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Report Highlights:

The exporter guide provides an economic and market overview, demographic trends, and practical tips to U.S. exporters on how to conduct business in the Netherlands. The report also describes three market sectors (food retail, food service, and food processing), the best market entry strategy, and the best high-value product prospects, and focuses exclusively on consumer-oriented products. The reports referenced herein can be found at the following website: <https://gain.fas.usda.gov/#/search>.

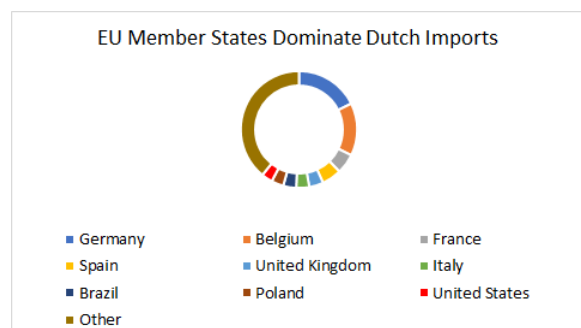
Market Fact Sheet: The Netherlands

Executive Summary:

Although the Netherlands is a small country geographically, it is the gateway for U.S. products into the European Union (EU) due to the presence of the Port of Rotterdam, Schiphol Airport, the confluence of two major European rivers, and an excellent road and railway infrastructure. It is the EU's largest importing country and continues to be the second largest exporter of agricultural products in the world, after the United States. These exports include products produced in the Netherlands as well as imported products that are re-exported, often after further processing and adding value.

Imports of Consumer-Oriented Products:

Products from other EU Member States lead Dutch imports of consumer-oriented products. In 2019, the United States was the tenth largest supplier of these products to the Netherlands, with imports valued at almost \$1.3 billion.



Source: Trade Data Monitor

Food Processing Industry:

Over 6,500 food companies in the Netherlands generated net sales of \$91.6 billion in 2019, up 3.5 percent compared to 2018. The meat, dairy, and fresh produce subsectors each accounted for roughly a quarter of the food processing industry's turnover.

Food Retail Industry:

The Dutch retail sector is rather consolidated, employing over 300,000 people and operating 4,300 stores. The net sales of the Dutch food retail industry are estimated at \$46 billion in 2019. Turnover is expected to further increase in 2020. High-end supermarkets are gaining popularity as consumers are demanding service, variety, and fresh and convenient products.

Foodservice – HRI Industry:

The net sales of the Dutch foodservice industry in 2019 were valued at \$16 billion. Sales are expected to drop significantly in 2020 due to the coronavirus (COVID-19) outbreak. Public places, including bars, cafés, and restaurants, had to temporarily close their doors (with take-out and delivery keeping some restaurants afloat). Foodservice outlets were allowed to re-open on June 1, 2020, but under strict conditions.

Quick Facts CY2019

Imports of Consumer-Oriented Products, Total:
\$41.7 billion

List of Top 10 Growth Products in the Netherlands (imported from the World):

- | | |
|-------------|----------------------|
| 1. Beer | 6. Butter |
| 2. Apples | 7. Live plants |
| 3. Bananas | 8. Food preparations |
| 4. Cocoa | 9. Confectionary |
| 5. Coconuts | 10. Coffee |

Food Industry by Channels 2019:

Consumer-Oriented Products Imports	\$41.7 billion
Consumer-Oriented Products Exports	\$77.9 billion
Agricultural & Related Products Imports	\$80.7 billion
Agricultural & Related Products Exports	\$112.4 billion
Food Industry	\$91.6 billion
Food Retail	\$46.0 billion
Foodservice HRI	\$16.0 billion

Top 10 Food Retailers in the Netherlands, Market Share:

1. Albert Heijn	34.7%	6. Dirk/Deka	5.5%
2. Jumbo	19.1%	7. Coop	3.2%
3. Lidl	10.9%	8. Deen	2.1%
4. Aldi	6.8%	9. Hoogvliet	2.1%
5. Plus	6.4%	10. SPAR	1.2%

GDP/Population:

Population: 17.3 million
GDP: \$808 billion
GDP per capita: \$46,705

Strengths/Weaknesses/Opportunities/Challenges

Strengths:

U.S. producers are professional, offer great variety, and deliver products with a consistent quality. U.S. farmers have a good story to tell about sustainability, farm-to-table supply chains, and their State/regional heritage.

Opportunities:

Gen Z is even more food-minded and eats more out of the home than the Millennials. Overall consumer consciousness about, interest in, and willingness to pay for food products is growing, especially for authenticity, health, nutrition, and taste.

Weakness:

Shipping time & costs, import tariffs, and EU labeling regulations make U.S. products more expensive. Some U.S. food products suffer from a negative perception among Dutch consumers due to misinformation and an image issue.

Threats:

There is fierce competition from other EU member states and from third countries that have negotiated lower tariff rates. COVID-19 has had an enormous financial impact on the Foodservice HRI industry

Data and Information Sources: Trade Data Monitor, industry experts, company websites

Contact FAS/The Hague at: agthehague@fas.usda.gov

SECTION I. DETAILED MARKET OVERVIEW

The Netherlands in a Nutshell

The Netherlands is a small country in Western Europe, bordering Germany to the east, Belgium to the south, and the North Sea to the northwest. The largest and most important cities in the Netherlands are Amsterdam, The Hague, Rotterdam and Utrecht, together referred to as the Randstad. Amsterdam is the country's capital, while The Hague is home to the Dutch seat of government and parliament. The Netherlands' name literally means "Low Country," influenced by its low land and flat geography, with only half of its land exceeding one meter above sea level.



Overall Business Climate

Overall Business Climate Fundamental strengths of the Dutch economy continue to be the Netherlands' stable political and macroeconomic climate, a highly developed financial sector, strategic location, a well-educated and productive labor force, and high-quality physical and communications infrastructure.

The COVID-19 pandemic cut short a five-year streak of economic growth that was consistently above the EU average. Since, government relief measures have sought to buy time for the private sector to recover from public health measures and have focused largely on preserving employment and providing liquidity to corporations. For additional information on the Dutch government's economic relief measures extended to Dutch corporations see <https://www.government.nl/topics/coronavirus-covid-19/information-for-business-owners>.

According to the Netherlands Bureau for Economic Policy Analysis (CPB), the Dutch economy is in a state of rebound, with negative three percent annual contraction of the Gross Domestic Product (GDP) for 2020 and a return to growth of 2.8 percent in 2021. Despite the economic relief measures, unemployment is on the rise in 2020 (at 4.1 percent) and is expected to continue to rise to 6.1 percent of the labor population in 2021. Previous years of prudent fiscal policies have allowed the government to finance the relief measures without truly jeopardizing the public finances; after several years of budget surpluses and declining national debt, 2020 will see a national budget deficit of 6.1 percent of GDP (which will soften to 4.6 percent in 2021). National debt – which dipped below 50 percent of GDP in 2019 – will settle at 59 percent in 2021.

In its 2021 outlook, the CPB emphasizes that the above forecast is based on the likely scenario that 2020 economic recovery will gather steam as the COVID-19 pandemic is mitigated with the roll-out of a national vaccination program. In case of obstacles to vaccinations and related COVID-19 measures, the economy is in danger of finding itself stuck in a 'start-stop' scenario where 2021 GDP would contract by 0.6 percent, unemployment could rise to eight percent, and the public finances would worsen with a deficit of 6.7 percent of GDP and a national debt of 64 percent of GDP.

Table 1. Key Data Dutch Economy

	2017	2018	2019	2020	2021
Economic Growth, percentage	2.9	2.4	1.7	-4.2	2.8
Unemployment, percentage	4.9	3.8	3.4	4.1	6.1
Inflation (HICP), percentage	1.3	1.6	2.7	1.2	1.3
GDP (billion USD)	878	882	907	943	987

Source: Netherlands Bureau for Economic Policy Analysis

Population and Key Demographic Trends

At the end of 2020, the Dutch population is expected to total 17.5 million, and is forecast to continue to grow annually by 70,000 people until 2030. Almost a quarter of the population in 2030 will be 65 years and older (it was 19 percent in 2018). Not only is this group of consumers growing, this graying population is also expected to be more affluent, more active, and more experimental with food than ever before.

About half of the Dutch population currently lives in cities and the increasing trend of moving to urban areas is expected to continue. Between this year and 2035, the Dutch population will grow by over 1 million people, of which three-quarters are expected to be born in cities. The population of Amsterdam alone will grow by 150,000 and have more than 1 million inhabitants in 2035. Currently the mean population density is over 500 inhabitants per square kilometer, making the Netherlands the fifth most densely populated country in Europe.

Between 2000 and 2020, the number of households in the Netherlands grew from 6.8 million to 8.0 million, almost 18 percent. This growth is largely due to the increase in ‘one-person households,’ which grew by 36 percent, while the number of ‘more than one-person households’ grew by only nine percent. ‘One-person households’ now account for 39 percent of all households, and this number is expected to continue to rise. In Amsterdam, 55 percent of all households are already one-person households. The aging Dutch population is expected to want to live independently for as long as possible. At the same time, over half of the people who live alone have never been in a long-term relationship and are not planning on doing so. An older and more individual population that increasingly lives in urban areas is expected to lead to an increased demand for innovative products, smaller portions, healthy food options, functional foods, and convenience.

Dutch Traders are Key in Distributing U.S. Exports Throughout the EU

Although the Netherlands is a small country geographically, it is the perfect gateway for U.S. products into the EU due to the presence of the Port of Rotterdam, Amsterdam Schiphol Airport, the confluence of two European rivers, and an excellent road and railway infrastructure. In fact, it is the largest importing country within the EU. The Netherlands also continues to be the second largest exporter of agricultural products in the world, after the United States and before Germany. These exports include agricultural products produced in the Netherlands and imported products that are re-exported after further processing.

Table 2. Advantages and Challenges U.S. Exporters Face in the Netherlands

Advantages (U.S. supplier strengths and market opportunities)	Challenges (U.S. supplier weaknesses and competitive threats)
Local traders and food processors prefer to work with U.S. suppliers because they are professional and deliver products with a consistent quality. U.S. companies also have a great variety of products to offer.	Growing demand for single-portion packaged food products. U.S. companies tend to manufacture packaged food in larger packages.
Growing demand for food products with a special claim, certification, and sustainable production methods. U.S. farmers have a good story to tell about sustainability, their supply chain (farm to table), and their State/regional heritage (provenance).	The Dutch are price-conscious consumers. Transatlantic transportation is costly. Products from the United States are subject to import tariffs ¹ . Suppliers from other EU member states have a competitive advantage on tariffs and non-tariff trade barriers, transportation costs, and transportation time.
Growing demand for new products, innovative food concepts, and international cuisine. U.S. products are innovative, often trend setting, and known for their strong brands.	Some U.S. food products suffer from a negative perception among Dutch consumers due to misinformation (e.g., local and small-scale is better) or an image issue (e.g., U.S. foodstuffs are unhealthy).
The Netherlands is the most important gateway for U.S. products to the EU.	U.S. beef from hormone-treated cattle, poultry, live bivalve mollusks, and products containing GMO derived

¹ Retaliatory tariffs: The WTO allowed the EU to raise additional tariffs up to \$4 billion worth of imports from the United States.

	ingredients that are not EU approved cannot be exported to the Netherlands.
Growing demand for functional, fresh, and processed food products that contribute to a healthier lifestyle.	The EU has several Free Trade Agreements that may advantage other 3rd country competitors, including Canada and Mexico.
	Fierce competition on price, quality, uniqueness, and innovation.

SECTION II. EXPORTER BUSINESS TIPS

Local Business Customs and Trends

Most people speak and write in English and have a high level of education (Masters or Bachelor degree). They are straightforward, open-minded, and like traveling internationally. After a first introduction, they tend to communicate on a ‘first name’ basis.

The Dutch are business-minded and like to be well informed about the company they are about to do business with, the product in question, price, and future business opportunities. Doing business does not require ‘winning & dining.’ The Dutch preferably want to get the job done during regular business hours since a healthy ‘work-life’ balance is important to them.

Food retailers, foodservice companies, and wholesalers normally do not buy directly from the United States. Instead, they work with dedicated and highly specialized traders. Traders look for long-term partnerships rather than a one-off business transaction.

Consumer Tastes and Trends

Specific consumer trends that affect the Dutch food retail and foodservice market can be found in the report on [the Dutch Food Retail Market – May 27, 2020](#) and the report on [the Dutch Foodservice Market – September 16, 2020](#). There are also exporter assistance reports, including reports on the impact that COVID-19 has had on the Dutch food retail and foodservice-HRI sector, that can be downloaded from the following website: **Error! Hyperlink reference not valid.**

SECTION III. IMPORT FOOD STANDARDS & REGULATIONS AND IMPORT PROCEDURES

Most Dutch food legislation is harmonized at the EU level. Where EU regulatory harmonization is not yet complete or absent, imported products must meet existing Dutch requirements. U.S. exporters should be aware that national measures still exist for enzymes, processing aids, packaging waste management, food contact materials, choice of language (Dutch is the official language in the Netherlands), use of stickers, samples, novel foods, fortified foods, gelatin capsules containing fish oil, irradiated foodstuffs, product registration, and composite products.

Information about customs clearance, required documentation for imported products, labeling requirements, tariff information and FTAs, and trademarks and patent market research can be found in the Food and Agricultural Import Regulations and Standards Report which can be downloaded from the following website: <https://gain.fas.usda.gov/#/search>.

SECTION IV. MARKET SECTOR STRUCTURE AND TRENDS

Key Developments in the Food Industry

Demand for Sustainable Food Products Is Up

Total consumer spending on foods certified as sustainable grew by an impressive 18 percent in 2019 to over \$8.8 billion (€ 7.5 billion). The share of sustainable food compared to total spending on food is estimated to have been 14 percent in 2019. Sustainable food continues to be the most important growth market in the Dutch food industry. The consumption of certified sustainable products is expected to continue to increase. A wider range of certified products and changing consumer preferences (paying more attention to sustainability and health) explains the growth in spending on these products. Most of the spending takes place in the supermarkets, mainly due to a wider availability of sustainable products. More information can be found in [Monitor Duurzaam Voedsel 2019](#) (in Dutch).

Growing Interest in Authenticity

In addition to sustainability, consumers (often Millennials and Generation Z) seem to be willing to pay for authenticity. They want to hear or read about who produced a food product and what the story behind the product is. This desire for authenticity also applies to foodservice outlets. Hosts that have a story to tell about their restaurant, cafe, or bar appeal to today's consumers.

Awareness of Health and Well-Being

Consumers seem to increasingly be rushed. They are struggling to do many things on a regular weekday such as taking care of the children, doing their job, engaging socially, and, of course, eating. Consumers are faced with a dilemma: less time for buying food and preparing meals versus a growing awareness of health and nutrition. As a result, the demand for convenient healthy and nutritious food products (albeit at an affordable price) is growing more than ever before. Consumers are looking for and finding more information on eating healthier. Beyond traditional media outlets, influencers are rapidly gaining power. Consumers seem to trust what an influencer has to say about a product. Food retailers play a crucial role as well, as they market food products to create, anticipate, and meet consumer needs.

The following sectors offer opportunities for new sales: healthy food snacks, tree nuts, so-called super fruits, pulses, food products with a special certification (organic, sustainable, free-from claim, etc.), and innovative products with a story to tell.

Table 3. Best Consumer-Oriented Product Prospects

Commodity (HS code)	Imports, million USD, 2019	Imports from U.S., million USD, 2019 (U.S. market share)	2014 – 2019 Average annual import growth
Food preparations (HS210690)	1,639	256 (16%)	8%
Processed vegetables (Product Group)	1,630	106 (1%)	6%
Odoriferous substances (HS330210)	439	95 (22%)	11%
Dog & cat food (HS230910)	611	30 (5%)	206%
Processed fruit (HS200899)	273	29 (11%)	35%
Bread, pastry, cakes (HS190590)	969	20 (2%)	11%
Coffee extracts (HS210111)	95	18 (19%)	70%
Craft beer (HS2203)	466	5 (1%)	19%
Cookies (HS190531)	309	3 (1%)	27%

Source: www.tradedatamonitor.com

Links to access retailer-specific information and expected growth rates of each sector, as well as a qualitative assessment of the market opportunities for consumer-oriented products in the food retail, foodservice, and food processing sectors, can be found in the following reports: [the Dutch Food Retail Market – May 27, 2020](#), [the](#)

Competitive Situation for Selected U.S. Consumer-Oriented Products

Table 4. Netherlands' Imports of Consumer Oriented Products, 2019 figures

Product Category (product code) Imports	Main Suppliers, Market share as a percentage	Strengths of Key Supply Countries	Market Attractiveness for USA
Craft beer (HS2203) Total Imports: 466 million USD	1. Belgium, 62% 2. Germany, 13% 3. France, 6% 4. U.K., 5% 9. USA, 1%	Competition from neighboring countries: Belgium, Germany, and France.	Strong demand for craft beer that is distinctive, breweries that have a story to tell, craft beer with no alcohol, and barrel aged craft beer.
Fish products (Product group) Total imports: 4,383 million USD	1. Iceland, 15% 2. Germany, 8% 3. Norway, 7% 4. Belgium, 7% 14. USA, 2%	Iceland is the leading supplier of cod, while Germany dominates Dutch imports of pelagic fish. The United States dominates the supply of Alaska Pollack (AP), scallops, and Sockeye salmon. For shrimp & prawns, cod and lobster, the U.S. competes with several other non-EU exporters.	The Netherlands is an international trader in seafood products, serving foodservice markets throughout Europe. The Dutch depend on imports for AP, scallops, Sockeye salmon, shrimp & prawns, cod, and lobster.
Sweet potatoes (HS071420) Total Imports: 152 million USD	1. USA, 50% 2. Egypt, 12% 3. Belgium, 10% 4. Spain, 7% 5. U.K., 7% 6. Honduras, 3%	Competition from Egypt, Honduras, Spain, and China.	Restaurants and supermarkets are both important outlets for sweet potatoes. Demand exists for variety and added value sweet potatoes.
Condiments and sauces (Product group) Total Imports: 501 million USD	1. Germany, 20% 2. Belgium, 14% 3. Italy, 10% 4. U.K., 9% 11. USA, 2	Top three suppliers benefit from proximity and being in the EU market.	Demand for good quality, innovative, and unique products.
Walnuts (HS080231) Total Imports: 8 million USD	1. USA, 57% 2. Chile, 23% 3. Germany, 12% 4. France, 4%	Growing competition from Chile.	Demand from food manufacturers, confectioners, and snack industry. Benefit from healthy image.
Ice cream (HS210500) Total Imports: 242 million USD	1. Belgium, 38 2. Germany, 23 3. France, 8% 4. U.K., 8% 6. USA, 4%	Belgium, Germany, and France are all close to the market and offer good quality products.	Demand for good quality and unique products.
Beef and beef products (Product group) Total Imports: 2,271 million USD	1. Germany, 16% 2. Belgium, 12% 3. Argentina, 8% 4. Ireland, 8% 9. USA, 5%	The United States exports high quality and grain fed beef, known for its quality, consistency, and taste, for the Dutch high-end foodservice industry.	There is not enough high-quality Dutch beef available. Ireland, Argentina, and the United States all profit from this deficit.

Wine (HS2204) Total Imports: 1,341 million USD	1. France, 28% 2. Italy, 14% 3. Germany, 12% 4. Spain, 9% 5. Chile, 8% 14. USA, 1	France, Italy, Germany, and Spain have well known, good quality wines at competitive prices. They are also popular holiday destinations for the Dutch.	Domestic production of wine is still very small but slowly growing.
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Source: www.tradedatamonitor.com

SECTION V. AGRICULTURAL AND FOOD IMPORTS

Agricultural & Food Import Statistics

Dutch imports of U.S. agricultural and food products can be downloaded from the following website <https://apps.fas.usda.gov/gats/BicoReport.aspx?type=country>. Please make the following selection: Product Type: exports; Market Year: calendar year; Report Type: year-to-date; Country: Netherlands; Product: agricultural & related products and Download: word.

SECTION VI. KEY CONTACTS AND FURTHER INFORMATION

If you are a U.S. interested party and have questions or comments regarding this report, need assistance exporting to the Netherlands, a list of Dutch wholesalers and distributors, or you are looking for the Foreign Buyers Lists (FBL) of various consumer-oriented products and seafood products, please contact the Foreign Agricultural Service in The Hague, the Netherlands:

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This FAS office also covers the countries in the Nordic markets and has Exporter Guides for the following countries: Denmark, Finland, Iceland, Norway, and Sweden. These Exporter Guides can be found on their respective country pages on the following website: <https://gain.fas.usda.gov/#/search>. Additional information about promotional events taking place in Europe, U.S. trade associations active in this market, delicious recipes with U.S. ingredients, articles highlighting U.S. food and agricultural products, and other information can be found on fas-europe.org.

Attachments:

No Attachments