MARKET REPORT
FOOD
Focus on the Swedish Market
2013
# Index

## INTRODUCTION

**4**

## THE SWEDISH FOOD MARKET

**5**

*Market Size*  
*Market Characteristics*  
*Market Segments*  
  - Retail Sector  
  - Foodservice Sector  
  - Food Processing Industry

## IMPORTS AND EXPORTS OF FOOD

**10**

*Imports*  
*Domestic Production and Exports*  

## CHANNELS OF DISTRIBUTION

**13**

*Retail Groups*  
  - ICA Group  
  - Coop Group  
  - Axfood  
  - Bergendahls Food  
  - Other Retail Groups

Wholesalers for the Convenience Store Sector  
Wholesalers for the Foodservice Sector  
Importers of Fresh Fruit and Vegetables  
Importers of Alcoholic Beverages  
Importers of Other Food Products  
Importers of Raw Materials and Food Ingredients

## MARKET ACCESS

**20**

*Customs Duties, General Import Regulations.*  
*Business Terms, Finding Trading Partners.*

## MARKET PROSPECTS

**21**

Appendix 1 - Imports and Exports of Food, by Value 2010-2012  
Appendix 2 - Retail Sales of Food, by Value 2009-2011  
Appendix 3 - Direct Consumption of Food, by Quantity 2008-2011  
Appendix 4 - Facts about Retail Groups  
Appendix 5 - Useful Internet Links  
Appendix 6 - Currency Conversion

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Introduction

Sweden, called Sverige in Swedish, is a country in Northern Europe, with a population close to 10 million people. Since year 2000, the population has grown with 0.8 million people (+9%), of which a substantial part through immigration.

Sweden has from 1995 been a full member of the European Union (EU), which from July 2013 has 28 member countries. The EU has abolished all trade barriers between the member countries and can therefore be described as a single, unified market. Another four countries cooperate with the EU in the European Economic Area (EEA) and therefore participate in the European single market without having joined the EU.

The population of the 32 EEA-countries is around 520 million people. Sweden’s share of the total population is close to 2%, which means that it is one of the mid-sized national markets. However, the five Nordic countries (also known as Scandinavia) - Denmark, Norway, Sweden, Finland and Iceland - with about 26 million inhabitants, are more and more regarded as the “home market” for companies within the Swedish food trade and industry.

The total population of Europe is around 740 million, including non EU-countries such as Russia, Ukraine and several countries in the Balkans.

Sweden has experienced a rapid growth during the last 50 years and is among the wealthiest nations in the world. Also in comparison with other European countries, the Swedish GDP per capita normally is about 20-30% higher than the EU average.

The Euro (€), the second most traded currency in the world, is the official currency of the European Union, and is currently in use in 18 of the 28 Member States. However, Sweden has for the moment decided not to participate in the Euro monetary system, and therefore still uses its national currency, the Swedish krona (code SEK), in English normally referred to as the “Swedish crown” (since krona means crown in English). For currency conversion between the Swedish krona, the euro and the US dollar, please refer to Appendix 6.

THE SWEDISH FOOD MARKET

MARKET SIZE

Swedish consumers spent about 14% of their household budget on food and beverages in 2012, about the same as the EU average. Other important areas of the private consumption were other consumer articles (18%), housing (26%), and transports (12%) as well as services, leisure activities and health care (30%).

During 2012, consumer’s food expenditure increased about 3% to SEK 323 billion (€37 billion). Of the total, the retail trade accounted for about 74% and the food service sector for the remaining 26%.

Consumption of food and beverages amounted to SEK 240 billion (€27 billion) in 2012 (including alcoholic beverages), which was 3.3% higher than the year before. The rise was due to increased volumes (2.5%) as well as increased prices (0.8%).

The main product groups were meat products (16%), dairy products and fats (16%), fruit and vegetable products (15%), and bread and cereal products (13%). Due to high taxation, also consumption of alcoholic beverages (beer, wine, spirits) is notable when measured by value (14%).

Even though consumption of beverages, coffee, dairy products, bread, meat, and fish have increased considerably in recent years, the development of the per capita consumption is less distinct. In fact, only two product groups – bread and cereals, convenience foods, sauces and confectionery – can show a positive progress, while some product groups have experienced a negative trend.
and social issues. A major development is the introduction
enced by consumer awareness of health, environmental,
The food market has for a number of years been influ
modest development in the coming years.
trade therefore estimate that food sales will show a more
the positive trend has been slowed down and the food
increases account for about half and real increase in vol-
market value for foodstuffs and beverages has
By value 2011-2012
Consumption of Food and Beverages,

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>VALUE SEK MILLION 2011</th>
<th>VALUE SEK MILLION 2012</th>
<th>%</th>
<th>SHARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dairy products, fats and eggs</td>
<td>36 995</td>
<td>38 325</td>
<td>+4.0</td>
<td>16</td>
</tr>
<tr>
<td>Meat products</td>
<td>36 610</td>
<td>37 855</td>
<td>+3.4</td>
<td>16</td>
</tr>
<tr>
<td>Fruit and vegetables</td>
<td>33 690</td>
<td>34 805</td>
<td>+3.3</td>
<td>15</td>
</tr>
<tr>
<td>Bread and cereal products</td>
<td>29 670</td>
<td>30 610</td>
<td>+3.2</td>
<td>13</td>
</tr>
<tr>
<td>Fish and seafood</td>
<td>11 005</td>
<td>11 375</td>
<td>+3.4</td>
<td>5</td>
</tr>
<tr>
<td>Coffee, tea and cocoa</td>
<td>5 905</td>
<td>6 125</td>
<td>+3.7</td>
<td>3</td>
</tr>
<tr>
<td>Other food products</td>
<td>30 410</td>
<td>31 455</td>
<td>+3.5</td>
<td>13</td>
</tr>
<tr>
<td>Non-alcoholic beverages*</td>
<td>14 550</td>
<td>14 975</td>
<td>+2.9</td>
<td>6</td>
</tr>
<tr>
<td>Alcoholic beverages</td>
<td>33 555</td>
<td>34 455</td>
<td>+2.7</td>
<td>14</td>
</tr>
<tr>
<td>• Total</td>
<td>232 400</td>
<td>240 000</td>
<td>+3.3</td>
<td>100</td>
</tr>
</tbody>
</table>

In summary, the food market in Sweden during the
market for non-European immigrants (about 5% of the
total population) also foodstuffs from countries in the
Middle East, Africa and South America have increased in
demand. In fact, all major retail groups have during the
couple of years introduced an "ethnic" assortment consisting
of several hundred different products in their
supermarkets, which has been met with a relatively big
success. Several of the these trends can be seen in the
following list, showing food items with the largest sales
increases within the supermarket trade during the last
couple of years:

- Exotic foods with well-defined flavours (pomegran-
te, goji berries, coconut beverages, coconut milk)
- Organic foods (especially organic chocolate and
ready-to-eat dishes)
- Gluten-free food (popular with many consumers with
allergies)
- Sports and energy beverages and health bars
- Sliced ready-to-eat dishes and items (such as pizza
slices and sliced fruit)
- Spicy snacks (containing e.g. chili, garlic, ginger,
onion)
- Hot sauces and spicy condiments

Taking into account the relatively large number of
non-European immigrants (about 5% of the total popula-
tion) also foodstuffs from countries in the Middle East,
Africa and South America have increased in demand.

On the other hand, there are also several product groups
that for a number of years have shown a more modest
even a negative sales development, for example
foods with a high content of salt, fats (such as marga-
rine), sugar, and spirits.

**MARKET SEGMENTS**

For food exporters, the Swedish market can be divided
into two main market segments: the retail and food ser-
vice sectors, and the food processing industry.

**RETAIL SECTOR**

The Swedish retail trade has experienced a very positive
trend in recent years. In fact, sales of food and beverages
have increased every year between 2000 and 2012.
During 2012, sales within the total food retailing market,
which besides food and beverages also include an as-
sortment of other daily commodities and non-food prod-
ucts, reached SEK 276 billion (€ 31.7 billion), about 4
percent higher than the preceding year. However, due to
price increases, the actual sales volume in 2012 was
about 2 percent than the year before.
It should be noted that these food retail figures do not
include sales of alcoholic beverages, which is carried out
by a state monopoly. Systembolaget, which has the sole
rights of over-the-counter retail sales.

**MARKET CHARACTERISTICS**

Swedish food consumption consists of more than 70% of
canned, frozen and highly processed foods. This is
internationally a very high figure. The remaining part is
composed of non-processed products, such as fresh
fruit and vegetables, fresh fish, fresh meat and eggs.

Sweden counts as a mature market for groceries, which
normally means that there should be a relatively slow
market growth. However, during the last couple of years,
the market value for foodstuffs and beverages has
increased about 5 to 6 percent per year, of which price
increases account for about half and real increase in vol-
umes for the remainder. But for the last couple of years,
the positive trend has been slowed down and the food
trade therefore estimate that food sales will show a more
modest development in the coming years.

The food market has for a number of years been influ-
enced by consumer awareness of health, environmental,
and social issues. A major development is the introduction
of certified organic (also called ecological or biodynamic)
foods, as well as Fair Trade labelled products, especially
within “natural” product groups such as fresh fruit and
vegetables, cereals and coffee.

During 2012, about 4% of all foods and beverages
sold within the retail trade were certified organic, when
measured by value. The increase was about 10%, thus
substantially higher than for the overall food market,
which was around 4%.

At the same time increased interest in healthy foodstuffs
has expanded sales of products that are regarded as
nutritious, e.g. nuts, cereal grains, and health bars.

There is also a high interest for food products from other
countries, especially for so called ethnic foods, such as
Italian, Chinese, Indian, and Mexican style products.
This has led to significant sale increases especially of
ethnic products such as oils and vinegar, condiments,
spicy sauces and dressings.

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These food products have gained ground especially in
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**MARKET SEGMENTS**

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FOOD RETAIL MARKET 2012

Food retail market includes sales of both food and other daily commodities (such as chemicals, technical and household paper products, flowers, tobacco and magazines), as well as a small assortment of non-food. Sales incl. 12% VAT (value added tax).

<table>
<thead>
<tr>
<th>TYPE OF STORE</th>
<th>NUMBER OF STORES</th>
<th>SALES SEK MILLION</th>
<th>M-SHARE %</th>
<th>SALES PER STORE IN SEK MILLION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hypermarkets</td>
<td>150</td>
<td>50 000</td>
<td>18</td>
<td>333</td>
</tr>
<tr>
<td>Supermarkets</td>
<td>2 300</td>
<td>132 000</td>
<td>48</td>
<td>57</td>
</tr>
<tr>
<td>Discount stores</td>
<td>450</td>
<td>33 000</td>
<td>12</td>
<td>73</td>
</tr>
<tr>
<td>Convenience stores</td>
<td>3 100</td>
<td>28 000</td>
<td>10</td>
<td>9</td>
</tr>
<tr>
<td>• Total</td>
<td>6 000</td>
<td>243 000</td>
<td>88</td>
<td>41</td>
</tr>
<tr>
<td>Other stores*</td>
<td>--</td>
<td>33 000</td>
<td>12</td>
<td>--</td>
</tr>
<tr>
<td>• Total</td>
<td>--</td>
<td>276 000</td>
<td>100</td>
<td>--</td>
</tr>
</tbody>
</table>

*Includes smaller kiosks, tobacconists, fruit and candy stores, health food stores, bakeries, meat and deli stores, fish stores, food halls, street markets, drugstores, pharmacies, etc.

Sources: Fox Research, Market Vem-är-Vem

In Sweden, most retail sales of food pass through supermarkets and other general grocery stores with a wide assortment of foodstuffs and household items such as paper products, chemical products, toiletries, flowers, newspapers and tobacco. There are approx. 6,000 grocery stores with a full line of food and other household items, of which half are larger stores, such as hypermarkets, supermarkets and discount stores, and half are smaller convenience stores. Discount stores with a limited assortment have in recent years obtained a relatively large market share, approx. 12%.

There are also a large amount of bakeries, fruit stores, deli stores and other single-line stores as well as kiosks and street markets. In addition, there are state-run liquor stores, which are the only retailers that have the right to sell alcoholic beverages, such as wine, spirits and strong alcoholic beer.

FOODSERVICE SECTOR

At the wholesale level, the foodservice sector account for about 18% of the total purchases of food products. However, at the consumer level, the share is substantially higher.

During 2012, sales of food and beverages within the foodservice sector amounted to approx. SEK 83 billion (€9.5 billion), which indicates that this sector absorbs about 26% of consumers total food expenditures.

Sweden actually ranks as one Europe’s leading markets for out-of-home meals.

According to a recent study, the average Swedish consumers had meals outside their homes 168 times.

For other European countries like France, Italy and Spain, the corresponding figure was only slightly over 100 per year.

In total, the foodservice-sector comprises approx. 31,000 units, such as restaurants, coffee shops, fast food outlets and canteens.

The restaurant sector, which account for a little over 70 percent of the sales volume, comprises approx. 19,000 units, of which 12,000 are restaurants, coffee shops, and hotels, and 7,000 are fast-food outlets. Most of the units in the restaurant sector are family run businesses, but there are also a few large national chains, especially within the fast food and hotel segments. A trend is the fast growing number of ethnic restaurants and fast food outlets, as well as coffee shops. The canteen sector (also called contract catering market) account for almost 30 percent of the sales volume and includes 12,000 units, of which a large share is located in schools, hospitals, day-care and old age centres.

Local, regional or national authorities and agencies run the majority of these canteens. There are also a number of staff canteens in large office and industrial complexes, either run by the companies themselves or by national restaurant chains.

FOOD PROCESSING INDUSTRY 2009-2011

The Swedish food processing industry counts as an important market segment for foreign suppliers of foodstuffs. Even though domestic producers and companies still supply the main part of the raw materials and food ingredients used, imports are on the increase.

The food processing industry consists of about 3,100 companies with 52,000 employees. In 2011, the estimated net turnover amounted to approx. SEK 170 billion (€19.0 billion), which means that food manufacturing accounted for about 10% of Sweden’s total industrial output.

The most important sectors within the Swedish food industry are bakeries, meat plants, and dairies, with more than 50% of the value of output. However, domestic producers mainly supply these sectors, as well as the milling, sugar and spirits industries.

The branches, which depend mostly on imports, are the coffee, oils & fats, spice & condiments, chocolate & confectionary, and fish & seafood industries. Also manufacturers and canners of fruit juices, and fruit & vegetables, largely depend on imports. In recent years, also the meat industry has become a large importer.

For more details about Swedish food manufacturers, see table on page 20 “Large Swedish Food Manufacturers”.

FOOD PROCESSING INDUSTRY 2009-2011

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bakery</td>
<td>14 700</td>
<td>13 900</td>
<td>14 300</td>
<td>1 396</td>
<td>1 439</td>
<td>1 396</td>
</tr>
<tr>
<td>Meat</td>
<td>10 900</td>
<td>10 800</td>
<td>10 700</td>
<td>511</td>
<td>511</td>
<td>511</td>
</tr>
<tr>
<td>Dairy</td>
<td>6 100</td>
<td>6 400</td>
<td>5 900</td>
<td>139</td>
<td>139</td>
<td>139</td>
</tr>
<tr>
<td>Fruit &amp; Vegetables</td>
<td>4 900</td>
<td>4 300</td>
<td>4 100</td>
<td>216</td>
<td>216</td>
<td>216</td>
</tr>
<tr>
<td>Brewery &amp; Soft drinks</td>
<td>3 900</td>
<td>3 900</td>
<td>3 500</td>
<td>102</td>
<td>102</td>
<td>102</td>
</tr>
<tr>
<td>Chocolate &amp; Confectionary</td>
<td>2 500</td>
<td>2 400</td>
<td>2 200</td>
<td>203</td>
<td>203</td>
<td>203</td>
</tr>
<tr>
<td>Fish and Seafood</td>
<td>1 900</td>
<td>1 900</td>
<td>1 900</td>
<td>215</td>
<td>215</td>
<td>215</td>
</tr>
<tr>
<td>Milling &amp; Starch</td>
<td>1 700</td>
<td>1 700</td>
<td>1 800</td>
<td>116</td>
<td>116</td>
<td>116</td>
</tr>
<tr>
<td>Spirits &amp; Wine</td>
<td>1 000</td>
<td>1 000</td>
<td>800</td>
<td>60</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>Oils &amp; Fats</td>
<td>1 200</td>
<td>800</td>
<td>800</td>
<td>48</td>
<td>48</td>
<td>48</td>
</tr>
<tr>
<td>Sugar</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Other</td>
<td>5 000</td>
<td>5 100</td>
<td>5 700</td>
<td>388</td>
<td>388</td>
<td>388</td>
</tr>
<tr>
<td>• Total</td>
<td>54 300</td>
<td>52 200</td>
<td>52 200</td>
<td>3 165</td>
<td>3 165</td>
<td>3 165</td>
</tr>
</tbody>
</table>

Source: Statistics Sweden
IMPORTS AND EXPORTS

Sweden has traditionally been more or less self-sufficient in basic foods like meat, dairy products and cereals. However, during the last two decades, especially since joining the EU in 1995, imports have shown a steady yearly increase, also regarding the basic “domestic” products. The total degree of self-sufficiency is at present estimated to be about 55-60%, and thus 40-45% is imported. At the same time, exports have shown a large increase, which means that the domestic food industry is a growing importer of raw food materials and food ingredients. Sweden imports almost twice as much food products as it exports. In 2012, imports amounted to SEK 100 billion (€11.5 billion) and exports to SEK 57 billion (€6.5 billion).

The net trade gap between imports and exports amounted to 43% in 2012, compared to 46% in 2008, see also tables on the page 12.

 IMPORTS

Imports of food and beverages have shown a steady increase during the last couple of years. Between 2006 and 2012, the import value has grown by 40%, when measured by local currency. During 2012, imports amounted to about SEK 100 billion (€11.5 billion), an increase of 3.3% compared to the preceding year, and 8% compared to 2010, when measured by local currency.

The primary food import consists of food, which is not at all produced within Sweden such as citrus fruit, nuts, green coffee, tea, cocoa, spices and wine, and also of products, which are only produced during a part of the year, for example fresh vegetables and most fresh fruit, such as apples.

Other notable import items are fish & seafood products (including re-exports of farmed fish), sauces and dressings, ready-to-eat meals, certain canned, frozen and dried foods, as well as animal feed. And as said earlier, also an increasing degree of meat, dairy and cereal products are imported.

Ranked by product groups, the two largest categories are fish and seafood products (24%) and fruit & vegetables (17%), whether fresh or processed.

Other important product groups are meat products and beverages, as well as cheese, chocolate and sugar confectionery, green coffee, oils & fats, and animal feed. Even though the market for meat products mainly is supplied by domestic production, it has in just a few years become the third largest import product group.

Processed food items account for over 60% of all food imports. The five most important categories are oils & fats, wine, cheese, filets of fish, and cuts of beef.

Food items showing the largest growth in imports during the last three years are cocoa paste, powder and butter (80%), fresh and frozen fish and seafood (35%), coffee (30%), charcuterie and delicatessen (30%), spices (25%), prepared and processed seafood (25%), fish filelets (20%), and dairy products (20%).

About 70% of all food imports are normally imported from the European continent, of which other EU-countries account for the dominant part. However, it should be noted that some imports from the EU in the statistics actually have their origin in countries outside of the EU. A typical example is fruit from Latin America that is delivered to Sweden via ports in Germany, Belgium or the Netherlands. This means that EU imports are somewhat overestimated in the data. In addition, Sweden imports a lot of farmed fish from Norway, which to a large extent is re-exported to other countries.

Four countries account for about half of the total import value: Denmark, the Netherlands, Norway, and Germany. OECD countries have during the last couple of years accounted for 90% of total imports, which means that non-OECD countries have had a share of just 10%.

Regarding countries in Asia, Africa and Latin America, the largest exporters to the Swedish market are Brazil and Colombia (mostly coffee), Costa Rica, Guatemala and Panama (bananas and coffee), as well as Kenya (coffee) and Thailand (mostly exotic fruits, both canned and frozen items). Other notable exporters are China, India, Vietnam, the Philippines, Indonesia, Malaysia, Chile, Egypt, Israel, Lebanon, Morocco, and South Africa.

DOMESTIC PRODUCTION AND EXPORTS

Traditionally, the Swedish food industry has been geared towards the domestic market and only 10-15% has been exported. But since joining the EU in 1995, exports have seen a steady increase year by year. During 2012, the export value amounted to SEK 56.9 billion (€6.5 billion), 7% more than the preceding year.

The main export item is fish and seafood products, which accounts for about 1/3 of all food exports (which as stated earlier, includes re-exports of farmed Norwegian fish). Other important export items are spirits, refined oils and fats, and basic cereal products (mostly rye and wheat).

About 2/3 of food exports are highly processed foodstuffs, which have seen a steady increase during the last few years. The largest Swedish export item is vodka, with the Absolut brand as the leading item, distributed to over 100 countries.

Other important export items are bakery products (mainly rye crisp bread, biscuits and other sweet bakery goods, frozen bread, and rusk), canned fish and seafood products, chocolate and confectionery, liquid fats and butter fat mixtures, filets of fish, high quality (100% arabica) roasted coffee, and milk powder.
FOOD IMPORTS BY PRODUCT GROUPS
BY VALUE 2010-2012

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>± 2010-12</th>
<th>SHARE 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meat products</td>
<td>9,395</td>
<td>10,357</td>
<td>11,137</td>
<td>+ 19%</td>
<td>11%</td>
</tr>
<tr>
<td>Dairy products and Eggs</td>
<td>6,886</td>
<td>7,144</td>
<td>7,281</td>
<td>+ 6%</td>
<td>7%</td>
</tr>
<tr>
<td>Fish &amp; Seafood products</td>
<td>23,282</td>
<td>23,338</td>
<td>24,224</td>
<td>+ 4%</td>
<td>24%</td>
</tr>
<tr>
<td>Cereal &amp; Bakery products</td>
<td>3,377</td>
<td>4,737</td>
<td>5,345</td>
<td>+ 22%</td>
<td>5%</td>
</tr>
<tr>
<td>Fruit and Vegetables</td>
<td>16,182</td>
<td>15,799</td>
<td>16,650</td>
<td>+ 3%</td>
<td>17%</td>
</tr>
<tr>
<td>Coffee, raw and roasted</td>
<td>3,972</td>
<td>5,066</td>
<td>4,735</td>
<td>+ 19%</td>
<td>5%</td>
</tr>
<tr>
<td>Chocolate and Confectionery</td>
<td>3,459</td>
<td>3,517</td>
<td>3,768</td>
<td>+ 9%</td>
<td>4%</td>
</tr>
<tr>
<td>Other food products</td>
<td>8,048</td>
<td>8,324</td>
<td>8,271</td>
<td>+ 3%</td>
<td>11%</td>
</tr>
<tr>
<td>Beverages</td>
<td>8,164</td>
<td>8,274</td>
<td>8,475</td>
<td>+ 4%</td>
<td>8%</td>
</tr>
<tr>
<td>Oil seeds &amp; Oils and fats</td>
<td>4,560</td>
<td>5,362</td>
<td>5,403</td>
<td>+ 16%</td>
<td>5%</td>
</tr>
<tr>
<td>Animal feed</td>
<td>2,985</td>
<td>3,187</td>
<td>3,448</td>
<td>+ 16%</td>
<td>3%</td>
</tr>
<tr>
<td>Live Animals</td>
<td>199</td>
<td>147</td>
<td>155</td>
<td>- 22%</td>
<td>0%</td>
</tr>
<tr>
<td>Tobacco</td>
<td>1,252</td>
<td>1,519</td>
<td>1,067</td>
<td>- 15%</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>92,737</td>
<td>96,772</td>
<td>99,959</td>
<td>+ 100%</td>
<td>12%</td>
</tr>
</tbody>
</table>

Source: Statistics Sweden

It should be noted that several of the largest export items, especially roasted coffee, chocolate bars, processed fish and seafood products, and refined oils and fats, fully or to a large extent are made from imported raw materials.

The most important export markets for the domestic food industry are other EU-countries (especially Denmark, Finland, Germany and France), accounting for over 70% of the total export value. Other large markets are Norway and the USA (vodka, roasted coffee, and cereals). See also table appendix 1, Imports and Exports of Food.

CHANELS OF DISTRIBUTION

Four trade groups, ICA, Coop, Axfood and Bergendahls, with both retail and wholesale activities, dominate the Swedish distribution of food and beverages to the retail sector. All four groups have also built up their own buying and import departments.

These trade groups import some of their general food supplies by themselves, especially items bought in high volumes, and some through independent wholesalers acting as importers or agents.

There are also wholesalers for different segments of the food sector. Thus, the convenience store segment is mainly supplied by specialised wholesalers, of which the leading ones are Axfood Närlivs, Menigo and Privab.

The foodservice sector (hotels, restaurants and catering establishments) is supplied by several wholesalers, of which three dominate the market, Martin & Servera (Axfood), Menigo and Svensk Cater.

Besides these groups, imports are also conducted by importing wholesalers specialised in certain food items such as fresh fruit & vegetables, cheese & egg, fish, meat products, health foods, confectionary or alcoholic beverages.

Specialised wholesalers may distribute their goods either via the large retail groups, catering or convenience store wholesalers, or directly to independent chains, large food stores, or catering chains and large units.

There are also some importers specialised in selling to the food industry, including bakeries. However, large food manufacturers often conduct their own buying.

There are also some importers specialised in selling to the food industry, including bakeries. However, large food manufacturers often conduct their own buying.
FOOD RETAILING STATISTICS 2012
Sales consist mainly of food and other daily commodities, including a small assortment of non-food articles. Sales figures incl. VAT (value added tax).

<table>
<thead>
<tr>
<th>GROUP</th>
<th>SALES SEK BILLION</th>
<th>%</th>
<th>NUMBER OF FOOD STORES</th>
<th>MARKET SHARE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICA Gruppen</td>
<td>114.0</td>
<td>+ 4.2</td>
<td>1,320</td>
<td>41</td>
</tr>
<tr>
<td>Coop Group</td>
<td>48.6</td>
<td>+ 2.1</td>
<td>650</td>
<td>18</td>
</tr>
<tr>
<td>Axfood</td>
<td>40.0</td>
<td>+ 7.7</td>
<td>720</td>
<td>14</td>
</tr>
<tr>
<td>Bergendahls Food</td>
<td>16.7</td>
<td>+ 5.3</td>
<td>160</td>
<td>6</td>
</tr>
<tr>
<td>Lidl</td>
<td>7.5</td>
<td>+ 10.0</td>
<td>160</td>
<td>3</td>
</tr>
<tr>
<td>Netto</td>
<td>5.3</td>
<td>+ 4.0</td>
<td>150</td>
<td>2</td>
</tr>
<tr>
<td>Reitan (7-Eleven)</td>
<td>2.9</td>
<td>+ 0.0</td>
<td>320</td>
<td>1</td>
</tr>
<tr>
<td>• Sum</td>
<td>235.0</td>
<td>+ 3.7</td>
<td>3,480</td>
<td>85</td>
</tr>
<tr>
<td>Other grocery stores</td>
<td>12.0</td>
<td>+ 3.0</td>
<td>2,520</td>
<td>4</td>
</tr>
<tr>
<td>• Sum</td>
<td>247.0</td>
<td>+ 3.6</td>
<td>6,000</td>
<td>89</td>
</tr>
<tr>
<td>Speciality food stores</td>
<td>29.0</td>
<td>+ 5.5</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>• Total</td>
<td>276.0</td>
<td>+ 4.0</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Retail Groups

As mentioned above, the Swedish food-retailing sector is highly concentrated. Four trade groups, with both integrated retail and wholesale activities, dominate the market:

- ICA - Sweden’s largest food retailer, has about 1,300 stores and a market share of about 41%.
- Coop - has 650 stores and approx. 18% of the whole food market.
- Axfood - has about 300 general grocery stores and approx. 400 convenience stores. The market share is around 14%.
- Bergendahls Food - has 160 stores and a market share of 6%.

These four groups account for almost 80% of the total retail market for foodstuffs and other everyday commodities. However, if only sales of ordinary grocery stores are counted (excluding small convenience stores and speciality food stores) their combined market share is even higher, about 95%.

All these groups are also cooperating with retailing groups in other Scandinavian or European countries, especially regarding imports.

In recent years, two foreign-based discount chains have been established in Sweden, Lidl of Germany and Netto of Denmark. Even though these chains have built up their own supply system in Sweden, all imports are coordinated with their headquarters in Germany and Denmark respectively. Their combined market share is still rather insignificant, about 5%, but it is expected to rise substantially within the next few years.

Another large food retailer is Reitan Servicehandel (with headquarters in Norway) which runs 7-Eleven and other convenience stores. In addition there are several petrol station chains as well as smaller independent stores and so called ethnic food stores (usually run by immigrants). These stores are generally supplied by specialised convenience store wholesalers, see also page 17.

About 11% of the food retailing market consist of speciality food stores such as pastry shops and bakeries, meat and deli stores, fish stores, health food stores, fruit & candy stores, kiosks, street markets, and non-food retailers (such as drugstores, pharmacies, tobacconists, and florists). Depending on line of business, these stores are either customers of specialised wholesalers or buy their supplies from cash and carry-units.

ICA GROUPEN

ICA Gruppen (The ICA Group), with headquarters in Stockholm, has retail subsidiaries in Sweden (ICA Sverige), Norway (ICA Norge) and in the Baltic countries (Rimi Baltic).

With 2,200 stores and a combined turnover of SEK 130 billion (€15 billion), ICA and its affiliated stores form together the second largest retailer within the Scandinavian grocery sector. ICA Gruppen is the clear market leader in Sweden (41% market share) and number four in Norway, and one of the top three retailers in the Baltic countries.

All Swedish ICA stores are owned by independent retailers, who are members of the ICA Association.

The Swedish retail business is handled by the subsidiary ICA Sverige and consists of approx. 1,300 different types of ICA food stores, from small neighbourhood stores to large superstores and hypermarkets.

ICA Sverige coordinates questions of common interest to all Swedish ICA operations. It also function as the ICA retailers company for marketing, logistics, distribution, accounts, retail development, training and financing/administration.

The buying department, which is organised within the parent company ICA AB in Stockholm, has been established to coordinate all buying activities of both ICA in Sweden and Norway. A special unit located in Helsingborg in south Sweden, ICA Frukt & Grönt, handles imports of fruit and vegetables.

During the last couple years, ICA have also been coordinating buying and trademarks with Ahold in the Netherlands, which earlier was a part-owner of ICA. ICA is since many years also engaged in import and buying cooperation with the Kesko Group, Finland’s second largest food retailer.

COOP GROUP

The co-operative KF group and its affiliated regional cooperative societies is the second largest food retail group in Sweden, with approx. 18% of the market.

The co-operatives are owned by approx. 3.2 million individual members, which mean that about 60% of all Swedish households are owners of the Coop Group.

KF and the affiliated regional co-operative societies operate about 650 retail stores nationwide, such as hypermarkets, supermarkets and minimarkets. The Coop stores have introduced Sweden’s largest assortment...
of organic and environmental friendly products, as well as an assortment of ethnic foodstuffs.

Coop Sverige, a subsidiary of KF, handles wholesaling, importing and distribution for all the Coop stores.

Part of the Coop’s international purchases of branded and private label products is handled by Coop Trading A/S, based in Copenhagen, Denmark. Coop Trading works as a buying agent for all consumer-cooperative organisations in Scandinavia - Coop Sweden, Coop Danmark, Coop Norway and the S-Group/SOK (Finland). The stores belonging to these four groups account for about 30% of the total food retail market in Scandinavia.

It should be noted, that imports of fresh fruit and vegetables are handled by Everfresh, an independent importer (see also page 18).

**AXFOOD**

Axfood is a trading, marketing and distribution company, with primary operations within the retail and wholesale trade in Sweden. The company, which is listed on the Stockholm stock exchange, is part owned by the Axel Johnson Group (45%).

Axfood, which has about 700 food stores around the country has a market share of about 14%. At the end of 2012, also the independent supermarket chain Vi, which has a strong market presence in Stockholm, became part of the Axfood group, which will increase the market share with about 2 percentage points.

The retail activities include supermarkets and discount stores, of which the majority are wholly owned, as well as convenience stores, which are run by independent retailers.

Both own and independent stores normally purchase all their goods through the central buying department of Axfood, called Axfood Products & Purchasing (APP). APP purchase about 20,000 food and other consumer goods items from more than 2,000 suppliers.

APP handles all imports (except fresh fruit and vegetables, which is conducted by Saba Trading, see also page 18). APP is also responsible for the development of private labels.

Axfood works closely with United Nordic, a part-owned company that import items together with wholesalers in Denmark ( Dagrofa/Superghros), Norway (Norges-Gruppen/Unil) and Finland (Tuko Logistics). The retail groups behind United Nordic account for about 20% of the total Scandinavian food retail market.

Wholesale activities include Dagab, a logistics company for the retail operations, and Axfood Närilvs wholesaler for the convenience store sector.

The Axel Johnson Group, which is Axfood’s largest owner, also owns Servera, a wholesaler for the food-service sector. In addition, Axel Johnson runs Åhléns, Sweden’s only nationwide department store chain.

**BERGENDAHL’S FOOD**

Bergendahls Food, a retailer and wholesaler based in south Sweden, has approx. 180 own and affiliated stores. The overall market share is 6%, but in south Sweden the share is substantially higher, over 20%.

The main retail activity comprises the CityGross chain, large discount supermarkets at present mostly situated in the south and middle part of the country.

Bergendahls Food has embarked on a massive expansion for the CityGross chain, which has resulted in over 30 new superstores all over the country in just a few years. This has increased the group’s market share substantially. Bergendahls Food is also the main supplier to several independent supermarkets.

During 2010, Bergendahls formed a new national retail group, Matrebellerna (the Food Rebels), consisting of both of its own CityGross stores and independent food stores around the country.

Bergendahls Food, which supplies own and affiliated stores as well as independent stores, handles import and wholesaling activities. However, the importation of fresh fruit and vegetables is handled by Everfresh, see Section 4.4.

There is also a unit for cash & carry, Bergendahls Snabbgross, which caters to convenience stores and restaurants.

**WHOLESALEs FOR THE CONVENIENCE STORE SECTOR**

There are about 2,500 food stores with a full line of food and grocery items, which do not belong to one of leading retail groups. Most of these stores are convenience stores, small neighbourhood stores, or food departments in petrol stations. Their combined market share is about 10% of the total food retail market.

As a rule, convenience stores are supplied by specialised convenience wholesalers, of which the two largest are Axfood Närilvs (Axfood Group) and Menigo (Brakes Group). Another nationwide supplier is Privab, consisting of 7 independent wholesaling companies, cooperating under one umbrella.

Axfood Närilvs, Sweden’s largest wholesaler for the convenience store sector, has about 600 convenience stores as customers, as well as numerous kiosks and single-line shops.
FOOD SERVICE WHOLESALE GROUPS

WHOLESAVERS FOR THE FOODSERVICE SECTOR

A large and specialised catering wholesalers dominate the distribution of food products to hotels, restaurants and catering establishments.

The seven largest wholesaling groups control about 65% of total sales, while direct deliveries from local establishments such as bakeries, dairies, butcheries and deli-kitchens, account for most of the remaining part.

FOOD SERVICE WHOLESALE GROUPS: MARKET SHARES 2012

The most important wholesalers are Martin & Servera (Axfood Group), Menigo Foodservice (Brakes Group, Europe’s largest foodservice wholesaler), and Svensk Cater (part of EuroCater, with headquarters in Denmark). All of them have built up their own import departments.

There are also several locally strong wholesalers, especially in Stockholm and other large metropolitan areas. In addition, there are many small and medium-sized wholesalers, often specialised in certain product groups or market segments.

The most important of these companies are Dafgård (frozen foods), Arno Holm (Asian foods), and Kåkå and Kobia (raw materials and ingredients for bakeries, coffee houses and pastry shops).

IMPORTERS OF FRESH FRUIT AND VEGETABLES

Three groups, Everfresh, ICA Frukt & Grönt, and Saba Trading, dominate imports and distribution of fresh fruit and vegetables. All three companies are based in Helsingborg, an important port city in the south of Sweden.

Everfresh, subsidiary of Total Produce (former Fyffes group), with headquarters in Ireland, has in recent years taken a large share of the Swedish market for fresh produce. It’s customers include both Coop and Bergendahls Food.

ICA Frukt & Grönt, with an estimated 30% market share, is the buying division within the ICA Group for all fresh fruit and vegetables. It also supplies independent stores and restaurants.

Saba Trading is one the leading Scandinavian importer and distributor of fruit, vegetables and houseplants. The group is the main supplier of fresh produce to all food stores within the Axfood group as well as to several leading convenience store chains and large restaurant chains. Saba Trading is a subsidiary of Dole, the world’s largest producer and marketer of fresh produce, and also one of the largest import companies within the European market.

There are also a large amount of medium and small importers/wholesalers of fresh fruit and vegetables. However, as a rule these importers only buy their products from other Scandinavian or European sources.

IMPORTERS OF ALCOHOLIC BEVERAGES

The selling of alcoholic beverages (wine, spirits and strong alcoholic beer) is subjected to special rules in Sweden. A state monopoly, Systembolaget, has the sole rights of over-the-counter retail sales. However, alcoholic beverages are also sold through licensed restaurants.

Since a few years, import, production and wholesaling of alcoholic beverages is open to all companies that have acquired a special alcoholic license. Imports are now handled by some 700 licensed manufacturers, agents, importers, wholesalers and breweries.

The largest distributor to both the liquor stores and the restaurant sector is Lagena Distribution, a subsidiary to the French global logistics group JF Hillebrand. However, there are also many smaller licensed distributors.

IMPORTERS OF RAW MATERIALS AND FOOD INGREDIENTS

Imports of raw materials and food ingredients to food manufacturers is conducted either by importers and agents specialised in selling to this sector, or in the case of large manufacturers, by the companies themselves.

Considering the many different kind of food materials and ingredients involved, there are a large number of importers and agents involved in this field. Some of the largest specialised importers of food ingredients are Caldic Sweden, Boden & Lindeberg, B. Engelhardt, and Tore Smith Food. Regarding bakery ingredients, also KÅKå and Kobia are important.

Several of the large manufacturers are also among the largest importers of raw materials. This is especially the case for manufacturers of oils and fats (Aarhus Carlsberg), animal feed (Lantmännen, Svenska Foder), spirits (Absolut), juices (Arla Foods, Skåneemjeler, Normejeler), fish and seafood (Abba Seafood, Findus), frozen vegetables (Findus, Procordia Food), coffee (Mondelez, Nestlé, Löfbergs, Arvid Nordquist), chocolate (Mondelez, Cloetta), and herbs, spices and ethnic foods (Santa Maria).

The manufacturing sector is characterized by a high degree of concentration to a few large companies. Farmer cooperatives, whether Swedish or co-owned with farmers in other Scandinavian countries, account for a large part of the Swedish food processing industry. Farmer cooperative owned or controlled companies are thus dominant within the meat, dairy, cereal, starch and animal feed sectors.

About 30% of the total food production in Sweden is carried out by foreign owned companies. The Norwegian group Orkla is the owner of three leading Swedish food companies: Procordia Food (canned, dried and frozen foods), Abba Seafood and Kåkå (bakery ingredients importer and wholesaler).
MARKET ACCESS

As a full member of the European Union (EU), Sweden is also a part of the EU customs union. This means that there are no trade barriers between Sweden and other EU-countries.

All imports from countries outside the EU are subject to import tariffs, which vary from 0 to 25%. Furthermore, some of these imports have to be delivered to the EU on a quota basis.

However, developing countries enjoy preferential treatment under the Generalized System of Preferences (GSP), which grants tariff reductions. Furthermore, countries that are beneficiaries of the special incentive arrangement for sustainable development and good governance (GSP+) enjoy duty free access for all products.

In addition, imports from the Least Developed Countries (LDCs) enjoy duty and quota free access for most agricultural products, under the Everything But Arms (EBA) arrangement.

EU regulations regarding food labelling, nutritional information, additives and food control are now in effect in Sweden. However, under a transitional period, some Swedish regulations will still be applicable.

More information about the EU customs duties, regulations and other market requirements can be obtained from the EU Export Helpdesk for Developing Countries as well as from other EU sites, see box below. See also Appendix 6, for more links to other national and European agencies.

MARKET PROSPECTS

Imports of food products have increased considerably since Sweden joined the EU and imports now account for over one third of total food consumption.

A substantial part of imports, about 30-40%, consists of products that are not (or cannot be) produced within the country, such as juice, coffee, wine, tea, cocoa, and certain vegetables and fruits, as well as fresh fish and seafood products. But an increasing part of imports constitute products that are competing with domestically produced items.

EU and OECD countries supply the largest part of imports. In fact, only 10% are imported from developing countries. The main imported items from developing countries consist of fresh produce (e.g. citrus fruit, bananas and other tropical fruit, as well as vegetables), bulk items that are mixed and repacked in consumer packages by domestic packers (e.g. rice, nuts and spices), and raw materials for domestic manufacturers, such as green coffee, oils and fats, and animal feed ingredients.

In recent years, imports from developing countries have also constituted a reasonably large amount of processed food and beverage products, such as canned fruit, canned seafood, frozen vegetables, sauces, and wine. A market characteristic is that health, environmental and social issues have started to play a significant role in the food trade. Organic and Fair Trade labelled products have therefore achieved a relatively large share in a short period. At the same time products that are seen as healthy and nutritious have shown significant sales increases in recent years.

Another trend is the interest for ethnic food with an authentic exotic taste. Several ethnic food items have therefore been among the fastest growing product categories within the retail trade.

The positive trend for organic, fair trade, nutritious, or ethnic products is expected to maintain over the next few years, which means that new suppliers are needed, including suppliers in developing countries.

The prospects for exporters in developing countries wishing to enter the Swedish market depend on the type of product in question. Obviously, there will be a continued demand for products, which either are not at all produced within the EU, or only produced within the EU during part of the year.

On the other hand, exporters that have to compete with suppliers within the EU can only expect a successful entry into the Swedish market if superior quality and/or favourable prices can be offered.

In conclusion, interesting prospects exist for exporters in developing countries who can supply quality products at competitive prices.
### IMPORTS AND EXPORTS OF FOOD, BY VALUE 2010-2012

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>± 10-12%</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meat products</td>
<td>9 395</td>
<td>10 357</td>
<td>11 137</td>
<td>+ 19</td>
<td>1 748</td>
<td>1 758</td>
</tr>
<tr>
<td>- fresh and frozen meat</td>
<td>7 020</td>
<td>7 615</td>
<td>8 325</td>
<td>+ 19</td>
<td>784</td>
<td>826</td>
</tr>
<tr>
<td>- processed products</td>
<td>2 375</td>
<td>2 742</td>
<td>2 812</td>
<td>+ 18</td>
<td>964</td>
<td>932</td>
</tr>
<tr>
<td>Dairy products &amp; Eggs</td>
<td>6 886</td>
<td>7 144</td>
<td>7 281</td>
<td>+ 6</td>
<td>3 090</td>
<td>3 112</td>
</tr>
<tr>
<td>- cheese</td>
<td>3 505</td>
<td>3 677</td>
<td>3 615</td>
<td>+ 3</td>
<td>560</td>
<td>592</td>
</tr>
<tr>
<td>- other dairy products &amp; eggs</td>
<td>3 381</td>
<td>3 467</td>
<td>3 666</td>
<td>+ 8</td>
<td>2 530</td>
<td>2 520</td>
</tr>
<tr>
<td>Fish &amp; Seafood products</td>
<td>23 282</td>
<td>23 338</td>
<td>24 224</td>
<td>+ 4</td>
<td>18 392</td>
<td>19 312</td>
</tr>
<tr>
<td>- fresh and frozen</td>
<td>18 609</td>
<td>18 467</td>
<td>19 687</td>
<td>+ 6</td>
<td>17 222</td>
<td>18 221</td>
</tr>
<tr>
<td>- processed products</td>
<td>4 673</td>
<td>4 871</td>
<td>4 537</td>
<td>- 3</td>
<td>1 170</td>
<td>1 091</td>
</tr>
<tr>
<td>Cereal &amp; Bakery products</td>
<td>4 377</td>
<td>4 737</td>
<td>5 345</td>
<td>+ 22</td>
<td>6 274</td>
<td>6 974</td>
</tr>
<tr>
<td>- unmilled cereals; flour &amp; grains</td>
<td>586</td>
<td>956</td>
<td>1 144</td>
<td>+ 95</td>
<td>1 905</td>
<td>2 340</td>
</tr>
<tr>
<td>- rice</td>
<td>499</td>
<td>479</td>
<td>474</td>
<td>- 5</td>
<td>15</td>
<td>26</td>
</tr>
<tr>
<td>- bread &amp; bakery products</td>
<td>1 943</td>
<td>1 826</td>
<td>2 204</td>
<td>+ 13</td>
<td>3 461</td>
<td>3 670</td>
</tr>
<tr>
<td>- pasta products</td>
<td>427</td>
<td>459</td>
<td>463</td>
<td>+ 8</td>
<td>75</td>
<td>82</td>
</tr>
<tr>
<td>- breakfast &amp; other prepared cereals</td>
<td>922</td>
<td>1 017</td>
<td>1 060</td>
<td>+ 15</td>
<td>818</td>
<td>856</td>
</tr>
<tr>
<td>Fruit &amp; Vegetables</td>
<td>16 182</td>
<td>15 799</td>
<td>16 650</td>
<td>+ 3</td>
<td>2 780</td>
<td>3 042</td>
</tr>
<tr>
<td>- vegetables, fresh, frozen or dried</td>
<td>4 771</td>
<td>4 263</td>
<td>4 551</td>
<td>- 5</td>
<td>662</td>
<td>737</td>
</tr>
<tr>
<td>- vegetables, prepared or preserved</td>
<td>2 471</td>
<td>2 391</td>
<td>2 369</td>
<td>- 4</td>
<td>605</td>
<td>618</td>
</tr>
<tr>
<td>- fruit and nuts, fresh or dried</td>
<td>6 152</td>
<td>6 120</td>
<td>6 588</td>
<td>+ 7</td>
<td>562</td>
<td>706</td>
</tr>
<tr>
<td>- fruit and nuts, prepared or preserved</td>
<td>1 704</td>
<td>1 828</td>
<td>1 874</td>
<td>+ 10</td>
<td>791</td>
<td>818</td>
</tr>
<tr>
<td>- fruit and vegetable juice</td>
<td>1 083</td>
<td>1 196</td>
<td>1 268</td>
<td>+ 17</td>
<td>159</td>
<td>164</td>
</tr>
<tr>
<td>Other food products</td>
<td>15 475</td>
<td>16 907</td>
<td>16 774</td>
<td>+ 8</td>
<td>11 239</td>
<td>11 312</td>
</tr>
<tr>
<td>- sugar, molasses and honey</td>
<td>818</td>
<td>885</td>
<td>659</td>
<td>- 19</td>
<td>1 047</td>
<td>1 148</td>
</tr>
<tr>
<td>- coffee, green and roasted</td>
<td>3 972</td>
<td>5 066</td>
<td>4 735</td>
<td>+ 19</td>
<td>1 394</td>
<td>1 386</td>
</tr>
<tr>
<td>- cocoa, paste, powder and butter</td>
<td>658</td>
<td>613</td>
<td>552</td>
<td>- 16</td>
<td>36</td>
<td>42</td>
</tr>
<tr>
<td>- tea</td>
<td>310</td>
<td>293</td>
<td>278</td>
<td>- 10</td>
<td>86</td>
<td>54</td>
</tr>
<tr>
<td>- spices</td>
<td>412</td>
<td>465</td>
<td>432</td>
<td>- 25</td>
<td>148</td>
<td>176</td>
</tr>
<tr>
<td>- margarine and cooking oils</td>
<td>438</td>
<td>465</td>
<td>435</td>
<td>- 42</td>
<td>1 960</td>
<td>1 830</td>
</tr>
<tr>
<td>- chocolate and sugar confectionery</td>
<td>3 459</td>
<td>3 517</td>
<td>3 768</td>
<td>+ 24</td>
<td>2 544</td>
<td>2 596</td>
</tr>
<tr>
<td>- other food products</td>
<td>5 408</td>
<td>5 607</td>
<td>5 785</td>
<td>+ 7</td>
<td>4 548</td>
<td>4 657</td>
</tr>
<tr>
<td>Beverages</td>
<td>8 164</td>
<td>8 274</td>
<td>8 475</td>
<td>+ 4</td>
<td>6 062</td>
<td>6 391</td>
</tr>
<tr>
<td>- soft drinks and mineral waters</td>
<td>1 114</td>
<td>1 262</td>
<td>1 292</td>
<td>+ 16</td>
<td>486</td>
<td>51</td>
</tr>
<tr>
<td>- alcoholic beverages</td>
<td>7 050</td>
<td>7 012</td>
<td>7 183</td>
<td>+ 2</td>
<td>5 576</td>
<td>5 876</td>
</tr>
<tr>
<td>Oil seeds</td>
<td>675</td>
<td>875</td>
<td>948</td>
<td>+ 40</td>
<td>137</td>
<td>208</td>
</tr>
<tr>
<td>Oils &amp; Fats</td>
<td>3 884</td>
<td>4 488</td>
<td>4 455</td>
<td>+ 15</td>
<td>1 539</td>
<td>1 772</td>
</tr>
<tr>
<td>Animal feed</td>
<td>2 985</td>
<td>3 187</td>
<td>3 448</td>
<td>+ 16</td>
<td>1 184</td>
<td>1 436</td>
</tr>
<tr>
<td>Live Animals</td>
<td>199</td>
<td>147</td>
<td>155</td>
<td>- 22</td>
<td>137</td>
<td>208</td>
</tr>
<tr>
<td>Tobacco</td>
<td>1 252</td>
<td>1 519</td>
<td>1 067</td>
<td>- 15</td>
<td>599</td>
<td>1 400</td>
</tr>
<tr>
<td>• Total</td>
<td>92 737</td>
<td>96 772</td>
<td>99 959</td>
<td>+ 8</td>
<td>53 174</td>
<td>56 901</td>
</tr>
</tbody>
</table>

Sources: Statistics Sweden
## DIRECT CONSUMPTION OF FOOD, BY QUANTITY 2008-2011

### PRODUCE GROUPS

<table>
<thead>
<tr>
<th>Product Group</th>
<th>Per Capita Consumption KG</th>
<th>Total Consumption, tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dairy Products, Eggs &amp; Fats</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRODUCE GROUP 2008 2009 2010 2011</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dairy Products</td>
<td>179.3</td>
<td>1683 500</td>
</tr>
<tr>
<td>Milk, cream, yoghurt, milk powder</td>
<td>138.8</td>
<td>1285 400</td>
</tr>
<tr>
<td>Cheese</td>
<td>17.8</td>
<td>178 500</td>
</tr>
<tr>
<td>Eggs</td>
<td>10.0</td>
<td>99 200</td>
</tr>
<tr>
<td>Margarine and butter</td>
<td>11.2</td>
<td>107 000</td>
</tr>
<tr>
<td>Cooking and salad oils</td>
<td>1.5</td>
<td>13 400**</td>
</tr>
<tr>
<td><strong>Meat Products</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fresh and frozen meat</td>
<td>82.8</td>
<td>676 000</td>
</tr>
<tr>
<td>Cured meats and provisions</td>
<td>23.8</td>
<td>217 700</td>
</tr>
<tr>
<td>Ready-to-eat products (incl. frozen items)</td>
<td>12.9</td>
<td>99 200</td>
</tr>
<tr>
<td><strong>Fish &amp; Seafood Products</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fresh, chilled or frozen fish and seafood**</td>
<td>13.7*</td>
<td>129 400*</td>
</tr>
<tr>
<td>Prepared or preserved fish</td>
<td>9.5</td>
<td>85 600</td>
</tr>
<tr>
<td>Prepared and preserved seafood</td>
<td>2.0</td>
<td>20 800</td>
</tr>
<tr>
<td><strong>Fruit &amp; Vegetable Products</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fresh fruit and berries</td>
<td>64.1</td>
<td>579 200</td>
</tr>
<tr>
<td>Frozen fruit</td>
<td>0.8</td>
<td>9 600</td>
</tr>
<tr>
<td>Canned and dried fruit</td>
<td>5.5</td>
<td>47 100</td>
</tr>
<tr>
<td>Marmalades and fruit preserves</td>
<td>7.5</td>
<td>72 800</td>
</tr>
<tr>
<td>Fruit juices and nectars (in litres)**</td>
<td>22.0</td>
<td>151 600**</td>
</tr>
<tr>
<td>Nuts and almonds</td>
<td>2.6</td>
<td>25 000</td>
</tr>
<tr>
<td>Fresh vegetables (excl. potatoes)</td>
<td>53.0</td>
<td>501 100</td>
</tr>
<tr>
<td>Frozen and dried vegetables</td>
<td>6.2</td>
<td>59 100</td>
</tr>
<tr>
<td>Canned vegetables</td>
<td>16.3</td>
<td>144 800</td>
</tr>
<tr>
<td>Soups, made from fruit and vegetables</td>
<td>4.5</td>
<td>38 400</td>
</tr>
<tr>
<td>Fresh potatoes</td>
<td>44.5</td>
<td>406 100</td>
</tr>
<tr>
<td>Frozen and canned potato products</td>
<td>9.0</td>
<td>88 600</td>
</tr>
<tr>
<td>Potato mixes (incl. starch)</td>
<td>0.6</td>
<td>4 800</td>
</tr>
<tr>
<td>Potato chips</td>
<td>1.7</td>
<td>18 100</td>
</tr>
<tr>
<td><strong>Bakery Products</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soft bread &amp; pastries</td>
<td>68.4</td>
<td>661 100</td>
</tr>
<tr>
<td>Crisp bread, rusks</td>
<td>3.5</td>
<td>30 700</td>
</tr>
<tr>
<td>Biscuits</td>
<td>4.6</td>
<td>41 300</td>
</tr>
<tr>
<td><strong>Cereal Products</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flour (mostly wheat and rye)</td>
<td>10.1</td>
<td>90 500</td>
</tr>
<tr>
<td>Oat grains, incl. other cereal grains</td>
<td>3.0</td>
<td>33 400</td>
</tr>
<tr>
<td>Mixes</td>
<td>1.3</td>
<td>4 800</td>
</tr>
<tr>
<td>Müsli, cornflakes, popcorn</td>
<td>4.0</td>
<td>44 200</td>
</tr>
<tr>
<td>Pasta</td>
<td>9.0</td>
<td>90 600</td>
</tr>
<tr>
<td>Rice</td>
<td>5.9</td>
<td>50 200</td>
</tr>
<tr>
<td><strong>Coffee, Tea, Cocoa</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coffee</td>
<td>11.2</td>
<td>115 600</td>
</tr>
<tr>
<td>Tea</td>
<td>0.4</td>
<td>3 500</td>
</tr>
<tr>
<td>Cocoa and chocolate mixes</td>
<td>2.5</td>
<td>26 100</td>
</tr>
</tbody>
</table>
FACTS ABOUT RETAIL GROUPS

ICA GRUPPEN
Parent Company: ICA Gruppen AB (ICA Group Plc)
Ownership: ICA Gruppen AB is a listed public company which is majority owned (51%) by the Association of Ica Retailers, which in turn is wholly owned by the 1,300 ICA-retailers in Sweden.
Turnover: SEK 96,865 million (2012), of which Sweden accounted for 65% and Norway and the Baltic countries for 35%
Headquarters: Stockholm
Retailing Sweden
Parent company: ICA Sverige AB
Turnover: SEK 65.8 billion (2012)
Total retail sales: SEK 114.0 billion (2012), including privately owned ICA-stores
Headquarters: Stockholm, Sweden
Internet site: www.ica.se

KF GROUP (COOP SVERIGE)
Parent Company: Kooperativa Förbundet (KF), the Swedish Co-operative Union
Turnover: SEK 37.9 billion (2012)
Headquarters: Stockholm, Sweden
Food Retailing Division: Coop Sverige AB
Turnover: SEK 48.6 billion (2012), including affiliated regional co-operatives
Headquarters: Stockholm, Sweden
Internet site: www.coop.se

AXFOOD
Parent Company: Axel Johnson AB
Ownership: Axel Johnson AB (46%), Other investors (54%)
Turnover: SEK 36.3 billion (2012)
Total retail sales: SEK 40.0 billion (2012), including affiliated stores
Internet site: www.axfood.se

Axel Johnson Group
Parent Company: Axel Johnson AB
Headquarters: Stockholm, Sweden
Internet site: www.axeljohnson.se

BERGENDAHLGS
Parent Company: Bergendahl & Son AB
Group Turnover: SEK 10,570 million (2012)
Bergendahls Food
Turnover: SEK 8.1 billion (2012)
Total retail sales: SEK 16.7 billion (2012), including affiliated stores
Headquarters: Hässleholm, Sweden (South Sweden)
Internet site: www.bergendahls.se

USEFUL INTERNET LINKS

INFORMATION ABOUT THE EU MARKET
EU Export Helpdesk: http://exporthelp.europa.eu
Information about duty rates, import regulations and trade data
EU Trade Relations: http://ec.europa.eu/trade/
EU official website: http://europa.eu/index_en.htm
EU Food Safety: http://ec.europa.eu/food/index_en.htm
CBI Centre for Promotions of Imports: www.cbi.eu

INFORMATION ABOUT THE SWEDISH MARKET
Sweden’s official website: www.sweden.se
Open Trade Gate Sweden: www.opentradegate.se
Trade rules and requirements
National Food Administration: www.slv.se/en-gb
Food safety and regulations
Board of Agriculture (see English): www.sjv.se
Statistics Sweden: www.scb.se/default__2154.aspx
Swedish Trade Federation: http://chambertradesweden.se/
Chamber Trade Sweden: www.chamber.se/about-us.aspx
Chambers of Commerce in Sweden:
Stockholm Chamber of Commerce: www.chamber.se/about-us.aspx
National Board of Trade: www.kommers.se/en-English/
Swedish Associations of Agents: www.agenturforetagen.se/en/
Network for agents and brokers
Swedish Food Federation: www.li.se/en-liv/in-english

OTHER USEFUL LINKS
Emarket Services Online business directory: www.emarketservices.com
FAO - Food and Agriculture Org.: www.fao.org

CURRENCY CONVERSION

AVERAGE RATE IN SEK

<table>
<thead>
<tr>
<th>Currency</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Euro</td>
<td>9.25</td>
<td>9.61</td>
<td>10.62</td>
<td>9.54</td>
<td>9.03</td>
<td>8.71</td>
<td>8.53</td>
</tr>
<tr>
<td>1 US Dollar</td>
<td>6.76</td>
<td>6.58</td>
<td>7.65</td>
<td>7.20</td>
<td>6.50</td>
<td>6.78</td>
<td>6.50</td>
</tr>
</tbody>
</table>

* Average rate for January - June 2013
Source: Swedish Central Bank (Riksbank)