

## Prices of organic products on the domestic market.

The prices quoted below are those at the Organic shop at Kabalagala. Please note that this is what the consumers pay. The prices on average include margins of 20-40% for the shop, which means that the farmer's price is about 60-80% of this price.

Product	Unit	UnitPrice Ugx	Product	Unit	UnitPrice Ugx
<b>Fresh fruits</b>			<b>Spices</b>		
Papaya	pc	3,000	Mastard green	Bundle	2,000
Guavas	kg	4,000	Rucola	Bundle	2,000
Avocado	pc	1,000	Basil	bundle	1,500
Bogoya	cluster	6,000	Parsley	bundle	1,500
Bananas	cluster	2,500	Spring onions	bundle	1,000
Oranges	kg	2,000	Rosemary bundle		1,000
Pineapple	pc	3,500	Mint leaves	bundle	1,500
Sweet melon	pc	3,000	Ginger	kg	8,000
Water melon	pc	6,000	Celery	Bundle	2,000
Passion fruits	kg	6,000	Coriander	Bundle	1,000
Lemons	kg	3,000	Garlic	Bulb	1,000
Limes	kg	12,000	Garlic	Kg	25,000
<b>Fresh vegetables</b>			<b>PROCESSED PRODUCTS</b>		
Carrots	kg	3,000	Passionfruit juice (concentrate)	1 litre	15,000
Beetroot	kg	5,000	Peanut butter	400g	5,000
Broccoli	head	3,000	Simsim Paste	400g	5,000
Tomatoes	kg	5,000	Onion powder		
Red cabbage	head	4,000	mixed with garlic	120g	3,000
Pumpkins	pc	3,000	Artemisia	35g	4,000
Cabbage green	head	1,500	Shea butter plain, lemons, citronella	280g @	8,000
Cauliflower	head	3,000	Shea butter with papaya, avocado	280g	10,000
Cucumber	kg	3,000	Sweet table wines white/red	750ml	15,000
Eggplants	kg	2,000	Peppermint powder	Tin	10,000
Fresh mushrooms	kg	8,000	Mulondo powder	Tin	10,000
French beans	Kg	3,000	Oregano powder	Tin	6,000
Leeks	kg	4,000	Green tea	60g	10,000
Kale	bundles	1,000	Dried beans	Kg	4,000
Salads	bundle	2,500	Pineapple juice (ready to drink)	330mls	1,000
Green pepper	kg	4,000	Aloe Vera tea leaves	120g	5,000
Spinach	bundle	1,000	Organic mukene powder (small silver fish)	200g	5,000
Pack choi	kg	3,000	Organic nkeje powder (medium silver fish)	200g	5,000
Onions	kg	3,500	Organic Ggobe Powder	200g	4,000
Irish potatoes	kg	2,000	Katunkuma powder	200g	4,000
Sweet potatoes	kg	2,000	Moringa leaf powder	Tin	6,000
Zucchini	kg	4,000	Gyno formula (for ladies)	0.7ltr	10,000
Beans Fresh	kg	5,000	Mosquito repellent @		3,000
Dodo	bundle	1,000			
Green peas	kg	16,000			
Jobyo	bundle	1,000			
Nakati	bundle	1,000			
Bbuga	bundle	1,000			
Free range eggs @400 (tray-12,000)					
Local Chicken whole		40,000			



Shop Organic- Kabalagala

## Organic Fresh fruit and vegetable importers on the international market

Name Company	Country	Tel:	Website
Altromercato	Italy	+39 458008081	www.altromercato.it
Nussbaumer GmbH	Austria	+43 316712007	www.nussbaumer.co.at
Dole Europe Import	Belgium	+32 35412455	www.doleeurope.com
Special Fruit	Belgium	+32 33170660	www.specialfruit.be
Univeg	Belgium	+32 15324200	www.univeg.com
Satotukku Oy	Finland	+358 248080800	www.satotukku.fi/english
Naturkost Ernst Weber	Germany	+49 897463420	www.naturkostweber.de
Port International Organics	Germany	+49 4030100035	www.port-international.com
Sekem Europe	Germany	+49 2348936995	www.sekem.com
Eosta	Netherlands	+31 180635500	www.eosta.nl
GR Organics International	Netherlands	+31 252620948	www.gr-organics.nl
Trading Organic Agriculture	Netherlands	+31 20074499	www.tradinorganic.com
HPW	Switzerland	+41 628348060	www.hp Wag.ch
VARISTOR	Switzerland	+41 562665075	www.varistor.ch
Urenbio / Uren Food Group	UK	+44 1513530330	www.urenbio.co.uk
El Puente Import und Vertrieb	Germany	+49 506934890	www.el-puente.de
Oxfam Fairtrade	Belgium	+32 92188899	www.oft.be
Grüner Punkt Naturkost	Germany	+49 990118172	www.gruener-punkt-naturkost.de
AgroFair Benelux	Netherlands	+31 180643900	www.agrofair.com
Antonio Muñoz y Cia	Spain	+34 968278200	www.amcgrupo.eu
Gebana	Suisse	+41 433666500	www.gebana.com
Equal Exchange	UK	+44 7747767400	www.equalexchange.coop
Freeworld Trading	UK	+44 1315575600	www.freeworld-trading.co.uk
Rapunzel Naturkost	Germany	+49 83305290	www.rapunzel.de
Worlee NaturProdukte	Germany	+49 40733330	nr.worlee.de
Van Oers	Netherlands	+31 165305200	www.vanoersvegetables.com

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# Bio-Market Place



January - March 2012

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Picture: A section of Food Emporium supermarket in the USA

## What is in this Bulletin?

The global organic market has registered an impressive growth rate in demand, one of the fastest in the world, in the last couple of years, thus presenting an opportunity for organic producers to scale up their production. By the end of 2011, a lot of changes were noted in the organic market, which might have a bearing on the market trends in the first quarter of 2012. Yet, for both existing and potential exporters as well as traders in the domestic markets and farmers, information on these changes is important in making informed decisions on where to invest. The bulletin further informs the reader about organic market

prices, organic buyers (Fruits and Vegetables) and important upcoming marketing events.

This issue of the *Bio-Market Place (January-March 2012)*, the first quarterly organic market news bulletin comes at a time when actors in the global organic trade sector are preparing to participate in Biofach 2012 (February 15-18) in Nuremberg, Germany. Biofach Germany, an annual event, is the world's biggest organic trade fair. Nearly 90% of the buyers and sellers of organic products meet here.

**UP COMING EVENTS:** • BIOFACH, 15-18 Feb. 2012. Nuremberg Germany.  
• Fancy food show, USA . June 2012

## Disclaimer:

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**Highlights of Organic Market Trends (International):**  
Constantly growing demand for organic

Overall, sales are growing in the Germany, France and Italy due to the specialized organic trade. Countries with economic difficulties like Great Britain, have to cope with a decrease in sales (Kai Kreuzer, Organic Market-info, December, 2011). The organic world is now looking forward to the big event: Biofach 2012, the World Organic Trade Fair, and the parallel Vivaness, Trade Fair for Natural Personal Care and Wellness. For international organic players, it's time again from 15-18 February 2012, when some 2,500 exhibitors (2011: 2,544) and 44,000 trade visitors are expected. A special highlight at the fair is the **Bioafrican pavilion**, the umbrella under which some 30 African exhibitors will be showcasing their organic products.

According to Amarjit Sahota, Managing Director of London-based corporate consultant **Organic Monitor**, organic products worth **59 billion US dollars** landed in the shopping baskets of customers **around the globe** in 2010, North America is still the biggest single market ahead of Europe. *The*

**Organic sector in the USA enjoyed 8 % growth** in 2010 compared with 1 % in the conventional food market (*OTA*, Organic Industry Survey 2011, USA). Organic sales thus reached 28.6 billion US dollars (21.6 billion euro). In the non-food segment, food supplements lead the ranking - up 7 % to 681 million US dollars. Organic fibres (cotton and linen) achieved sales of 605 million US dollars (+16 %) and body care 490 million US dollars (+7 %). When asked about packaging, three-quarters (75%) of Americans believe many consumer products are over-packaged and about one-quarter will look elsewhere. Minimal packaging is most preferred among consumers, followed by recyclable packaging and use of packaging materials that are environmentally-friendly (Natural Marketing Institute (NMI) annual U.S. LOHAS Consumer Trends Study). According to NMI Managing Partner Steve French, "The 'less is more' trend continues to resonate with consumers. Marketers can maintain current and attract new consumers by using less packaging and 'greener' packaging materials. Specifically, 'renewable' and 'plant-based' materials are rated most environmentally-friendly among consumers."

As so, businesses should promote the use of post-consumer recycled packaging as well as incorporating new environmental materials where applicable. Consumers are showing increasing adoption of new (and easily executed) behaviors that can save the planet. However, companies should be careful not to use environmentally-friendly packaging at the expense of the product or its experi-

ence. In the end, environmentally-friendly packaging can help consumers feel better about their choice - without sacrifice.



**Pineapples parked for export**

Compared with the previous year, the estimated total **sales of organic products in Germany in 2010** remained steady at **5.9 billion euro** and thus just under 6 billion euro again (*GfK, Nielsen, Biovista*). In 2011, 16 new specialist organic stores (200 - 400 m<sup>2</sup>) and 50 organic supermarkets (over 400 m<sup>2</sup>) were opened - including five relocations with expansion of retail space. Research by *Organic-Market-Info* has revealed that, by the end of the year, a total of 30,000 m<sup>2</sup> of retail space in 66 large-scale stores was created (loss of retail area arising from relocation or taking over businesses has been factored in). Organic-Market-Info shows that, at the beginning of 2012 in Germany, there are **625 specialist organic stores** and organic supermarkets with retail space in excess of 200 m<sup>2</sup>. Since 2000, between 25 and 83 of these large-scale specialist wholefood stores have been launched every year, with 2007 being the high point. Above all, it was the big chains that determined the pace, and they occupied many of the new premises (*Corinna Offenej/Kai Kreuzer, Organic Market-info*).

**France occupies second place** in the European ranking of strong-selling organic markets and has considerable growth rates to show. Organic sales in 2010 were 3.4 billion euro and the market share of the whole French food market was 2 %. The convincing range of products offered by a variety of newly founded organic supermarkets is one of the main reasons for this boom. Market drivers are mainly the regional organic chains, retailers and the national networks *Biocoop* and *Biomonde*. The use of organic food in industrial catering (school canteens and refectories) has trebled from 2008 to 2010.

**In Belgium** the organic market there grew by a spectacular 20 % to 421 million euro in the same year, according to information from the Belgian organic association Bioforum. Studies by market researcher GfK show an annual per head spending of 38 euros on organically produced food. This is because more and more new customers are delighted with organic products, spend more on average per shopping trip and go

shopping more frequently. But as in many other countries too, 78 % of organic sales are attributed to a relatively small share of loyal customers - the heavy users.

**In the Netherlands**, organic sales in Dutch supermarkets in the first half of 2011 were up 29 % over the comparable period of the previous year, with sales at 195 million euros, reports the organic federation Bionext. Growth in the specialist retail trade is reported as unchanged between five and ten per cent. The Organic Farming Development Task Force expected sales of 800 million euros for the organic sector in 2011. The sales growth charts are headed by dairy products with 44%, followed by meat products with 40 % and eggs with 36 %. Fruit and vegetables (including potatoes) increased by 26 %.

**The market in the Netherlands** grew by 13% in 2010, while sales rose to € 752 million (Bionext). The share of organic food on the total food market was 1.7 %. Almost every second euro spent on organic food went to *Albert Heijn* and other conventional supermarket chains (market share: 45 %). With an increase of 19 %, this sales channel is clearly ahead of the organic food retail trade, which recorded a growth of 4 %. **Organic food retail** has as a market share of 35 %. The catering sector saw a particularly strong growth (21 %). Canteens and cafeterias accounted for 12 %, and other marketing channels (eg direct marketing) for 8 % (an increase of 13 %).

**The Italian market** for organic food is traditionally determined by the independent organic food retail trade, which grew from 700 to 800 million euros (+14 %) in 2010. Organic products in the conventional trade also grew from 450 to 500 million euro (+11 %). The most important organic food shops in Italy belong to *EcorNaturasi*, the largest chain with 88 organic supermarkets, two restaurants and a butchery. Their sales in 2010 rose by just under 20 % to 112 million euro. The out-of-home catering segments and other marketing channels like farm shops and weekly markets each accounted for 250 million euros. Whereas organic products worth 1.8 billion euros were sold on the domestic market, exports achieved another billion euro. The Italian organic sector thus increased by altogether 300 million euros (12 %) in 2010.

**Organic sector sales in Sweden were up 13 %** from the equivalent of 793 million Euro to 897 million euros in 2010. The organic share of the total food market was 3.1 % (Ekoweb, Sweden). The industrial catering segment achieved 35 % growth, and the hotels and restaurants 13 % more. In the retail trade, especially the state-licensed Systembolaget shops with their range of alcoholic drinks expanded rapidly, with a rise in the number of organic articles from 120 to 199 and 41 % more sales.

**Finland achieved an organic market share of 2 %** in 2010 with sales of 80 million euros (*Nielsen*, Finland). Sales were expected to leap to 110 million Euros in 2011, said Erkki Pöytäniemi from the export organization

**Organic Finland.** The organic market leader among the Nordic countries is Denmark, where the 7% share of the national food market is more than three times as much as in Finland and twice as much as in Sweden.

After high double-digit growth from 2006-2008, the growth rate in **Denmark in 2009 and 2010 was 6 % and 4 %** respectively, reports the Danish association *Organic Denmark*. The retail trade enjoyed organic sales of 684 million euros in 2010. Added to this are 174 million euros for sales to the catering trade, via box schemes, farm shops and filling stations. Experts expected the organic sector to grow by 6 - 10 % in 2011; the analysis is yet to be done.

**Great Britain recorded organic sales of two billion EUR** in 2010, which is 5.9 % down on the previous year (Organic Market Report of the British *Soil Association*). Reasons for the reduced demand are a smaller range of organic products on the shelves of the supermarkets and the uncertainty among the population due to the country's economic situation.

**Organic sales in Great Britain** are traditionally heavily dependent on the conventional trade, where **72 % of organic products** are sold. The retail organic food trade, which can sometimes mobilize its loyal customers better at times of crisis, is less strongly represented in Great Britain. Organic supermarkets, which push development in Germany, France and Italy, hardly exist in Britain. Nevertheless, the British *Soil Association* notices signs of positive development: sales of organic beef, baby food and eco-textiles distinctly increased in 2011.

What are the prospects for 2012? Will it be a year of closures, or will the trend of recent years with 60 - 70 new openings continue?

What is certain is that the competition between the big organic chains - there are now 19 of them - will get increasingly fierce. New organic chains with five or more outlets among the 19 are *Grüner Markt* and *Vitalia*. Although most good premises are already occupied, the density of locations is increasing, and this will result in the smaller chains and independent operators being put at a disadvantage.

*Alnatura*, *Denn's* and *Bio Company* have already announced a number of new openings.

**Global natural and organic beauty product sales reach US\$ 9 billion** (Source: Organic Monitor)

Global sales of natural and organic beauty products were projected to reach USD 9 billion in 2011. Although consumer de-

mand for natural & organic products remains buoyant, new research finds the growth rate is slowing because of the weak economic climate. In its upcoming report on the "Global Market for Natural & Organic Personal Care Products", *Organic Monitor* predicts **revenues to climb to USD 14 billion in 2015**. Demand for natural & organic products has spread to every region, however sales remain concentrated in Europe and North America. Natural and organic products have 2 % share of global personal care product sales. In some countries - such as the USA, Germany, Austria - the market share is reaching 10 %. The large market share is because of high consumer awareness and extensive distribution of natural and organic products. Widening availability is a major driver of market growth. Natural and organic personal care products are crossing over from specialists to mainstream channels. Premium brands, such as *Dr. Hauschka* and *REN*, are targeting high-end retailers. Other brands are entering pharmacies, drugstores, supermarkets and department stores. Companies like *ADA Cosmetics* and *Panpuri* are developing natural lines for hotels and the spa channel. Large cosmetic companies are entering the naturals arena. Some like *L'Oreal* and *Colgate-Palmolive* have taken the acquisition route, whilst others have developed natural / organic lines. Recent newcomers, such as *Garnier*, *Henkel* and *Amore Pacific*, are launching certified organic products.

**Retailer private labels** are also becoming prominent for natural personal care products. They are most successful in Germany where they comprise about 20 % of natural personal care product sales. *Alverde*, the private label of *DM drugstores*, is leading with over 300 products across categories. Private labels are most established in Europe, however they are also becoming popular in the USA, Russia and other countries. Competitive stakes are rising as new entrants continue whilst market growth rates slow. Organic Monitor finds successful brands are those that focus on marketing and distribution to differentiate their products. Vertical integration is occurring whereby brands are operating at several levels of the supply chain. Concept stores have become en vogue, with leading brands like *Aveda*, *Melvita* and *Korres* opening international retail networks.

**Domestic Organic Market Highlights**

Figures from the *NOGAMU* organic trade point indicate growing consumer demand for organic products. The Organic shop in *Kabalagala* now regularly delivers 70 baskets, up from 60 baskets in 2011, to homes of consumers in *Kampala*. This is attributed to increased awareness

among consumers and consistency of supply by small holder farmers. The quality of organic products has improved simultaneously with that of packaging materials due to support by organizations like *SIDA*, *Hivos*, *Uganda National Bureau of Standards*, the *Private Sector Foundation (PSFU)* and now *aBi-Trust*. The organic products are also being sold in supermarkets like *Uchumi*, *Nakumatti*, *Italian*, *Embassy*, *Quality*, *Capital Shoppers* and *Shoppers point*, to mention but a few. They can also be found in *Bwindi Impenetrable park* as well and in *Jinja*.

Organic Farmers Markets are increasingly taking shape in Uganda and Kenya. In some cases farmers sell their products directly to traders from Kenya and Sudan.

**Prices for Organic Products on the international**

Generally, prices for organic products on the international market are higher and more stable than for conventional products. This makes investment planning easier for organic exporters than their conventional counterparts. The table below indicates the average prices (per kg or per gms) for organic products for week 3 of January, 2012. PLEASE NOTE that they are strictly **WHOLE SALE** prices which are inclusive of the farmer's price, exporter price, Freight cost and the Importers' cost. Additionally, the logistics (means of transport) have a great bearing on the final price which the consumer pays. Air-freighted products cost more than sea-transported products

**Prices of organic products on the international market.**

Product	Unit	Unit Price Euros
Coffee - Arabic	kg	4.72
Cocoa	kg	7.2
Sesame	kg	1.8
<b>Fresh fruits and vegetables</b>		
Pineapples	kg	1.07
Apple Bananas	kg	6.78
Mangoes	kg	1.9
Passion fruit	kg	7.31
Avocadoes	kg	2
Goose Berries	kg	11.3
<b>Dry fruits</b>		
Pineapples	100gms	1.6
Apple Bananas	100gms	1.21
Mangoes	100gms	1.4
<b>Spices</b>		
Cardamom	kg	18.02
Cinamon	kg	4.36
fresh Ginger	kg	2.07
bird eye chillies	kg	13.18
black pepper	kg	6.96
lemon grass	kg	6.9
Rose mary	kg	6.27
hibiscus	kg	5.81
tomatoes	kg	1.45
sweet potatoes	kg	1.8

Note: Source: whole sellers in euro