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**Report Highlights:**

EU organic sales decreased slightly in 2022, but rebounded in 2023 due to recovering economic conditions. Despite the slowdown, good prospects for U.S. organic product exports to the EU remain. Trade shows like BioFach, the world's largest organic trade fair, provide an excellent gateway for U.S. companies to establish contact with business partners. This report provides an overview of the EU market, policy, and trade related to U.S. organic exports.

## **General Information:**

Disclaimer: This report presents the views of the authors and does not reflect the official views of the U.S. Department of Agriculture (USDA). The data is not official USDA data.

Unless otherwise noted, “EU” in this report refers to the [EU-27](#).

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## **Summary**

The United States (U.S.) - European Union (EU) organic equivalency arrangement went into effect on June 1, 2012. This streamlined trade between the world’s two largest organic markets as it enabled organic food and agricultural products certified in the United States or EU to be labeled and sold as organic in either market. Due to a lack of organic specific HS codes, it is difficult to exactly track trade in these products. As a result, FAS offices in the EU estimate that the EU market totaled \$55.1 billion (€46.6 million) in 2022. After a period of long-term growth, this is a slight 0.5 percent decrease from 2021 and is due to the difficult economic situation that member states faced that year and continue to experience.

Many organic markets in the EU still grew in 2022 but could not make up for the decrease in other countries. Despite the challenging economic situation with high inflation and tightening consumer wallets in 2023, EU organic sales continued to grow slightly. Final estimates are not yet available at the time of writing due to data gaps. Overall, the organic market in the EU is a rather resilient one due to a group of loyal consumers who do not base their purchasing decisions on price.

Germany and France remain the biggest organic markets within the EU. In 2022, the countries with the highest sales per person, per year of organic food and drinks were Denmark, Sweden, and Austria. The largest areas under organic management are in France, Spain, Italy, and Germany and together account for more than half of the EU organic area. EU FAS Posts estimate that in 2022, 16.7 million hectares or 41 million acres were under organic agricultural management in the EU, an increase of almost three

percent year-on-year. In 2023, this likely increased by about two percent reaching 17 million hectares or 42 million acres.

The high demand for organics in the EU, combined with the equivalency arrangement, creates trade opportunities for U.S. exporters. The EU offers market potential for U.S. organic sweet potatoes, fresh produce, dried fruits and nuts, specialty grains, and processed products. U.S. exporters will compete primarily on quality and price, but there are also good opportunities for innovative and premium products.

There is no doubt that U.S. companies are profiting from the long-term growth of the EU organic market. Unfortunately, official trade data covers just a fraction of international commerce in organic products as organic-specific Harmonized System (HS) codes are limited and exist for only specific commodities. Existing HS codes primarily cover fresh organic products like milk, fruits, and vegetables, but do not currently exist for most processed products or organic nuts. In general, the actual total of U.S. exports of organic products to the EU is much higher than the officially tracked numbers show.

*BioFach*, the world's largest organic trade show, offers a unique opportunity for both new-to-market players and established companies to meet new contacts, gather trade leads, and learn about the global organic market. *BioFach 2024* will be held in Nuremberg Germany, February 13-16, 2024. *BioFach* is an USDA-endorsed trade show.

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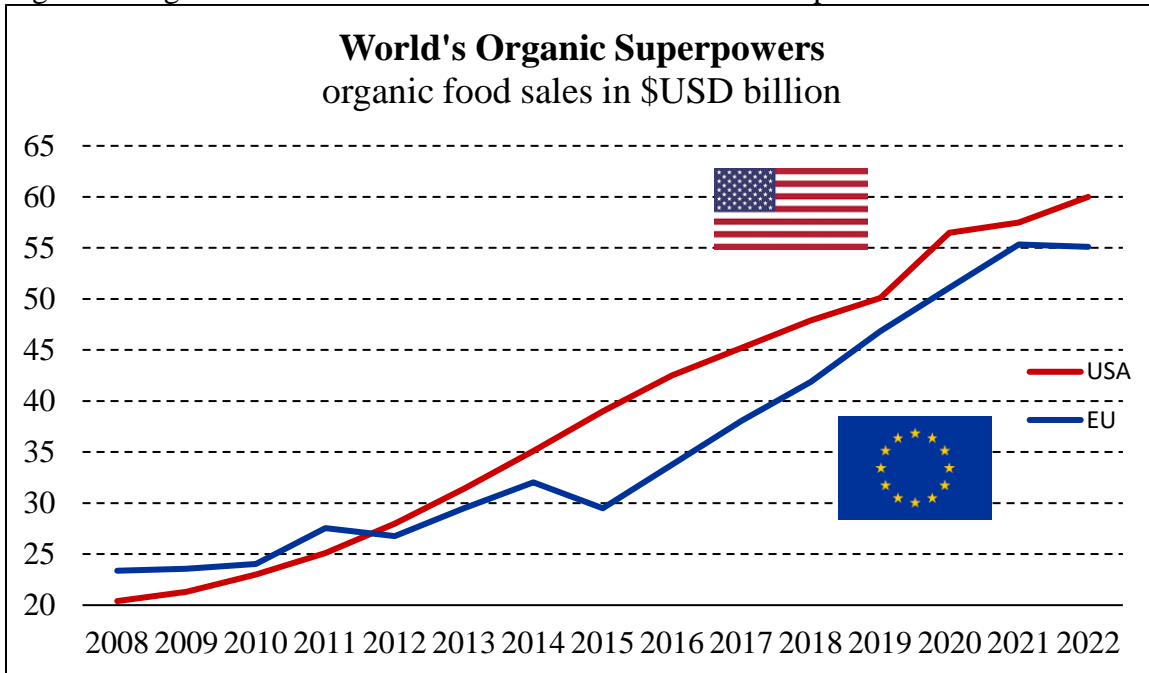
## Section I. The EU Organic Agricultural Market and Production

The United States and the EU are the world's largest organic markets. Both have shown tremendous growth rates in the last few years with the United States becoming the leading global organic food market in 2012. Both markets show a long-term upward trend and remain at high levels.

Due to a lack of organic specific HS codes, it is difficult to exactly track trade in these products. As a result, FAS offices in the EU estimate that the EU organic market totaled \$55.1 billion (€46.6 million) in 2022, which is an almost 0.5 percent decrease from 2021. Despite the difficult economic situation due to high inflation and tightening consumer wallets, EU organic sales are expected to grow somewhat in 2023. According to the U.S. Organic Trade Association (OTA), organic food sales in the United States

in 2022 reached \$60 billion for the first time ever, demonstrating the strength of the sector in the U.S. domestic market. For more information on the U.S. organic market please visit [OTA's webpage](#).

Figure 1: Organic Food Sales in the United States and the European Union



Source: Organic Trade Association (OTA), USDA/FAS Posts in EU

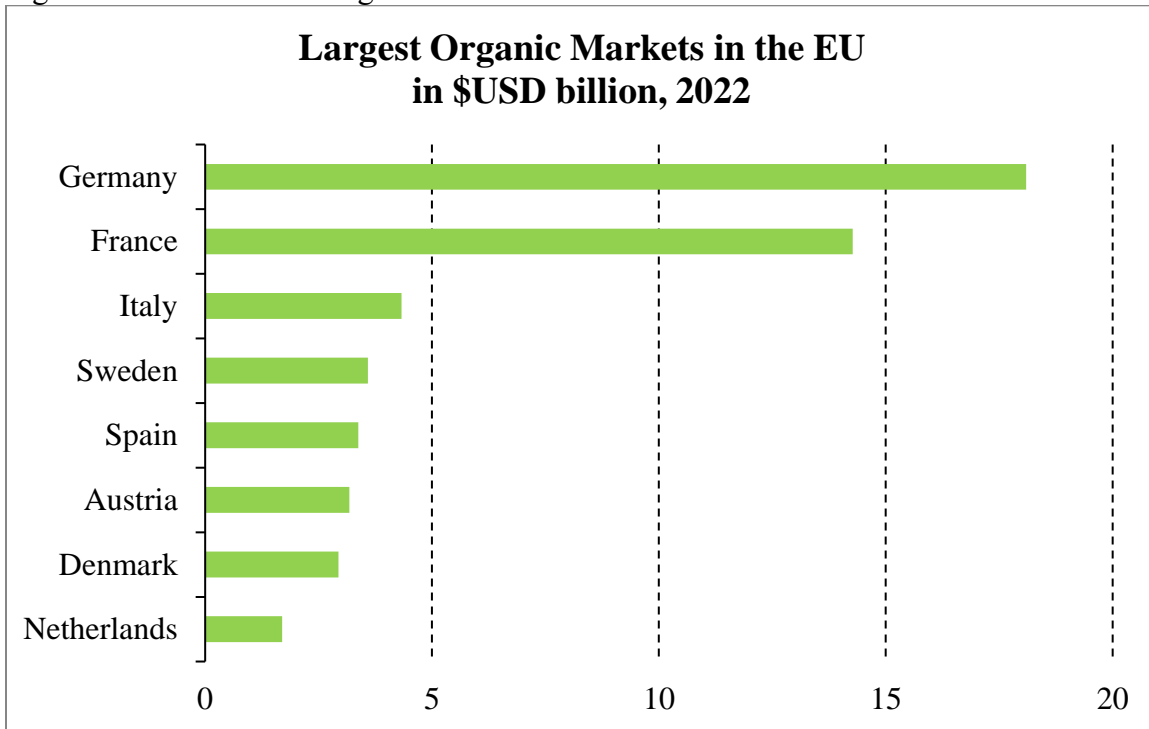
During the COVID-19 pandemic, organic sales saw a boost, as consumers increasingly tended to purchase foods which they regarded beneficial for their health and to be more sustainable and environmentally friendly. In 2022 and 2023, this changed as most EU member states experienced high inflation and lower disposable income. As a result, total EU organic food and drink sales declined slightly (-0.5 percent) in 2022 as consumers tried to save money by purchasing cheaper food. While this was a slight decline, it was the first time that EU organic sales did not grow since 2015. However, in 2023, FAS posts estimate an upward trend in EU organic sales, but not at the pace of previous years. This is due to the recovering EU economy which is stimulating consumer purchases of more organic food and beverage products. This is supported by consumer preferences to purchase products that they perceive support healthy lifestyles, are environmentally and climate friendly, and support regional food systems.

Final estimates for 2023 are not yet available at the time of writing due to data gaps. Looking at member state data that is available from 2022, despite the challenging economic situation, many organic markets in the EU still demonstrated growth but could not make up for the decrease in other countries. Countries like Lithuania, Latvia, Netherlands, Hungary, Greece, Spain, Austria, Poland, and Slovakia still showed double digit growth rates. In the same year, FAS Posts estimate declines in organic sales in Luxembourg, Finland, France, Germany, Estonia, Belgium, Slovenia, and Sweden. Overall, the organic market in the EU is a rather resilient one due to a group of loyal consumers who do not base their purchasing choice on price.

Germany and France remain the biggest organic markets within the EU, representing almost 60 percent of the market, followed by Italy, Sweden, Spain, Austria, Denmark, and the Netherlands. Preliminary data shows that in 2023 organic sales grew in Germany, and decreased in France. Additionally, the highest growth rates of organic sales in 2023 occurred in Latvia, Lithuania, Bulgaria, and Poland.

Long-term growth of the EU organic market is supported by the Green Deal and Farm to Fork strategies of the European Commission. In 2021, the EU Commission published the “EU Action Plan for the Development of Organic Production.” Under this strategy, the EU plans to boost production and consumption of organic products and to reach a target of 25 percent of organic agricultural land in the EU by 2030. More information can be found in Section IV – Organic Policy in the EU.

Figure 2: EU Countries’ Organic Market

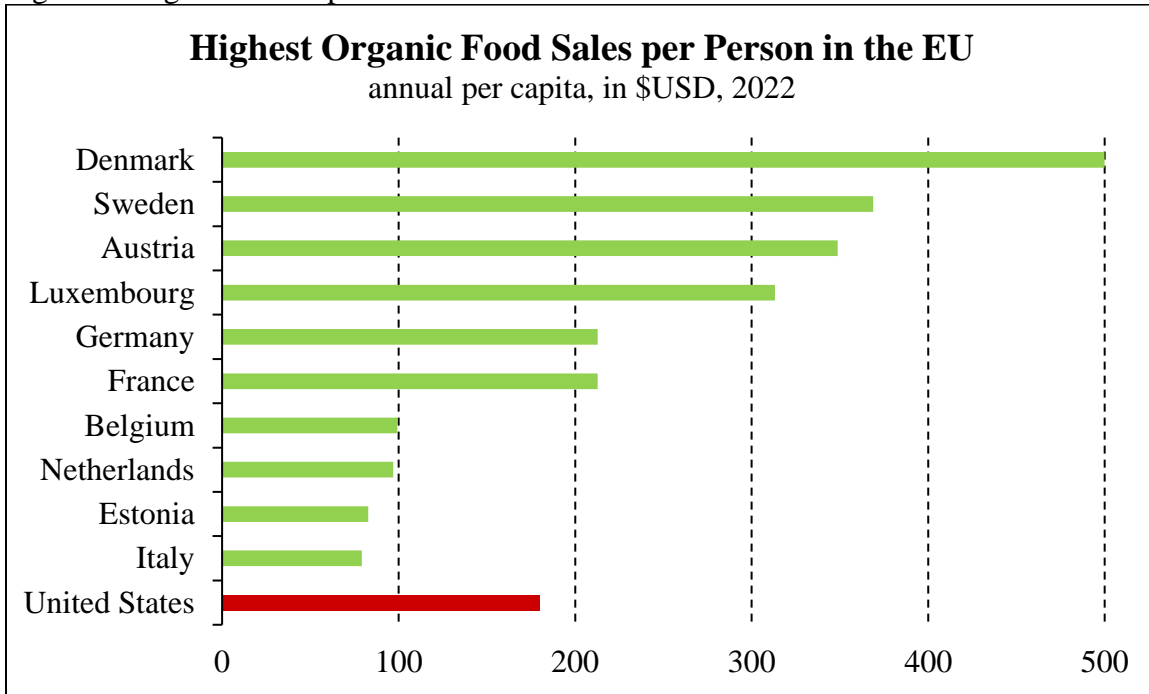


Source: USDA/FAS Posts in EU

An important driver behind the organic market in the EU is the predominance of large full-service supermarket chains. These chains place organic products on the shelves next to conventional products, resulting in a greater availability of organic products for a larger audience. Specialty organic stores also play an important role as they become more professional, open more storefronts, and offer a wider assortment of organic products than regular full-service supermarkets. The distribution of organic products differs considerably between member states. In Denmark, Sweden, and Austria, full-service supermarkets dominate the distribution of organic products. In Italy, the Netherlands, France, Belgium, Poland, Lithuania and Germany, the share of full-service supermarkets and organic specialty shops is more evenly divided.

In 2022, the countries with the highest sales per person, per year of organic food and drinks (totaling \$100 or more) were Denmark, Sweden, Austria, Luxembourg, Germany, and France. At the same time, there were a dozen member states, mainly in Eastern Europe, with sales of less than \$10 per person.

Figure 3: Organic Per Capita Sales



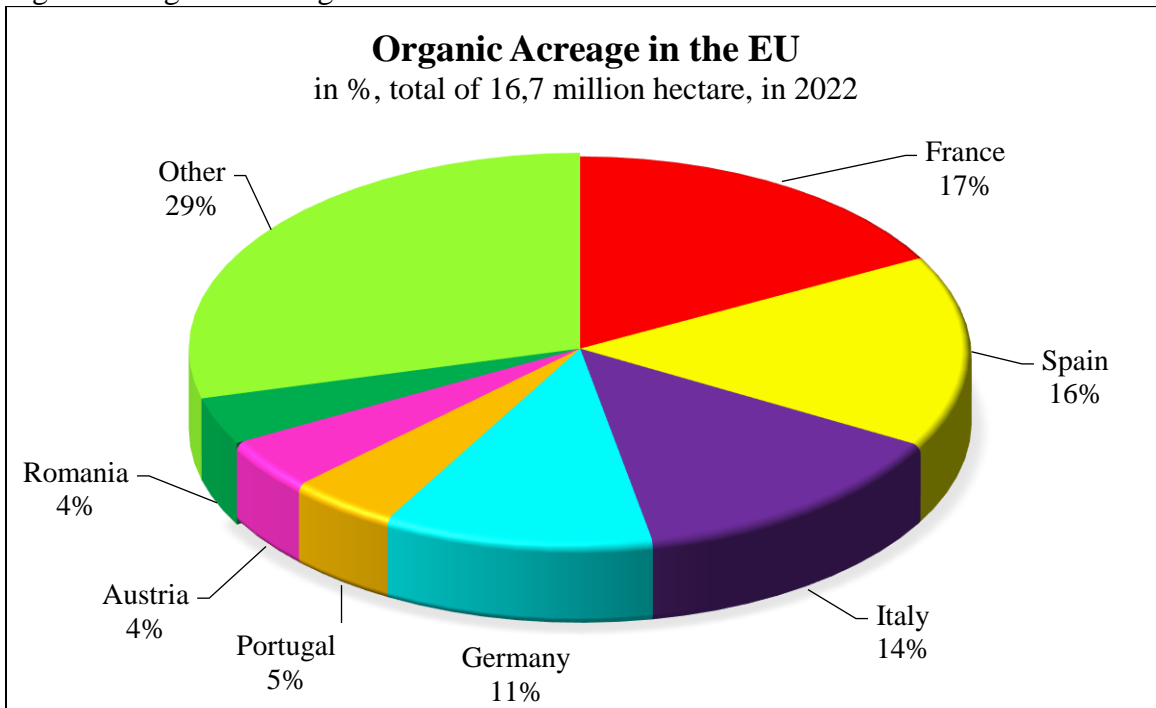
Source: USDA/FAS Posts in EU, FIBL, OTA

Consumers of organic products in Europe can be roughly divided into two groups. The first group, the so-called ‘regular buyers,’ is a rather small, committed group that has been buying organic products for decades. Although this group is small, it grew during the COVID-19 pandemic, and it is responsible for almost half of the EU’s organic sales. They tend to buy at organic specialty shops or farmers’ markets and price is not an important factor in making a purchasing decision.

The second, and much larger group, represents a different demographic. Double-income households with no children, older consumers (aged 50-75), parents with small children, and new-trend seekers fall into this group. They buy organic products for various reasons, including healthy lifestyle, food safety concerns, animal welfare, sustainability, quality, perceived taste, and innovative packaging. This so-called ‘light buyers’ group purchases organic products both at full-service supermarkets and in specialty shops. This is the group that shifted consumption patterns the most in 2022, buying less organic food than the year before. However, due to its size and diversity, it is this group that the organic industry should focus on to generate future growth.

The growing demand for organic products has led to an increase in organic production. Organic agricultural land in the EU has more than doubled in the past decade. The largest areas are in France, Spain, Italy, and Germany and together account for more than half of the EU organic area. EU FAS Post estimates show that in 2022, 16.7 million hectares or 41 million acres were under organic agricultural management in the EU, an increase of almost three percent year-on-year. In 2023, expectations are for a further increase of about two percent.

Figure 4: Organic Acreage in the EU



Source: USDA/FAS Posts in EU

About 45 percent of organic agricultural land in the EU is used for permanent organic grassland, with France, Spain, and Germany comprising the largest areas. Another 40 percent of the organic area is used for arable crops. The largest arable crop groups are green fodder and cereal production with the largest areas found in Italy, Spain, and France. Over 10 percent is being used to grow permanent crops (i.e., trees, vines, and shrubs), of which two-thirds are in Spain, Italy, and France. Most of this land is used to produce olives, grapes, and nuts. The proportion of agricultural land farmed organically differs widely between EU member states. The highest share of area dedicated to organic farming is reported in Austria, followed by Estonia, Sweden, Italy, Czech Republic, Finland, Latvia, and Denmark.

## Section II. Exports of U.S. Organic Food

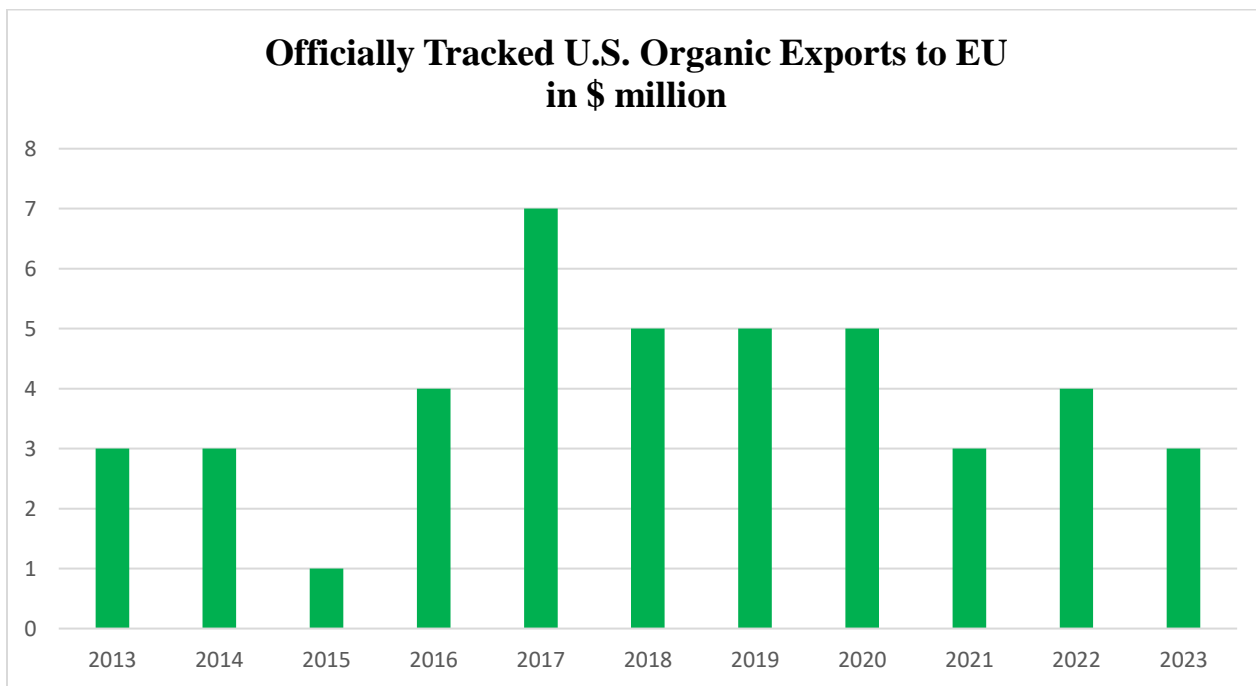
In 2022, global U.S. organic food exports were officially valued at \$678 million. Canada and Mexico are still by far the largest markets followed by Japan, Taiwan, and South Korea. Note that tracking of organic food exports only began in 2011 and the current “Harmonized System” (HS)<sup>1</sup> codes for organic products cover only a fraction of total organic trade (in the following text referred to as “select U.S. organic exports”). Existing HS codes primarily cover organic fresh products like milk, fruits, and vegetables, but do not currently exist for most processed products or organic nuts. Actual U.S. exports of organic products globally are estimated to be much higher.

The source of the following trade data is the [U.S. Census Bureau Trade Data](#) retrieved from USDA’s [Global Agricultural Trade System Online](#) (GATS). Please see the Annex I: “Current List of U.S. Export Codes” for further information on the HS tariff codes for organic products.

### Select U.S. Organic Exports to EU

After a significant decline in 2021, exports of U.S. organic tracked products to the EU rebound to \$3.6 million in 2022. In 2023, select U.S. organic exports to the EU again declined by 22 percent compared to the previous year, ending at \$2.8 million.

Figure 5: U.S. Organic Exports to EU



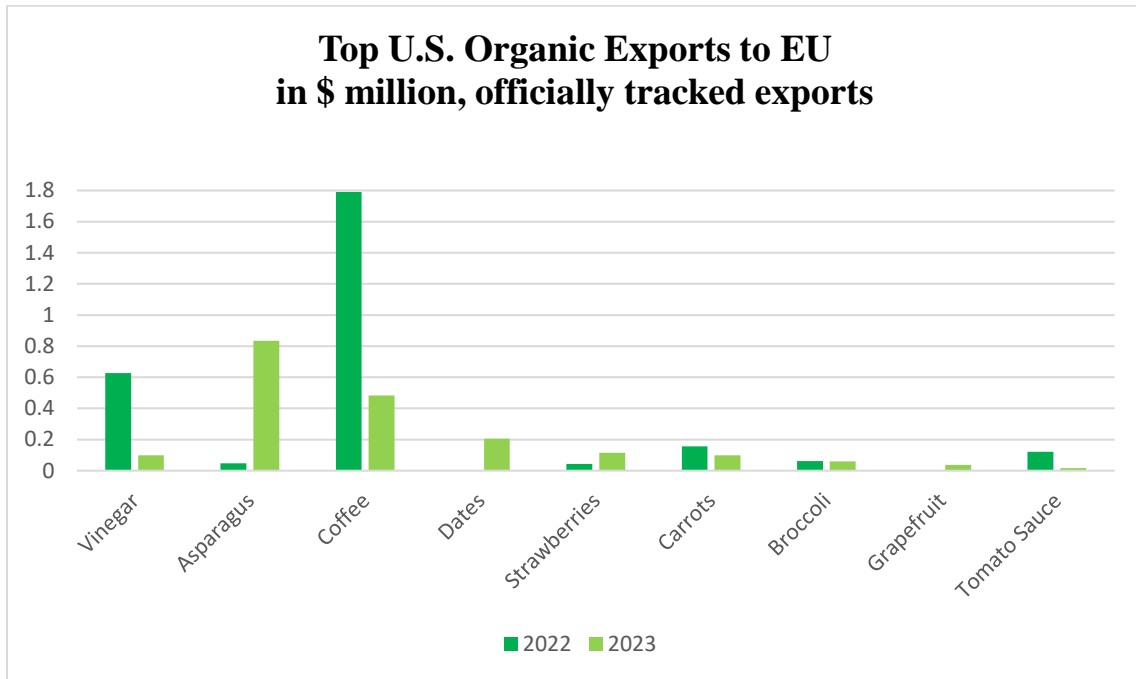
Source: U.S. Census Bureau Trade Data

<sup>1</sup>The Harmonized Commodity Description and Coding System, also known as the Harmonized System (HS) is a standardized international system to classify traded products.



In 2023, the top U.S. organic products exported to the EU were vinegar, asparagus, coffee, dates, strawberries, carrots, broccoli, grapefruit, and tomato sauce. The United States’ top organic product exports to the EU significantly change every year. This is due to price fluctuations and the supply situation in the United States, as well as the demand situation in the EU. In general, this is also more characteristic of the fresh food market than for processed food. Good opportunities exist for fresh produce during the European winter when local supply is lower and for products which are not or only insignificantly produced in the EU.

Figure 6. Top U.S Organic Exports to EU



Source: U.S. Census Bureau Trade Data

**Belgium, and the Netherlands are the most important EU importers**

The United Kingdom exited the European Customs Union in January 2021. Prior to this, it had been the largest importer of select U.S. organic products to the EU. In 2022, Belgium and the Netherlands were the top importers of U.S. organic products within the remaining EU-27 followed by Germany, Ireland, and Spain. These five countries together account for some 88 percent of U.S. organic imports by the EU in this year. Major EU importers act as distributors and transship organic products to other EU member states.

### **Section III. The EU-U.S. Organic Equivalence Cooperation Arrangement**

The EU and the United States signed the [EU-U.S. Organic Equivalency Arrangement](#) in 2012. Under the Arrangement, the EU recognizes the USDA National Organic Program (NOP) as equivalent to the EU Organic Program (under applicable EU regulations) and allows U.S. organic products to be marketed as “organic” in the EU using the EU organic logo. The Arrangement is limited to organic products of U.S. origin, either produced within the U.S. or where the final processing or packaging occurs within the United States. The United States recognized the EU Organic program in the same way. Since 2012, this partnership has streamlined trade between the two largest organic producers in the world. It provides organic farmers and businesses access to a growing combined market.

With the new Organic Regulation (more details in Section IV), the EU now requires trade agreements in place of equivalence arrangements. As part of the changes, the EU will cancel all existing equivalence arrangements on December 31, 2026, and require new international agreements to establish equivalence beginning on January 1, 2027, five years after the entry into force of the new regulation. To avoid trade disruptions, all non-EU countries, including the United States, that are currently recognized as equivalent must replace their equivalence arrangements with international agreements. The new agreement will aim to recognize that the non-EU country has a “system of production meeting the same objectives and principles by applying rules which ensure the same level of assurance of conformity as those of the Union.” Currently, Chile, Switzerland, and the United Kingdom have signed an [Agreement with the EU on trade in organic products](#). The United States and the EU have begun technical discussions with the goal of updating the current equivalence by the deadline to prevent any trade disruptions.

### **Section IV. Organic Policy in the EU**

On January 1, 2022, the EU Regulation on Organic Production and Labeling of Organic Products: [Regulation \(EU\) 2018/848](#), entered into force. This Regulation outlines the objectives and principles of organic agriculture in the EU, fixes general production rules, and describes the EU's organic production standards, control system, and labeling requirements. The new Organic Regulation introduces regulatory changes for both the production of organic products in the European Union and for imported organics.

#### **Scope**

The scope of the organic rules is enlarged to cover a wider list of products than the previous legislation. New products include salt, cork, beeswax, maté, vine leaves, essential oils, and palm hearts. The full list can be found in Annex I of the Regulation. It also lists additional production rules for livestock farming for deer, rabbits, and poultry.

## Labeling

There are no significant changes to the labeling rules in the 2018 Regulation. The term “organic” and all its derivatives or diminutives such as “bio” and “eco” may be used only to label products that comply with EU organic production rules and if at least 95 percent of the ingredients of agricultural origin are organic. For products containing less than 95 percent organic ingredients, the term “organic” may be used only to indicate individual organic ingredients in the list of ingredients. When reference is made to the organic production method in the ingredients list, the total percentage of organic ingredients must be indicated. Products containing genetically modified organisms (GMOs) or produced with GMOs cannot be labeled as organic.



The use of the EU organic logo is mandatory on all pre-packaged organic products produced in the EU. Organic products imported from non-EU countries may carry the EU organic logo if they comply with EU production rules. When the EU organic logo appears on the label, the indication of the place of farming is required. This indication may be classified as ‘non-EU Agriculture,’ where the agricultural raw material has been farmed outside of the EU. However, ‘non-EU’ may be replaced or supplemented by the name of a country, or by the name of a region if all the agricultural raw materials of which the product is composed have been farmed in that region.

## Food production

The 2018 Organic Regulation introduced stricter rules for the use of natural flavoring in organic food preparations. Under [Regulation 2018/848](#), only natural flavorings originating from the mentioned ingredients can be used in organic processing. For example, only ‘natural strawberry flavoring’ is allowed, which means that the flavoring must be at least 95% obtained from strawberries. In this case, strawberry extracts are allowed. Under the new Organic Regulation, flavorings are regarded as agricultural ingredients. This means that the maximum permissible amount of conventional flavorings in an organic product, together with all other non-organic ingredients, shall not exceed 5% of the total agricultural ingredients.

[Regulation 2018/848](#) also limits the use of additives and processing aids to produce food and feed. Only certain products and substances are authorized for use in the production of processed organic food and feed, alongside yeast. The list of products and substances that may be used in the production of organic processed products is listed in Part IV of Annex II of the Regulation.

## Organic Pet Food

In October 2023, the European Union adopted [Regulation 2023/2419](#) on the labeling of organic pet food. Pet food can now be labeled with the EU organic production logo if 95 percent of its agricultural ingredients are organic. The new rules make the EU organic production logo mandatory for prepacked organic pet food. Organic pet food labeled in accordance with national rules or private standards accepted by the Member States between January 1, 2022 and October 30, 2023 may be placed on the market until stocks are exhausted. For more information, please see [GAIN Report EU Adopts New Rules for Organic Pet Food](#).

## Certification

The EU has implemented a system of electronic Certificates of Inspection (COI) for imports of organic products in the EU. The COI has to be issued by the relevant control authority or control body before a consignment leaves a third country of export or origin, but [Commission Regulation 2021/2306](#) allows that the information contained in the transport document is checked and included in the certificate of inspection by the relevant control authority or control body within maximum 10 days from the issuance of the certificate, as long as it is before the endorsement of the certificate by a member state's authorities.

More information here:

- [EU Commission Organics Page](#)
- [Commission Notice Questions and answers on the application of EU rules on import controls on products from third countries intended to be placed on the EU market as organic products or in-conversion products.](#)

## EU Action Plan for the Development of Organic Production

On March 25, 2021, the Commission published the [EU Action Plan for the Development of Organic Production](#). As part of Europe's Farm to Fork Strategy, the aim of the Action Plan is to boost the consumption of organic products and to reach a target of 25 percent of EU agricultural land in organic production by 2030. To do so, the Commission encourages member states to develop national organic action plans as part of their [National Strategic Plans](#) under the Common Agricultural Policy. The Commission, however, does not require national targets for organic production. Success of the Action Plan will depend on implementation at the member state level and how the EU member states encourage increased production and promotion of organic products as well as consumer willingness to buy organic. For more information on the Action plan, please see [GAIN Report EU Commission Unveils EU Organic Action Plan](#).

In December 2023 the European Environment Agency published [a report](#) that states that the EU is not on track to meet its targets set by the EU Action Plan on Organic Farming. Although the policies currently in place are expected to increase the share of organic farming, this will not be enough to meet the target of 25 percent by 2030. The growth rate is projected to remain stable and to lead to a 15 percent organic farming area share in 2030 with the assumption of a growing demand and continuing policy support.

## Section V. Trade Opportunities for U.S. exporters on the EU organic market

The growing market for organic products in the EU combined with the U.S.-EU arrangement has created more opportunities for U.S. exporters. Generally, U.S. commodities and ingredients compete on price and quality, however, finding niches for innovative and premium packaged products is also possible. There is a strong preference for local and regional foods over imported food in the EU. As a result, commodities where there is no local/regional alternative may be more successful. There are opportunities for U.S. exporters in the following markets:

- The market for **sweet potatoes** and sweet potato products is growing. EU demand for potato varieties is high. The United States is a good year-round supplier of sweet potatoes at competitive prices.
- There is a market for **fresh vegetables** like carrots, onions, broccoli, and lettuce, particularly in the Netherlands.
- **Processed vegetables** are in demand in the Nordic region due to limited local availability.
- **Pulses**, especially beans and lentils, are increasingly becoming popular in north-western Europe because of a growing demand for vegan and healthy food products. Local supply is not meeting the demand.
- In countries with no local availability, there is demand for a great variety of **fresh fruit** from the United States. There is seasonal (October through March) demand for apples and, to a lesser extent, pears in north-western and central Europe. Demand in the same region is also strong for U.S. citrus (grapefruit and tangelos). There is year-round growing demand for fresh, dried, sweetened cranberries. There is also growing demand for other fruits such as grapes, strawberries, and cherries.
- Driven by the healthy snack and baking industry, there is a strong growing demand for **tree nuts** from the United States, especially for hazelnuts, pecans, almonds, walnuts, and pistachios.
- Growing consumer awareness and, therefore, demand for **specialty grains** is also increasing. High interest from the baking industry adds to this demand.
- Demand for U.S. **organic processed products** is especially high in Germany and the Nordic region. Consumers are increasingly looking for healthy snacks (cereal/nut bars), organic confectionary products, maple sugar and syrup, and organic beverages.

## VI. Market Development

The Organic Trade Association (OTA) has a wealth of information and experience in helping U.S. companies in their endeavors to expand business overseas. Information about the OTA and how it assists the U.S. organic industry can be found at <https://ota.com/>.

In addition to OTA, there are various other trade associations that can be of assistance in promoting your organic commodities in the EU. An overview of U.S. commodity cooperators can be found at <https://www.fas.usda.gov/topics/getting-started>. Note that not all U.S. cooperators have programs for the EU.

Trade shows are excellent venues for U.S. exporters to connect with potential business partners, to conduct product introductions and to gauge buyers' interest. *BioFach* is the largest international trade show for organic products in the world. *BioFach* is USDA-endorsed. More information about *BioFach* can be found at <https://www.biofach.de/en>.

The *Nordic Organic Food Fair*, which takes place in Malmö, Sweden provides an excellent platform for U.S. companies that wish to sell organic, as well as sustainable certified food products and beverages to buyers based in the Nordic region. Detailed information about the trade show can be found at [www.nordicorganicexpo.com](http://www.nordicorganicexpo.com).

The *Free From Food Expo* which takes place in Amsterdam, the Netherlands and Barcelona, Spain also focuses on organic products. It attracts buyers from not only the Netherlands and Spain but also from other European countries. The product focus ranges from ingredients to finished products. More information can be found at [www.freefromfoodexpo.com](http://www.freefromfoodexpo.com).

*Fruit Logistica* (<https://www.fruitlogistica.com/en/>) is a regional (European) trade show that also attracts buyers of organic fresh produce, nuts, and dried fruits from around the world. This show is also USDA-endorsed with an U.S. pavilion.

U.S. exporters of organic food ingredients should consider exhibiting or visiting the *Food Ingredients* (<https://www.figlobal.com/fieurope>) or *Vitafoods* (<https://www.vitafoods.eu.com/>) trade shows. These shows attract many in the food processing industry.

There are also numerous regional organic shows throughout Europe. For example, *Bio Beurs* is the leading organic event in the Netherlands where mostly Dutch suppliers exhibit their latest food products and technologies. If you are interested in one of the regional shows, please contact the responsible FAS office for more information ([www.fas-europe.org/countries/](http://www.fas-europe.org/countries/)).

Finally, trade shows like ANUGA or SIAL attract mainly buyers of specialty and retail-ready products and are therefore best suited for exporters of U.S. organic processed products like confectionary products, snacks, and baby food. More detailed information about the 2023 USDA-endorsed shows in Europe can be found at [www.fas-europe.org](http://www.fas-europe.org).

## **VII. Post Contact and Further Information**

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

FAS/Washington <http://www.fas.usda.gov/>

USDA/FAS/Europe <http://www.fas-europe.org/>

U.S. Mission to the European Union <https://www.usda-eu.org/>

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

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 Email: [AgBerlin@state.gov](mailto:AgBerlin@state.gov)  
 Home Page: [www.fas-europe.org](http://www.fas-europe.org)

## Annex I

### Current list of U.S. organic export HS codes

The first organic HS<sup>2</sup> codes were introduced to the Harmonized Tariff Schedule of the United States in 2011. The list of organic product groups tracked in the HS system has expanded over the years, with the last addition of organic HS codes to the system in 2018. The Harmonized Tariff Schedule has not been able to keep up with the ever-expanding list of organic products available on the global market. As a result, there is a gap between actual trade and the data associated with HS organic codes. There is a different set for exports and imports of organic products. Less than four dozen organic products for U.S. exports have their own classification coding. Everything else is not categorized as organic in this system. Despite these shortcomings, the HS system provides a useful tool for tracking covered products and to track the export dynamics for those specific products.

### List of Organic Export Commodities Covered in the Harmonized Tariff Schedule of the United States

HS Commodity Code	Aggregate Name	Start Date
701900070	Organic Potatoes Fr/Ch Xsd Oth	1/1/2011
702000015	Organic Cherry Tomato Fr/Ch	1/1/2011
702000025	Organic Roma Plum Tomato Fr/Ch	1/1/2011
702000035	Organic Tomato Other Fr/Ch	1/1/2011
703100010	Organic Onion Sets Fr/Ch	1/1/2011
704100010	Organic Cauliflower Fr/Ch	1/1/2011
704904025	Organic Broccoli Fr/Ch	1/1/2011
705110010	Organic Head Lettuce Fr/Ch	1/1/2011
709400010	Organic Celery Fr/Ch	1/1/2011
709600010	Organic Peppers Fr/Ch	1/1/2011
709700010	Organic Spinach Fr/Ch	1/1/2011
805100045	Organic Oranges Fr/Dr	1/1/2011
805502010	Organic Lemons Fr/Dr	1/1/2011

<sup>2</sup> The Harmonized Commodity Description and Coding System, also known as the Harmonized System (HS) is a standardized international system to classify traded products.



<b>HS Commodity Code</b>	<b>Aggregate Name</b>	<b>Start Date</b>
806100010	Organic Grapes Fresh	1/1/2011
808100010	Organic Apples Fresh	1/1/2011
810100010	Organic Strawberries Fresh	1/1/2011
810400026	Organic Cult Blueberries Fresh	1/1/2011
901210010	Organic Coffee Roast Not Decaf	1/1/2011
2103204010	Organic Tomato Sauce Ex Ketchp	1/1/2011
704902010	Organic Cabbage Fr/Ch	1/1/2012
707000010	Organic Cucumbers Fr/Ch	1/1/2012
805400010	Organic Grapefruit Fresh	1/1/2012
808300010	Organic Pears Fresh	1/1/2012
809290010	Organic Cherries Fresh	1/1/2012
705190020	Organic Lettuce Not Head Fr/Ch	1/1/2015
705190030	Organic Lettuce Not Head Fr/Ch	1/1/2015
705190040	Organic Lettuce Not Head Fr/Ch	1/1/2015
706103020	Organic Carrots Fr/Ch	1/1/2015
706103030	Organic Carrots Fr/Ch	1/1/2015
706903100	Organic Beet Fr/Ch	1/1/2015
708101000	Organic Peas Fr/Ch	1/1/2015
709202000	Organic Asparagus Fr/Ch	1/1/2015
805505010	Organic Limes Fr/Dr	1/1/2015
807111000	Organic Watermelon Fresh	1/1/2015
809301000	Organic Peach/Nectarin Fresh	1/1/2015
810202000	Organic Berries Fresh	1/1/2015
401201000	Organic Milk	7/1/2016
2005100010	Organic Vegetables Prep/NT FZ	7/1/2017
2007100010	Organic Fruit Prep	7/1/2017
2209000010	Organic Vinegar and Substitutes	1/1/2018

Source Notes: United States' export and import statistics on the above-mentioned organic products can be obtained through the USDA's Global Agricultural Trade System Online (GATS):

<https://apps.fas.usda.gov/gats/default.aspx?publish=1> by running a standard query and selecting "Organics-Selected" under "Product Groups".



## Annex II

### EU Organic Single Country Markets

The Foreign Agricultural Service produces country reports on the organic markets in select European Union (EU) member states. These reports can be downloaded from the FAS website under the following link: [FAS EU Single Country Reports](#)

Please also see below for summary on some EU markets:

#### Austria

Austria is one of the leading countries in organic production and consumption in the world. It has the highest percentage of agricultural land under organic management within the European Union (EU) and one of the highest per capita expenditures for organic products. For 2022, the RollAma<sup>3</sup> survey reports Austrian organic sales to be at €2.69 billion, which is a new high. Despite a difficult market environment caused by high inflation and a significantly increased cost of living, organic sales increased by over five percent or €162 million compared to 2021. In the first half of 2023, organic purchases in food retail still remained stable at 11.5 percent. The most important organic outlets are conventional supermarket chains. There are good market prospects for U.S. organic products which are not locally produced.

#### Belgium

Belgium's organic sector experienced continual growth over the past decade. This growth plateaued over the past two years, largely due to inflation which reached almost 16 percent on food in the first semester of 2023 compared to the same period in 2022. Consumers continue to prefer to buy conventional products to lower the cost of their grocery bills. Most organic foods are sold in hypermarkets and supermarkets, but specialized stores are also very popular with consumers.

#### Bulgaria

The Bulgarian area under organic production increased sharply in 2022 to 110,441 hectare (ha) (2.2 percent of total agricultural land). This followed a sharp decline in 2021 when the organic area bottomed out at 86,310 ha, the lowest on record. The growth in 2022 was at 28 percent year-on-year and was due to recertification of some organic farms and more favorable domestic support. According to trade sources, area continued to expand in 2023. However, it still remains at around two percent of total agricultural land.

The share of fully converted and certified organic area declined by 14 percent compared to 2021. Due to the emergence of new producers in 2022, the share of certified land dropped to 55 percent in 2022 compared to 82 percent in 2021. It is expected that this trend will be more pronounced in 2023 due to more domestic support funds encouraging new players.

The number of the organic operators decreased from 4,913 in 2021 to 4,863 in 2022. This represents 5.9 percent of all registered farmers compared to 6.4 percent in 2021. About 27 percent of the organic area

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<sup>3</sup> RollAMA is a quarterly agricultural and food marketing study conducted by [keyQuest](#) by order of Agrarmarkt Austria Marketing – [“AMA” Marketing](#).

is represented by hayfields and pastures, followed by orchards at 20 percent, and grains with a share of 17 percent.

Despite inflation, consumers were loyal and maintained a steady interest in organic food. This steady interest was supported by healthy lifestyle trends and a growing and diversified supply in the retail sector. Despite being on an upward trend, the share of organic food sales remains at only one percent of total food sales (5.0 EUR/person estimated for 2023) as compared to other EU member states.

### **Croatia**

Croatia is an emerging market for organic food. Imports dominate this niche market. Export opportunities are to be found in fresh produce, dried fruits and nuts, specialty grains and processed products. Affordability, availability, and choice of organic products are the key factors motivating purchases by price sensitive Croatian consumers. Croatia's organic production is steadily growing year on year.

### **Czech Republic**

The total area of agricultural land under organic management continues to slowly increase, reaching 575,464 ha in 2022. This accounts for 16 percent of total acreage. Furthermore, the number of organic-certified farms reached 5,050, a 5 percent increase over the previous year. About 80 percent of the organic area is represented by hayfields and pastures, while the remaining 20 percent consists of vineyards, hop fields, and grains. In 2023 Czech consumers were impacted by unprecedentedly high inflation. This resulted in very price-sensitive shopping behavior. Consequently, the previous upward trend slowed down and the share annual of organic food sales remained at about 24 EUR/person.

### **Denmark**

Sales of organic products are expected to remain robust due to strong interest in healthy, nutritious, and sustainably produced food products. There is a loyal group of consumers that prioritize organic products and the values behind that choice, a choice that is not based on price. They rest on a strong foundation that can stand a change in the wind. For another group of less dedicated consumers of organics, inflation is putting pressure on the sales of organic foods and some of these consumers are switching to conventional and even private labeled food products, and discount stores.

### **Finland**

Last year 15.5 percent of Finland's arable land, or over 350,000 hectares (ha), was organic, an increase of three percent compared to 2022. The largest amount of organic land, over 40,000 ha, is in North Ostrobothnia. In 2023, there were an estimated 5,000 organic farms in Finland. Organic farms account for about 11 percent of all farms. Last year, organic sales totaled €370 million, and sales declined by one percent compared to 2022 due to rising costs of living and the food choices consumers are making as a result.

## France

Starting 2022, organic production has slowly started to decline in France with 60,088 certified organic farms as of August 31, 2023, compared to 60,483 as of December 31, 2022. This is a very slight dip, however the decline in production could continue if the government does not reevaluate its financial support to this sector. Additionally, due to rising inflation and depreciation of purchasing power, sales of organic food products decreased by -4.6 percent in 2022 compared to 2021. Animal production sectors (pork, beef) suffer from overproduction. The increase in production costs weighs on the profitability of all producers and threatens the sustainability of organic agriculture. Organic products make up more than six percent of household food consumption. Although they buy less, French consumers remain attached to organic products.

## Germany

**Politics:** On November 16, 2023, the Ministry of Food and Agriculture, led by the Greens, presented its organic strategy with 30 measures to reach its goal of having 30 percent of agricultural land under organic production by 2030. These measures include intensifying research to increase yields in organic agriculture, educating consumers about the benefits of organic farming, and establishing a higher percentage of organic food used in canteens and restaurants. The strategy emphasizes the political support for the organic sector, but due to a lack of financing to implement the measures, it will probably have only a minor impact on future market developments.

**Production:** Organic farms accounted for 11 percent of agricultural land used in 2022. Compared to 2015, this is an increase of over 70 percent. However, the yearly conversion rates to organic agriculture have slowed down in recent years. Most experts agree that we will see a further increase but that under current conditions (lack of financial means) the Ministry's goal of 30 percent organic agriculture will not be reached in six years (2030).

**Sales:** At €15.3 billion, 2022 organic sales in Germany were 3.5 percent down from 2021 but still 25 percent above the pre-COVID-19 year of 2019. Germany's organic market experienced decline for the first time in 2021. While final numbers were not available at time of writing, in 2023 sales appear to be consolidating and will likely to reach 2021 levels again. Sales growth is currently driven primarily by higher prices rather than increased sales volumes.

**Marketing channels:** The importance of retailers (especially discounters) for the organic market continues to grow in Germany.

## Greece

Inflation is having a downtrend effect on organic produce sales in Greece due to a combination of the increasing price of farming inputs, transportation, and storage costs. Greek consumers continued to struggle with domestic economic recession, high unemployment rates and shrinking disposable incomes at the end of 2023. This climate is key for determining consumption patterns and behaviors in all areas, including organic food. Greeks remain price sensitive and frugal in their spending, trying to save money whenever possible and in every possible way. This pushed consumers away from organic food, given the significantly higher retail price of organic products, after a positive uptick during the COVID-19 pandemic.

## Hungary

As a result of EU co-financed support programs, the area of organic farmland significantly increased in 2019 (by 44 percent, to 303,190 ha), and has remained relatively stable since that time. In January 2023, a new call for grant applications was launched for the support of ecological farming in Hungary. The grant scheme, co-funded by the EU and Government of Hungary, allocates €113 million to this initiative. Hungary's Agriculture Ministry commented that the state would provide 80 percent co-financing to rural development grants and subsidies in the multi-year financial period of 2021-2027. The aim is to increase the area of agricultural land farmed organically. With the new measure, the total amount of subsidies for organic farming will increase significantly (co-financed from governmental and EU funds).

By the end of 2022, organic farms accounted for 6.4 percent (325,729 ha) of the total area of agricultural land. Fifty-two percent of these fields (169,437 ha) were pastures. The share of organic row crop production (129,097 ha) was 39.6 percent, and that of the organic fruit production was 6.5 percent (21,243 ha).

Price sensitivity is still a decisive factor for Hungarian consumers. This being said, health consciousness and environmental concerns are often prioritized in buyers' decision-making process. Imports dominate Hungary's organic market.

## Ireland

Ireland's organics sector receives government funding under the EU's Common Agricultural Policy, Ireland's Organics Strategy (covering 2019-2025), and is supported by Ireland's Minister of State at the Department of Agriculture Pippa Hackett, an organic farmer. Ireland has assembled an Organic Strategy Forum, which is expected to publish an updated organics strategy in spring 2024. There are three schemes supporting organics in Ireland: The Organic Farming Scheme, the Organic Capital Investment Scheme which is part of the Targeted Agricultural Modernization Scheme (TAMS 3), and the Organic Processing Investment Grant. In 2023, the Organic Farming Scheme signed up 2,000 farmers, part of the overarching government objective to turn 7.5 percent of Ireland's agricultural land into organics farms by 2030. In 2021, only two percent of Ireland's agricultural area was used for organic farms. In 2023, it is estimated that four percent of agricultural area is organic or in the two-year transition period to qualify as organic. An estimated 1,000 farmers are expected to sign up to the organic farming scheme in 2024.

In Ireland, the majority of organic farmers raise livestock including cattle for beef production (over 2,000) or sheep. The success of the Organic Farming Scheme will depend on farmers receiving sufficient government reimbursements to offset costs of organic certification. Grant funding under the Organic Capital Investment Scheme and Organic Processing Investment Grant have received limited interest from Irish farmers, due to extensive documentation and administrative processing times for reimbursement.

In November 2021, Bord Bia Ireland's food, drink and horticultural promotion organization estimated that the organic market in Ireland is expected to grow annually, by nine percent. Teagasc, the Agriculture and Food Development Authority in Ireland estimates that 73 percent of Irish shippers are willing to pay a premium for Irish organic products.

## Netherlands

Spending on organic food has been on the rise for a long period of time. Between 2015 and 2019, sales increased by five to eight percent per year. In 2020, due to COVID-19, organic sales dropped while a recovery was visible in 2021. The trend of growing sales continued in 2022 and sales stabilized in 2023 due to the rising costs of living in the Netherlands (rising prices for food, energy, housing, etc.) that is driving especially less loyal consumers to purchase conventional food, private labeled products, further processed foodstuffs, and visit discount stores. About a year ago, the Dutch Minister of Agriculture presented to Parliament the Organic Action Plan which includes the ambition to increase the area of organic farmland to 15 percent by 2023. Funding is available to facilitate the conversion from conventional to organic as well as to stimulate an increase of the consumption of organic products.

## Poland

The value of the Polish organic food market is estimated at PLN 1.5 billion. This represents less than 0.5 percent of the value of the food market in Poland. The average Pole spends about € 8.0 on organic food annually. It is still a niche market, although its development prospects are high. Until 2021, this market was growing at a double-digit rate per year, the COVID -19 pandemic accelerated this development. Consumers looking for healthy food have turned to organic products. Organic food on the Polish market is much more expensive than conventional. In Poland the main factor determining demand remains price.

Data from the Agricultural and Food Quality Inspection service's "Report on the state of organic farming" indicates that in 2021 there were over 21,800 organic farms operating in Poland, i.e., 7.5 percent more compared to 2020. In 2022 the number of organic producers increased by another five percent. The area of agricultural land under organic production increased to 550,000 ha, or 3.5 percent of Poland's agricultural land.

In 2022, the majority of organic agricultural producers, 92.7 percent, ran farms engaged solely in row crop or horticultural production. Only 7.3 percent of farms maintained organic livestock. Also in 2022, 37 percent of organic farms also practiced non-organic production.

In terms of average annual expenditure on organic food, Poland differs significantly from other countries. A few years ago, spending on organic food was €6 per person per year, now it is about €8.

## Portugal

The addition of Portugal to the list of top organic producing countries within Europe is allowing the country to become a new power. More than 715,000 ha are now certified, which means that 18 percent of the useful agricultural area in Portugal is already organic.

In 2019, the government set a goal to double agricultural land certified as organic over a three-year period. It achieved this by 2022. Given that only seven percent of Portuguese agricultural area was certified organic three years ago, the government's strategy to boost organic agriculture in recent years has been successful. At the time of writing a total of 12,800 producers, spread throughout the country, are certified to produce organically.

A recent survey found that almost half of the Portuguese respondents surveyed prioritize environmental sustainability. However, when it comes to daily expenses and grocery purchases (46 percent), the price barrier is limiting organic consumption in a highly price-sensitive country. Inflation and increasing costs of living have further accentuated this situation.

### **Romania**

The Romanian organic area expanded to 644,519 ha of both certified and under conversion land in 2022, an increase of 11 percent over 2021. Consequently, the share of the total area under organic farming in Romania rose from 4.4 percent in 2021 to 5.1 percent in 2022. At the same time, the number of the organic operators grew by eight percent from 12,231 in 2021 to 13,260 in 2022. About 40 percent of the organic area is represented by hayfields and pastures, followed by the area under grains, with a share of 25 percent. Though altered by inflation, consumers maintain a steady interest in organic food supported by a growing and diversified range of organic products in the retail stores. Despite being on an upward trend, the share of organic food sales remains low (€4.6 per person estimated for 2023) as compared to other EU member states.

### **Slovakia**

Although the total area of agricultural land covers 48.4 percent of Slovakia, it is dominated with typical large-block fields with a low degree of environmental stability and a large average farm acreage. Nevertheless, organic management continues to grow. Starting from an 11.5 percent share under organic production in 2022, Slovakia is striving towards the goal of 13.5 percent by 2030. The sales volume of organic food products is still relatively low.

### **Slovenia**

The organic sector in Slovenia continues to grow slowly but steadily. In 2022, the area under certified organic management decreased by six percent or 2,580 ha to 42,181 ha, but the area of agricultural land under conversion increased by 3,955 ha (56 percent). During the same year, the number of organic farms increased by about two percent to 3,786. Over 80 percent of the organic farmland is permanent grassland. Slovenian consumption of organic food is at a rather low level.

### **Spain**

The organic sector in Spain continues to grow, both in production and in consumption, a fact that has been made evident in the recent “Organic Production and Consumption in Spain Annual Report” by Ecovalia. The total market for organic products in Spain in 2022 reached €2.8 billion, of which €2.5 billion correspond to the market value of consumption at home. The total average expenditure per capita was €60 per person per year, of which €53.20 corresponds to consumption in the household.

The organic basket in Spain during 2022 was made up of 64 percent organic products of plant origin, mainly fruit (14 percent) and vegetables (10 percent), and 36 percent of products of animal origin, mainly meat (27 percent). The average price of organic products stood at €3.90/kg in 2022. The average price of organic plant products was €2.47/kg, while for animal origin products it was €6.64/kg. It should be noted that, although the variation in the average price of organic products in Spain was 7.32 percent, this percentage increased to 8.70 percent for non-organic products.

## **Sweden**

The organic market in Sweden grew by 2.5 percent in 2022 to SEK 33.8 billion. The organic share of total food sales landed at 8.2 percent in 2022.

The development looks very different for the different sales channels. Changing consumption habits during the pandemic and high food prices affect the figures the most. Direct farm to consumer sales of organic food increased by 5.9 percent in 2022. Organic sales at the Alcohol Monopoly Systembolaget decreased in value, but the organic share increased as the share of conventional drinks has decreased even more. In public kitchens, such as schools and hospitals, the market share is relatively stable, but the sales value has increased significantly. The same development has taken place at full-service restaurants.

The big loss is in food retail, both in value and in volume. A total of SEK 309 billion worth of food was sold in 2022. Of this, SEK 19 billion, or six percent, was organic.

The negative sales trend for organic food in the trade has impacted Swedish agriculture. At the moment, still roughly one-fifth of all agricultural land in Sweden, or 564,000 ha, is farmed organically. However, after many years of increased organic farming, the trend is now turning downwards. Reduced sales of organic food products and at times low farmer prices are forcing some organic farmers to leave organic production. It has also resulted in fewer farmers making the switch from conventional to organic. A forecast up to 2024 shows that the organically cultivated agricultural area in 2024 will be down by 44 ha.

In 2022, food prices overshadowed the perceived benefits of organic food in consumer purchasing decisions. However, Sweden is still one of the countries in the world with the highest organic consumption per capita. The Swedish organic certification brand KRAV has a high awareness among Swedes with the vast majority of the Swedes knowing the Krav brand to some extent.

## **Attachments:**

No Attachments.