terms less frequently encountered are:

- **CFR (Cost and Freight)**
  For shipments to designated overseas port of import, the seller quotes a price for the goods that includes the cost of transportation to the named point of debarkation. The buyer is responsible for the cost of insurance. This is referred to as C&F in the old Incoterms. The seller pays for the cost of unloading cargo at the port of destination, to the extent that it is included in the freight charges. If the charges are separate, they fall to the account of the buyer.

It is recommended that quotations to new European customers should be made on a CIF basis. However, supplier and importer are free to negotiate any other condition.

13.5 Sales promotion

One of the major critical success factors for exporters of fresh fruit and vegetables to the European Union is attention to customer requirements and the ability to maintain good relationships with their European business partners. Sales promotion revolves around developing and expanding these customer relations and thereby maintaining and increasing sales volume.

Some tips in developing customer relations:

- Take good care of existing contacts. This includes for example expressions of thanks to business partners, regular information on the company developments like product range, quality improvements, etc.
- Always reply to a letter of inquiry. If you cannot supply this contact, say so, explaining that you will get in touch with him for the next campaign.

Communication

It is advisable to commence with communication measures, which only require a small amount of planning and co-ordinating, such as revising the company's standard printed matter:

- Standardise all printed paper used outside the company (letterheads, visiting cards, fax form, etc.)
- A brochure of your company (including photos of production sites and produce) can be useful for promoting new contacts and sales.

Constant, prompt and reliable communication is a vital prerequisite for maintaining a long-term business relationship with your customers. Smaller firms should also be reachable by (mobile) phone, fax and e-mail at office hours.

Sales organisation

The term 'sales organisation' refers to the organisational system that carries out the sales of the company's products. A sales organisation usually consists of a back office and sales force, even if the sales force consists of one person.

As most sales are conducted by telephone, fax or e-mail, well-functioning sales people are an absolute precondition for successful market participation. This also applies to smaller companies where one person has to fulfil different (sales) functions.

An essential tool used in sales is a detailed and up-to-date customer database. This database can vary from a simple collection of customer data sheets to an advanced customer relation management system. However, the customer database should at least contain the following information:
- Basic information on the customer: name, address, telephone numbers, etc.
- Changing data on the customer: data resulting from business activities with the customer, such as telephone calls, offers, sales information, etc.

The customer database should give the sales person a quick review of the most important customer information when making or answering a telephone call or planning a visit.

If possible, the database should be computerised, because this simplifies changes, updating, sorting and selection procedures, etc. If computerisation is not possible, the customer database should be on file cards (see example).

<table>
<tr><th colspan="3">Example customer data sheet</th></tr>
<tr><td colspan="3">General information</td></tr>
<tr><td colspan="2">Company name:
Postal address:
Street address

Country:
Telephone:
Fax:
E-mail:
Contact name:</td><td>Customer no.:

First contact date: _ _ / _ _ / _ _ _ _
Customer class*: _ A _ B _ C _ D
Customer type: (importer, agent, retailer)
Other info:</td></tr>
<tr><td colspan="3">Sales information</td></tr>
<tr><td colspan="3">Sales realised: (last year)
Sales planned: (this year)
etc.</td></tr>
<tr><td colspan="3">Contact record</td></tr>
<tr><td>No. 1</td><td colspan="2">Contact date: _ _ / _ _ / _ _
Contact type: (telephone, visit, fax, etc.)
Information:</td></tr>
<tr><td>No. 2</td><td colspan="2">Contact date: _ _ / _ _ / _ _
Contact type: (telephone, visit, fax, etc.)
Information:</td></tr>
<tr><td>No. 3</td><td colspan="2">Contact date: _ _ / _ _ / _ _
Contact type: (telephone, visit, fax, etc.)</td></tr>
</table>

	Information:

** Classify your customers by importance to your company (sales, quality of relation, etc.)*

Internet
As a means of communication, Internet is generally considered to have many opportunities for companies in developing countries. The main advantages of the Internet are:
- Low cost of communication;
- Fast delivery of information;
- Independence of distance and timeline;
- Hardly any limits in size; and
- Multimedia possibilities.

Besides one-to-one communication, Internet offers opportunities for presentation, (market) research, distribution, sales and logistical improvements. If your target group consists of importers/growers in overseas countries, you can advertise for (new) customers on your Internet site, showing your company, product range and indicating the production circumstances.

More information on this subject can be found in CBI's Export Manual '*Your Image Builder*'.

Trade fairs
Visiting and participating in a trade fair abroad can be an efficient tool for communicating with prospective customers. It provides more facilities for bringing across the message than any other trade promotional tool. It can also be an important source of information on market development, production techniques and interesting varieties.

Important motives for companies visiting European trade fairs are:
- Establishing contacts with potential customers;
- Orientation on the European market;
- Gathering information on specific subjects;

Although significant costs are involved, actually participating in a trade fair could be interesting way to give export activities an extra boost. One of the major advantages of participating in a trade fair is the ability to present your company and products in a more extensive way (3-D presentation, company video, and product displays). Furthermore you will meet people, whom you otherwise would not have met.

Fruit and vegetables trade fairs are organised in many European Union countries. The most relevant fairs for exporters in developing countries are listed in the box below. The contact addresses of theses and other trade fairs are listed in Appendix 3.4.

Main European trade fairs			
Trade fair	**Where?**	**When?**	**What?**
ANUGA	Cologne, Germany	biennial, 8-12 October 2005	One of the leading trade fairs for the food and beverage industry world-wide
Fruit Logistica	Berlin, Germany	annual, 2-4 February 2006	Show for international fruit trade; exotics are a special target groups
Salon International de L'Alimentation (SIAL)	Paris, France	biennial, 22-26 October 2006	Trade exhibition for the food industry
AGF-Totaal	Rotterdam, The Netherlands	biennial 12-14 September 2005	Platform for international trade in fruit and vegetables

Alimentaria	Barcelona, Spain	6-10 March, 2006	International food and beverages exhibition
IFE	London, United Kingdom	biennial, 18-21 March 2007	International food and drink exhibition

For additional information on trade fair participation, please refer to CBI's Handbook "*Your show master - a guide for selection, preparation and participation in trade fairs.*" and the recently published CBI manual "*Your image builder*".

Assistance with market entry

Local business support organisations

Before approaching organisations abroad, an exporter should first contact local business support organisations (trade promotion organisations, Chambers of Commerce, etc.) and foreign representatives in his or her country in order to find out what support can be obtained locally.

Import Promotion Organisations

In most EU countries, there are organisations that promote imports from developing countries through specific export promotion programmes:

- Supplying information on: statistics and other information on national markets, regular news bulletins, importer databases, and market opportunities;
- Individual assistance: management training, testing products by display and adaptation services; and
- Establishing contacts: collective trade fair participation and selling missions.

Branch organisations

In most European countries, producers, wholesalers and often also retailers are organised in so-called branch organisations. These organisations can be of use to new exporters to the EU. An example is the Fresh Produce Consortium (UK), which can give you information on the UK wholesale markets.

Information how to reach these organisations can be found in Appendix 3.3.

APPENDIX 1 DETAILED HS CODES

HS code			Description	Rate of duty Conventional	Rate of duty GSP	
07			**FRESH VEGETABLES**		**Group 1**	**Group 2**
0702	00	00	**Tomatoes** *	-	-	-
0703			**Onions, shallots, garlic, leeks and other alliaceous vegetables**			
	10		Onions and shallots			
		11	Onions sets	9.6	0	6.1
		19	Other onions	9.6	0	6.1
		90	Shallots	9.6	0	6.1
	20	00	Garlic	9.6 + € 120/100 kg	0	-
	90	00	Leeks and other alliaceous vegetables	10.4	0	6.9
0704			**Cabbages, cauliflowers, kohlrabi, kale and other similar edible brassicas**			
	10	00	Cauliflowers & headed broccoli	9.6 min € 1.1/100kg	0	6.1
	20	00	Brussels sprouts	12	0	8.5
	90		Other:			
	90	10	White cabbages and red cabbages	12 min € 0.4/100kg	0	8.5
		90	Other	12	0	8.5
0705			**Lettuce and chicory**			
	11	00	Cabbage lettuce	10.4 min € 1.3/100kg	0	6.9
	19	00	Other lettuce	10.4	0	6.9
	21	00	Witloof chicory	10.4	0	6.9
	29	00	Other	10.4	0	6.9
0706			**Carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots**			
	10	00	Carrots and turnips	13.6	0	10.1
	90		Other:			
		10	Celeriac ''rooted celery or German celery''	13.6	0	10.1
		30	Horseradish	12	0	0
		90	Other	13.6	0	10.1
0707			**Cucumbers and gherkins**			
	00	05	Cucumbers *	-	0	-
		90	Gherkins	12.8	0	-
0708			**Leguminous vegetables**			
	10	00	Peas	8	0	0
	20	00	Beans	10.4 min € 1.6/100kg	0	0
	90	00	Other leguminous vegetables	11.2	0	0
0709			**Other vegetables**			
	10	00	Globe artichokes *	-	0	-
	20	00	Asparagus	10.2	0	6.7
	30	00	Aubergines (eggplants)	12.8	0	0

	40	00	Celery other than celeriac	12.8	0	0
			Mushrooms:			
	51	00	- agaricus	12.8	0	9.3
	59	10	- chantarelles	3.2	0	0
		30	- flap mushrooms	5.6	0	2.1
		90	- other	6.4	0	2.9
	52	00	Truffles	6.4	0	-
	60		Capsicum and Pimenta			
		10	Sweet peppers	7.2	0	0
			Other:			
		91	- for manufacture of capsicin or capsicum oleoresin dyes *	0	-	-
		95	- for manufacture of essential oils or resinoids *	0	-	-
		99	- other	6.4	0	0
	70	00	Spinach	10.4	0	6.9
	90		Other:			
		10	Salad vegetables, other than lettuce and chicory	10.4	0	6.9
		20	Chard 'white beet' and cardoons	10.4	0	6.9
		31	Olives (excluding for oil production)	4.5	0	-
		39	Olives for oil production	€ 13.1/100kg	0	-
		40	Capers	5.6	0	2.1
		50	Fennel	8	0	4.5
		60	Sweet maize	€ 9.4/100kg	0	-
		70	Courgettes *	-	0	-
		90	Other	12.8	0	0
08			**FRESH FRUIT**			
0803			**Bananas:**			
	00	11	- plantains	16	0	12.5
	00	19	- other	€ 680/1000kg	€ 136/ 1000kg	-
0804			**Dates, figs, pineapples, avocados, guavas, mangoes and mangosteens:**			
	10	00	Dates	7.7	0	0
	20	10	Figs, fresh	5.6	0	2.1
	30	00	Pineapples	5.8	0	0
	40	00	Avocados	4	0	0
	50	00	Guavas, mangoes and mangosteens	0	-	-
0805			**Citrus fruit**			
	10		Oranges *	10-16	0	-
	20		Mandarins, clementines., wilkings and similar citrus hybrids *	16	0	12.5
	40	00	Grapefruit	1.5	0	0
	50	10	Lemons *	-	0	-
		90	Limes	12.8	0	0
	90	00	Other	12.8	0	0
0806			**Grapes**			
	10		Fresh *	11.5 - 14.4	0	0 – 10.9

0807			**Melons and papayas:**			
	11	00	Melons	8.8	0	0
	19	00				
	20	00	Papayas	0	-	-
0808			**Apples, pears and quinces**			
	10		Apples			
		10	Cider apples 16/9 - 15/12 *	-	0	-
		20	Golden delicious *	-	0	-
		50	Granny Smith *	-	0	-
		90	Other *	-	0	-
	20		Pears and quinces			
			Pears			
		10	Perry pears 1/8 – 31/12 *	-	0	-
		50	Other*	-	0	-
		90	Quinces	7.2	0	3.7
0809			**Apricots, cherries, peaches, plums and sloes**			
	10	00	Apricots*	20	0	16.5
	20	05	Sour cherries*	12	0	0
		95	Fresh cherries	12	0	8.5
	30	10	Nectarines*	17.6	0	14.1
		90	Peaches*	17.6	0	14.1
	40	05	Plums	6.4	0	2.9
		90	Sloes	12	0	0
0810			**Other fruit**			
	10	00	Strawberries	11.2	0	7.7
	20		Raspberries, blackberries, mulberries and loganberries	8.8-9.6	0	0
	30		Black, white or red currants and gooseberries	8.8-9.6	0	0
	40		Cranberries, billberries, other *Vaccinium*:			
		10	- cowberries, foxberries or mountain cranberries	0	-	-
		30	- fruit of the *Vaccinium myrtillus*	3.2	0	0
		50	- fruit of the *Vaccinium macrocarpon* and *Vaccinium corymbosum*	3.2	0	0
		90	- other	9.6	0	0
	50	00	Kiwi fruits	8.8	0	0
	60	00	Durian	8.8	0	0
	90		Other:			
		30	- tamarinds, cashew apples, lychees, jackfruit, sapodillo plums	0	-	-
		40	- passion fruit, carambola and pitahaya	0	-	-
		95	- other	8.8	0	0

* Entry price is applicable. Please refer to Section 9.2 for more details on entry prices.

Group 1: Least developed countries R98/2820, annex IV
Group 2: Andean Group (CO Colombia, VE Venezuela, EC Ecuador, PE Peru, BO Bolivia) plus Central American Common Market (GT Guatemala, HN Honduras, SV El Salvador, NI Nicaragua, CR Costa Rica, PA Panama)

APPENDIX 2 DETAILED IMPORT/EXPORT STATISTICS

The source of the data presented below is Eurostat COMEXT 2005.

Table 1 Imports of FRESH FRUIT by EU25 member countries, by country of origin, 2001-2003, € million / 1,000 tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total fresh fruit	15,781	21,079	16,253	21,512	17,109	22,160
Intra-EU	9,300	12,166	9,529	12,439	9,985	12,432
Extra-EU	6,481	8,912	6,724	9,073	7,124	9,728
Developing countries	5,480	7,574	5,742	7,637	6,107	8,345
Spain	3,201	4,365	3,496	4,934	3,711	4,822
Italy	1,678	2,436	1,591	2,043	1,580	1,937
The Netherlands	1,191	1,285	1,182	1,322	1,311	1,422
Belgium	1,083	1,284	1,094	1,292	1,140	1,341
France	1,147	1,417	1,145	1,439	1,113	1,380
South Africa	864	945	878	974	885	1,002
Costa Rica	579	870	695	941	748	1,049
Ecuador	569	1,066	639	1,118	620	1,133
Germany	357	457	398	556	496	684
Colombia	411	754	479	781	483	817
Chile	392	351	414	384	468	456
Argentina	396	530	378	531	435	647
Brazil	275	374	318	371	399	521
New Zealand	342	335	365	350	373	342
Greece	326	543	270	447	267	420
Côte d'Ivoire	258	416	240	394	262	360
Turkey	280	333	249	314	242	268
Morocco	219	295	234	271	241	341
Panama	250	423	264	411	239	399

Table 2 Imports of FRESH VEGETABLES by EU25 member countries, by country of origin, 2001-2003, € million / 1,000 tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total fresh vegetables	8,455	9,834	9,066	10,079	9,197	10,381
Intra-EU	7,270	8,564	7,738	8,714	7,818	8,894
Extra-EU	1,185	1,270	1,328	1,364	1,379	1,487
Developing countries	730	675	876	755	868	854
Spain	2,804	3,211	3,068	3,302	3,003	3,188
The Netherlands	2,223	2,615	2,354	2,645	2,441	2,712
France	601	831	629	822	614	1,007
Italy	627	754	607	673	556	573
Belgium	420	531	431	539	477	603
Germany	206	312	247	368	329	445
Morocco	206	265	288	282	280	324
Poland	98	197	112	192	156	259
Ireland	146	57	149	60	148	73
Kenya	124	44	137	46	133	48
Turkey	74	102	85	110	97	126
Israel	100	58	91	54	92	58

Greece	100	57	96	61	73	50
United Kingdom	56	62	63	78	70	87
Hungary	82	101	75	91	68	68
Egypt	33	41	39	59	48	66
Peru	29	8	36	10	42	14
New Zealand	39	106	51	130	39	111

Table 3 Imports of BANANAS by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total	3,359,246	5,395,760	3,449,698	5,483,853	3,381,416	5,665,132
Intra-EU	1,181,637	1,588,286	1,110,292	1,623,728	1,037,454	1,657,247
Extra-EU	2,177,609	3,807,474	2,339,406	3,860,125	2,343,962	4,007,885
Developing countries	2,171,258	3,794,751	2,332,639	3,847,867	2,335,285	3,987,599
Top 3 suppliers						
Ecuador	557,346	1,053,554	625,505	1,104,961	590,919	1,103,266
Costa Rica	413,078	682,565	483,919	746,519	512,236	800,762
Belgium	392,880	749,458	462,561	776,488	463,753	809,419
Developing countries						
Panama	241,641	413,657	248,610	393,636	223,529	378,736
Cameroon	149,283	225,421	142,376	236,476	190,131	298,727
Côte d'Ivoire	132,456	226,459	119,471	216,742	140,331	210,953
Dominican Republic	50,532	85,930	66,785	97,334	59,436	111,954
Belize	29,970	51,609	23,004	38,709	37,010	73,806
Brazil	8,140	16,624	17,199	36,226	22,235	49,987
Jamaica	33,303	42,985	29,770	40,600	21,788	41,784
St. Lucia	24,136	34,727	35,031	49,313	20,980	32,520
St. Vincent	21,438	30,829	23,114	32,522	13,481	20,919
Honduras	68,598	110,750	20,524	28,921	13,208	18,653

Table 4 Imports of APPLES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total	1,743,572	2,673,436	1,915,111	2,849,816	2,004,519	2,990,646
Intra-EU	1,128,448	1,865,434	1,228,822	1,949,558	1,282,729	2,011,277
Extra-EU	615,124	808,002	686,288	900,258	721,790	979,370
Developing countries	374,310	436,417	400,671	462,485	452,959	577,319
Top 3 suppliers						
France	403,678	612,276	399,344	585,364	419,482	644,518
Italy	251,428	469,130	327,203	493,012	348,807	568,697
The Netherlands	187,981	299,102	201,544	358,129	203,554	314,407
Developing countries						
South Africa	135,461	153,467	133,434	148,350	146,769	182,810
Chile	123,431	144,674	138,301	159,940	144,278	180,319
Argentina	75,333	92,398	61,786	76,154	76,918	102,206
Brazil	27,293	31,942	47,127	57,889	55,096	69,491
China	8,304	8,007	16,339	14,932	24,116	28,723

Table 5 **Imports of GRAPES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes**

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total	1,619,749	1,314,843	1,570,389	1,207,168	1,633,670	1,315,960
Intra-EU	1,051,134	948,920	925,226	798,669	998,268	871,647
Extra-EU	568,615	365,923	645,163	408,498	635,402	444,313
Developing countries	510,958	325,558	593,303	373,424	605,209	413,256
Top 3 suppliers						
Italy	486,818	551,798	387,585	415,493	388,328	420,234
South Africa	243,601	142,267	286,754	167,691	248,130	157,801
The Netherlands	162,012	91,614	147,801	89,038	188,328	122,078
Developing countries						
Chile	133,339	80,217	130,334	86,228	157,544	111,040
Brazil	25,240	14,604	45,262	22,105	58,237	33,227
Argentina	30,602	20,186	37,038	24,714	33,899	26,256
Turkey	33,338	45,436	27,050	37,068	27,490	34,155
India	10,083	6,470	17,255	11,332	19,278	14,653
Mexico	10,267	5,194	9,360	5,054	16,358	10,371
Egypt	9,524	5,184	16,660	9,320	15,488	9,559
Namibia	6,388	1,966	13,183	4,959	11,044	6,483
Morocco	2,947	1,332	3,725	1,933	8,550	4,693

Table 6 **Imports of ORANGES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes**

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total	1,494,140	2,768,877	1,410,466	2,715,330	1,440,629	2,781,581
Intra-EU	986,324	1,789,713	1,068,671	1,959,779	1,058,653	1,924,710
Extra-EU	507,815	979,164	341,795	755,551	381,976	856,871
Developing countries	466,398	904,698	310,930	705,562	357,486	813,613
Top 3 suppliers						
Spain	649,653	1,140,962	789,756	1,414,833	765,841	1,351,844
South Africa	181,457	327,651	126,125	295,433	136,503	308,472
The Netherlands	100,481	159,975	71,877	123,258	90,661	157,819
Developing countries						
Morocco	84,134	171,612	68,199	136,083	77,789	170,756
Argentina	47,749	84,785	24,035	61,251	29,026	66,994
Uruguay	28,035	51,262	16,683	39,719	24,485	56,275
Brazil	44,554	122,238	7,959	25,123	17,122	53,133
Egypt	7,438	16,032	12,355	29,152	15,249	37,776
Zimbabwe	26,700	40,358	14,951	32,627	14,633	32,478
Turkey	11,874	19,151	12,669	23,222	11,435	19,778

Table 7 **Imports of MANDARINS, CLEMENTINES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes**

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total	1,141,279	1,525,305	1,236,210	1,658,568	1,285,858	1,716,101

Intra-EU	892,962	1,172,833	992,429	1,321,754	1,051,865	1,376,047
Extra-EU	248,317	352,472	243,781	336,814	233,992	340,054
Developing countries	215,134	309,786	209,853	295,433	206,711	300,474
Top 3 suppliers						
Spain	756,683	978,946	859,500	1,142,234	928,898	1,221,092
Morocco	67,370	84,895	68,057	88,999	81,634	118,108
The Netherlands	35,565	40,717	37,997	46,185	37,257	44,620
Developing countries						
South Africa	42,704	61,446	36,946	47,790	37,187	51,094
Turkey	54,410	91,716	52,244	84,149	31,700	49,741
Uruguay	20,297	27,295	14,929	20,374	20,122	29,288
Argentina	16,780	22,512	19,481	29,384	16,840	24,828
Peru	3,725	4,784	7,578	8,763	6,835	9,354
Chile	3,222	5,290	5,474	7,426	6,178	7,916

Table 8 Imports of PEACHES, NECTARINES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	786,623	885,475	723,165	894,506	884,713	778,774
Intra-EU	751,142	861,634	690,180	873,926	846,258	749,013
Extra-EU	35,481	23,842	32,985	20,580	38,455	29,761
Developing countries	32,273	21,194	30,735	18,804	35,113	26,892
Top 3 suppliers						
Spain	286,212	254,287	306,567	364,132	435,551	366,038
Italy	297,401	432,803	248,282	352,916	270,431	280,912
France	81,984	65,640	75,422	77,604	85,241	56,617
Developing countries						
Chile	10,696	6,986	8,429	5,471	9,658	7,416
South Africa	9,928	4,967	10,510	4,976	7,810	4,511
Turkey	3,945	3,889	3,470	3,553	6,549	6,381
Argentina	3,336	1,662	4,621	2,333	6,497	4,917
Morocco	3,610	2,429	3,170	1,888	3,168	1,618

Table 9 Imports of MELONS by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	729,054	1,371,939	742,172	1,434,337	841,766	1,601,911
Intra-EU	536,743	1,007,293	506,855	980,005	592,966	1,015,132
Extra-EU	192,311	364,646	235,317	454,332	248,799	586,779
Developing countries	152,316	216,088	198,052	254,563	199,108	320,386
Top 3 suppliers						
Spain	342,070	652,124	312,678	607,657	381,959	660,834
Brazil	52,250	92,913	76,016	119,790	80,811	152,762
The Netherlands	60,087	73,929	67,599	82,820	65,127	85,439
Developing countries						
Costa Rica	48,186	48,302	58,481	50,756	48,752	63,503
Morocco	20,821	19,948	27,046	23,320	33,765	28,106
Panama	7,910	9,505	15,598	17,739	11,820	16,807
Turkey	5,562	15,833	5,177	13,176	8,594	24,309
Honduras	5,419	6,130	4,830	5,611	4,142	5,673

Dominican Republic	1,511	749	2,633	1,043	2,245	1,170

Table 10 Imports of BERRIES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total	723,955	466,810	834,227	458,143	810,469	466,452
Intra-EU	581,083	357,706	661,860	343,664	647,187	355,821
Extra-EU	142,872	109,104	172,366	114,479	163,282	110,631
Developing countries	62,707	20,522	98,030	37,072	68,842	31,794
Top 3 suppliers						
Spain	319,536	231,356	372,635	219,739	348,832	226,654
The Netherlands	68,676	23,743	92,126	26,923	93,467	26,649
Belgium	63,605	28,071	69,123	26,568	75,094	28,494
Developing countries						
Morocco	39,927	14,714	62,511	18,027	34,446	16,555
Egypt	7,877	2,309	8,471	2,553	10,909	3,550
Serbia & Montenegro	1,523	1,696	13,584	14,405	8,425	8,799
Chile	6,517	636	5,335	564	5,482	664

Table 11 Imports of KIWI FRUITS by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	555,807	563,294	620,980	524,517	715,286	566,542
Intra-EU	346,806	358,600	413,281	325,648	481,768	359,112
Extra-EU	209,001	204,694	207,699	198,869	233,518	207,430
Developing countries	47,937	47,028	63,889	60,697	64,175	66,220
Top 3 suppliers						
Italy	158,458	211,812	204,553	181,162	208,403	195,771
New Zealand	160,849	157,432	143,771	138,140	169,240	141,094
Belgium	91,148	58,425	96,717	58,306	148,866	78,088
Developing countries						
Chile	47,674	46,720	62,690	59,601	63,014	65,012
Argentina	191	221	640	588	568	708
South Africa	8	9	239	165	295	151
Iran	0	0	23	35	128	202
China	9	6	227	227	92	77

Table 12 Imports of PEARS by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	664,776	898,243	711,111	885,269	704,116	911,377
Intra-EU	455,564	621,695	460,981	570,560	465,993	580,040
Extra-EU	209,212	276,548	250,130	314,710	238,123	331,337
Developing countries	198,252	261,583	234,259	293,235	226,127	315,305
Top 3 suppliers						

The Netherlands	125,163	157,591	125,391	138,666	150,650	175,840
Italy	100,196	117,350	116,028	137,226	104,836	117,824
Argentina	97,764	130,942	106,253	135,879	103,466	153,978
Developing countries						
South Africa	56,010	72,349	77,607	91,384	65,556	83,657
Chile	32,744	43,568	33,792	45,094	39,626	53,586
China	3,786	5,182	7,106	9,641	9,054	13,835
Turkey	6,873	8,111	8,593	9,912	6,930	7,454

Table 13 Imports of PINEAPPLES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	447,628	557,834	561,623	613,016	624,992	666,312
Intra-EU	165,977	183,206	222,838	235,170	224,714	244,080
Extra-EU	281,651	374,627	338,785	377,845	400,278	422,232
Developing countries	281,488	374,517	338,610	377,772	400,188	422,166
Top 3 suppliers						
Costa Rica	114,223	136,789	149,340	140,854	183,551	181,205
Côte d'Ivoire	111,618	178,054	108,097	165,177	104,963	141,212
France	65,429	86,240	77,927	106,403	61,700	83,858
Developing countries						
Ghana	30,647	33,188	42,315	36,438	52,698	45,558
Ecuador	2,605	3,591	8,458	7,865	21,297	19,681
Honduras	7,380	9,306	13,556	13,505	14,293	13,474
South Africa	4,296	5,239	5,648	5,430	5,496	4,929
Panama	34	35	0	0	3,650	3,708
Thailand	2,700	1,885	3,283	2,553	3,362	2,923
Cameroon	1,532	2,098	1,544	2,005	2,657	3,484

Table 14 Imports of LEMONS, LIMES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	515,448	810,925	528,313	858,941	570,079	881,405
Intra-EU	349,194	552,086	357,785	580,598	358,082	538,896
Extra-EU	166,253	258,840	170,528	278,343	211,997	342,509
Developing countries	160,993	249,679	165,410	270,367	206,897	334,767
Top 3 suppliers						
Spain	248,380	413,165	270,356	460,430	260,968	404,465
Argentina	96,678	151,765	94,944	169,900	133,510	231,040
The Netherlands	48,595	59,516	40,702	52,531	45,516	63,556
Developing countries						
Brazil	11,824	9,848	18,892	18,913	24,779	32,428
Turkey	23,813	44,791	19,138	36,243	17,922	24,619
South Africa	16,759	26,870	14,719	25,420	15,657	25,933
Mexico	1,529	1,230	11,271	10,756	7,427	8,310
Uruguay	8,363	13,154	4,075	6,972	5,037	8,967
Colombia	279	230	353	324	778	948

Table 15 Imports of GRAPEFRUIT by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	363,857	545,930	335,309	642,394	380,044	528,118
Intra-EU	109,648	154,847	94,012	150,904	112,952	151,185
Extra-EU	254,209	391,083	241,297	491,490	267,092	376,933
Developing countries	128,566	188,883	121,984	218,357	147,594	197,300
Top 3 suppliers						
USA	73,608	117,050	77,589	121,179	75,094	106,796
South Africa	47,290	68,851	52,596	91,567	65,614	81,941
The Netherlands	47,841	63,068	36,244	57,091	49,145	59,738
Developing countries						
Turkey	30,941	55,193	37,280	70,218	30,666	50,474
Argentina	14,893	20,138	11,620	20,658	19,601	26,524
Honduras	8,668	10,826	5,741	9,149	9,131	10,157
Cuba	10,308	11,810	3,638	6,440	8,928	10,645
Mexico	5,107	6,024	2,129	3,990	5,351	6,121
Swaziland	6,164	8,789	5,086	9,878	4,562	6,225

Table 16 Imports of AVOCADOS by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	278,515	191,005	272,691	207,018	330,294	194,083
Intra-EU	117,847	85,814	121,875	90,376	124,105	72,199
Extra-EU	160,669	105,191	150,816	116,642	206,189	121,884
Developing countries	108,163	66,731	95,173	72,875	164,713	99,304
Top 3 suppliers						
South Africa	55,921	32,619	52,330	41,632	62,603	36,382
Spain	54,863	41,073	54,510	40,526	51,943	29,221
Mexico	22,039	13,184	17,388	10,447	42,901	23,587
Developing countries						
Kenya	21,309	15,812	12,457	11,875	25,413	19,828
Peru	4,750	2,441	6,470	4,714	19,276	11,266
Chile	758	513	3,463	1,901	7,943	4,341
Zimbabwe	452	285	273	228	1,460	811
Dominican Republic	890	597	348	190	1,333	739
Brazil	1,062	582	1,023	711	1,149	755

Table 17 Imports of GUAVAS, MANGOES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	239,676	194,266	226,045	203,574	283,794	250,558
Intra-EU	71,476	57,451	70,300	66,665	69,913	71,160
Extra-EU	168,200	136,815	155,744	136,909	213,881	179,398
Developing countries	145,122	123,122	142,132	125,438	191,342	163,079
Top 3 suppliers						
Brazil	65,006	61,115	65,443	65,007	96,107	92,891

The Netherlands	37,417	34,365	39,744	37,909	35,618	39,981
Peru	8,964	7,774	13,802	10,848	18,329	15,421
Developing countries						
Côte d'Ivoire	13,754	10,895	11,834	11,218	16,100	7,193
South Africa	10,890	10,713	15,883	14,698	14,398	14,774
Pakistan	11,095	8,750	8,812	6,263	10,889	8,682
Ecuador	6,034	6,255	2,475	2,661	4,536	5,821
Mexico	3,054	2,135	4,135	2,618	4,328	2,375
Senegal	1,526	823	2,593	1,650	3,549	2,068
Guatemala	2,627	1,831	1,526	1,691	2,837	2,264
Costa Rica	2,197	1,751	2,019	1,859	2,750	2,652

Table 18 Imports of PLUMS, SLOES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	246,832	355,681	234,222	315,860	271,477	264,204
Intra-EU	146,495	253,125	137,759	237,425	163,399	158,738
Extra-EU	100,337	102,556	96,464	78,435	108,079	105,465
Developing countries	78,690	60,272	81,346	56,169	87,857	72,476
Top 3 suppliers						
Spain	54,334	79,391	56,112	138,065	77,730	79,457
South Africa	42,230	30,797	47,308	30,547	49,225	36,932
Chile	26,363	20,136	20,102	15,028	24,712	20,048
Developing countries						
Argentina	5,836	4,096	10,721	7,681	8,136	6,869
Turkey	3,473	3,729	2,502	1,944	3,415	3,142
Serbia & Montenegro	323	850	277	378	1,748	4,077

Table 19 Imports of CHERRIES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	249,101	131,133	239,342	117,348	267,173	138,520
Intra-EU	107,309	53,678	131,584	59,408	130,581	58,864
Extra-EU	141,792	77,455	107,759	57,940	136,592	79,657
Developing countries	94,122	31,154	71,690	23,336	86,039	38,847
Top 3 suppliers						
Turkey	83,031	27,226	60,666	18,645	71,326	28,302
Spain	31,760	15,609	42,219	21,670	38,379	16,745
Italy	17,527	5,869	17,869	6,281	20,190	7,132
Developing countries						
Chile	5,143	789	4,520	854	6,750	1,371
Serbia & Montenegro	1,069	2,075	1,325	2,474	4,007	8,107
Argentina	4,389	746	4,613	1,060	3,602	849

Table 20 Imports of APRICOTS by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001	2002	2003

	value	volume	value	volume	value	Volume
Total	138,686	114,156	136,651	129,355	138,051	105,428
Intra-EU	120,695	101,658	122,818	121,149	119,439	92,108
Extra-EU	17,991	12,498	13,834	8,206	18,611	13,320
Developing countries	13,992	8,504	12,169	7,177	13,163	8,410
Top 3 suppliers						
Spain	56,765	56,309	39,449	44,678	50,275	44,746
France	35,452	20,904	56,334	51,460	42,298	27,039
Greece	10,178	10,132	6,135	5,305	8,664	7,210
Developing countries						
Turkey	7,725	4,806	5,193	3,214	7,702	4,812
South Africa	5,720	3,283	6,263	3,619	4,372	2,839
Chile	244	69	520	173	515	184

Table 21 Imports of DATES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	111,512	64,262	128,260	69,179	130,795	69,616
Intra-EU	19,074	9,642	21,992	9,083	21,320	8,304
Extra-EU	92,438	54,619	106,268	60,096	109,474	61,312
Developing countries	69,597	48,737	80,087	53,905	79,382	54,098
Top 3 suppliers						
Tunisia	48,294	27,896	52,304	28,807	53,369	29,486
Israel	17,458	4,339	21,196	5,004	25,241	5,740
Algeria	10,456	6,958	14,091	9,667	12,829	9,066
Developing countries						
Iran	7,900	11,542	9,042	11,780	8,067	11,132
South Africa	709	104	719	143	1,291	221
Saudi Arabia	325	395	650	719	942	1,032
Pakistan	497	808	626	1,071	931	1,666

Table 22 Imports of TAMARINDS, LYCHEES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	71,152	31,797	75,495	35,941	85,670	40,035
Intra-EU	18,532	10,041	20,243	10,594	22,790	11,637
Extra-EU	52,620	21,756	55,252	25,347	62,880	28,398
Developing countries	50,288	21,098	53,146	24,678	61,426	27,858
Top 3 suppliers						
Madagascar	37,538	16,647	38,152	18,178	33,869	17,480
South Africa	7,266	3,044	6,989	2,977	19,736	7,148
France	10,529	6,230	10,371	5,769	9,388	4,911
Developing countries						
Thailand	3,622	890	3,762	1,192	4,128	1,534
India	182	78	635	380	1,328	819
Mauritius	693	143	742	122	891	256
Colombia	271	66	176	43	284	81

Table 23 Imports of PAPAYAS by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	43,926	23,317	56,380	33,062	64,754	49,519
Intra-EU	9,625	4,471	12,519	6,331	15,849	10,539
Extra-EU	34,301	18,846	43,862	26,730	48,905	38,981
Developing countries	32,572	18,473	42,766	26,439	48,027	38,661
Top 3 suppliers						
Brazil	27,169	15,302	32,004	20,329	34,471	29,109
The Netherlands	6,073	2,691	8,696	4,423	11,287	7,607
India	33	23	2,283	1,288	3,084	2,004
Developing countries						
Pakistan	3	1	1,741	1,301	2,272	2,007
Ghana	2,273	1,937	1,837	1,414	2,191	1,711
Thailand	1,134	362	2,014	646	1,919	789
Ecuador	47	25	10	14	1,290	1,272
Côte d'Ivoire	483	236	727	340	494	232

Table 24 Imports of FIGS by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	28,256	16,824	31,212	20,140	33,526	19,489
Intra-EU	15,404	9,972	17,838	11,984	17,493	10,251
Extra-EU	12,852	6,852	13,374	8,156	16,033	9,238
Developing countries	12,426	6,785	13,013	8,090	15,494	9,094
Top 3 suppliers						
Turkey	8,679	5,774	9,238	7,029	11,441	7,919
The Netherlands	4,347	1,833	5,088	2,555	5,579	2,441
Brazil	2,936	792	3,168	910	3,554	1,033
Developing countries						
Peru	536	100	441	71	211	38
Saudi Arabia	155	54	88	22	103	29
Argentina	0	0	12	3	91	29

Table 25 Imports of PASSION FRUIT by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	31,030	10,107	31,637	11,013	31,096	11,205
Intra-EU	12,405	3,896	13,153	4,800	13,788	4,845
Extra-EU	18,625	6,211	18,484	6,213	17,308	6,360
Developing countries	17,942	6,044	17,852	6,041	16,722	6,184
Top 3 suppliers						
The Netherlands	8,763	2,479	8,971	2,885	9,269	2,941
Malaysia	9,937	3,600	9,234	3,364	7,756	3,213
Kenya	2,186	684	2,621	791	3,905	1,178

Developing countries						
Colombia	1,546	322	1,856	392	1,534	394
Zimbabwe	2,375	842	2,139	857	1,375	568
Vietnam	605	158	685	186	674	307
South Africa	604	213	426	167	671	212

Table 26 Imports of TOMATOES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	2,036,315	2,233,076	2,465,504	2,193,974	2,287,920	2,234,093
Intra-EU	1,871,623	1,991,594	2,221,767	1,933,205	2,078,970	1,938,311
Extra-EU	164,692	241,482	243,737	260,769	208,950	295,783
Developing countries	136,836	208,042	212,604	222,797	165,066	237,012
Top 3 suppliers						
Spain	852,953	1,031,850	1,012,778	951,168	851,309	919,949
The Netherlands	633,050	569,941	769,821	585,796	803,657	614,973
Belgium	127,851	124,510	143,172	130,645	161,542	156,796
Developing countries						
Morocco	118,711	187,301	179,400	186,122	123,320	189,419
Turkey	10,600	12,938	22,092	25,308	29,805	34,045
Senegal	2,861	2,293	3,748	2,735	3,916	3,564
Macedonia	788	1,483	1,644	3,578	2,325	4,526
Tunisia	1,901	1,942	2,387	1,858	2,163	1,867
Egypt	450	458	1,027	831	1,001	961

Table 27 Imports of CAPSICUM by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	1,142,172	803,420	1,144,832	892,347	1,255,450	865,186
Intra-EU	999,382	665,300	1,004,890	747,197	1,104,456	717,127
Extra-EU	142,789	138,120	139,942	145,150	150,994	148,059
Developing countries	53,555	64,193	56,731	65,487	67,597	71,520
Top 3 suppliers						
Spain	468,827	363,983	479,706	431,372	508,069	397,280
The Netherlands	436,986	231,417	431,898	240,782	482,476	242,754
Israel	52,565	27,364	48,413	27,602	49,438	30,183
Developing countries						
Turkey	32,381	39,733	31,601	38,880	33,811	35,835
Morocco	9,159	14,531	13,139	18,906	21,336	25,263
Egypt	685	456	761	570	2,382	2,174
Thailand	1,595	327	1,739	344	1,663	370
Dominican Republic	1,115	1,271	1,973	1,929	1,389	1,778

Table 28 Imports of LETTUCE by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume

Total	819,099	859,330	865,276	864,457	916,680	1,035,733
Intra-EU	811,901	850,336	860,243	859,430	904,468	1,024,637
Extra-EU	7,198	8,994	5,033	5,027	12,212	11,097
Developing countries	1,121	1,139	1,610	1,464	3,069	3,302
Top 3 suppliers						
Spain	355,430	434,343	385,088	447,857	416,274	425,006
The Netherlands	120,196	104,007	114,923	101,051	123,678	111,518
France	125,079	100,733	130,707	96,830	120,217	262,883
Developing countries						
Turkey	469	442	157	185	1,266	1,187
Morocco	176	290	310	525	666	1,052
Chile	225	232	529	454	539	439

Table 29 Imports of ONIONS by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	751,512	1,570,614	821,917	1,653,448	764,140	1,679,306
Intra-EU	579,515	1,152,803	615,515	1,188,988	583,930	1,228,972
Extra-EU	171,997	417,811	206,402	464,460	180,211	450,334
Developing countries	85,424	154,111	104,565	196,162	97,895	216,313
Top 3 suppliers						
The Netherlands	199,449	489,228	204,591	487,622	179,562	486,049
Spain	148,795	300,469	173,670	322,067	169,333	347,713
France	70,402	94,721	73,510	96,505	65,572	105,773
Developing countries						
Argentina	27,816	39,554	31,444	45,532	28,244	47,070
China	22,377	34,448	25,990	40,400	23,237	47,754
Egypt	6,164	17,411	10,258	31,149	12,648	34,190
Chile	9,454	23,347	12,192	29,140	8,392	21,901
Turkey	6,006	16,764	5,156	17,022	7,849	26,061
South Africa	2,163	5,714	5,386	12,723	5,147	14,859

Table 30 Imports of CUCUMBERS by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	642,832	843,897	660,496	825,912	668,890	838,166
Intra-EU	610,117	785,474	623,601	755,700	636,436	778,925
Extra-EU	32,715	58,424	36,895	70,212	32,455	59,241
Developing countries	12,503	15,862	16,020	19,287	14,153	19,200
Top 3 suppliers						
Spain	272,310	336,360	286,305	308,939	287,152	330,804
The Netherlands	274,051	353,447	263,184	347,033	274,026	339,619
Germany	15,764	32,205	18,331	35,894	23,151	42,016
Developing countries						
Turkey	4,572	6,067	7,924	10,579	8,449	12,406
Morocco	314	232	1,957	1,219	4,626	2,815
Jordan	1,366	1,169	1,123	872	1,241	1,043

Table 31 Imports of MUSHROOMS by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	593,503	252,437	580,815	244,948	652,072	290,455
Intra-EU	410,169	179,391	414,764	178,231	436,992	204,750
Extra-EU	183,334	73,047	166,050	66,718	215,080	85,705
Developing countries	28,684	4,902	29,964	6,106	16,812	2,408
Top 3 suppliers						
The Netherlands	176,677	84,206	177,550	82,773	190,934	92,550
Ireland	131,990	47,386	130,214	45,159	127,696	56,108
Poland	61,656	31,300	66,892	35,352	90,997	53,466
Developing countries						
Serbia & Montenegro	14,269	2,344	10,937	2,436	6,029	688
China	2,785	788	2,726	816	2,733	889
Turkey	3,636	335	6,483	1,000	2,587	144

Table 32 Imports of CABBAGES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	Volume
Total	544,412	822,277	562,236	863,592	558,716	860,354
Intra-EU	527,942	770,057	541,516	802,575	536,708	780,426
Extra-EU	16,471	52,220	20,721	61,017	22,008	79,929
Developing countries	4,295	8,529	4,809	6,958	4,638	11,651
Top 3 suppliers						
Spain	221,593	245,021	223,907	258,229	223,904	267,181
France	100,959	156,006	99,080	154,982	102,152	150,828
The Netherlands	80,418	133,636	85,412	140,799	78,061	133,286
Developing countries						
Turkey	1,409	3,440	1,869	2,355	1,488	2,998
Macedonia	429	3,334	720	2,705	841	3,221
China	1,223	540	857	431	521	354

Table 33 Imports of PEAS, BEANS by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total	363,898	360,940	380,569	422,566	439,613	468,510
Intra-EU	157,294	248,009	173,242	301,535	199,865	325,366
Extra-EU	206,604	112,931	207,327	121,030	239,748	143,144
Developing countries	205,916	111,798	206,300	119,658	238,588	141,711
Top 3 suppliers						
Kenya	74,303	25,831	75,641	26,037	81,690	30,075
Morocco	49,218	36,756	53,844	45,974	76,666	62,724
Spain	56,606	36,104	55,736	37,472	63,850	37,583
Developing countries						
Egypt	23,903	20,934	23,744	23,361	26,981	23,402
Guatemala	10,747	3,670	10,259	2,804	12,453	3,722

Senegal	10,612	5,901	11,739	5,796	9,515	4,817
Zimbabwe	10,001	4,128	10,174	4,076	9,368	3,717
Ethiopia	5,206	3,155	3,682	2,070	4,287	2,837
Zambia	9,499	4,716	4,972	2,663	3,867	2,581
Burkina Faso	3,543	1,595	3,006	1,332	2,792	1,269
Peru	102	36	682	281	1,922	739
Turkey	1,030	1,096	1,140	1,408	1,763	1,857
Gambia	1,277	707	1,319	779	1,637	746
Dominican Republic	1,367	912	1,281	875	1,168	1,003

Table 34 Imports of CARROTS by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	Value	volume	value	volume
Total	412,875	1,155,337	382,412	1,102,612	356,428	1,125,102
Intra-EU	394,163	1,112,778	366,250	1,069,524	339,895	1,083,395
Extra-EU	18,713	42,560	16,162	33,088	16,532	41,707
Developing countries	2,619	5,035	2,294	3,606	2,498	4,920
Top 3 suppliers						
The Netherlands	132,476	479,146	125,026	479,386	112,755	494,444
Italy	85,460	156,092	64,952	131,120	60,386	128,624
Spain	51,992	93,707	50,825	95,272	43,738	80,823
Developing countries						
South Africa	393	557	1,029	959	1,045	926
Turkey	1,665	3,725	621	1,865	915	2,942

Table 35 Imports of COURGETTES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total	201,719	216,766	217,234	215,440	257,831	240,548
Intra-EU	184,838	199,413	193,172	197,476	217,439	209,033
Extra-EU	16,881	17,353	24,062	17,964	40,392	31,514
Developing countries	16,712	17,073	23,895	17,703	40,195	31,246
Top 3 suppliers						
Spain	137,704	153,796	146,525	152,941	162,059	159,779
Morocco	13,958	13,724	20,154	14,025	36,042	27,042
France	14,349	14,011	13,896	12,505	18,599	15,433
Developing countries						
Turkey	2,236	2,710	2,663	2,596	3,522	3,600
South Africa	75	38	389	150	283	118
Jordan	121	147	147	216	147	240
Egypt	255	427	381	650	98	178

Table 36 Imports of ASPARAGUS by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total	241,196	80,160	227,723	87,277	219,671	76,427
Intra-EU	191,923	65,530	168,391	69,134	157,451	54,163
Extra-EU	49,273	14,630	59,333	18,143	62,219	22,265
Developing countries	37,658	10,073	44,899	12,388	49,338	16,346
Top 3 suppliers						
Spain	75,338	28,614	73,194	30,227	75,922	24,491
Peru	28,481	7,557	35,239	9,409	40,264	13,434
Greece	67,112	23,061	50,921	25,284	34,325	15,656
Developing countries						
Thailand	3,316	514	4,114	631	3,751	640
Mexico	498	136	766	175	1,323	410
Morocco	1,216	657	1,037	758	889	596

Table 37 Imports of EGGPLANTS by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total	100,344	98,535	106,747	197,373	120,315	121,253
Intra-EU	95,037	91,686	102,026	192,011	114,712	115,300
Extra-EU	5,307	6,850	4,721	5,362	5,602	5,953
Developing countries	5,153	6,463	4,598	4,945	5,488	5,527
Top 3 suppliers						
Spain	50,859	56,207	52,660	149,648	57,833	63,136
The Netherlands	32,721	23,674	36,915	29,393	41,866	36,362
Germany	1,458	1,151	2,405	2,319	4,089	4,212
Developing countries						
Turkey	4,262	5,947	3,332	4,301	4,035	4,642
Thailand	416	102	448	103	397	118
Surinam	14	7	4	2	214	112

Table 38 Imports of SWEET MAIZE by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total	42,888	26,552	47,402	34,933	50,140	40,605
Intra-EU	13,107	12,464	17,100	20,083	18,379	21,124
Extra-EU	29,781	14,088	30,302	14,850	31,761	19,481
Developing countries	21,662	8,382	22,730	9,043	23,565	12,387
Top 3 suppliers						
Thailand	15,851	3,762	16,390	3,858	15,821	4,269
France	4,399	5,547	5,681	7,386	5,378	7,580
USA	5,450	3,703	5,436	3,904	5,289	5,171
Developing countries						
Morocco	2,478	3,103	2,499	3,699	4,853	6,439
Zimbabwe	999	363	1,365	452	1,033	476

Zambia	1,279	568	1,226	516	857	477
South Africa	238	117	655	258	347	323

Table 39 Imports of ARTICHOKES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total	35,971	47,633	40,098	41,293	37,821	34,399
Intra-EU	35,107	46,826	37,421	39,615	34,195	30,971
Extra-EU	864	807	2,676	1,677	3,626	3,428
Developing countries	863	806	2,668	1,673	3,614	3,419
Top 3 suppliers						
Spain	20,708	31,277	23,461	24,477	23,251	22,149
France	7,183	6,721	6,705	5,774	6,083	4,619
Egypt	794	758	2,538	1,585	3,562	3,382
Developing countries						
Tunisia	47	35	122	82	38	26
Turkey	18	11	6	4	11	9

Table 40 Imports of FENNEL by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total	31,376	39,189	33,212	37,041	34,868	34,537
Intra-EU	31,312	39,173	32,941	36,907	34,689	34,450
Extra-EU	65	16	270	133	179	87
Developing countries	61	14	255	124	156	70
Top 3 suppliers						
Italy	24,653	32,182	24,853	29,939	25,960	26,876
Spain	2,291	3,248	2,797	2,837	3,517	3,781
The Netherlands	2,899	2,598	3,548	3,034	3,453	2,689
Developing countries						
South Africa	58	10	155	31	105	17
Turkey	0	0	21	11	31	27

Table 41 Imports of SPINACH by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total	29,959	40,044	29,049	42,239	28,494	38,445
Intra-EU	28,223	39,384	27,867	41,756	27,554	37,937
Extra-EU	1,736	661	1,182	484	941	508
Developing countries	47	43	56	33	137	142
Top 3 suppliers						
Italy	10,396	8,617	8,130	7,303	7,743	5,571
Spain	6,489	4,610	6,630	3,565	6,805	3,271
The Netherlands	2,817	9,936	4,344	11,841	3,608	10,084

Developing countries						
Turkey	10	25	8	15	65	96
Thailand	8	4	24	5	23	6

Table 42 Imports of TRUFFLES by EU25 member countries, by country of origin, 2001-2003, value in € 1,000 / volume in tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total	13,497	159	19,181	268	16,516	505
Intra-EU	12,129	114	18,312	226	15,943	473
Extra-EU	1,368	44	869	42	572	32
Developing countries	1,199	43	772	39	535	30
Top 3 suppliers						
Spain	3,977	24	8,211	33	7,493	35
Italy	4,179	38	5,846	75	5,162	158
France	3,466	48	3,203	60	2,120	54
Developing countries						
China	809	40	677	37	456	28
Croatia	325	1	87	0	63	0
Morocco	7	1	0	0	12	3

Table 43 Exports of FRESH FRUIT by EU25 member countries, by product, 2001-2003, € million / 1,000 tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total fresh fruit	10,995	15,167	11,409	15,323	11,776	15,362
Intra-EU	9,266	11,879	9,632	12,161	9,968	12,219
Extra-EU	1,729	3,288	1,777	3,162	1,808	3,143
apples	1,394	2,588	1,622	2,877	1,647	2,953
mandarins	1,152	1,494	1,262	1,629	1,349	1,727
oranges	1,162	2,312	1,339	2,385	1,271	2,279
bananas	1,334	1,782	1,267	1,682	1,147	1,598
grapes	1,260	1,184	1,009	907	1,093	987
peaches, nectarines	811	942	784	1,017	931	857
berries	684	435	772	415	766	427
melons	581	1,243	625	1,330	690	1,377
pears	572	798	585	751	589	780
lemons & limes	410	738	406	723	418	705
kiwi fruit	333	394	395	349	407	363
pineapples	215	250	289	308	320	332
plums, sloes	178	203	160	173	188	197
cherries	159	101	162	92	184	103
grapefruit	136	214	134	220	154	221
apricots	145	124	147	133	142	110
avocados	131	92	132	95	137	79
guavas, mangoes	90	77	79	70	95	92
dates	28	13	30	12	32	13
tamarinds, lychees	33	14	38	14	27	13
figs	17	9	19	11	22	12
papayas	14	8	13	7	21	15
passion fruit	12	4	12	5	13	4
other fresh fruit	*144*	*149*	*130*	*117*	*131*	*118*

Table 44 Exports of FRESH VEGETABLES by EU25 member countries, by product, 2001-2003, € million / 1,000 tonnes

	2001		2002		2003	
	value	volume	value	volume	value	volume
Total fresh vegetables	8,098	9,977	8,518	10,065	9,181	10,648
Intra-EU	7,103	8,365	7,347	8,421	7,977	8,723
Extra-EU	995	1,611	1,170	1,643	1,204	1,925
tomatoes	1,952	2,213	2,266	2,194	2,338	2,267
capsicum	1,202	851	1,232	960	1,421	931
lettuce	811	921	882	941	999	928
cucumbers	725	911	632	879	765	893
onions	693	1,720	735	1,728	731	1,936
cabbages	605	1,030	643	1,043	646	1,095
mushrooms	553	258	549	275	567	286
carrots	386	935	340	930	379	1,177
courgettes	205	228	211	229	242	238
peas, beans	167	227	185	249	202	254
asparagus	184	70	182	69	162	55
eggplants	123	115	122	121	139	124
fennel	39	46	42	45	43	41
artichokes	44	45	41	39	37	30
spinach	27	88	28	35	31	30
truffles	22	0.1	29	0.2	29	1.4
sweet maize	12	17	14	16	17	31
other fresh vegetables	*348*	*301*	*385*	*311*	*433*	*327*

APPENDIX 3 USEFUL ADDRESSES

3.1 Standards organisations

INTERNATIONAL
International Standardisation Institute (ISO)
Internet: http://www.iso.org

UN/ECE
Trade Division - Agricultural Standards Unit
E-mail: mailto:info.ece@unece.org
Internet: http://www.unece.org

FAO/WHO Food Standards
E-mail: mailto:codex@fao.org
Internet: http://www.codexalimentarius.net

EUROPEAN UNION
Comité Européen de Normalisation (CEN)
European Normalisation Committee
E-mail: mailto:infodesk@cenorm.be
Internet: http://www.cenorm.be

SGS European Quality Certification Institute E.E.S.V.
E-mail: mailto:sgs.nl@sgs.com
Internet: http://www.sgs.com

BELGIUM
Institut Belge de Normalisation (IBN)
Belgisch Instituut voor Normalisatie (BIN)
E-mail: mailto:info@ibn.be
Internet: http://cat.bin.be/english/service_files/home.htm

FRANCE
Association Française de Normalisation (AFNOR)
E-mail: mailto:norminfo@afnor.fr
Internet: http://www.afnor.fr

GERMANY
Deutsches Institut für Normung eV (DIN)
E-mail: mailto:peter.anthony@din.de
Internet: http://www.din.de

ITALY
Ente Nazionale Italiano di Unificazione (UNI)
E-mail: mailto:uni@uni.com
Internet: http://www.uni.com/it/

THE NETHERLANDS
NEN
E-mail: mailto:info@nen.nl
Internet: http://www.nen.nl

UNITED KINGDOM
British Standards Institution (BSI)
E-mail: mailto:info@bsi-global.com

Internet: http://www.bsi-global.com

3.2 Sources of price information

INTERNATIONAL
International Trade Centre (ITC)
Internet: http://www.intracen.org

FRANCE
Services des Nouvelles des Marchés (SNM)
E-mail: mailto:cat@snm.agriculture.gouv.fr
Internet: http://www.snm.agriculture.gouv.fr

Association Interprofessionelle des Fruits et Légumes Frais (INTERFEL)
E-mail: mailto:infos@interfel.com
Internet: http://www.interfel.com

GERMANY
Zentrale Markt- und Preisberichtstelle für Erzeugnisse der Land-, Forst- und Ernährungswirtschaft GmbH (ZMP)
E-mail: mailto:info@zmp.de
Internet: http://www.zmp.de

THE NETHERLANDS
Productschap Tuinbouw
Netherlands' Commodity Board for Horticulture
E-mail: mailto:pt@tuinbouw.nl / mailto:info@tuinbouw.nl
Internet: http://www.tuinbouw.nl

3.3 Trade associations

EUROPEAN UNION
Freshfel Europe
European Association for the fresh produce industry
E-mail: mailto:info@freshfel.org
Internet: http://www.freshfel.org

BELGIUM
National Fruit and Vegetables Importers, Exporters and Wholesalers Union
Telephone: +32 (0)2 2159050
Fax: +32 (0)2 2156863
E-mail: mailto:nufeg@sknet.be

European Centre of Fruit and Vegetables
E-mail: mailto:info@cefl-ecfg.be
Internet: http://www.cefl-ecfg.be

FINLAND
Finnish Food Marketing Association (FFMA)
E-mail: mailto:sari.hokkanen@pty.fi
Internet: http://www.pty.fi

FRANCE
Fédération Française des Importateurs de Fruits et Légumes (FFIFL) and **Chambre Syndicale des Importateurs Français (CSIF)**
French Federation of Importers of Fruit and Vegetables
Telephone: +33 (0)1 45607280

Fax: +33 (0)1 46753631
E-mail: mailto:fifl@wanadoo.fr

Association Interprofessionelle des Fruits et Légumes Frais (INTERFEL)
E-mail: mailto:infos@interfel.com
Internet: http://www.interfel.com

Association Nationale Interprofessionnelle du Champignon de Couche (ANICC)
French Mushrooms Federation
E-mail: mailto:anicc@wanadoo.fr
Internet: http://www.anicc.com

GERMANY
Naturland-Verband für naturgemäßen Landbau e.V.
Germany's Naturland association for organic agriculture
E-mail: mailto:naturland@naturland.de
Internet: http://www.naturland.de

Deutsche Fruchthandelsverband e.V. (DFHV)
Association of the German Fruit Trade
E-mail: mailto:bonn@dfhv.de
Internet: http://www.dfhv.de

IRELAND
The Wholesale Fruit, Potato and Produce Merchants' Association of Ireland Ltd.
Telephone: +353 (0)1 289 7959
Fax: +353 (0)1 288 6406

ITALY
Associazione Nazionale Esportatori Importatori Ortofrutticoli e Agrumari (ANEIOA)
National Association of Fruit and Vegetable Importers and Exporters
E-mail: mailto:aneioarm@tin.it
Internet: http://xoomer.virgilio.it/aneioa

Associazione Nazionale Importatori Prodotti Ortofrutticoli (ANIPO)
National Association of Importers of Horticultural Products
Telephone: +39 06 7726401
Fax: +39 06 7004428
E-mail: mailto:anipo@confcommercio.it

CSO Centro Servizi Ortofrutticoli
Internet: http://www.csoservizi.com

THE NETHERLANDS
The Greenery B.V.
Marketing and sales organisation
E-mail: mailto:info@thegreenery.com
Internet: http://www.thegreenery.com

Voorlichtingsbureau Groenten en Fruit
The General Promotion Office for Dutch and Imported Fruit and Vegetables
Internet: http://www.groentenenfruit.nl

Productschap Tuinbouw
Netherlands' Commodity Board for Horticulture
E-mail: mailto:pt@tuinbouw.nl

Internet: http://www.tuinbouw.nl

Frugi Venta
Netherlands Platform of Fruit and Vegetable Traders
E-mail: mailto:info@frugiventa.nl
Internet: http://www.frugiventa.nl

SPAIN
Federación Española de Asociaciones de Productores Exportadores de Frutas, Hortalizas, Flores y Plantas Vivas (FEPEX)
E-mail: mailto:fepex@fepex.es
Internet: http://www.fepex.es

SWEDEN
Swedish Fruit and Vegetables Distributors
E-mail: mailto:info@ewerman.se
Internet: http://www.fruktogront.se

SWITZERLAND
Schweizerischer Obstverband
Swiss Fruit Association
E-mail: mailto:sov@swissfruit.ch
Internet: http://www.swissfruit.ch

UNITED KINGDOM
Fresh Produce Consortium (UK)
E-mail: mailto:info@freshproduce.org.uk
Internet: http://www.freshproduce.org.uk

Mushroom Growers' Association for Great Britain and Northern Ireland (MGA)
E-mail: mailto:mel@mushjournal.fsnet.co.uk
Internet: http://www.mushroomgrowers.org

3.4 Trade fair organisers

GERMANY
ANUGA
One of the leading trade fairs for the food and drink industry worldwide
Frequency, date: biennial, 8 – 12 October 2005
Location: Cologne, Germany
E-mail: mailto:anuga@koelnmesse.de
Internet: http://www.anuga.com

Fruit Logistica
International show for industries involved in fruit trading; developing countries offering exotics are a special target groups
Frequency, date: annual / 10 – 12 February 2005
Location: Berlin, Germany
E-mail: mailto:central@messe-berlin.de
Internet: http://www.fruitlogistica.com

FRANCE
Salon International de L'Alimentation (SIAL)
Trade exhibition for the food industry
Frequency, date: biennial, 2006
Location: Paris, France
E-mail: mailto:sial@sial.fr

Internet: http://www.sial.fr

THE NETHERLANDS
AGF-Totaal
Platform for international trading in fruit and vegetables
Frequency, date: biennial 12 – 14 September 2005
Location: Rotterdam, The Netherlands
E-mail: mailto:info@agftotaal.nl
Internet: http://www.agftotaal.nl

SPAIN
Alimentaria
International food and beverages exhibition
Frequency, date: biennial, 2006
Location: Barcelona, Spain
E-mail: mailto:alimentaria@alimentaria.com
Internet: http://www.alimentaria.com

UNITED KINGDOM
IFE
International food and drink exhibition
Frequency, date: biennial, 13 – 16 March 2005
Location: London, United Kingdom
E-mail: mailto:ife@freshrm.co.uk
Internet: http://www.ife.co.uk

3.5 Trade press

FRANCE
FruiTrop
Language: French, English
Main subjects: (tropical) fruit, vegetables, prices, regulations
Frequency: monthly publication
E-mail: mailto:odm@cirad.fr
Internet: http://passionfruit.cirad.fr/site_anglais/fruitrop_e/fruitrop_e.html

Fruits Légumes Distribution (FLD)
Language: French
Main subjects: fruit, vegetables and their distribution
Frequency: weekly publication
E-mail: mailto:abo.ladepeche@siac.fr
Internet: http://www.siac.fr

GERMANY
Fruchthandel
Language: German
Main subjects: fresh fruit, vegetables, nuts, dried fruit and potatoes
Frequency: weekly publication
E-mail: mailto:info@fruchthandel.de
Internet: http://www.fruchthandel.de

THE NETHERLANDS
Vakblad AGF
Language: Netherlands
Main subjects: wide variety of topics on the fruit and vegetable trade
Frequency: weekly publication
E-mail: mailto:vakbladagf@reedbusiness.nl

Internet: http://www.vakbladagf.nl

Primeur
Languages: Dutch and French, in some editions also English and German
Frequency: fortnightly publication
Main subjects: fresh fruit and vegetables trade within Europe
Telephone: +31 (0)113 230621
Fax: +31 (0)113 230865
E-mail: mailto:primeur@zeelandnet.nl

SPAIN
Horticultura & Internacional
Language: Spanish
Main subjects: international horticultural trade and techniques
Frequency: monthly publication
E-mail: mailto:horticom@ediho.es / mailto:plataforma@horticom.com
Internet: http://www.horticom.com

Valencia Fruits
Language: Spanish
Main subjects: fresh fruit and vegetables in the Spanish market
Frequency: weekly publication
E-mail: mailto:info@valenciafruits.com
Internet: http://www.valenciafruits.com

UNITED KINGDOM
Fresh Produce Journal
Language: English
Main subjects: news and services for fresh fruit and vegetable businesses in the UK and its supplying countries
Frequency: weekly publication
E-mail: mailto:info@fpj.co.uk
Internet: http://www.freshinfo.com

Eurofruit
Language: English
Main subjects: international market for fresh fruit and vegetables
Frequency: monthly publication
E-mail: mailto:info@fruitnet.com
Internet: http://www.eurofruitmagazine.com

Fruit and Vegetable Markets
Language: English
Main subjects: fresh and processed fruit and vegetables in the European and international markets
Frequency: monthly publication
E-mail: mailto:marketing@agra-net.com
Internet: http://www.agra-net.com

SWITZERLAND
Fruit World International
Language: English, German, French
Main subjects: fresh fruit and vegetables worldwide
Frequency: quarterly publication
E-mail: mailto:adve@agropress.com
Internet: http://www.agropress.com

3.6 Other useful addresses

INTERNATIONAL

IFOAM
(International Federation of Organic Agriculture Movements)
E-mail: mailto:headoffice@ifoam.org
Internet: http://www.ifoam.org

International Chamber of Commerce
E-mail: mailto:webmaster@iccwbo.org
Internet: http://www.iccwbo.org

European Food Safety Authority (EFSA)
E-mail: mailto:info@efsa.eu.int
Internet: http://www.efsa.eu.int

UNCTAD
(United Nations Conference on Trade and Development)
E-mail: mailto:info@unctad.org
Internet: http://www.unctad.org

EUROPE

Contact point EU ECO-label
(Commission of the European Communities)
E-mail: mailto:ecolabel@biois.com
Internet: http://www.europa.eu.int/ecolabel

EurepGap
(European retailers' organisation for the promotion of good agricultural practice)
E-mail: mailto:info@foodplus.org
Internet: http://www.eurep.org

GreenTrade
(Online directory of buyers and sellers of organic products)
E-mail: mailto:info@greentrade.net
Internet: http://www.greentrade.net

TransFair International
(fair trade organisation)
E-mail: mailto:info@transfair.org
Internet: http://www.transfair.org

GERMANY

BCS ÖKO-GARANTIE GMBH
(contact point for organic certification)
E-mail: mailto:info@bcs-oeko.de
Internet: http://www.bcs-oeko.de

Ecocert
(contact point for organic certification)
E-mail: mailto:info@ecocert.de
Internet: http://www.ecocert.de

GTZ Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH
(service enterprise for development cooperation)
E-mail: mailto:info@gtz.de
Internet: http://www.gtz.de

Naturland Verband für naturgemäßen Landbau e.V
(Germany's Naturland association for organic agriculture)
E-mail: mailto:naturland@naturland.de
Internet: http://www.naturland.de

FRANCE
Ecocert
(contact point for organic certification)
E-mail: mailto:info@ecocert.fr
Internet: http://www.ecocert.fr

THE NETHERLANDS
CBI/AccesGuide
CBI's database on European non-tariff trade barriers
Email: mailto:accessguide@cbi.nl
Internet: http://www.cbi.nl/accessguide

The Ministry of Public Health, Welfare and Sports
(Netherlands food inspection service)
E-mail: mailto:info@vwa.nl
Internet: http://www.vwa.nl

SKAL
(internationally operating organisation, inspecting and certifying sustainable agricultural production methods and products)
E-mail: mailto:info@skal.nl
Internet: http://www.skal.nl

Stichting Max Havelaar
(Max Havelaar Foundation, fair trade organisation)
E-mail: mailto:maxhavelaar@maxhavelaar.nl
Internet: http://www.maxhavelaar.nl

Milieukeur Foundation
(Netherlands Ecolabel enquiry point)
E-mail: mailto:milieukeur@milieukeur.nl
Internet: http://www.milieukeur.nl

UNITED KINGDOM
Soil Association
(IFOAM accredited contact point for organic certification)
E-mail: mailto:info@soilassociation.org
Internet: http://www.soilassociation.org

APPENDIX 4 LIST OF DEVELOPING COUNTRIES

The list of developing countries as applied in this market survey is the OECD DAC list of countries receiving Official Development Assistance (Part I). The list used is applicable as per 1/1/2003.

Afghanistan	Georgia	Pakistan
Albania	Ghana	Palau Islands
Algeria	Grenada	Palestinian Admin. Areas
Angola	Guatemala	Panama
Anguilla	Guinea	Papua New Guinea
Antigua and Barbuda	Guinea-Bissau	Paraguay
Argentina	Guyana	Peru
Armenia	Haiti	Philippines
Azerbaijan	Honduras	Rwanda
Bahrain	India	Samoa
Bangladesh	Indonesia	São Tomé & Principe
Barbados	Iran	Saudi Arabia
Belize	Iraq	Senegal
Benin	Jamaica	Serbia and Montenegro
Bhutan	Jordan	Seychelles
Bolivia	Kazakhstan	Sierra Leone
Bosnia & Herzegovina	Kenya	Solomon Islands
Botswana	Kiribati	Somalia
Brazil	Korea, rep of	South Africa
Burkina Faso	Kyrgyz Rep.	Sri Lanka
Burundi	Laos	St. Helena
Cambodia	Lebanon	St. Kitts-Nevis
Cameroon	Lesotho	St. Lucia
Cape Verde	Liberia	St. Vincent and Grenadines
Central African rep.	Macedonia	Sudan
Chad	Madagascar	Surinam
Chile	Malawi	Swaziland
China	Malaysia	Syria
Colombia	Maldives	Tajikistan
Comoros	Mali	Tanzania
Congo Democratic Republic	Marshall Islands	Thailand
Congo Rep.	Mauritania	Togo
Cook Islands	Mauritius	Tokelau
Costa Rica	Mayotte	Tonga
Côte d'Ivoire	Mexico	Trinidad & Tobago
Croatia	Micronesia, Fed. States	Tunisia
Cuba	Moldova	Turkey
Djibouti	Mongolia	Turkmenistan
Dominica	Montserrat	Turks & Caicos Islands
Dominican Republic	Morocco	Tuvalu
Ecuador	Mozambique	Uganda
East Timor	Myanmar	Uruguay
Egypt	Namibia	Uzbekistan
El Salvador	Nauru	Vanuatu
Equatorial Guinea	Nepal	Venezuela
Eritrea	Nicaragua	Vietnam
Ethiopia	Niger	Wallis & Futuna
Fiji	Nigeria	Yemen
Gabon	Niue	Zambia
Gambia	Oman	Zimbabwe

APPENDIX 5 USEFUL INTERNET SITES

http://www.thefruitpages.com
Provides practical information on the characteristics of all kinds of fruit, especially exotic and citrus fruit. You can also subscribe to a free fruit newsletter and ask questions relating to fruit. (Language: English)

http://www.fruitonline.com
This site is devoted to the international fruit business. It offers a diverse array of free information. As you browse through its pages, you will find fruit prices, market analyses, statistics, fruit industry news and business opportunities. (Language: English, Spanish)

http://www.fintrac.com
Fintrac is a market research, information technologies and technical consultancy firm, which provides specialised products and services to agribusiness, governments and associations worldwide. The web site contains market, trade, price and other information on fresh produce and also provides news and links to other sites. (Language: English, Spanish)

http://www.agribusinessonline.com
This Internet site, which was created through the merger of Fintrac's Global Agribusiness Information Network and MarketAg, provides market prices, market information, company directories, calendar of events, crop guides and more than one thousand links to market research, statistics, regulations, associations and many other organisations relevant to the fresh produce trade. (Language: English)

http://www.freshinfo.com
The web site of the magazine Fresh Produce Journal provides daily news, information on events and an archive of news and features plus global produce data. Also contains an on-line fresh produce industry marketplace. (Language: English)

http://faostat.fao.org/faostat/collections?subset=agriculture
This Internet site contains the statistical database of the FAO (Food and Agriculture Organization). It offers detailed information on production, imports and exports of several kinds of fruit and vegetables.
(Language: English, French, Spanish, Arabic, Chinese)

http://www.ifoam.org
Web site of the International Federation of Organic Agriculture Movements. Information on fairs, projects, events, regulations, reports and magazines on organic agriculture. Also provides links to other international organisations and databases including a collection of Country Reports on Organic Agriculture. (Language: English)

http://www.coleacp.org
Web site of COLEACP (Europe-Africa-Caribbean-Pacific Liaison Committee), which promotes the export of fresh fruit, vegetables and flowers from the ACP countries. It provides links to the "Pesticides Initiative Programme," which aims to provide practical solutions to ACP fruit and vegetable producers' and exporters' adaptation difficulties, and to the "Harmonised Framework for Codes of Practice," which promotes safe and responsible production in the horticultural sector in ACP countries. (Language: French, English)

http://europa.eu.int/comm/food/index_en.html
Web site of the European Union, with practical information on food safety and direct links to pesticide regulations, food labelling and many other food safety issues. (Language: Spanish, Danish, German, Dutch, English, French, Italian, Finnish, Swedish, Greek)

APPENDIX 6 REFERENCES

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- Catherine Dolan, John Humphrey and Carla Harris-Pascal, 'Horticulture Commodity Chains: The Impact of the UK Market on the African Fresh Vegetable Industry,' 1999
- Catherine Dolan and John Humphrey, 'Changing Governance Patterns in the Trade in Fresh Vegetables between Africa and the United Kingdom,' 2002