Organic Imports to Germany

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Germany is not only the largest market for organic products in Europe but also one of its largest organic producers. In spite of this fact, in 2009/2010 Germany imported, depending on the product, 2 to 95 percent of such organic products which could also have been produced in the country.

This is shown by a project under the German Federal Scheme for Organic Farming and Other Forms of Sustainable Agriculture (BÖLN), carried out by the Agricultural Market Information Company (AMI) (www.ami-informiert.de), the Research Institute of Organic Agriculture (FiBL) (www.FiBL.org) and the market research company AgroMilagro (www.agromilagro.de).

Data analyzed

Determining organic export data turned out to be extremely different as organic external trade data is not separately collected in the official statistics. That is why under this project, four different types of data were analyzed and synthesized:

- GfK-household panel data were analyzed for those products, for which retailers have to display the country of origin (fruit, vegetables, potatoes, and eggs).
- External trade data were used from those companies that had agreed that their data be used.
- Project partners surveyed about 50 importers in Germany and a few exporters in a number of countries.
- Furthermore, production and area data as well as data on import and export volumes were ascertained or estimated for the EU countries and the relevant countries worldwide.

Results

Cereals

An unexpected result was the low import share of cereals of only 15 percent. In 2009—the year investigated—harvest in Germany was higher than on average and, therefore, it is assumed that the import share in other years was higher. Wheat had the highest import share of 21 percent. The import share varies according to quantity, quality, and price level

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of the German harvest; however, there is a large potential for an increase of production in Romania, Russia, Ukraine, and Slovakia.

Protein crops

For protein crops, the import share of 24 percent was unexpectedly high. These imports will become even higher once the legal requirement of 100 percent organic feed has been implemented. In this context, soybeans, usually classified as oilseeds, are important. They account for 76 percent of all organic oil seed imports. The cultivation of this crop, even though feasible in Germany, is not easy. There is clear potential for further expansion.

Fodder crops

The availability of fodder crops has an effect on pig and poultry production, which entails high costs for fodder and investments, even though the demand for organic pork can by far not be met. Beef is imported in small quantities only; it can thus not be counted as an import product.

Eggs

As to eggs, German producers have a hard time keeping up with the strong growth in demand. In spite of the high costs for feedstuffs in 2010, the domestic market grew to 80 percent and has potential for further growth.

Potatoes

Organic fresh potatoes are, by volume, among the most important organic fresh products, after organic eggs and organic fresh vegetables. They held a market share of 4.7 percent in 2010. In 2009, the import share was 28 percent. It will probably remain at that level, as the organic area expanded considerably already at the end of the 1990s and retailers prefer to offer imported potatoes in the early potato season. Therefore, the project team does not expect much change regarding the imports of early potatoes.

Vegetables

As regards vegetables, organic carrots are by far the most sold product and are grown on 14 percent of the carrot area in Germany. As the individual farms cannot expand the areas cultivated with carrots, Germany imports 48 percent of its organic carrots. In order to increase German production, additional producers would need to use additional small areas. The high import rates of fruit vegetables such as tomatoes (80 percent) and peppers (90 percent) are due to the all year round demand for products that can only be grown in season in Germany. As regards vegetables from protected cropping, the demand for regional produce is high, so that a further expansion is possible.

Fruit

Organic bananas and apples are the best-sold organic fruit products. Organic bananas have, naturally, an import rate of one hundred percent. The import rate for organic apples was also high at 50 percent in 2009/2010. However, during that time the organic apple area in Germany expanded to 3’000 hectares and now constitutes 9 percent of the apple area in Germany. Therefore, it can be expected that, under the right weather conditions, German production will increase and the import share will decrease.

Dairy products

Germany imports 26 percent of its fresh organic milk and 26 percent of its organic butter, most of it coming from Denmark and Austria. The import share for cheese is probably in a similar range. Other products such as yoghurt and cream originate from Germany—at a rate of almost one hundred percent. Sixteen percent of milk is imported when calculated in milk volumes (without consideration of the cheese imports). It would be possible to expand German production, but there will always be competition with the two main suppliers Denmark and Austria, both of which produce surpluses.

Main supplying countries

For Germany, the biggest suppliers of organic cereals are Italy, Russia, Kazakhstan, Romania, and Slovakia. Regarding protein crops (fodder peas, field beans, lupines), Lithuania plays by far the most prominent role, with almost half of the imports coming from there. For oilseeds including soybeans, Romania and Italy are the most important suppliers. However, several countries outside Europe (Kazakhstan, Argentina, India, and Brazil) are beginning to play an increasingly important role for soybean imports. Potatoes are mainly imported from Israel, Egypt, and Austria. The Netherlands are an important supplier of carrots, onions, eggs, and pork. Fruit vegetables mainly come from Spain and Italy. Israel supplies larger quantities of potatoes, tomatoes, and peppers. Italy supplies one third of the apples sold in Germany. The bananas imported are mainly from the Dominican Republic, Ecuador, and Costa Rica.

In many of the above-mentioned countries, areas are under conversion, and thus further products can be expected for the international market from there. Already now, Germany is relying on these imports, in particular for products that can be produced here only with difficulties or that can only be seasonally produced. For many livestock products such as eggs, milk, and pork, German consumption is currently higher than production. If enough and cheaper feedstuffs were available, there would be significant potential for these products. When looking at the data for the first three quarters of 2011 and consumer trends in 2011, the organic market is likely to continue to grow at high rates.

Reference

Schaack, Diana; Rampold, Christine; Willer, Helga; Rippin, Markus and von Koerber, Hellmut (2011) Analyse der Entwicklung des ausländischen Angebots bei Bioprodukten mit Relevanz für den deutschen Biomarkt. [Analysis of imports of organic products with relevance for the German organic market.] Agrarmarkt Informations-Gesellschaft mbH, D-Bonn. Archived at http://orgprints.org/19899/

Table 59: Germany: Organic production, imports and import shares 2009/2010

Product	Imports in metric tons	German production in metric tons	import share in %	Main countries of origin
Cereals	114'000	667'000	15	
- Wheat	70'000	185'000	27	Italy, Kazakhstan, Romania, Hungary, Russia, Slovakia, (Ukraine)
- Maize	18'000	25'000	42	Romania, Italy, Slovakia, Hungary
- Spelt	10'000	80'000	11	Italy, Slovakia, Hungary
- Rye	8'000	200'000	4	Lithuania, Austria, Latvia, Russia
- Barley	11'300	89'000	11	Russia
- Rice	3'500	-	100	Italy, India, Pakistan
- Oats	1'600	82'000	2	Finland, Denmark, Sweden
Protein Crops	14'600	45'000	24	
- Field beans	2'400	14'300	14	Lithuania, Romania
- Field peas	10'000	16'400	38	Lithuania, Russia, Slovakia
- Lupines	1'000	13'700	7	Lithuania, Poland
- Lentils	340	-	100	Canada, Turkey
Oil seeds	41'640	13'000	76	
- Soy beans	19'000	1'400	93	Italy, Romania, Kazakhstan, India, Argentinian, Brazil
- Sunflower kernels	11'000	2'050	84	Romania, Brazil, Argentina, China
- Linseed	5'200	300	95	Canada, Argentina, China, Russia
- Sesame	640	-	100	Egypt, Uganda
- Rape seed	5'000	10'000	33	Romania, Russia, Kazakhstan, Hungary
Potatoes	38'000	100'000	28	Austria, Israel, Egypt, Netherlands
Vegetables				
- Carrots	47'000	50'000	48	Netherlands, Israel, Italy
- Tomatoes	18'000	4'000	82	Spain, Netherlands, Italy, Israel
- Sweet peppers	5'900	600	91	Spain, Israel, Netherlands
- Onions	4'500	8'500	35	Netherlands, Argentina, Egypt
- Cucumbers	4'600	4'500	51	Spain, Netherlands, Bulgaria
Strawberries	1'100	2'280	33	Spain, Italy
Fruit				
- Apples	26'000	26'000	50	Italy, Austria, Argentina, New Zealand
- Bananas	72'000	-	100	Colombia, Ecuador, Dom. Rep.
Pork	7'000	24'400	22	Netherlands, Austria, Denmark, Italy
Sugar	2'500	49'000	5	Brazil, Paraguay, Ecuador
Eggs (Million pieces)	97	383	20	Netherlands, Italy
Milk	97'000	545'500	15	Denmark, Austria

Source: AMI, FiBL, AgroMilagro, 2011