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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. The exporter guide focuses exclusively on consumer-oriented products. The reports referenced herein can be found at the following website:  
<https://gain.fas.usda.gov/#/search>.

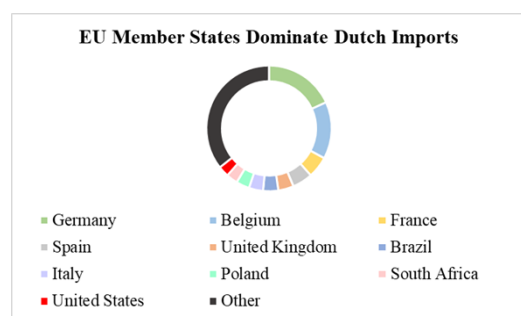
## Market Fact Sheet: The Netherlands

### Executive Summary:

Although the Netherlands is a small country geographically, it is the perfect gateway for U.S. products into the European Union (EU) due to the presence of the Port of Rotterdam, Amsterdam Schiphol Airport, the confluence of two major 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, 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 2018, the United States was the tenth largest supplier of these products to the Netherlands, with imports valued at almost 1.2 billion USD.



### Food Processing Industry:

Over six thousand food companies in the Netherlands generated a turnover of 92.4 billion USD in 2018. With an increase of 3.5 percent, this demonstrates the highest growth in five years. The meat, dairy and fresh produce subsectors each account for roughly a quarter of the food processing industry's turnover.

### Food Retail Industry:

The Dutch retail sector is rather consolidated, with two large retailers controlling over 55 percent of the market. For 2018 the turnover of the Dutch food retail industry is estimated at 45.9 billion USD.

### Foodservice – HRI Industry:

The turnover of the Dutch foodservice market in 2018 was valued at 23.7 billion USD. While sales in all subcategories were up, sales in the delivery subcategory, especially for hot meals, saw a double-digit growth rate of 13 percent. In addition, Dutch consumers want food products that are healthy, authentic, and tasty. Foodservice chains from the United States are, and continue to be, successful on the Dutch market because they have been able to respond to changing consumer needs.

### Quick Facts CY2018

Imports of Consumer-Oriented Products, total:  
42.0 billion USD

### 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:

Consumer-Oriented Products Imports	42.0 billion USD
Consumer-Oriented Products Exports	78.5 billion USD
Agricultural & Related Products Imports	80.8 billion USD
Agricultural & Related Products Exports	112.9 billion USD
Food Industry	92.4 billion USD
Food Retail	45.9 billion USD
Food Service	23.7 billion USD

### 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: 774 billion USD  
GDP per capita: 44,740 USD

### 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:

Dutch traders and food processors like to work with U.S. suppliers. There is a growing demand for food products with a special claim and sustainable production method.

#### 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 on price, quality, uniqueness, and innovation from other EU member states and from third countries that have negotiated lower tariff rates, such as Canada and Mexico.

*Data and Information Sources: Global Trade Atlas, industry experts, company websites*  
*Contact: FAS The Hague, [atgthe Hague@fas.usda.gov](mailto:atgthe Hague@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

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.

For the fifth consecutive year, 2020 will see the Dutch economy growth at a faster pace (1.5 percent) than the EU eurozone average (1.1 percent). According to the Netherlands Bureau for Economic Policy Analysis (CPB), the Dutch economy is expected to see a "return to normalcy" as GDP growth hovers around 1.5 percent of GDP after higher growth rates between 2017-2019. Unemployment is expected to reach a historical low in 2019, and will remain exceptionally low in 2020, contributing to an active workforce that has scaled the nine million mark for the first time in history. Public finances remain in very good order, with a fifth consecutive year of budget surpluses and a national debt that remains securely below 50 percent of GDP.

In its 2020 outlook, CPB points to uncertainties that could negatively influence the otherwise sound economy. The open economy of the Netherlands is very receptive to changes in the global trade. Trade tensions abroad, concerning Brexit and the ongoing U.S.-China trade dispute, are identified as events that could hinder the Dutch economy. Domestic spending is the main driver for economic growth, as disposable income of households continues to grow, and private sector investment growth remains positive. Higher government spending and a lower tax burden also contribute to Dutch GDP growth. Overall, the Dutch economy remains strong, even if GDP growth has peaked.

Table 1. Key Data Dutch Economy

	2017	2018	2019	2020
Economic Growth, percentage	2.9	2.6	1.8	1.5
Unemployment, percentage	4.9	3.8	3.4	3.5
Inflation (HICP), percentage	1.3	1.6	2.6	1.3
GDP (billion USD)	738	774	808	832

Source: Netherlands Bureau for Economic Policy Analysis

### Population and Key Demographic Trends

At the end of 2019, the Dutch population is expected to total 17.3 million, and is expected to continue to grow annually by 60 thousand 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.

Half of the Dutch population currently lives in cities and the trend of moving to urban areas is expected to continue. Between 2018 and 2035, the Dutch population will grow by a total of 1 million people, of which three-quarters will be born in cities. The population of Amsterdam alone will grow by 150,000 and will 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 2018, the number of households in the Netherlands grew from 6.8 million to 7.8 million, almost 15 percent. This growth is largely due to the increase in ‘one-person households,’ which grew by 30 percent, while the number of ‘more than one-person households’ grew by only seven percent. ‘One-person households’ now account for 17 percent of all households, but this number will increase to 20 percent in 2035. It is expected that the number of these households will continue to grow faster as the aging Dutch population will want to live independently for as long as possible. At the same time, over half of the people who live alone have either never been married or are. 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. 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 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. 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 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 'wining & 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. 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 GAIN Report the Dutch Food Retail Market – June 26, 2019 and the GAIN Report the Dutch Foodservice Market – September 17, 2019. There are more exporter assistance reports that can be downloaded from the following websites: <https://gain.fas.usda.gov/#/search>.

## SECTION III. IMPORT FOOD STANDARDS & REGULATIONS AND IMPORT PROCEDURES

Most 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 if 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 following GAIN Report: the Netherlands' Food and Agricultural Import Regulations and Standards Report – March 21, 2019.

## 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 seven percent in 2018 to over 5.4 billion USD (€ 4.9 billion). The share of sustainable food compared to total spending on food is estimated to have been 11 percent in 2018. 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.

### *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 this 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, breakfast place, or craft beer bars appeal to today's consumers.

### *Awareness of Health and Well-Being*

Increasingly consumers seem to 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, 2018	Imports from U.S., million USD, 2018 (U.S. market share)	2013 – 2018 Average annual import growth
Food preparations (HS210690)	1,675	224 (13%)	7%
Craft beer (HS2203)	439	5 (1%)	18%
Processed vegetables	1,571	98 (6%)	5%
Processed fruit (HS200899)	263	35 (13%)	40%
Coffee extracts (HS210111)	138	11 (8%)	56%
Bread, pastry, cakes (HS190590)	919	18 (2%)	11%
Cookies (HS190531)	323	3 (1%)	29%
Sauces and condiments (HS210390)	379	9 (2%)	12%
Dog & cat food (HS230910)	638	26 (4%)	202%

Source: [www.tradedatamonitor.com](http://www.tradedatamonitor.com)

Links to access retailer 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 GAIN Reports: the Netherlands' Food Retail Market – June 26, 2019, the Netherlands' Foodservice Market – September 17, 2019, and the Netherlands' Food Processing Ingredients Report – April 3, 2019.

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

Table 4. Netherlands' Imports of Consumer Oriented Products, 2018 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: 439 million USD	1. Belgium, 57 2. Germany, 17 3. U.K., 7 <b>9. USA, 1</b>	Competition from neighboring countries: Belgium, Germany, and France.	Strong demand for new flavors, funky labels, and innovative tastes.
Fish products (Product group) Total imports: 4,412 million USD	1. Iceland, 13 2. Germany, 10 3. Belgium, 7 <b>14. USA, 2</b>	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: 105 million USD	<b>1. USA, 60</b> 2. Belgium, 11 3. Egypt, 6 4. Honduras, 4 5. Spain, 4	Competition from Egypt, Honduras, Spain, and China.	Restaurants are increasingly serving sweet potatoes. Demand exists for variety and added value sweet potatoes.
Condiments and sauces (Product group) Total Imports: 500 million USD	1. Germany, 20 2. Belgium, 14 3. U.K., 10 4. Poland, 10 <b>11. USA, 2</b>	First four suppliers benefit from proximity and being in the EU market.	Demand for good quality and unique products.
Walnuts (HS080231) Total Imports: 12 million USD	<b>1. USA, 56</b> 2. Chile, 18 3. Australia, 11 4. Germany, 6 5. France, 3	Growing competition from Chile.	Growing demand from food manufacturers, confectioners, and snack industry. Benefit from healthy image.
Ice cream (HS210500) Total Imports: 241 million USD	1. Belgium, 40 2. Germany, 22 3. Italy, 9 <b>14. USA, 0</b>	Belgium as well as Germany and Italy 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: 2,399 million USD	1. Germany, 16 2. Belgium, 15 3. Ireland, 8 4. Argentina, 8 <b>8. USA, 5</b>	The United States exports high quality and grain fed beef, known for its quality, consistency, and taste, for the high-end foodservice industry.	There is not enough high quality Dutch beef available. Ireland, Argentina, Uruguay, Brazil, and the United States all profit from this deficit.
Wine (HS2204) Total Imports: 1,382 million USD	1. France, 29 2. Italy, 13 3. Germany, 12 <b>14. USA, 1</b>	France, Italy, Germany, and Spain have well known, good quality wines at competitive prices. They are popular holiday destinations.	No commercial availability of domestic wine in the Netherlands.

Source: [www.tradedatamonitor.com](http://www.tradedatamonitor.com)

## SECTION V. AGRICULTURAL AND FOOD IMPORTS

### **Agricultural & Food Import Statistics**

Dutch imports of 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 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 market 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>.

### **Attachments:**

No Attachments