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 come 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 that the Estonian people love, consider typical and are glad to offer to their visitors. Therefore, in case of a typical Estonian dish, its suitability for the dining table of a modern consumer and availability of the ingredients are important. From the point of view of foreign visitors, its peculiarity is also significant.

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 a level that 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 at roughly 2% over the years.

According to the preliminary data of Statistics Estonia, the total production of food industry enterprises summed up to 1.19 billion euros in 2011. This formed 14% of the total production of the Estonian processing industry (Figure 1). The influence of the 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 the Estonian food industries is provided by the dairy, meat and beverage industry – in 2011, 28%, 18% and 14%, accordingly (Figures 2, 3).

According to preliminary data of Statistics Estonia, products of Estonian food industry were exported in the amount of 430.9 million euros in 2011 (Figure 4). The percentage of the export of food industry in the sales of products was 36.4% in 2011.
**Figure 1.** Total production of the food industry in Estonia (million euros) and percentage in the processing industry (%) in the years 2005–2011

**Figure 2.** Food production in Estonia in the years 2005–2011 (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 2005–2011

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

(* – preliminary data)
Dairy industry

According to the data of the Veterinary and Food Board (as of 29 February 2012), there were 31 enterprises in Estonia that handled milk; two of them were development centres and one was only dealing with purchasing raw milk. However, there were 38 production units approved by the Veterinary and Food Board, since many entrepreneurs had several different factories or other handling premises. Three farm dairies out of the approved enterprises had been approved for organic processing (curd, yoghurt, cheese being the organic products), 14 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 160-170%.

Drinking milk forms the largest share of dairy production by volume – in 2011, roughly 90 tons of drinking milk were produced, which formed around a half of the volume of dairy products. By production volume, drinking milk is followed by yoghurt, fermented milk drinks, cream and sour cream (Figure 5).

Figure 5. Production of milk products in Estonia in the years 2005–2011 (thousand tons)
Meat industry

According to the Veterinary and Food Board, as of 31 December 2011, there were 104 meat processing enterprises in Estonia, out of which five had also been approved on the basis of the Organic Farming Act.

The amount of meat and meat products imported exceeds the amount exported by 1.5-2 times. For example, during 2011, import of meat and meat products to Estonia was 1.5 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 90–115%, poultry 60–70%. 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 2011, 42 thousand tons were produced, this formed about 32% 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, 135 enterprises were active in the cereal processing sector in 2011. 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 2010/2011 was 105%.

According to Statistics Estonia, the production volume of cereal products in 2011 was roughly 375 thousand tons, 55% 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 2005–2011 (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. Of the consumers questioned in a 2011 survey, 11% said that they buy organic food regularly; an additional 55% do it occasionally.

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 continually 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 0.36% at the beginning of 2011.

There were 151 enterprises dealing with the production, processing and marketing of organic products registered in the Estonian Organic Farming Register in September 2012. Organic farming gives great options for small producers to differentiate themselves from the so-called mainstream food industry and thus to 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 2008–2011 (tons)

<table>
<thead>
<tr>
<th>Food group</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Milk products</td>
<td>245.9</td>
<td>220.6</td>
<td>145.0</td>
<td>151.8</td>
</tr>
<tr>
<td>Meat, meat products</td>
<td>23.3</td>
<td>53.3</td>
<td>177.0</td>
<td>102.7</td>
</tr>
<tr>
<td>Cereal and legume vegetable products</td>
<td>279.5</td>
<td>660.8</td>
<td>370.0</td>
<td>617.0</td>
</tr>
<tr>
<td>Bakery products</td>
<td>62.0</td>
<td>70.4</td>
<td>96.0</td>
<td>114.3</td>
</tr>
<tr>
<td>Herbal teas, herbs and spices</td>
<td>3.5</td>
<td>4.4</td>
<td>3.2</td>
<td>5.4</td>
</tr>
<tr>
<td>Products from fruit and vegetables, potatoes, berries (including wild berries)</td>
<td>58.6</td>
<td>135.9</td>
<td>162.1</td>
<td>269.0</td>
</tr>
<tr>
<td>Honey with flavourings</td>
<td>0.2</td>
<td>0.3</td>
<td>0.3</td>
<td>0.5</td>
</tr>
<tr>
<td>Frozen birch sap</td>
<td>–</td>
<td>–</td>
<td>4.0</td>
<td>–</td>
</tr>
<tr>
<td>Virgin cooking oil</td>
<td>–</td>
<td>–</td>
<td>2.3</td>
<td>6.9</td>
</tr>
<tr>
<td>Fish products</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>11.3</td>
</tr>
<tr>
<td>Soya products</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>1.0</td>
</tr>
<tr>
<td>Yeast</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>4.6</td>
</tr>
</tbody>
</table>

Source: Veterinary and Food Board
CONSUMPTION

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

TSN Emor carries out regular research in order to find out what the eating habits and buying preferences of Estonians are. Based on the study carried out in 2011, a large share of the population of Estonia (42%) buys food 2–3 times a week. Food commodities are mostly (76% 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 89%, 89% and 84% of the consumers, respectively). Very important selection criteria are considered to be the healthiness of the product (62%) and good price (60%).

In 2011, 60% 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 tasted familiar and were fresh and reliable, according to the consumers’ perception in 2011.

The population’s price sensitivity has been very high during recent years. Due to the economic recession and price increase, 49% of the population changed their purchase and consumption habits of food products in 2011, 17% made considerable changes and 32% made some changes. The keywords for 2011 were cheaper food and greater price sensitivity.

Based on the results of the 2011 study, the four key trends that will characterise food consumption in Estonia in the near future are healthier foods, fewer instances of dining out, the rising popularity of local foods and an increase in the consumption of food that can be prepared quickly.
FOREIGN TRADE

Agricultural products (HS 1-24) were exported in 2011 in the sum of 1013.7 million euros, which accounted for 8.4% of Estonian total export. Import volume was 1239.4 million euros, which accounted for 9.8% of the total import of Estonia in 2011. Trade deficit of agricultural products in 2011 was 225.7 million euros, which is 19.5% more than in 2010. The volume of agricultural trade in 2011 was 21.3% higher than in 2010, export grew 21.4% and import 21.3%.

Soft drinks, beer and alcohol were exported in 2011 in the sum of 175.2 million euros, which accounted for 17.3% of the total export; these were followed by milk and milk products (HS gr 4, 21) with 16.6% and fish and fish products with 15.7% (Figure 8).

The main export partners in 2011 were Russia 20%, Finland 17%, Latvia 16%, Lithuania 11%, Germany 6%, Sweden 4%, Denmark 4%, the Netherlands 3% and Ukraine 2%.

Soft drinks, beer and alcohol formed the biggest share (22.7%) of the import of agricultural products in 2011. These were followed by meat and meat products with 9.6% and fish and fish products with 8.7% (Figure 9).

Main import trade partners in 2011 were Latvia 18%, Lithuania 12%, Finland 12%, Germany 8%, the Netherlands about 8%, Poland 7%, Great Britain 6%, Denmark 5%, Sweden 4%, France 3%, Spain about 3% and Italy 2%.

Sources: Statistics Estonia, Ministry of Agriculture

Figure 8. Structure of the main trade system export (HS 1-24) in 2011

- 17% Drinks, beer, alcohol
- 17% Milk and milk products
- 16% Fish and fish products
- 8% Food concentrates
- 8% Meat and meat products
- 6% Cereal
- 5% Livestock
- 23% Other commodities

Figure 9. Structure of the main trade system export (HS 1-24) in 2011

- 23% Drinks, beer, alcohol
- 10% Meat and meat products
- 9% Fish and fish products
- 7% Food concentrates
- 6% Fruits and berries
- 6% Feedingstuffs
- 5% Flour products (HS gr 19)
- 4% Milk and milk products
- 30% 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; therefore, the European Union pays a lot of attention to food safety.

The principle of the European Union food safety policy is to apply the farm-to-table approach that includes all the links 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 that 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 up to 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.

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 major food crises.
**FOOD LABELS USED IN ESTONIA**

**Use By**
Food products labelled with a “use by” date cannot be sold after the indicated date has expired, since such foods may then start to produce microorganisms that can be harmful to human health.

**Best Before**
Food products with the “best before” label may be sold after the indicated date has expired, if the food retains its quality and the consumer is informed of the passing of the “best before” date.

**EC Identification Mark**
The EC Identification Mark is used on products of animal origin, such as fish, meat, dairy and egg products. The oval-shaped label contains the following information: the code of the country in which the establishment is located (e.g. EESTI or EE), the approved number of the establishment, and the European Community indication in the language of the country in which the establishment is located (e.g. EC, EÜ).

**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 is a marker of high quality; the raw ingredients used in the product may originate from Estonia or from 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.

**Ecolable**
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.

**GDA**
The Guideline Daily Amount label shows the percentage of the daily recommended number of calories, as well as the amount of important nutrients (sugars, fats, saturated fats etc.), that a given serving of food or drink contains.

**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 Guaranteed**
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.

---

**Address:** Lai tn 39 // Lai tn 41, 15056 Tallinn, ESTONIA

**Email:** pm@agri.ee

**Phone:** (+372) 625 6101; **Fax:** (+372) 625 6200

www.agri.ee