



THE NETHERLANDS

Synopsis

The Netherlands is the world's twentieth largest economy and Alberta's fifth most important agri-food market in the EU after Germany, purchasing over C\$27 million from the province in 2007. The Netherlands remains Alberta's second largest market for Bovine Semen and seventh largest for Crude Canola/Mustard Oil in the world.¹

The Netherlands is a leading exporter of dairy products, meat, flowers and bulbs. Around 60% of total agricultural production is exported.

Market Overview

The Dutch economy is the world's twentieth largest with a GDP (PPP) of US\$639.5 billion (2007 est.). On a per capita basis the country's GDP is comparable to that of Canada (\$38,500 for The Netherlands vs. \$38,400 for Canada in 2007).²

Following growth of 3% in 2006 and 3.5% in 2007, forecasts suggest that growth will decelerate to 2% in 2008 and 1.7% in 2009, in part because of slower export growth.³

The Netherlands is a constitutional monarchy with a two-tier parliament. The monarch and head of state is Queen Beatrix, who acceded to the throne in 1980. A centre-right coalition government comprising the centrist Christian Democratic Appeal (CDA), the right-wing Peoples Party for Freedom and Democracy (Liberals, VVD) and Democrats 66 (D66), led by Jan Peter Balkenende of the CDA, took office in May 2003. On June 30th 2006 the coalition was brought down when D66 withdrew from the government. A caretaker government composed of the CDA and the VVD took office to submit the 2007 budget and prepare for an early election on November 22nd. The CDA emerged as the largest party from the election, and after protracted negotiations formed a coalition government on February 22nd 2007 together with the Labour Party (PvdA) and a small Protestant religious party, the ChristenUnie. Trade patterns between The Netherlands, Canada and Alberta are expected to remain stable.⁴

The Dutch Population: 16,645,313 (July 2008 est.)

0-14 years: 17.6% (male 1,496,348/female 1,427,297)

15-64 years: 67.8% (male 5,705,003/female 5,583,787)

65 years and over: 14.6% (male 1,040,932/female 1,391,946) (2008 est.)⁵

¹ CIA, World Factbook

² Idem 1

³ Economist Intelligence Unit, Netherlands country report, June 2008

⁴ Economist Intelligence Unit, Netherlands country profile, 2007

⁵ Idem 1

The Netherlands's average life expectancy is one of the highest in the world at 79.25 years, with a median age of 40 years. Due to low birth rates, the population is aging rapidly, with 15% of the population over the age of 65.⁶ The Dutch population will continue to grow up to and beyond 2015, although projections indicate this growth will decelerate, resulting in a total population of less than 17 million by 2015.⁷

7.5 million (2007 est.) residents make up the country's labor force, with 76% of workers in the service sector.⁸ The Netherlands's unemployment rate stood at 3.2% in 2007.⁹

Around 12% of the Dutch population was considered obese in 2005. The level of obesity in the Netherlands remains, along with the Scandinavian countries, relatively low in comparison to the rest of Europe. This is somewhat surprising considering the popularity of snack food in the Netherlands, but is partially explained by the relatively high levels of exercise including frequent cycling¹⁰

In 2006, Dutch households spent €24.8 billion on retail food purchases (excl. alcohol, tobacco and non-alcoholic drinks). With a population of 16.3 million that would mean the Dutch spent €1,522 on food per capita in 2006.¹¹

The Netherlands and Canada are both members of the WTO. As a member of the European Union, The Netherlands conforms to all EU directives, regulations and obligations. Regulation 2002/178/EC, called "The General Food Law", is the harmonized regulation which sets out the general principles and requirements of EU harmonized food law. Exporters should be aware that there may also be some variation among Member States in applying EU harmonized legislation: there may be temporary waivers or exemptions and in certain cases there may be room for interpretation of EU harmonized legislation or aspects which are not regulated in detail at EU level that may be handled differently in different member states.¹²

Agriculture and Food Trade Overview

Alberta's agri-food exports to The Netherlands were valued at over \$27.1 million in 2007 and accounted for over 11% of Canada's total agri-food exports to that country. The Netherlands is Alberta's fifth largest export market for agri-food products in the EU. In 2007, the province's top agri-food exports to the Netherlands were Canola/Mustard Oil (\$11.6 million, representing 43% of total exports), Wheat (\$10 million), Bovine Semen (\$2.8 million), Seed for Sowing (\$1.3 million), and Beef (\$0.27 million).¹³

⁶ Idem 1

⁷ Euromonitor, The Netherlands Consumer Lifestyles, 2007

⁸ CIA, World Factbook

⁹ Idem 8

¹⁰ Euromonitor, The Netherlands, Consumer Lifestyles 2007

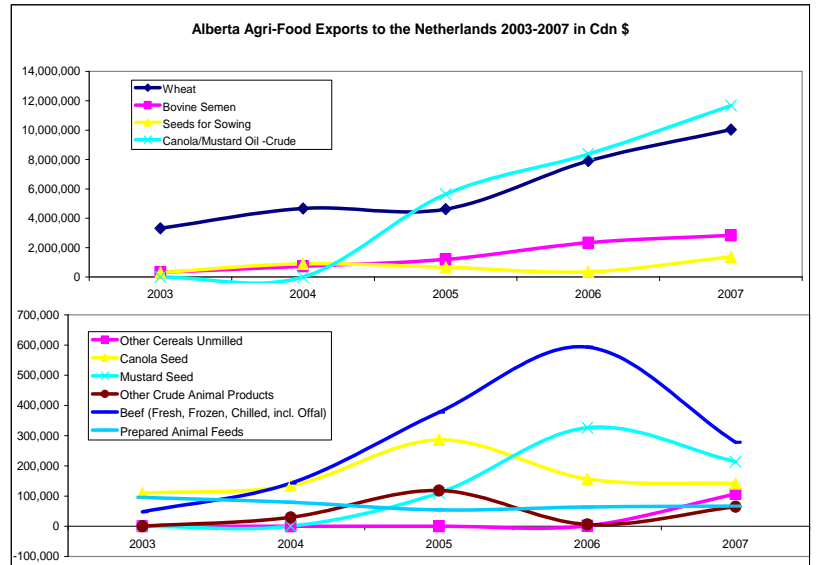
¹¹ Mintel, Europe, Food Retailing 2007

¹² USDA, The Netherlands FAIRS report, 2007

¹³ Alberta Government, Agri-food trade On-line

Alberta's Top agri-food exports to The Netherlands in 2007 (millions of CDN\$)

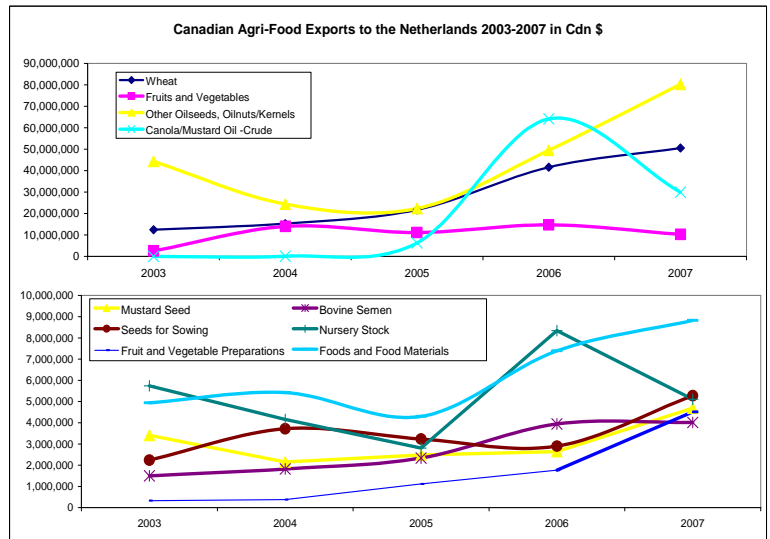
Alberta's Top Exports to The Netherlands in 2007	Value in Millions
1- Crude Canola/Mustard Oil	11.6
2- Wheat	10
3- Bovine Semen	2.8
4- Seeds for Sowing	1.3
5- Beef	0.27
6- Mustard Seed	0.21
7- Canola Seed	0.14
8- Other Cereals Un-milled	0.1
9- Prepared Animal Feeds	0.06
10- Other Crude Animal Products	0.06



Canada's agri-food exports to The Netherlands totaled \$227.7 million in 2007 making it the country's fourth largest export market in the EU. Canada's exports share some similarities with Alberta's. Other Oilseeds, Oilnuts/Kernels (which accounted for 35% of total exports) are the country's largest (\$80.2 million) followed Wheat (\$50.4 million), Crude Canola Oil (\$29.9 million), Fruits and Vegetables (\$10.2 million), Foods and Food Materials (\$8.8 million) and Seeds for Sowing (\$5.2 million).¹⁴

Canada's Top agri-food exports to The Netherlands in 2007 (millions of CDN\$)

Canada's Top Exports to The Netherlands in 2007	Value in Millions
1- Other Oilseeds, Oilnuts/Kernels	80.2
2- Wheat	50.4
3- Crude Canola/Mustard Oil	29.9
4-Fruits and Vegetables	10.2
5- Foods and Food Materials	8.8
6-Seeds for Sowing	5.2
7- Nursery Stock	5.1
8-Mustard Seed	4.6
9- Fruit and Vegetable Preparations	4.5
10- Bovine Semen	4.0



Germany and Belgium are the Netherlands's largest import markets. Over 75% of The Netherlands's agricultural exports go to the EU, while 56% of their imports come from other European countries.¹⁵

¹⁴ Idem 10

¹⁵ The Economist Online, The Netherlands Economic Data

Market Sector Structure and Trends

Supermarkets are the dominant source of food retail in the Netherlands, particularly since the price wars of the early 2000s, the increase in own-brand product availability, and the rise of discount chains. This combined with the increasing use of supermarket loyalty cards and the fact that supermarkets are open later than other stores, often from 9am to 8pm in urban centres, has led to their increasing dominance. Nevertheless, there remain a considerable number of smaller food retailers offering high quality or specialist produce. Butchers, fishmongers, and bakers continue to assert a strong presence, particularly when compared with the numbers found in neighbouring European countries. There has also been a sharp rise in the number of smaller supermarkets, known as 'express' supermarkets, which are particularly popular around train stations¹⁶

Going out for a drink at a local pub is extremely popular in the Netherlands. The popularity of café and terraces in the Netherlands is central to Dutch culture, with town centres packed with people sitting in the sun enjoying a beverage. Increasingly, however, these cafes are becoming themed, with more exciting designs, and frequently offering Tapas dishes as snacks. This is particularly true for the restaurant industry, which has suffered a number of significant closures. Nevertheless, new restaurants do open, with those serving more international foods leading the way. Mexican, Surinamese, Indian and Spanish restaurants are popular, as well as a number of exotic choices like Mongolian barbecues and African restaurants.¹⁷

Exporter Business Tips

The majority of business people speak English and have a high level of education (Masters or Bachelors degree). Generally speaking, they are straightforward and business minded. Due to the increasing power by retailers and changing consumers' demands, food processors are increasingly looking for long-term partnerships rather than a one-off business transactions.¹⁸

The Netherlands is a member of the World Trade Organization (WTO), and as such, all regulations and restrictions governing this body, as they relate to imports and exports, apply to The Netherlands.

As a member of the European Union, The Netherlands follows all EU directives, regulations and obligations as required for membership. Therefore, for further clarification on the overarching laws applying to food importation please refer to the European Commissions' (EC) website.

¹⁶ Euromonitor, The Netherlands, Consumer Lifestyles

¹⁷ Idem 16

¹⁸ USDA, The Netherlands, Exporter Guide, 2007

The Dutch Food and Drugs Law is called Warenwet. This Warenwet provides the Dutch regulatory framework for all food and non-food products. It is applicable to domestically produced and imported products. Revisions of the Dutch Food and Drugs Law are published in the "Staatscourant". The Food and Drugs Law and revisions can be found on <http://wetten.overheid.nl> At this website all other Dutch legislation can be found as well. (NOTE: website is in Dutch).¹⁹

Market Opportunities

The food-processing sector in the Netherlands is heavily oriented toward import, transformation and export. While the Belgian-Dutch border separates many food processors, in point of fact major food processors are clustered in a corridor formed by the port cities of Ghent, Antwerp, Rotterdam and Amsterdam.

These processors serve not only the Benelux market, which would be too small to sustain them, but also the entire European market. This international focus gives rise to and sustains a number of features that are unique to the Benelux food-processing sector.

Trends suggest export opportunities in a number of areas, including Food preparations, Almonds, Pistachios and Wine.²⁰

Contacts for Albertans

For additional information, please contact Damian Coneghan.

[Damian Coneghan](#)

Trade Director, European Union
Ministry of International and Intergovernmental Relations
Agriculture and Food Branch
Tel: 780-422-7887
Fax: 780-422-9746

References:

- Alberta Government, Agri-food trade On-line (Statistical System)
- CIA World Factbook
- The Economist Online, The Netherlands, [Factsheet](#)
- Euromonitor, The Netherlands, Consumer Lifestyles, 2007
- Mintel, Europe, Food Retailing 2007
- USDA, [The Netherlands FAIRS country report](#), 2006
- USDA, The Netherlands, [Exporter Guide](#), 2007

¹⁹ USDA, The Netherlands Food and Agricultural Import Regulations and Standards Annual report, 2006

²⁰ USDA, The Netherlands, Exporter Guide, 2007