



Swedish Chambers



Market Brief

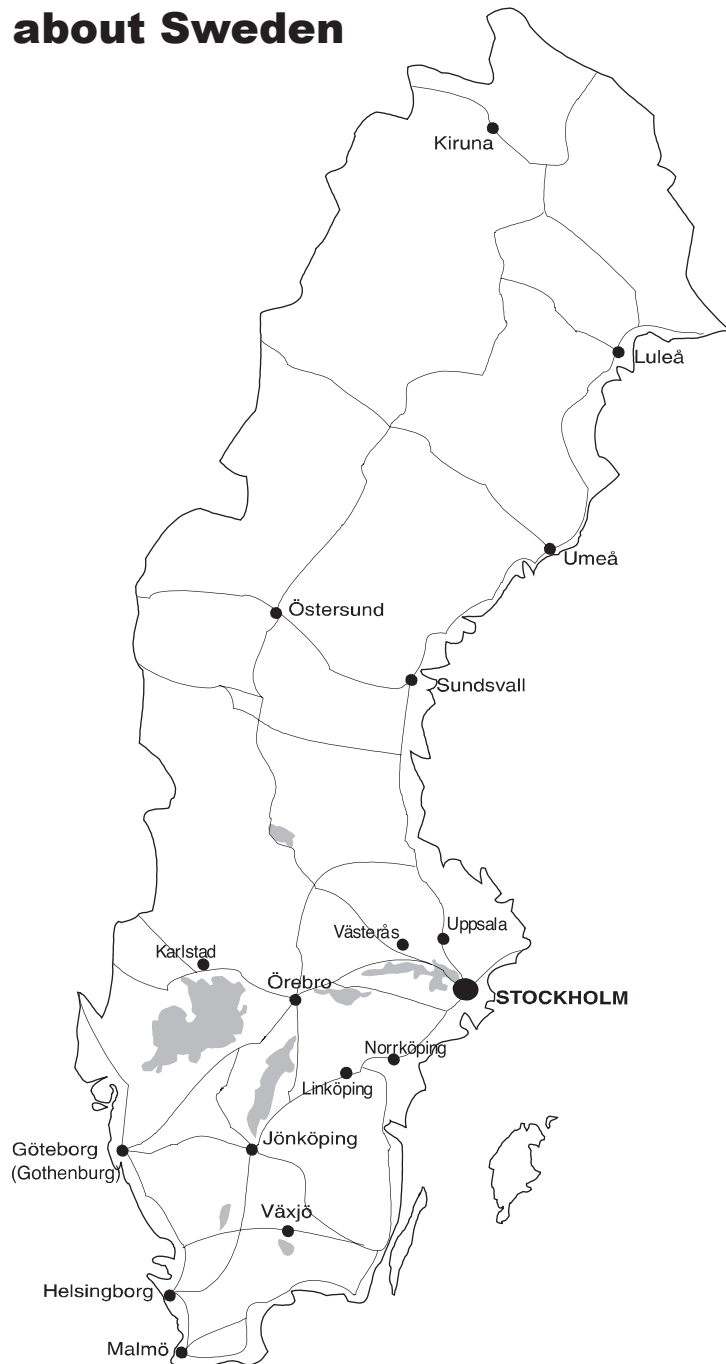
Focus on the Swedish Market



Food Products

December 2009

Facts about Sweden



Area: 449,964 sq.km
Population: 9.3 million

Capital: Stockholm.
Stockholm city: 810.100 inh.
Greater Stockholm: 2 mil. inh.

Business language:
Swedish, English

Religion:
Lutheran

Largest cities:
Stockholm city 810.100 inh.
Gothenburg 500.200 inh.
Malmö 286.500 inh.
Uppsala 190.700 inh.
Linköping 141.900 inh.
Västerås 134.700 inh.
Örebro 132.300 inh.
Norrköping 128.100 inh.
Helsingborg 126.700 inh.
Jönköping 125.200 inh.

Form of government:
Constitutional monarchy,
parliamentary democracy

Some distances:
Stockholm-Malmö 640 km
Stockholm-Gothenburg 490 km
Stockholm-Sundsvall 400 km
Stockholm-Kiruna 1310 km

Currency:
1 krona (SEK) = 100 öre

The European Union

- Austria
- Belgium
- Bulgaria
- Cyprus
- Czech Rep.
- Denmark
- Estonia
- Finland
- France
- Germany
- Great Britain
- Greece
- Hungary
- Ireland
- Italy
- Latvia
- Lithuania
- Luxemburg
- Malta
- Netherlands
- Poland
- Portugal
- Romania
- Slovak Rep.
- Slovenia
- Spain
- Sweden

The EES/EEA area
EU-countries, Iceland,
Liechtenstein and Norway

EFTA
Iceland, Liechtenstein,
Norway and Switzerland



List of Contents	Page
1 Introduction	3
2 The Swedish Food Market	4
2.1 Market Size	4
2.2 Market Characteristics	5
2.3 Market Segments	6
2.3.1 Retail Sector	6
2.3.2 Foodservice Sector	7
2.3.3 Food Processing Industry	7
3 Imports and Exports	9
3.1 Imports	10
3.2 Domestic Production and Exports	11
4 Channels of Distribution	13
4.1 Retail Groups	14
4.1.1 ICA Group	15
4.1.2 Coop group	16
4.1.3 Axfood	17
4.1.4 Bergendahls Group	17
4.2 Wholesalers for the Convenience Store Sector	18
4.3 Wholesalers for the Foodservice Sector	19
4.4 Importers of Fresh Fruit and Vegetables	20
4.5 Importers of Alcoholic Beverages	20
4.6 Importers of Raw Materials and Food Ingredients	21
5 Market Access	22
6 Market Prospects	22
Appendix 1 Imports and Exports of Food, by Value 2006-2008	24
Appendix 2 Imports of Processed Food, by Value 2006-2008	25
Appendix 3 Retail Sales of Food, by Value 2006-2008	26
Appendix 4 Direct Consumption of Food, by Quantity 2004-2007	27
Appendix 5 Facts about Retail Groups	28
Appendix 6 Useful Internet Links	29
Appendix 7 Currency Conversion	29

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Author: Fox Research AB, Stockholm

Published by: Swedish Chambers / The Chamber of Commerce of East Sweden
December 2009



This document has been financed by the Swedish International Development Cooperation Agency, Sida. Sida does not necessarily share the views expressed in this material. Responsibility for its contents rests entirely with the author.

1 Introduction

Sweden has a population of approx. 9.3 million people. Since year 2000, the population has grown with 0.5 million people (+6%), of which a substantial part through immigration.

Sweden is from 1995 a full member of the European Union (EU), which has 27 member countries. The EU has abolished all trade barriers between the member countries and can therefore be described as a single, unified market. Another four countries cooperate with the EU in the European Economic Area (EEA) and therefore participate in the European single market without having joined the EU.

The population of the 31 EEA-countries is around 510 million people. Sweden's share of the total population is close to 2%, which means that it is one of the mid-sized national markets. However, the five countries in Scandinavia (also called the Nordic countries) - Denmark, Norway, Sweden, Finland and Iceland - with about 25 million inhabitants, are more and more regarded as the “home market” for companies within the Swedish food trade and industry.

Sweden has experienced a rapid growth during the last 50 years and is among the wealthiest nations in the world. Also in comparison with other European countries, the Swedish GDP per capita is about 20% higher than the EU average.

Sweden and the European Market

Area	Pop. million	Share %
Sweden	9.3	1.8
Scandinavia	25.1	4.9
European Union (EU/EEA)	510.0	100.0

Source: Eurostat, Statistics Sweden

GDP per capita comparison 2000-2008

Swedish volume index of Gross Domestic Product (GDP) per capita in Purchasing Power Standards (PPS) expressed in relation to the EU average, set to equal 100.

	2000	2006	2007	2008
European Union	100.0	100.0	100.0	100.0
Sweden	126.7	121.4	122.2	121.0

Source: Eurostat

The Euro (€), which during 2009 surpassed the US dollar as the most traded currency in the world, is the official currency of the European Union, and is currently in use in 16 of the 27 Member States. However, Sweden has for the moment decided not to participate in the Euro monetary system, and therefore still uses its national currency, the Swedish krona (code SEK), in English normally referred to as the “Swedish crown” (since *krona* means crown in English). Nonetheless, to facilitate comparisons with other markets, this report uses the Euro (€) as the basic currency to indicate value.

For currency conversion between the Swedish krona, the Euro and the US dollar, please refer to **Appendix 7**.

2 The Swedish Food Market

2.1 Market Size

Swedish consumers spent about 20% of their household budget on food and beverages in 2008, the same as the EU average. Of the total expenditure, purchases in food stores accounted for 70% and meals out of home for 30%. Other important areas of the private consumption were consumer articles (20%), housing (27%), and transports (13%), as well as services, leisure activities and health care (21%).

During 2008, consumer's expenditure of food and beverages increased about 2% to € 31 billion. However, in local currency the volume increased by 6%. Of the total, the retail trade accounted for about 70% and the food service sector for 30%.

Food Market 2008

Sector	Number of outlets	Sales € million	M-share %
Retail trade	6 500*	21 430	70
Foodservice	31 200	9 330	30
• Total	37 700	30 760	100
* Excluding small convenience outlets and specialised food stores			
Sources: Statistics Sweden, Delfi, Fox Research			

Sweden counts as a mature market for groceries with a relatively slow growth. Retail sales of food and beverages amounted to € 21.4 billion in 2008, which was 1.7% higher than the year before. However, in local currency, the increase was 5.7%. The main product groups were dairy products and fats (16%), fruit and vegetable products (16%), meat products (15%), and bread and cereal products (13%). Due to high taxation, also consumption of alcoholic beverages (beer, wine, spirits) is notable when measured by value (14%).

Consumption of fish and seafood, meat products, coffee, fresh fruit and vegetables, and cereal products has increased considerably in recent years. Dairy products and fats, on the other hand, have experienced a negative trend. See also tables below.

For more detailed information, see **Appendix 3 and 4**, *Retail Sales of Food by Value* and *Direct Consumption of Food by Quantity*.

Retail Sales of Food and Beverages, By Value 2006-2008

Product	Value € million		±	%	Share %
	2006	2008			
Fruit and vegetables	3 660	3 960	+	8.3	18.5
Dairy products, fats and eggs	3 180	3 460	+	8.8	16.0
Meat products	3 150	3 230	+	2.5	15.0
Bread and cereal products	2 450	2 730	+	11.4	12.5
Fish and seafood	1 010	1 030	+	2.4	5.0
Coffee, tea and cocoa	510	530	+	3.0	2.5
Other food products	2 480	2 740	+	10.1	13.0
Beverages	3 580	3 760	+	5.2	17.5
• Total	20 020	21 430	+	7.1	100.0
Source: Statistics Sweden					

Per Capita Consumption 2000-2007

Product Group	Per capita consumption in kg/litres				± 00-07		± %
	2000	2005	2006	2007			
Fruit and vegetable products	217	229	239	240	+ 23	+ 11	
Dairy products, fats and eggs	191	188	183	180	- 11	- 6	
Meat products	72	81	84	85	+ 13	+ 18	
Bread and cereal products	98	104	106	104	+ 6	+ 6	
Fish and seafood	20*	26*	25*	26*	+ 6	+ 30	
Coffee, tea and cocoa	10	10	11	11	+ 1	+ 10	
Other food products	50	52	50	52	+ 2	+ 4	
Beverages	167	168	179	177	+ 10	+ 6	

* Based on estimations. No official figures available since 1999.

Source: Swedish Board of Agriculture

2.2 Market Characteristics

Swedish food consumption consists of 90% processed foods. This is internationally a very high figure. The remaining 10% is composed of non-processed products, such as fresh fruit and vegetables, fresh fish, fresh meat and eggs.

During the last couple of years, consumption of foodstuffs has increased about 2 to 3% per year, which is slightly more than the increase in population. During the same period, several product groups have experienced a significant increase in demand, especially the following product categories:

- fresh fruit and berries
- nuts and almonds
- fresh vegetables
- canned vegetables
- canned and processed fish products
- pasta products
- rice
- sauces and dressings

The food market has for a number of years been influenced by consumer awareness of health, environmental, and social issues. A major development is the introduction of certified organic (also called ecological or biodynamic) foods, as well as Fair Trade labelled products, especially within "natural" product groups such as fresh fruit and vegetables, cereals and coffee. During 2008, 3.4% of all foods sold within the retail trade are now certified organic, when measured by value.

At the same time increased interest in healthy foodstuffs has expanded sales of products that are regarded as nutritious, e.g. nuts, cereal grains, and health bars.

There is also a high interest for food products from other countries, especially for so called ethnic foods, such as Italian, Chinese, Indian, and Mexican style products. This has led to significant sale increases especially of ethnic products such as oils and vinegar, condiments, spicy sauces and dressings.

Taking into account the relatively large number of non-European immigrants (about 5% of the total population) also foodstuffs from countries in the Middle East, Africa and South America have increased in demand. In fact, all major retail groups have during the last couple of years introduced an "ethnic" assortment

consisting of several hundred different products in their supermarkets, which has been met with big success.

Several of these trends can be seen in the following list, showing food items with the largest sales increases within the supermarket trade during the last year:

- Nuts
- Sports & Energy beverages
- Ready-to-Eat meals, chilled
- Asian type bread (pappadum, naan etc.)
- Cereal grains and seeds
- Frozen berries
- Imported dry bread, type crostini, bruschetta, grissini etc.
- Sports & Health bars

The largest increase has been recorded for nuts and almonds (marketed as health snacks), followed by Asian type breads, like pappadums and naanbread from India. Also sports and health oriented beverages and snacks showed significant increases.

On the other hand, there are also several product groups that for a number of years have shown a negative development, for example margarine, sugar, and spirits.

2.3 Market Segments

For food exporters, the Swedish market can be divided into two main market segments: the retail and food service sectors, and the food processing industry.

2.3.1 Retail Sector

The Swedish retail trade has experienced a very positive trend in recent years. In fact, sales of food and beverages have increased every year between 2000 and 2008. However, due to high price increases, the actual sales volume in 2008 was only marginally higher than the year before.

In Sweden, most retail sales of food pass through supermarkets and other general grocery stores with a wide assortment of foodstuffs and household items such as paper products, chemical products, toiletries, flowers, newspapers and tobacco.

Food Retail Market 2008

Food retail market includes sales of both food and other daily commodities (such as chemico-technical and household paper products, flowers, tobacco and magazines). Sales of speciality items are excluded.

Type of Store	Number of Stores	Sales € million	M-share %	Sales per store in € million
Hypermarkets	130	3 538	14	27.2
Supermarkets	2 310	11 998	47	5.2
Discount stores	440	3 507	14	8.0
Convenience stores	2 850	2 216	8	0.8
• Total	5 730	21 259	83	3.7
Other stores*	--	4 235	17	--
• Total	--	25 494	100	--

* Includes smaller kiosks, tobacconists, fruit and candy stores, health food stores, bakeries, meat and deli stores, fish stores, food halls, street markets, drugstores, pharmacies, etc.

Sources: *Fri Köpenskap*, *Market Magasin*

There are approx. 5,700 grocery stores with a full line of food and other household items, of which half are larger stores, such as hypermarkets, supermarkets and discount stores, and half are smaller convenience stores. Discount stores with a limited assortment have in recent years obtained a relatively large market share, approx. 14%.

There are also a large amount of bakeries, fruit stores, deli stores and other single-line stores as well as kiosks and street markets. In addition, there are state-run liquor stores, which are the only retailers that have the right to sell alcoholic beverages, such as wine, spirits and strong alcoholic beer.

2.3.2 Foodservice Sector

During 2008, sales of food and beverages within the foodservice sector amounted to approx. € 9.3 billion, which indicates that this sector absorbs about 30 percent of consumers total food expenditures.

Sweden actually rank's as one Europe's leading markets for out-of home meals. According to a recent study, the average Swedish consumers had meals outside their homes 175 times during 2008. For other European countries like France, Italy and Spain, the corresponding figure was only slightly over 100 per year.

In total, the foodservice-sector comprises approx. 31,000 units, such as restaurants, coffee shops, fast food outlets and canteens.

The restaurant sector, which account for about 70 percent of the sales volume, comprises over 18,000 units, of which 12,000 are restaurants, coffee shops, and hotels, and 6,000 are fast-food outlets. Most of the units in the restaurant sector are family run businesses, but there are also a few large national chains, especially within the fast food and hotel segments. A trend is the fast growing number of ethnic restaurants and fast food outlets, as well as coffee shops.

The canteen sector (also called contract catering market) account for 30 percent of the sales volume and includes 12,000 units, of which a large share is located in schools, hospitals, day-care and old age centres. Local, regional or national authorities and agencies run the majority of these canteens. There are also a number of staff canteens in large office and industrial complexes, either run by the companies themselves or by national restaurant chains.

Food Service Market 2008

Type of Outlet	Number of Outlets	Sales € million	M-share %
Restaurants, Coffee shops, Fast food	18 700	6 628	71
Canteens	12 500	2 706	29
• Total	31 200	9 334	100

Sources: Statistics Sweden, Delfi

2.3.3 Food Processing Industry

The Swedish food processing industry counts as an important market segment for foreign suppliers of foodstuffs. Even though domestic producers and companies still supply the main part of the raw materials and food ingredients used, imports are on the increase.

The food processing industry consists of about 3,200 companies with 56,000 employees. The net turnover amounted to € 17.3 billion during 2008, which means that food manufacturing accounted for about 10% of Sweden's total industrial output.

The most important sectors within the Swedish food industry are the bakeries, meat plants, and dairies, with more than 50% of the value of output. However, domestic producers mainly supply these sectors, as well as the milling, sugar and spirits industries.

Food Processing Industry 2008

Industry Sector	Outlets Number	Employees Number
Bakery	1 392	14 400
Meat	455	12 000
Dairy and Ice-cream	126	6 100
Fruit & Vegetables	177	5 100
Brewery & Soft drinks	77	3 900
Chocolate & Confectionary	204	2 900
Oils & Fats	48	2 000
Fish	208	1 900
Milling & Starch	112	1 600
Spirits & Wine	44	900
Sugar	5	500
Other	359	5 000
• Total	3 207	55 900

Source: Li, Statistics Sweden

The branches, which depend mostly on imports, are the coffee, spice, oils & fats, chocolate & confectionary, and fish & seafood industries. Also manufacturers of juices, dressings and sauces, as well as processors and canners of fruit and vegetables, largely depend on imports. In recent years, also the meat industry has become a large importer.

The manufacturing sector is characterized by a high degree of concentration to a few large companies. Farmer cooperatives, whether Swedish or owned by other Scandinavian, account for a large part of the Swedish food processing industry. The farmer cooperatives are dominant within the meat, dairy, cereal, starch and animal feed sectors.

About 30% of the total food production in Sweden is controlled by foreign companies. The Norwegian group *Orkla* is the owner of three leading Swedish food companies: *Procordia Food* (canned, dried and frozen foods), *Abba Seafood* and *Kåå* (bakery ingredients importer and wholesaler).

Other large multinational food companies with production units in Sweden are *Unilever* (convenience foods), *Kraft Foods* (chocolate, condiments and coffee), *Barilla* (Wasa crispbread), *Carlsberg* (beer, soft drinks and water), *Pernod Ricard* (Absolut vodka), *Findus* (canned and frozen foods). Another large company is the pan-nordic group *Aarhus Karlshamn* (refined oils and fats). For more details about Swedish food manufacturers, see **Section 4.6**.

3 Imports and Exports

Sweden has traditionally been more or less self-sufficient in basic foods like meat, dairy products and cereals. However, during the last two decades, especially since joining the EU in 1995, imports have shown a steady yearly increase, also regarding the basic "domestic" products.

The total degree of self-sufficiency is at present estimated to be about 65-70%, and thus 30-35% is imported. At the same time, also exports have shown a large increase, which means that the domestic food industry is a growing importer of raw food materials and food ingredients.

Sweden imports almost twice as much food products as it exports. Imports in 2008 amounted to € 9.1 billion, an increase by 10% compared to the previous year (13% when measured by local currency). Exports amounted to € 4.9 billion, an increase by 13% (15% in local currency).

The Swedish Food Distribution

Products traditionally supplied domestically <ul style="list-style-type: none"> • Dairy products • Meat products (fresh meat recently imported) • Cereals (mainly wheat, rye) 	Products produced only part of the year <ul style="list-style-type: none"> • Fresh vegetables • Temperate fruit (apples, berries, etc.)
Products not produced within Sweden <ul style="list-style-type: none"> • Most fruit items (except temperate fruit) • Green coffee, tea and cocoa • Spices and herbs • Wine 	Products imported in large quantities <ul style="list-style-type: none"> • All kinds of fish & seafood products • Fresh meat products • Sauces, dressings, vinegar and oils • Ready-to-eat and other convenience foods • Frozen, canned and dried food products • Animal feed

Imports and Exports of Foodstuffs, By Value 2008

Product	Value € million		Net Imports	Net import Gap %
	Imports	Exports		
Meat products	1 013	246	- 767	- 76 %
Dairy products and Eggs	649	366	- 283	- 44 %
Fish & Seafood products	1 850	1 283	- 567	- 31 %
Cereal & Bakery products	499	689	+ 190	+ 38 %
Fruit and Vegetables	1 734	258	- 1 476	- 85 %
Chocolate and confectionary	377	255	- 122	- 32 %
Coffee	284	100	- 184	- 65 %
Other food products	813	548	- 265	- 33 %
Beverages	810	709	- 101	- 12 %
Oil seeds & oils and fats	550	177	- 373	- 68 %
Animal feed	317	79	- 238	- 75 %
Tobacco	124	45	- 79	- 64 %
Live Animal	34	24	- 10	- 29 %
• Total	9 086	4 921	- 4 165	- 46 %

Source: Statistics Sweden

Food Imports by Product Groups, By Value 2006-2008

Product	Value € million			Change %		Share %
	2006	2007	2008	±	06-08	
Meat products	825.0	900.0	1 012.7	+	22.8	11.2
Dairy products and Eggs	483.2	535.5	649.4	+	34.4	7.2
Fish & Seafood products ¹	612.5	1 819.7	1 849.6	+	14.7	20.4
Cereal & Bakery products	402.6	450.5	498.8	+	23.9	5.5
Fruit and Vegetables	1 621.2	1 693.8	1 733.5	+	6.9	19.1
Chocolate and confectionary	327.5	339.5	377.3	+	15.2	4.2
Coffee	266.6	273.6	283.6	+	6.4	3.1
Other food products	663.6	699.5	812.9	+	22.5	8.9
Beverages	682.8	752.3	810.3	+	18.7	8.9
Oil seeds & oils and fats	422.6	417.6	550.4	+	30.2	6.1
Animal feed	234.1	244.1	317.1	+	35.5	3.5
Tobacco	136.3	125.7	124.0	-	9.0	1.4
Live Animal	23.5	22.4	34.2	+	45.5	0.0
• Total	7 700.4	8 241.8	9 086.3	+	18.0	100.0

Source: Statistics Sweden

3.1 Imports

Imports of food and beverages have shown a steady increase during the last couple of years. During 2008, imports amounted to € 9.1 billion, an increase of 10.2% compared to the preceding year. Between 2006 and 2008, the import value has been enlarged by € 1.4 billion, which equals an 18% increase.

The import increase for food products in 2008 was considerably larger than for other trade in goods. However, a large part of the increase is due to unusually high import prices during 2008, but larger quantities are also part of the explanation.

The primary food import consists of food, which is not at all produced within Sweden such as citrus fruit, nuts, green coffee, tea, cocoa, spices and wine, and also of products, which are only produced during a part of the year, for example fresh vegetables and most fresh fruit, such as apples.

Other notable import items are fish & seafood products, sauces and dressings, ready-to-eat meals, certain canned, frozen and dried foods, as well as animal feed. And as said earlier, also an increasing degree of meat, dairy and cereal products are imported.

Even if imports comprise a large number of items, twelve food products accounted for almost 70% of the total food imports during 2008, see table on the following pages.

Ranked by product groups, the two largest categories are fish and seafood products (20%) and fruit & vegetables (19%), whether fresh or processed. Other important product groups are meat products and beverages, as well as cheese, chocolate and sugar confectionery, green coffee, oils and fats and animal feed. Even though the market for meat products mainly is supplied by domestic production, it has nevertheless become the third largest import product group.

Processed food items account for about 63% of all food imports. The five most important categories are oils & fats, wine, cheese, filets of fish, and cuts of beef. See also **Appendix 2** for further data.

Food items showing the largest growth in imports during the last three years are cereals (114%), fresh fish and seafood (87%), green coffee (57%), flour and grains (55%) and fruit juices and fruit preserves (52%), see also chart on next page.

About 70% of all food imports are normally imported from the European continent, of which other EU-countries account for the dominant part. However, it should be noted that some imports from the EU in the statistics actually have their origin in countries outside of the EU. A typical example is fruit from Latin America that is delivered to Sweden via ports in Germany, Belgium or the Netherlands. This means that EU imports are somewhat overestimated in the data. In addition, Sweden imports a lot of farmed fish from Norway, which to a large extent is re-exported to other countries.

Four countries account for about half of the total import value: Denmark, the Netherlands, Norway, and Germany. OECD countries have during the last couple of years accounted for 90% of total imports, which means that non-OECD countries have had a share of just 10%.

Of the non-OECD countries, the largest exporters to the Swedish market are Brazil and Colombia (mostly coffee), Costa Rica, Guatemala and Panama (bananas and coffee), as well as Kenya (coffee) and Thailand (mostly exotic fruits, both canned and frozen items). Other notable exporters are China, India, Vietnam, the Philippines, Indonesia, Malaysia, Chile, Egypt, Israel, Lebanon, Morocco, and South Africa.

3.2 Domestic Production and Exports

Traditionally, the Swedish food industry has been geared towards the domestic market and only 10-15% has been exported. But since joining the EU in 1995, exports have seen a steady increase year by year. During 2008, the export value amounted to € 4.9 billion, 13% more than the preceding year.

The main export item is fish and seafood products, which accounts for about 1/4 of all food exports. Other important export items are spirits, refined oils and fats, and basic cereal products (mostly rye and wheat).

About 2/3 of food exports are highly processed foodstuffs, which have seen a steady increase during the last few years. The main such products are vodka (with the *Absolut* brand as the leading item), bakery products (mainly biscuits and other sweet bakery goods, frozen bread, rusk, and rye crisp bread), canned fish and seafood products, chocolate and confectionary, liquid fats and butter fat mixtures, filets of fish, roasted coffee, and milk powder.

It should be noted that several of largest export items, especially roasted coffee, chocolate bars, processed fish and seafood products, and refined oils and fats, fully or to a large extent are made from imported raw materials.

The most important export markets for the domestic food industry are other EU-countries (especially Denmark, Finland, Germany and France), accounting for over 70% of the total export value. Other large markets were Norway and the USA (vodka, roasted coffee, and cereals). See also table **Appendix 1**, Imports and Exports of Food.

**Imports of Food 2006-2008,
by Value and Exporting Regions**

Exporter	Value € Million			Change		Share %
	2006	2007	2008	±	06-08%	
European Union	5 238.4	5 595.1	6 247.2	+	19.3	69
Eastern European countries	27.7	23.7	34.7	+	25.3	0
Other OECD countries	1 673.5	1 827.8	1 915.0	+	14.4	21
Developing countries	760.8	795.2	889.4	+	16.9	10
• Total	7 700.4	8 241.8	9 086.3	+	18.0	100

Sources: Li, Statistics Sweden

**Imports of Food: The 12 Largest Products Groups,
by Value 2008**

Rank	Food category	Value € million	Share %
1	Fresh fish and crustacean (incl. frozen)*	1 631.3	19.5%
2	Fresh meat (incl. frozen)	803.8	8.7%
3	Fresh fruit	665.8	8.0%
4	Oils and fats	473.5	3.9%
5	Wine	469.3	5.4%
6	Fresh vegetables	402.6	5.2%
7	Chocolate and sugar confectionary	377.3	4.1%
8	Cheese	355.2	3.4%
9	Animal feed	317.1	3.0%
10	Green coffee	283.6	3.3%
11	Bakery products	219.8	2.5%
12	Processed fish and crustacean	218.3	2.6%

* A substantial part of fresh fish imports consist of farmed Norwegian salmon that are re-exported to other EU-countries

Source: Statistics Sweden

**Import of Food: Product Groups with the Largest Increases,
by Value 2006-2008**

		<u>Imports € million</u>		<u>Increase</u>	
Food category		2006	2008	+	+ 06-08%
1	Cereals	28.4	57.2	+	101
2	Oils seeds	46.8	76.9	+	64
3	Rice	36.0	50.3	+	50
4	Cheese	255.6	355.2	+	39
5	Animal feed	234.1	317.1	+	36
6	Fruit juices and fruit preserves	129.4	176.1	+	36
7	Frozen fruit and berries	48.0	65.1	+	36
8	Pasta products	36.3	48.5	+	34
9	Flour and grains	17.8	23.9	+	34
10	Cured and processed meats	158.8	208.9	+	32
11	Soups, sauces and bouillons	126.5	165.2	+	31
12	Sugar, molasses,honey	64.2	83.0	+	29

Sources: Statistics Sweden

4 Channels of Distribution

Four trade groups, ICA, Coop, Axfood and Bergendahls, with both retail and wholesale activities, dominate the Swedish distribution of food and beverages to the retail sector. All four groups have also built up their own buying and import departments.

These trade groups import some of their general food supplies by themselves, especially items bought in high volumes, and some through independent wholesalers acting as importers or agents.

There are also wholesalers for different segments of the food sector. Thus, the convenience store segment is mainly supplied by specialised wholesalers, of which the leading ones are Axfood Närlivs, Menigo and Privab.

The foodservice sector (hotels, restaurants and catering establishments) is supplied by several wholesalers, of which four dominate the market; Servera, Menigo, Svensk Cater and Martin Olsson.

Besides these groups, imports are also conducted by importing wholesalers specialised in certain food items such as fresh fruit & vegetables, cheese & egg, fish, meat products, health foods, confectionary or alcoholic beverages.

Specialised wholesalers may distribute their goods either via the large retail groups, catering or convenience store wholesalers, or directly to independent chains, large food stores, or catering chains and large units.

There are also some importers specialised in selling to the food industry, including bakeries. However, large food manufacturers often conduct their own buying.

Food Importers/Wholesalers

A selection of the largest importers and wholesalers within the Swedish food wholesale trade.

Retail Groups with integrated retailing and wholesaling activities

- ICA Group
- Coop Group
- Axfood
- Bergendahls Group

Convenience Store Wholesalers

- Axfood Närlivs
- Menigo
- Privab

Foodservice Wholesalers

- Servera (Axel Johnson)
- Menigo
- Svensk Cater
- Martin Olsson

Fresh Fruit & Vegetables Wholesalers

- Saba Trading (Dole)
- Everfresh (Total/Fyffes)
- ICA Fukt & Grönt (ICA)
- Ewerman

Bakery Ingredients Wholesalers

- KåKå (Orkla Group)
- Kobia

4.1 Retail Groups

As mentioned above, the Swedish food-retailing sector is highly concentrated. Four trade groups, with both integrated retail and wholesale activities, dominate the market:

- ICA, Sweden's largest food retailer, has 1,360 stores and a market share of about 37%.
- Coop Group, has 700 stores and approx. 15% of the market.
- Axfood, has about 940 stores and close to 14% of the market.
- Bergendahls, has 240 stores and a market share of 6%.

These four groups account for about 73% of the total retail market for foodstuffs and other everyday commodities. However, if only sales of ordinary grocery stores are counted (excluding small convenience stores and special food stores) their combined market share is even higher, over 90%.

All these groups are also cooperating with retailing groups in other Scandinavian or European countries, especially regarding imports.

In recent years, two foreign-based discount chains have been established in Sweden; Lidl of Germany and Netto of Denmark. Even though these chains have built up their own supply system in Sweden, all imports are coordinated with their headquarters in Germany and Denmark respectively. Their combined market share is still rather insignificant, about three percent, but it is expected to rise substantially within the next few years.

Food Retail Groups Statistics 2008

Group	Sales € million		±	%	Number of food stores
	Total sales	Food* sales			
ICA Group	10 228.9	9 563.0	+	7.1	1 369
Coop Group	4 724.2	3 943.8	+	3.8	692
Axfood	3 610.8	3 486.0	+	8.0	944
Bergendahls**	1 706.5	1 550.5	+	4.1	248
Lidl	641.0	518.2	+	16.4	147
Reitan Servicehandel	376.8	376.8	+	7.7	417
Netto	353.4	318.1	+	15.7	100
• Sum	21 641.6	19 756.4	+	6.5	3 917
Other food stores	--	1 846.1	±	0.0	2 500 approx.
• Sum	--	21 602.5	+	6.0	6 500 approx.
Special stores***	--	3 891.8	±	0.0	--
• Total	--	25 494.3	+	5.9	--

* Including trade in foods and other daily commodities such as chemico-technical products, toiletries, tobacco, paper articles, magazines, newspapers and flowers.

** Incl. the Vi-chain. In November 2009, the Vi-chain changed wholesaler from Bergendahls to Axfood

*** Includes smaller kiosks, tobacconists, fruit and candy stores, health food stores, bakeries, meat and deli stores, fish stores, food halls, street markets, drugstores, pharmacies, etc.

Sources: Market Magasin, Fox Research

Food Retail Groups: Market Shares 2007-2008

Market Shares within the Food and Everyday Commodities Retail Trade			
Group	2007	2008	± 07-08
ICA Group	37.1	37.5	+ 0.4
Coop Group	15.8	15.5	- 0.3
Axfood	13.4	13.7	+ 0.3
Bergendahls (incl. Vi-chain)	6.2	6.1	- 0.1
• Sum	72.5	72.8	+ 0.3
Lidl discount stores	1.9	2.0	+ 0.1
Reitan Servicehandel	1.5	1.5	± 0.0
Netto discount stores	1.2	1.3	+ 0.1
Other food stores	7.5	7.2	- 0.3
Special food stores*	15.4	15.2	- 0.2
• Total	100.0	100.0	± 0.0
* Including trade in foods and other daily commodities such as chemico-technical products, toiletries, tobacco, paper articles, magazines, newspapers and flowers.			
Sources: Market Magasin, Fox Research			

Other retail groups include Reitan Servicehandel (with headquarters in Norway) that runs 7-Eleven and other convenience stores, as well as several petrol store chains. In addition there are about 2,500 smaller independent stores and so called ethnic food stores (usually run by immigrants). These stores are generally supplied by specialised wholesalers for the convenience store sector, see **Section 4.2** below.

About 15% of the food retailing market consist of special food stores such as pastry shops and bakeries, meat and deli stores, fish stores, health food stores, fruit & candy stores, kiosks, street markets, and non-food retailers (such as tobacconists, pharmacies, drugstores and florists). Depending on line of business, these stores are either customers of specialised wholesalers or buy their supplies from cash and carry-units.

4.1.1 ICA Group

The ICA Group, with headquarters in Stockholm, has retail subsidiaries in Sweden (ICA Sverige), Norway (ICA Norge) and in the Baltic countries (Rimi Baltic).

With 2,200 stores and a combined turnover of € 14 billion, the ICA Group and its affiliated stores form together the second largest retailer within the Scandinavian grocery sector. The ICA group is the clear market leader in Sweden and number four in Norway, and one of the top three retailers in the Baltic countries.

All Swedish ICA stores are owned by independent retailers, who are members of the ICA Association, which in turn controls half of the ownership of ICA AB, the parent company. Royal Ahold, based in the Netherlands, controls the remaining part.

The Royal Ahold Group is one of the world's largest retail chains, with activities in several European countries as well as in the USA.

The Swedish retail business is handled by the subsidiary ICA Sverige and consists of approx. 1,360 different types of ICA food stores, from small neighbourhood stores to large superstores and hypermarkets.

ICA Sverige coordinates questions of common interest to all Swedish ICA operations. It also function as the ICA retailers company for marketing, logistics, distribution, accounts, retail development, training and financing/administration.

The buying department, which is organised within the parent company ICA AB in Stockholm, has been established to coordinate all buying activities of both ICA in Sweden and Norway. A special unit located in Helsingborg in south Sweden, ICA Frukt & Grönt, handles imports of fruit and vegetables.

During the last couple years, ICA have also been coordinating buying and trademarks with Ahold in the Netherlands. ICA is since many years also engaged in import and buying cooperation with the Kesko Group, Finland's second largest food retailer.

ICA Sweden Retail Statistics 2008

Units	Number of Stores	Sales € million		Food sales per unit € million
		Total	Food	
ICA Maxi hypermarkets	66	2 715.9	2 320.5	35.2
ICA general grocery stores	1 303	7 513.0	7 242.5	5.5
• Total	1 369	10 228.9	9 563.0	7.5

Sources: ICA, Market Magasin

4.1.2 Coop Group

The second largest food retail group in Sweden, with approx. 15% of the market, is the consumer co-operative Coop Sverige (Coop Sweden) and its affiliated regional cooperative societies. The consumer co-operatives are owned by 3.1 million individual members, which mean that about 60% of all Swedish households are owners of the Coop Group.

Coop Sweden and the affiliated co-operative societies operate over 600 retail stores nationwide, both hypermarkets and supermarkets. The Coop stores have introduced Sweden's largest assortment of organic and environmental friendly products, as well as an assortment of ethnic foodstuffs.

Wholesaling, importing and distribution of food is managed by Cilab AB, a newly formed company. Another new company, Coop Trading A/S, based in Copenhagen, Denmark, handles international purchases of all branded and private label products. Coop Trading is owned jointly by the consumer co-operative organisations in Scandinavia - Coop Sweden, Coop Danmark, Coop Norway and the S-Group/SOK (Finland). The stores belonging to these four groups account for about 30% of the total food retail market in Scandinavia.

It should be noted, that imports of fresh fruit and vegetables are handled by Everfresh, an independent importer (see **Section 4.4** below).

Coop Sweden Retail Statistics 2008

Units	Number of Stores	Sales € million		Food sales per unit € million
		Total	Food	
Coop Forum hypermarkets	65	1 758.6	1 207.1	18.5
Coop general grocery stores	627	2 965.6	2 736.7	4.4
• Total	692	4 724.2	3 943.8	5.7

Sources: Coop Sweden, Market Magasin

4.1.3 Axfood

Axfood is a trading, marketing and distribution company, with primary operations within the retail and wholesale trade in Sweden. The company, which is listed on the Stockholm stock exchange, is part owned by the Axel Johnson Group (45%).

Axfood has about 940 stores around the country. The group's share of the food retail market is approximately 14%. At the end of 2009, also the independent supermarket chain Vi, which has a strong market presence in Stockholm, became part of the Axfood group, which will increase the market share with 2 percentage points.

The retail activities include supermarkets and discount stores, of which the majority are wholly owned, and convenience stores, which are run by independent retailers.

Both own and independent stores normally purchase all their goods through the central buying department of Axfood, called Axfood Products & Purchasing (APP). APP purchase about 20,000 food and other consumer goods items from more than 2,000 suppliers.

APP handles all imports (except fresh fruit and vegetables, which is conducted by Saba Trading, see **Section 4.4**). APP is also responsible for the development of private labels.

Axfood works closely with United Nordic, a part-owned company that import items together with wholesalers in Denmark (Dagrofa/Supergros), Norway (NorgesGruppen/Unil) and Finland (Tuko Logistics). The retail groups behind United Nordic account for about 20% of the total Scandinavian food retail market.

Wholesale activities include Dagab, a logistics company for the retail operations, and Axfood Närlivs, Sweden's largest wholesaler for the convenience store sector. Axfood Närlivs has about 600 convenience stores as customers, as well as numerous kiosks and single-line shops.

The Axel Johnson Group, which is Axfood's largest owner, also owns Servera, a wholesaler for the foodservice sector. In addition, Axel Johnson runs Åhléns, Sweden's only nationwide department store chain.

Axfood Retail Statistics 2008

Units	Number of Stores	Sales € million		Food sales per unit € million
		Total	Food	
Willys & Prisextra discount stores	146	2 070.8	1 998.0	13.7
Hemköp supermarkets	169	1 123.8	1 071.8	6.3
Convenience store chains	629	416.2	416.2	0.6
• Total	944	3 610.8	3 486.0	3.5

Sources: Axfood, Market Magasin

4.1.4 Bergendahls Group

BergendahlsGruppen (Bergendahls Group), a retailer and wholesaler based in south Sweden, has approx. 240 own and affiliated stores. The overall market share is 6%, but in south Sweden the share is substantially higher, over 20%.

The main retail activity comprises the City Gross chain, large discount superstores at present mostly situated in the south and middle part of the country.

Bergendahls has embarked on a massive expansion for the City Gross chain, which has resulted in over 20 new superstores all over the country in just a few years. This has increased the group's market share substantially.

Bergendahl Grossist, which supplies own and affiliated stores as well as independent stores, handles import and wholesaling activities. However, imports of fresh fruit and vegetables is handled by Everfresh, see **Section 4.4**.

There is also a unit for cash & carry, Bergendahl Snabbgross, which caters to convenience stores and restaurants.

The Bergendahls group has also been the main supplier to the independent supermarket chain Vi, which has a strong market presence in Stockholm. However, at the end of 2009, the Vi-chain entered a cooperation agreement with Axfood, which subsequently took over all wholesale and import activities for the chain.

Bergendahls Group Retail Statistics 2008

Units	Number of Stores	Sales € million		Food sales per unit € million
		Total	Food	
CityGross discount superstores	28	738.8	593.2	21.1
Vi-chain supermarkets	72	530.7	520.3	7.2
Other affiliated stores	148	437.0	437.0	2.9
• Total	248	1 706.5	1 550.5	6.3

Sources: Market Magasin

4.2 Wholesalers for the Convenience Store Sector

There are about 2,500 food stores with a full line of food and grocery items, which do not belong to one of leading retail groups. Most of these stores are convenience stores, small neighbourhood stores, or food departments in petrol stations. Their combined market share is about 7% of the total food retail market.

As a rule, convenience stores are supplied by specialised convenience wholesalers, of which the two largest are Axfood Närlivs (Axfood Group) and Menigo. Another nationwide supplier is Privab, consisting of 7 independent wholesaling companies, cooperating under one umbrella.

Convenience Wholesaling Groups Statistics 2008

Group	Turnover € million	Number of	
		Local branches	Employees
Axfood Närlivs	538.7	8	399
Menigo	503.2	8	818
Privab wholesalers	85.8	10	90

Sources: Company information, Fox Research

4.3 Wholesalers for the Foodservice Sector

A few large and specialised catering wholesalers dominate the distribution of food products to hotels, restaurants and catering establishments.

The seven largest wholesaling groups control about 60% of total sales, while direct deliveries from local establishments such as bakeries, dairies, butcheries and deli-kitchens, account for most of the remaining part.

The most important wholesalers are Servera, Menigo, Martin Olsson, and Svensk Cater (part of EuroCater, with headquarters in Denmark). All of them have built up their own import departments.

There are also several locally strong wholesalers, especially in Stockholm and other large metropolitan areas. In addition, there are many small and medium-sized wholesalers, often specialised in certain product groups or market segments. The most important of these companies are Dafgård (frozen foods), Arno Holm (asian foods), and KåKå and Kobia (raw materials and ingredients for bakeries, coffee houses and pastry shops).

Food Service Wholesaling Groups Statistics 2008

Group	Turnover € million	Number of	
		Local branches	Employees
Servera	639.9	14	1 279
Menigo	503.2	8	818
Svensk Cater	239.3	20	435
Dafgård*	207.0	1	1 086
Martin Olsson	195.1	11	378
KåKå	94.1	3	115
ServiceGrossisterna SG**	74.1	5	168
Kobia	45.5	3	84
Arno Holm	14.4	2	35
Stiab	7.8	1	27

* Dafgård also includes manufacturing of frozen foods
 ** SG consisted in 2008 of 4 independent companies: Trinity, Keges, Mårdskog & Lindkvist (ML) and På Gaffeln. However, SG operations ceased in July 2009 and all four companies presently operate independently.

Sources: Company information, Fox Research

Food Service Wholesaling Groups: Market Shares 2008

Company	Market share %
Servera	27
Menigo	12
Svensk Cater	9
Martin Olsson	9
Axfood Närlivs	4
ServiceGrossisterna SG	2
Other Wholesalers	37
• Total	100

Source: Servera, Fox Research

4.4 Importers of Fresh Fruit and Vegetables

Three groups, ICA Frukt & Grönt, Everfresh and Saba Trading, dominate imports and distribution of fresh fruit and vegetables. All three companies are headquartered in Helsingborg, in south Sweden.

ICA Frukt & Grönt, with an estimated 30% market share, is the buying division within the ICA Group for all fresh fruit and vegetables. It also supplies independent stores and restaurants.

Everfresh, subsidiary of Total Produce/Fyffes, with headquarters in Ireland, has in recent years taken a large share of the Swedish market for fresh produce. New customers include both Coop Sweden and the Bergendahls Group.

Saba Trading is one the leading Scandinavian importer and distributor of fruit, vegetables and houseplants. The group is the main supplier of fresh produce to all food stores within the Axfood group as well as to several leading convenience store chains and large restaurant chains.

Saba Trading is a subsidiary of Dole, the world's largest producer and marketer of fresh produce, and also one of the largest import companies within the European market.

There are also a large amount of medium and small importers/wholesalers of fresh fruit and vegetables. However, as a rule these importers only buy their products from other Scandinavian or European sources.

4.5 Importers of Alcoholic Beverages

The selling of alcoholic beverages (wine, spirits and strong alcoholic beer) is subjected to special rules in Sweden. A state monopoly, Systembolaget, has the sole rights of over-the-counter retail sales. However, alcoholic beverages are also sold through licensed restaurants.

Since a few years, import, production and wholesaling of alcoholic beverages is open to all companies that have acquired a special alcoholic license. Imports are now handled by some 700 licensed manufacturers, agents, importers, wholesalers and breweries.

Licensed Importers of Alcoholic Beverages

Selected list of some large licensed importers of alcoholic beverages

Company	Company
<i>Food Service Wholesalers</i>	<i>Importers</i>
Servera	Systembolaget
Menigo	Altia (Finland)
Svensk Cater	Fondberg & Co
Martin Olsson	Chris Wine & Spirits
Axfood Närlivs	Vin Trädgårdh
<i>Breweries</i>	Stellan Kramer
Carlsberg	Nigab (Hans Just, Denmark)
Spendrups	Philipson Söderberg
Åbro	Maxxium
	Primewine

Source: Fox Research

Distribution to both Systembolaget's liquor stores and the restaurant sector is carried out partly by Lagenä (a subsidiary to Systembolaget) and partly by licensed distributors.

4.6 Importers of Raw Materials and Food Ingredients

Imports of raw materials and food ingredients to food manufacturers is conducted either by importers and agents specialised in selling to this sector, or in the case of large manufacturers, by the companies themselves.

Considering the many different kind of food materials and ingredients involved, there are a large number of importers and agents involved in this field. Some of the largest specialised importers of food ingredients are Norfoods, Boden & Lindeberg, B. Engelhardt, and Smith & Son. Regarding bakery ingredients, also K&K and Kobia are important.

Several of the large manufacturers are also among the largest importers of raw materials. This is especially the case for manufacturers of oils and fats (Aarhus Karlshamn), animal feed (Lantmännen), spirits (V&S), juices (Arla Foods), fish and seafood (Abba Seafood), frozen vegetables (Findus, Procordia Food), coffee (Kraft, Nestlé, Löfbergs, Arvid Nordquist), chocolate (Kraft, Cloetta), and herbs, spices and ethnic foods (Santa Maria).

The Largest Swedish Food Manufacturers 2008

Rank	Company	Sector	Turnover € million	Employees Number
1	Aarhus Karlshamn	Oils and fats	1790.5	2 600
2	Lantmännen Food	Bakery, milling and poultry products	1626.2	8 000
3	Arla Foods Sweden*	Dairy products and juices	1411.8	3 600
4	V&S (Pernod)	Vodka, spirits, wine	1073.2	2 000
5	Scan (HK Scan)	Meat, ready-to-eat products	828.0	2 600
6	Kraft Foods Sweden	Coffee, chocolate, snacks	456.3	800
7	Atria Scandinavia	Meat products	437.0	1 600
8	Unilever Sweden	Margarine, oils, sauces, ice-cream	402.7	900
9	Santa Maria	Spices, ethnic foods	384.3	1 200
10	Procordia Food	Convenience foods	346.5	1 100
11	Carlsberg Sweden	Beer, soft drinks, mineral water	320.1	1 300
12	Skånemejerier	Dairy products and juices	295.0	600
13	Danisco Sugar	Sugar and molasses	292.4	500
14	Coca Cola Sweden	Soft drinks and mineral water	284.5	600
15	Milko	Dairy products and juices	273.8	800
16	Pågen	Bakery and cereal products	249.7	1 400
17	Spendrups	Beer, soft drinks, mineral water, wine	245.9	1 200
18	Findus Sweden	Frozen & canned products	237.8	1 000
19	Gunnar Dafgård	Frozen meat and ready-to-eat prds	212.3	1 000
20	Hilton Food Group	Specialist (private label) meat packer	208.1	400
21	Nestlé Sweden	Convenience foods	187.3	300

* Arla Foods Sweden is part of Arla Foods, with headquarters in Denmark.

Source: Li

5 Market Access

As a full member of the European Union (EU), Sweden is also a part of the EU customs union. This means that there are no trade barriers between Sweden and other EU-countries.

All imports from countries outside the EU are subject to import tariffs, which vary from 0 to 20%. Furthermore, some of these imports have to be delivered to the EU on a quota basis.

However, developing countries enjoy preferential treatment under the Generalized System of Preferences (GSP), which grants tariff reductions. Furthermore, countries that are beneficiaries of the special incentive arrangement for sustainable development and good governance (GSP+) enjoy duty free access for all products.

In addition, imports from the Least Developed Countries (LDCs) enjoy duty and quota free access for most agricultural products, under the Everything But Arms (EBA) arrangement.

EU regulations regarding food labelling, nutritional information, additives and food control are now in effect in Sweden. However, under a transitional period, some Swedish regulations will still be applicable.

More information about the EU customs duties, regulations and other market requirements can be obtained from the EU Export Helpdesk for Developing Countries as well as from other EU sites, see box below. See also **Appendix 6**, for more links to other national and European agencies.

Internet sites about EU customs duties and regulations

EU Export Helpdesk for Developing Countries	http://exporthelp.europa.eu/
EU Bilateral Trade Relations	http://ec.europa.eu/trade/creating-opportunities/bilateral-relations
EU General Systems of Preferences (GSP)	http://ec.europa.eu/trade/issues/global/gsp/index_en.htm

6 Market Prospects

Imports of food products have increased considerably since Sweden joined the EU and imports now account for over one third of total food consumption.

A substantial part of imports, about 40%, consists of products that cannot be produced within the country, such as juice, coffee, wine, tea, cocoa, and certain vegetables and fruits, as well as fresh fish and seafood products. But an increasing part of imports constitute products that are competing with domestically produced items.

EU and OECD countries supply the largest part of imports. In fact, only 10% are imported from developing countries. The main imported items from developing countries consist of fresh produce (e.g. citrus fruit, bananas and other tropical fruit, as well as vegetables), bulk items that are mixed and repacked in consumer packages by domestic packers (e.g. juice, nuts and spices), and raw materials for domestic manufacturers, such as green coffee, oils and fats, and animal feed ingredients.

In recent years, imports from developing countries have also constituted a reasonably large amount of processed food and beverage products, such as canned fruit, canned seafood, frozen vegetables, sauces, and wine.

A market characteristic is that health, environmental and social issues have started to play a significant role in the food trade. Organic and fair trade labelled products have therefore achieved a relatively large share in a short period. At the same time products that are seen as healthy and nutritious have shown significant sales increases in recent years.

Another trend is the interest for ethnic food with an authentic exotic taste. Several ethnic food items have therefore been among the fastest growing product categories within the retail trade.

The positive trend for organic, fair trade, nutritious, or ethnic products is expected to maintain over the next few years, which means that new suppliers are needed, including suppliers in developing countries.

The prospects for exporters in developing countries wishing to enter the Swedish market depend on the type of product in question. Obviously, there will be a continued demand for products, which either are not at all produced within the EU, or only produced within the EU during part of the year.

On the other hand, exporters that have to compete with suppliers within the EU can only expect a successful entry into the Swedish market if superior quality and/or favourable prices can be offered.

In conclusion, interesting prospects exist for exporters in developing countries who can supply quality products at competitive prices.

Appendix 1

Imports and Exports of Food,
by Value 2006-2008

Product	Import Value in € Million					Export Value in € Million	
	2006	2007	2008	±	06-08%	2007	2008
Meat products	825.0	900.0	1012.7	+	22.8	200.2	245.6
- fresh meat	666.2	717.4	803.8	+	20.7	120.4	146.6
- processed products	158.8	182.6	208.9	+	31.5	79.8	99.0
Dairy products & Eggs	483.2	535.5	649.4	+	34.4	329.7	366.0
- cheese	255.6	283.2	355.2	+	39.0	70.4	86.6
- other dairy prds, eggs, ice-cream	227.6	252.3	294.2	+	29.3	259.3	279.4
Fish & Seafood products	1612.5	1819.7	1849.6	+	14.7	1194.9	1283.1
- fresh fish and crustacean	1402.6	1605.1	1631.3	+	16.3	1109.4	1182.8
- processed products	191.9	214.6	218.3	+	13.8	85.5	100.3
Cereal & Bakery products	402.6	450.5	498.8	+	23.9	574.3	688.6
- cereals (wheat, rye, etc.)	28.4	50.7	57.2	+	101.4	158.9	237.0
- flour and grains	17.8	18.0	23.9	+	34.3	67.4	75.9
- rice	36.0	39.9	54.1	+	50.3	8.3	2.6
- bakery products	201.2	208.9	219.8	+	9.2	288.9	312.4
- pasta products	36.3	41.4	48.5	+	33.6	3.6	4.0
- other (cornflakes, müsli, etc.)	82.9	91.8	95.3	+	15.0	47.2	56.7
Fruit & Vegetables	1621.2	1693.8	1733.5	+	6.9	269.5	257.9
- fresh/dried fruit, berries, nuts	655.5	661.7	665.8	+	1.6	73.8	56.5
- frozen fruit and berries	48.0	48.4	65.1	+	35.6	40.4	40.6
- juice and fruit preserves	129.4	152.4	176.1	+	36.1	29.9	31.1
- other fruit products	92.4	91.0	91.5	-	1.0	10.9	8.9
- fresh vegetables	412.5	430.2	402.6	-	2.4	28.3	28.6
- frozen vegetables	49.3	56.3	59.0	+	19.7	27.4	27.2
- dried vegetables	19.4	19.7	21.4	+	10.3	2.9	2.8
- chips and other potato products	76.0	90.6	87.2	+	14.7	24.9	31.2
- other vegetable products	138.9	144.3	164.8	+	18.6	30.9	28.4
Other food products	1257.4	1312.6	1473.9	+	17.2	831.8	902.2
- chocolate and confectionery	327.5	339.5	377.3	+	15.2	245.0	255.2
- sugar, molasses, honey	64.2	66.8	83.0	+	29.3	45.2	81.3
- coffee	266.6	273.6	283.6	+	6.4	95.4	99.6
- tea, cocoa and spices	88.4	86.6	108.1	+	22.3	18.1	19.3
- margarine, cooking oils	46.3	47.2	59.1	+	27.6	28.2	39.2
- soups, sauces and bouillons	126.5	139.7	165.2	+	30.6	90.8	95.3
- other food products	338.2	359.2	397.5	+	17.5	309.2	312.4
Beverages	682.8	752.3	810.3	+	18.7	654.3	709.3
- soft drinks, mineral waters	110.8	108.6	117.1	+	5.7	32.1	40.6
- beer, cider	68.9	76.0	85.4	+	23.9	60.0	78.8
- wine	392.4	442.4	469.3	+	19.6	12.1	19.2
- spirits	110.7	125.3	138.5	+	25.1	550.1	570.9
Oil seeds	46.8	60.4	76.9	+	64.3	8.3	8.6
Oils & Fats	375.8	357.2	473.5	+	26.0	130.1	167.9
Animal feed	234.1	244.1	317.1	+	35.5	57.3	79.0
Tobacco	136.3	125.7	124.0	-	9.0	39.1	45.3
Live Animal	23.5	22.4	34.2	+	45.5	19.2	23.6
• Total	7 700.4	8 241.8	9 086.3	+	18.0	4 422.3	4 920.5

Source: Statistics Sweden

Appendix 2

Imports of Processed Food,
by Value 2006-2008

Product groups, ranked by import value in € Million.						
Rank	Product	Value in € Million			±	06-08 %
		2006	2007	2008		
•	Total	4747.0	5112.6	5713.0	+	20.3
	<i>of which:</i>					
1	Oils and fats	375.8	324.9	473.5	+	26.0
2	Wine	387.6	440.0	464.2	+	19.8
3	Cheese	255.7	283.2	355.2	+	38.9
4	Filets of fish	312.5	348.3	318.2	+	1.8
5	Cuts of beef	244.4	259.0	290.1	+	18.7
6	Dried, salted or smoked fish products	221.8	307.6	274.7	+	23.9
7	Cuts of pig meat	222.4	245.4	271.9	+	22.3
8	Chocolate products	191.5	202.4	241.1	+	25.9
9	Biscuits, pastries and bread	213.5	224.6	236.7	+	10.8
10	Prepared vegetable products	187.4	179.1	232.4	+	24.0
11	Prepared fish and seafood products	191.9	214.6	218.2	+	13.7
12	Prepared fruit products (except juice)	183.1	185.1	209.7	+	14.5
13	Meat preparations	158.6	181.9	207.6	+	30.9
14	Fruit juice	108.8	130.8	152.1	+	39.8
15	Spirits	110.8	125.3	138.6	+	25.1
16	Sugar confectionery	135.6	136.0	135.4	-	0.1
17	Müsli and other cereal preparations	110.7	122.7	132.3	+	19.5
18	Cuts of poultry	111.4	112.3	131.3	+	17.9
19	Sauces	98.1	107.2	126.4	+	28.8
20	Soft drinks and mineral water	110.2	108.6	117.1	+	6.3
21	Milk & Yoghurt	83.9	87.6	100.6	+	31.8
22	Beer & Cider	68.9	76.0	85.4	+	23.4
23	Potato chips	71.8	85.4	81.4	+	13.4
24	Roasted coffee (incl. instant coffee)	34.2	36.2	39.4	+	15.2
25	Cocoa powder (incl. butter and liquor)	33.0	22.7	37.8	+	14.5
26	Tea	30.5	33.1	35.2	+	15.4
Source: Statistics Sweden						

Appendix 3

Retail Sales of Food,
by Value 2006-2008

Product Group	Retail sales in € Million				Share % 2008
	2006	2007	2008	± 06-08%	
Dairy Products, Eggs & Fats	3177.7	3254.6	3458.7	+ 8.8	16.1
Milk, cream, yoghurt, eggs	1338.5	1362.0	1405.4	+ 5.0	
Cheese	1429.1	1446.1	1575.9	+ 10.3	
Margarine and butter	332.0	360.8	388.2	+ 16.9	
Vegetable oils	78.1	85.7	89.2	+ 14.2	
Meat Products	3149.5	3238.3	3229.4	+ 2.5	15.1
Fresh and frozen meat	1265.9	1344.7	1304.1	+ 6.2	
Cured meats and provisions	1501.1	1497.5	1514.2	+ 0.9	
Ready-to-eat prds (incl. frozen items)	382.5	396.1	411.1	+ 7.4	
Fish & Crustacean Products	1009.4	1068.0	1033.4	+ 2.4	4.8
Fresh and frozen fish and crustaceans	458.2	506.0	469.7	+ 2.5	
Processed fish and crustacean products	551.2	562.0	563.7	+ 2.3	
Fruit & Vegetables	3659.6	3900.9	3961.7	+ 8.3	18.5
Fresh fruit and berries, incl frozen	1089.4	1163.9	1162.4	+ 6.7	
Dried fruit	151.4	166.4	188.0	+ 24.2	
Canned fruit products	36.4	39.0	45.0	+ 23.6	
Marmalades and fruit preserves	132.1	137.7	139.2	+ 5.3	
Fruit and vegetable juices	507.9	537.5	533.7	+ 5.1	
Fresh vegetables & potatoes, incl frozen	1171.6	1258.3	1301.4	+ 11.1	
Dried vegetables	19.6	21.3	23.5	+ 19.9	
Canned vegetable products	274.5	274.6	266.1	- 3.1	
Processed potato products	276.7	302.2	302.4	+ 9.2	
Bakery and Cereal Products	2448.2	2665.9	2726.6	+ 11.4	12.7
Bread, pastries	1797.3	1987.1	2004.2	+ 11.5	
Flour, grains, müsli, etc.	366.1	389.9	405.7	+ 10.8	
Pasta	208.9	212.6	227.7	+ 9.0	
Rice	75.9	76.2	89.0	+ 17.3	
Coffee, Tea, Cocoa	510.3	545.9	525.8	+ 3.0	2.5
Coffee	416.0	434.3	421.9	+ 1.4	
Tea	64.2	75.2	75.6	+ 17.8	
Cocoa and chocolate mixes	30.1	36.4	28.3	- 6.0	
Other food products	2483.0	2627.9	2735.0	+ 10.1	12.8
Chocolate, sweets and ice cream	1654.8	1748.8	1800.1	+ 8.8	
Sugar and syrup	86.4	88.1	82.5	- 4.5	
Sauces, dressings and spices	470.6	519.7	542.7	+ 15.3	
Other food products	271.2	271.3	309.7	+ 14.2	
Beverages	3576.8	3765.8	3761.2	+ 5.2	17.5
Soft drinks & mineral water	667.1	706.6	665.5	- 0.2	
Beer	808.8	845.3	901.2	+ 11.4	
Wine and spirits	2100.9	2213.9	2194.5	+ 4.5	
• Total	20014.2	21067.3	21431.8	+ 7.1	100.0
Source: Statistics Sweden					

Appendix 4

Direct Consumption of Food,
by Quantity 2004-2007

Product Group	Per capita consumption kg				Total Consumption, tonnes	
	2004	2005	2006	2007	2006	2007
Dairy Products, Eggs & Fats	188.8	187.7	183.2	179.8	1 663 100	1 645 300
Milk, cream, yoghurt, milk powder	148.3	146.7	142.5	139.1	1 293 600	1 272 900
Cheese	17.6	17.6	17.8	17.7	161 600	162 300
Eggs	10.2	9.8	10.0	9.6	90 400	87 700
Margarine and butter	11.4	11.9	10.9	11.6	98 900	106 100
Oils	1.3	1.7	2.0	1.8	18 600	16 300
Meat Products	80.7	82.9	83.5	85.4	747 700	781 300
Fresh and frozen meat	42.1	42.7	42.5	43.4	385 700	396 700
Cured meats and provisions	23.7	22.6	24.1	25.5	218 700	233 700
Ready-to-eat products (incl. frozen items)	14.9	17.6	16.9	16.5	153 300	150 900
Fish & Crustacean Products*	25.7*	25.5*	25.3*	26.4*	230 500	242 500
Fresh, chilled or frozen fish and crustaceans*	15.0*	13.8*	13.0*	13.6*	118 000	124 700
Prepared or preserved fish	8.9	9.6	10.4	10.8	94 900	99 500
Prepared and preserved crustaceans	1.8	2.1	1.9	2.0	17 600	18 300
Fruit & Vegetable Products	232.3	229.2	238.7	240.0	2 168 200	2 196 900
Nuts and almonds	1.6	1.9	2.3	2.5	20 700	23 200
Fresh fruit and berries	62.7	62.9	64.4	65.3	584 500	597 500
Frozen and dried fruit	1.6	1.9	2.0	2.1	18 400	19 300
Canned fruit	4.3	4.1	4.2	4.2	38 000	38 800
Marmalades and fruit preserves	6.7	6.8	7.8	7.4	71 200	67 300
Fruit juices and nectars	22.3	19.2	21.8	23.6	198 000	216 200
Fresh vegetables (excl. potatoes)	52.7	51.4	54.9	53.2	498 600	487 000
Frozen and dried vegetables	5.8	6.0	6.0	6.2	54 800	56 900
Canned vegetables	14.9	13.9	14.9	15.4	134 500	140 300
Fresh potatoes	45.7	46.5	45.9	44.9	417 100	410 700
Frozen and canned potato products	8.5	8.5	8.6	9.0	78 300	82 200
Potato mixes (incl. starch)	0.8	0.7	0.7	0.6	6 800	6 300
Potato chips	1.5	1.4	1.4	1.6	12 800	14 700
Soups, made from fruit and vegetables	4.2	4.0	3.8	4.0	34 500	36 500
Bakery Products	71.1	72.2	75.2	72.4	683 200	662 000
Soft bread & pastries	62.4	63.3	66.3	63.9	602 500	584 200
Crisp bread, rusks	3.7	3.8	3.8	3.5	34 700	32 100
Biscuits	5.0	5.1	5.1	5.0	46 000	45 700
Cereal Products	33.4	33.1	30.8	31.1	280 400	284 600
Flour (mostly wheat and rye)	11.1	10.4	7.7	7.4	70 200	68 000
Oat grains, incl. other cereal grains	3.0	3.0	2.9	3.4	26 700	30 700
Mixes	1.4	1.3	1.3	1.3	11 400	11 600
Müsli, cornflakes, popcorn	4.3	4.4	4.1	3.7	37 100	33 800
Pasta	8.2	8.7	9.5	9.7	86 300	89 100
Rice	5.5	5.5	5.4	5.6	48 700	51 400
Coffee, Tea, Cocoa	10.4	10.6	10.8	11.2	98 300	102 100
Coffee	8.3	8.1	8.5	8.4	77 200	76 800
Tea	0.3	0.3	0.2	0.4	2 200	3 400
Cocoa and chocolate mixes	1.8	2.2	2.1	2.4	18 900	21 900
Other food products	51.4	51.6	49.5	52.1	447 700	477 700
Confectionery (chocolate and sweets)	15.6	15.2	15.1	15.2	137 200	139 500
Sugar and syrup	8.3	7.7	6.9	6.7	62 000	61 600
Honey	0.6	0.6	0.7	0.7	6 000	6 100
Sauces and dressings	12.5	12.8	11.7	14.7	106 400	134 600
Mustard, spices and salt	2.7	2.7	2.9	3.0	25 700	27 700
Ice cream	11.7	12.6	12.2	11.8	110 400	108 200
Beverages (litres)	170.4	167.5	178.5	176.7	1 620 900	1 615 700
Soft drinks & mineral water (litres)	96.5	94.3	101.2	98.6	919 200	901 600
Beer (litres)	51.9	51.0	54.1	53.6	491 100	490 000
Wine and spirits (litres)	22.0	22.2	23.2	24.5	210 600	224 100

* Figures from 2000 are based on estimated data.

Source: Swedish Board of Agriculture

Appendix 5

Facts about Retail Groups

ICA Group

Parent Company	ICA AB	
Ownership	ICA AB is owned by Hakon Invest AB (40 percent) and the Netherlands-based Royal Ahold N.V. (60 percent). Due to shareholders' agreement, neither party has control of ICA AB, and both share equal voting power. Hakon Invest is majority owned (67%) by the ICA Association, which in turn is owned by the ICA retailers in Sweden. Royal Ahold is a holding company that conducts retail operations, primarily in Europe and the US.	
Turnover	€ 9.5 billion (2008)	
Headquarters	Stockholm	
Retail Sweden		
Parent company	ICA Sverige AB	
Retail sales	€ 10.2 billion (2008), including independent ICA retailers.	
Headquarters	Stockholm	
Internet site	www.ica.se	

KF Group (Coop Sverige)

Parent Company	Kooperativa Förbundet (KF), the Swedish Co-operative Union
Turnover	€ 3.7 billion (2008)
Headquarters	Stockholm, Sweden
Food Retailing	
Division	Grocery Retail Group "Coop Sverige"
Turnover	€ 3.3 billion (2008)
Retail Sales	€ 5.0 billion (2008), including affiliated regional cooperatives
Headquarters	Stockholm
Internet site	www.coop.se

Axfood

Parent Company	Axfood AB
Ownership	Axel Johnson (46%), Investors (54%)
Turnover	€ 3.3 billion (2008)
Retail Sales	€ 3.6 billion (2008), including affiliated stores
Internet	www.axfood.se

Axel Johnson Group

Parent Company	Axel Johnson AB
Headquarters	Stockholm
Internet site	www.axeljohnson.se

Bergendahls Group

Parent Company	Bergendahl & Son AB
Group Turnover	€ 0.7 billion (2008)
Retail Sales	€ 1.7 billion (2008), including affiliated stores
Headquarters	Hässleholm (South Sweden)
Internet site	www.bergendahls.se

Appendix 6

Useful Internet Links

Information about the European Union

European Union (EU), <i>Homepage for the European Union</i>	http://europa.eu.int
EU Export Helpdesk for Developing Countries	
- <i>Duty rates, customs preference and HS codes.</i>	http://exporthelp.europa.eu
EU Trade Relations	
- <i>EU Trade Agreements and Preference Programmes</i>	http://ec.europa.eu/trade/
EU Statistics (EuroStat), <i>Import and other trade statistics</i>	http://europa.eu.int/comm/eurostat
EU Food Safety Website	http://ec.europa.eu/food/index_en.htm
CBI Market Information for Developing Countries	www.cbi.eu

General Information about Sweden

Official gateway to Sweden	www.sweden.se
Open Trade Gate Sweden, <i>Trade rules and requirements</i>	www.opentradegate.se
National Food Administration, <i>Food Safety, Food regulations</i>	www.slv.se
Board of Agriculture,	
- <i>Agricultural issues, food consumption statistics</i>	www.sjv.se
Statistics Sweden, <i>Statistical Information about Sweden</i>	www.scb.se
Swedish Customs	www.tullverket.se
Swedish Food Federation,	
- <i>Information about the food industry</i>	www.li.se
Swedish Chambers of Commerce	www.swedishchambers.se
Swedish Federation of Trade	www.svenskhandel.se

Information about the Food Trade

ICA Group	www.ica.se
Coop Group	www.coop.se
Axfood	www.axfood.se
Bergendahls Group	www.bergendahls.se

Appendix 7

Currency Conversion

Average exchange rate of
the Swedish currency SEK

	Average rate in SEK						
	2000	2004	2005	2006	2007	2008	2009*
1 Euro € **	8.45	9.13	9.28	9.25	9.25	9.61	10.63
1 US Dollar \$	9.17	7.35	7.48	7.38	6.76	6.58	7.66

* 1 January - 21 December 2009

** Of the 27 EU-members, 16 countries use the Euro as their currency:
Austria, Belgium, Cyprus, Finland, France, Germany, Greece, Ireland, Italy,
Luxemburg, Malta, Portugal, Slovak Republic, Slovenia, Spain, The Netherlands.

Source: Swedish Central Bank (Riksbanken)

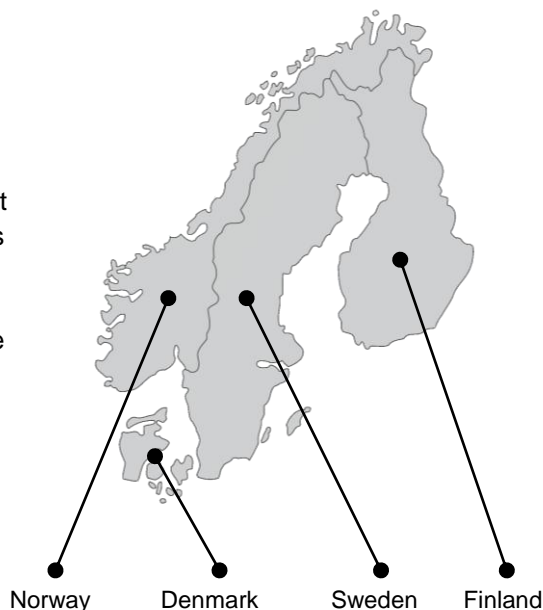
The Nordic Market

There are many similarities among the Nordic countries with regard to culture, language, political and social systems etc. Also when it comes to consumer behaviour and product preferences you find many similarities.

When entering one of the Nordic markets it therefore might be relevant to consider the possibilities in the other countries as well.

Three of the Nordic countries work with trade and import promotion activities. Below you will find contact details of the import promotion organisations in Finland, Norway and Sweden.

Population:	Denmark	5.5 million
	Finland	5.3 million
	Norway	4.8 million
	Sweden	9.3 million



Denmark

As from January 2010, Denmark has no trade promotion programme. The earlier programme (DIPP), which was financed by Danida (the Danish International Development Assistance), ended on 31 December 2009.

Norway

Department of international trade cooperation (DITC) is established according to an agreement between NORAD (Norwegian Agency for Development Cooperation) and HSH (Federation of Norwegian Commercial and Service Enterprises). DITC promotes imports from developing countries.

Contact details:

HSH – Department of International Trade Cooperation (DITC)
P.O. Box 2900 Solli,
NO-0230 Oslo, Norway
Phone: +47-2254 1700
Direct phone: +47-2254 1752
Fax: +47-2256 1700
E-mail: ellen.gjeruldsen@hsh-org.no
Internet: www.hsh-org.no

Finland

The Finnish business partnership programme, Finnpartnership, provides advisory services for business activities of Finnish companies in developing countries and financial support in the planning, development and implementation phases of a project.

Contact details:

Finnpartnership - Finnish Business Partnership Programme
c/o Finnfund
P.O. Box 391
FI-00121 Helsinki, Finland
Phone: +358-9-3484 3314
Fax +358-9-3484 3346
Internet: www.finnpartnership.fi

Sweden

The programme is carried out in cooperation with Sida (Swedish International Development Cooperation Agency). It focuses on business contacts, market information, training and extended contacts in order to promote export from developing countries.

Contact details:

Swedish Chambers of Commerce
Trade Promotion
P.O. Box 16050
SE-103 21 Stockholm, Sweden
Phone: +46-8-555 100 00
Fax: +46-8-566 316 30
E-mail: info@chambertrade.com
Internet: www.swedishchambers.se



Swedish Chambers

Swedish Chambers of Commerce

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The production and distribution of this report
is funded by Sida (Swedish International
Development Cooperation Agency).