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## Germany

**Post:** Berlin

### **U.S. Organic Food Exports Expected to Reach Record Levels**

**Report Categories:**

SP1 - Expand International Marketing Opportunities

Agricultural Situation

Retail Foods

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**Report Highlights:**

Germany is the 2<sup>nd</sup> largest organic market of the world with good prospects for U.S. organic products such as tree nuts, fruits and vegetables, and processed food products. The German organic market is heavenly dependent on imports to meet consumer demands. U.S. exports are set to reach records in 2018, though just a fraction can be tracked officially. This report sets out information on the German organic market, including best prospects such as participation in BioFach, the world's largest organic trade fair, taking place 13 – 16 February 2019 in Nuremberg.

### General Information:

After the US, the German organic food market is the 2nd largest market of the world. Sales of organic food in Germany have steeply increased over recent years, peaking in 2017 with organic food sales reaching over €10.03 billion (USD \$12.37 billion). That represents nearly a third of the total organic food sales in the European Union and nearly 4% of the total food sales in Germany. Since 2000, sales of organic food in Germany have more than tripled. Domestic production is unable to meet demand leading to higher import volumes (and values). Adding to imported organic food's rising market share are increasing prices for conventional products, rising land prices (sale and rental), and lingering uncertainty about the financial support for organic farming.

### Organic Food Retail Channels

Organic food sales in Germany are split between traditional food retail companies (e.g. grocery stores) and specialty organic food stores. The major driver for the growth in recent years in the organic food sales was the expansion of specialty organic shops. Traditional food retail accounts for one half of the organic food sales in Germany, with the other half going to organic retail shops and specialty shops like bakeries, butchers, fruit and vegetable stores, open markets, or direct sales from the farm. In contrast to the conventional food retail market, the organic food retail scene is not consolidated, concentrated, nor saturated. (For more information about the food retail market in Germany and other characteristics, please see our [country page](#)).

It is estimated that there are over 2,400 organic food retail shops in Germany. But just the company "Denn's" is truly nationwide and notes the highest sales and number of outlets. Other big organic food chains are regional or in selected cities.

### Profiles of Top 5 Organic Retail Companies

Company	Sales (€Mio, 2016/17)	Number of Outlets	Locations
Denn's	974	280	nationwide
Alnatura	770	132	Mainly in Southern and Western Germany but also in Berlin, Bremen, Hannover, and Hamburg.
Basic	142	32	Berlin, Rhine-Ruhr Area, Munich, Stuttgart, Frankfurt.
BioCompany	124	57	Strong in Berlin, and Potsdam but also in Dresden and Hamburg.
Ebl	64	25	Nuremberg and Bamberg
SuperBioMarkt	51	26	North-Rhine Westphalia and Osnabrück

Sources: FAS Berlin, Lebensmittelzeitung; statista.de ; alnatura.de ; dennis-biomarkt.de ; basicbio.de

### Trade in Organic Products between the U.S. and Germany

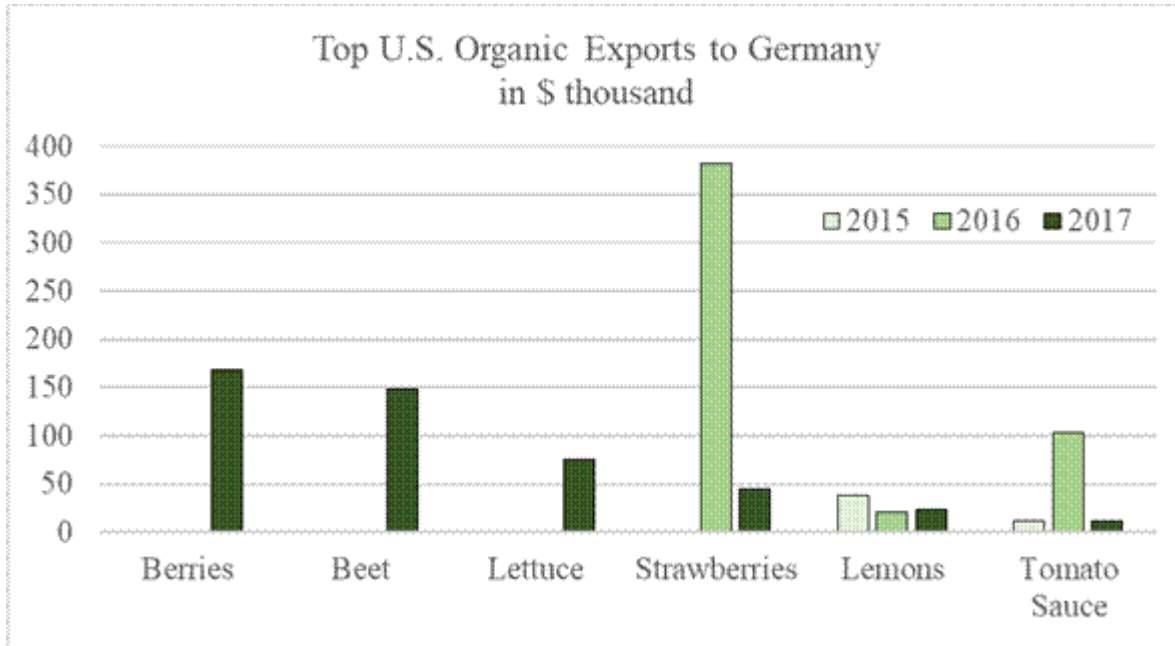
U.S. organic food exports to Germany, which are covered by codes in the Harmonized System (HS) stagnated at around \$0.5 million in 2017 after a significant increase in 2016. The first selected organic HS codes were introduced in 2011. Between January and August 2018 (latest available statistics), exports of selected organic products tripled compared to the same period in the previous year. Exports are expected to reach record levels by the end of the year with tracked exports nearing \$1 million in 2018.

Please note that the HS codes cover only a fraction of existing organic trade with Germany, mostly organic fresh products like milk, fruits and vegetables and not processed products or organic nuts. Actual U.S. exports of organic products to Germany are likely multiple times higher. But so far, the HS system provides a useful tool for tracking covered products and to see the export dynamics for those specific products.



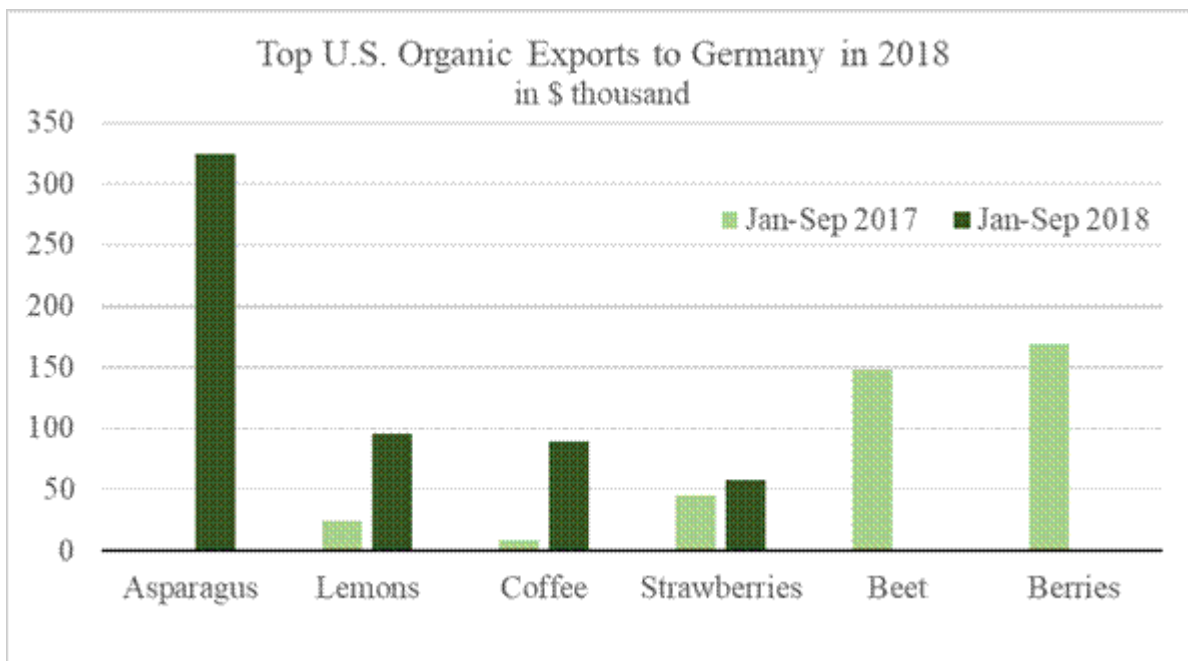
Source: U.S. Census Bureau Trade Data (USDA’s Global Agricultural Trade System Online – GATS), 2018\* FAS Berlin Estimate

U.S. Census Bureau Trade Data shows very volatile U.S. organic food exports to Germany. The top export product changes every year, which is a sign that it’s more a matter of the current price and supply situation in the US as well as German demand than based on established contracts between U.S. companies and German importers. Just exports of lemons and coffee show solid growth every year. In 2016, tomato sauce and strawberries were the top export product while it was berries, beets and lettuce in 2017. In 2015 and 2016, there were no exports of berries, beets, and lettuce.



Source: U.S. Census Bureau Trade Data (USDA's Global Agricultural Trade System Online – GATS)

So far, 2018 has been a year with extremely strong exports of U.S. organic products to Germany. Asparagus has emerged as the number 1 product in 2018 which might drive organic fresh products exports to a total record value close to \$1 million in 2018. The years before there was no export of organic asparagus.



Source: U.S. Census Bureau Trade Data (USDA's Global Agricultural Trade System Online – GATS)

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

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

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

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

Participating in German food trade shows is a proven way to find the right distributor and facilitates the direct contact with German food brokers, importers, and wholesalers. Trade shows like the BioFach show in Germany enjoy an exceptional reputation within the global organic food industry and its outreach is global. Biofach 2019 takes place 13 - 16 February in Nuremberg. Please contact us for more information on the Biofach show: [AgBerlin@fas.usda.gov](mailto:AgBerlin@fas.usda.gov)

## **Booming vegan market creates export opportunities**

In Germany veganism has become increasingly popular and it is home to the most vegan product launches in the world. Recent articles with titles such as, "Germany is the vegan capital of the world" name Berlin as the "vegan Mecca." This creates export opportunities for U.S. companies as most major vegan food producers are based in the United States. There is good potential for meat and dairy substitutes as well as breakfast foods. For more information please see GAIN report: [Vegan Market is Cooking in Germany](#).

## **The EU-U.S. Organic Equivalence Arrangement**

Signed in February 2012, the Arrangement was fully implemented on June 1, 2012. Since then, organic products certified in the United States or EU may be labeled as sold as "organic" in either market. This partnership streamlines trade between the two largest organic producers in the world, and provides organic farmers and businesses access to an over USD \$50 billion growing combined market. The growing market for organics in the EU in combination with the partnership creates more trade opportunities for U.S. exporters. The EU offers market potential for U.S. organic fresh produce, dried fruit and nuts, specialty grains and processed products. For Germany, the

arrangement has created export opportunities for U.S. companies in the following market segments: tree nuts, fresh fruit, specialty grains, dried fruit, vegetables, and processed food products.

For more information on the EU-U.S. Organic Equivalence Arrangement, the European organic market and organic trade between the U.S. and the EU please see GAIN report "[Plenty of opportunities for U.S. organics in the EU market](#)".

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

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

USDA/FAS/Berlin [www.fas-europe.org](http://www.fas-europe.org)  
U.S. Mission to the European Union [www.fas.usda.gov/posthome/useu/usda.html](http://www.fas.usda.gov/posthome/useu/usda.html)  
FAS Washington [www.fas.usda.gov](http://www.fas.usda.gov)  
Organic Trade Association [www.ota.com](http://www.ota.com)

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

Foreign Agricultural Service  
U.S. Department of Agriculture  
Embassy of United States of America  
Clayallee 170  
14195 Berlin  
Germany Tel: (49) (30) 8305 – 1150  
Email: [AgBerlin@fas.usda.gov](mailto:AgBerlin@fas.usda.gov)  
Home Page: [www.fas-europe.org](http://www.fas-europe.org)

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

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

Report Title	Report Number	Date
Exporter Guide	<a href="#">GM18048</a>	November 2018
FAIRS Report	<a href="#">GM18046</a>	November 2018
Retail Report	<a href="#">GM18017</a>	April 2018