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Global Agriculture Information Network

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A faint, light gray world map is visible in the background of the page, showing the outlines of continents and countries.

Market Brief - Product

Austria : Rice

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Vienna [AU1], AU

Summary

Higher prices after EU accession resulted in a slight drop in rice consumption. However, there is still growth potential due to population growth and the increasing number of ethnic restaurants. Domestic demand is mainly for long grain rice. Parboiled rice accounts for about half of total rice consumption accounts for parboiled rice. Like other convenience products, rice mixtures are finding a growing market. End summary.

Consumption trends

Before EU accession, rice consumption increased steadily and partly substituted for potatoes. Higher prices after EU accession caused a drop in per- capita rice consumption from 4.7 kg in 1994 to 4.5 kg in 1995. In 1996 and 1997 it remained at the 1995 level. However, due to improving standard of living and the continuous immigration from countries where rice is the basic food, rice consumption is expected to increase slightly in the long term. The expanding number of ethnic restaurants should contribute to the increase in rice consumption.

Following EU accession, the share of long-grain rice increased to around 80% whereas that of medium grain rice dropped to 11%. With 9%, short- grain consumption remained at about the previous level. Predominantly long-grain rice is parboiled; its share of total rice consumption is around 50%. With the rising popularity of convenience products, the share of boil-in-the-bag rice, estimated at 12% of total rice consumption, should increase. In line with this trend is the rising demand for rice mixtures such as rice with wild rice and rice with other grains. Consumption of brown rice is small but due to the ongoing health wave has growth potential.

In the period before EU membership, Austrian breweries used around 25,000 MT of industrial rice, mainly broken rice each year. However, the higher price after EU accession caused a significant drop in consumption of industrial rice. No increase is expected in industrial rice consumption (16,000 MT in 1996 and 10,000 MT in 1997).

Domestic and Foreign Competition

As no rice is produced in Austria, the entire quantity is imported. Prior to EU accession, the U.S. was the predominant supplier of rice for human consumption and the second largest for broken rice. Since EU membership, both total rice imports and the U.S. share dropped. In 1997, around 22,500 MT of rice intended for human consumption was imported of which 10% came directly from the U.S. However, the actual share of U.S. rice is larger as a significant part of supplies passing through Germany, Belgium, the Netherlands, and Italy is U.S. rice. The major share of U.S. rice imports is parboiled long-grain rice (90%). The main competitor for U.S. long-grain rice intended for human consumption is probably Thai rice coming from Germany, Netherlands, and Belgium. The volume of imported short-and medium-grain rice is relatively small.

In Austria, the market leader for branded rice is Uncle Ben's of Master Foods, which has its own establishment in the country. The company Kresto is one of the largest rice traders which packs

for several supermarket chains and in addition sells under its own name.

Since EU accession, the bulk of broken rice (about 80%) comes from Italy.

Distribution Channels

Austria has no rice mill but rice packing is carried out within the country. However, many traders have packaging done directly at mills in Germany, the Netherlands, Belgium, and Italy. Imports are carried out by wholesalers and by large supermarket chains. In addition, agencies are involved in the rice business. The major share of rice is sold by the large supermarket chains which cover more than 90% of the Austrian food market. Brown rice is also sold in health food shops.

Pricing

Wholesale prices are not available. Retail prices are as follows:

| | |
|---|----------|
| “Kresto” U.S. parboiled long grain, 1kg box | AS 19.90 |
| “Meinl” U.S. parboiled long grain, 1kg box | AS 19.90 |
| “Meinl” Siam Patna long grain, 1kg box | AS 17.90 |
| “Meinl” Italian middle grain, 1kg box | AS 16.90 |
| “Meinl” Italian Splendor round grain, 1kg box | AS 19.90 |
| “Kresto” Indian Basmati long grain, 500g box | AS 29.90 |
| “Uncle Ben’s” parboiled long grain, 1kg box | AS 39.90 |
| “Uncle Ben’s” 7 grains (rice, wild rice and 5 grains), 500g box | AS 29.90 |

Packaging and Labeling Requirements

- Name under which the product is sold
- Ingredients, including food additives, in descending order (regards rice mixtures, rice dishes)
- Net weight or quantity in metric units
- Expiration date (day/month/year)
- Lot number (producer, manufacturer, packer, or first wholesaler)
- Name or firm name and address of the manufacturer or packer, or first wholesaler
- Place of origin, including any particulars needed to clarify to consumers the true origin of the foodstuff
- Nutritional labeling (per the Austrian Ordinance on Labeling of Nutritional Values, Federal Gazette 896/1995): nutritional value including content of protein, carbohydrates, fat, fiber, minerals and vitamins. This regulation is compulsory if a nutritional claim appears on the label, in presentation, or in advertising, with the exception of generic advertising. Nutritional claims permitted are limited to those related to energy values and the following nutrients: protein, carbohydrates, fat, fiber, sodium, and prescribed vitamins.

Health claims and any health-related information on a food product require registration of the

product at the Federal Chancery.

Food products can enter the country with standard U.S. labels or can be unlabeled, but before distribution they must be labeled in accord with local requirements. Stick-on labels meeting local requirements are permitted. Labeling must be in the German language.

Import Regulations

Imports of rice require an import license from Agricultural Market Austria. The importer has to apply for the license which is routinely issued. The import duty is as follows:

Milled rice, parboiled:

| | | | |
|---------------|--------------|---------|--------|
| 1006 3061 001 | round grain | 473.530 | XEA/MT |
| 1006 3063 001 | middle grain | 473.530 | XEA/MT |
| 1006 3067 001 | long grain | 494.0 | XEM/MT |

Milled rice, not parboiled:

| | | | |
|---------------|--------------|---------|--------|
| 1006 3092 001 | round grain | 473.530 | XEA/MT |
| 1006 3994 001 | middle grain | 473.530 | XEA/MT |
| 1006 3098 001 | long grain | 494.0 | XEM/MT |

Milled, parboiled or not parboiled rice imported within the quota is duty free.

| | | | |
|---------------|-------------|-------|-------------------------------------|
| 1006 4000 901 | broken rice | 152.0 | XEM/MT |
| 1006 4000 901 | broken rice | 124.0 | XEM/MT if imported within the quota |

1 XEA = AS 13.9567

1 XEM = AS 13.7558

Average rate of dollar in the first half of 1998: U.S. \$ 1 = AS 12.71

All imports are subject to a 10% import tax.

The following food regulations must be observed:

Directive 94/35/EC on sweeteners (Suessungsmittelverordnung, Federal Gazette # 547/1996 and 680/1996) sets conditions for the use of permitted sweeteners e.g. sorbitol, saccharine, etc.

Directive 94/36/EC on colors (Farbstoffverordnung, Federal Gazette # 541/1996) establishes a list of permitted colors and conditions of use (including maximum levels of use in particular foodstuffs), a list of foodstuffs in which colors may not be used, and a list of colors permitted for certain uses only.

Directive 95/2/EC on food additives other than colors and sweeteners (special miscellaneous directive) establishes a listing of generally permitted additives, conditionally permitted preservatives and antioxidants, anti-caking agents, emulsifiers, stabilizers, etc.

List of Importers:

Company: ADEG Handels AG - Food Retailer-Supermarket Chain
Title: Dkfm. Gaudenzdorfer Guertel 41-45
Contact: Guenther Mitteregger A-1220 Vienna, Austria
Position: Vorstandsmitglied
Fax: 43-1-813-2529
Tel: 43-1-811-460

Company: Billa Warenhandels AG. -Food Retailer-Supermarket Chain
Title: Mr. Billastrasse (Industriezentrum)
Contact: Veit Schalle A-2351 Wr Neudorf
Position: Generalbevollmaechtigter Austria
Fax: 43-2236-600228
Tel: 43-2236-6000

Company: Hofer KG- Food Retailer-Supermarket Chain
Title: Mgr.
Contact: Tuman A-4642 Sattledt
Position: Mr. Austria
Fax: 43-7244-800046
Tel: 43-7244-08000

Company: Klaus Loesch, GesmbH, Bio-Quelle
Title: Mr. Haager Strasse 44a
Contact: Klaus Loesch A-4400 Steyr, Austria
Position:
Fax: 43-7252-62388
Tel: 43-7252-62388

Company: Julius Meinl AG- Food Retailer-Supermarket Chain
Title: Dr. Julius Meinl Gasse 3-7
Contact: Ferdinand Hacker A-1160 Vienna, Austria
Position: General Manager
Fax: 43-1-488-601-477
Tel: 43-1-488-60510

Company: Maximarkt GesmbH - Supermarket
Title: Dkfm Backermuehleweg 61
Contact: Johann Rohregger A-4034 Linz
Position: Geschaefsfuehrer Austria
Fax: 43-732-80811216
Tel: 43-732-808110

Company: M-Preis Warenvertriebsgesellschaft
Title: Mag. Landstrasse 16

Contact: Anton Moelk A-6176 Voels, Austria
Position:
Fax: 43-3512-30-445515
Tel: 43-3512-304455

Company: Pfeiffer Grosshandel
Title: Mag. Egger-Lienz Strasse 15
Contact: Georg Pfeiffer A-5040 Traun
Position: Director Austria
Fax: 43-722-93113269
Tel: 43-722-931130

Company: Spar Oesterr. Warnehandels AG - Food Retailer-Supermarket Chain
Title: Dr. Europastrasse 150
Contact: Gerhard Drexel A-4050 Traun, Austria
Position: Director
Fax: 43-6624-470505
Tel: 43-6624-470

Company: VOG Einfuhr & Grosshandel
Title: Mr. Baeckermuehlweg 44
Contact: Otto Bruckner A-4020 Linz
Position: Vorstandsvorsitzender Austria
Fax: 43-7323-738207
Tel: 43-7323-7380

Company: ZEV Markant Zentrale Einkaufs-Vertriebs GesmbH
Title: Dir. Leopoldgasse 4/1
Contact: Dieter Weihs A-1025 Vienna
Position: General Manager Austria
Fax: 43-1-214569634
Tel: 43-1-2145695

Company: Ur. F. & Co. Ges. M. b. H.
Title: Mr. Josef Krainer-Str. 16
Contact: Karl Kuhn A-8074 Raaba
Position: General Manager Austria
Fax: 43-1-316 40 07
Tel: 43-1-316 40 07 18

Company: Kresto
Title: Dir. Wielandsthal 16
Contact: Josef Bertagnoli A-3130 Herzogenburg
Position: Managing Director Austria
Fax: 43-1-2782 82800
Tel: 43-1-2782 83201

Company: Friedrich Glatz Lebensmittel Ges.m.b.H.
Title: Dir. Johannesgasse 23
Contact: Friedrich Glatz A-1010 Wien
Position: Managing Director Austria
Fax: 43-1-51559 49
Tel: 43-1-51559

Company: Maresi Naehrmittel.
Title: Ms. Johannesgasse 23
Contact: Sabine Schwaiger A-1010 Wien
Position: Werdertorg. 5 - 7 Austria
Fax: 43-1-3341021
Tel: 43-1-5353831/39