

What is the demand for grains, pulses and oilseeds on the European market?

Grains, pulses and oilseeds are major commodities widely cultivated and traded within Europe. The market for major staple food and feed is mainly supplied by nearby producing countries. Organic crops, products with specific nutritional benefits and those targeting specific ethnic groups offer the best opportunities for small and medium-sized suppliers from developing countries.

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1. What makes Europe an interesting market for grains, pulses and oilseeds?

For many grains, pulses and oilseeds, Europe, understood as the countries in the [European Union](#) plus those in the [European Free Trade Association](#), depends on external suppliers. This dependence combined with the shift towards sustainable and nutritional crops make Europe an interesting market for nearby producers of staple crops, as well as for suppliers with a unique product that meets European demand and agricultural policies.

Europe is a net importer of many grain cereals, pulses and oilseeds

Europe is a large user of grains, pulses and oilseeds. They are typically imported as high-volume bulk products to be processed into compound animal feed. For the consumer market, they are used as a staple food, or as high-value ingredients for a wide range of food products.

For many of these commodities as well as specialty dried products, Europe depends on external suppliers. Soybean, maize and rapeseed are very common imports which complement European production. Only in wheat and barley, Europe has a large surplus production.

In Europe, maize, soybean and barley are almost exclusively destined to the feed market, as well as half of the wheat. According to the [European Feed Manufacturers' Federation](#) (FEFAC), 61% of all cereals are used for on-farm feed or the feed industry, and 23% is for food use. Expanding livestock will maintain a steady demand for these crops.

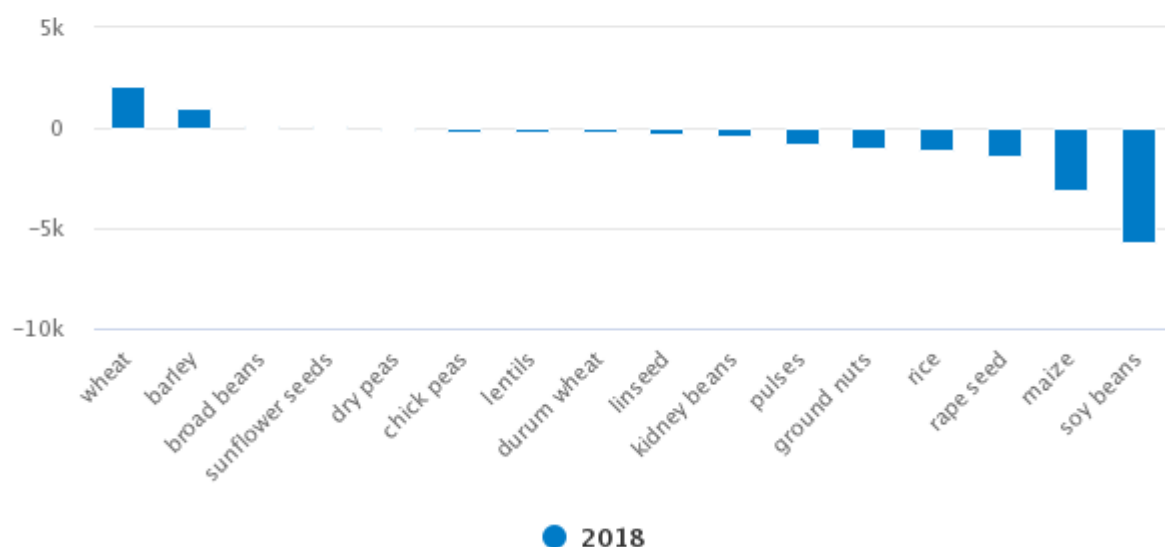
The demand for non-European grains, pulses and oilseeds depends on a number of factors, most importantly:

- Availability and local harvest;
- Climate and yield;
- International prices;
- European and national policies;
- Consumer demand for specific, non-European grains, pulses and oilseeds.

The above factors can have a very strong impact on imports. Naturally, demand for imported products will grow if there is not enough volume available in Europe, but as a supplier you need to be competitive to attract buyers. Countries with large growing areas, which already have a strong trade relation with the European Union are generally more attractive to buyers. Therefore, it is important to acquire information on production forecasts, but also on [trade measures and subsidised cultivation programmes](#).

Figure 1: Trade balance of grains, pulses and oilseeds in Europe

in € million



Source: ITC Trademap

Tips:

Read the [EU Crops Market Observatory](#).

Make use of the [market data on national and European agriculture](#), provided by the European Commission's agricultural and rural development department.

Read the European Commission reports: [Overview of EU feed supply](#), [Short-term outlook for EU agricultural markets in 2018 and 2019](#) and the [EU Agricultural Outlook 2018-2030](#).

Review the Eurostat explanation on [agricultural production and crops](#) statistics.

Look for specific opportunities for products that are valued by consumers as mentioned in the [CBI trends for grain, pulses and oilseeds](#).

Large part supplied by developing countries

Developing countries represent a large part of the trade value of grains, pulses and oilseeds to Europe. Their market share in cereals to Europe is 73%, in pulses 48% and in oilseeds 53%. Developing countries that are mainly responsible for the trade volume are Ukraine (in maize, wheat, rapeseed), Brazil (in maize and soybean) and Argentina (groundnuts).

Grains show the most significant growth among developing countries at 40% from 2014 to 2018, mainly because of growing imports of wheat from Ukraine, Kazakhstan, Serbia, Moldova and maize from Ukraine and Brazil.

The import value of pulses from developing countries is very stable, growing at just 2% a year. While oilseed imports fluctuate, they have been in a downward trend from developing countries, shrinking -12% a year. This decrease in oilseed supply is due to more soybeans being sourced from the United States, which has had especially a strong impact on the Paraguayan soybean export to Europe. After [trade negotiations](#) with the

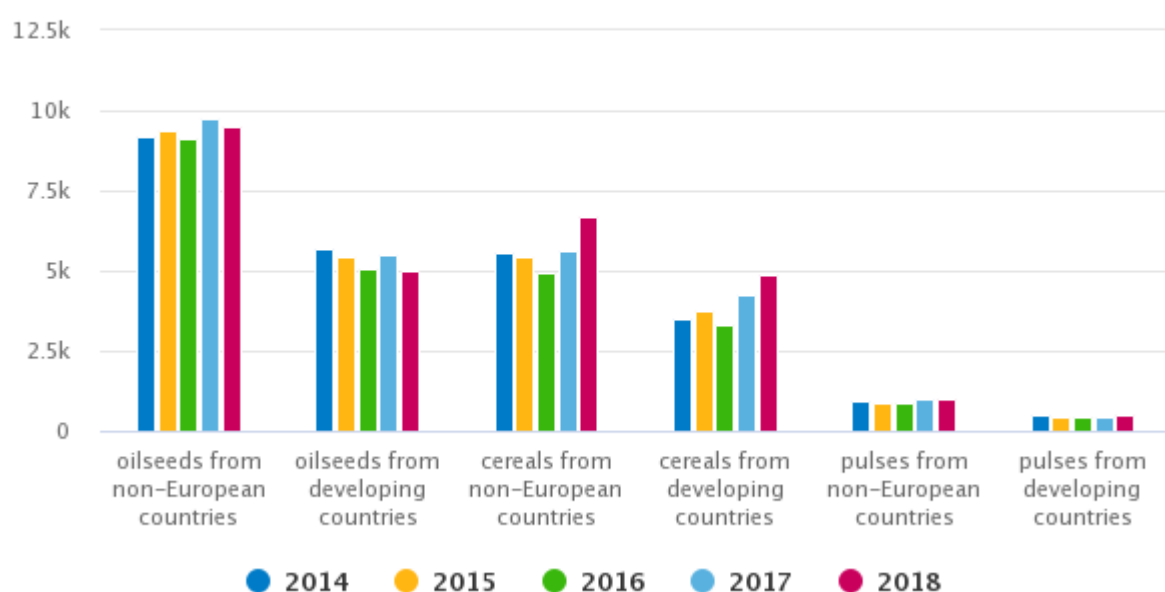
European Union, the United States have become Europe's main supplier of soybean.

Within the sector, you can find a number of products with low volumes but with potential for specific market segments, such as healthy foods, ethnic foods and special diets. Examples include ancient grains, such as quinoa and amaranth, special oilseeds, such as chia, and ethnic mung beans, adzuki beans and aromatic rice. Except for traditional European varieties, such as Japonica rice, einkorn, spelt and emmer, many of these specialty products are often sourced in [developing countries](#).

As a supplier you must be aware that European buyers will only source grains, pulses and oilseeds in less common origins if they cannot be sufficiently found in Europe or in nearby countries. For large commodities such as maize and soybean, you will have strong competition from countries with high production volumes.

Figure 2: European import of grains, pulses and oilseeds

in € million



Source: ITC Trademap

Table 1: Main suppliers of grains, pulses and oilseeds to Europe, in € million

Exporters of grains	2014	2015	2016	2017	2018	growth 5 years	main product(s)
Ukraine	1664	1695	1404	1741	2179	31%	maize, wheat, barley
Brazil	144	209	223	662	779	441%	maize
United States of America	462	479	419	387	649	40%	maize, wheat, sorghum, rice
Canada	1054	856	708	571	613	-42%	wheat, maize

Russia	304	264	372	289	405	33%	wheat, maize, rye
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Exporters of oilseeds	2014	2015	2016	2017	2018	growth 5 years	main product(s)
United States of America	2040	2169	2298	2132	3121	53%	soya, groundnuts, sunflower seeds
Brazil	2996	2646	2286	2060	2198	-27%	soya, groundnuts
Ukraine	721	634	562	1027	1025	42%	rapeseed, soya
Australia	627	571	545	999	605	-4%	rape seed
Argentina	525	614	735	629	500	-5%	groundnuts

Exporters of pulses	2014	2015	2016	2017	2018	growth 5 years	main product(s)
Canada	213	221	243	265	230	8%	kidney beans, lentils
United States of America	166	171	141	198	161	-3%	kidney beans, chickpeas, lentils
Argentina	75	92	99	106	117	55%	kidney beans, chickpeas
Russia	33	16	17	34	114	241%	peas
China	159	141	113	89	81	-49%	kidney beans, lentils, mung beans

Source: ITC Trade Map

Tip:

Focus on having a variety of customers and avoid too much dependency on the European market. Successful exporters often have strategic buyer relations in important regions, such as the United States and China.

Opportunities for nearby countries supplying bulk commodities

Europe offers opportunities for dry bulk commodities from nearby countries. Ukraine is already one of the major suppliers of maize and wheat, but imports of wheat and dry peas from Kazakhstan, Moldova and other countries in the Black Sea region have also grown. The current outlook predicts that [the Black Sea region will continue to grow in the dry pea market](#). Moldova and Serbia have fetched a high value of rapeseed and sunflower seed exporting to Europe.

Preference for nearby countries is not only due to logistical reasons, but also as a result of strong trade relations and agreements between the European Union and the [Balkan countries](#), [Ukraine](#), [Moldova](#), [Kazakhstan](#), among others. As a supplier from another country it will only be feasible to compete in low value products when you can produce on a large scale and match the offer of other nations despite of trade preferences.

Table 2: Highest European import growth from developing countries for exports larger than €1 million, in € million and %

Exporters of grains	2014	2015	2016	2017	2018	5-year growth	main product(s)
Bosnia and Herzegovina	0,2	0,3	0,3	0,3	11	4962%	wheat
Macedonia, North	0,3	0,3	0,6	3	6	2071%	maize, wheat, barley
Paraguay	1	9	4	4	15	1404%	rice
Brazil	144	209	223	662	779	441%	maize
Kazakhstan	25	41	50	71	115	367%	wheat
Myanmar	47	70	56	114	145	208%	rice
Moldova	73	74	120	152	169	130%	maize, wheat, barley
Exporters of oilseeds	2014	2015	2016	2017	2018	5-year growth	main product(s)
Myanmar	0	4	3	3	3	1970%	other oilseeds

Serbia	16	51	79	95	64	296%	rape seed, sunflower seed, soya
Mozambique	1,2	1,2	1,5	4	4	216%	sesame
Moldova	49	77	102	157	130	164%	sunflower seeds, rapeseed
Uganda	6	8	6	6	14	139%	soya, sesame, other oilseeds (chia)
Nicaragua	25	36	25	51	51	103%	groundnuts, sesame, other oilseeds (chia)
Exporters of pulses	2014	2015	2016	2017	2018	5-year growth	main product(s)
Kazakhstan	0,5	0,9	3	1,5	11	1921%	peas
Moldova	0,4	0,9	1,3	4	3	663%	peas
Uganda	0,4	0,7	1,1	2	2	424%	other dried, shelled leguminous vegetables
Ukraine	16	5	7	14	64	303%	peas, kidney beans
India	9	10	20	19	22	148%	chickpeas, mung beans, lentils

Tip:

Stay up to date with developments in the Black Sea region by monitoring the news on blackseagrains.net.

Specific origins benefit from demand for specific food ingredients

There are a number of supplying countries for grains, pulses and oilseeds which are not among the suppliers of large, bulk and feed commodities. These countries often specialise in specific high-value crops and niche products related to human consumption. This shows that export development is possible when you have a local product that is well developed in your country or when you create a competitive advantage.

Table 3: Examples of countries that are well positioned in specific niches or with significant growth

Country	No. 1 supplier in	
Pakistan	Rice	With a value growth of 208% in five years, Myanmar became the fifth largest rice supplier to Europe. The largest rice suppliers to Europe are Pakistan, Thailand, India and Cambodia.
India	Sesame	Nigeria is the second largest supplier of sesame seeds to Europe. India is the third supplier of millet and mung bean. India also grew its chickpea supply to Europe from €5.6 million to €14.4 million in five years, from 2013 to 2018.
Peru	Quinoa	Bolivia is the second largest supplier of quinoa to Europe. Peru also has the highest value of melon seeds to Europe.
Paraguay	Chia seeds	Bolivia is the second largest supplier of chia seeds to Europe.
Madagascar	Cowpeas	Brazil, Peru and Myanmar follow in export value to Europe.
Turkey	poppy seeds	China is the second largest supplier of poppy seeds to Europe.
China	Adzuki beans	Second largest suppliers of mung beans, millet and buckwheat.
Argentina	Groundnuts	Argentina is also the leading supplier of chickpeas to Europe, just ahead of Mexico and the United States.
Malawi	Pigeon peas	Occasionally, Tanzania or India export a higher value of pigeon peas to Europe than Malawi.

You can make a difference in food-grade products, but you and your home country have to be able to manage food safety standards and phytosanitary controls.

Tip:

Specialise in typical products from your region and supply niche markets if you are not a large exporter. Niche markets can be more profitable, but be aware that they could also entail high risks and volatility.

Strong cereal crop production in Europe leaves opportunities only in rice

According to statistics, [54% of Europe's arable land is used for the production of cereals](#) (see [definition of cereals](#)). Due to dry conditions in late spring in various regions across Europe, cereal production dropped below 300 million tonnes in 2018. France was the largest producer with a harvest of 63 million tonnes. At the same time, maize import value increased 31%, wheat 10% and sorghum 154% compared to the previous year. In 2019, cereal harvests are expected to recover and rise above 300 million tonnes again.

Wheat is Europe's most important crop. Market analysts from [Coceral](#) and [Farmers Weekly](#) forecast a 10 to 15% increase in wheat harvest for 2019, reaching between 140.3 to 146.4 million tonnes. In wheat and barley, Europe has high self-sufficiency.

The limited production of rice varieties makes Europe an interesting market for exporters. The Japonica variety is growing dominant in Europe's production of rice, while Indica rice imports have increased, especially from Cambodia and Myanmar because of a [duty and quota free agreement](#). Europe's domestic production of rice is relatively stable at around 3 million tonnes, while imports are gradually growing towards passing the 2-million tonne mark.

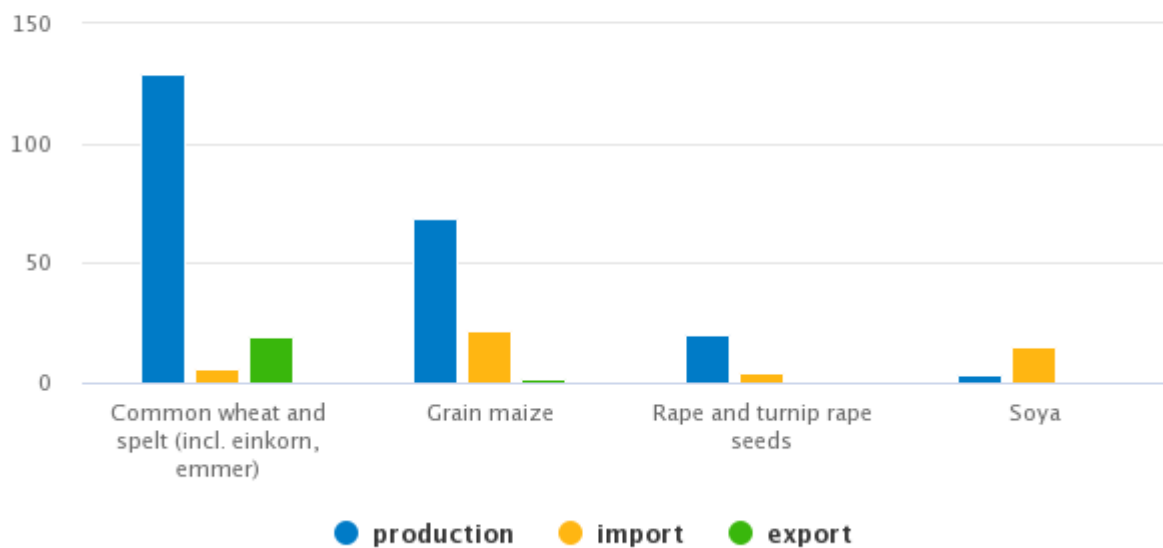
There is also room for diversification. Some producers in France, Italy, Austria and [Bulgaria](#) are finding alternative, ancient crops to grow, such as spelt, einkorn and emmer, because of their nutritional properties. Although there is only scarce data, production of certain niche cereals, such as buckwheat and millet, grew from 445 thousand tonnes in 2011 to 603 thousand tonnes in 2018.

In the long term, the amount of land for agricultural purposes in Europe is expected to continue to reduce. However, the [European Union forecasts higher production volumes](#) for most arable crops due to better yields.

Temporary shortfalls and the demand for lesser known cereals are likely to be the main reasons for importing cereals.

Figure 3: Grains and oilseeds with European demand of over 15 million tonnes

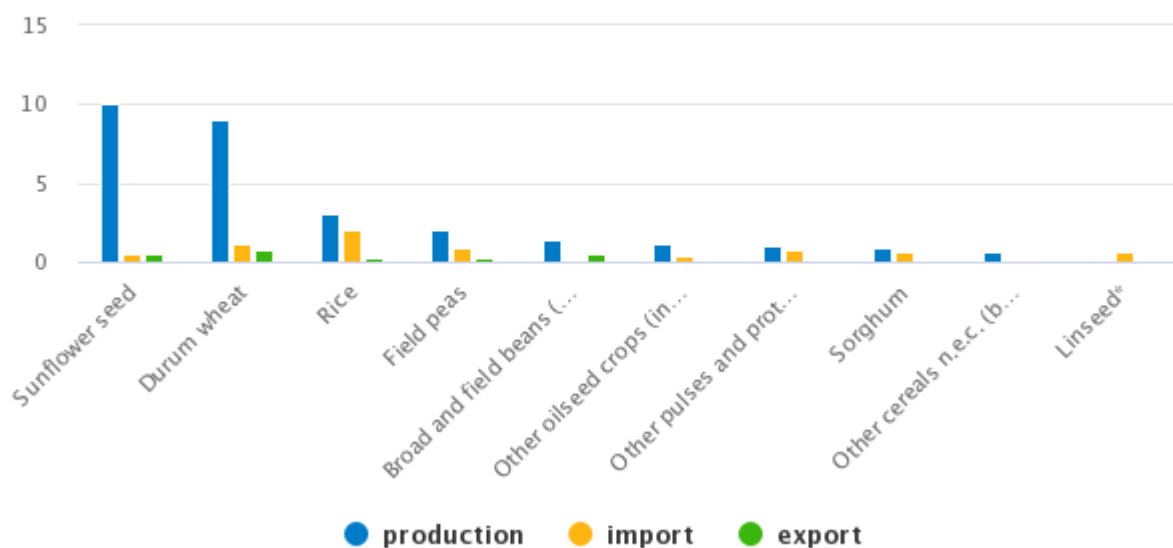
2018



Source: Eurostat

Figure 4: Grains, pulses and oilseeds with a European demand of less than 15 million tonnes

2018



Source: Eurostat (*with limited data of 2017)

Tips:

Get informed with the [Crop Forecasts](#) of Coceral, the European Association of cereals, rice, feedstuffs, oilseeds, olive oil, oils and fats and agrosupply trade.

Consider the European market for common grains as a potential market, but not as a priority. When there is a supply shortage, make sure to check if you can offer a competitive product. Check, for example, if your country has an advantage in the form of a [trade agreement](#) or beneficial [custom](#)

duties.

Read about the different types of ancient grains and their characteristics at the bottom of the article [Rising demand for ancient grains](#) on Food Manufacture and stay informed about production initiatives and novelties in grains in Europe. Such initiatives provide a good indication of future interest and demand.

Shift towards sustainable and nutritious oilseeds

Oilseed production in Europe fluctuates between 32 and 36 million tonnes and imports grow a few percentage points per year. Although the total size does not show significant changes, shifts in usage and sustainable practices move the market towards different preferences.

Oilseeds cover the demand from three main industries:

- Food industry (mainly vegetable oils);
- Feed industry (oil cake);
- Non-food industry (refined oils).

The oilseed harvest in Europe almost hit a record in 2017, but decreased again in 2018 due to [weather circumstances](#). There was excessive rain in France and Spain and a water deficit in Germany and the Eastern European countries.

Rapeseed, soybean and sunflower seed make up 96% of the oilseed production in Europe, being responsible for more than 80% of the oilseed import value. A significant part of this demand consists of rapeseed or canola, which has become Europe's main oil making crop.

Rapeseed is a common vegetable oil for industrial uses including biofuels, but varieties with low erucic acid are also used for human and animal consumption. The [deteriorating market for crop-based biofuel](#) has withheld rapeseed from significant growth in the future.

In 2019-2020 the European rapeseed production will decrease due to [reduced planted areas](#) in France, Germany, Poland and the United Kingdom. In the long term, the European Commission forecasts a [rapeseed production of 20.7 million tonnes by 2030](#), one million less than the average in the last five years. Some of the demand is expected to be replaced with imports, especially from Ukraine, the current leading supplier.

Due to the limited nutritional value of rapeseed meal, part of its [production is gradually shifting towards soybean](#). Soybean is considered a better crop for animal feed that has the currently highest import volume of all oilseeds into Europe at more than 15.1 million tonnes in 2018. As Europe also plans to become less dependent on external suppliers and make soybean crop more sustainable, 13 European Member States signed the [European Soya Declaration](#) in 2017, an initiative to increase non-GMO soya production.

Sunflower seeds are mainly used for food purposes. In retail and food services, [sunflower oil is still the most popular edible oil](#). Sunflower oil, as well as rapeseed, will increase its importance in food preparation at the expense of palm oil, which has raised several environmental and nutritional concerns. Specific high-oleic sunflower seed and rapeseed varieties are in demand because of their health benefits.

European sunflower seed production reached approximately 10 million tonnes in 2017 and 2018, approximately one to two million tonnes higher than previous years, while import volumes increased from 232.4 thousand tonnes in 2014 to 546.8 thousand tonnes in 2018.

To find a high-value market, focus on oilseeds with interesting nutritional properties. A sustainable production is

a precondition for making your supply future-proof.

Tips:

Get informed about the crushing and refining industry in Europe and the different policy priorities on the website of Fediol, the [Federation for European Vegetable Oil and Proteinmeal Industry](#).

Follow all food safety protocols when focusing on high-value oilseeds for the food industry. Look into the [requirements for grains and pulses](#) on the CBI market information platform.

EU policies and search for plant protein boost pulses

Pulses are not traditionally popular in Europe, where pulse consumption is relatively low compared to the rest of the world. But since 2013, there has been a significant change. Domestic production reached a record of 6.2 million tonnes in 2017-2018, which is twice the 2013 volume. Part of this growth can be attributed to the [Common Agricultural Policy](#) (CAP) greening measures, which have identified nitrogen-fixing crops, such as dry pulses, as ecological measures for sustainable agriculture.

According to the [EU Agricultural Outlook 2018-2030](#), factors that will lead to growth in the European pulse production include:

- Demand for feed purposes (field peas, broad beans and lupins);
- Demand for human consumption (lentils, chickpeas and other pulses);
- A favourable policy environment;
- Yield improvements.

Europe's largest producing countries include France (peas), United Kingdom (beans) and Poland (sweet lupins). According to Faostat data, production of chickpeas has grown from 47 thousand tonnes in 2013 to 132 thousand tonnes in 2017. Although production declined somewhat in the 2018-2019 year due to weather difficulties, the trend of growing protein crops will continue.

Future policies and [interest in developing plant protein production](#) will further boost pulse production in Europe, primarily peas, broad beans and soybean (both oilseed and protein crop). This scenario can also provide opportunities for imports.

However, having only a 1.4% share of the total crop area, the production of protein crops in Europe is still very limited and demand is easily overestimated. This was the case in 2018 when a large volume of imports lead to very low prices. As a producer or producing exporter, you must be cautious with increasing or switching to producing pulses. The European market will not provide you with a profitable output for surplus production volumes.

Tips:

Get acquainted with the [Common Agricultural Policy \(CAP\)](#) and make sure you understand the benefits and the level of competition of European farmers.

Make sure you have a buyer for your product before producing for the European market, and discuss which pulses will have most potential.

Use pulses as a rotational crop. They enrich the soil with nitrogen, being ideal as a rotation crop for cereals.

2. Which European markets offer most opportunities for grains, pulses and oilseeds?

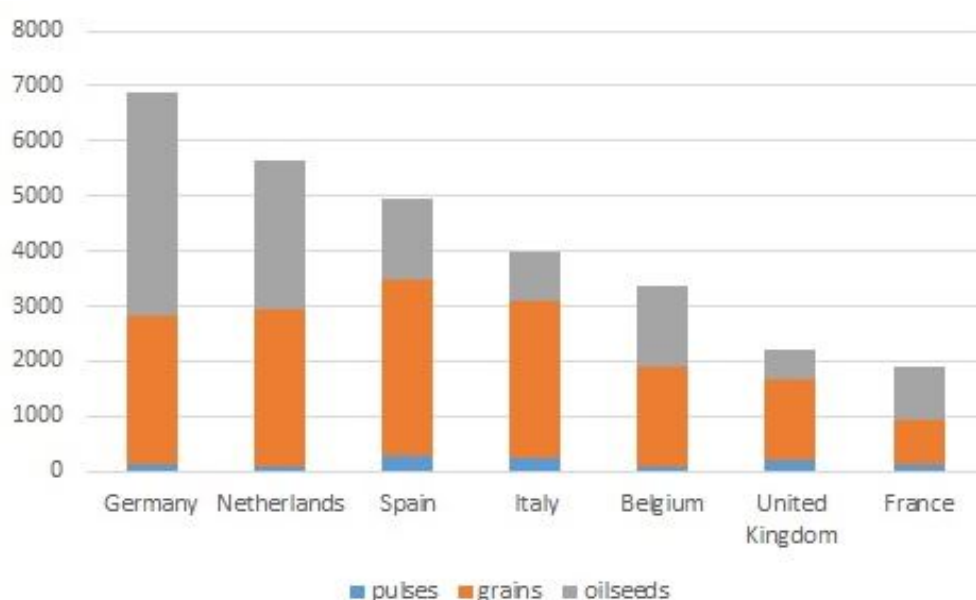
For grains, pulses and oilseeds there is demand from industrial users, feed producers and the food industry. High-value and specific products will encounter most opportunities for human consumption, including in traditional cuisines and alternative food markets related to healthy or special diets. These opportunities can be best explored in northern Europe, as well as in Italy and Spain, which are traditional markets for pulses and special grains.

Germany leads in imports of grains, pulses and oilseeds

In the overall sector of grains, pulses and oilseeds, Germany and the Netherlands have the highest import values in Europe. This is especially because of the large import share of oilseeds in these countries, which amounted to €4 billion in Germany and €2.7 billion in the Netherlands. Grains and pulses fetch the highest import value in Spain and Italy. Spain leads at €3.2 billion in grains and €270 million in pulses.

Belgium has a similar import profile as the Netherlands but has a lower total value. The United Kingdom is also an important destination for pulses.

Figure 5: Europe's top markets for grains, pulses and oilseeds in 2018, in € million



Source: ITC TradeMap

Oilseeds and industrial cereal mostly sell in northern Europe

Importation and processing of oilseeds, as well the industrial use of cereals, is most dominant in north-western Europe. Germany and the Netherlands are the leading importing countries at €4 billion and €2.7 billion respectively. The Netherlands uses its imports for both trade and processing, but in Germany industry is predominant. In 2017, [Germany produced 12.9 million tonnes](#) of oilseed crushing, which is equivalent to 27% of the total in the European Union.

Most biorefineries and bio-based companies are located in Europe's northwest. Germany has a strong position in biofuels. [Starch-based products](#), such as biopolymers, are expected to be one of the forces behind the demand for wheat and maize.

Germany and Spain require most grains for the feed industry

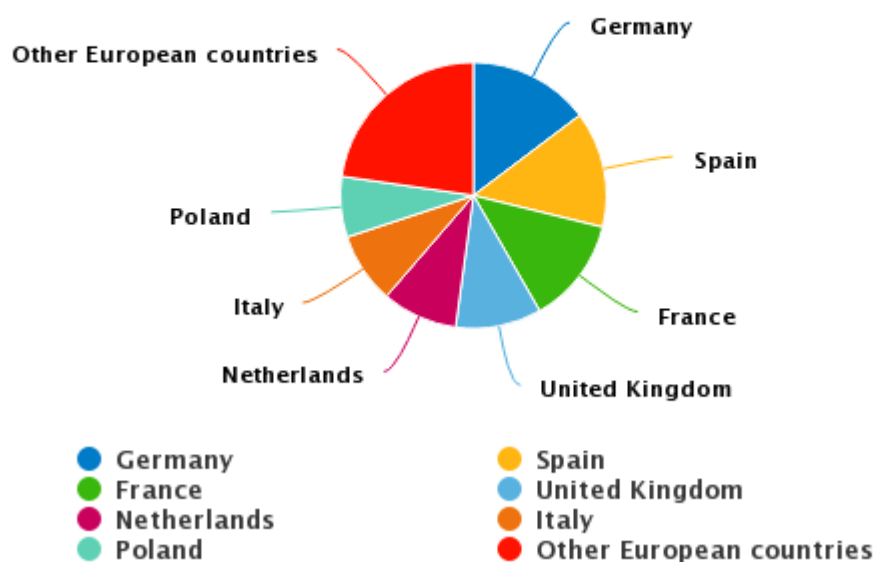
The feed sector will always be one of the main drivers of the demand for nutritional and protein crops in Europe. Cattle and poultry are the main growing livestock.

According to the [European Feed Manufacturer's Federation](#) (Fefac), Germany and Spain together produce 29% of the 161.3 million tonnes of compound feed in Europe. In Spain, the livestock sector is large but the country has a [structural deficit of local feed grains](#), making it Europe's main importer of wheat and maize. Other countries with large livestock production, such as France, United Kingdom, and Poland, also have high demand for feed crops. France and Poland are strong crop farmers, so they have good local sources of feed crops.

The Netherlands also has a relatively large share in feed production at just over 9%. However, it is also the home country of [Europe's largest feed producers](#) and nutritional service providers, including ForFarmers, Agrifirm Group, De Heus and Nutreco. The Netherlands has the [highest export value of animal feed](#) in the world.

Figure 6: European feed manufacturing in 2018

in million tonnes



Source: European Feed Manufacturers Federation (Fefac)

Tip:

Get insights in the global and European feed market on [All About Feed](#) and the website of the [European Feed Manufacturer's Federation](#) (Fefac).

Spain and Italy import most grains and pulses for traditional cuisine

Spain and Italy have the greatest demand for grain cereals, such as wheat and maize, and pulses.

Besides having high demand for wheat and maize, Spain is also a major importer of dry peas, chickpeas, kidney beans and lentils. Trade data suggest a remarkable 612 thousand tonnes of dry pea imports in 2018, more than 12 times higher than in 2017. Spain's grain and dry pea import is strongly related to the feed industry, but according to [BusinessWire](#), stronger demand for dry peas can also be attributed to the growing interest in vegan

food.

Italy's high demand for grains and pulses also comes in large part from the food industry and the Mediterranean cuisine. Making traditional pasta, the most typical Italian food item, requires durum wheat and many Italian recipes call for white kidney beans or *cannellini*.

Ethnicity can be another influence in pulse consumption. The [ethnic population](#) in the United Kingdom of 1.4 million Indians, 1.1 million Pakistani and 400 thousand Bangladeshi has made it an important target market for suppliers of chickpeas, cowpeas and mung beans.

Tips:

Investigate the specific demand and quality specifications of ethnic and traditional products. For example, Arab consumers strongly prefer large-sized chickpeas. Try to engage in conversations with potential buyers of ethnic foods by browsing the [Europages database](#).

Get more information through the Snapshots of opportunities in the [Spanish pulse sector](#) and the [Italian lentil sector](#) that have been published by Agriculture and Agri-Food Canada.

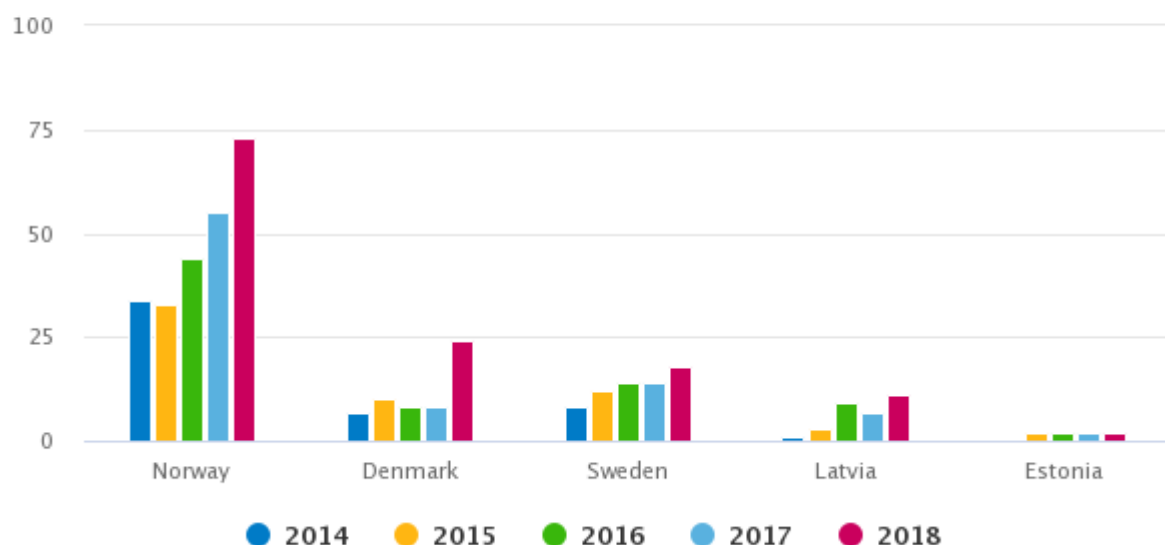
Scandinavia and Baltics show positive import growth in pulses

The strongest recent import growth in pulses has happened into Scandinavian and Baltic countries. This growth mainly involves broad beans and dry peas, which have a strong push from the feed sector. For example, Norway is Europe's largest importer of feed-grade fava beans. Norway's thriving [salmon production](#) increasingly uses fava bean protein as feed replacement for fishmeal. Norwegian pulse imports increased 116% to €72.6 million. The highest growth in import value was 737% in Latvia.

Pulses are currently sourced from other European countries, but with the growing supply coming from the Black Sea region, countries such as Moldova and Kazakhstan will find potential opportunities in exporting to these northern European markets.

Figure 7: Destination countries with highest import growth for pulses (all origins)

in € million



Source: ITC Trademap

Alternative food markets offer most potential for non-commodity suppliers

For products related to special dietary needs or offering health properties, there are several market segments which can provide opportunities. The demand for organic and vegan products are the strongest drivers of the human consumption of healthy grains, pulses and oilseeds, but gluten-free is also a segment with growth opportunities.

Table 4: Overview of relevant niche markets for special grains, pulses and oilseeds

Organic retail sales		Vegan product launches	Gluten-free sales and market size	
per capita 2017 in €	per country 2017 in € million	Percentage of global launches 2017-2018	sales per capita in 2014	market size in 2015 (% of global sales)
Switzerland (288)	Germany (10,040)	Germany (15%)	Norway (8,8)	United Kingdom (15%)
Denmark (278)	France (7,921)	United Kingdom (14%)	Finland (6,8)	Italy (10%)
Sweden (237)	Italy (3,137)	France (4%)	Sweden (5,0)	Germany (7%)

Luxemburg (203)	Switzerland (2,435)	Spain (4%)	Italy (3,9)	Spain (3%)
Austria (196)	Sweden (2,366)	Italy (3%)	Austria (3.9)	Finland (3%)

Sources: FiBL-AMI survey 2019, Mintel, Euromonitor International

Organic: Nordics and German speaking countries are strong markets

The organic market in the European Union has reached a total retail sales value of €34.3 billion, with a growth value of 10.9% from 2016 to 2017. Scandinavian countries and German speaking countries are strong markets for organics. Organic production within Europe does not grow sufficiently to meet this added demand, so there is increasing dependence on external organic farmers.

Products with specific health benefits or nutritional value, such as quinoa and chia seeds, are often sold on the organic market. According to industry sources, there is also growing interest in new sources of organic pulses. However, the increased demand for organics also applies to feed crops needed for the production of organic meat, eggs and milk.

FiBL and IFOAM – Organics International have published a global overview of the organic production of cereals, pulses and oilseeds using data up until 2017. In short, the opportunities in Europe are under pressure from the large organic production in China, which has the largest agricultural area for organic cereals, pulses and oilseeds in the world. At the same time, European buyers indicate that they want to move away from Chinese imports and focus more on Europe-grown organic products.

This means interest in buying organic products from the following sources is likely to increase:

- Italy, which has more than 300 thousand hectares of organic cereals, almost 50 thousand hectares of organic pulses;
- France, which has more than 97 thousand hectares of organic pulses;
- Romania, which has more than 70 thousand hectares of organic oilseeds.

Organic production is well developed in Europe and growing. For example, 9.4% of Italy's cereal production comes from organic agriculture, while in China only 0.9% of the total cereal area is organic. In spite of this, European organic production is by far not enough to meet demand. As a supplier, you can take advantage of the demand for organics if you are able to follow the strict European organic procedures and offer European buyers a good alternative for Chinese and European products.

Tips:

Learn more about the statistics and emerging trends in organic food in [The World of Organic Agriculture](#) by FiBL and IFOAM Organics International.

Pay extra attention to residue levels when exporting organic grains, pulses and oilseeds. EU regulation only allows for [specific permitted substances](#) and European buyers often have a zero tolerance. If you cannot comply with the standards for organics, you must still make sure you do not exceed the maximum allowed residue limits (MRLs) for conventional products. You can find the MRLs in the [European Pesticide Database](#).

Look for importers of organic grains, pulses and oilseeds on organic-bio.com, or meet buyers at [Biofach](#), the largest organics trade fair in Europe.

Vegan: Going strong in Germany and United Kingdom

The demand for vegan foods and the search for plant-based proteins is becoming an important motivator of sales for pulses and protein crops. Although there is little comparative data within Europe, [Germany and the United Kingdom are believed to be the leaders](#) with a 29% share of the vegan food and drink launches from July 2017 to June 2018. Germany leads in product development, but is closely followed by the United Kingdom, where meat-free food increased 987% and veganism is considered [the biggest food trend of 2018](#).

At the moment, the vegan market consists predominantly of soybean products, but there is unexplored potential for other high-quality, food-grade protein sources such as lupins and peas, which are both common in European production.

Tips:

Visit the [website of The Vegan Society](#) and acquire knowledge about the size and growth of the vegan sector in Europe.

Be careful when making [nutrition and health claims](#) in the European market. Any claim made on a food's labelling, presentation or advertising is subject to [EU regulation](#) and must be clear, accurate and based on scientific evidence.

Learn more about [consumer trends for grains and pulses](#) on the CBI market information platform.

Gluten-free: opportunities across Europe

The growing attention to gluten intolerance will open opportunities for gluten-free grains from developing countries, such as quinoa, buckwheat and other cereals, such as amaranth and teff. According to [The Association of European Coeliac Societies](#) (AOECS) an estimated 1% of the population suffer from coeliac disease in Europe. [Scientific research](#) indicates that coeliac disease is most common in Nordic countries such as Finland and Sweden. In the United Kingdom and Italy, gluten-free products are even [subsidised by the government](#).

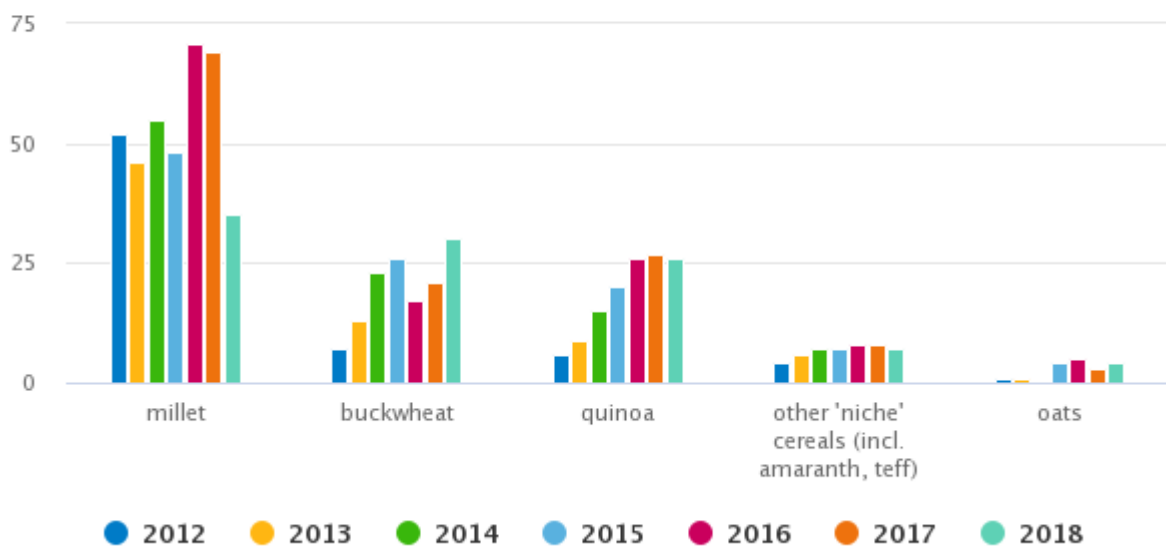
Sales of gluten-free products do not depend only on people with coeliac disease, because an increasing number of gluten intolerant and health-minded consumers make [Europe an important market for gluten-free products](#). For example, in the United Kingdom [up to 13% of consumers have a gluten intolerance](#).

According to [Foodnova](#), the European gluten-free sector recorded revenues of €320 million. In Italy, approximately 50% of the food companies produce gluten-free products. In the [United Kingdom](#), the total 'free-from' market, including gluten-free, is estimated to have increased 133% in five years to more than €750 million.

[Transparency Market Research](#) estimates that the global market for gluten-free foods will expand at an average annual growth of 7.70% in the period from 2015 to 2021. This growth will continue to provide a market for many of the typical gluten-free, pseudo-grains, but also increase the use of alternative ingredients, such as pulses in bakery products.

Figure 8: Import of gluten-free cereals into the European Union

in thousand tonnes



Source: Market Access Database

Tips:

Visit the [Free From Food Expo](#) in Amsterdam. For the Italian market, you might also find it interesting to visit the [Foodnova](#) trade fair for free-from products in Italy.

Keep processing and supply lines for gluten and non-gluten products separate from each other and follow the [EU regulation](#): only use the statement 'gluten-free' when your product does not contain more than 20ppm (20mg/kg) of gluten. Below 100ppm (100mg/kg) you may use the indication of 'very low gluten'.

3. Which products from developing countries have most potential in the European market for grains, pulses and oilseeds?

The best opportunities for export development from developing countries can be found outside of the commodity trade. In specialist food markets, you can differentiate your company with products such as quinoa, chia, mung beans, cowpeas, food-grade beans and peas, and high-quality sesame seeds. The most noticeable opportunities for small and medium suppliers are in traditional crops, high-value crops with nutritional properties and organic crops.

The most promising products

Some of the most promising products for the European market, mainly from developing countries, include:

- Sesame seeds and other large-volume grains, pulses and oilseeds produced in developing countries: Large-volume products such as sesame seeds will always have a strong demand, but it also means there will be strong competition with dominant players.
- Food-grade beans and peas, cowpeas: The trade value of these pulses has been growing fast. They are also known for their nutritional properties and protein value. Newly promoted products should be introduced with

caution because strong growth often results in faster production growth and oversupply. This is also true for the traditional crops below.

- Quinoa, chia and mung beans: These are typical products from developing countries, often considered traditional crops and difficult to produce in Europe or in developed countries. New, authentic products that have an advantage for human health such as these often end up in the organic channel.

Products with high demand from developing countries

Large-volume products from developing countries are the large scale commodities such as maize, soybean and rice. These large-volume commodities are relatively easy to market through large corporations such as ADM, Cargill and Bunge at prices that depend on the stock market. Commodities are often a decision of crop rotation and maximising profits, but special products need much more commercial attention.

To move away from the commodity trade, you must focus on a differential quality. Consider the following examples:

- food-grade oilseeds
- organic beans
- [special rice varieties](#)

Crops traded in relatively large volumes from developing countries and that can be traded through a number of independent traders include:

- [groundnuts](#)
- [sesame seeds](#)
- [linseed](#)
- chickpeas

Some crops, such as linseed, are still dominantly grown in the northern hemisphere, making it difficult for other suppliers to compete.

Table 5: Main commodities imported to Europe from developing countries, in € million

Product	2014	2015	2016	2017	2018	5-yr. growth
Maize or corn	1963	1873	1619	2363	3000	53%
Soya beans	3751	3316	3020	2997	2593	-31%
Rice	1098	1225	1073	1240	1237	13%
Rape or colza seeds	550	477	378	757	807	47%
Groundnuts (raw)	622	759	778	944	781	25%
Wheat and meslin	288	434	419	439	504	75%
Sunflower seeds	144	189	357	272	250	74%
Sesamum seeds	238	225	160	160	183	-23%
kidney beans	291	244	202	175	182	-38%

Linseed	146	136	99	119	134	-9%
Chickpeas	65	71	86	110	110	70%
peas <i>Pisum sativum</i>	20	10	10	14	73	264%
Lentils	36	55	73	63	52	44%

Source: ITC Trade Map

Tip:

Keep contact with [multinational buyers](#) when you want to sell large-volume commodities.

Specific and niche products offer best opportunities for developing countries

Smaller and distant suppliers, including those in tropical regions, should focus on niche and specialised products. Among these products, you can find:

- ancient grains
- nutritional and [high-value seeds](#)
- ethnic beans

Special and niche products that are mainly supplied to Europe from developing countries:

- [quinoa](#)
- [amaranth](#)
- fonio
- melon seeds
- [chia](#)
- [mung beans](#)
- cowpeas
- red Adzuki beans
- pigeon peas
- Bambara beans

Other medium and small-scale products include:

- [teff](#)
- [hemp seed](#)
- [poppy seeds](#)
- [mustard seed](#)

These specific products are mainly for human consumption and when supplying them, make sure products are clean and sustainable.

Table 6: Selection of specific grains, pulses and oilseeds imported to Europe from developing countries, in € million

Product	2014	2015	2016	2017	2018	5-yr. growth
Other oilseeds and oleaginous fruit	160	254	224	184	167	5%
Quinoa	76	85	67	58	60	-21%
Melon seeds	25	22	27	31	36	47%
Mung beans, black/green grams	22	32	30	32	23	4%
Mustard seeds	19	21	20	21	19	-1%
Other beans Vigna and Phaseolus	18	20	21	18	15	-19%
Poppy seeds	11	7,2	6,4	5,5	15	35%
cowpeas	5,0	8,9	7,2	7,6	8,8	77%
broad beans and horse beans	8,4	8,9	11	9,3	7,1	-16%
Other dried leguminous vegetables	3,7	5,2	7,4	7,1	6,0	59%
Other niche cereals	7,0	6,6	7,5	6,9	5,6	-21%
small red Adzuki beans	2,3	3,0	3,0	2,7	2,4	2%
pigeon peas	1,3	2,7	4,1	3,9	2,1	65%
Cotton seeds (excl. for sowing)	19	2,4	11	4,4	1,3	-93%
bambara beans	0,06	0,15	0,05	0,11	0,17	163%
Fonio	0,08	0,10	0,12	0,10	0,09	8%

Source: ITC Trade Map

Alternative, ancient and pseudo-grains:

Quinoa went down in trade value, but import quantities have been maintained at around 26 thousand tonnes, in spite of a growing production in Europe.

Fonio is a traditional grain from western Africa. It recently obtained [authorisation](#) to be marketed as a food stuff in the European Union. The current import is minimal, but with the recent approval it has an interesting potential in the European food industry.

Other niche and pseudo-cereals from non-European sources include amaranth, teff and cañihua, which is a [novel food](#). Most of these niche cereals still need to be developed in the European market, but fit well together with the European ancient grains such as spelt, einkorn and emmer.

Tips:

Check the [Healthgrain Forum](#) to see initiatives in Europe that promote healthy grain concepts.

Make sure your product is authorised to be marketed as a food stuff in the European Union. Some exotic products are 'novel foods', so inform yourself well about the [European legislation for novel food](#).

High-value and nutritious seeds

Melon seed imports from Peru have the highest value, but these are mainly high-quality seeds for sowing. Chile, Peru and Thailand export melon seeds at an average value of €300 to €900 per kilo. These high values are an indication of quality sowing seed, often developed by international seed breeders such as [Rijkzwaan](#).

Nevertheless, melon seeds can also be sold as edible seeds. Syria, the United States and India are among the largest suppliers. Egypt's exports to Europe are also growing fast, but the total volume is still very low at around 1.1 thousand tonnes.

Mustard seed is a spice seed and often used in mustard sauce or in Indian cuisine. Mustard seeds are produced in Europe and complemented by another €66.7 million of external supply in 2018, mainly from Russia and Canada. Exports from developing countries are stable at around €20 million, led by Ukraine. Globally, India and Syria are large exporters of the following spice seeds: anise, badian, fennel, coriander, cumin or caraway, juniper berries. See also the [CBI market information about exporting spices](#) and herbs.

Poppy seeds are commonly used as an ingredient in the bakery sector, but demand for external supplies fluctuates. Czech Republic and Spain meet most of Europe's demand. Additional imports come mainly from Turkey, China and Australia.

Hemp and chia seeds fit among other oilseeds. Both seeds offer high contents of omega-3 fatty acids, making them popular products for health-oriented consumers.

Hemp seed has an import volume of between 7 and 13 thousand tonnes, mostly from China and Canada, which complement the Eastern European production. The growing demand for therapeutic Cannabidiol (CBD), also a product derived from hemp, could drive up the cultivation of hemp as a crop in the northern hemisphere.

Chia is relatively new in Europe. It boomed from nearly nothing in 2012-2013 to an estimated 16 thousand tonnes in 2018. South American suppliers in particular saturated this niche market, making it difficult for new suppliers to enter. Weather often determines the success of the current producing countries and issues with pesticide residues make buyers look for qualified producers.

Tip:

Try to arrange supplying contracts with your buyers. Production and prices of smaller crops can be

volatile, especially for novelty, niche products.

Ethnic peas and beans

Mung beans are a typical crop from Southeast Asia (including India and China). In Europe, it is mostly used for sprouting, but whole dried beans can be found in ethnic segments as well. Import volumes are generally between 21 and 24 thousand tonnes, but trade flows have shifted over the years in favour of Myanmar, India and Argentina over China and Australia.

Cowpeas are a source of cheap protein whose production is 96% located in the Africa, mainly in Nigeria and Niger. The European market for cowpeas is gradually developing, standing at 12 thousand tonnes in 2018. Surprisingly, Madagascar, Brazil, Myanmar and Peru are the main exporters to Europe, and not West Africa. When supplying cowpeas as a food, you must focus on a non-GMO variety.

The European market is still underdeveloped for several traditional and ethnic pulses. But with the right marketing effort, there can be opportunities for:

- Pigeon peas: relatively low value peas but with growing imports into Europe at 3.3 thousand tonnes in 2018 from various origins, including Malawi, Tanzania, Peru, Kenya, Myanmar, India;
- Adzuki beans: also known as red mung beans, had 2.5 thousand tonnes imported to Europe in 2018, almost 50% from China;
- Bambara beans: a groundnut from sub-Saharan Africa, largely unknown in Europe. The status of Bambara beans (*Vigna subterranea*) in Europe is still unknown and they could be considered a [novel food](#).

Tip:

Stay informed about product development and consumer preferences to monitor the use of specific ingredients. You can find information and company updates on news websites such as [Food Manufacture](#), [Food Navigator](#), [Organic & Wellness News](#) and [Bakery and snacks](#).

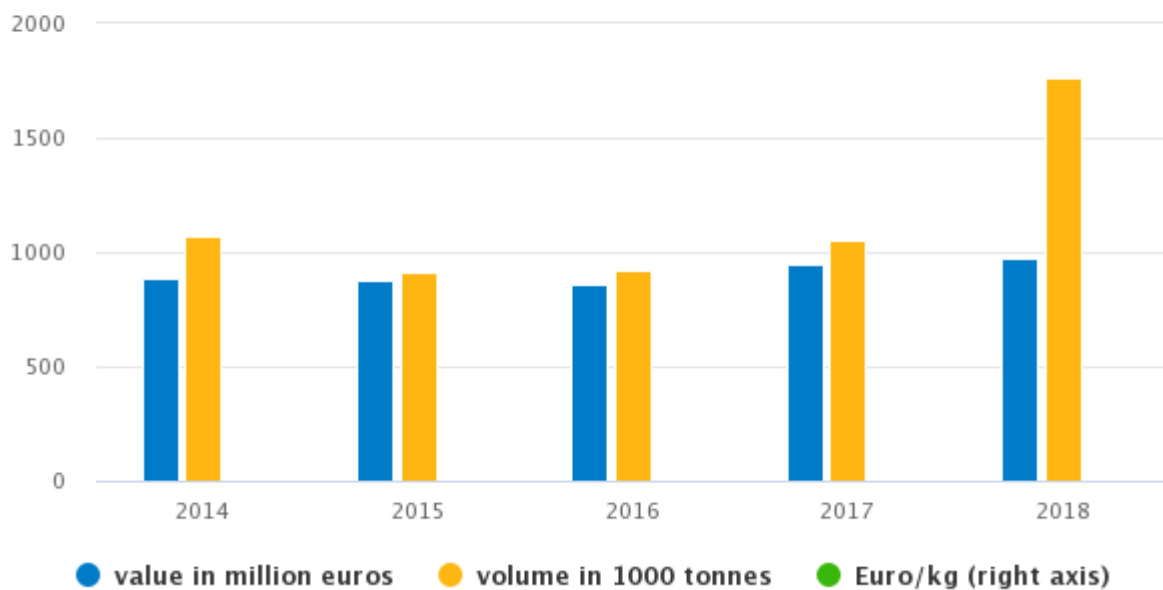
Peas were king in 2018, but with record low profit

European pulse imports took off in 2018. The vegan trend definitely influenced the rise in demand for pulses, but in this case it was the decision of producers worldwide to switch to growing dry peas and other pulses, such as chickpeas, that made pulses rule over crops in 2018.

The total import volume of pulses increased by 68%. Dry peas (*Pisum sativum*) are responsible for most of this increase, what should not be considered a direct opportunity. Volume grew so much that prices over the whole pulse sector decreased by 38% compared to 2017. According to European buyers, pulse cultivation should not be encouraged at the moment as stocks have been built for years to come.

Figure 9: Import of pulses into the European Union

volumes and values



Source: Market Access Database

Tips:


Be careful with upscaling your production. Do not look only at current demand and prices, but make sure you see the bigger picture and monitor the actions of other producers and producing countries.


Be original with pulses. Focus on niches and special qualities, such as organic pulses, adding value through storytelling. Get inspiration to tell your story by watching [These Are My Pulses videos on pulses.org](#).


This study has been carried out on behalf of CBI by [Autentika Global](#) and [ICI Business](#).

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