The organic market in Germany - highlights 2019

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Highlights 2019

- Both, Supermarkets and Discounters were very active extending their product ranges
- Natural food stores are on the rise again, with bigger volumes and slightly lower prices
- Stabile consumer prices for many organic products while conventional products were slightly higher
- Fruit, vegetables and milk/dairy grew most, and also dry assortment grew most
- Growth generally due to higher volumes
- Bigger differences between EU-organic and Organic of the organic associations
- Conversion since 2016 has enlarged the offer of milk, pork, eggs and cereals
- Imports of cereals have decreased with bigger domestic supply
- **Organic Market grew by 9.7 % up to 11.97 billion EUR – approx. 5.7 % organic share of the food market**
Organic food sales in Germany
In billion EUR excl. Catering

Ingesamt
Other sales channels
Bakeries, butchers, fruit & vegetable shops, farmer’s markets, small farm shops, Online shops, health food shops, petrol stations

Natural food stores
Incl. big farm shops with more than 50,000 EUR additional purchase

Supermarkets
Incl. drug stores

<table>
<thead>
<tr>
<th>Year</th>
<th>Supermarkets</th>
<th>Natural food stores</th>
<th>Other sales channels</th>
<th>Ingesamt</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>4.21</td>
<td>2.47</td>
<td>1.49</td>
<td>8.17</td>
</tr>
<tr>
<td>2015</td>
<td>4.76</td>
<td>2.71</td>
<td>1.51</td>
<td>8.98</td>
</tr>
<tr>
<td>2016</td>
<td>5.45</td>
<td>2.85</td>
<td>1.54</td>
<td>9.84</td>
</tr>
<tr>
<td>2017</td>
<td>5.92</td>
<td>2.91</td>
<td>1.51</td>
<td>10.34</td>
</tr>
<tr>
<td>2018</td>
<td>6.40</td>
<td>2.93</td>
<td>1.58</td>
<td>10.91</td>
</tr>
<tr>
<td>2019</td>
<td>7.13</td>
<td>3.18</td>
<td>1.66</td>
<td>11.97</td>
</tr>
</tbody>
</table>

Source: Arbeitskreis Biomarkt
Organic shares are rising

Organic share of the total food market in Germany, in %

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Increasing purchases for most products

Growth rates of sales volumes and sales values of household purchases in Germany, 2019 vs. 2018 in %

Potatoes: Sales values - 34.4%
Vegetables: Sales values - 21.7%
Fruit: Sales values - 17.6%
Cheese: Sales values - 15.0%
Milk: Sales values - 15.0%
Flour: Sales values - 14.8%
Meat: Sales values - 13.0%
Yoghurt: Sales values - 11.7%
Butter: Sales values - 11.1%
Sausage products: Sales values - 10.2%
Vegetable Oils: Sales values - 9.9%
Poultry: Sales values - 9.6%
Eggs: Sales values - 8.6%
Bread: Sales values - 3.0%

Sales volumes:

Potatoes: 15.5%
Vegetables: 16.8%
Fruit: 16.7%
Cheese: 16.0%
Milk: 13.8%
Flour: 18.0%
Meat: 14.7%
Yoghurt: 12.6%
Butter: 10.0%
Sausage products: 6.8%
Poultry: 8.4%
Eggs: 7.9%
Bread: -4.3%

Source: AMI based on GfK-Household Panel
## Consumer prices remain stable

Consumer prices for organic fresh products, growth rates, in %

<table>
<thead>
<tr>
<th>Category</th>
<th>2019 vs. 2018</th>
<th>2018 vs. 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh Produce*</td>
<td>0.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Beef</td>
<td>-1.9</td>
<td>1.8</td>
</tr>
<tr>
<td>Pork</td>
<td>-4.6</td>
<td>5.1</td>
</tr>
<tr>
<td>Poultry</td>
<td>-1.3</td>
<td>-3.4</td>
</tr>
<tr>
<td>Sausage products</td>
<td>-2.9</td>
<td>-0.2</td>
</tr>
<tr>
<td>Eggs</td>
<td>-0.4</td>
<td>4.3</td>
</tr>
<tr>
<td>Fruit</td>
<td></td>
<td>3.5</td>
</tr>
<tr>
<td>Vegetables</td>
<td>-0.4</td>
<td>0.1</td>
</tr>
<tr>
<td>Potatoes</td>
<td>0.2</td>
<td>-8.6</td>
</tr>
<tr>
<td>Milk/dairy</td>
<td>1.3</td>
<td>2.7</td>
</tr>
<tr>
<td>Cheese</td>
<td>-6.1</td>
<td>-0.4</td>
</tr>
<tr>
<td>Vegetable Oils</td>
<td>2.4</td>
<td>-5.9</td>
</tr>
<tr>
<td>Bread/bakery</td>
<td></td>
<td>-0.4</td>
</tr>
</tbody>
</table>

* Sum of all mentioned organic products

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Source: AMI-Consumer Price Panel
Organic shares of different products

Organic shares of household purchases of fresh products in Germany 2019, volume shares in %

- Milk substitutes: 69.9%
- Meat substitutes: 44.4%
- Eggs: 14.1%
- Milk: 10.1%
- Vegetable Oils: 9.2%
- Vegetable: 8.1%
- Yoghurt: 7.4%
- Potatoes: 6.9%
- Fruit: 6.8%
- Bread: 4.1%
- Butter: 3.7%
- Cheese: 3.2%
- Meat: 2.6%
- Milk drinks: 2.3%
- Poultry: 1.8%
- Sausage products: 1.6%

Source: AMI based on GfK-Household Panel
Organic Area and growth rate

Organic Agricultural Area in Germany in 1,000 ha and growth rate compared to previous year in %

Growth rate in %

Agricultural area in 1,000 ha

Source: BLE, BÖLW (for 2019)
Since 2015 More Arable Land
Organic Production and Growth Rate in Germany 2015 - 2019, in %

Organic Arable
in 1.000 ha
+ 53

Organic Pork
in 1.000 t carcase weight
+ 57

Organic Eggs
in billion pieces
+ 40

Source: AMI

<table>
<thead>
<tr>
<th>Year</th>
<th>Organic Arable</th>
<th>Organic Pork</th>
<th>Organic Eggs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>445</td>
<td>19.8</td>
<td>1.20</td>
</tr>
<tr>
<td>2017</td>
<td>510</td>
<td>22.5</td>
<td>1.35</td>
</tr>
<tr>
<td>2019*</td>
<td>560</td>
<td>25.7</td>
<td>1.47</td>
</tr>
<tr>
<td></td>
<td>620</td>
<td>29.9</td>
<td>1.58</td>
</tr>
<tr>
<td></td>
<td>680</td>
<td>31.0</td>
<td>1.68</td>
</tr>
</tbody>
</table>

* 2019 AMI-Estimation

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Organic Milk production grows most

Organic Production and Growth Rate in Germany 2015 - 2019, in %

Organic Grassland in 1.000 ha

Organic Milk in million kg

Organic beef in 1.000 t carcase weight

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Estimation: AMI, BLE
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