Canned Fruits and Vegetables in Finland



Finnpartnership

2018



Europe is the largest market for canned fruit and vegetables in the world, representing more than 42% of total world imports. However, Finland (5.5 million inhabitants in 2018) has a relatively small market for canned fruits and vegetables in Europe. The import value in 2017 in Finland was roughly €173,1 million and 103,6 thousand tons. Canned fruits and vegetables are mostly sold through supermarkets and hypermarkets by a few retail chains in Finland, but there are other sources to sell canned fruits and vegetables in Finland too. Although market for canned fruits and vegetables in Finland may be small, popularity of canned fruits and vegetables has been quite stable through the past few years. This fact-sheet covers those aspects and acts as a guidebook for people who are planning to export canned fruits and vegetables into Finland.

A. Product description	2
B. Finnish canned fruits and vegetables market	
C. Retail price	8
D. Display of canned fruits and vegetables and consumers	10
E. Channels to bring canned fruits and vegetables into the Finnish market	11
F. Export and import in the Finnish canned fruit and vegetables market	15
G. Requirements for importing canned fruits and vegetables in Finland	16
References and useful sources	20

A. Product description

Table 1: HS code for popular canned fruit and vegetables in Finland

Code	Code description
2001	Vegetables, fruit, nuts and other edible parts of plants; prepared or preserved by vinegar or acetic acid
2002	Tomatoes; prepared or preserved otherwise than by vinegar or acetic acid
2003	Mushrooms and truffles, prepared or preserved other than by vinegar or acetic acid
2004	Vegetables preparations n.e.c.; prepared or preserved otherwise than by vinegar or acetic acid, frozen, other than products of heading no. 2006
2005	Vegetables preparations n.e.c.; prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading no. 2006
2006	Vegetables, fruit, nuts, fruit-peel and other parts of plants, preserved by sugar (drained, glace or crystallized)
2008	Fruit, nuts and other edible parts of plants; prepared or preserved in ways n.e.c., whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included

Source: Foreign Trade Online



1 Language for canned fruits and vegetables in Finland

- Fruit(s): "hedelmä" (plural: hedelmät) in Finnish or "frukt" (plural: frukter) in Swedish
- Vegetable(s): "kasvis" (plural: kasvikset) in Finnish or "grönsak" (plural: grönsaker) in Swedish
- Canned food: "purkkiruoka" in Finnish or "burkmat" in Swedish
- Preserved food: "säilykeruoka" in Finnish or "bevara" in Swedish

Visit this link for more information on the names of specific fruits and vegetables.

2 Labeling

The following items must be mentioned on the label of pre-packed processed fruits and vegetables in two mandatory languages Finnish and Swedish. Product labeling must be in compliance with the <u>European Union Regulation on food information to consumers</u>.

- the name of the product
- type of the product including style (whole, halves, quartiers, slices, pieces, dices etc.) and declaration the fruits are "peeled" or "unpeeled"
- list of ingredients
- ingredients that cause allergies and intolerances highlighted
- quantity of ingredients or categories of ingredients
- net quantity
- best before date/expiry date (dd.mm.yyyy)
- name or business name and address of the manufacturer or packager
- country/place of origin as in legislation
- instructions for storing the product
- · instructions for use when needed
- nutritional values

Labeling must be:

- easy to identify
- written with visibly enough letters (mostly 1,2mm character size at least)
- easy to read
- understandable
- made with permanent manner
- not covered, blurred or cut with other visual items

It is very important to label products properly. Labeling should not misinform buyer according to product's quality, composition, quantity, origin, manufacturing process or anything else.





3 Packaging

Consumer packaging varies between aluminum can, plastic container, glass jar and a plastic pouch. Products in **B2B consumer packaging** are packed in trays and cartons in various sizes depending on the product and requirements of the buyer.

There is no general rule for the export size of the packaging, so the packaging varies from retail sizes of around 400 g (for retail sale) to around 3 kg (for food service sector). Most seen packaging in the retail contains 400 g of weight. Retail packaging contains around 0.05 I to 2.0 l. In some cases, cans are not labelled with retail labels, but exported to European buyers which put labels on retail packaging.

Easy to open lids on cans are more and more frequently used in the trade of canned fruit and vegetables. Even though the prices of the exported products increase slightly, easy to open lids are requested. This is because of the convenience.

Packaging used for canned fruit and vegetables must (according to CBI):

- Protect the taste, color and other quality characteristics of the product;
- Protect the product from bacteriological and other contamination (including contamination from the packaging material itself);
- Not pass on any odour, taste, color or other foreign characteristics to the product;
- Be corrosion resistant (in case of tin cans).

It must be ensured that there is no migration of unsafe levels of chemical substances from the packaging material to the food. In Europe, the use of inside lining material, Bisphenol-A is banned in baby bottles. Canned fruit and vegetables purees are very common ingredients in baby food.

European standards

- Minimum standards for packaging: the objective of this legislation is, on one hand, to provide environmental protection and, on the other hand, to ensure free trade within the single market of the European Union (EU). <u>The Alliance for Beverage Cartons and the</u> <u>Environment</u> has published a list of frequent Q&As.
- The EU has laid down rules for materials and articles coming into contact with food (including, for example, packaging) in order to prevent any unacceptable change in the composition of the foodstuffs and to protect human health (see legislation below). More information in the <u>Practical Guide of the Commission on the EU Food Contact</u> <u>Directives.</u>
- The Finnish Waste Law (2011, updated in October 2017) obliges Finnish companies to recycle the packaging of products placed in the Finnish market. It is largely based on the EU packaging legislation but incorporates some stricter national requirements. This legislation is not directly applicable to a supplier outside Finland. However Finnish buyers might forward requirements regarding the type of material used for packaging on to the supplier.









Additional information

- Quality demands can differ per segment and possibly per buyer. Therefore, asking importers for their specific quality requirements is important.
- Improving quality is an important way to add value to products, create competitive advantage, and open new markets.

B. Finnish canned fruits and vegetables market

Like in any other European country, canned fruits and vegetables are most commonly sold through any kind of markets in Finland. Other sources to get canned fruits and vegetables sold are for example wholesales or ethnic shops.

1 Finnish canned fruit and vegetable brands

There are a few very popular canned fruit and vegetable brands in Finland that customers come by all the time whether they'll be common consumers, restaurant, school kitchens etc. Here are some of the very common brands in Finland:



<u>Felix</u> is widely known brand of different canned vegetables such as pickles and beetroots. Felix brand belongs to Orkla Foods Finland Company and the former name Felix AB hails its roots to 1940s.



<u>Eldorado</u> is a trademark developed by Tuko Logistics and is so-called market's own trademark. Eldorado products are sold by S-Group for example.



The recipes of <u>Herkkumaa</u> pay respect to Finnish traditions and tastes. The company was found in 1987 and it provides high quality canned vegetables, mushrooms, jams and marmalades etc.





<u>Pirkka</u> and <u>K-Menu</u> are K-Group's own food brands. Pirkka is a brand registered by the K-Group in 1987 and K-Menu is a brand registered in 2014. Both brands have vast variety of different food products.





<u>Rainbow</u> is S-Group's own food brand registered in 1967. The name comes from Nordic acquisition organization, which tried to make shared trademark. Eventually Rainbow took root only into Finnish market.

Other popular brands are X-Tra, Royal (Gavrielides Foods), Del Monte, Dole, Mutti, Freshona (only in German), Bonduelle, Fragata, Orzech, Figaro, Berni.

2 Retailers

The grocery retail industry in Finland is mostly operated by two retail groups called <u>S-Group</u> and <u>K-Group</u>. In 2017, the S-Group held the largest market share with 47 percent of Finnish grocery retails and the K-Group as the second largest with 36 percent. The third largest retailer is <u>Lidl</u> with little less than 10 percent market share. There are also smaller grocery retailers for example <u>Tokmanni</u>, <u>Halpahalli</u> and small private grocery stores.

You can find more information from the <u>Finnish Grocery Trade Association</u> (PTY) about retailers in Finland. From there you can see for example which grocery stores are members of the PTY, structure of the Finnish grocery trade, supply chains in Finland etc.

3 Wholesales

In Finland there are multiple wholesaler companies specialized in groceries and they distribute their goods to restaurants, professional kitchens, retailers, private parties etc. Importing companies can choose between local wholesalers or bigger wholesalers that distribute their products around Finland. Here are some of the well-known wholesalers in Finland:



<u>Metro</u> is one of the leading wholesalers of daily consumer goods in Finland. Their market share of daily consumer goods – wholesalers in Finland is approximately 23 percent and their selections include fresh products, frozen food, manufactured food, brewery products and nonfood.

MEIRA NOVA

Specialized in restaurants, hotels, staff restaurants and public-sector kitchens, <u>Meira Nova</u> has vast knowledge of restaurant business. The company was founded in 1991 and today have 21 000 different products.



<u>Heino</u> distributes groceries all around Finland and brings daily consumer goods from the world to Finnish households. Their product range is over 30 000 and their customers are catering-companies, grocery stores, restaurants, kindergartens, schools etc.

Other smaller wholesalers who distribute into multiple places in Finland or distribute to local area are Elintarviketukku A.Piipponen Oy, Multicatering, Elintarviketukku Rikainen etc.



Additional information

<u>Aitojamakuja.fi</u> is a place to gather information about getting one's product to Finnish wholesalers and through them to different foodservices. Visitors may choose the language of the site (Finnish, Swedish, English).

4 Ethnic grocery stores

Ethnic grocery stores have steady customer base because they offer different food products from their own home country and from other countries. Finns may visit in ethnic grocery stores too out of curiosity, because they offer exotic food products for them. Ethnic grocery stores are mostly located in bigger cities and even then, only a few or even just one grocery store.

Even though many chain markets nowadays in Finland have more exotic food products too, many foreigners prefer ethnic grocery store, because from there they may get service by their own language, according the news article from the YLE from 2015.

The selection of canned fruits and vegetables (and pretty much the whole store's selection) is highly dependent of customers' requests and demands. Their request determines what kind of products shopkeepers will choose to their stores. After that they need to get their products from multiple different wholesalers. Most of these wholesalers are in Helsinki and each of them are specialized in certain countries' food products (Arabic, Indian, Chinese, Russian etc.).

From pictures below, you can see some of canned fruits and vegetables sold in ethnic grocery stores:





5 Food trends in Finland

There are few ongoing food trends in Finland. Most of them are concerning ethical and environmental issues. Eating healthy and in sustainable way has increased. Finns are willing to try new products and are making food decisions more individually. Some ongoing food trends in Finland are listed below:

Organic products

Consumption of organic products have increased all through 2010s. Total sales of organic products in Finland increased over 50% between 2012-2017. In 2017 total sales were €309 million, increasing 13% (compared to 2016). Organic products market share in Finland is 2,3%. Increasing consumption gives opportunities for exporting organic products to Finland.

Most of the organic products are purchased from the grocery stores. Products are sold also in marketplaces and specialized shops. Use of organic products has become ordinary in households and food services. Finnish consumers value purity, taste, healthiness and environmentally friendly organic foods. Half of the consumers estimated that their organic



consumption will increase in the near future and most of them would be willing to buy even more if the products were less expensive. More information about producers and wider selection of products might increase consumption.

40% of professional kitchens use organic products every week, mainly vegetables, fruits and berries. Main reasons for using are environmental and ethical issues and good taste.

More information about organic products in Finland available: ProLuomu.

Less Sugar

Today's consumers are into low-sugar or sugar free products, they are trying to reduce sugar consumption. Especially in canned fruits there is often added sugar syrup. Canned fruit packed into its own juice is favourable. It is worth noticing for producers considering exporting in Finland. Use of natural sweeteners (date, honey) instead of sugar has increased.

Eating healthy

Finnish people are trying to eat healthier than ever, they are aware how food they eat affects their bodies. For example, foods that affects positively to brain and intestines has become common. Trend is to eat naturally in order to gain wellness. This means that the consumption of natural, organic and plant-based foods is growing.

Veganism

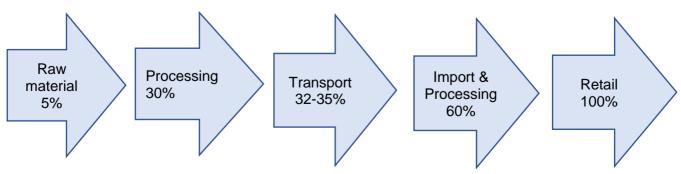
Veganism has been a trend in Finland for couple of years. Reasons for plant-based diet are ethical, ecological and its healthiness. Vegans do not eat any animal-based foods (meat, eggs, milk etc.), which means they consume plant-based foods like vegetables, mushrooms, seeds, grains and substitutes for meat. Schools are organizing vegetable food-days and almost every restaurant serves vegan menus or dishes.

Season buying

Awareness of different varieties of fruits and vegetables has grown. Markets and customers are following crop seasons during the year. Markets are changing their range of products throughout the year, so they can offer affordable price for specific types and varieties of fruits and vegetables. People are also curious, and they are willing to try new exciting products.

C. Retail price

An indication of margins according to final retail prices for canned fruit and vegetables is not very precise because the whole sector contains many different products. The prices are also different between producing countries regarding type, size of packaging, fruit or vegetable variety and quality of products. Therefore, developing country exporters can only have a very rough general overview of the price development. From the figure below, you can see a very rough price proportion breakdown for canned fruit and vegetables:



Source: CBI research about canned fruit and vegetables



Table 1: Example of consumer prices of canned fruit and vegetable products in Finland (based on retail price in 2018, per kilogram)

	Product	Price			Product	Price
Hedelmäcocktail Fruktcocktail	Rainbow Fruit cocktail in sugar broth	€3,51	Attribute Autribute Autrib		Pirkka Sundried sliced tomatoes	€40,95
Del Monte FRUIT COCKTAIL IN LIGHT SYRUP IN SYRUP - AU SIROP - OF SIROOP - GEZUCKERT - ALLO SCIN	Del Monte Fruit cocktail in light syrup	€8,36	ROYAL	(AL.	Royal Mild pepperoni	€11,06
Mandariinllohkot Mandarinklyftor	Rainbow Mandarin chunks in juice	€5,66	FIGARE Kivettomia utan karaa utan karaa utan stan		Figaro Seedless black olives	€6,37
Aprikossin- puolikkant sokeriliemessä sikelag 10 g/240 g	Pirkka Apricot halves in sugar broth	€5,38	MAUST KURKKU	not the	Sauvio Pickled cucumbers	€3,62
Persikkakudia Persikotarihin suss	Rainbow Peach cubes in juice	€6,60	Miskeat pavut Huna bönor	Converted Conver	Rainbow Brown beans	€3,36



DEAR HALVES PEAR H	Del Monte Pearl halves	€8,67
pineapple In fruit pufes Armen Brown Standard of Harvon III Simply 100% fruit In fruit juice	Dole Pineapple pieces in juice	€8,41



D. Display of canned fruits and vegetables and consumers

1 Display

Displaying canned fruits and vegetables varies between grocery stores, because chains often determine their own ways to display each product selections and even some independent grocery stores may decide it. For example, Kesko's grocery stores have loose guidelines of displays, but shopkeeper can have an influence on display too.

Price of canned fruits and vegetables is also important factor when displaying them, because by doing that, grocery stores can tempt customers to do impulse purchases. It is very common to put discount for new products, because then customers will try them more easily and will be more likely to buy that product in the future.

The Finnish Food Safety Bureau (Evira) has also made clear guidelines for displaying groceries and one of the most common direction for them is putting older products first on the shelves and newest on the back. Example on below picture of S-Group's hypermarket Prisma's display of canned fruit and vegetables.





2 Consumers

The customer base in Finland who buy canned fruits and vegetables is not specially defined. Especially canned vegetables such as pickled cucumbers, beetroots and mushrooms are very common sight on a Finnish dinner table. Canned fruits and vegetables are mostly part of preparing food for Finnish people than eating them as they are or as a snack for example, pickled cucumbers for bread, pickled beetroot for salads and to side of a meal, canned peaches for salad, cakes etc.

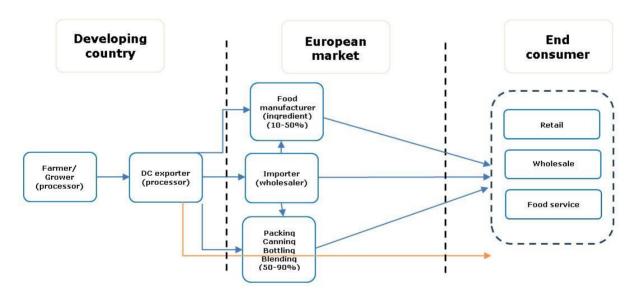
As mentioned before, the customer base of canned fruits and vegetables is quite stable through the year in Finland. Late spring and summer are times when customers may prefer fresh fruits and vegetables over canned ones due to production season including peaches, pineapples, mandarins etc. In summer time fresh fruits such as peaches and mandarins tend to be cheaper than canned versions of them. Pineapples in the other hand are very popular throughout the year in Finland due to low price and wide availability.

E. Channels to bring canned fruits and vegetables into the Finnish market

1 Market channels on the European markets

Food manufacturers, importers and packers are the main channels to reach European market. Canned fruits and vegetables have a quite short supply chain. Farmer sells the products to exporter/processor who delivers products to European food manufacturers or importers or straight to the end consumer. End consumer is mostly a retail, wholesale or food service company.

Figure 1: European market channels for fruit juices, frozen fruit and vegetables, canned fruit and vegetables, jams and fruit preparations. (CBI)



Growers and processors in developing countries

After harvesting, fruit and vegetables are processed in developing countries with different methods, such as deep freezing, concentrating, preserving, canning, cooking etc. Fruit and vegetable preparation processing technology in particular is developing fast to meet tailor-made requests from the European processing industry. This includes specification according to fruit size, cut and variety, stabilisation systems, different flavour combinations, sugar reduction and vitamins/minerals enrichments.



Importers

The role of the importers as intermediate traders of the processed fruit and vegetables sector is weakening especially in jams, fruit preparations, juices and canned segments. Processing companies are more willing to purchase directly in order to cut costs and to establish long-term relationships with developing countries suppliers. Canned products, for example, are increasingly sold directly to multiple retailers, thus bypassing such importers. For specialised canned products, importer-traders continue to play a role as consolidators and sourcing specialists.

Packers

- Packers import products in bulk, repack them with or without processing and sell them to final consumer segments, mostly retail.
- The canning and jams industry re-packs imported processed fruit and vegetables but also imports directly packed products for the retail or food service sector.

Although many packing companies are supplied by wholesalers, the importer and packer are often the same company and use processed fruit and vegetables as ingredients for final products.

Food manufacturers

The European food and drink industry is the largest European industry in terms of employment. It is very competitive and globally connected as a major importer and exporter of food and agricultural products.

The food manufacturing industry consumes the largest share of processed fruit and vegetables as ingredients on the European markets.

One of the strong developments in the food manufacturing industry is vertical integration. European processors are investing in production facilities, source directly from the farmers and even grow fruit on their own orchards in developing countries.

More information about market channels can be found here (CBI).

Additional information

The Finland Chamber of Commerce provides help to companies, so they can improve their internationalization, expand their network and services in Finland. They also have an influence on international business rules inside the EU and globally. It is highly recommendable to familiarize oneself with the Finland Chamber of Commerce, because from there one can get useful information and help for exporting or importing e.g. canned fruit and vegetables. After all, from there one can have necessary contracts and documents for foreign trade, guidance and education you need to improve company's business.

You can read more about the Finland Chamber of Commerce on their website.



2 Direct contact with buyers through trade fairs or food events

Finnish trade fairs and food events:



<u>Wine, Food and Good Living</u> (Helsinki) is the leading exhibition in the field of food and beverages sector in Finland. Although the emphasis is on wine, there are also stands for coffee, tea, food and other beverages.



<u>Gastro Helsinki</u> is the leading trade fair for the hotel, restaurant and catering industries. It presents the sector's latest products, trends and innovations.



Trade Fair for Food and Drink Industry (Tampere) is international event that provides an extensive view of the development and topical themes within the food and packaging industries and introduce products, services and new innovations. Both industries will go through several reforms this year (2018) as well as in the near future and they will be discussed throughout the trade fair.



<u>e-Commerce and Shop Tech</u> (Helsinki) is a major trade fair that offers two effective days full of innovations, inspiration, and information in the retail sector organized in Helsinki. It is a unique trade show combination that gathers retail professionals, decision makers, buyers and suppliers together for two effective days to meet face to face, find new products, services and attend to seminars.

Fastfood & Café & Ravintola <u>Fastfood & Café & Ravintola</u> (Helsinki) offers visitors opportunities to find new trends, ideas and concepts within the fast-food & café business gathered at on place. Plenty of exhibitors display provisions such as raw ingredients, fresh food, drinks, seasonings, packaging, decor, machines, utensils, clothing, check-out systems, and concepts.



<u>Luomupäivät</u> (Pori) is event for organic foods. It gathers producers, entrepreneurs, advisors, researchers, interest groups and decision makers. Luomupäivät offers opportunities for networking and sharing knowledge and experiences with different industries.



<u>Turku Food and Wine Festival</u> (Turku) offers premium foods and wines for visitors. Food companies offer lots of treats for buying and tasting.

Important European trade fairs for canned fruits and vegetables

- Food Ingredients Europe unites industry leaders.
- Natural Ingredients world's leading health and natural food ingredients event.
- <u>BioFach</u> fair for organic and natural products. Hosted in Germany.
- <u>Sial</u> various food and beverage products. Hosted in France.

3 Information channels

Finding buyers:

Visit <u>CBI's document</u> about finding buyers for more information.



4 Promotion tips for exporters targeting Finnish retail

European production season

During the European production season, some of the canned fruits and vegetables are available fresh at the low prices. During the off-season, canned products are good substitute for fresh products. Consumer's choice between off-season fresh and canned product depends on the price and opinion of the freshness aspect versus easy-to-store aspect. Emphasize your ability to deliver and to compete on lower prices for products outside the European production season.

Innovative mixtures and packaging

Consumers values easiness and healthiness. Ready and healthy take-away snacks are estimated to become popular. Sliced ready-to-eat fruits, vegetables or mixtures would draw attention of the customers.

Variety of products

Finns are interested of newcomer-products and wide selection. Pickled cucumbers, canned fruit mixes and pineapple are considered as mainstream products in Finland. Those are widely available with low prices.

There are quite few rare or exotic products in grocery stores. Niche market varieties of tropical canned fruits and vegetables are relatively unknown products in terms of taste as a separate snack and use in preparing foods. Promotion materials, such as advertisements and recipes that are published in media might boost the demand of a product.

Substitute for fresh product

Canned fruits and vegetables are perceived as a good substitute for fresh fruits and vegetables. Even fresh fruits are not that fresh when they are delivered into Finland from the other side of the world when delivery to Finnish grocery store could take weeks. That means freshly canned fruit could be newer than "fresh" fruit. Even the most of vitamin C lasts in canned package. Emphasize health aspects of your product.

Low prices

Regular Finnish household expenditure for food and non-alcoholic products is slightly over 10%. Finnish people are very price sensitive. Price is determining factor when buying food, especially to people with low wages. If applicable, emphasize your ability to compete on lower prices.

Sustainability

Supply chain of food in Finland is developing toward a more sustainable approach of production and handling. Environmental, social and ethical issues are becoming increasingly important for consumers and retailers. If applicable, emphasize your ability to deliver according certification schemes (Organic, Fair Trade, Rainforest Alliance). More information about sustainability available in chapter F – Non-legal requirements.

Sourcing

Major Finnish retail chains are buying their products from their own wholesale companies and distribution companies. Buying is often centralized nationally for large (mainstream) product volumes from countries of origin directly. This means they buy large volumes at once with consistent quality.

- Inex Importer/wholesaler for S-Group
- Kesko Importer/purchaser for K-Group
- Tuko Logistics cooperative association including Wihuri, Heinon tukku



Lidl (German) has its own European purchase and distribution network

Private labels

Grocery stores sell canned products also under their private label next to other "popular" brands (S-Group's "Rainbow" and "X-tra" and K-Group's "Pirkka"), which demands maintaining a certain level of quality when supplying a private label. Emphasize your ability of being able to provide large volumes at a consistent quality in time when aiming at private label supply.

F. Export and import in the Finnish canned fruit and vegetables market

The import volumes of canned fruit and vegetables in Finland are considerable higher than export volumes. Especially canned fruits are mostly imported into Finland due to unsuitable climate for growing them. From the graphs below, you can compare import and export volumes of canned fruit and vegetables in Finland.

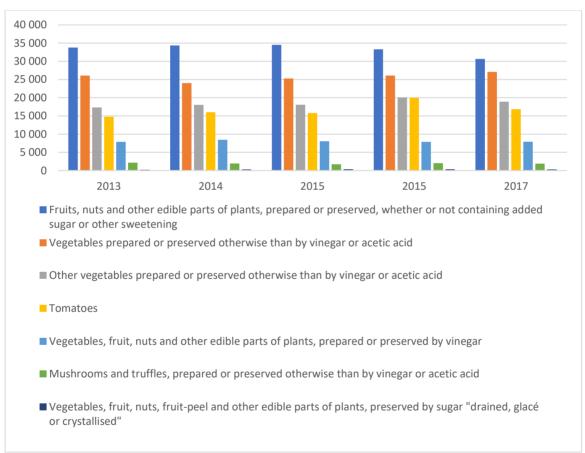


Figure 2: Finnish imports of canned fruit and vegetables, in tons, from 2013-2017

Source: International Trade Statistics

The imported value for all categories of canned fruit and vegetables have been quite stable through the years facing minor ups and downs. Taking all categories of canned fruit and vegetables in account, in 2013, 102 239 tons of canned fruit and vegetables were imported into Finland and in 2017 there were 103 646 tons imported into Finland. Canned fruits had the largest imported value in 2017 than in any other categories being 30 668 tons (decrease 3 125 tons from 2013). Imported value of the canned vegetables on the other hand have been rising in the last year being 27 091 tons (26 091 tons in 2013).



The top suppliers of canned fruit and vegetables are Netherlands (imported value of canned vegetables in 2017 were 12 159 tons) and Thailand (imported value of canned fruits in 2017 were 6 593 tons). Other popular importer countries are Germany, Spain and Italy.

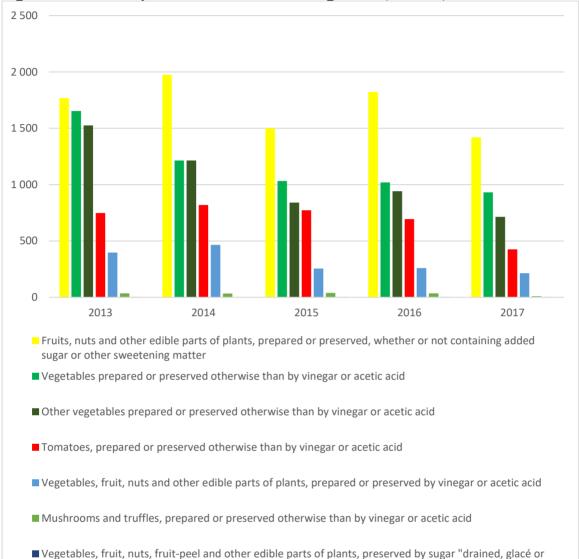


Figure 3: Finnish export of canned fruit and vegetables, in tons, from 2013-2017

Source: International Trade Statistics

crystallised"

Export of canned fruit and vegetables in Finland has been decreasing between 2013 and 2017, with the total of exports decreasing from 6 131 tons to 3 719 tons. Canned fruits had the most exported volumes in 2017 being 1421 tons. Most of the canned fruit and vegetables were exported into Russia and Estonia. Other popular countries were Sweden, Latvia and Lithuania.

G. Requirements for importing canned fruits and vegetables in Finland

1 Legal requirements

Regarding canned fruits and vegetables, Finland follows EU legislation, including the requirements of General Food Law, food labeling, organic production, contaminants, ionizing radiation, irradiation and maximum residue levels (MRLs) of pesticides.

Many of the legal requirements address food safety issues that must (also) be addressed at the farming level. It is crucial to stress the importance of these issues to farmers. Suppliers would



provide training to the farmers (e.g. on <u>good agricultural practices</u>) and invest in better processing and storing practices, if needed.

General food law

Food safety is a key issue in EU food legislation. The General Food Law is the framework regulation in EU food safety legislation. The legislation also introduces requirements on traceability. Evira is the Finnish Food Safety Authority that is entrusted to ensure food safety in Finland, and has information about its activities, research reports, guides and brochures on food safety issues in Finnish market.

Contaminants in food

The EU food safety policy has set maximum levels for certain <u>contaminants</u> in specified products or product groups. Besides microbiological contamination, the problem caused by some matters (e.g. sand, glass, metal) should be paid attention. All foods including canned fruit and vegetables sold in the European Union must be safe. This applies to imported products as well. Additives must be approved. Harmful contaminants such as pesticide residues or exceeded level of mycotoxins or preservatives are banned. It should also be readily obvious from the labelling if a food contains allergens. Cans and other materials used for packaging must be corrosion resistant and free from contaminants such as cadmium or Bisphenol-A (BPA).

Food contact materials

The European Union has enacted rules for materials and articles brought into contact with food (e.g. packaging) in order to prevent any unacceptable change in the composition of the foodstuffs and to protect human health. Food contact materials are either intended to be brought into contact with food, are already in contact with food or can reasonably be brought into contact with food including direct or indirect contact. Food contact materials includes for example containers for transporting food, machinery to process food, packaging materials, kitchenware and tableware. Food contact materials should not affect consumer health nor the quality of food. More information can be found in the EU legislation – Food Contact Materials.

Food control

All food products entering the EU are subject to be checked whether they are in compliance with the relevant food legislation by official controls.

Food labeling

The EU provides <u>general food labeling requirements</u>, applicable to all foodstuffs. More information about labeling available in chapter A. – Labeling.

Good manufacturing practice (GMP) for food contact materials

The EU has developed <u>Good Manufacturing Practice (GMP)</u> for the manufacturers of materials and articles intended to come into contact with foodstuffs. It is not directly applicable to producers outside the EU. However, it may be relevant since buyers can demand a quality system. Common quality requirements of Finnish companies include:

- employee hygiene
- hand washing
- proper use and storage of clothing
- regulated traffic flow throughout the farm and/or fabric
- chemical usage (kept to a minimum), identification of allergens and related controls and procedures (where appropriate)

In addition, it outlines requirements related to nutrition and allergens labeling.



Hygiene of foodstuffs

The EU legislation on hygiene-of-foodstuffs (HACCP) is legally binding for food processors in the EU. If an exporter is outside the EU, there is no direct bound by this legislation. However, Finnish companies will ask their suppliers to comply with the requirements set out in the HACCP legislation. Finnish buyers will therefore often ask suppliers to implement a food safety management system (see Non-legal Requirements below) to prove that they comply with the HACCP requirements.

Maximum Residue levels of pesticides in food

EU legislation has been laid down to regulate the presence of pesticide residues (MRLs) in food products. A <u>study</u> conducted in 2015 (published in 2017) by the European Food Safety Authority has shown that food produced in Finland is mostly free of quantifiable residues. Therefore, alternatives should be considered, including the use of non-chemical methods and implementing Integrated Pest Management (IPM). According a <u>study</u>, canning operation led to a gradual decrease in residue levels particularly through washing, blanching, peeling and cooking processes. More than 50% of pesticide residues can be removed by washing and blanching, except in peaches. By hot water blanching, ethylenebisdithiocarbamates (EBDCs) were completely removed from spinach and tomatoes. Canning operations removed 90-100% of pesticides in most products.

Microbiological contamination of food

The EU has set <u>microbiological criteria</u> for food born micro-organisms, their toxins and metabolites.

Organic producing and labeling

The EU has established <u>requirements</u> for an organic product of agricultural origin in order to be marketed in the EU as "organic".

2 Non-legal requirements

In addition to EU and EFTA requirements, other non-legal requirements must be in order to supply Finnish buyers. Industry standards have emerged from retailer initiatives, laying down minimum rules of conduct and practices, requirements for product quality and food handling that are above and beyond the legal requirements.

The responsibility policies of importers and retailers often incorporate the following standards:

2.1 Quality



The <u>ISO9000</u> family provides guidance and tools for ensuring that products and services consistently meet customer's requirements, and that quality is consistently improved. Some of ISO standards are product based and some are organization based. SFS is Finnish standardization organization.

2.2 Health & safety

A large share of buyers in Finland has implemented a food safety management system and will ask suppliers to do the same. These systems often go beyond legal requirements. The below list could be important in the Finnish market. More information can be found in the CBI's document concerning requirements for exporting.





The <u>ISO22000</u> addresses various aspects of environmental management. It provides practical tools to identify and control environmental impact and constantly improve their environmental performance.



The <u>Hazard Analysis Critical Control Point</u> is a methodology, based on seven principles, which food processors, packagers and distributors must use to identify the potential hazards that can be introduced while the food is under their care.



The <u>IFS Food</u> is standard for auditing food safety and quality of processes and products of food manufacturers. It concerns food processing companies or companies that pack loose food products.



British Retail Consortium (BRC) global standard is a widely applied safety and quality standard. A food safety certification is very important in the EU including Finland. The adoption of HACCP is the main requirement, when you supply to large international retailers. BRC is endorsed by the Global Consumer Goods Forum and has thus been recognized in key western markets, including Finland. Large Finnish retailers take BRC into account when choosing a supplier.



The <u>GlobalG.A.P.</u> supports good agricultural practices that help to provide safe and traceable products. It has been becoming a minimum requirement demanded by Finnish retailers (as most European retailers).

2.3 Sustainability



For exports of canned fruits and vegetables produced organically all countries in the EU accept the same regulation scheme for organic production. Almost every EU country has one or more additional domestic organic labels. More information about European Union organic certification can be found here.



<u>Nordic Ecolabel</u> (Nordic Swan) is the official sustainability ecolabel for the Nordic countries (Denmark, Finland, Iceland, Norway and Sweden), introduced by the Nordic Council of Ministers.



Focusing on principles of fair pricing, good registration of company processes and good care for labour conditions, the Fair Trade <u>principles</u> are a strong band in the EU and in Finland in as well. Fair Trade products are sold by the all large retail chains. More information about Fair Trade can be found <u>here</u>.



The Rainforest Alliance certification scheme aims at reducing the environmental and social impact of agricultural production. Rainforest Alliance works to conserve biodiversity and improve livelihoods by promoting and valuating the implementation of the most globally respected sustainability standards in a variety of fields. Retailers in Finland increasingly add Rainforest Alliance products to their assortment, but the number of products is limited comparing with other certifications.



- Sustainability is a trend in Finland and is expected to become more important in the future. It covers environmental, economic and social aspects, including health and safety issues.
- Sustainability policies of retailers in Finland: Three largest retailers, S-Group, K-Group, Lidl, often go beyond pure legislative requirements of food safety, quality and environmental issues. Most of the buyers will supply their retailers directly or indirectly and will therefore forward those stricter requirements on their suppliers. They communicate to their consumers in policy statements. See their policy statements and criteria below for further information:
 - S-Group responsibility policy
 - K-Group responsibility policy
 - o Lidl Finland responsibility statement (only available in Finnish)

References and useful sources

- BRC Global Standards
- CBI Exporting canned fruit and vegetables to Europe
- CBI Trends offering opportunities on European market
- CBI Buyer requirements
- CBI Channels to get canned fruit and vegetables on the European market
- CBI 10 tips for finding buyers
- Chamber of Commerce Finland
- Codex Alimentarius
- EU Organic farming
- EU Trade Helpdesk
- European legislation
- Evira Finnish food safety authority
- Fairtrade
- Finnish Customs
- Finnish Food and Drink Industries' Federation and Finland business culture
- Finnish Grocery Trade Association
- Finnpartnership Import from developing countries
- Fruit Logistica
- GlobalG.A.P.
- Nordic Ecolabel
- Product factsheet: Canned fruit and vegetables in Finland
- Rainforest Alliance
- Trademap statistics
- UTZ certified