

Market Report

Focus on the Scandinavian Market



Organic Food
March 2008



Norway

Sweden

Denmark

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1 Foreword

The purpose of this report is to provide exporters in developing countries with information about the market for organic food products in Scandinavia. Scandinavia in this context means Denmark, Sweden and Norway. The other two Nordic countries - Finland and Iceland - are not included in the report.

The organic sector is growing rapidly in Scandinavia. During the last couple of years, sales of organic food have increased over 50 percent. Furthermore, Scandinavia has one of the highest per capita consumption of organic food products in Europe. Nevertheless, the market share for organic products of the total food market is still relatively modest - around 3 percent - when measured by value. But since the positive trend is expected to continue, the market share is expected to rise considerably in the near future.

Since many of the organic food products on the market are imported, the opportunities for exporters from developing countries within this area should be good, provided that the quality is sufficient and that the exporter can meet the special requirements for these products.

The Millennium Development Goals, which were agreed upon by the 176 Heads of State and Government during the United Nations' Development Summit in New York in September 2000, have established a global agenda to reduce poverty. As members of the UN, the Scandinavian countries have committed themselves to striving to achieve the goal of halving poverty in the developing countries by the year 2015.

Development of the private sector in the developing countries, and growth in their trade, are

of paramount importance for poverty reduction in the third world countries. The industrialised countries are working at several levels to facilitate developing countries' access to their markets.

However, the obstacles for developing countries are numerous. Rules and regulations are complicated and many countries are not yet in a position to profit from the competitive advantages that they have acquired, for instance through the preferential customs schemes.

The Scandinavian countries have a long tradition of promoting trade development in developing countries and involving their own business community in the process. For many years Denmark, Norway and Sweden have had import promotion activities directed towards exporters from developing countries wanting to enter the Scandinavian markets. This has resulted in an ongoing cooperation and coordination of these activities among the Scandinavian countries.

This cooperation makes sense as the Scandinavian countries - if looked upon individually - are small markets, but with many similarities. Apart from the many linguistic, cultural and historical similarities, the social welfare development in each country makes it relevant to talk about a Scandinavian model of society that is unique at the international level.

Business culture, consumption patterns and consumer preferences are basically similar. Although Norway is not a member of the European Union - unlike Denmark and Sweden - Norwegian legislation is to a great extent harmonised with EU legislation, thus facilitating one Scandinavian market.



2 Facts about the Scandinavian Countries

- Denmark and Sweden are members of the European Union (EU), which from 2007 has 27 member states. Norway is not part of the EU. However, Norway participates in the [European Union's](#) market via the [European Economic Area](#) (EEA) agreement through membership in the European Free Trade Association (EFTA).

- Denmark, Sweden or Norway are not part of the EU monetary union, generally called the Euro-area, and therefore use their own respective national currencies, the Danish Krone, the Swedish Krona, and the Norwegian Krone.

- Each country in Scandinavia has their own official language - Danish, Swedish and Norwegian - but the Scandinavians can rather easily understand each other's everyday language. The business language is English in all three countries.

- Scandinavia has a total of 19 million inhabitants, of which the population in Denmark amounts to 5.4 million (28%), Sweden 9.1 million (48%) and Norway 4.7 million (24%). About 2.5 million (13%) of the total population are immigrants.

- More than 85 percent of the population lives in urban areas. Furthermore, the four largest metropolitan areas account for over 50 percent of total population: the Øresund region (comprising of Copenhagen in Denmark and Malmö in Sweden), the

Stockholm and Gothenburg regions in Sweden, and the Oslo region in Norway.

Some Basic Facts			
Country	Language	Currency	
Denmark	Danish	Danish Krone	DKK
Sweden	Swedish	Swedish Krona	SEK
Norway	Norwegian	Norwegian Krone	NOK

Population and Geographical Area					
Country	Inhabitants	%	Area sq km	%	Density
Denmark	5 447 000	28	43,100	5	128/km ²
Sweden	9 113 000	48	450,000	51	20/km ²
Norway	4 681 000	24	385,200	44	12/km ²
Total	19 241 000	100	878,300	100	22/km²

Largest Metropolitan Regions		
Region	Location/Largest City Region	Population
Øresund Region	East Denmark/South Sweden	3.6 million
	- Largest city: Copenhagen	1.8 million
Stockholm Region	East Central Sweden	3.0 million
	- Largest city: Stockholm	1.9 million
Oslo Region	South East Norway	1.7 million
	- Largest city: Oslo	1.1 million
Gothenburg Region	West Central Sweden	1.5 million
	- Largest city: Gothenburg	0.7 million

More detailed information about Denmark, Sweden, and Norway, as well as Scandinavia and the European Union, can be found at both national and international internet sites, see box below.

Find More Information Here		
Denmark	www.denmark.dk	Denmark's official internet site
Sweden	www.sweden.se	Sweden's official internet site
Norway	www.norway.no	Norway's official internet site
European Union	www.europa.eu/index_en.htm	Homepage of the European Union's internet site
Worldbank	www.worldbank.org	Enter "Countries"

3 Market Definition

This market survey provides an overall introduction to organic food products on the Scandinavian market, whether used directly by consumers or as raw materials by the edible food industry. The organic food sector has expanded tremendously within the last decade and now covers a wide array of different food products. It is therefore impossible to cover all the different specific products in this market brief, consequently this

report will primarily focus on those product groups that could be of interest for exporters in developing countries.

Products labelled as "organic" are those certified as having been produced through clearly defined organic production methods. In other words, "organic" is a claim on the production process rather than a claim on the product itself.

Definition of Organic Farming

To define the concept of organic farming, we may refer to the definition developed by the Codex Alimentarius*, on the basis of contributions from experts from all over the world.

According to the Codex, organic farming involves holistic production management systems (for crops and livestock) emphasising the use of management practices in preference to the use of off-farm inputs. This is accomplished by using, where possible, cultural, biological and mechanical methods in preference to synthetic materials.

The Codex guidelines specify that an organic production system is designed to:

- enhance biological diversity within the whole system;
- increase soil biological activity;
- maintain long-term soil fertility;
- recycle wastes of plant and animal origin in order to return nutrients to the land, thus minimising the use of non-renewable resources;
- rely on renewable resources in locally organised agricultural systems;
- promote the healthy use of soil, water and air as well as minimise all forms of pollution thereto that may result from agricultural practices;
- handle agricultural products with emphasis on careful processing methods in order to maintain the organic integrity and vital qualities of the product at all stages;
- become established on any existing farm through a period of conversion, the appropriate length of which is determined by site-specific factors such as the history of the land, and type of crops and livestock to be produced.

* The Codex Alimentarius is a set of standards developed and maintained by the Codex Alimentarius Commission, established by the Food and Agriculture Organization of the United Nations (FAO) and the World Health Organization (WHO). It contains a collection of international standards, codes of practice, guidelines and other recommendations relating to foods, food production and food safety. The main purposes of the Codex Alimentarius is to protect the health of consumers and ensure fair practices in the international food trade.

Source: *Organic Farming*, published by European Commission Directorate-General for Agriculture

According to the EU rules, organic products are approved foods produced using the methods of organic cultivation and must at least conform to the standards laid down in the EU organic agriculture regulations. This means that a producer has to have been using the methods of organic cultivation at least two years before harvesting the crop, in order for the produce to be called organic products.

Furthermore, an IFOAM (International Federation of Organic Agriculture Movement) approved control organisation has to certify all stages and handling of the product, from cultivation until it reaches the consumers. In order to be imported as organic products into Scandinavia or to be traded as such, they also have to be certified by a control organisation.

In line with EU regulations, each Scandinavian country has legislated the creation of official inspectors for organic products; in Denmark it is Fødevarestyrelsen, in Sweden Krav, and in Norway Debio.

The national organisations also approve foreign companies that produce or package according to their rules (for more detailed information, see chapter 7.3).

When exporting to Scandinavia, the European Union uses an 8-digit trade classification system (CN codes). The system is directly linked to the 6-digit Harmonized System (HS) used by the vast majority

of trading nations throughout the world. However, since organic trade is not recorded separately in the HS system and is not registered by Customs, the CN-codes for the individual non-organic products should be used instead.

Overview of CN Codes

CN Code	Description
01	Live Animals
02	Meat and edible meat offal
04	Dairy produce; birds'eggs; natural honey; edible products of animal origin, not elsewhere specified or included
07	Edible vegetables and certain roots and tubers
08	Edible fruit and nuts; peel of citrus fruits or melons
09	Coffee, tea, maté and spices
10	Cereals (Wheat, Rye, Barley, Oats, Maize (corn), Rice, Grain sorghum, Buckwheat, millet and canary seed; other cereals)
11	Products of the milling industry; malt; starches; insulin; wheat gluten
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder
15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes
16.01	Sausages and similar products, of meat, meat offal or blood; food preparations based on these products
16.02	Other prepared or preserved meat, meat offal or blood
17	Sugars and sugar confectionery
18	Cocoa and cocoa preparations

Currency Conversion

In the survey, all market and import figures are given in Euro. In **Appendix 6** the exchange rates between the Danish Krone, the Swedish Krona and the Norwegian Krone, the US dollar and the Euro are presented.

Find More Information Here

EU Export Helpdesk for Developing Countries <http://exporthelp.europa.eu/>
 Norwegian Customs www.toll.no
 CBI Access Guide www.cbi.nl/accessguide

4 Market Information

4.1 Market Size

Due to lack of official statistics, it is difficult to give exact figures concerning the Scandinavian market for organic food. However, an attempt has been made to provide an estimate of the market size, based on information from several different sources.

During 2007, the total Scandinavian market is estimated to have reached over 1100 million Euro, an increase of about 30 percent, compared to the preceding year. Compared to 2005, the market is estimated to have increased over 50 percent. The positive trend is expected to continue also in the future.

In 2007, Denmark accounted for about 42 percent of the total organic sales in Scandinavia, while the share for Sweden was 48 percent and Norway 10 percent.

Scandinavia: Retail Market for Organic Food 2005-2007						
Product	Value Euro million			Change % 2006-07	Share 2007	Per Capita Eur 2005
	2005	2006	2007			
Denmark	300	350	480	+ 37	42	57
Sweden	360	440	550*	+ 25	48	48
Norway	--	80	110	+ 38	10	9
• Total	--	870	1140	+ 31	100	--

*Estimate, based on trade observations
Sources: Statistics Denmark, Krav, Statens Landbruksforvaltning, Fox Research, World of Organic Agriculture

4.1.1 Denmark

Denmark is one of the leading countries in Europe when it comes to the consumption of organic food. In fact, Denmark currently has the highest per capita consumption of organic food products in Europe. A major reason is the high availability of organic products in all type of food stores. For this reason, Denmark has been chosen as the "the country of the Year at BioFach 2009", the most important trade fair in the world for organic food (see also chapter 7.7 under "Visiting Trade Fairs").

Consumption of organic food has seen a significant increase every year during the last decade. As a result, organic food covers practically every single food group in the retail trade.

Denmark: Retail Market for Organic Food 2006									
Product	Volume				Value				
	tonnes	+ -	%	Share %	'000 Euro	+ -	%	Share %	
Dairy products and Eggs	129 600	+	10.8	69.4	165 000	+	14.1	47.0	
Vegetables	22 259	+	5.1	11.9	42 500	+	20.7	12.1	
Cereal products	17 272	+	14.9	9.3	37 500	+	24.2	10.7	
Fruit	5 567	+	15.5	3.0	22 600	+	40.9	6.4	
Meat	2 979	+	16.9	1.6	33 100	+	31.3	9.4	
Fats, oils, butter	2 350	+	8.6	1.2	17 100	+	3.3	4.9	
Sugar, jam, confectionery, chocolate	1 567	-	0.3	0.9	8 100	+	19.8	2.3	
Coffee, tea, cocoa	910	+	17.6	0.5	9 400	+	13.7	2.7	
Fish and Seafood	7	+	na	0.0	100	+	na	0.0	
Other food, incl. spices	1 223	-	8.2	0.6	75 800	+	5.0	2.2	
Beverages, incl. juice, soft drinks, beer, wine	3 233	+	36.0	1.8	8 200	+	17.1	2.3	
• Total	186 817	+	10.9	100.0	351 200	+	18.2	100.0	

Source: Statistics Denmark

When looking at the per capita consumption of organic food, Denmark is in the lead, with 57 euro, slightly more than Sweden, with 48 euro (figures are for 2005). The Norwegian consumption, however, was substantially lower that year, just 9 euro per person. But since the sales have shown very large increases in all three countries during the last two years, especially in Norway, these figures are undoubtedly much higher today.

Despite the notable market growth, the market share for organic products of the total food market is still relatively modest, close to 5 percent in Denmark, around 3 percent in Sweden, and just one percent in Norway, when measured by value. It should be noted, however, that these figures include all retail sales, also including product groups where there are few or no organic items available at present. That means that for certain product groups, the organic market share is substantially higher.

During the last three years, the retail market for organic food has increased 60 percent. During 2007, sales reached 480 million Euro, 37 percent more than the year before. This increase was largely due to high increases in the consumption of meat and fresh fruit and vegetables. However, as can be seen in the table below, dairy products are still the most important organic product group on the Danish market, covering almost half of the total turnover.

The highest market share has been noted by fresh milk - close to 30 percent. Also other organic products have acquired high market shares, for example carrots, potatoes and onions, covering more than half of the total sales of organic vegetable.

4.1.2 Sweden

The Swedish market for organic food is estimated to have amounted to 440 million Euro by market value in 2006, which was about 20 percent higher than the preceding year. This means that Sweden that year had Europe's sixth largest market for organic foods. Preliminary trade figures suggest that during 2007, the market has expanded approx. 25 percent, reaching about 550 million Euro.

The largest market share for organic products has been achieved for fresh produce such as potatoes (10%), and carrots (8%), as well as for milk (7%),

eggs (6%), roasted coffee (5%), bananas (5%), and fresh vegetables (3%), when measured by volume. All in all, dairy products account for about 30 percent of total sales, followed by meat and cured meats (19%), vegetables (15%), cereal products (11%), fruit (10%), and coffee, tea and cocoa (4%).

Note that since no official figures exist for the Swedish organic market, all data is based on collected company information, and should therefore be interpreted with some caution.

Sweden: Retail Market for Organic Food 2005				
Product	Value			Share %
	'000 Euro	+ -	%	
Dairy products and Eggs	138 500	+	25	31.7
Meat	81 600	+	94	18.7
Vegetables	67 400	+	77	15.4
Cereal products	47 000	+	12	10.8
Fruit	45 300	+	38	10.4
Coffee, tea, cocoa	18 000	+	22	4.1
Sugar, jam, confectionery, chocolate	10 700	+	11	2.4
Fats, oils, butter	5 600	+	19	1.3
Fish and Seafood	1 200	+	0	0.3
Other food, incl. spices	15 300	+	45	3.5
Beverages, incl. juice, soft drinks, beer, wine	5 900	+	45	1.4
• Total	436 600	+	40	100.0

Source: Krav

4.1.3 Norway

The Norwegian market for organic food is still in its infancy stage. In mid 2007, the Norwegian market share for organic food amounted to 1.1 percent (within the retail trade), up from just 0.2 percent two years earlier.

In value, the retail market amounted to approx. 110 million Euro in 2007, an increase of 38 percent compared to the year before. In 2006, the increase was 35 percent. Dairy products accounted for about 40 percent of the total, while the share for cereal products was 20 percent, vegetables 12 percent, and fruit 10 percent.

Norway: Retail Market for Organic Foodstuffs		
Retail market 1.7 2006 – 30.6 2007		
Product	Value	
	'000 Euro	Share %
Dairy products and Eggs	31 000	39.8
Vegetables	9 700	12.5
Cereal products	14 200	18.2
Fruit	7 200	9.2
Meat	1 600	2.0
Fats, oils, butter	700	1.0
Coffee, tea, cocoa	1 600	2.1
Other food	9 900	12.7
Beverages, incl. juice, soft drinks, beer, wine	2 000	2.5
• Total	78 000	100.0

Source: Statens Landbruksforvaltning

4.2 Market Segments

The Scandinavian market for organic foods can be divided into three main segments; the food retailing sector, the foodservice sector and the food manufacturing industry.

It can be estimated that on the wholesale level, the retailing and foodservice sector together account for about 65-70 percent of the purchases and the manufacturing industry for the remaining part.

4.2.1 Retail Sector

The food retailing sector consists of three different kinds; general grocery stores, convenience stores, and speciality retailing (mostly single-line stores, open markets and home deliveries).

The *general grocery store sector*, which consists of stores with a full line of food articles - such as neighbourhood stores, supermarkets, hypermarkets, and discount stores - accounts for about two thirds of total food sales.

Organic products are in Scandinavia predominantly sold through large supermarket chains, and to lesser degree through smaller grocery stores. Most of the larger supermarkets therefore have a relatively wide range of organic items in their selection. Furthermore, several Scandinavian supermarket chains, especially in Denmark and Sweden, are among the leading distributors of organic food in Europe.

This sector is characterized by a very high degree of concentration, both regarding number of stores and number of companies. This is shown by the fact that two retailing groups together account for about half the Scandinavian retail market for groceries. Furthermore, the five largest have a market share of over 80 percent.

These large retailing groups have integrated purchasing, logistics and retailing operations. Therefore, imports of groceries, whether organic or

not, are as a rule handled by the groups themselves.

The *convenience store sector*, which consists of small convenience shops, kiosks, and food departments in petrol stations, account for a little less than 10 percent of the total food retailing sector. As a rule, the assortment of organic food is rather limited.

Speciality stores are either specialized in selling a wide variety of a single line, for example meat, fish, bread, liquor, fruit, or market halls. This segment is relatively small in Scandinavia, just accounting for a few percent of the total food market. There are also specialised health food stores, but they carry a relatively small assortment of organic food items. The main reason is that they generally concentrate on nutritional products, supplements and vitamins.

A new type of food distribution, that has become popular in recent years, especially in the largest cities, is weekly home deliveries of organic food, containing boxes of mostly fresh fruit and vegetables, but also an assortment of packaged food items and beverages.

4.2.2 Food Service Sector

The food service sector accounts for about one quarter of the total food market. But it is slowly increasing its share, following an international trend, where consumers spend more money on eating outside their homes. However, the availability of organic food products on the menus is on the whole, still not so widely spread.

The food service sector consists of fast food outlets, coffee shops, restaurants, hotels, and company and institutional canteens. They are for the most part procured by wholesalers specialised on the foodservice sector.

In the larger cities, there are a few restaurants specialised in organic and health food. There are also some municipal and regional institutions (such as canteens in schools, hospitals and day-care centres) that have started to provide organic menus.

4.2.3 Manufacturing Sector

The food manufacturing industry in Scandinavia is an important buyer of both conventional and organic foodstuffs. According to trade estimations, about one fifth of the total supply of foodstuffs is normally delivered to the manufacturing industry. As for organic items, though, the share is probably substantially higher.

The food processors either buy needed raw materials or ingredients directly themselves or some products themselves and other with the help of wholesalers. But, it should be noted, that for logistic, food safety and environmental reasons, Scandinavian manufacturers generally prefer raw materials from either domestic growers or suppliers in nearby countries.

As is the case in the other food sectors, the food manufacturing industry is characterized by a high degree of concentration, with a few large companies within each type of food branch.

4.3 Market Trends

The range of organic food products has increased considerably within the last few years. But the market is far from saturated, as there is a growing demand for more sophisticated products, such as



convenience food, tropical fruits, berries (fresh and dried), ethnic food, snacks, and more refined beverages, such as fruit juice mixes and others.

The key attributes for a good product are good quality, low fat content as well as it being healthy and easy to prepare. Hence, since organic food products must differ clearly from mass-produced goods in terms of taste and quality, they must be carefully handled during production, processing and transport.

Until the 1990s, the vast majority of organic food products were sold at the farm gate, outdoor markets or in speciality health-food shops. Today approximately 90 percent of all organic food is sold in supermarkets. Furthermore, during the last couple of years, many supermarket chains have reported double-digit organic sales increase every year.

Consumers are more and more concerned about farm and production conditions, both environmental and social. They are increasingly aware of the environmental damage caused by intensive production methods in plantations and the use of agrochemicals and pesticides as well as how a product is transported and handled, all the way from the production site to the supermarket.

A few consumers are even willing to pay a premium above the regular price if they are guaranteed that the products are produced under sound environmental and social conditions. The premium may be from 20 percent to 40 percent of the normal price. Because of this, many retailers and caterers are anxious to increase the presence of organic and fair-trade labelled products in their outlets, even if they carry a higher price.

The positive market trend for organic food can therefore be attributed to the following;

- Larger assortment of organic food in retail stores
- More marketing of organic items both inside the stores and in advertising
- Consumers generally perceive organic food as being healthier
- Organic food is by many also perceived as being of better quality
- Greater awareness by the consumers of climate, quality and health issues
- Increased concern for production practices and animal welfare

Furthermore, wholesalers are pledging not only for more supplies but good quality products and funds to market these products. In order to reach a higher volume, especially for products with a relatively high price difference, it is necessary for producers, importers as well as retailers to work together in promoting these products.

In addition, the Scandinavian authorities are actively promoting organic food. In 2005, for example, the Norwegian government decided, that by year 2015, a goal is that 15 percent of both the food production and the food consumption should

be organic. If met, it means that the Norwegian market will experience a very rapid growth during the next few years.

For these reasons, there is an increased demand not just for locally produced organic foods, but also for imported food items.

More statistical data about the market development in Denmark, Sweden and Norway can be found at the following internet sites, see box.

Find More Information Here		
Danish Veterinary and Food Administration	www.uk.foedevarestyrelsen.dk/Forside.htm	See Nutrition
Krav (Organics Sweden)	www.krav.se/english.asp	
Organic Farmers (Sweden)	http://ekolantbruk.se/english/	
Debio (Organics Norway)	www.debio.no/	
Statistics Denmark	www.statbank.dk	
Statistics Sweden	www.scb.se/eng	
Statistics Norway	www.ssb.no/english	
Swedish Board of Agriculture	www.sjv.se/home	See Statistics, Food
Food in Sweden	www.livsmedelssverige.org/about.htm	

5 Production, Export and Import

The temperate climate in Scandinavia prevents or strongly limits the production of many food items, especially regarding items such as coffee, tea, cocoa, and spices, as well as most fruits, and certain vegetables and cereals. This means that in order to further increase the market for organic food, more suppliers are needed from other countries.

5.1 Domestic Production and Export

Denmark is the world's third-largest exporter of both fresh produce and processed foods, and its agriculture and food industry enjoy a long-standing and strong position internationally. Denmark is also a large producer of organic food, of which a substantial part is exported, mainly to the European food manufacturing sector. However, Denmark still imports more organic food than it exports.

The total land for certified organic farming was 150,000 hectares in 2006, close to 6 percent of the total cultivated land within Denmark. The number of certified organic farms was about 3,200, representing 6 percent of all farms.

Sweden is a large producer and exporter of organic cereals, especially wheat and oats. The total land for certified organic farming was 210,000 hectares in 2006, which represents almost 7 percent of the total cultivated land within the country. The number of certified farms was 3,100 (4 percent of total farms).

In 2006, about 4 percent of the arable land in Norway was organic. Practically all organic production is intended for the domestic market, thus exports are negligible.

As for all Scandinavia, the total land devoted for organic farming amounted to approx. 400,000 hectares in 2006, which equals 6 percent of all agricultural land. The number of organic farms amounted the same year to about 9,000.

Scandinavia: Organic Farming 2006, by country			
Country	Organic Land Area Hectares	Share of Total Farmland	Number of Organic Farms
Denmark	155,000	5.8 %	3,170
Sweden	207,000	6.8 %	3,140
Norway	41,000	4.0 %	2,480
• Total	403,000	6.0 %	8,790

Source: Organic Farming Worldwide

5.2 Import

Imports into Scandinavia of organically grown agricultural products strongly depend on how much local produce is available. For a large number of fresh produce, imports complement the short growing season, when local harvest is not enough to satisfy the market and when importing is more favourable. However, it is not possible to give an accurate figure on imports of organic food into Scandinavia, since official data only exists for Denmark.

As can be seen in the table below, fruits, vegetables, sugar, grains, and coffee constitute the major organic import articles in Denmark, as the majority is either not grown locally or the local supply cannot meet the local demand. However, maize, barley, chocolate, meat, spices and

beverages have experienced large increases, though from relatively low initial levels.

In general, imports of organic products into Denmark are increasing, especially of fresh fruits and vegetables, cereals and cereal based products,

coffee, herbs and spices, and oils and vinegar, as well as fruit preserves, dried fruit, pasta, rice, flour, and sauces. Also baby food as well as ingredients and raw materials are becoming more and more important.

Denmark: Imports of Organic Food 2006, by Value				
Product Group	Value '000 Euro		Change % ± 05-06	Share %
	2005	2006		
Meat and meat preparations	100	1 080	+ 980	1.4
Dairy products and Eggs	320	560	+ 77	0.7
Cereal products	11 390	17 180	+ 51	22.5
Fruit and Vegetables	21 000	31 760	+ 51	41.6
Sugar	3 810	5 410	+ 52	7.1
Coffee, tea, cocoa, spices	4 700	4 340	- 8	5.7
Animal fodder	3 780	5 580	+ 48	7.3
Other food	2 520	2 850	+ 13	3.7
Beverages	1 500	2 840	+ 90	3.7
Oil seeds, oleaginous fruits	3 010	2 720	- 10	3.6
Crude animal & veg. materials	1 250	1 970	+ 57	2.6
Other food	60	40	- 32	0.0
• Total	53 450	76 320	+ 43	100

Source: Statistics Denmark

Denmark: Imports of Organic Food 2006, by Geographic Areas				
Area	Value in '000 Euro		Change % + 05-06	Share %
	2005	2006		
EU-countries	46 470	65 850	+ 42	86
Other European countries	1 150	2 560	+ 122	3
Africa	230	450	+ 98	1
Asia	600	1 280	+ 114	2
North and South America	4 870	6 120	+ 26	8
Oceania	120	50	- 58	-
• Total	53 450	76 320	+ 43	100

Source: Statistics Denmark

Regarding Sweden, imports have increased rapidly in recent years and now account for 30-40 percent of the market supply, according to trade estimates. This is a substantial increase compared to just a few years ago, when the import share was below 20 percent.

In Norway, imports accounted for about 45 percent of the organic market in the first half of 2007, as opposed to only 20 percent in 2005. It is projected that as the market expands further, the import share will continue to rise, since domestic production can only fulfil part of the demand. In fact, over 99 percent of all organic fruit on the Norwegian market was imported during 2007. Other high import shares were recorded for vegetables (30%), oils and fats (26%) and beverages (23%).

As for Scandinavia as a whole, other EU countries are the dominant trading partners, with Germany, the Netherlands and Italy as the main suppliers. Furthermore, products originating in developing countries are predominantly imported via either Germany or the Netherlands.

In terms of developing countries, suppliers in Central and South America top the list, largely attributable to their supply of organic coffee and

bananas. Other organic products imported from this region include apples, mango and ginger. Furthermore, Brazil has lately become an important exporter of organic raw cane sugar and meat to Scandinavia.

The largest exporting countries in Asia are China, Thailand and India, but smaller volumes are also supplied from other countries, including Sri Lanka and Vietnam.



Even if suppliers in Africa at present only account for a very small share of all organic imports, exports are increasing. The main products imported today from this region include fresh and dried fruit, green coffee, and cocoa. For more details, see list (below).

More statistical data on imports of organic food into Denmark is given in **Appendix 1**. In addition, more data on Scandinavian production, exports and imports can be found at several internet sites of the national statistical agencies, as well as at EU and FAO (UN Food and Agriculture Organization) sites, see box below.

Import of Organic Food to Scandinavia from Developing Countries	
Country	Products
North and South America	
Mexico	Green coffee
Chile	Apples
Peru	Bananas, mango, dried ginger, squash (butternut), cocoa, cereals (quinoa)
Ecuador	Cocoa
Panama	Cocoa
Brazil	Raw cane sugar (sucanat), meat, fruit pulp (for juice)
Paraguay	Raw cane sugar (syradena), sugar
Argentina	Onions (red, yellow), squash (butternut), apples, pears, meat
Central America (Guatemala, Nicaragua, Honduras, Costa Rica)	Green coffee, bananas
Colombia	Green coffee, bananas
Bolivia	Cocoa
Dominican Republic	Green coffee, bananas, mango, ginger, lime, coconuts
Asia	
China	Ginger, apples, kiwi, buckwheat, sunflower kernels, wheat, frozen food
Sri Lanka	Coconuts, tea, fruit pulp, canned fruit
India	Mango, bananas, dried fruit, tea, basmati rice, fruit pulp
Pakistan	Basmati rice
Thailand	Fresh herbs and vegetables, jasmine rice, baby corn, shrimps, canned fruit
Vietnam	Shrimps, cocoa
Syria	Dates
Saudi Arabia	Dates
Africa	
Uganda (<i>air freight</i>)	Pineapple, passion fruit, ginger, baby corn, cashew nuts, fish, dried bananas, green coffee
Tanzania	Cashew nuts
Ethiopia	Green coffee
Kenya	Green coffee
South Africa	citrus fruit
Burkina Faso	Mango (via Senegal)
Senegal	Cocoa
Ghana	Cocoa, Fruit pulp (for juice)
Cote d'Ivoire	Cocoa
Madagascar	Vanilla, lichi fruit
Egypt	Onions, potatoes
Tunisia	Dried dates, figs
Morocco	Canned olives (green, black)

Source: Statistics Denmark, Retail groups

Find More Information Here	
Statistics Denmark	www.statbank.dk
Statistics Sweden	www.scb.se
Statistics Norway	www.ssb.no
SÖL - Agricultural statistics	www.soei.de/oekolandbau/weltweit.html
Organic Agriculture (Sweden)	http://ekolantbruk.se/english/
Krav (Organics Sweden)	www.krav.se/english.asp
Norwegian Agricultural Co-ops	www.landbruk.no
EU Eurostat	http://ec.europa.eu/eurostat
EU Market Access Database	http://madb.europa.eu
FAO	http://faostat.fao.org

6 Distribution Channels

There are four main distribution channels for imports of organic food into Scandinavia - large retailing groups with their own import organisation, specialised organic importers, fruit and vegetable importers, and large food manufacturers.

Below is a presentation of the most important distributors within each channel, both for Scandinavia as a whole, and nationally.

6.1 Large Retail Groups

Scandinavia has a very high level of concentration within the food sector. In fact, the combined market share for the top four retailers within the general grocery store sector is above 90 percent in

all three countries: about 90 percent in Denmark, 94 percent in Sweden and 98 percent in Norway. Each retail group has built up a close integration of purchasing, importing, wholesaling, distribution, and retailing. All groups are also more or less engaged in joint Scandinavian and European buying groups.

The retail groups are also among the leading importers of food products. Organic products are either imported by the groups themselves, or through specialised organic importers. A noteworthy trend is that the large supermarket groups have started to market organic food products under their own private labels, which means that they also import these products directly from the producer.

Two retail groups, Coop and ICA, together account for over half the Scandinavian retail market for groceries.

- The **Coop group** consists of three national organisations - Coop Danmark, Coop Sverige (Sweden) and Coop Norge (Norway). Together these three consumer-owned cooperatives have a market share of almost 30 percent within the Scandinavian general grocery store sector. Furthermore, it is anticipated that the cooperative S-group, Finland's leading food retailer, will join shortly, thereby further strengthening the group.

Joint purchases are handled by Coop Trading, based in Denmark for all the stores within the group. It has the responsibility for joint negotiations with suppliers, the selection of buyers, product assurance and the development of private labels.

Coop Trading also handles international buying of organic food, including Coop's own organic products, which consist of about 1,000 items. About 250 products are marketed under Coop's own brand for environmental products, Ånglamark. Even though the Ånglamark products are not priced at a higher level than equivalent conventional products, the policy is that they have to be as profitable as other brands.

Coop Danmark controls about 37 percent of the Danish market. It carries a total of 1,500 organic foodstuffs and sold 53,300 tonnes of eco-labelled/organic foods in 2004 constituting 3.6 percent of the group's total sales.

Coop Sverige, Sweden's second largest food retailer, has a market share of 21 percent. The Coop group, which runs about 800 supermarkets, superstores and hypermarkets, currently accounts for about 45 percent of the total Swedish market for organic food products.

At the same time, organic foods account for 5 percent of total food sales, making the Swedish Coop chain one of the leading sellers of certified organic foods within the European supermarket trade. The aim is to reach 15 percent market share within the next few years. This envisages that all Coops' sales of fresh fruit and vegetables, fluid milk and eggs should be organic.

Coop Norge is Norway's second largest food retailer (market share of 24 percent). The group is also one of the top organic resellers in Norway, accounting for over 30 percent of the market.

- The **ICA Group** consists of ICA Sverige, Sweden's leading food retailer (market share 48%) and ICA Norge, Norway's third largest food retailer (share 19%). The total Scandinavian market share is about 25 percent. In addition, ICA is the second largest retailer in the Baltic Countries. ICA is part-owned by the Ahold Group in Netherlands, one of the largest retailers in Europe.

The ICA Group runs about 1,400 grocery stores and supermarkets in Sweden. ICA has launched some

400 organic food products, of which half is marketed under ICA's own labels. The market share for organic products is still rather insignificant (3-4%). However, in product areas where there are organic products available, the goal is to reach a 10 percent market share. The organic range includes fresh fruit and vegetables, meat and cured meat products, frozen food products, and packaged foods (flour and grains, yellow peas, crisp bread, etc.).

ICAs own import department supply all stores within the ICA chain. ICA also has import collaboration with Finland's second largest retailer, the Kesko group.

- **Dansk Supermarked (DS)**, which is part of the A.P. Møller - Maersk Group, Denmark's largest corporation, has a market share of 31 percent within the Danish grocery sector. DS also runs "Netto" discount food stores in Sweden, Germany, England and Poland. Dansk Supermarked does not import organic products directly from the producers, domestic or foreign, but instead purchases products carrying the Ø-logo through Danish distributors.

- **SuperGros**, which is part of Denmark's leading wholesaler, the Dagrofa group, is the largest supplier of foodstuffs for independent grocery stores. The market share for the retail chains supplied by SuperGros can be estimated at about 20 percent. In addition, Dagrofa is an important supplier of food for convenience stores and the food-service sector.

- **Axfood** is Sweden's third largest food retailer (market share 18%). Axfood is a wholesale and retail group with about 700 stores - supermarkets (Hemköp), discount stores (Willy's) and convenience stores (Tempo). Axfood is a member of the Scandinavian buying group United Nordic based in Sweden, which also handles overseas buying for SuperGros/Dagrofa (Denmark), Tuko Logistics (Finland) and Unil/NorgesGroup (Norway).

- **Bergendahls** is Sweden's fourth largest food retailer (share 8%). Bergendahls is a wholesale and retail group comprising about 100 stores, both large hypermarkets (CityGross) and supermarkets (Vi-chain). The organic range is still rather limited, but increasing.

- **NorgesGroup** (NorgesGruppen) is Norway's leading food retailer with about 38 percent of the general grocery market. It is also the leading seller of organic food, with well over 40 percent of the market. The NorgesGroup consists of both retail chains and wholesale groups, including Norway's leading fruit and vegetable importer, the Bama group. Today, organic items are mostly found in the larger supermarket, but each retail chain within the group has recently set goals to increase the organic market in all the different type of stores.

- **Reitan Group**, Norway's fourth largest food retailer (share 17%), runs discount stores in Norway and Denmark, as well as convenience stores and kiosks in Norway, Denmark and Sweden.

Find More Information Here

Coop Danmark	www.coop.dk
Coop Sverige	www.coop.se
Coop Norge	www.coop.no
ICA Group	www.ica.se
Dansk Supermarked	www.dsg.com
SuperGros	www.supergros.dk
Axfood	www.axfood.se
Bergendahls	www.bergendahls.se
Norges Group	www.norgesgruppen.no
Reitan Group	www.reitan.no

6.2 Specialised Organic Importers and Retailers

The trade within the Scandinavian organic sector comprises several companies solely or predominantly engaged in organic items. Here follows a presentation of some of the most important ones.

- **Urtekram/Nutana**, the oldest and best known organic distributor in Denmark, distributes more than 3,000 different food articles in Denmark and in the surrounding Scandinavian countries.
- **Biodania**, of Denmark, deals exclusively in organics as a wholesaler, distributor and importer of fresh fruit and vegetables.
- **Bio Trading**, is an important distributor and importer in Denmark for a wide range of organic raw materials and food ingredients.
- **Biodynamiska Produkter (BP)**, based in Sweden, imports organic products, both fresh and packaged foods, from all over the world. The company acts as an importer both for the large retail groups and for other wholesalers. In addition, BP sells directly to supermarkets and health food stores, as well as to the food service sector and the food-manufacturing sector. BP has a large range of fresh, frozen and packaged articles, of which a substantial part is imported. The total range consists of more than 1,000 different organic products.

• **Kung Markatta**, which is one of Sweden's largest importers of packaged organic foods, acts both as a wholesaler and an importer. The company sells 800 articles (of which some are marketed under their own label). Also Fair Trade-labelled products are marketed. About 50 percent of sales go to the health food sector and 30 percent to supermarkets. Other customers are restaurants and food manufacturers.

• Other importers on the Swedish market are Sackéus, Hedenborg, Biofood-Biolivs and Risenta. For a complete list of Swedish importers, see under Krav in the box below.

• **Øko-kompaniet**, with its Solgard brand, is one of Norway's leading importers and wholesaler of organic fruit and vegetables

• **ØkologiPartner**, Norway, a specialised organic wholesaler for the foodservice sector

Other players on the market for organic food are:

- **Helsam**, Denmark, a health-food store chain.
- **Matas**, a Danish drugstore chain which carries a range of, mainly, dry organic food products, such as dried fruits, nuts, beans, seeds, kernels, pasta, cereals etc.
- **Life, Naturapoteket, Hälsokraft and Hälsokost för Alla**; four health food chains in Sweden, with a limited range of organic items. The health food stores generally buy organic items through the specialised importers of organic products.
- **Helios**, Norway, is a specialised chain for organic food and health products.

In addition, home delivery and online stores, specialising in organic foods, have become common on the Scandinavian market, as an increasing number of consumers find it time-saving and convenient to have a food box sent directly to their home address every week or fortnight. The food box usually contains fruits and vegetables, meat, poultry, fish and beverages.

• **Øgruppen**, the Danish Organic Trade Association, has about 100 members within the organic food trade. For more information, see the box below, under Ecoweb.

Find More Information Here

Urtekram	www.urtekram.dk	Organic importer, Denmark
Biodania	www.biodania.dk	Organic importer and wholesaler, Denmark
Biotrading	www.biotrading.dk	Organic importer and wholesaler, Denmark
Biodynamiska Produkter	info@biodynamiskaprodukter.se	Organic importer and wholesaler, Sweden
Kung Markatta	www.kungmarkatta.se	Organic importer and wholesaler, Sweden
Gront Rett Hjem	www.grontretthjem.no	Organic home deliveries, Norway
Øko-kompaniet	www.okokompaniet.no	Organic wholesaler, Norway
ØkologiPartner	www.okologipartner.no	Organic wholesaler for the Foodservice sector, Norway
Helsam	www.helsam.dk	Health Food Reseller
Matas	www.matas.dk	Drugstore chain
Helios	www.helios.no	Norwegian organic food chain
Ecoweb	www.ecoweb.dk	Information about the Danish Organic Sector
Krav	www.krav.se	Complete list of Swedish importers of organic foodstuffs

6.3 Fruit and Vegetable Importers

Despite the fact that the large retailing groups have a dominant share of the food distribution in Scandinavia, import and distribution of fresh produce is often handled by specialised importing wholesalers. The largest ones are Brdr. Lembcke in Denmark, Saba, Everfresh and Ewerman in Sweden, and Bama in Norway. All these companies also import organic produce.

- *Dole Food Company*, the world's largest producer and marketer of fresh fruit and vegetables, owns *Saba Trading*, Sweden's second largest fruit importer, and the largest importer of bananas in Scandinavia. Saba Trading is the sole supplier of fresh fruit and vegetables for all food stores within the Axfood group. Saba is also an important supplier for independent stores and the food service sector.

- *Fyffes/Total*, based in Ireland and one of the world's largest companies in its field, owns the following Scandinavian fruit importers:
 - Brdr. Lembcke, Denmark's leading importer and wholesaler of fresh fruit and vegetables.
 - Everfresh Group, the sole supplier of fresh fruit and vegetables for two of Sweden's leading retailers, Coop Sverige and Bergendahls.

- *Bama Group*, Norway, the leading Norwegian importer of fresh produce, (part-owner of *Nature's Pride*, based in the Netherlands, one of Europe's largest importers of tropical fruit and vegetables).

- *Ewerman group*, Sweden

Find More Information Here	
Saba Trading	www.sabatrading.se
Brdr. Lembcke	www.lembcke.dk
Everfresh Group	www.everfreshgroup.se
Bama Group	www.bama.no
Nature's Pride	www.naturespride.nl
Ewerman	www.ewerman.se
Dole	www.dole.com
Fyffes	www.fyffes.com

6.4 Large Food Manufacturers and Packers

Large food manufacturers in Scandinavia, using organic items as raw materials, either buy everything directly themselves or buy their needs with the help of specialised importers.

Within the cereal products sector, the leading manufacturers is Lantmännen, based in Sweden, with milling and bakery subsidiaries in Denmark and Sweden, as well as the Baltic countries.

Within the Scandinavian coffee sector, practically all roasters also offer organic varieties:

- Kraft Foods, Denmark and Sweden (Gevalia and Maxwell House brands)
- Merrild, Denmark (part of SaraLee, USA)

- BKI Kaffe, Denmark
- Peter Larsens Kaffe, Denmark (part-owned by Löfbergs, Sweden)
- Löfbergs, Sweden (also produces coffee for Coop Danmark and Coop Sverige)
- Classic Kaffe (Arvid Nordquist), Sweden
- Zoégas, Sweden (owned by Nestlé)
- Friele, Norway
- Coop Norge, Norway
- Joh. Johansson Kaffe, Norway (Evergood and Ali brands)
- Solberg & Hansen, Norway
- Kjeldsberg Kaffe, Norway (part-owned by Paulig, Finland)
- Stavanger Kaffebränneri, Norway

Find More Information Here	
Kraft Foods	www.kraftfoods nordic.com
Merrild	www.merrild.dk
BKI Foods	www.bki.dk
Peter Larsens Kaffe	www.peterlarsenskaffe.dk
Löfbergs	www.lofbergs.se
Classic Kaffe	www.classic.se
Zoégas	www.nestle-nordic.com/zoegas
Friele	www.friele.no
Joh. Johansson	www.evergood.no
Solberg & Hansen	www.sh.no
Kjeldsberg Kaffe	www.kjeldsberg.no

The major food companies as a rule also market organic varieties, even if it generally comprise a rather limited selection:

- Arla Foods, owned by dairy farmers in Denmark and Sweden, produces and sells the "Harmonie" organic brand.
- Danisco A/S, the biggest Danish food manufacturer, has a very limited selection of organic foods (mainly frozen vegetables).
- Orkla, with headquarters in Norway, is the leading Scandinavian company within fruit & vegetables processing, with production facilities in all three Scandinavian countries.
- Other large companies within fruit and vegetable canning are Findus, Ardo/Frigodan, Fynbo, Appetit and Flensted.

Other manufacturers and packers of organic products include the following companies:

- Friland Foods (part of Danish Crown), a major Danish meat producer and wholesaler, and the biggest wholesaler in Europe of organic meat
- Svansø Food (Good Food Group), Denmark, produces and imports mainly a variety of organic marmalades, fruit preserves, frozen vegetables, pasta and olive oil.
- NaturFrisk, a Danish bottler and manufacturer of a range of organic juices.
- Honningcentralen, Norway, imports and packs organic honey

It must be pointed out, however, that for logistic and practical reasons, Scandinavian manufacturers generally prefer to buy their ingredients and raw material from domestic producers or suppliers in nearby countries.

Find More Information Here

Arla Foods	www.arlafoods.com
Danisco	www.danisco.com
Orkla Foods	www.orklafoods.com
Findus	www.findus.com
Ardo/Frigodan	www.ardo.com
Appetit	www.appetit.dk
Flensted	www.flensted.dk
Fynbo	www.fynbo.dk
Friland Foods	www.friland.dk
Svansø Food	www.svansoe.dk
Naturfrisk	www.naturfrisk.dk
Honningcentralen	www.honningcentralen.no

7 Market Access

Importing organic food to Scandinavia is governed by a complex set of EU and national directives, laws, regulations and standards. These requirements concern special requirements for organic products, as well as general rules for all kinds of food, including import tariffs and regulations on food safety and quality issues. In addition, the food trade itself has developed a number of standards and requirements.

7.1 Customs Duties

Since Denmark and Sweden are members of the European Union (EU), and Norway is not, different customs duties and regulations may apply.

To be able to see which duty rate is applicable and find out if the product qualifies for a preference, it is essential to know the product's customs code in the Harmonised System. It is possible to get a lower or reduced customs duty if the product is exported from a developing country, or from a country that has a free trade agreement with the European Union and/or Norway.

7.1.1 Denmark and Sweden

As full members of the EU, Denmark and Sweden are part of the EU customs union, which has abolished all customs duties and trade barriers between its members.

For organic food imported to the EU from the outside, however, customs duties apply for all products, with a few exceptions. These rates apply to all countries, which are not subject to preferential trade.

Tariff Quota and Entry Prices

In addition to customs duties, the EU has set up trade barriers to protect its domestic production, such as tariff rate quotas and entry prices.

A tariff quota is an amount for which a low duty rate applies. A higher duty rate has to be paid for all imports above that limit.

The Entry Price System (EPS) has different tariffs depending on the product's import price and the

season. If a shipment's price equals or exceeds the EU's established entry price, a relatively small value based tariff is applied. However, if the price of the goods for a particular shipment is lower than the entry price, the following takes place:

- If no more than 8 percent below the entry price, an additional specific tariff is assessed;
- If the import price is more than 8 percent below the entry price, a large specific tariff (called the maximum tariff equivalent) is levied against the shipment.

Preferential Agreements

To support developing countries, the EU has different kinds of preferential agreement schemes - the Generalised System for Preferences (EU-GSP), the Cotonou (ACP) Agreement, and bilateral free trade agreements with specific countries and regions (FTAs). For further information about beneficiary countries, see **Appendix 2**.

EU-GSP Programme

The EU's GSP scheme grants products imported from GSP beneficiary countries either duty-free access or a tariff reduction, depending on which of the GSP arrangements a country enjoys. For the moment, there are three types of arrangement in force:

- GSP: The Generalised System of Preferences (GSP) provides preferential access to all 178 developing countries.
- GSP+: This programme provides additional benefits for 15 countries that have agreed to implement certain international standards in human and labour rights, environmental protection, the fight against drugs, and good governance. In addition to the benefits of the GSP general arrangements, these countries are provided with duty free access for some agricultural products, which are in the general arrangements and classified as sensitive. Moreover, it grants duty free access for certain agricultural products, which are not covered by the general arrangements.
- EBA (Everything But Arms): This programme provides for the most favourable treatment of all, providing 50 "least developed countries" (LDCs) quota and duty free access to the EU's market.

ACP-countries and Economic Partnership Agreements (EPAs)

The Cotonou agreement, which has existed for three decades, provides special trade preferences for 78 developing countries in Africa, the Caribbean and the Pacific (called the ACP-countries). The EU has proposed to replace the present preferential agreements with regional Economic Partnership Agreements (EPAs), due to be implemented between 2008 and 2020.

When the EPAs are formally established, they will provide for free mutual trade exchanges, compatible with WTO rules. This means that the ACP countries must progressively open their markets for EU products. However, the present non-reciprocity arrangements will continue to apply for LDCs.

Preferential Duty Regimes under Free Trade Agreements (FTAs)

The EU has also entered bilateral and regional preferential agreements with Chile, Mexico, South Africa, Mediterranean countries, and countries in the Balkans region.

Trade relations between the EU and the countries in the Mediterranean region, are governed by the Euro-Mediterranean Partnership. In trade terms, the key goal of the partnership is to establish a Euro-Mediterranean Free Trade Area by 2010. In addition, EU trade relations with Turkey, a candidate country, are subject to bilateral trade concessions.

The bilateral trade agreements entered with Mexico, Chile and South Africa intend to establish a free trade area over a transitional period reaching a full liberalisation for a large part of the agricultural trade. The agreements also contain tariff quotas for certain agricultural products that are not subject to full liberalisation.

In addition, the European Union has started negotiating free trade agreements with several other nations and regions, including six Central American countries (Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama), the Andean Community (Bolivia, Peru, Colombia, Ecuador), Mercosur (Argentina, Brazil, Paraguay, Uruguay), the Gulf States, the Association of South East Asian Nations (ASEAN), as well as India.

A list of countries benefiting from the various EU preferential schemes is presented in **Appendix 6**. It should be noted, however, that the EU customs tariff system is under constant revision. So are the bilateral preferential agreements and import quotas. It is therefore advised, to always check the actual status of each beneficiary country with the EU Helpdesk for Developing Countries, see box below.

Rules of Origin

Products originating in countries of the different preferential schemes can benefit from the lower duty rates, only if they have been “wholly obtained” in a beneficiary country.

The rules of origin state that all fruits and vegetables are considered as “wholly obtained” in a country, if they also have been harvested there.

To prove that the rules of origin are fulfilled, the exporter has to provide a “Certificate of Origin Form A” (issued by UNCTAD). For products originating in the ACP states, instead a “Movement Certificate EUR.1” has to be provided.

However, if the total consignment contains products whose total value does not exceed € 6,000, an invoice declaration given by the exporter is accepted, provided appropriate documents showing the originating status are submitted.

It is the responsibility of the exporter to ensure, that the requirements regarding origin are met. It is very important to have settled all documents, as prior to the importation the customs administration will verify, that the goods satisfy the rules of origin. If the goods are not entitled to preferential treatment, the importer becomes liable for the duty at full rate.

Up-to-date information about EU customs duties, preferential tariffs, entry prices, tariff quotas and rules of origin, can be downloaded from several internet sites, see box below.

7.1.2 Norway

The Norwegian GSP-system is not equal to the one in the EU, both products and duties may differ.

Norway divides developing countries eligible for GSP into two groups. Group one contains “least developed countries” (LDCs) and group two “ordinary” developing countries. The LDCs are given a more favourable preferential treatment than the “ordinary” developing countries. However, only countries that have ratified the Norwegian GSP-system can benefit from the scheme.

Norway has, through its membership of the European Free Trade Association, also entered free trade agreements with certain developing countries (e.g. Turkey, Jordan, Lebanon, Morocco, Tunisia, Mexico and Chile).

A list of all present countries eligible for preferential treatment under the Norwegian GSP scheme is presented in **Appendix 6**.

A comprehensive overview of the Norwegian GSP-system can also be downloaded from the homepage of the Norwegian Customs, see below. This overview contains the following information:

- Conditions for GSP preferential tariff treatment
- List of developing countries for which the Norwegian GSP-system is valid
- Rules of origin
- Consignment rule (only direct transports are allowed)
- Documentation of “originating status” of GSP products
- Products covered by the Norwegian GSP-system

Find More Information Here

Norwegian Customs

www.toll.no

Find More Information Here

EU Export Helpdesk for Developing Countries	http://exporthelp.europa.eu/
EU Bilateral Trade Relations (all preference programmes)	http://ec.europa.eu/trade/issues/bilateral/index_en.htm
EU General Systems of Preferences (GSP)	http://ec.europa.eu/trade/issues/global/gsp/index_en.htm
EU Laws concerning Customs Union	http://eur-lex.europa.eu/en/repert/index_02.htm
EU Laws concerning Agriculture	http://eur-lex.europa.eu/en/repert/index_03.htm
Defra (UK) – Information for Importers	www.defra.gov.uk/exports/default.htm
CBI Access Guide	www.cbi.nl/accessguide , www.cbi.nl/marketinfo

7.2 Import Regulations for Organic Food

The manner in which the EU regulation on organic food products is implemented varies from country to country within the European Union and it is therefore advisable always to check with the national Scandinavian authorities, since in some cases, the national regulation is stricter than the European one.

Under Regulation EEC 2092/91, there are, in practice, two options to gain authorisation to export organic products to the EU:

1. *Approved Third Country - Article 11 List*

When a country outside the EU (so called third country) has established and implemented organic standards, it may apply to the EU for inclusion in the EU's List of Article 11 under regulation EEC 2092/91. Countries on this list can export products certified by an approved domestic certification body to the EU without the need for additional certification or accreditation.

Note that this is valid only if the domestic certification body is specifically registered in the Article 11 list. Each delivery should be accompanied by a document certifying that standards and certification measures are equivalent to those applicable in the EU.

In order to be included in the list, countries will have to provide sufficient evidence that a reliable system of standards and certification procedures exists, and that it is equivalent to the EU system. The EU Commission will evaluate the country's organic standards and its certification measures.

Experience shows that it is a difficult and long process for a country to be included in the list. Currently, only a few countries are on this list. But the EU is constantly processing assessment from new applications, for up to-date information, see box below.

2. *Non-Approved Third Country*

If the exporting country is not on the Article 11 list, the exporter should ask its importer in Scandinavia to apply for an individual permit to import.

An individual EU member state may authorise an importer to import products from a country not on the Article 11 list. Under this provision, the importer should apply to the local foodstuffs region under the national agency for import permission and the application should be accompanied by documentation which documents that the standards and control measures used are equivalent to EU standards.

To obtain an import permit, the importer must provide evidence that the product is produced in accordance with production requirements equivalent to those laid down in EU regulation 2092/91 that control measures are as effective as those set out in the regulation and that these

control measures are effectively and permanently implemented.

The producer will, therefore, have to be certified in accordance with EU procedures, which have to be done in co-operation with an accredited certification body. In most countries, it is most often private certification bodies that conduct the control and it should be documented that the specific certification body comply with EU standards.

Hence, equivalency between production methods in the EU and the export country is documented through the use of these certification bodies having standards at least equivalent to those of the EU or a certification programme that ensures certification against standards equivalent to those of the EU.

Import permits are issued for a certain amount of specific products from specified countries. The import permits should be renewed once every year and the importer should each year provide documentation that the producer as well as the certification body complies with EU rules and standards. See more about inspection and certification below.

Once the exporter has been through the qualification process by a certification body, the producer will be able to use this certification body when selling to other importers in Scandinavia.

It should, however, be remembered that the import permits are granted to specific importers and valid only for those importers for import entry into those importers' country. Once imported into an EU member country, the products may be marketed freely within the EU. If the importer is not subject to organic control, the product will lose its organic status when imported into Scandinavia.

In general, the criteria for granting the import permit are shifting away from evaluation at the production level towards approval of the certification arrangements, including the certification bodies. In order to ensure equivalency in the effectiveness of inspection and certification measures, third-country certification bodies must satisfy the requirements of standards EU 45011 or ISO/IEC Guide 65:1996.

In December 2007, the European Union decided on a new regulation on organic production and labelling. The new rules set out a complete set of objectives, principles and basic rules for organic production, and include a new permanent import regime and a more consistent control regime.

The use of the EU organic logo will be mandatory, but it can be accompanied by national or private logos. The place where the products were farmed has to be indicated to inform consumers. Food will only be able to carry an organic logo if at least 95 percent of the ingredients are organic. But non-organic products will be entitled to indicate organic ingredients on the ingredients list only.

The use of genetically modified organisms GMOs will remain prohibited. It will now be made explicit that the general limit of 0.9 percent for the accidental presence of authorised GMOs will also apply to organic products.

There will be no changes in the list of authorised substances for organic farming. The new rules also create the basis for adding rules on organic aquaculture, wine, seaweed and yeasts.

7.3 Labelling of Organic Food

Labelling and advertising may refer to organic production methods only where they make it clear that the information relates to a method of agricultural production. The product concerned must comply with the provisions of Regulation No 2092/91/EC.

In addition to the general regulations in the above, labels for organic products should include:

- reference to the organic production method;
- the name and/or the code number of the inspection body or authority to which the operator is subject;
- where relevant, the lot identification mark according to a marking system either approved at national level or agreed with the inspection body or authority.

Labelling and advertising of a food product may bear indications referring to organic production methods in the sales description only where at least 95 percent of the ingredients of agricultural origin are organic. Food products may thus contain up to 5 percent of ingredients produced by conventional methods as long as those ingredients are not

available (e.g. exotic fruit) or in very short supply on the Community organic market. These conventional ingredients are listed in part C of Annex VI to Regulation No 2092/91/EC.

Products with an organic content of 70 percent to 95 percent may bear indications referring to organic production methods only in the list of ingredients, but not in the sales description. Indications referring to organic production methods in the list of ingredients may not be more prominent than other indications in the list of ingredients. The percentage of ingredients of organic origin must be specified.

Where the ingredients of organic origin represent less than 70 percent of the content of a product, the labelling and advertising may not bear any reference to organic production methods.

Organic Labels in Scandinavia

Each Scandinavian country has developed its own label for certified organic food, the red Ø-mark in Denmark, the Krav-mark in Sweden and the Ø-logo (Debio) in Norway. Krav and Debio can also be certified for imported products. Regarding Denmark, however, it is only possible for imported goods to get a certificate, if the product is being re-packed by a certified company within the country. For other products, another EU certified organic logo, for example the EU logo, must be used.

As has been stated earlier, the EU eco-logo for organic products will be mandatory for all packaged organic products from 2009. This means that in the future the majority of the organic food marketed in Scandinavia, will carry two organic logos, the national logo and the EU logo.



Denmark

The most common organic label in Denmark is the so-called Ø-mark (*organic is called Økologisk in Danish*). This label is governmental. It is one of the most well-known Danish trademarks and for organic products it is therefore an advantage to have this label on the packing.

The Ø-mark is *not* exclusively for Danish produced products. Also imported products can be labelled with the Ø-mark but only importing or manufacturing companies certified by the Danish government can put the label on the package. So organic products exported to Denmark need a packing or labelling process in Denmark if the Ø-mark should be on the product.

In the last few years the EU organic label has become more common - often used together with

the Ø-mark. More and more imported products are sold in Danish supermarkets only with the EU label.

For products that are not genuine produced in Denmark (like bananas, citrus fruits) the consumers are slowly getting used to see the EU label instead of the Ø-mark.

No other organic labels are commonly known by Danish consumers although many products have supplementary labels. Among the most common are Soil Association (UK), Krav (Sweden), Skal (Netherlands) and Debio (Norway).

Organic products exported to Denmark only need to satisfy the EU regulations on organic agriculture. It is only possible to get a certificate, if the product is being re-packed by a certified company within the country. For other products, another EU certified

organic logo, for example the EU logo, must be used.

Sweden

If a company wants to use the name of KRAV or the KRAV mark (logo) on a product, the production must be inspected and certified by Aranea Certifiering, the certification subsidiary of KRAV. Production outside Sweden should be certified by a certification body which Aranea has an agreement with, preferably an IFOAM or ISO 65-accredited certification body.

A list of recognized certification and inspection bodies can be obtained from Aranea, see box below.

Norway

The Norwegian Ø-label is owned by Debio, a private organisation that has been endorsed by the Norwegian Food Safety Authority to certify organic production. Debios minimum requirements for organic production and marketing, including the Ø-label certification, shall agree with the minimum requirements in the provisions for organic production and marketing.

Re-certification

If exporters wish to market their products with the national organic brands, re-certification is a possibility.

When exporting to Sweden and Norway, a product application for re-certification can be sent to Aranea (Sweden) or Debio (Norway). The application will be examined to make sure that the product is certified by a certifying body, which Aranea or Debio has signed an agreement with. The examination will also make sure that the production is carried out in accordance with both IFOAM Basic Standards and EU 2092/91 regulation.

The review may result in a need for more information and documents. When the examination of the documents is finished and the product is approved, Aranea or Debio will send you a certificate for the product. All the recipes and other documents concerning the product are treated with strict confidentiality.

Regarding Denmark, it is only possible to get a certificate, if the product is being re-packed by a certified company within the country. For other products, another EU certified organic logo, for example the EU logo, must be used.

IFOAM

The International Federation of Organic Agriculture Movements (IFOAM) is a worldwide movement of organic agriculture and a platform for global exchange and cooperation. IFOAM sets standards for organic production and criteria for accreditation of certification bodies. For more information, see box below.

7.4 Organic Food Classification

In order to qualify as organic crops the producer must adhere to a number of rules regarding cultivation, such as the following:

- Fertilizers are not allowed on organic cultivated land. Instead, organic farmyard manure is used. It is comparatively low in nutrients, but harmless to the ecosystem.
- With a few minor exceptions, the use of pesticides on organic crops is not allowed. Alternatively, one can either employ the rotation of crops or a more robust sort, resistant to diseases and insects.
- Genetically modified organisms (GMO) are not allowed on organic farmland, e.g. in animal fodder.
- The use of straw shortener in both organic cultivated fields and fodder to organic cattle is strictly forbidden. Strict rules and regulations apply to the use of fodder and medication of organic animals. Additionally, the producer must ensure that the animals' natural needs are respected.
- All animals on organic farms should have access to fresh air, daylight and fresh fodder on a daily basis, as well as a dry and clean supply of bedding.
- Larger animals, such as cattle and pigs should be out to grass at least 150 days per year and should throughout the year have the opportunity to run and lie as need be.
- Considerations should be made to the space required for the animals to thrive. On an organic farm a maximum of 6 chickens per square metre is allowed, if the animals are kept in-house.
- The transportation of animals should be conducted according to good and safe measures to avoid stressing the animals. Use of electric cattle sticks is forbidden.

Find More Information Here

EU Organic Farming	http://ec.europa.eu/agriculture/qual/organic/index_en.htm
EU Organic Farming, brochure	http://europa.eu.int/comm/agriculture/qual/organic/brochure/abio_en.pdf
Organic Trade Association, Denmark	www.ota.com
Danish Organic Association	www.ecoweb.dk
Organic Denmark	www.okologik.dk
Organic Farming in Denmark	www.lr.dk/oekologi/diverse/org_agri.htm
Aranea Certifiering (Krav certification)	www.araneacert.se
Krav (Organic market Sweden)	www.krav.se/english.asp
Debio (Organic market Norway)	www.debio.no/index.cfm?id=1-0-0-3
EU Export Helpdesk for Developing Countries	http://exporthelp.europa.eu/
CBI Access Guide	www.cbi.nl/accessguide
IFOAM (Organic Agriculture)	www.ifoam.org/index.html

7.5 General Import Regulations

EU regulations regarding quality, packaging, marking, food labelling, nutritional information, additives and food safety control are in effect in all three countries (thus also Norway, which as an EEA member has implemented all EU regulations regarding these issues). These importing regulations are mandatory, and an exporter must comply with them in order to be allowed to sell the products on the European market.

In addition, importers, retailers and manufacturers often have set up their own specific standards regarding quality, transports, packaging, etc.

7.5.1 Quality and Grading Standards

The EU has set up marketing standards for quality and grading of a number of food products, at present some 40 products, for more information about these products, please refer to the box below.

The marketing standards include provisions concerning minimum quality, classification, sizing, packaging, and marking. Products that do not comply with these standards are barred from entry into the EU market. In addition, a Certificate of Conformity, issued by an officially recognised inspection body, is required.

For an example of which topics are included in the EU marketing standards, please refer to Appendix 3. More information about requirements regarding the EU marketing standards can also be obtained from the EU Export Helpdesk, see below.

For those products, which are not covered by the EU marketing standards, UN standards apply. Even if they are not mandatory, they can be seen as a guide to what is considered minimum requirements. More information about the UN standards as well as organic rules can be found at the FAO webpage, see box.

If food products are marketed as organic, they must comply with the rules laid down in a special EU regulation regarding organics. For more information

on rules and regulations regarding organics, please refer to the internet sites of IFOAM, Krav or Debio, see box below.

7.5.2 Food Safety

Imports of fresh and packaged food into the EU must comply with both general and specific provisions designed to prevent risk to public health.

A basic food law, in force since 2005, includes general procedures regarding food safety and the traceability of food. Other food regulations concern hygiene and contaminants in food. There are also specific provisions regarding genetically modified (GM) food and novel food.

Imports of fresh produce also have to comply with the regulations for Maximum Residue Levels (MRLs) of a large number of pesticides.

Most fresh produce may be imported into the EU only on the condition that a phytosanitary



certificate, issued by a plant protection authority of the country of cultivation, is presented upon importation at the point of entry. Upon the arrival, a

national plant protection body is authorized to do an inspection to ensure that the consignment is free from quarantine pests and conforms to the current regulations of the importing country. The plant inspection procedure is covered by a special plant protection fee, paid for by the importer.

Furthermore, if products are marketed as organic, they must comply with the EU regulations concerning organic products and be certified.

More information on all these food safety regulations and issues, can be found at the EU Food Safety website, or the websites of the national Scandinavian food safety authorities, see below.

Find More Information Here (Quality and Grading Standards)

EU Export Helpdesk for Developing Countries	http://exporthelp.europa.eu/
Defra (UK) – Information for Importers	www.defra.gov.uk/exports/default.htm
CBI Access Guide	www.cbi.nl/accessguide
FAO	www.fao.org
IFOAM (Organic Agriculture)	www.ifoam.org/index.html
Krav (Organic market Sweden)	www.krav.se/english.asp
Debio (Organic market Norway)	www.debio.no/index.cfm?id=1-0-0-3

Find More Information Here (Food Safety)

EU Food Safety Issues	http://ec.europa.eu/food/index_en.htm
EU Helpdesk Developing Countries	http://exporthelp.europa.eu/
Norwegian Food Safety Authority	www.mattilsynet.no/portal/page?_pageid=54_40103&_dad=portal&_schema=PORTAL&language=english
Guide to Norwegian Regulations	www.regelhjelp.no/Templates/CommonPage_10084.aspx
Defra (UK)	www.defra.gov.uk/planth/impexp.htm see Information for Importers
CBI Access Guide	www.cbi.nl/accessguide

7.5.3 Food Labelling

In addition to the specific rules concerning organic food labelling, all foodstuffs marketed in the European Union must comply with the EU labelling rules, both general and specific national provisions.

The general rules state that all labels must contain name of product, net quantity, date of minimum durability ("best before end" or "use by" date), special conditions for keeping or use, name and when applicable, address of grower, packager or importer, place of origin, instruction of use, and regarding pre-packed products, a lot marking.

Regarding the Scandinavian countries, national provisions state that all food labels must be in Danish/Swedish/Norwegian (depending on the importing country) or shall be easily comprehensible (which allow for labels in English). However, when sold directly to consumers, all labels must be in the language of the country.

7.5.4 Additional Market Requirements

Transportation and Packaging

There are no official EU regulations regarding transports. It is therefore up to the importer to see to that the products are transported in such a way that they arrive to Scandinavia without damages. But as a rule, fast and reliable transports, as well as optimal climatic condition during the entire transport, is essential.

Imports of food into Scandinavia are possible either by land, sea or air. What means of transport is used usually depends on the country of origin. Furthermore, the importer will often set requirements regarding the preferred means of transportation, delivery time, and means of packaging.

As a rule, products from continental European countries arrive by truck or train, usually 3 to 7 days after the order. Regarding transports from overseas countries outside Europe, both ocean

cargo and air cargo is used. Air freight is mostly used for highly perishable and low volume products.

The delivery time for boat transport from South East Asia and Central America is about 7 to 8 weeks, after order has been placed. For fragile fresh items, air-freight shipping is an alternative. Import trade within fruits and vegetables is very seasonal and transportation costs can be critical. Suppliers within Europe therefore benefit from proximity and lower transportation costs.

The large retailers and wholesalers prefer to buy large quantities continuously from the same supplier. This means that for the most important product groups, deliveries often take place every week or every two weeks.

Large food manufacturers, which depend on a constant flow of deliveries during the whole year, prefer to draw up contracts with the suppliers, negotiated once or twice a year.

Quality Aspects

In general, the European market, including Scandinavia, sets very high demands on the quality of food products. But also other quality issues, such as management, delivery reliability, social accountability and environmental aspects are important. This is also shown by the fact that in recent years several international standards have become vital for European buyers of food.

To adopt quality standards will most probably be a requirement for successfully competing on the Scandinavian food market in the near future.

Furthermore, individual importers, retailing groups and manufacturers, may have their own set of quality specifications. These often include the handling of the product between the harvest and delivery to the Scandinavian buyer, as well as packaging and shipment procedures. It is therefore advisable to always check with the buyer about their requirements regarding all types of quality and other related issues.

Find More Information Here (Food Labelling)

EU Organic Farming, brochure	http://europa.eu.int/comm/agriculture/qual/organic/brochure/abio_en.pdf
Organic Trade Association, Denmark	www.ota.com
Danish Organic Association	www.ecoweb.dk
Organic Denmark	www.okologiik.dk
Organic Farming in Denmark	www.lr.dk/oekologi/diverse/org_agri.htm

Find More Information Here (Additional Market Requirements)

HACCP Food safety standards	www.cfsan.fda.gov/~lrd/haccp.html
ISO standards	www.iso.org/iso/en/commcentre/pressreleases/2007/Ref1056.html
SA Social Accountability Standards	www.sa-intl.org
BRC Global Standards	www.brc.org.uk/standards/default.asp
EurepGap Farm certification standards	www.eurep.com

7.6 Business Terms

Price and Mark-Ups

Generally, organic food products command a higher price than conventional products. This is mainly due to more labour-intensive production and expensive materials. In some countries, insufficient supply and additional distribution costs also push up the price. Premiums between conventional and organic products generally range between 15 and 50 percent, depending on the type and quality of the product and the current market situation.

The prices paid in Scandinavia do not generally deviate from world market prices. But costs for salaries, transports, warehouse and shop rents, marketing and other overhead expenses, are relatively high. Consequently, there is a need for fairly high mark-ups in all trade channels. Still, trade margins for organic food vary greatly depending on availability, season, quality and distribution channel.

Importers apply a mark-up varying from 10 to 30 percent on landed cost. Wholesalers usually add another 15 percent, but their mark-up may be lower or higher depending on type of service offered.

At the retail level, mark-ups vary from 50 to 60 percent. However, in specialised up-scale, single-line food stores or food halls, mark-ups could be up to 100 percent. If an agent is involved, which is rather rare in the Scandinavian fruit trade, he generally wants 3 to 5 percent.

In addition to the trade margins, all goods and services in Scandinavia are subject to a value added tax (VAT), which is 25 percent in Denmark, 12 percent in Sweden and 14 percent in Norway (applicable rates in August 2007).

Terms of Payment

It is difficult to generalize when it comes to terms of payment within the food trade, since it varies quite a bit, depending on the size and type of importer.

Nevertheless, it is a fact that a letter of credit (L/C) is not common within the European fruit and vegetables trade. But it could be an alternative at the start of a new business relationship. For more established relations, Cash Against Documents (CAD or D/P) is a little more frequent. However, if the buyer is a large retailer or wholesaler, that

continuously buys large amounts of quantities, or if there is a long-term agreement between the exporter and importer, an open account is the most common mode of payment.

Considering the competitive environment surrounding the fruit and vegetables trade, it is noteworthy that favourable terms of payment are becoming more and more important, when choosing between different suppliers.

7.7 Finding Trading Partners

Today, the internet is a major source of information for both exporters and importers of food around the world. Exporters can for example register their business offers and search for customers on various internet-based meeting points.

And through e-mail, it is easy to make contacts with prospective buyers and sellers. But personal contacts are still very important, in order to establish more long-lasting business relationships.

Sending Commercial Offers

A buyer of organic food usually receives offers every day via internet, facsimile or mail, which means that a good first impression is vital for getting the importer's attention. Minimum requirements for a general business offer should therefore include:

- precise product description (according to EU or UN standards)
- attached photos of the product(s)
- price quotation, preferably according to Incoterms 2000
- delivery capacity per year
- possible delivery date(s)
- export references
- quality certificate (if applicable)
- name of contact person
- contact address, telephone, facsimile and e-mail address.

A way to increase the effectiveness of the offer is to follow up with a telephone call. The exporter should also be prepared to send a sample of the product(s) offered, since a prospective buyer will most likely not place an order before an evaluation of a sample has been made. It is therefore very important that the sample corresponds exactly to that of the business offer.

Find More Information Here (Business Terms)

Agribusiness Online	www.agribusinessonline.com	Prices and trends. See Fresh Fruits and Vegetables
FreshInfo	www.freshinfo.com	
ITC Market News Service	www.intracen.org	
EU Market Access Database	http://madb.europa.eu/mkacddb2/indexPubli.htm	
CBI Accessguide	www.cbi.nl/accessguide	Terms of payment etc. See CBI Export Planner

Visiting Trade Fairs

Taking part in and visiting food fairs can be an effective way of getting acquainted with the current trends within the food market.

The most important trade fair in the world for organic food products is Biofach in Nürnberg, Germany, which is taking place in February every year. The fair has more than 2,500 exhibitors and about 50,000 visitors, of which approx. 40 percent are from abroad. A large number of Scandinavian organic companies visit the fair and a few also exhibit their products. Apart from the fair in Nürnberg, Biofach also conducts fairs in China, Japan, the USA and Brazil.

There are also several trade fairs in Scandinavia, generally aimed at the food service sector, that lately have started to devote space for organic food. The three most important ones are the International Food Fair of Scandinavia in Copenhagen (Denmark), GastroNord in Stockholm (Sweden) and EkoFood/Interfood in Gothenburg (Sweden). More information about all Scandinavian trade fairs can be found at Fairlink, see box below.

Guide for Exporting to Scandinavia

For more information about how to find business opportunities in Scandinavia, please refer to our separate brochure "Exporting to Scandinavia - a Guide for Exporters from Developing Countries", which can be downloaded from DIPP, HSH and the Swedish Chambers, see box below.

Trade Fair	Place	Time
BioFach	Stuttgart, Germany	February, every year
International Food Fair of Scandinavia (Tema)	Copenhagen, Denmark	February/March, every second year (2009, 2011)
GastroNord (for the food service sector)	Stockholm (Sweden)	April, every second year (2008,2010)
EkoFood/Interfood (for the food service sector)	Gothenburg, Sweden	May, every second year (2009, 2011)

Find More Information Here

Biofach, Nurnberg, Germany	www.biofach.de/en
Tema Copenhagen, Denmark	www.tema09.dk
Interfood, Gothenburg, Sweden	www.interfood.se
GastroNord, Stockholm, Sweden	www.gastronord.se
Fairlink (list of Scandinavian trade fairs)	www.fairlink.se
Danish Import Promotion Programme (DIPP)	www.dipp.eu
Swedish Chambers of Commerce / Trade Promotion	www.cci.se/trade
HSH - Federation of Norwegian Commercial and Service Enterprises / Department for International Trade Cooperation	www.hsh-org.no

8 Market Prospects and Business Opportunities

Scandinavia has one of Europe's most interesting markets for organic food. Not only has Scandinavia a very high per capita consumption of organic food, when compared to other countries in Europe, but the organic market has experienced a tremendous growth during the last couple of years, between 20 and 30 percent annually. And more importantly, the organic market is expected to show strong growth also in the future.

The positive market development means that the organic food range includes a wide array of different food products. In fact organic food now covers practically every single food group within the retail trade. But the market is far from saturated, as there is a growing demand for more sophisticated products, such as convenience food, tropical fruits, ethnic food, snacks, coffee, fruit juice mixes and refined fruit beverages.

Furthermore, consumers are more and more concerned about production conditions, of environmental damage caused by intensive production methods in plantations and the use of agrochemicals and pesticides. Another concern is how a product is transported and handled, from the production site to the supermarket. This has led to an increased public demand for support of organic agricultural methods.

With this in mind, it is rather obvious that the present market share for organic food - about 3 percent - will be substantially higher in the years to come. But to reach a higher market share, more supplies are needed. However, importers are not only pledging for more supplies, but also of products of good quality, with low fat content, good nutritional value and easy to prepare.

Imports have taken a large share of the market supply in recent years, about 30-40 percent, since local producers and manufacturers have not been able to keep up with the increased demand. Furthermore, for a large number of agricultural products, imports complement the short growing season, when local harvest is not enough to satisfy the market and when importing is more favourable. Fruits, vegetables, sugar, grains, and coffee constitute the major organic import articles. Other large import items are meat, snacks, spices and beverages.

Even if other EU-countries are the dominant trading partners, suppliers in Central and South America are also prominent, especially regarding fresh produce, coffee, cane sugar and meat. Exporters in Asia and Africa have in recent years also been able to penetrate the Scandinavian market for a number of products, such as fresh fruit, coffee and cocoa. It should be noticed, though, that a relatively large number of products originating in developing countries, to a large degree are imported via either Germany or the Netherlands.

Given the rapid development of the organic market, the current insufficient supply, and the large import share, food producers in developing countries should have good opportunities to export organic items to the Scandinavian countries.

However, it is essential that exporters can prove their general ability to apply to the special requirements regarding both organic and conventional food products, when wishing to enter the EU-market.



Statistical Data

Official data on organic imports and retail sales only exist for Denmark.

Table 1: Denmark: Import of Organic Food 2003-2006, by Commodity Groups

Table 2: Denmark: Import of Organic Food 2003-2006, by Countries

Table 3: Denmark: Retail Market for Organic Food 2003-2006, by volume

Table 4: Denmark: Retail Market for Organic Food 2003-2006, by value

Table 5: Sweden: Retail Market Shares for Organic Food 2004-2005

Table 6: Norway: Retail Market Shares for Organic Food 2005-2007

Table 1:
Denmark: Import of Organic Food 2003-2006,
by Commodity Groups

Imports by commodity groups according to the Standard International Trade Classification system (SITC), maintained by the United Nations.

SITC no.	Commodity Group	Value in '000 Euro				Change		
		2003	2004	2005	2006	2003-06	%	
01	Meat and meat preparations	7	27	99	1078	+ 1 071	--	
02	Dairy products and Eggs	528	491	319	563	+ 35	7	
042	Rice	375	416	560	802	+ 427	114	
041, 043-048	Cereal products, excl. rice	6 319	9 446	10 834	16 376	+ 10 057	59	
04	Sum	6 694	9 862	11 395	17 178	+ 10 484	157	
054	Vegetables, fresh & frozen	4 750	5 376	6 564	9 853	+ 5 103	107	
056	Vegetables, processed	427	820	1 266	1 300	+ 873	204	
057	Fruit, fresh and dried	7 913	6 666	10 368	15 833	+ 7 920	100	
058	Fruit, processed	1 106	1 004	1 156	2 394	+ 1 288	116	
059	Fruit and vegetable juices	1 298	1 504	1 643	2 382	+ 1 084	84	
05	Sum	15 494	15 370	20 997	31 761	+ 16 267	105	
061	Sugar, molasses and honey	2 396	3 058	3 440	5 013	+ 2 617	109	
062	Sugar confectionery	105	327	367	398	+ 293	279	
06	Sum	2 501	3 385	3 807	5 411	+ 2 910	116	
071	Coffee	3 659	3 274	3 764	3 194	- 465	13	
072	Cocoa	14	19	8	27	+ 13	93	
073	Chocolate products	165	432	416	419	+ 254	154	
074	Tea	387	355	232	452	- 65	17	
075	Spices	251	218	232	452	+ 201	80	
07	Sum	4 476	4 297	4 698	4 346	- 130	3	
08	Animal fodder	2 605	1 826	3 780	5 585	+ 2 980	114	
09	Other food	1 166	1 349	2 524	2 820	+ 1 654	142	
11	Beverages	914	1 135	1 503	2 848	+ 1 934	212	
22, 29	Oil seeds, oleaginous fruits	3 791	2 265	3 011	2 719	- 1 072	28	
41-43	Crude animal & veg. materials	1 147	858	1 252	1 970	+ 823	72	
512, 592	Other food	106	84	64	44	- 62	58	
	Total	39 429	40 949	53 448	76 322	+ 36 893	94	

Source: Statistics Denmark

**Table 2:
Denmark: Import of Organic Food 2003-2006,
by Countries**

Area/Country	Value in '000 Euro				Change		
	2003	2004	2005	2006	2003-06	%	
EU-countries	30 718	35 667	46 471	65 853	+	35 135	114
Netherlands	8 496	8 578	13 249	17 450	+	8 954	105
Germany	8 935	9 942	10 778	14 368	+	5 433	61
Italy	4 556	6 829	9 443	13 201	+	8 645	190
Other EU-countries	8 731	10 318	13 000	20 835	+	12 104	139
Other Europe	473	221	1 153	2 563	+	2 090	442
Turkey	311	49	783	1 340	+	1 029	331
Other countries	162	172	371	1 223	+	1 061	655
Africa	321	90	230	455	+	134	42
Uganda	8	82	173	312	+	304	--
South Africa	252	-	47	72	-	180	71
Egypt	58	-	10	69	+	11	19
Other countries	3	8	-	2	-	1	33
Asia	846	540	599	1 280	+	434	51
China	234	50	184	628	+	394	168
Sri Lanka	365	287	294	240	-	125	34
Thailand	-	8	14	207	+	207	--
Japan	47	12	67	91	+	44	94
India	161	162	39	86	-	75	47
Hong Kong	-	-	-	212	+	212	--
Israel	38	20	1	-	-	38	100
Other countries	-	-	-	3	+	3	--
North and South America	6 611	4 297	4 871	6 119	-	492	7
Brazil	964	768	1 341	1 839	+	875	91
Peru	1 107	805	1 510	1 016	-	91	8
Bolivia	927	12	87	838	-	89	10
USA	179	41	438	678	+	499	279
Mexico	1 676	1 272	750	583	-	1 093	65
Canada	358	118	235	366	+	8	2
Chile	1	-	28	331	+	330	--
Argentina	491	151	30	33	-	458	93
Nicaragua	-	145	30	134	+	134	--
Honduras	219	132	30	33	-	186	85
Ecuador	-	-	-	28	+	28	--
Costa Rica	-	2	11	14	+	14	--
Cuba	54	-	-	-	-	54	100
Dominican Republic	11	-	-	-	-	11	100
Other countries	-	2	-	-	-	2	100
Oceania	459	135	124	53	-	406	88
Total	39 429	40 949	53 448	76 322	+	36 893	94
<i>Of which:</i>							
Other Scandinavia	1 806	3 012	5 108	7 981	+	6 175	342

Source: Statistics Denmark

Table 3:
Denmark: Retail Market for Organic Food
2003-2006, by volume

Product	Volume, tonnes				Change	
	2003	2004	2005	2006	03-06	%
• Dairy products and Eggs	111 165	109 155	116 949	129 600	+ 18 435	16.6
• Vegetables	16 954	18 043	21 184	22 259	+ 5 305	31.3
- Carrots, fresh	8 394	9 365	11 443	10 769	+ 2 375	28.3
- Potatoes, fresh	3 833	4 143	4 692	4 916	+ 1 083	28.9
- Onions, fresh	1 528	1 544	1 826	1 873	+ 345	20.0
- Tomatoes, fresh	445	443	480	730	+ 285	64.0
- Other	2 754	2 548	2 743	3 971	+ 1 217	42.9
• Cereal products	14 557	14 609	15 026	17 272	+ 2 715	18.7
- Flour	4 903	4 671	4 846	5 303	+ 400	8.2
- Grain, musli, etc	4 813	5 303	5 858	5 515	+ 702	14.6
- Other, incl. bread	4 841	4 635	4 322	6 454	+ 1 613	33.3
• Fruit	2 871	3 658	4 819	5 567	+ 2 696	93.9
- Citrus fruit, fresh	1 142	1 329	1 583	1 798	+ 656	57.4
- Bananas, fresh	475	603	962	952	+ 477	100.4
- Apples, fresh	521	684	1 008	1 215	+ 694	133.2
- Dried fruits	485	535	541	818	+ 333	68.7
- Other	248	507	725	784	+ 536	216.1
• Meat	1 768	2 002	2 549	2 979	+ 1 211	68.5
- Beef, veal and pig meat	1 231	1 439	1 801	2 005	+ 774	62.9
- Sliced meat and poultry	389	442	589	756	+ 367	94.3
- Other	148	121	159	218	+ 70	47.3
• Fats, oils, butter	1 503	1 607	2 164	2 350	+ 847	56.4
• Sugar, jam, confectionery, chocolate, etc	1 484	1 542	1 571	1 567	+ 83	5.6
- Sugar	880	916	1 021	939	+ 59	6.7
- Syrup, molasses, honey	131	112	119	135	+ 4	3.1
- Jam, marmalade	316	344	259	250	- 66	20.9
- Other, incl. confectionery and chocolate	157	170	172	243	+ 86	54.8
• Coffee, tea, cocoa	770	747	774	910	+ 140	18.2
• Fish and Seafood	0	0	0	7	+ 7	--
• Other food, incl. spices	759	1 071	1 332	1 223	+ 464	61.1
• Beverages (juice, soft drinks, beer, wine)	2 713	2 409	2 377	3 233	+ 520	19.2
• Total	154 373	154 653	168 454	186 817	+ 32 444	21.0

Source: Statistics Denmark

Table 4:
Denmark: Retail Market for Organic Food
2003-2006, by value

Product	Value, '000 Euro				Change 03-06	
	2003	2004	2005	2006	+-	%
• Dairy products and Eggs	139 400	134 823	144 586	165 042	+	18.4
• Vegetables	29 983	30 761	35 283	42 525	+	41.8
- Carrots, fresh	10 676	11 384	13 677	13 959	+	30.7
- Potatoes, fresh	4 131	4 219	4 700	5 758	+	39.4
- Onions, fresh	2 608	2 491	3 045	3 377	+	29.5
- Tomatoes, fresh	2 821	2 796	3 451	4 459	+	58.1
• Cereal products	30 123	28 870	30 186	37 477	+	24.4
- Flour	5 998	5 719	5 641	6 179	+	3.0
- Grain, musli, etc	7 738	8 450	9 605	11 112	+	43.7
- Other, incl. bread	16 388	14 701	14 940	20 187	+	23.2
• Fruit	10 710	12 754	16 058	22 623	+	111.2
- Citrus fruit, fresh	3 310	3 556	4 439	6 206	+	87.5
- Bananas, fresh	1 310	1 679	2 035	3 130	+	138.6
- Apples, fresh	1 325	1 789	2 527	4 241	+	219.6
- Fruits, dried	3 005	3 184	3 590	4 553	+	51.5
• Meat	15 063	19 269	25 208	33 102	+	119.8
- Beef, veal and pig meat	9 038	12 425	15 993	20 386	+	125.6
- Sliced meat and poultry	4 561	5 530	7 412	10 094	+	121.4
• Fats, oils, butter	11 623	12 312	16 531	17 090	+	47.1
• Sugar, jam, confectionery, chocolate, etc	6 517	6 440	6 757	8 097	+	24.4
- Sugar	2 107	2 224	2 528	2 938	+	39.5
- Syrup, molasses, honey	1 304	1 172	1 245	1 388	+	6.0
- Jam, marmalade	1 898	1 720	1 802	2 622	+	11.6
• Coffee, tea, cocoa	11 623	12 312	16 531	17 090	+	22.9
• Fish and seafood	0	0	0	66		--
• Other food, incl. spices	4 192	5 303	7 219	7 582	+	81.0
• Beverages (juice, soft drinks, beer, wine)	6 995	7 158	7 010	8 205	+	17.3
• Total	262 226	265 242	297 072	351 173	+	33.9

Source: Statistics Denmark

**Table 5:
Sweden: Retail Market Shares for Organic Food
2004-2005**

Product group	Market Shares		
	2004	2005	Change
Milk, cheese and eggs	4.0	5.1	+ 1.1
Meat and meat-based products	1.4	2.7	+ 1.3
Vegetables and vegetable-based prds	2.2	3.9	+ 1.7
Bread and cereal products	1.7	1.9	+ 0.2
Fruit and fruit-based products	2.8	3.6	+ 0.8
Coffee, tea and cocoa	2.9	3.4	+ 0.5
Jam, honey, confectionery, sugar	0.5	0.5	+ 0
Oils and fats	1.1	1.3	+ 0.2
Fish and seafood	0.1	0.1	+ 0
Non-alcoholic beverages*	0.5	0.5	+ 0
Alcoholic beverages**	0.0	0.0	+ 0
Other food products***	1.5	2.2	+ 0.7
• Total	1.6	2.2	+ 0.6

* Includes juices, mineral water and soft drinks
** Includes beer, wine and spirits.
*** Includes salt, spices, sauces, condiments, seasonings, vinegar, soups, baby food.

Source: Krav

**Table 6:
Norway: Retail Market Shares for Selected Organic Items
2005-2007**

Market share by value at the end of June each year.

Product	Market Shares		
	2005	2006	2007
• All food products	0.4	0.7	1.0
<i>of which</i>			
Babyfood	4.0	7.9	11.9
Dairy products	1.4	1.6	2.0
Fruit	0.0	1.0	1.0
Vegetables	0.0	0.7	1.3
Coffee and Tea	0.1	0.5	0.6
Spices and Condiments	0.2	0.5	1.1

Source: Statens Landbruksforvaltning

Country List Preferential Agreements

List of beneficiary countries of the General System of Preferences (GSP) schemes. Note that European countries are not included in this list. For a full and updated list, please refer to http://ec.europa.eu/trade/issues/bilateral/index_en.htm (EU) www.toll.no (Norway).

European Union:

- **EBA** (Everything But Arms) indicates a least developed country (LDC), benefiting from trade preferences under the EU-GSP scheme. LDC, indicates a least developed country recognized by the United Nations.
- **EU-GSP** indicates developing countries benefiting from EU trade preferences under the GSP schemes.
- **ACP** indicates African, Caribbean or Pacific countries benefiting from trade preferences under the Cotonou Partnership Agreement with the EU.
- **GSP+** indicates developing countries qualifying for a special incentive arrangement for sustainable development and good governance.
- **FTA** indicates a non-European country that has a free trade agreement with Norway.
- **OCT** includes the following 21 "Overseas Countries and Territories", that benefit from trade preferences with the EU: Greenland, New Caledonia, French Polynesia, French Southern and Antarctic Territories, Wallis and Futuna Islands, Mayotte, Saint Pierre and Miquelon, Aruba, Netherlands Antilles, Anguilla, Cayman Islands, Falkland Islands, South Georgia and South Sandwich Islands, Montserrat, Pitcairn, Saint Helena, Ascension Island, Tristan da Cunha, Turks and Caicos Islands, British Antarctic Territory, British Indian Ocean Territory, British Virgin Islands.

Norway:

In order to obtain preferential tariff treatment, it is a precondition that the Norwegian GSP-scheme has been implemented. Preferential schemes:

- **LDC** indicates the least developed countries.
- **Ord GSP** indicates other developing countries.
- **FTA** indicates a non-European country that has a free trade agreement with Norway.

Country	European Union					Norway		
	EBA	EU-GSP	ACP	GSP+	FTA	LDC	Ord GSP	FTA
Afghanistan	X	X	-	-	-	X	-	-
Algeria	-	X	-	-	X	-	X	-
Angola	X	X	X	-	-	X	-	-
Antigua and Barbuda	-	X	X	-	-	-	-	-
Argentina	-	X	-	-	-	-	X	-
Azerbaijan	-	X	-	-	-	-	-	-
Bahamas	-	X	X	-	-	-	X	-
Bahrain	-	X	-	-	-	-	X	-
Bangladesh	X	X	-	-	-	-	X	-
Barbados	-	X	X	-	-	-	X	-
Belize	-	X	X	-	-	-	-	-
Benin	X	X	X	-	-	X	-	-
Bhutan	X	X	-	-	-	X	-	-
Bolivia	-	X	-	X	-	-	X	-
Botswana	-	X	X	-	-	X*	-	-
Brazil	-	X	-	-	-	-	X	-
Brunei Darussalam	-	X	-	-	-	-	X	-
Burkina Faso	X	X	X	-	-	-	-	-
Burundi	X	X	X	-	-	-	-	-
Cambodia	X	X	-	-	-	-	-	-
Cameroon	-	X	X	-	-	-	X	-
Cape Verde	X	X	X	-	-	X	-	-
Central African Republic	X	X	X	-	-	-	-	-
Chad	X	X	X	-	-	-	-	-
Chile	-	X	-	-	X	-	-	X
China	-	X	-	-	-	-	X	-
Colombia	-	X	-	X	-	-	X	-
Comoros	X	X	X	-	-	-	-	-
Congo, Republic	-	X	X	-	-	-	-	-
Congo, Democratic Rep	X	X	X	-	-	X	X	-
Costa Rica	-	X	-	X	-	-	X	-
Cote d'Ivoire	-	X	X	-	-	-	X	-
Cuba	-	X	-	-	-	-	X	-
Djibouti	X	X	X	-	-	-	-	-
Dominica	-	X	X	-	-	-	X	-
Dominican Republic	-	X	X	-	-	-	X	-
Ecuador	-	X	-	X	-	-	X	-
Egypt	-	X	-	-	X	-	X	-
El Salvador	-	X	-	X	-	-	X	-
Equatorial Guinea	X	X	X	-	-	-	-	-
Eritrea	X	X	X	-	-	-	-	-
Ethiopia	X	X	X	-	-	X	-	-
Fiji	-	X	X	-	-	-	X	-
Gabon	-	X	X	-	-	-	X	-

Country	European Union					Norway		
	EBA	EU-GSP	ACP	GSP+	FTA	LDC	Ord GSP	FTA
Gambia	X	X	X	-	-	X	-	-
Ghana	-	X	X	-	-	-	X	-
Grenada	-	X	X	-	-	-	-	-
Guatemala	-	X	-	X	-	-	X	-
Guinea	X	X	X	-	-	X	-	-
Guinea-Bissau	X	X	X	-	-	-	-	-
Guyana	-	X	X	-	-	-	X	-
Haiti	X	X	X	-	-	X	-	-
Honduras	-	X	-	X	-	-	X	-
India	-	X	-	-	-	-	X	-
Indonesia	-	X	-	-	-	-	X	-
Iran	-	X	-	-	-	-	X	-
Iraq	-	X	-	-	-	-	X	-
Israel	-	X	-	-	X	-	-	X
Jamaica	-	X	X	-	-	-	X	-
Jordan	-	X	-	-	X	-	-	X
Kazakhstan	-	X	-	-	-	-	-	-
Kenya	-	X	X	-	-	-	X	-
Kiribati	X	X	X	-	-	-	-	-
Korea, Republic	-	-	-	-	-	-	-	X
Kuwait	-	X	-	-	-	-	X	-
Kyrgyzstan	-	X	-	-	-	-	-	-
Laos	X	X	-	-	-	X	-	-
Lebanon	-	X	-	-	X	-	-	X
Lesotho	X	X	X	-	-	X	-	-
Liberia	X	X	X	-	-	X	-	-
Libya	-	X	-	-	-	-	-	-
Madagascar	X	X	X	-	-	X	-	-
Malawi	X	X	X	-	-	X	-	-
Malaysia	-	X	-	-	-	-	X	-
Maldives	X	X	-	-	-	X	-	-
Mali	X	X	X	-	-	X	-	-
Mauritania	X	X	X	-	-	-	-	-
Mauritius	-	X	X	-	-	-	X	-
Mexico	-	X	-	-	X	-	-	X
Micronesia	-	X	X	-	-	-	-	-
Mongolia	-	X	-	X	-	-	X	-
Morocco	-	X	-	-	X	-	-	X
Mozambique	X	X	X	-	-	X	-	-
Myanmar	X	X	-	-	-	-	-	-
Namibia	-	X	X	-	-	X*	-	-
Nauru	-	X	X	-	-	-	-	-
Nepal	X	X	-	-	-	X	-	-
Nicaragua	-	X	-	X	-	-	X	-
Niger	X	X	X	-	-	X	-	-
Nigeria	-	X	X	-	-	-	-	-
Niue	-	X	X	-	-	-	-	-
Oman	-	X	-	-	-	-	-	-
Pakistan	-	X	-	-	-	-	X	-
Palau	-	X	X	-	-	-	-	-
Panama	-	X	-	X	-	-	X	-
Papua New Guinea	-	X	X	-	-	-	X	-
Paraguay	-	X	-	-	-	-	X	-
Peru	-	X	-	X	-	-	X	-
Philippines	-	X	-	-	-	-	X	-
Quatar	-	X	-	-	-	-	-	-
Rwanda	X	X	X	-	-	-	-	-
Samoa	X	X	X	-	-	-	-	-
Sao Tomé and Príncipe	X	X	X	-	-	-	-	-
Saudi Arabia	-	X	-	-	-	-	X	-
Senegal	X	X	X	-	-	X	-	-
Seychelles	-	X	X	-	-	-	-	-
Sierra Leone	X	X	X	-	-	-	-	-
Singapore	-	-	-	-	-	-	-	X
Solomon Islands	X	X	X	-	-	-	-	-
Somalia	X	X	X	-	-	-	-	-
South Africa	-	X	X	-	X	-	X	-
Sri Lanka	-	X	-	X	-	-	X	-
St Kitts and Nevis	-	X	X	-	-	-	-	-

Country	European Union					Norway		
	EBA	EU-GSP	ACP	GSP+	FTA	LDC	Ord GSP	FTA
St Lucia	-	X	X	-	-	-	X	-
St Vincent and Grenadines	-	X	X	-	-	-	-	-
Sudan	X	X	X	-	-	X	-	-
Suriname	-	X	X	-	-	-	X	-
Swaziland	-	X	X	-	-	-	X	-
Syria	-	X	-	-	-	-	-	-
Tajikistan	-	X	-	-	-	-	-	-
Tanzania	X	X	X	-	-	X	-	-
Thailand	-	X	-	-	-	-	X	-
Timor-Leste	-	X	-	-	-	-	-	-
Togo	X	X	X	-	-	X	-	-
Tonga	-	X	X	-	-	-	X	-
Trinidad and Tobago	-	X	X	-	-	-	X	-
Tunisia	-	X	-	-	X	-	-	X
Turkey	-	-	-	-	-	-	-	X
Turkmenistan	-	X	-	-	-	-	-	-
Tuvalu	X	X	X	-	-	-	-	-
Uganda	X	X	X	-	-	X	-	-
United Arab Emirates	-	X	X	-	-	-	-	-
Uruguay	-	X	-	-	-	-	X	-
Uzbekistan	-	X	-	-	-	-	-	-
Vanuatu	X	X	X	-	-	-	-	-
Venezuela	-	X	-	X	-	-	X	-
Viet Nam	-	X	-	-	-	-	X	-
Yemen	X	X	-	-	-	-	-	-
Zambia	X	X	X	-	-	X	-	-
Zimbabwe	-	X	X	-	-	-	X	-

* Even though not covered by the UN list of Least Developed Countries, Botswana and Namibia are given a more favourable preferential treatment in Norway than the "ordinary" developing countries.

Sources: EU GSP, Unctad/ITCD/TSB/Misc.62/Rev.1 (2005) and Tollvesenet Norway (May 2007).

EU Marketing Standards

Shown below is the EU Marketing Standards for Fresh Apricots.

For other EU Marketing Standards, please refer to:

<http://exporthelp.europa.eu> or www.defra.gov.uk/hort/hmi.htm

Standards for Apricots

I. DEFINITION OF PRODUCE

This standard applies to apricots of varieties (cultivars) of **Prunus armenaca L.** to be supplied fresh to the consumer, apricots for Industrial processing being excluded.

II. PROVISIONS CONCERNING QUALITY

The purpose of the standard is to define the quality requirements for apricots after preparation and packaging.

A. Minimum requirements

In all classes, subject to the special provisions for each class and the tolerances allowed, the apricots must be:

- intact,
- sound; produce affected by rotting or deterioration such as to make it unfit for consumption is excluded,
- clean, practically free of any visible foreign matter,
- practically, free from pests
- practically, free from damage caused by pests,
- free from abnormal external moisture,
- free from foreign smell or taste.

The apricots must have been carefully picked. They must be sufficiently developed and display satisfactory ripeness.

The development and condition of the apricots must be such as to enable them:

- to withstand transport and handling and
- to arrive in satisfactory condition at the place of destination.

B. Classification

The apricots are classified into three classes defined below:

(i) 'Extra' Class:

Apricots in this class must be of superior quality. In shape, development and colouring they must be typical of the variety, allowing for the district in which the fruit is grown.

They must be free from defects with the exception of very slight superficial defects, provided that these do not affect the general appearance of the produce, the quality, the keeping quality and presentation in the package.

(ii) Class I:

Apricots in this class must be of good quality. They must be characteristic of the variety, allowing for the district in which the fruit is grown.

The flesh must be perfectly sound. The following slight defects, however, may be allowed provided these do not affect the general appearance of produce, the quality, the keeping quality and presentation in the package:

- a slight defect in shape or development,
- a slight defect in colouring,
- slight rubbing,
- slight burning,
- slight skin defects, with a limit of 1cm in length for defects of elongated shape, 0.5cm² of the total surface area for other defects.

(iii) Class II:

This class includes apricots which do not qualify for inclusion in the higher classes, but satisfy the minimum requirements specified above.

Skin defects may be allowed provided that the fruit retain their essential characteristics as regards the quality, the keeping quality and presentation, subject to the following limits:

- 2 cm in length for defects of elongated shape,
- 1 cm² of total surface area for all other defects.

III. PROVISION CONCERNING SIZING

The size is determined by the maximum diameter of the equatorial section. Sizing is compulsory for the Classes 'Extra' and 'I'.

Class	Minimum diameter (mm)	Maximum permissible deviation for fruit in the same package (mm)
Extra	35	5
I and II (sized)	30	10
II (not sized)	30	—

IV. PROVISIONS CONCERNING TOLERANCES

Tolerances in respect of quality and size shall be allowed in each package for produce not satisfying the requirements of the class indicated.

A. Quality tolerances:

(i) 'Extra' Class:

5% by number or weight of apricots not satisfying the requirements of the class, but meeting those of Class I or, exceptionally, coming within the tolerances of that class.

(ii) Class I:

10% by number or weight of apricots not satisfying the requirements of the class, but meeting those of Class II, or, exceptionally, coming within the tolerances for that class.

(iii) Class II:

10% by number or weight of apricot satisfying neither the requirements of the class nor the minimum requirements, with the exception of produce affected by rotting, marked bruising or any other deterioration rendering it unfit for consumption.

B. Size tolerances:

For all classes:

10% by number or weight of apricots deviating from the minimum size or the size stated on the package, the deviation not exceeding 3mm above or below.

V. PROVISIONS CONCERNING PRESENTATION

A. Uniformity:

The contents of each package must be uniform and contain only apricots of the same origin, variety, quality and size (if sized) and, for 'Extra' Class, uniform in colour.

The visible part of the contents of each package must be representative of the entire contents.

Notwithstanding the preceding provisions in this point, products covered by this Regulation may be mixed, in sales packages of a net weight of less than three kilograms, with different types of fresh fruit and vegetables on the conditions laid down by Commission Regulation (EC) No 48/2003.

B. Packaging:

- The apricots must be packed in such a way as to protect the produce properly.
- The materials used inside the package must be new, clean and of a quality such as to avoid causing any external or internal damage to the produce. The use of materials, particularly of paper or stamps bearing trade specification is allowed provided that the printing or labelling has been done with non-toxic ink or glue.
- Packages must be free from all foreign matter.
- Stickers individually affixed on product shall be such as, when removed, neither to leave visible traces of glue, nor to lead to skin defects.

C. Presentation:

The apricots may be presented:

1. in small packages,
2. arranged in one or more layers separated from each other,
3. in bulk in the package, except for the 'Extra' Class.

VI. PROVISIONS CONCERNING MARKING

Each package must bear the following particulars, in letters grouped on the same side, legibly and indelibly marked, and visible from the outside:

A. Identification:

The name and the address of the packer and/or the dispatcher.

This mention may be replaced:

- for all packages with the exception of pre-packages, by the officially issued or accepted code mark representing the packer and/or the dispatcher, indicated in close connection with the reference "Packer and/or Dispatcher" (or equivalent abbreviations);

- for pre-packages only, by the name and address of a seller established within the Community indicated in close connection with the mention "Packed for" or an equivalent mention. In this case, the labelling shall also include a code representing the packer and/or the dispatcher. The seller shall give all information deemed necessary by the inspection body as to the meaning of this code.

B. Nature of produce:

- 'Apricots' if the contents are not visible from the outside,
- Name of the variety for the Classes 'Extra' and 'I'.

C. Origin of produce:

Country of origin and, optionally, district where grown, or national, regional or local place name.

D. Commercial specifications:

- Class,
- Size (if sized), expressed in minimum and maximum diameter.

E. Official control mark (optional).

Packages need not to bear the particulars mentioned in the first subparagraph, when they contain sales packages, clearly visible from the outside, and all bearing these particulars. These packages shall be free from any indications such as could mislead.

When these packages are palletised, the particulars shall be given on a notice placed in an obvious position on at least two sides of the pallet.

Source: Regulation (EC) No. 851/2000

EXTRACT OF THE CERTIFICATE OF INSPECTION FOR IMPORT OF PRODUCTS FROM ORGANIC PRODUCTION INTO THE EUROPEAN COMMUNITY

1. Body or authority having issued the underlying certificate of inspection (name and address)	2. Council Regulation (EEC) no 2092/91 and Commission Regulation (EC) No 1788/2001 Article 11.1 <input type="checkbox"/> or Article 11.6 <input type="checkbox"/>	
3. Serial number of the underlying certificate of inspection	4. Reference n° authorisation under Article 11(6)	
5. Operator having split the original consignment into batches (name and address)	6. Inspection body or authority (name and address)	
7. Name and address of the importer of the original consignment	8. Country of dispatch of the original consignment	9. Total declared quantity of the original consignment
10. Consignee of the batch obtained from splitting (name and address)		
11. Marks and numbers. Container No (s). Number and kind. Trade name of the batch .	12. CN Code	13. Declared quantity of the batch
<p>14. Declaration of the relevant authority of the Member State endorsing the extract of the certificate.</p> <p>This extract corresponds to the batch described above and obtained by the splitting of a consignment which is covered by an original certificate of inspection with the serial number mentioned in box 3</p> <p>Member State:</p> <p>Date:</p> <p>Name and signature of authorised person Stamp</p>		
<p>15. Declaration of the consignee of the batch</p> <p>This is to certify that the reception of the batch has been carried out in accordance with the provisions of Annex III, Section B, point 5, to Regulation (EEC) N° 2092/91.</p> <p>Name of the company</p> <p>Date:</p> <p>Name and signature of the authorised person</p>		

Useful Internet Links

Information about the European Union		
European Union (EU)	http://europa.eu.int	Homepage for the European Union
EU Export Helpdesk for Developing Countries	http://exporthelp.europa.eu	Duty rates, customs preference and HS codes.
EU Market Access Database	http://madb.europa.eu	Exporters guide with statistical database
EU Organic Farming, brochure	http://europa.eu.int/comm/agriculture/qual/organic/brochure/abio_en.pdf	
EU Bilateral Trade Relations	http://ec.europa.eu/trade/issues/bilateral/index_en.htm	EU Preference Programmes
EU Statistics – EuroStat	http://europa.eu.int/comm/eurostat	Import and other trade statistics
EU Food Safety Website	http://ec.europa.eu/food/index_en.htm	
CBI Market Information for Developing Countries	www.cbi.nl	Directory for exporters in developing countries
General Information about Organics and Agriculture		
IFOAM	www.ifoam.org	Int. Federation of Organic Agriculture Movements
SÖL - Agricultural statistics	www.soei.de/oekolandbau/weltweit.html	
FAO	www.fao.org	
FAO Statistics	http://faostat.fao.org	
Information about Denmark		
Official gateway to Denmark	www.denmark.dk	
Ecoguide	www.ecoguide.dk	Yearbook about the Danish organic sector
Organic.dk	www.organic.dk	News and facts about the Danish organic sector
Organic Farming in Denmark	www.lr.dk/oekologi/diverse/org_aari.htm	Facts about Danish Organic Agriculture
Danish Organic Association Øgruppen	www.ecoweb.dk	Information about the Danish Organic Sector
Organic Denmark	www.okologi.dk	National Organic Association
Danish Research Center for Organic Farming	www.darcof.dk	Established by the Ministry of Food and Agriculture
National Consumer Agency	www.forbrug.dk	Consumer Affairs, Food Safety, Health
Statistics Denmark	www.statbank.dk	Statistical Information about Denmark
Danish Customs	www.skat.dk	Enter <i>International</i>
Danish Chamber of Commerce	www.djpp.eu	Danish Import Promotion Programme
Danish Veterinary and Food Administration	www.uk.foedevarestyrelsen.dk/Forside.htm	Food inspection and food legislation
Directorate for Food, Fisheries and Agri Business	www.dffe.dk	Danish Ministry of Food, Agriculture and Fisheries
Information about Sweden		
Official gateway to Sweden	www.sweden.se	
Open Trade Gate	www.opentradegate.se	Trade rules and requirements
Krav (Organics Sweden)	www.krav.se/english.asp	National Organic Association; Information, statistics
Organic Farmers (Sweden)	http://ekolantbruk.se/english/	Information about organic agriculture in Sweden
National Food Administration	www.slv.se	Food Safety, Food regulations, Import and Export
Board of Agriculture	www.sjv.se	Agricultural issues, food consumption statistics
Food in Sweden	www.livsmedelssverige.org/about.htm	Information about the Swedish food market
Statistics Sweden	www.scb.se	Statistical Information about Sweden
Swedish Customs	www.tullverket.se	Customs duties
Swedish Food Federation	www.li.se	Information about the Swedish food market
Swedish Chambers of Commerce	www.cci.se/trade	
Swedish Federation of Trade	www.svenskhandel.se	
Information about Norway		
Official gateway to Norway	www.norway.no	
Debio (Organics Norway)	www.debio.no/	National Organic Association
Norwegian Agricultural Co-ops	www.landbruk.no	Information about Norwegian Agriculture
Norwegian Food Safety Authority	www.mattilsynet.no	Food safety, Plant health, Import and Export
Directorate for Health and Social Affairs	www.shdir.no	National
Statistics Norway	www.ssb.no/english	Statistical Information about Norway
Norwegian Customs and Excise	www.toll.no	Customs duties and GSP preference programmes
Federation of Commercial and Service Enterprises	www.hsh-org.no	Enter Department of Trade Promotion

Currency Conversion

Exchange rates March 2008						
Currency	Code	EUR	USD	DKK	SEK	NOK
1 Euro €	EUR	--	1.52	7.45	9.37	7.92
1 US Dollar \$	USD	0.66	--	4.91	6.17	5.22
1 Danish Krone	DKK	0.13	0.20	--	1.26	1.06
1 Swedish Krona	SEK	0.11	0.16	0.80	--	0.85
1 Norwegian Krone	NOK	0.13	0.19	0.94	1.18	--

Source: Sveriges Riksbank

The Scandinavian Market

There are many similarities among the Scandinavian 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 Scandinavian markets it therefore might be relevant to consider the possibilities in the other Scandinavian countries as well. All Scandinavian countries have import promotion facilities. Below you will find a short presentation of the import promotion organisations in Denmark, Norway and Sweden.



Denmark

The Danish Import Promotion Programme (DIPP) is integrated in the Danish Chamber of Commerce and operates under a contract between The Danish International Development Assistance (DANIDA) and the Danish Chamber of Commerce.

The objective of DIPP is to assist exporters/producers in Africa, Asia and Latin America to enter the Danish market.

At DIPP's website www.dipp.eu you can read more about DIPP and its activities, download or order market information material regarding the Danish market or register your business offer to be advertised on the website.

Facts about Denmark

Area: 43 100 sq. km
Population: 5.4 million
Capital: Copenhagen
Business Language: Danish, English
Religion: Lutheran
Form of Government: Constitutional monarchy, parliamentary democracy
Currency: 1 krone (DKK) = 100 øre

Norway

The 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).

From the website www.hsh-org.no you can read more about HSH. HSH DITC promotes imports from developing countries. www.hsh-org.no gives access to a database where suppliers in developing countries interested in the Norwegian market can register. Studies of the Norwegian market for specific sectors can be downloaded from the website.

Facts about Norway

Area: 385 199 sq. km
Population: 4.6 million
Capital: Oslo
Business Language: Norwegian, English
Religion: Lutheran
Form of Government: Constitutional monarchy, parliamentary democracy
Currency: 1 krone (NOK) = 100 øre

Sweden

Within the trade promotion programme of the Swedish Chambers assistance is provided to exporters from Africa, Asia and Latin America. The overall aim of the programme is to contribute to sustainable economic growth in developing countries by strengthening the capacity and competitiveness of exporters.

From the website www.cci.se/trade you can learn more about the programme, download or order market reports as well as register your business inquiry free of charge in the database Chamber Trade (www.chambertrade.com).

The programme is funded by the Swedish International Development Co-operation Agency (Sida) and the Swedish Chambers of Commerce.

Facts about Sweden

Area: 449 964 sq. km
Population: 9.1 million
Capital: Stockholm
Business Language: Swedish, English
Religion: Lutheran
Form of Government: Constitutional monarchy, parliamentary democracy
Currency: 1 krona (SEK) = 100 öre



Swedish Chambers

Denmark

DIPP - The Danish Import Promotion Programme
Boersen, Slotsholmsgade
DK-1217 Copenhagen K, Denmark
Vester Farimagsgade 19,
1606 Copenhagen V, Denmark
Phone: +45 33 74 60 00
Fax: +45 33 74 60 80
Internet: www.dipp.eu.
E-mail: dipp@danskerhverv.com

Norway

HSH - The Department of International Trade Cooperation (DITC)
The Federation of Norwegian Commercial and Service Enterprises
P.O. Box 2900 Solli, NO-0230 Oslo, Norway
Drammensveien 30
Phone: +47 22 54 17 00
Fax: +47 22 56 17 00
Internet: www.hsh-org.no
E-mail: tina.ege@hsh-org.no

Sweden

The Swedish Chambers of Commerce
P.O. Box 16050, SE-103 21 Stockholm, Sweden
Västra Trädgårdsgatan 9
Phone: +46 8 555 100 00
Fax: +46 8 566 316 30
Internet: www.cci.se/trade
E-mail: tradeoffice@chamber.se

Market Report

Focus on the Scandinavian Market

Organic Food
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