ESTONIA

FOOD AND FOOD SAFETY
Cuisine is an important part of national culture. Every country has its own distinct cuisine, national dishes and food items. Throughout history, traditional Estonian food has been from our own fields, grasslands, gardens and waters. All of the Estonian agriculture has always been oriented to food production. Already centuries ago, food played an important part in trade with neighbouring countries, food export in the modern sense started in the 17th century. Since then, Estonian food has been highly valued both in Estonia, as well as abroad.

All Estonian people definitely have their own vision about Estonian national food, but often the archaic traditional foods are the ones that people remember first, even though most of us do not really eat them every day. Over time our eating habits, possibilities and speed of life have changed, which is why the former peasant’s food no longer meets the demands of the modern day. At the same time, there are modern products – foods, which the Estonian people love, consider typical and are glad to offer to their visitors. Therefore, in case of an Estonian typical food, its suitability for the dining table of a modern consumer and availability of the food product are important. From the point of view of foreign visitors, its peculiarity is also important.

The awareness of people has grown and following the principles of healthy nutrition is becoming more and more popular. The demand for organic food keeps increasing as well. Organic or ecological agriculture and processing organic food gives especially smaller producers and processors the possibility to differentiate themselves from the others and find a consumer for their products who values organic food.

Food safety is becoming more important for the consumers. Estonia has taken the legislation and surveillance of food safety to the level, which is reliable, both within the country, as well as outside.
ESTONIAN FOOD INDUSTRY

The food industry is an important and traditional branch of industry in Estonia. The relevance of food and beverage industry in the Estonian GDP has remained around 2% over the years.

According to the preliminary data of Statistics Estonia, the total production of food industry enterprises summed up to 1.08 billion euros in 2010. This formed 17% from the total production of Estonian processing industry (Figure 1). The influence of economic recession in 2009 is clearly visible in the indicators of food production and consumption. Compared with other European Union Member States, the decline in the production volumes of food and beverage industries has been one of the steepest. This shows our food market’s vulnerability and strong dependence on the situation of the world market.

The biggest share of the financial capacity of Estonian food industry is provided by the dairy, meat and beverage industry – in 2010, 28%, 19% and 15%, accordingly (Figures 2, 3).

According to preliminary data of Statistics Estonia, products of Estonian food industry were exported in the amount of 317 million euros in 2010 (Figure 4). The percentage of the export of food industry in the sales of products was 29.4% in 2010.
**Figure 1.** Total production of the food industry in Estonia (million euros) and percentage in the processing industry (%) in the years 2003–2010

**Figure 2.** Food production in Estonia in the years 2003–2010 (million euros)

**Figure 3.** Structure of the Estonian food industry in 2010* (% of fiscal value)

**Figure 4.** Export of the food industry (million euros) and relevance of export in production (%) in the years 2003–2010

*Sources: Statistics Estonia, Ministry of Agriculture (* – preliminary data)*
Dairy industry

According to the data of the Veterinary and Food Board (as of 08 December 2010), there were 31 enterprises in Estonia, which handle milk; two of them were development centres and one was only dealing with purchasing raw milk. However, there were 40 production units approved by the Veterinary and Food Board, since many entrepreneurs had several different factories or other handling premises. Two farm dairies out of the approved enterprises had been approved for organic processing (curd, yoghurt, cheese being the organic products). 13 enterprises had authorisation to export to Russia.

In recent years, the export of milk products has exceeded import three times. Estonian milk production self-supply rate is 150–160%.

Drinking milk forms the largest share of dairy production by volume – in 2010, over 90 tons of drinking milk was produced, which formed around a half from the volume of dairy products. By production volume, drinking milk is followed by yoghurt, fermented milk drinks and cheese (Figure 5).

**Figure 5.** Production of milk products in Estonia in the years 2003–2010 (thousand tons)

**Sources:** Statistics Estonia, Estonian Dairy Association (* – forecast)
Meat industry

According to the Veterinary and Food Board (as of 25 January 2011), there were 100 meat processing enterprises in Estonia, out of which 4 have also been approved on the basis of the Organic Farming Act.

The quantity of import of meat and meat products has been around two times bigger than the export – for example, during the first half of 2010, import of meat and meat products to Estonia was 1.6 times bigger than export. At the same time, the possible self-supply rate of Estonia in case of pork is almost 100%, in case of beef 80–85%, poultry 50–60% (the self-supply rate of hatching eggs from meat breed chicken was 90%). The majority of imported meat is formed by pork and poultry meat.

The biggest share by amount of the meat industry’s products is formed by meat (together with tripe) – in 2009, 45 thousand tons were produced, which formed about 35% of the total production of the meat industry. Sausages and thermally unprocessed natural prepared products of meat followed by volume (Figure 6).

Source: Statistics Estonia
Cereal processing industry

According to short-term statistics of Statistics Estonia, 117 enterprises were active in the cereal processing sector in the fourth quarter of 2010. Cereal processing enterprises (producers of bakery and macaroni products, flour, cereals and ready-made feedingstuffs) are mostly oriented to serving the domestic market.

More cereal is produced in Estonia than consumed: the self-supply rate in the harvest year 2009/2010 was 120%.

According to Statistics Estonia, the production volume of cereal products in 2009 was over 350 thousand tons, about half of it was formed by the production of compound feedingstuffs and it was followed by cereal flour and bakery products (Figure 7).

Figure 7. Production of cereal products in Estonia in the years 2003–2009 (thousand tons)

Source: Statistics Estonia
ORGANIC FOOD

The number of people who knowingly follow the principles of healthy diet is constantly increasing in Estonia. This trend has increased the demand for organic farming (Table 1). The public mostly wants to know where to buy organic products from and how to recognise them in the supermarket.

Consumers’ demand for organic products is bigger than the producers’ preparedness to market it. Even though organic plant production and livestock farming has expanded quickly in Estonia, there are still problems with small production volumes of several product groups and a poor choice of processed organic products. This, in turn, causes a continuously increasing marketing of imported organic products.

Measures of the Organic Farming Development Plan 2007–2013 help to increase the number of companies dealing with the processing and marketing of organic products. The goal of the development plan is to increase the percentage of domestic organic products on the Estonian food market from 0.15% to 3%. The market share of organic products was 0.26% in the beginning of 2011.

There were 88 enterprises dealing with the production, processing and marketing of organic products registered in the Estonian Organic Farming Register at the end of 2010. Organic farming gives a good possibility for small producers to differentiate themselves from the so-called streamline food industry and therefore, draw more attention to their products. Organic products mostly reach buyers through direct sales and special shops for organic products, but more and more organic products can be found in regular shops.

Table 1. Quantities of the processing of organic products in the years 2008–2010

<table>
<thead>
<tr>
<th>Food group</th>
<th>Unit of measurement</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Milk products</td>
<td>tons</td>
<td>245.9</td>
<td>220.6</td>
<td>145.0</td>
</tr>
<tr>
<td>Meat, meat products</td>
<td>tons</td>
<td>23.3</td>
<td>53.3</td>
<td>177.0</td>
</tr>
<tr>
<td>Cereal and legume vegetable products</td>
<td>tons</td>
<td>279.5</td>
<td>660.8</td>
<td>370.0</td>
</tr>
<tr>
<td>Bakery products</td>
<td>tons</td>
<td>62.0</td>
<td>70.4</td>
<td>96.0</td>
</tr>
<tr>
<td>Herbal teas, herbs and spices</td>
<td>tons</td>
<td>3.5</td>
<td>4.4</td>
<td>3.2</td>
</tr>
<tr>
<td>Products from fruit and vegetables, potatoes, berries, including wild berries</td>
<td>tons</td>
<td>58.6</td>
<td>135.9</td>
<td>162.1</td>
</tr>
<tr>
<td>Apiculture products</td>
<td>tons</td>
<td>0.2</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>Frozen birch sap</td>
<td>tons</td>
<td>–</td>
<td>–</td>
<td>4.0</td>
</tr>
<tr>
<td>Virgin cooking oil</td>
<td>tons</td>
<td>–</td>
<td>–</td>
<td>2.3</td>
</tr>
<tr>
<td>Products made in catering</td>
<td>portions</td>
<td>–</td>
<td>315</td>
<td>30518</td>
</tr>
</tbody>
</table>
CONSUMPTION

Estonian dining table has become very rich. Compared to earlier times, the percentage of ready-to-eat food has increased significantly, organic and natural products gain more and more popularity among conscious buyers.

Estonian Institute of Economic Research carries out regular research, in order to find out what the eating habits and purchase preferences of Estonians are. Based on the study carried out in 2010, a large share of the population of Estonia (47%) buys food 2–3 times a week. Food commodities are mostly (80% of the consumers) bought from big supermarkets. The relevance of small shops and markets as a place for buying food is constantly decreasing. The percentage of buying from the market was the biggest in case of such commodity groups as meat, fish and potato. In case of buying directly from the producer, honey is purchased the most.

Freshness, taste and quality are the factors that people in Estonia find most important when choosing food products (very important for 85%, 85% and 80% of the consumers, respectively). Very important selection criteria are considered to be the healthiness of the product (62%) and good price (60%).

In 2010, 66% of the consumers preferred to buy mostly domestic products. Food products have become more anonymous, it is difficult to find the country of origin (88% of the population experienced difficulties in differentiating domestic products), which is why it is hard for the consumer to prefer local products. Local products were mostly purchased in such commodity groups as potato, smoked sausage, ham, yoghurt and cheese. Local food products were with a familiar taste, fresh and reliable, according to the consumers’ perception in 2010.

The population’s price sensitivity has been very high during recent years. Due to the economic recession and price increase, 83% of the population changed their purchase and consumption habits of food products in 2010. 23% made considerable changes and 60% made some changes. The keywords for 2010 were cheaper food and saving on food.

The people of Estonia say that Estonian food consumption is developing in two contradictory directions – on the one hand, cheapness and speed and healthiness on the other hand. Based on the results of the study carried out in 2010, it can be said that the future trends for food consumption in Estonia are food products with cheaper components, quickly prepared foods, healthiness of food and organic food.
FOREIGN TRADE

Agricultural products (HS 1-24) were exported in 2010 in the sum of 835.3 million euros, which accounted for 9.5% of Estonian total export. Import volume was 1022 million euros, which accounted for 11.1% of the total import of Estonia in 2010. Trade deficit of agricultural products in 2010 was 187 million euros, which is 33% less than in 2009. The volume of agricultural trade in 2010 was 16.6% higher than in 2009, export grew 27.3% and import 9.1%.

Milk and milk products (HS gr 4, 21) were exported in 2010 in the sum of 147.3 million euros, which accounted for 18% of the total export; these were followed by fish and fish products, soft drinks, beer and alcohol with 17% (Figure 8).

The main export partners in 2010 were Russia 23%, Latvia 17%, Finland 17%, Lithuania 11%, Germany 4%, Sweden 4%, the Netherlands 4%, Ukraine 3% and Denmark 2%.

Soft drinks, beer and alcohol (21%) formed the biggest share of the import of agricultural products in 2010. These were followed by meat, meat products and tinned meat, food concentrates, fish and fish products (Figure 9).

Main import trade partners in 2010 were Latvia 13%, Lithuania 13%, Finland with almost 13%, Germany about 10%, the Netherlands about 8%, Poland 7%, Denmark about 6%, Great Britain 5%, Sweden 4%, France with almost 4%, Spain about 3% and Italy 2%.

**Figure 8. Structure of the main trade system export (HS 1-24) in 2010**

- 18% Milk and milk products
- 17% Fish and fish products
- 17% Drinks, beer, alcohol
- 8% Food concentrates
- 8% Meat and meat products
- 5% Cooking fats and oils
- 4% Cereal
- 23% Other commodities

**Figure 9. Structure of the main trade system export (HS 1-24) in 2010**

- 21% Drinks, beer, alcohol
- 9% Meat and meat products
- 8% Food concentrates
- 8% Fish and fish products
- 7% Fruits and berries
- 5% Feedingstuffs
- 5% Flour products (HS gr 19)
- 5% Milk and milk products
- 4% Coffee, tea, spices
- 4% Canned fruits and vegetables
- 24% Other commodities

**Sources:** Statistics Estonia, Ministry of Agriculture
FOOD SAFETY

Even though our everyday food is more safe now than ever before, we still get information all over the world about food related health problems and connections between human and animal diseases. This has increased the interest of people in food safety and methods of agricultural production (organic and regular production, genetic modification).

The movement of food products between different markets in the world imposes an inevitable risk on the consumers’ health and therefore, the European Union draws a lot of attention on food safety.

The principle of the European Union food safety policy is to apply the approach “from stable to table”, which includes all the spheres of the food chain, starting from the production of feedingstuffs until the consumer’s dining table. With such a comprehensive approach, the responsibility of food and feed handlers is clearly determined. The goal is to ensure consumers safe food, which complies with all requirements. This is made possible by ensuring the compliance with requirements of all activities in the food handling chain – from the production of raw materials for food until making it available for the consumers. On the other hand, it has to be made certain that consumers have sufficient and true information about food, which would enable them to make their decisions.

The field of food (i.e. handling of food and raw materials for food, responsibility of food and feed handlers, self-checking and national supervision) is regulated in Estonia by the Food Act and Regulation (EC) No 178/2002 of the European Parliament and of the Council. In addition to the Food Act and its implementing provisions, the field of food is also governed by other legal acts and their implementing provisions and directly applicable European Union legal acts.

According to the Food Act, national surveillance in Estonia is carried out by the Veterinary and Food Board, the Estonian Consumer Protection Board and the Estonian Tax and Customs Board. The Veterinary and Food Board exercises supervision over all spheres of handling (production of agricultural products and primary processing of raw materials, food industry, wholesale trade, retail sale, catering, food transport, food import). The Estonian Consumer Protection Board exercises national supervision over the fulfilment of requirements of presenting information about food in retail businesses and the correctness of the presented information. In some cases, the Tax and Customs Board checks documents of food lots at border inspection posts.

A well-functioning cooperation between surveillance authorities in the European Union enables to receive information quickly about the outbreaks of infectious animal diseases and food crises in other Member States. Estonia has so far been safe from bigger food crises.
FOOD LABELS USED IN ESTONIA

**Flag label**
Products made in Estonia bear the label with the Estonian flag.

**Approved Estonian Taste**
Primary raw material of the product originates 100% form Estonia and the product has successfully passed laboratory and sensory evaluation. Only enterprises registered in Estonia can apply for the label.

**Approved Taste**
The label shows high quality; its raw material can originate from Estonia or elsewhere. All European Union enterprises can apply for the label.

**Best Estonian Food Product**
Winner of the annual Estonian food contest. The product is made by an enterprise functioning in Estonia.

**Grown in Estonia**
A high quality horticulture product grown in Estonia, which complies with the European standard’s higher class requirements.

**Ecolabel**
A product produced and controlled according to the Estonian Organic Farming Act, in the production of which the usage of chemically synthesised inputs is strictly limited and the usage of GMOs and mineral nitrogen fertilizers is prohibited.

**EU Organic Farming Logo**
The product has been produced according to the requirements of European Union organic farming, whereas the usage of chemically synthesised inputs is strictly limited and the usage of GMOs and mineral nitrogen fertilizers is prohibited.

**The symbol for EU Protected Designation of Origin**
The product’s raw material originates from a specific geographical region and production, processing and preparation take place in that same region. The quality or characteristics of that product are determined by natural or human factors of that geographical region.

**The symbol for EU Protected Geographical Indications**
At least one stage connected to the product (production, processing or preparation for selling) is done at the designated geographical region. The product’s connection to the geographical region can also be based on reputation.

**The symbol of EU Traditional Speciality Guarantee**
The product is either from a traditional raw material, with traditional composition or processed/produced in a traditional way, which sets it clearly apart from other similar food products. The product has to be proved to have been used for at least 25 years.

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