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Report Highlights:

With increasing purchasing power and growing tourism, prospects for increased demand of imported high-value food products are viewed as favorable. The fast consolidation of retail outlets through investments by large Scandinavian chains may provide new opportunities for exporters who can successfully connect with these companies. American exporters must be more aggressive as European suppliers have already established distribution networks over the past decade. Major current constraints to exports of U.S. products include import tariff duties that place European suppliers and partners of Free Trade Agreements at a price advantage. In preparing for EU accession, Estonia is in the process of harmonizing its food safety, labeling and certification requirements with those of the EU.

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SECTION I. MARKET OVERVIEW

In 2000, Estonia was among the fastest growing economies in Europe. The Estonian economy experienced a 6.4 percent growth rate, which was supported mainly by external demand and the related growth in investments and household spending. The prices of goods and services in 2000 rose on average by 4 percent, indicating the recovery of domestic demand. Overall population numbers are declining due to lowered birth rates and migration of young non-Estonians. In mid 2000, the population of Estonia was 1.38 million people, which represents a decline by almost 8 percent over the past decade.

The annual inflow of investments into the Estonian economy has risen considerably since the early 1990's. Investment demand will continue to increase because food processing enterprises must gear up to meet EU quality requirements. The development of a strong food manufacturing sector is an official government priority. There may be opportunities for U.S. suppliers of inputs to these operations. The fast-developing consolidation of retail outlets through investment by large Scandinavian chains has led to the construction of ultra-modern, self-service, fully-assorted supermarkets and hypermarkets that may provide new opportunities for exporters who can successfully connect with these companies. Given the relatively small consumer base in the Baltic region as a whole, the emergence of pan-Baltic food companies with centralized distribution schemes will help to achieve the economies of scale needed to make imports viable.

In 2000, the domestic retail grocery trade amounted to US\$ 530 million, of which food products accounted for 76 percent. The remaining 24 percent consisted of alcoholic beverages and tobacco products. Imported foods added much to the variety of products on the market and accounted for nearly 35 percent. Consumption patterns and demand for imported food products have been affected by increased consumer purchasing power, an increase in the expatriate community, and the growth of tourism. In 2000, the 3.3 million visits of tourists to Estonia generated revenues of roughly \$652 million.

Supermarkets have experienced growth, especially in the suburbs, at the expense of small shops and open-air markets, and the concentration of retail chains is evident. Opportunities exist for new-to-market products - particularly for products marketed through the developing retail chains. Currently, the food retail trade is largely controlled by only a handful of companies.

Under the Baltic Free Trade agreement signed between Estonia, Latvia and Lithuania, as well as FTA's with the EU, EFTA and CEFTA countries, exports from countries which are parties to these agreements are advantaged by preferential tariff schedules of lower or zero duties and increased TRQs for agricultural products. Imports from the U.S. are subject to MFN rates. Given the current trade flows, MFN custom tariffs presently apply to less than 20 percent of all agricultural and food imports. (Note: Free trade agreements have been concluded with the EU, EFTA countries (Norway, Iceland, Switzerland, Liechtenstein), the Czech Republic, Slovakia, Slovenia, Turkey, Ukraine, Poland, Hungary, the Faeroe Islands. Negotiations continue with Bulgaria.)

Up to early nineties, Estonia was a net exporter of agricultural products. However, agricultural and

food imports have surpassed exports since 1995. Wood products are main export commodity of Estonia, accounting for US\$ 366 million, or 14 percent of the country's total exports. For agricultural and food trade (excluding wood products), Estonia is a net importer. In 2000, consumer-oriented agricultural product imports worth US\$ 282 million exceeded exports valued at US\$ 185 million. The leading imports are beverages, meat products, fruits and vegetables, coffee, tea, and vegetables and fruit preserves. In 2000, the EU accounted for nearly half of all food imports into Estonia. European food exporters have captured market shares with a strong market presence over the last five-six years as a result of proximity, historical ties, price competitiveness, consumer recognition, logistical advantages and a service orientation that is essential for companies with a serious interest in establishing a market presence.

The EU is considered the biggest export market for Estonia, although access to the EU food market is limited by the inability of food manufacturers to fully comply with the European Union's quality, sanitary-phytosanitary and packaging standards.

In 2000, U.S. exports to the Estonian market were valued at US\$ 24 million (4 percent market share). The U.S. is the leading supplier of poultry into Estonia with 61 percent of market (13 thous. MT). Other major U.S. exports were fish, dried fruits, nuts, oilseeds, vegetable preserves, fruits and vegetables, wines, and liquors. Viewed strategically, Estonia is an attractive gateway to the large regional markets, including the St. Petersburg region in Northwestern Russia with a population of 44 million, Belarus (10.3 million), and the aggregate Baltic market with a combined population of almost 8 million. Further support for healthy trade and expansion of investment resulted from Estonia's WTO membership accession in December 1999.

Advantages and Challenges Facing U.S. Products

ADVANTAGES	CHALLENGES
U.S. products are considered safe and of good quality. The general image of U.S. products is positive.	Long-established consumer preference for domestic fresh products with no additives.
The retail sector is looking for highly processed food imports. Purchasing power of the population is on the rise.	Strong competition on the local market between domestic producers and increasing imports from EU and Baltic FTA partners. High distribution and shipping costs.
The country is viewed as a gateway to larger markets in Northwestern Russia, Ukraine, and Belarus.	Based on the newly effected import tariff schedule, U.S. exports are disadvantaged vis-a-vis products from European Union and FTA countries.
Estonia joined the WTO in December 1999	Estonia is a comparatively small target market for US products.

SECTION. II. EXPORTER BUSINESS TIPS

Local Business Practices and Customs

Entry Strategy

As a result of the fast-developing consolidation process, perhaps the most effective strategy for U.S. exporters would be to connect with parent companies of the food retail chains in Europe (mainly in Finland, Sweden and Norway) that are expanding their outlets in the Baltics. These chains already have a degree of familiarity with U.S. products.

Market entry strategies for U.S. food products should include:

- 1) Market research in order to estimate product opportunities.
- 2) Advance calculation of the landed cost of a product in order to make price comparisons vis-a-vis competitors.
- 3) Locating an experienced distributor or independent reliable agent with strategic distribution channels to advise on import duties, sanitary regulations, and labeling requirements. It is advisable to initiate personal contact in order to discuss marketing matters such as funding for advertising, slotting allowance, in-store promotions and tasting events. Suppliers may also wish to consider trade fair participation to raise awareness of the product.
- 4) Explore the purchasing arrangements of the larger retail chains.

U.S. products traditionally have lower customer awareness due to fewer promotional activities than those of domestic and European competitors. For many product categories, new market entrants will have to be aggressive to compete with the more established European suppliers, as their commercial relationships have been built up and maintained over the past decade.

Several constraints have contributed to the small market presence of U.S. food:

- Trade terms from U.S. companies tend to require advance payment of up to two months.
- An aversion to the assumption of exchange rate risks.
- Minimum quantities offered have often been too large for the small Estonian market (e.g. full container shipments).
- A perception that persists among Estonian importers is that landed costs of U.S. products will be higher compared to European products due to higher transportation cost.
- A perception that U.S. exporters are simply too far away to service the Estonian market.

Supplier choice may depend on the retail or wholesale company's ownership, because part of the stock may belong to a foreign investor who may influence decisions.

Distribution

Cash and carry operations are common, although distributors are moving toward direct deliveries with their own sales force and delivery trucks to service retail grocery stores and chains. This type of

distributor provides up to seven days credit terms, which is popular among buyers. Small and medium-size companies mainly make their purchases through importers and wholesalers who have a direct relationship with foreign suppliers. Few wholesalers undertake nation-wide distribution, and almost none carries a complete range of products. As noted previously, however, the large, new grocery chains are developing their own distribution centers.

Consumer Tastes and Preferences

Consumer preferences differ significantly among various income, age and ethnic groups. Preferences for new products are strong among the younger population, but a significant number of consumers remain at "the tasting level."

With average per capita income still quite low, the consumption volumes of most food products are smaller than the optimum basket necessary for healthy nutrition. Estonians spend approximately 13 percent of their total food dollar on eating out. Prepared home meals are preferred to out-of-home dining in less than half of the families. Women account for 48 percent of the workforce and contribute to the increased demand for meals consumed away from home. With a large proportion of two-income families, most Estonian customers prefer meals that are quick to prepare. Therefore, prepared, frozen and convenience food should be a key focus of US exporters. However, it should be noted that microwaves, refrigerators, and freezers have much more limited capacity than in the U.S. and Western Europe. Nearly 30 percent of the population live in rural areas. In rural areas where incomes are the lowest, farming provides many households with staples. Consumer concern about the presence of GMO ingredients does exist and there is a clear interest in organic foods. According to surveys, about 80 percent of consumers prefer domestic food products that are fresh, are free from additives, are familiar in taste and are low in price. Nevertheless, the large retail chains have observed that they are capturing market share from traditional farmers markets.

Table. Estonian food market value, 2000

Product Groups	US\$ Million
Red meat and poultry	160
Bakery	93
Fats /Oils	38
Soft drinks	41
Fruits/Berries	32
Tobacco	24
Spices and condiments	12
Vegetables	82
Alcohol Beverages	29
Sugar	19
Jams, confectionary, honey	33
Fish	32

Total	798
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Food Standards and Regulations

Estonia has been modifying sanitary and phytosanitary standards in conjunction with its preparations for EU accession. Some of these have blocked once-existing U.S. trade, especially of pork and beef. Estonia accepts U.S. poultry from about 50 plants which have been approved by the Estonian Veterinary Authorities. The new Estonian Food Law based on EU directives, which was implemented in January 2000, regulates the production, trade and distribution of food products, as well as health issues.

The Estonian veterinary legislation applies unified import certification of meat and meat products, dairy products and fish (Regulation 44, 1999). Special Laws regulate flows of alcohol, tobacco, meat, dairy products, and veterinary and phytosanitary legislation. Other ordinances include the use of additives in foodstuffs, usage and content of artificial flavourings, respective labelling, and level of residues. Regarding genetically modified (GMO) ingredients, Estonia will follow EU regulations, recommendations, and labelling and certification requirements. As of January 1, 2001, labelling is already required for foods produced of or derived from genetically modified soya and corn (Regulation 176, Ministry of Agriculture, based on 98/1139/EC, 49/2000/EC). Products that contain or consist of GMOs must adhere to requirements for deliberate release of GMOs, placing them on the market, and handling permits (258/97/EC and 97/618/EC) issued by the Veterinary and Food Board. The presence of GMO ingredients should also be clearly disclosed on product labels.

In 1998, Estonia introduced a licensing system for importers of all agricultural and food products with the declared objective of ensuring the proper handling of food products and addressing consumer concerns over the safety of imported foods. Licenses are issued by the Ministry of Agriculture. Imported food and agricultural products need to be cleared and sealed by the border inspection service to ensure conformity to Estonian legislation.

Every retail package requires label (sticker) in the Estonian language with the name of the product, name of the producer and importer, origin, metric weight or volume, listed ingredients, storage conditions, use information, and expiry date or "best before" date indications (Regulation 390, 99, Ministry of Agriculture). Please consult with the importer regarding specific packaging and labelling requirements.

The Estonian legal system is presently sufficiently developed to have in place both trademark protection and licensing provisions. There is no specific legal act to regulate franchises yet, and the parties to a franchise agreement are viewed as business partners. Franchising is increasingly being used for business expansion in Estonia.

Import and Inspection Procedures

Since January 1998, quality and compliance checks of imported food stuffs, additives and supplements were placed under the authority of the Border Control Service under the State Veterinary and Food

Board. This institution is also responsible also for live animal and animal feed imports. Plant products are controlled by Plant Production Control Center.

In case imported products fall into one of the categories requiring a special permit (Regulation 47 of the Minister of Agriculture), the importer must submit an application /request for a special import permit to the Veterinary and Food Board, indicating the importer's license number, recognition number of the manufacturer if required, planned import quantity, arrival time and border entry point, product preservation conditions and purpose for importing the goods. Please consult with the importer regarding specific details. Exporters to Estonia should provide product safety assurances: a producers' declaration, a quality certificate issued by the manufacturing establishment, and a phytosanitary certificate of origin in the Estonian language (Regulation 167 of the Minister of Agriculture). Conformity assurances for products originating in the EU member states, Baltic countries, and EFTA countries are recognized automatically, while those issued by authorities in other countries are recognized by the Estonian Conformity Assessment Center through a procedure of product testing and approval. It should be noted, however, that Estonian Conformity Assessment Center recognizes conformity assurances issued for U.S. food products marketed in the EU member countries.

Customs authorities require the following documentation – a copy of the contract, an invoice, a bill of lading indicating the amount, weight and value of goods and the original certificate of origin (form EUR.1 or form A). The 18 percent value added tax (VAT), the import duty and excise and packaging taxes are collected by customs authorities upon clearance of the imported goods at the border unless the cargo is forwarded to a bonded warehouse. A state fee must be paid for customs clearance totalling 200 Estonian Kroons (about US\$ 12) per customs declaration.

Until the end of 1999, Estonia's import regime was among the most liberal in the world since no import duties were applied. As of January 1, 2000, the Estonian Parliament has enforced a Law on Custom Tariffs, imposing MFN rates on imported goods of all those countries which have not entered free trade agreements with Estonia. The import tariff schedule disadvantages competition from the United States, as tariffs for European countries are set at zero while US imports face MFN rates. The highest MFN duty rates stand at 25-33 percent for pork, 48 percent for poultry meat, 39 percent for sausages, 10 percent for chicken legs and wings, 59 percent for rye, and 40-45 percent for barley and oats. Import tariff rates can be found at www.vm.ee/eng/Tollitariifiseadus.htm

SECTION III. MARKET SECTOR STRUCTURE AND TRENDS

Food Retail Sector

The Estonian food retail market holds considerable potential for a wide range of competitively priced packaged goods targeted at high/middle income groups. In 2000, there were 2,644 food retail stores in Estonia, and their food sales turnover increased by 13 percent compared to 1999. Of the \$530 million in grocery sales, food accounted for 76 percent. A 7.8 percent growth in retail food trade turnover is projected for 2001. Nordic retail chains entered the Estonian retail market in the mid nineties and contributed to the consolidation of retail outlets. Several large-self service shopping centers with supermarkets have emerged in suburbs of Tallinn. Supermarkets and hypermarkets have become

more influential, accounting for 45 percent share of food retail sector sales, mostly at expense of small shops and markets. Competition between small groceries is intense, and the emergence of niche stores is developing. With the developments in large supermarket sales, the share of open-market food sales has been reduced to 20 percent.

Profiles of companies

ETK (the Estonian Central Association of Consumer Societies) owns the Konsum supermarket chain of 4 outlets, the Edu grocery chain of 5 shops, 5 Maksimarkets, and the A&O discounter chain which consists of 13 grocery stores located in rural areas. In addition, ETK runs about 450 smaller mom-and-pop style food stores throughout Estonia. In addition, ETK has entered into partnership with Finnish SOK and German Schleswig-Holstein

Kesko, the leading retail chain in Finland, has moved aggressively into Estonia. After its acquisition of the Estonian chain Säästumarket (Saving Market, or S-market) in 2001, the company has recently built its own distribution center in Tallinn. Presently, there are two SuperNetto stores operating in Tallinn, and one was recently opened in Tartu. Kesko plans to expand its chain of Säästumarkets, as well as start building the larger Citymarket stores. One Citymarket recently opened in Pärnu and another is scheduled to be opened in Tallinn in November, 2002. Kesko is aiming at a 20-25 percent market share of the total Baltic grocery market.

SELVER is a domestic chain of 5 shopping centers, owned by the Estonian company Tallinna Kaubamaja. The company is planning to open two new SELVER outlets every year.

Prisma Supermarkets

The Rocca al Mare Prisma supermarket and the Sikupilli Prisma hypermarket started to operate under the Finnish Prisma trademark in the fall of 2001, following the cooperation agreement signed between ETK (the Estonian Central Association of Consumer Societies) and Foodbaltic OY, a retail trade development firm, half owned by the German Consumer Society Coop, Schleswig-Holstein and the Finnish Consumer's Central Union, SOK (Suomen Osuuskaupan Keskuskunta). The Sikupilli Prisma hypermarket with a 10,000 square meter sales area, is considered the largest hypermarket in the Baltic States.

ICA Baltic, the Swedish company with joint Norwegian and Dutch ownership (ICA-Ahold), currently has only two Rimi supermarket stores in Estonia. However, during the first half of 2002, four new Rimi stores are scheduled to be opened.

Baltic Food operated a chain of 35 SPAR stores in 2000. The company is now largely owned by Norwegian interests. Norway's Rema has pulled out of ownership and Sweden's Axfood is following suit. The future of this once popular chain is uncertain at the moment.

Stockmann, a Finnish company, runs a large department store located in an attractive area of Estonian capital of Tallinn. The supermarket carries a wide selection of imported food items. Stockmann is popular among middle and high income buyers and tourists.

‘R- kiosk’ has 200 outlets and is the largest kiosk chain which sells foodstuffs along with magazines, newspapers and stationery items.

For a new-to-market exporter targeting the Estonian food retail sector, it is advisable to find a professional wholesaler or a local agent with strategic distribution who is knowledgeable about the Estonian market and is able to negotiate and implement product introduction and promotion. Food wholesale companies are cooperating to a large extent because of the tough competition. To stay competitive, Jungent, Abe Stock and AS Kaupmees created a joint logistics company called VIA 3L. Smarten, which is working together with ETK Hulgi, and Hansatee Hulgi AS, and Kesko Eesti have strong positions on the Estonian market. These companies have developed sound logistics and provide for minimum warehousing of goods.

Food Processing Sector

The Estonian government is now prioritizing the development of the food manufacturing sector to secure domestic market share and to develop export opportunities. Despite the recession in 1991 and the subsequent declines between 1993 and 1999 in several branches of the food industry, the food industry maintained its leading position among the various sectors of the Estonian economy.

Given the relatively small consumer base in the Baltic region, pan-Baltic food companies are beginning to emerge to enhance the competitiveness of the Baltic food industry.

In 2000, the total output of the food industry amounted to \$550 million, accounting for almost one-third of Estonia’s industrial exports and 24 percent of the country’s total industrial sales. Imported raw inputs included fish, wheat flour, and meat.

The development of Estonia’s food industry is currently impeded by an inadequate domestic supply of agricultural raw material, the relatively modest purchasing power of domestic consumers, and limited export possibilities. Russia is imposing on Estonian products double the customs duty rates it applies to the same products from MFN suppliers. Only a few Estonian dairies and fish processors comply with the EU production and quality requirements and packaging standards necessary to be met to export to EU member countries.

As early as in 1995, the privatization of the food industry was almost completed. Foreign investors have acquired significant interests in the Estonian food industry. It should be noted that a food processor’s choice of imported raw material may depend on the plant’s ownership and its foreign investors, rather than on quality or price.

Sector developments

- The food industry has 15 sub-branches. Of the total gross output by food manufacturers, dairies accounted for 27 percent, the meat industry for 17 percent, beverage manufacturers 22 percent, the fish industry for 14 percent, and bakeries accounted for 9 percent.

- There were almost 700 food and beverage producers in Estonia in 2000. The concentration of production is high. The 4 largest meat producers accounted for 70 percent of the sector's output, 9 fish processors accounted for about 63 percent of production, 9 dairies accounted for about 60 percent of processed dairy products, and 4 major breweries accounted for 90 percent of the sector's production volume.
- Almost 75 percent of the fish processing industry's output is exported to Russia, which makes it the main export market for canned fish. However, further development of the fish industry has been negatively affected by the fact that Russia is imposing double the customs duty rates on Estonian products that it applies to the same products from MFN suppliers. Of the raw fish inputs used by the fish processing industry, about 25 percent are imported, mainly from Norway and the UK.
- The industrial output of bread and bakery products totalled 72 thous. MT. Nearly 30 percent of the industry's output is produced by Finnish controlled companies. Fazer Eesti AS is owned by Fazer Leipomot OY, and AS Leibur belongs to Vaasan & Vaasan. Imported wheat flour accounted for almost 70 percent of flour use, mostly due to the inconsistent quality of domestic wheat.
- The output of the meat packing industry accounted for 46 thous. MT, of which the market leader, Rakvere AS (owned by Finnish Ruokatalo), accounted for 40 percent. The EBRD has a considerable share in Tallegg AS (poultry plant). About 60 percent of the poultry and 38 percent of pork supplies to the industry were imported from Finland, Denmark and the U.S.
- Dairy sector production increased after EU import quotas. This brought about a fierce competition for raw milk and contributed to price hikes for dairy products. The upgrading of the dairy sector will require large investments, and Estonian dairies will use EU pre-accession funds (SAPARD) for this purpose. The largest foreign-owned companies in the dairy sector include: Lacto AS, fully owned by Yaguab Haiday (Indonesia); Tapila AS, owned by Valio OY (Finland); AS Võru Juust, which stock is partly owned by Saviola s.p.a. (Italy). AS Põlva Piim was bought by the Dutch company G.van den Bergh, and this has helped establish a market in the EU for Estonian powdered cream.
- The Tartu Õlletehas brewery is owned by Finnish Olvi OY, Saku Õlletehas is owned by Baltic Beverages Holding, and AS Viru Õlu belongs to Harboes Bryggeri AS, a Danish brewery.
- The Coca Cola bottling plant, Eesti Coca-Cola Joogid, lost much of its market share in 2000. In order to improve its situation, the company acquired a popular product, Linnuse Kali (kvass), from Õsel Foods. Fifty percent of Õsel Foods belongs to Carl Erik Sundbol (Finland).

The largest food processors purchase raw materials and food ingredients directly from foreign

exporters and through their own networks. Such products include raw fish, meat, spices, spirits, juice concentrates, wheat flour and condiments. US exporters should focus primarily on connecting with the larger players seeking direct relationships with foreign suppliers.

HRI Food Service Sector

A successful hotel/restaurant trade has rapidly developed in the past 3-4 years, in many cases as joint ventures with foreign firms. The growth within the hotel and restaurant sector has been boosted by the expansion of tourism. There were 3.3 million visitors to Estonia in 2000.

Restaurants

Eating out on a regular basis has become increasingly popular within the higher income groups which account for 10-15 percent of the population. An additional 20 percent eat out occasionally. Catering services were primarily operated by individual restaurants. In 2000, there were 237 restaurants in the market. Of the 147 fast food enterprises, the largest chains were McDonald's (U.S.), Hesburger (Finland), Peetri Pizza, and Pappa Pizza. The new fast food outlets and restaurants with international style cuisines such as Mexican, Chinese, Vietnamese, Italian and Indian, have begun to change the structure of the food service market. Chinese and Japanese fast food outlets have become popular at hypermarkets. These companies use a lot of imported food products and ingredients purchased through direct shipments from personal contacts, or from importers.

Fresh products is the priority for a -la-carte restaurants, which purchase from both local suppliers and importers. Poultry, pork, fish and seafood, beverages, sauces and spices are major imports.

Hotels

There are two hotel chains in Estonia with 4 hotels each, Reval Hotelligrupp AS and Scandic Hotels. SAS Radisson Hotel opened in 2001. The Viru Hotel is the biggest hotel outside of these chains. There is no centralized supply system for hotels and restaurants, despite the Estonian Hotel and Restaurants Association's efforts to create one in order to cut down on prices. Hotel and catering companies use a lot of imported food products, beverages, wine, and ingredients, which they purchase from local distributors.

SECTION IV. BEST HIGH VALUE PRODUCT PROSPECTS

There are opportunities for dry, chilled and frozen processed products. Rather unfamiliar to consumers are low fat, low salt, sugar free, and cholesterol free products. We recommend: candies, marshmallows, snack foods, pasta preparations, muffins, baking chocolate/chips, barbeque foods/sauces, fresh fruits, vegetables, seafood, wine, graham crackers.

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

State Veterinary and Food Board

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Tallinn 11415

ESTONIA

T: 372 638 0079

F: 372 6211441

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Www.vet.agri.ee

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10147 Tallinn

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T: 372 600 9349

F: 372 600 9350

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Estonian Enterprise Register

T: 372 6113841

F: 372 6460165

Email: eer@eer.ee

www.eer.ee

Estonian Chamber of Commerce and Industry

Toom-Kooli 17

Tallinn 10130

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T: 372 646 0244

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www.koda.ee/english.html

Estonian Investment Agency

Roosikrantsi Street 11

Tallinn 10119

Estonia

T: 372 627 94 20

F: 372 627 94 27

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www.eia.ee

Estonian companies data base

Valge Register

www.roland.ee

Estonian Institute of Economic Research

Ravala 6

19080 Tallinn

Estonia

T: 372 646 6439

F: 372 645 4450

www.ki.ee

For including your product offers into the Baltics regional "virtual trade fair", check site

<http://www.food-fair.com>

For general questions about product import, please contact:

Foreign Agricultural Service

U.S. Embassy Riga

Raina Blvd. 7

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For more information on exporting U.S. agricultural products to other countries, please visit the USDA, Foreign Agricultural Service home page: www.fas.usda.gov and the FAS/Stockholm regional headquarters office at www.usemb.se/Agriculture.

TABLE A. KEY TRADE & DEMOGRAPHIC INFORMATION

Agricultural Imports From All Countries (\$Mil) /U.S. Market Share (percent)*/	535
Consumer Food Imports From All Countries (\$Mil)/U.S. Market Share (percent)*/	282
Edible Fishery Imports From All Countries (\$Mil)/U.S. Market Share (percent)*/	30
Total Population (Millions)/Annual Growth Rate (percent)	1.4/-0.8
Urban Population (Millions)/Annual Growth Rate (percent)	0.9/-0.8
Number of Major Metropolitan Areas	1
Size of the Middle Class (Millions)/Growth Rate (percent)	0.6/N/A
Per Capita Gross Domestic Product (U.S. Dollars)	3705
Unemployment Rate (percent)	13.7
Per Capita Food Expenditures (U.S. Dollars), year	546
Percent of Female Population Employed	48
Average Exchange Rate US\$1	17EEK

*/Data from United Nations database

Estonia Imports (In Millions of Dollars)	Imports from the World			Imports from the U.S.			U.S Market Share		
	1998	1999	2000	1998	1999	2000	1998	1999	2000
CONSUMER-ORIENTED AGRICULTURAL TOTAL	447	312	282	120	52	16	27	17	6
Snack Foods (Excl. Nuts)	39	31	27	1	1	1	1	0	0
Breakfast Cereals & Pancake Mix	3	3	3	1	1	0	0	0	0
Red Meats, Fresh/Chilled/Frozen	28	20	23	14	4	1	49	19	3
Red Meats, Prepared/Preserved	12	4	5	6	1	1	52	0	0
Poultry Meat	101	50	21	93	45	13	93	90	61
Dairy Products (Excl. Cheese)	52	15	24	1	1	0	0	0	0
Cheese	13	5	5	1	0	0	0	0	0
Eggs & Products	1	1	2	1	1	1	2	0	0
Fresh Fruit	20	27	23	1	1	1	0	0	0
Fresh Vegetables	10	12	9	1	1	1	0	0	0
Processed Fruit & Vegetables	21	19	19	1	1	1	5	3	2
Fruit & Vegetable Juices	13	12	12	1	1	1	0	0	0
Tree Nuts	7	3	2	2	1	1	35	39	39
Wine & Beer	24	20	20	1	1	1	3	3	2
Nursery Products & Cut Flowers	7	6	6	1	1	1	2	0	1
Pet Foods (Dog & Cat Food)	5	5	4	1	1	0	17	3	0
Other Consumer-Oriented Products	91	80	77	1	1	1	1	1	0
FISH & SEAFOOD PRODUCTS	50	30	30	1	1	1	2	3	3
Salmon	2	4	4	1	1	1	0	0	0
Surimi	3	4	3	1	1	1	27	13	16
Crustaceans	1	1	2	0	0	1	0	0	0
Groundfish & Flatfish	11	4	5	1	1	1	0	2	1
Molluscs	1	1	1	0	0	0	0	0	0
Other Fishery Products	33	17	16	1	1	1	1	1	1
AGRICULTURAL PRODUCTS TOTAL	772	542	535	132	69	24	17	13	4
AGRICULTURAL, FISH & FORESTRY TOTAL	902	653	651	134	70	25	15	11	4

Table B. CONSUMER FOOD & EDIBLE FISHERY PRODUCT IMPORTS

Source: United Nations Statistics Division

Estonia Imports**CONSUMER-ORIENTED AGRICULTURAL IMPORTS**

	(\$1,000)	1998	1999	2000
Finland		60252	52032	46780
Germany		21352	17493	21751
Poland		19923	20243	20009
Netherlands		27214	23910	19969
Denmark		19418	16508	18248
United States		120308	51534	15699
Sweden		16152	15834	14201
Russian Federation		6505	7120	13135
France		12562	10006	11744
Spain		10511	10715	10975
Latvia		17336	10935	10823
Hungary		7131	9125	9441
Lithuania		16573	6857	8597
Italy		8984	9837	7563
Brazil		4216	1954	6117
Other		78418	47754	47091
World		446917	311888	282192

FISH & SEAFOOD PRODUCT IMPORTS

	(\$1,000)	1998	1999	2000
Norway		14843	10488	8486
Russian Federation		8644	6148	6728
Finland		2334	1873	2455
Sweden		2834	876	2437
Chile		3328	411	937
Poland		1055	627	910
Denmark		1798	1443	882
Germany		1175	798	873
United Kingdom		1349	731	771
United States		1144	754	750
Netherlands		2728	1496	595
Spain		251	419	587
Lithuania		521	1224	370
China (Peoples Repub		87	583	325
Iceland		1180	193	317
Other		6725	1857	2136
World		50004	29924	29567

Table C.**TOP 15 SUPPLIERS OF CONSUMER FOODS & EDIBLE FISHERY PRODUCTS**

Source: United Nations Statistics Division

* Note that 1998 and 1999 data include poultry transshipments to Russia.