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Report Highlights:

Germany has more than 83 million of the world's wealthiest consumers and is by far the biggest market in the European Union. The German market offers good opportunities for U.S. exporters of consumer-oriented agricultural products. In 2020, total U.S. exports of agricultural and related products to Germany reached \$1.6 billion. The largest segments were tree nuts, seafood 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. COVID-19 related lock-down and physical distancing measures heavily impacted the German food sector.

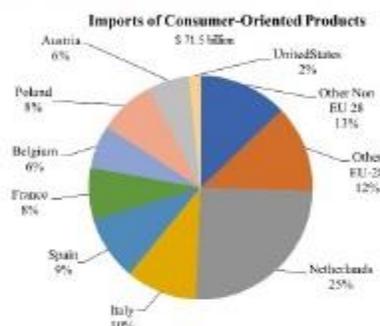
Market Fact Sheet: Germany

Executive Summary

Germany is the biggest market for food and beverages in the EU with 83.1 million consumers. In 2020, Germany's nominal GDP was over \$3.8 trillion¹, making it the world's 4th largest economy. 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. In 2020, imports of ag and related products reached \$116.4 billion². While 80 percent of these imports originated from other EU member states³, the United States was the largest supplier outside the bloc. Imports of agricultural products from the United States totaled \$2.4 billion in 2020.

Imports of Consumer-Oriented Products

In 2020, Germany imported consumer-oriented agricultural products worth \$71.5 billion; the majority (85 percent) of these originated from other EU member states.



Food Processing Industry

Germany's 6,163 food processing companies employ 614,063 people⁴. The sector is dominated by small and medium size companies, 90 percent of which have less than 250 employees. In 2020, the sector generated a turnover of roughly \$212 billion⁵, accounting for 5.6 percent of the German GDP. The largest subsectors by value were meat, dairy, bakery, confectionary, as well as processed fruits and vegetables accounting for 24.3, 15.5, 9.4, 7.8, and 6.3 percent, respectively.

Food Retail Industry

The sector is saturated, highly consolidated, and competitive. The top four retail groups together account for around 74.5 percent of the total revenue. Small neighborhood retailers continue to face strong competition from modern grocery retailers. Online food sales increased in the wake of the COVID-19 outbreak. Germans are generally price sensitive, but wealthy consumers are willing to pay a higher price for premium quality products..

Quick Facts CY 2020

Imports of Consumer-Oriented Products
\$71,502 (USD million)

List of Top 10 Growth Products in Host Country

- | | |
|----------------------|-------------------|
| 1) Pistachios | 2) Almonds |
| 3) Walnuts | 4) Alaska Pollock |
| 5) Food preparations | 6) Wine |
| 7) Hops | 8) Peanuts |
| 9) Bread & Pastry | 10) Cranberries |

Food Industry by Channels (USD billion) 2020

Food Industry Output	211.7
Food Exports	70.5
Food Imports	64.2
Retail	258.7
Food Service	61.2

Food Industry Gross Sales (USD Billion) 2020

Food Industry Revenues
- Food (Domestic market) USD 141.2

Top 10 Host Country Retailers

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

GDP/Population

Population (millions): 83.1
GDP (billions USD): 3,810
GDP per capita (USD): 45,878
Sources: TDM, BVE, Destatis, Lebensmittel Praxis

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, LLC (TDM), German Office of Statistics (Destatis), Federation of German Food and Drink Industries (BVE), Lebensmittel Praxis

Contact: FAS Berlin, Germany
AgBerlin@usda.gov

¹ Source: bit.ly/3x1C9yS/ 2020: 1 USD = EUR 0.8755

² Source: Trade Date Monitor, LLC (TDM) accessed on Dec 3

³ UK was still part of the EU Single Market & Customs Union in 2020.

⁴ BVE Statistical booklet: bit.ly/31omOU4

⁵ Exchange rate 2020: 1 USD = 0.8755 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. At the same time, Germany has an ageing society. The population of 60-79 year-olds increased by 0.5% in 2020 and amounted to 18.2 million¹. The 20-59 age group decreased by 0.4% and amounted to 43.7 million.

With a total GDP of \$3.8 trillion in 2020, Germany remains the largest economy in Europe. However, the German economy suffered a deep recession in 2020 as a result of the COVID-19 pandemic². This translated into a lower per capita GDP of \$45,878 (2019: \$46,564). The inflation rate was at 0.5%³. Unemployment was at 4.3 percent in 2020⁴, with a total of around 44.8 million employed persons⁵.

Germany is a major producer of food and agricultural products and a leading player in the global marketplace. Germany is also the world's third largest importer of agricultural products after the United States and China. In 2020, Germany imported consumer-oriented agricultural products worth \$71.5 billion⁶; the majority (85 percent) of these originated from other EU member states. Imports of consumer-oriented agricultural products from the United States totaled \$1.2 billion in 2020.

Imports from the United States consisted mostly of tree nuts, food preparations, wine, spirits, condiments & sauces, beef, and other consumer-oriented products. Germany's main trading partners of consumer-oriented agricultural products are other EU countries followed by Switzerland, Turkey, the United States, China, Vietnam, New Zealand, and Brazil. 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 as well as exotic foods.

Key market drivers and consumption trends

- Fair trade and organic products have become more important on 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.
- 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 (non-GMO, "free-range" eggs, vegetarian or vegan diet, etc.).

¹ Source: https://www.destatis.de/DE/Presse/Pressemitteilungen/2021/06/PD21_287_12411.html

² Source: https://www.destatis.de/EN/Press/2021/01/PE21_020_811.html

³ Source: <https://www.finanz-tools.de/inflation/inflationsraten-deutschland>

⁴ Source: <https://data.worldbank.org/indicator/SL.UEM.TOTL.ZS?locations=DE>

⁵ Source: https://www.destatis.de/EN/Press/2021/01/PE21_001_13321.html

⁶ Source: Trade Date Monitor, LLC (TDM) accessed on December 3, 2021

- Consumers increasingly require traceability and information about production methods. According to a report from the German Federal Ministry of Food and Agriculture published in May 2021, labelling becomes more and more important for consumers, especially the organic label, fair trade label, and the sustainable fishing label⁷.
- 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 as well as consumers' shopping and consumption patterns. With closure of schools and most shops and services, and many people working in a home-office setting, 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.

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, and 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

⁷ [Official nutrition report 2021 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
- 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 industries' 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.

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. They 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 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 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 duty 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 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 EU territory. This means U.S. products coming into Germany via another EU member state, for example the Netherlands, must clear customs there. No additional controls are carried out when crossing the border into Germany. For more information on import 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 of most products to Germany are typically other European competitors to the United States. The United States ranked twelfth of all countries in exports of customer-oriented agricultural products to Germany in 2020, but when accounting for the single market EU, the United States is a much larger source of imported customer-oriented products. Therefore, the biggest competition for German market share is with Switzerland and Turkey, which exported slightly more consumer-oriented products to Germany than the United States last year, and China, 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, LLC (TDM).

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

Product Category	Total German Imports 2020	Total German Imports from the USA	U.S. Import Growth (2016-2020)	Market attractiveness for USA
Soybeans	\$1,570,258,939	\$519,771,952	-9.5%	The U.S. became the top exporter of soybeans to Germany in 2018.
Tree nuts	\$3,594,120,182	\$828,676,878	+36.9%	The U.S. 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	\$1,779,256,978	\$9,210,088	+16%	While U.S. exports have grown over the past two years, German worldwide imports in this segment are decreasing.
Hops	\$100,422,596	\$35,097,011	+77.8%	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	\$64,058,758	\$2,043,862	+69.7%	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. The EU placed a 25 percent tariff on U.S. sweet potatoes in November 2020. In July 2021, the tariff was suspended for five years.
Pulses	\$163,177,368	\$7,194,875	+22%	Increased interest in pulses as alternative protein source.
Fish and Seafood	\$5,995,970,345	\$218,605,343	+10.6%	After a downward trend in 2018, demand in Germany is on the rise again. The EU placed an additional duty of 25 percent on some species of fish and mollusks in November 2020. In July 2021, the tariff was suspended for five years.
Whiskey	\$433,425,869	\$76,926,440	-8.2%	The U.S. is the second largest exporter of whiskies after the UK. The EU agreed to remove tariffs on American whiskey and bourbon in October 2021.

(Source: Trade Date Monitor, LLC (TDM) accessed on December 3, 2021)

b) Top consumer-oriented products imported from the world

Product	Total German Imports 2020	Total German Imports from the USA	U.S. Import Growth (2016-2020)
Cheese	\$4,749,470,470	\$2,310,469	+70.3%
Chocolate & Cocoa Products	\$3,758,113,070	\$3,413,179	+15.4%
Wine	\$3,015,924,595	\$56,508,616	-34.6%
Bread, Pastry, Cakes etc.	\$2,711,089,226	\$10,024,536	+18.6%
Food Preparations (nesoi)	\$2,024,370,614	\$62,406,068	+83.9%
Tomatoes, fresh or chilled	\$1,559,676,068	0	-

(Source: Trade Data Monitor, LLC (TDM) accessed on December 3, 2021)

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 2021](#)

Retailers and Retail food → [Food Retail Report 2021](#)

Food Processing → [FPI Report 2021](#)

SECTION V. AGRICULTURAL AND FOOD IMPORTS

Germany's agricultural and related product imports from the United States totaled \$2.4 billion in 2020, a decrease of more than 7.5 percent from 2019. In 2021, Germany's imports of U.S. agricultural and related products are down slightly (latest available trade data: January to August 2021). At time of writing in December 2021, post forecasts Germany's imports of these products at \$2 billion. Germany also offers a good market for processed food products like sauces, snacks, condiments, confectionery products, distilled spirits, wine, craft beer, bread, pastry, cakes, products with a special certification, and health food snacks from the United States. The following table presents Germany's top 20 agricultural and food imports from the United States since 2016 (in Million USD).

HS Code	Commodity	2016	2017	2018	2019	2020
1201	Soybeans	574	614.8	532.6	754.2	519.8
080212	Almonds	356.1	344	342	327	352.7
080251 080252	Pistachios	56.6	123.8	147.1	227.9	233.1
080231 080232	Walnuts	168.1	152.1	196.4	142.7	195.3
030475	Alaska Pollock	107.1	103.7	97.2	114.9	149.2
030474	Hake (frozen fillets)	2.6	1.6	7.9	11.8	4.9
220421	Grape Wine	65.1	55.5	20.3	13.3	15.5
220830	Whiskies	83.8	89.4	102.0	75.2	76.9
030311	Salmon Sockeye (red) frozen	38.3	55	26.6	47.6	28.1
350790	Prepared Enzymes	46.7	40.6	36.2	33	26.5
08029010	Pecans	20.1	35	40.6	46.1	38.5
35040010	Protein Isolates	1.1	1	0.9	0.04	5
081320	Dried Prunes	27	21.7	17	14	14.5
080620	Raisins	20.2	20.5	10.7	11.2	11.7
1202	Peanuts	25	22	22.3	14.8	15.4

20081110	Peanut Butter	9.5	15	14	3.3	0.04
2103	Sauces and Preparations	14.5	16.4	16	18.2	13.3
22083019	Bourbon	14.2	13.1	14.2	15.8	14.1
020130	Beef (fresh/chilled)	16.3	11.9	12.7	9.8	13.2
020220	Beef (frozen)	3.8	4.9	2.9	12.2	18.6

(Source: Trade Data Monitor, LLC (TDM) accessed on December 3, 2021)

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

SECTION VI. KEY CONTACTS 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
U.S. Department of Agriculture
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