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Report Highlights:

Germany is home to more than 83 million of the world's wealthiest consumers and is by far the largest market in the European Union. The German market offers good opportunities for U.S. exporters of consumer-oriented agricultural products. In 2019, total U.S. exports of agricultural and related products to Germany reached USD 1.9 billion. The largest segments were soybeans, tree nuts, fish products, wine, beef, condiments, and other consumer-oriented products. This report provides U.S. food and agriculture exporters with background information and suggestions for entering the German market. The COVID-19 related lock-down and physical distancing measures heavily impacted the German food sector. Effects will be visible in next year's report when the data from 2020 is evaluated.

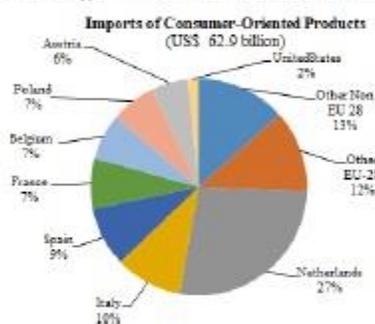
Market Fact Sheet: Germany

Executive Summary

With more than 83 million of the world's wealthiest consumers, Germany is by far the biggest market for food and beverages in the European Union (EU). In 2019, Germany's nominal GDP reached more than U.S. dollar (USD) 3.8 trillion, positioning the country as the 4th largest economy in the world. Germany is a major producer of food and agricultural products and a leading player in the global marketplace. Germany is also the third largest importer of agricultural products after the United States and China. In 2019, imports reached USD 107.4 billion¹, a decrease of 4.3 percent compared to 2018. While 79 percent of these imports originated from other EU member states, the United States was the largest supplier outside the bloc. Imports of agricultural products from the United States totaled USD 2.6 billion in 2019.

Imports of Consumer-Oriented Products

In 2019, Germany imported consumer-oriented agricultural products worth USD 62.9 billion; the majority (85 percent) of these originated from other EU member states.



Food Processing Industry

Germany's 6,119 food processing companies employ about 608,553 people. The sector is dominated by small and medium size companies; 92 percent of which have less than 250 employees. In 2018² the sector generated a turnover of roughly USD 212 billion³; accounting for 5.58 percent of the German GDP. The largest subsectors by value were meat, dairy, bakery, confectionary as well as alcoholic beverages accounting for 24, 15, 10, 8 and 8 percent, respectively.

Food Retail Industry

The sector is saturated, highly consolidated, and competitive. The top four retail groups together account for around 70 percent of revenue. Small neighborhood retailers continue to face strong competition from modern grocery retailers. Online food sales have seen an increase in the wake of the COVID-19 outbreak. While Germans are very price sensitive in general, many wealthy consumers are looking for premium quality products and are willing to pay a higher price.

Quick Facts CY 2019

Imports of Consumer-Oriented Products (USD million)
USD 62,898

List of Top 10 Growth Products in Germany

- | | |
|--------------------------|------------------------|
| 1) Pistachios | 2) Almonds |
| 3) Walnuts | 4) Wine |
| 5) Food preparations | 6) Condiments & sauces |
| 7) Vinegar & substitutes | 8) Peanuts |
| 9) Sweet Potatoes | 10) Cocoa preparations |

Food Industry by Channels (USD billion) 2018

Food Industry Output	212.1
Food Exports	70.3
Food Imports	61.8
Retail	243.1
Food Service	95.2

Food Industry Gross Sales (USD Billion) 2018

Food Industry Revenues
- Food (Domestic market) USD 141.8

Germany's Top 10 Retailers

- | | |
|----------------------------|---------------------|
| 1) Edeka/Netto | 6) dm |
| 2) Rewe/Penny | 7) Lekkerland |
| 3) Schwarz (Lidl/Kaufland) | 8) Rossmann |
| 4) Aldi North/South | 9) Bartels-Langness |
| 5) Metro AG | 10) Globus |

GDP/Population

Population (millions): 83.1
GDP (billions USD): 3.845
GDP per capita (USD): 46,564

Sources: TDM, BVE, BVLH, Destatis, Lebensmittelpraxis

Strengths/Weaknesses/Opportunities/Challenges

Strengths	Weaknesses
Germany is the biggest market in Europe with one of the highest income levels in the world.	U.S. exporters face competition from tariff-free products from other EU member states and FTA partners.
Opportunities	Threats
A large, well developed food processing industry requiring a wide range of ingredients, from low-value, unprocessed foods to high-value, highly processed ingredients.	Non-tariff barriers such as phytosanitary restrictions and traceability requirements can make exporting to Germany complicated.

Data and Information Sources:

Trade Date Monitor (TDM), German Office of Statistics (Destatis), German Food Industry Association (BVE), German Food Retail Association (BVLH)

Contact: FAS Berlin, Germany

AgBerlin@fas.usda.gov

¹ Source: Trade Date Monitor (TDM)

² Source: BVE

³ Exchange rate:

2018: 1 USD = 0.8467 Euro

SECTION I. MARKET OVERVIEW

With more than 83 million of the world's wealthiest consumers, Germany is by far the most populous and economically powerful of the European Union's member states. Germany's population is increasing at a slow rate. Increased immigration can balance the low birth rates, but only to some extent. Germany is an aging society. Already 50 percent of the population is older than 45 and 20 percent is older than 66¹. It is estimated that by 2060 population numbers will range between 74 million and 83 million².

With a total GDP of USD 3.8 trillion in 2019, Germany remains the largest economy in Europe. It posted an average annual growth rate of 1.3 percent between 2008-2018. However, when compared with the average of the last ten years, economic growth was lower in 2019³. This translated into a per capita GDP of \$46,564. The inflation rate was at 1.4 percent⁴. Unemployment was at 3.2 percent in 2019, with a total of 45 million people employed⁵.

Germany is a major producer of food and agricultural products and a leading player in the global marketplace. It is also the third largest importer of agricultural products after the United States and China. In 2019, Germany imported consumer-oriented agricultural products worth USD 62.9 billion. The majority (85 percent) of these imports originated from other EU member states. Imports of consumer-oriented agricultural products from the United States totaled USD 1 billion in 2019.

Imports from the United States consisted mostly of soybeans, almonds, pistachios, walnuts, Alaskan pollock, food preparations, wine, condiments and sauces, dried fruits, beef, and other consumer-oriented products. Germany's main trading partners of consumer-oriented agricultural products are other EU countries, followed by Switzerland, Turkey, China, United States, Brazil, and Vietnam. In total, Germany is a net importer of food and feed. In the past ten years, food imports have steadily increased underlying the rising demand for foreign and exotic foods.

In November 2020, the EU imposed 25 percent tariffs on a range of U.S. food and agricultural goods, including frozen fish, sweet potatoes, and spirits. Effects will be visible in next year's report when the data from 2020 is evaluated.

Key market drivers and consumption trends

- Fair trade and organic products have become more important in the German grocery market. Germany is the second largest organic market in the world (behind the United States) and presents good prospects for exporters of organic products.
- An aging population and increased health consciousness of consumers is fueling the demand for health and wellness products and functional food products.

¹ <https://www.destatis.de/DE/Themen/Querschnitt/Demografischer-Wandel/demografie-mitten-im-wandel.html>

² https://www.destatis.de/DE/Presse/Pressekonferenzen/2019/Bevoelkerung/pm-bevoelkerung.pdf?__blob=publicationFile

³ https://www.destatis.de/EN/Press/2020/01/PE20_018_811.html

⁴ <https://www.finanz-tools.de/inflation/inflationsraten-deutschland>

⁵ https://www.diw.de/de/diw_01.c.798686.de/deutsche_wirtschaft_auf_langem_weg_zurueck_in_die_normalitaet.ht

- Increasingly high-paced society and the rising number of single households are driving the demand for convenient ready-to-eat meals, desserts, and baking mixes.
- Ethnic foods, beauty and super foods, clean label foods, “free from” products (e.g., gluten or lactose free), and locally grown are further trends that attract more and more German consumers.
- Increasing share of consumers who view their purchasing decision as a political or life-style statement (no GMO, “free-range” eggs, vegetarian or vegan diet, etc.).
- Consumers increasingly require traceability and information about production methods.
- Germany remains a price-focused market, but the share of consumers who are willing to pay for quality is increasing in most cities.
- COVID-19 related lock-down and physical distancing measures heavily impacted the German food sector and consumer shopping and consumption patterns. With the closure of schools, shops, and services and many people working in home-office settings, much of the demand for food and agricultural products shifted from the restaurant and food service sector to food retail and/or was significantly reduced. Consumers not only spent more money on food to build an emergency stockpile, they also shopped more consciously and focused on locally grown food, for instance. The crisis fueled a new trend for home cooking. According to a report⁶ published in May, thirty percent of Germans were cooking more than before the crisis.

Please see our German country page at www.fas-europe.org for more information and reports.

Advantages	Challenges
Germany is the biggest market in Europe with one of the highest income levels in the world.	German consumers demand quality and low prices.
Large non-German population and Germans’ inclination to travel abroad help fuel demand for foreign products.	Private sector sustainability standards can act as a barrier to trade.
Germany is among the largest food importing nations in the world.	EU import regulations and tariffs. EU gives preferential access to products from EU countries.
Many German consumers are uninformed about the details of sustainability, and there is still room to define a U.S. sustainability message.	No unified U.S. sustainability message in the German market, looming misconceptions about U.S. agriculture.
U.S. style is popular, especially among the younger generation; good reputation for U.S. foods like dried fruits, seafood, wine.	Non-tariff barriers, such as phytosanitary restrictions and traceability requirements, can make exporting to Germany complicated.
Germany is the largest EU market for U.S. beef under the EU import quota for high quality beef, which was expanded in January 2020.	The quota only applies to beef from animals not treated with growth-promoting hormones.

Source: FAS Berlin

⁶ [Official nutrition report 2020 published by Germany's Federal Ministry of Food and Agriculture \(BMEL\)](#)

SECTION II. EXPORTER BUSINESS TIPS

The German market offers good opportunities for U.S. exporters of consumer-oriented agricultural products. U.S. suppliers of consumer-ready foods and beverages interested in developing a market for their products in Germany must be prepared to:

- Offer a product that meets German/EU food law, packaging, and labeling requirements
- Pay particular attention to animal product health certificates, many of which are now filed using a new electronic system
- Watch out for potential testing for unapproved biotech crops (i.e., there is a zero tolerance for some U.S. corn varieties)
- Invest time and money to develop the market, paying special attention to identify the right marketing channel for your product
- Participate in food, beverage, and industry trade shows
- Explore marketing approaches that build on strong societal themes
- Highlight the particular product or industry's 'sustainability' attributes
- Consider including a certified organic, vegan, or vegetarian item in your product line

Market Access

If a potential exporter is considering working through a distributor in another country (the Netherlands is common), they should be aware that food imports from other countries within the European Union fall under the "free movement of goods" principle. This means that products that are imported by other EU-countries may be brought into Germany even if they do not meet German food laws. If this is the case, importers must obtain a permit from the Federal Office for Consumer Protection and Food Safety ([BVL](#)) in order to sell the product in Germany.

To determine current tariffs and other measures applied to imports into Germany and the EU in general, please see the TARIC, the [Online Customs Tariff Database](#).

There are a number of potential technical barriers to trade, thus exporters may want to consult with the [latest Food and Agricultural Import Regulations and Standards \(FAIRS\) report on Germany](#). This report provides an overview of food laws in force in Germany that cover areas which are not yet harmonized with the EU.

Distribution Channels

The German food and beverage industry is highly fragmented and competitive. Few German retailers import products directly from other countries. Most food retailers prefer to buy from central buyers/distributors specialized in food and beverage importing. In general, these wholesalers specialize in products or product groups, and some are even experts in food products from a specific country of origin. These specialized importers have in-depth knowledge of all importing requirements, such as the necessary product certificates, labeling and packaging, and also take care of the shipping, customs clearance, warehousing, and distribution of the products within the country. It is advisable that U.S. exporters find a local representative in order to place and promote their products successfully within Germany.

Another successful way of finding the right distribution for products of U.S. food and beverage companies is to participate in the various food trade fairs taking place in Germany. Trade shows like ANUGA or BioFach enjoy an exceptional reputation among industry experts worldwide. Participating in trade shows facilitates direct contact with German food brokers, importers, and wholesalers. A listing of upcoming trade shows in Germany may be found at www.fas-europe.org/germany

Germany is a potential market for those U.S. companies willing to invest the time and resources to cement contacts. New products on the German market may require up to 12 to 18 months of testing in order to determine market acceptance.

Supporting Institutions

Currently, about 40 U.S. cooperator organizations operate USDA-funded marketing programs in Germany. For the full list of participating U.S. organizations, please visit www.fas-europe.org/partners.

Foreign companies looking for German food importers, wholesalers, or distributors can obtain reliable information from the Foreign Agricultural Service based in Berlin ([FAS](#)), the Federation of German Food and Drink Industries ([BVE](#)), the Federal Association of the German Retail Grocery Trade ([BVLH](#)), and from the different food market segments industry associations.

SECTION III. IMPORT FOOD STANDARDS & REGULATIONS AND IMPORT PROCEDURES

As a member of the EU, Germany follows all EU directives, regulations, and obligations where available. Since the EU is a customs union, all member states apply the same import duties on goods imported from outside the EU based on tariff classification of goods and the customs value. For details on the EU legislation and import duties, please see the [EU FAIRS report](#) for further information.

Incoming goods go either to the customs storage (small) or to a freight forwarder's facility. Storing and removal from storage is carried out under the terminals supervision by a customs officer who compares the documents with the commodities. Later, the invoice for import duties is issued. Food inspectors at the port of entry's storage area do not routinely check packaged foods. However, the customs officer may take samples of processed foods to double check for ingredients (sugar, milk powder, alcohol) as they are responsible for the correct assessment of customs duties.

Once imported goods are cleared in one member state, they can move freely throughout the territory of the EU. This means U.S. products coming into Germany via another EU member state, for example the Netherlands, have to clear customs there. No additional controls are carried out when crossing the border to Germany. For more information on imported food standards and import procedures which are not yet harmonized with EU legislation please consult the relevant [FAIRS reports](#).

SECTION IV. MARKET SECTOR STRUCTURE AND TRENDS

Trade within the EU bloc is significantly easier for Germany than trading outside the bloc, so it comes as no surprise that the top three exporters are typically other European competitors to the United States. The United States ranked thirteenth of all countries in exports of consumer-oriented agricultural products to Germany in 2019, but when accounting for the single EU market, the United States is a much larger source of imported consumer-oriented products. Therefore, the biggest competition for German market share is with Switzerland, Turkey, and China, which exported slightly more consumer-oriented products to Germany than the United States last year, and Brazil, Vietnam, and New Zealand, which exported slightly less.

The following tables present products with good sales potential, good current sales, and products not available on the German market. The data for each come from Trade Date Monitor (TDM).

a) Products present in the market that have good sales potential

Product Category	Total German Imports 2019	Total German Imports from the USA	U.S. Import Growth (2015-2019)	Market attractiveness for USA
Soybeans	\$1,401,570,024	\$754,243,311	+34.5%	The USA became the top exporter of soybeans to Germany in 2018.
Tree nuts	\$3,223,609,773	\$750,576,055	-6.5%	The USA is consistently the leading exporter of almonds, pistachios, and walnuts to Germany. Demand is strong for tree nuts, particularly for snacking and confectionery.
Sugars & confectionery	\$1,782,636,702	\$8,521,187	+11%	While U.S. exports have grown over the past five years, Germany's worldwide imports in this segment are decreasing.
Hops	\$94,063,968	\$34,455,527	+206.1%	German demand for imported hops has more than doubled in the past six years, and the popularity of craft

				brewing continues to drive demand up.
Sweet potatoes	\$58,484,917	\$2,957,796	+189.5%	German demand for imported sweet potatoes has nearly doubled in the past five years. Sweet potatoes are becoming more popular in processed snacks and in cooking. This November, the EU placed a 25 percent tariff on U.S. sweet potatoes. The tariff increase is set to severely impact U.S. exports to the EU.
Pulses	\$133,808,764	\$4,820,927	+24.8%	Increased interest in pulses as alternative protein source. U.S. lentils and chickpeas were removed from the EU tariff list published in November.
Fish and Seafood	\$5,974,676,333	\$222,507,702	+18.2%	After a downward trend in 2018, imports from the US were on the rise again in 2019. Since November 2020, some species of fish and mollusks are subject to an additional duty of 25 percent.
Whiskey	\$495,289,383	\$75,176,372	-18.2%	The USA is the second largest exporter of whiskies after the UK, despite the EU tariffs on U.S. whiskies. Additional EU tariffs on U.S. rum, brandy, vodka

				and vermouth were imposed in November 2020.
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(Source: TDM, last update: November 2020)

b) Top consumer-oriented products imported from the world

Product	Total German Imports 2019	Total German Imports from the USA	U.S. Import Growth (2015-2019)
Cheese	\$4,533,208,805	\$1,994,226	+79.5%
Chocolate & Cocoa Products	\$3,743,704,659	\$3,602,485	+3.3%
Wine	\$2,955,058,279	\$48,792,358	-48.3%
Bread, Pastry, Cakes etc.	\$2,556,178,987	\$7,370,522	-13.0%
Food Preparations (nesoi)	\$1,773,991,580	\$56,985,149	+77.2%
Tomatoes, fresh or chilled	\$1,426,773,210	0	-

c) Products not present in significant quantities but which have good sales potential

- High quality beef
- Cranberries and cranberry products
- Innovative sauces, condiments, and confectionary products
- Products featuring “sustainable” or other social issue-based marketing labels

d) Products not present because they face significant barriers

- Food additives not approved by the European Commission
- Red meat and meat products with hormones
- Most poultry and eggs (non-tariff barrier)
- Biotech-derived products that are not approved in the EU

For information and assessment for U.S. exports of consumer-oriented products to different sectors check the following reports:

Hotel, Restaurant and Institutional → [Food Service Report 2020](#)

Retailers and Retail food → [Food Retail Report 2020](#)

Food Processing → [FPI Report 2020](#)

SECTION V. AGRICULTURAL AND FOOD IMPORTS

Germany's agricultural and related product imports from the United States totaled \$2.6 billion in 2019, an increase of almost 6% from 2018. In 2020, Germany's imports of U.S. agricultural and related products are down slightly. At time of writing in December 2020, post forecast Germany's imports of these products at \$2 billion.

The increase is mostly due to an increase in soybeans, pistachios, and some other commodities. Germany presents also a good market for processed food products like sauces, snacks, condiments, and confectionery products, distilled spirits, wine, craft beer, bread, pastry, cakes, as well as products with a special certification and healthy food snacks from the United States. The following table presents Germany's top 20 agricultural and food imports from the United States since 2015.

Top German imports from United States, in Million USD

HS Code	Commodity	2015	2016	2017	2018	2019
1201	Soybeans	560.6	574	614.8	532.6	754.2
080212	Almonds	480.6	356.1	344	342	327
080251 080252	Pistachios	108.9	56.6	123.8	147.1	227.9
080231 080232	Walnuts	190.1	168.1	152.1	196.4	142.7
030475	Alaska Pollock	102.1	107.1	103.7	97.2	114.9
030474	Hake (frozen fillets)	3.7	2.6	1.6	7.9	11.8
220421	Grape Wine	69.1	65.1	55.5	20.3	13.3
220830	Whiskies	92.0	83.8	89.4	102.0	75.2
030311	Salmon Sockeye (red) frozen	31	38.3	55	26.6	47.6
350790	Prepared Enzymes	46.4	46.7	40.6	36.2	33
08029010	Pecans	14.7	20.1	35	40.6	46.1
35040010	Protein Isolates	2.8	1.1	1	0.9	0.04

081320	Dried Prunes	32.2	27	21.7	17	14
080620	Raisins	17.3	20.2	20.5	10.7	11.2
1202	Peanuts	21.3	25	22	22.3	14.8
20081110	Peanut Butter	9	9.5	15	14	3.3
2103	Sauces and Preparations	14.4	14.5	16.4	16	18.2
22083019	Bourbon	14.3	14.2	13.1	14.2	15.8
020130	Beef (fresh/chilled)	35.1	16.3	11.9	12.7	9.8
020220	Beef (frozen)	3.9	3.8	4.9	2.9	12.2

(Source: TDM, last update: November 2020)

For more detailed U.S. trade statistics check [USDA's Global Agricultural Trade System](#) (GATS).

SECTION VI. KEY AND FURTHER INFORMATION

Homepages of potential interest to the U.S. food and beverage exporters are listed below:

Foreign Agricultural Service Berlin	https://de.usembassy.gov/
Foreign Agricultural Service Washington	https://www.fas.usda.gov/
USDA/FAS/Europe	http://www.fas-europe.org
U.S. Mission to the European Union	http://www.usda-eu.org

One tip for U.S. exporters is to access the German business portal, which is maintained by the Ministry of Economics and Technology. Provided in English, it serves as a central contact platform that can steer inquiries into the right channel. More information about the food and beverage sector can be found [here](#). If you have questions or comments regarding this report, or need assistance exporting to Germany, please contact the U.S. Foreign Agricultural Service Office in Berlin at the following address:

Foreign Agricultural Service
Embassy of United States of America
Clayallee 170
14195 Berlin
Tel: (49) (30) 8305 – 1150; E-Mail: AgBerlin@usda.gov; Homepage: www.fas-europe.org

Please view our [country](#) 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 Foreign Agricultural Service for use by U.S. exporters of U.S. food and beverage products.

Attachments:

No Attachments