

Facts and Figures
of the Dutch Agri-sector
2004/2005

Colophon

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Introduction

People often associate the Netherlands with flower bulbs, cheese and eggs. Indeed, the agriculture sector is one of the mainstays of the Dutch economy. The Netherlands is both a major producer and international trader of flowers, meat and meat products, fruit and vegetables, beer, dairy products, chocolate, starch derivatives and seed.

The Ministry of Agriculture, Nature and Food Quality is responsible for laying down the Government's policy on this important sector. The Ministry is making every effort to meet the demands of modern society regarding the safety and quality of food, animal welfare, land use and the role of agriculture in the community. The Department of Trade and Industry represents the Ministry in consultations with agri-business, agricultural trade and service, suppliers to the sector and the non-food industry. The Ministry promotes sustainable and internationally competitive enterprise for a healthy economy and high employment.

In this 2004 edition of Facts and Figures, we present key indicators of the Dutch agri-industry, in relation to developments in the sector, the European Union and with regard to the accession of new Member States. The data was provided

by the Agricultural Economics Research Institute (LEI) of Wageningen University and Research Centre.

In Chapter 1, we give a bird's eye view of the Netherlands, its government and economy, and the Dutch people. In Chapter 2, we list the trade flows into and out of the Netherlands, which products are exported and imported and who are our most important trading partners. In Chapter 3, we summarise developments, both in the Netherlands and the European Union, concerning the agri-industrial complex, including fisheries, the food beverage and tobacco industry, retail, wholesale and agri-logistics. Finally, in Chapter 4 we give an outline of the Government's agricultural policy.

On 1 May 2004, ten new countries joined the European Union. The trade statistics in Chapter 2 concern the period up to and including 2003 and do not include these new Member States. In Chapter 3 we do present some key indicators on the new Member States.

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1 The Netherlands

- Area and population
- Political structure and government
- Economy
- Economic importance of agriculture and agri-industry

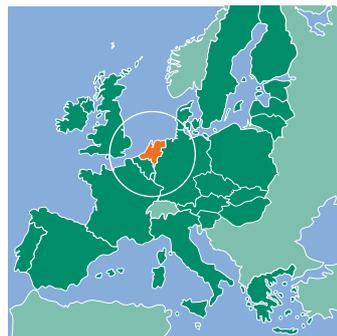


Area and population

The Netherlands is one of the smaller countries of the European Union, comprising about 41,500 km². More than half of this area is farmed, and about 8% is woodland. On 1 January 2004, the Netherlands' population was 16.3 million people. Our population density, the mean number of inhabitants per square kilometre, is 479, making the Netherlands one of the most densely populated countries in the world. 2.4 million people live alone, the remaining 4.6 million households are made up of at least two people. About 18% of the population lives in extremely urban surroundings, and more than 25% lives in a highly urban environment.

Amsterdam, with a population of 736,000, is the capital of the Netherlands. Rotterdam and The Hague are the next largest cities, with populations of 559,000 and 458,000 respectively. The Netherlands is a multicultural society. According to the Statistics Netherlands, 3.1 million inhabitants have a non-native background, descending from at least one foreign-born parent. This group is referred to in the Netherlands as allochtonous. Of this group 1.7 million have their roots in non-western countries. The majority of non-western allochtonous inhabitants are of Turkish, Surinamese or Moroccan origin.

The rural areas in the Netherlands are under considerable pressure from development. Finding a balanced assessment between the different functions of the rural areas, between agriculture, nature, business parks, housing and roads, is a political matter.





Political structure and government

The Netherlands is a constitutional monarchy with an elected parliament. Queen Beatrix is our head of state. The Dutch parliament is called the States-General and has two houses, the House of Representatives and the Senate. The House of Representatives has 150 members, who are directly elected to the House on the basis of proportional representation. The 75 members of the Senate of the States-General are elected by the members of the twelve Provincial Councils, the 'parliaments' of the twelve Dutch provinces. These twelve provinces encompass nearly 500 municipalities. The capital of the Netherlands is Amsterdam, but the government is based in The Hague.

In the most recent elections of 22 January 2003, nine parties were elected to the House of Representatives. The largest party in the House is the Christian Democratic Party (CDA). The next largest parties are the Dutch Labour Party (PvdA), the Liberals (VVD) and the Socialist Party (SP). Jan-Peter Balkenende is the Prime Minister of the Netherlands. The Minister of Agriculture, Nature and Food Quality is Cees Veerman.

Agriculture and agri-industry must deal with involvement from the national, provincial and municipal governments, and also from so-called semi-public organisations (quangos). There are also product boards that are concerned with primary production as well as manufacturing, trade and logistics. There are separate product boards for different product sectors: the Product Board for Arable Agriculture, the Product Board for Horticulture, the Product Board for Dairy Products and the Product Board for Livestock, Meat and Eggs. The executive boards of these organisations are members of the employer associations and unions representing the sectors concerned and are appointed by them.

The Netherlands has always been a staunch advocate of international collaboration. In the 1950s our country was one of the six founding members of the European Communities, the predecessor of our European Union today. Ten new countries in central and eastern Europe joined the European Union on 1 May 2004, making for a total of twenty-five Member States. The Netherlands is of course a member of the United Nations, as well as the Organisation for Economic Cooperation and Development, the International Monetary Fund and the World Trade Organisation.



Economy

The Netherlands has a mixed market economy, in which both the private and public sector play important roles. The economy has a strong international orientation. The Netherlands is one of the wealthiest countries in the world, with an excellent reputation for trade and a high level of financial and professional services. It is among the three largest agricultural exporters, next to the United States and France. The Netherlands has a good transport infrastructure. The Port of Rotterdam is the largest transshipment port, making the Netherlands a major transit country for all sorts of goods. There is little social turbulence and our workforce has a high productivity. All this has decided many international corporations to establish their headquarters here.

From 1995, the Gross National Product has grown steadily to 445 thousand million euros in 2002. The GNP volume-index rate was 121.9 in 2002 compared to 116.5 for the whole EU. Growth stagnated in 2002 and 2003, but the economy has started growing again this year.

Key social and economic statistics for the Netherlands		
Population on 1-1-2004		16.3 million
Area		41,526 km ²
Life expectancy at birth (2003)		men: 76.2 women: 80.8
Gross National Product (2002)		445,000 million euros
Per capita income (2002)		22,660 euros
Inflation (2003)		2.1%
Unemployment (2003)		5.3%

Source: Statistics Netherlands (CBS)



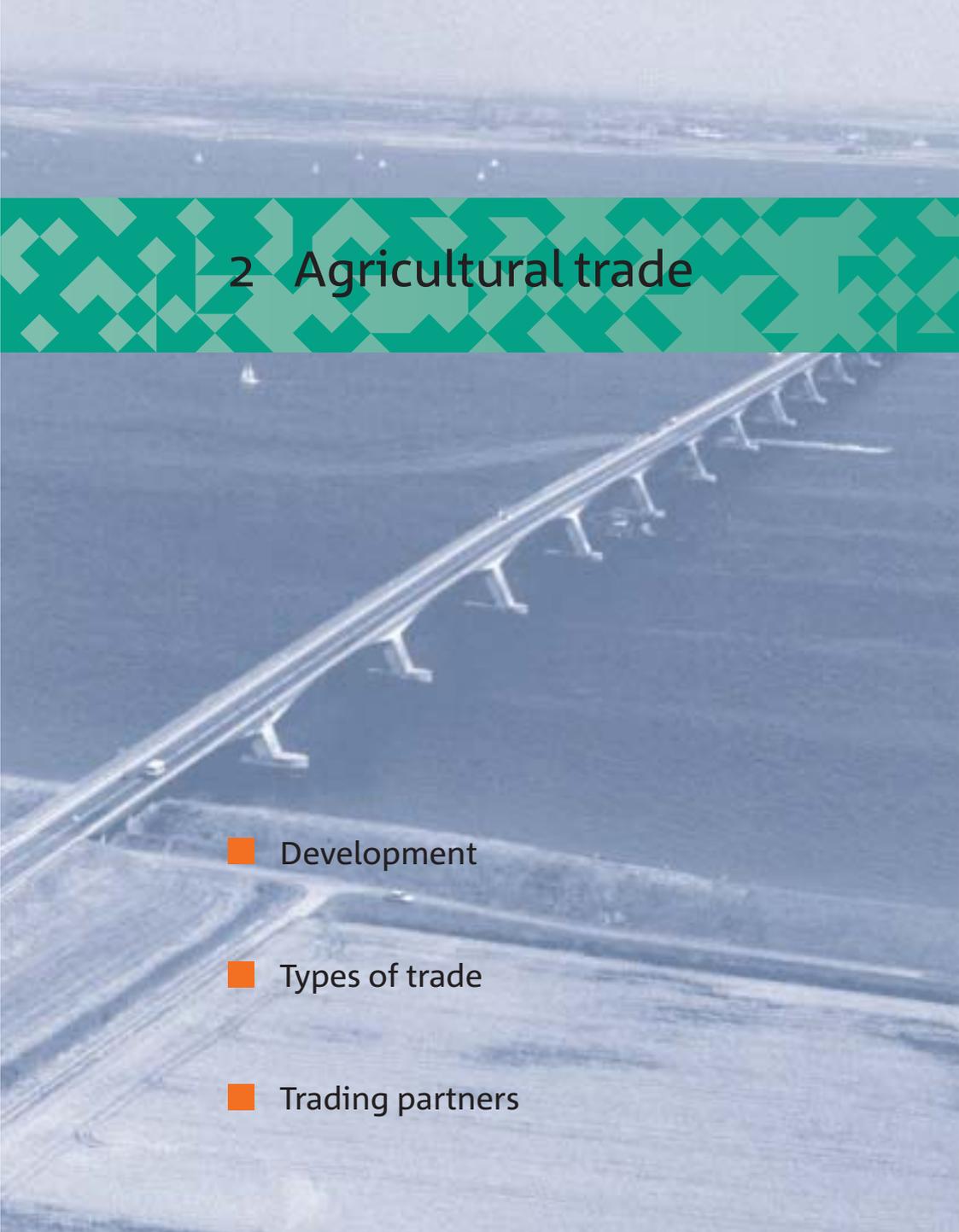
Economic importance of agriculture and agri-industry

The gross added value of the total agricultural complex in the Netherlands increased from 32.3 thousand million euros in 1995 to 40.3 thousand million euros in 2002. However, as a proportion of the national gross added value, the share of the agricultural complex decreased from 12% in 1995 to 10.3% in 2002. Agriculture and the agri-industry accounted for 10.1% of total employment in 2002 compared to 11.6% in 1995.

Key statistics of the Dutch agricultural complex, 1995 and 2002				
	Added value (factor costs, x 1000 million euros)		Employment (x 1000 man-years)	
	1995	2002	1995	2002
Agricultural complex ^(a)	32.3	40.3	659	660
<i>proportion of national total</i>	<i>12.0%</i>	<i>10.3%</i>	<i>11.6%</i>	<i>10.1%</i>
Gardeners, farm services and forestry	1.0	1.6	39	46
Processing, supply and distribution of foreign agricultural raw materials	11.1	15.7	190	214
Agri-complex, on basis of domestic raw materials	20.2	22.9	430	400
<i>proportion of national total</i>	<i>7.5%</i>	<i>5.9%</i>	<i>7.6%</i>	<i>6.1%</i>
primary production	8.4	7.7	189	170
processing	3.0	4.9	54	48
supply	6.5	7.3	135	126
distribution	2.3	3.1	53	55

(a) based on domestic and foreign agricultural raw materials; including gardening sector, farm services, forestry, cocoa, beverages and tobacco.

Source: Agricultural input-output table, analysis by LEI.



2 Agricultural trade

- Development
- Types of trade
- Trading partners



Development

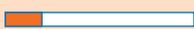
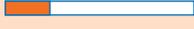
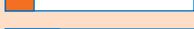
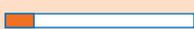
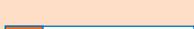
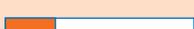
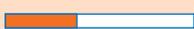
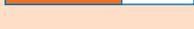
The Dutch economy has a strong international orientation, and the agricultural sector is no different. The Netherlands is one of the three largest exporters of agricultural products next to the United States and France. In 2002 and 2003, the Netherlands exported agricultural products with a value of 47 thousand million euros, which was equivalent to 20% of the total export value in that year. Most exports go to other Member States of the European Union.

At the same time, the Netherlands imported 27 thousand million euros worth of agricultural products in 2002 and 2003, mainly from other EU Member States. The Netherlands accounts for a fairly large share of the agricultural trade in the European Union: about 11% of total EU agricultural import in 2002 and 20% of total agricultural export. Unlike the Netherlands, the EU as a whole is a net importer of agricultural products.

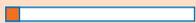
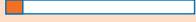
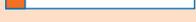
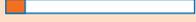
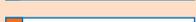


Types of trade

The trade in agricultural products to and from the Netherlands is diverse. Ornamentals make up the bulk of agricultural export. In 2002, the value of floricultural exports equalled 6.7 thousand million euros, more than 14% of the total agricultural product export value. Other major export products are meat (5 thousand million euros), dairy products (3.9 thousand million euros), vegetables (3.1 thousand million euros) and tobacco (3.7 thousand million euros). Major import products are dairy products, meat, and the category fruit, nuts and spices. Together, these three product categories made up 25% of total agricultural imports in 2002. Most of the imported goods are used for consumption or industrial use. Only a small proportion is used directly by primary producers.

EU Agricultural trade	Export	Period 2002	
		EU - 15 countries (x 1000 million euros)	Dutch share (%)
Total agricultural products	244.9		20.0
Live animals	4.6		15.1
Meat and meat preparations	23.4		19.4
<i>of which:</i> Bovine meat	5.3		24.2
Pork	9.3		15.9
Poultry meat	3.9		29.2
Dairy products and eggs	21.2		18.7
<i>of which:</i> Dairy	19.0		18.4
Eggs	0.9		42.5
Fish, crustaceans and molluscs and preparations	12.6		15.8
Cereals and cereal preparations	19.5		5.4
Vegetables and fruit	35.1		20.7
Sugars, sugar preparations and honey	6.5		7.7
Coffee, tea, cocoa, spices and manufactures	11.2		20.5
Animal feed	8.4		27.1
Miscellaneous edible products and preparations	16.6		38.4
Beverages	29.1		8.4
Tobacco and tobacco manufactures	10.0		36.2
Oil seeds and oleaginous fruits	1.7		33.1
Cork and wood	9.3		2.6
Raw materials (animal and vegetable)	14.0		62.0
<i>of which:</i> ornamentals	7.0		67.3
Animal oils and fats	0.7		11.7
Solid vegetable fats and oils	6.0		17.7
Animal or vegetable fats and oils, processed	1.6		26.5

Source: Eurostat and LEI

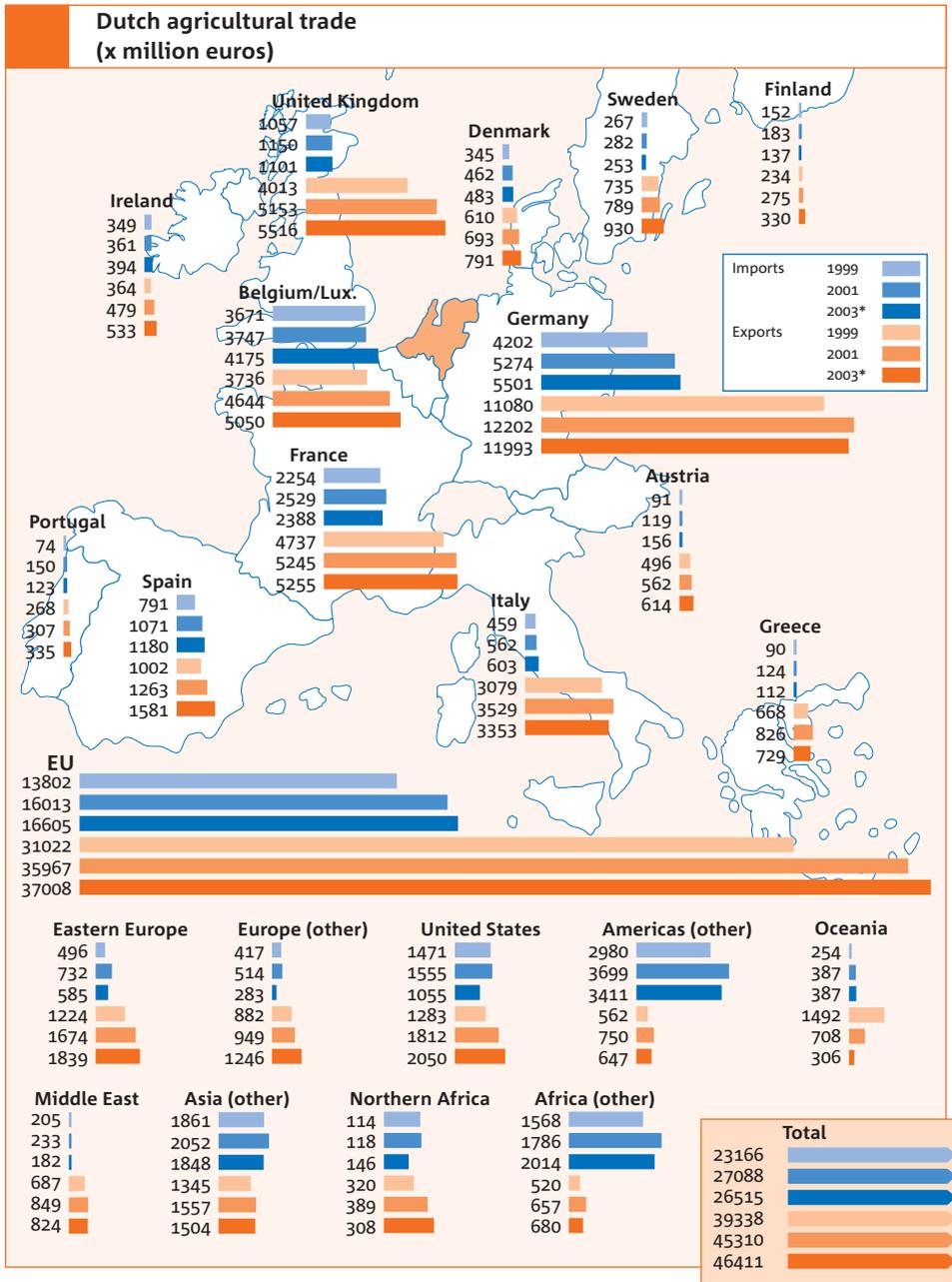
EU Agricultural trade	Import	Period 2002	
		EU - 15 countries (x 1000 million euros)	Dutch share (%)
Total agricultural products	252.8		11.4
Live animals	4.0		7.9
Meat and meat preparations	21.6		8.2
<i>of which:</i> Bovine meat	5.3		11.0
Pork	6.8		3.6
Poultry meat	3.4		9.7
Dairy products and eggs	18.1		11.3
<i>of which:</i> Dairy	16.2		11.5
Eggs	0.8		10.9
Fish, crustaceans and molluscs and preparations	22.1		6.6
Cereals and cereal preparations	16.9		10.7
Vegetables and fruit	43.3		10.9
Sugars, sugar preparations and honey	6.5		6.3
Coffee, tea, cocoa, spices and manufactures	14.3		13.4
Animal feed	11.8		13.9
Miscellaneous edible products and preparations	11.5		30.1
Beverages	18.7		7.8
Tobacco and tobacco manufactures	9.7		9.5
Oil seeds and oleaginous fruits	6.9		24.1
Cork and wood	13.4		6.9
Raw materials (animal and vegetable)	12.3		22.5
<i>of which:</i> ornamentals	6.7		14.3
Animal oils and fats	0.6		13.0
Solid vegetable fats and oils	6.6		16.8
Animal or vegetable fats and oils, processed	1.5		15.0

Source: Eurostat and LEI



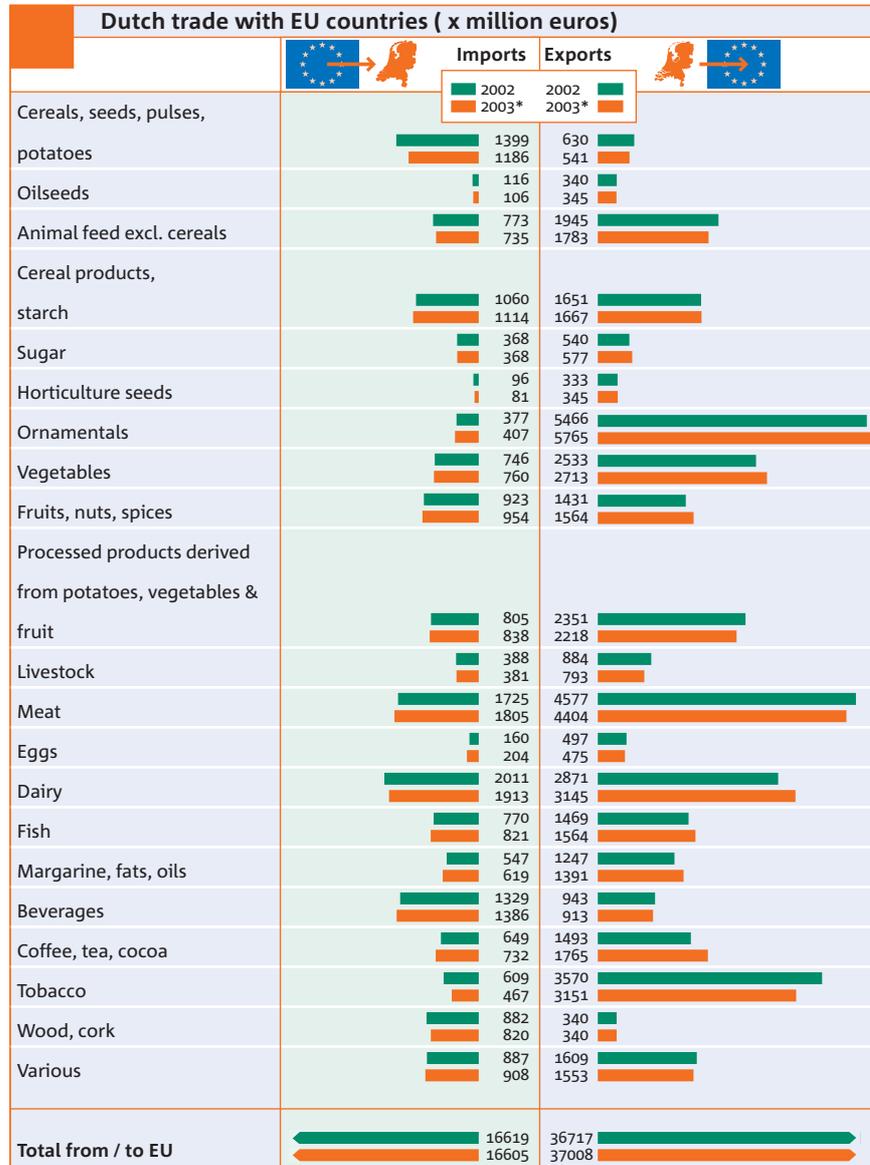
Trading partners

About 80% of Dutch export is to the EU-15. Germany has always been our most important trading partner. In 2002, 12 thousand million euros worth of agricultural products, more than a quarter of the total agricultural export, was shipped to Germany. Most of this export concerned ornamental products, meat, dairy products and vegetables. France was the second largest buyer of Dutch agricultural products in 2002, followed by the United Kingdom and Belgium. The main importers of agricultural products into the Netherlands are Germany, Belgium and France. Our imports from Germany mainly concern dairy products, cereals, seeds, pulses and potatoes. Much of our meat is imported from Belgium and much of our wine from France.



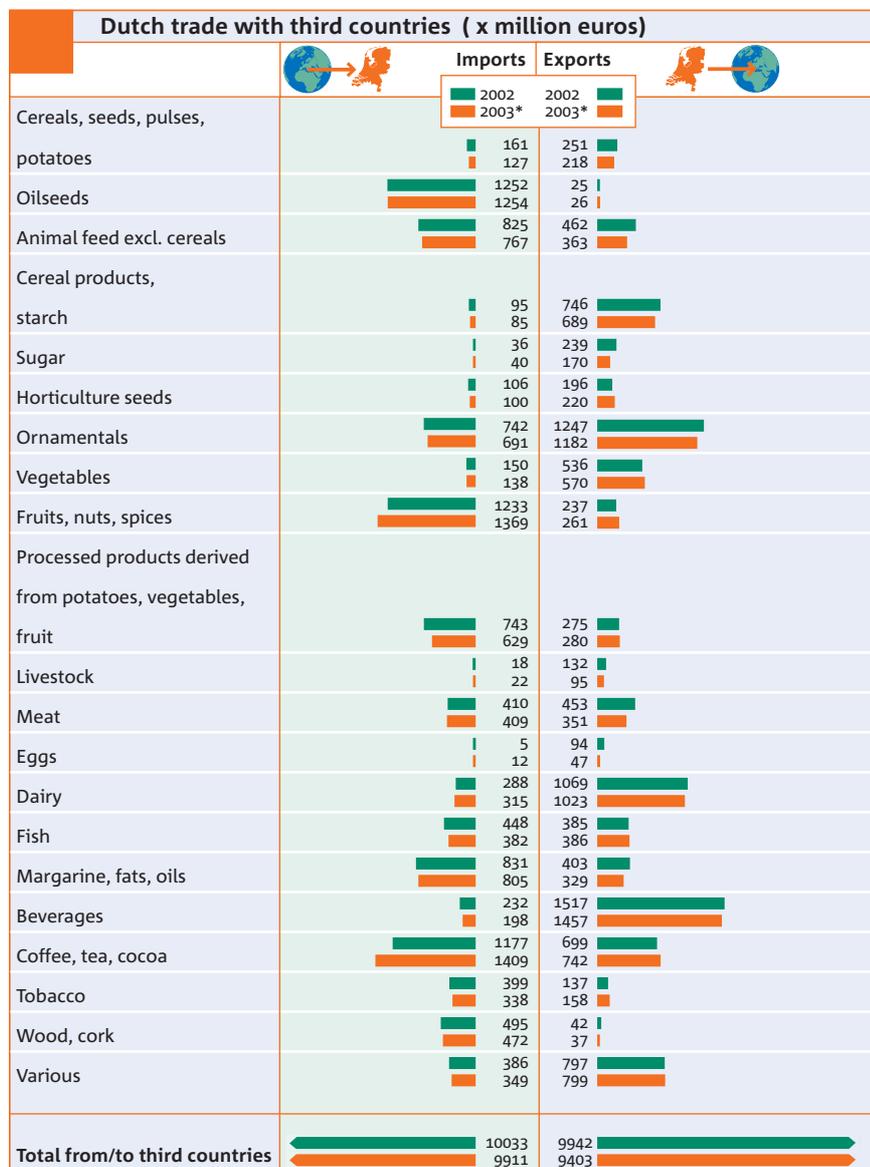
*provisional data

Source: Statistics Netherlands (CBS), analysis by LEI.



* provisional statistics

Source: Statistics Netherlands (CBS) and LEI.



* provisional statistics

Source: Statistics Netherlands (CBS) and LEI.



3 Developments in the Agri-sector

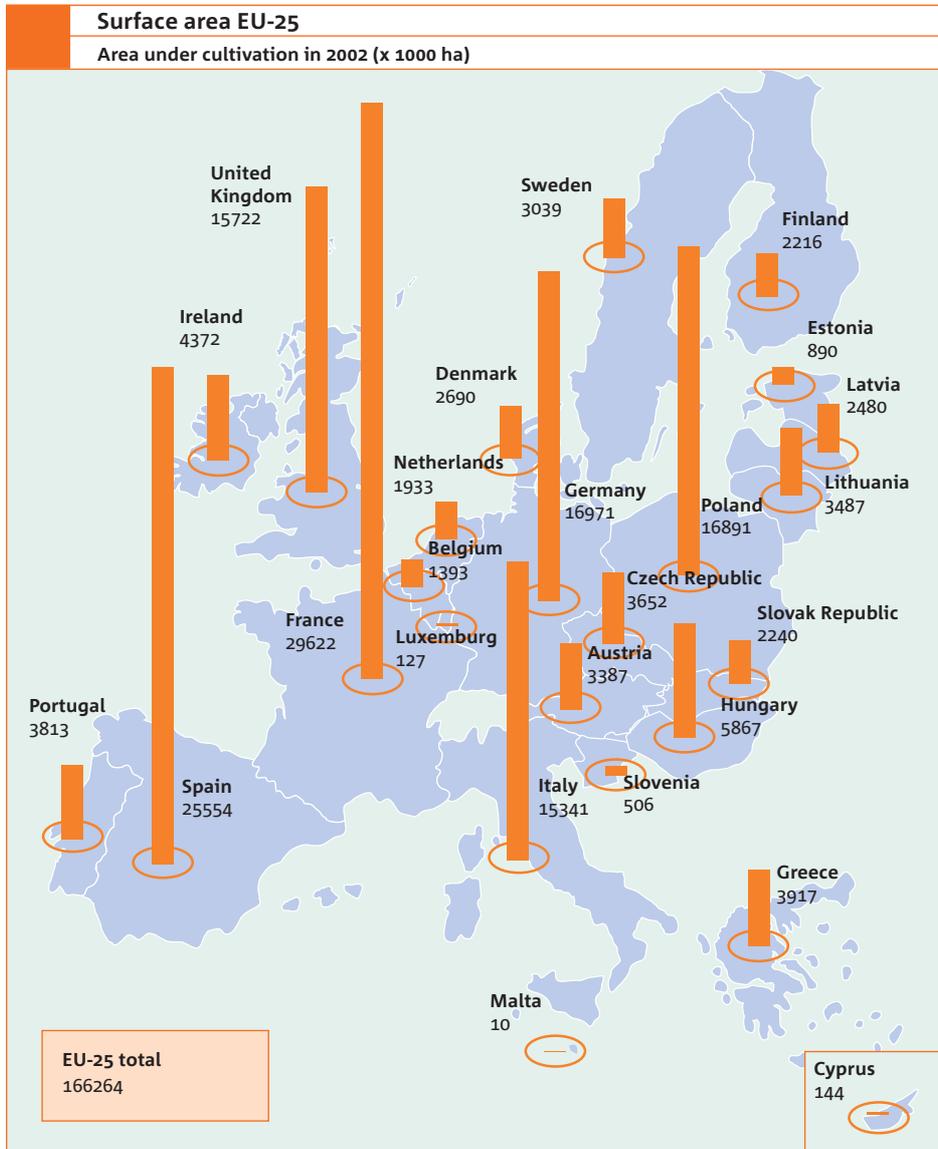
- Developments in agriculture and horticulture
- Fisheries
- Food, drinks and tobacco industry
- Wholesale trade and agri-logistics
- Food service
- Education, extension and research



Developments in agriculture and horticulture

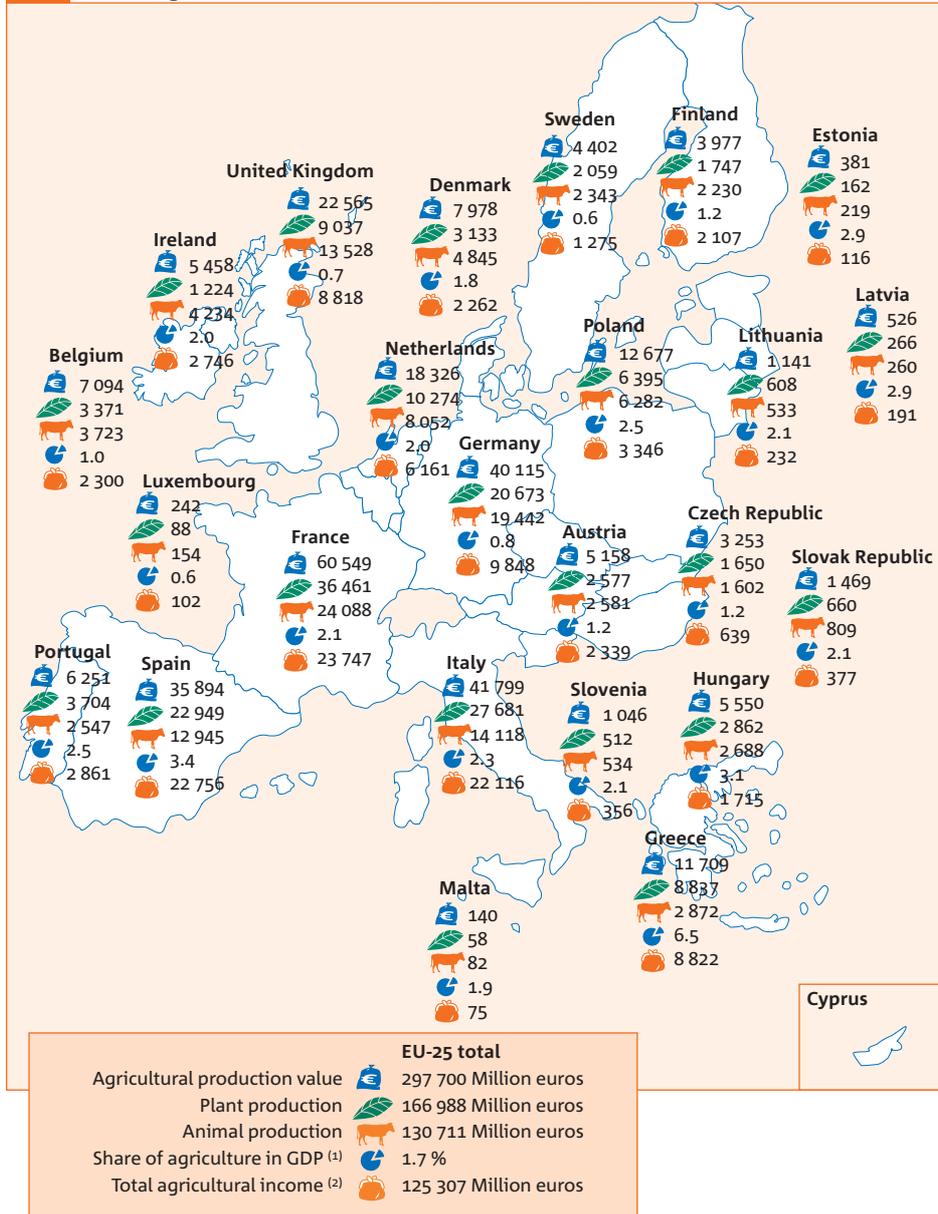
European Union

On 1 May 2004 ten new countries joined the EU. The economies of these ten newcomers have evolved differently from those of the other EU Member States. The share of agriculture and fisheries in these countries' economies is about twice that of other EU countries. Still, the agricultural share remains small: a mere 4% of the total gross domestic product. In the current EU countries the main sector is the financial and business services industry. In the newcomers' economies this branch of industry is less well developed. In the new Member States, the mainstay of the economy is formed by trade, the hotels and restaurant business and transport, taken together. This is mainly due to Poland, where at 29% this is the largest sector. Differences in the economic structure between the new and older EU Member States have become smaller in recent years. In the new countries however, the importance of agriculture and industry has dropped sharply whereas the share of the services industry has increased.



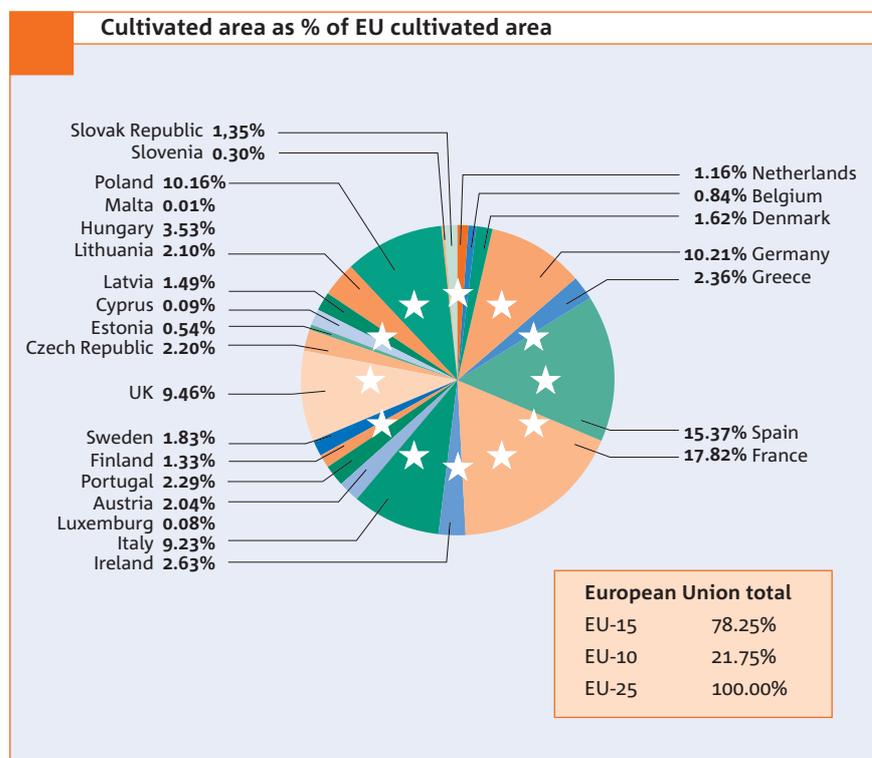
Source: Eurostat

Agricultural production value and total agricultural income 2002 (million euros)



(1) GDP= Gross Domestic Product (2) net added value against factor costs

Source: Eurostat



Source: Eurostat

The Netherlands

Farmers and growers are a vital part of the total agricultural complex. They buy the imported commodities and are the source of a large number of products that are processed and sold by trade and industry. Primary production accounts for 25% of the total agricultural complex and 36% if we leave out the imports.

The past fifty years has seen a steady decline in the number of farms. In 1950 the Netherlands still had about 315,000 farms. The decline in numbers has accelerated over recent years. Halfway through the 1990s, an average 2.5% of farmers per year ceased operations. By 2003, this percentage had increased to 5%, the result of falling farm incomes and rising prices for lands and buildings.

The strongest decline in the number of farms over the last few years has occurred in the pig and poultry sectors. This decline in numbers did not result in a decline in production volume as the production of outgoing farmers was taken over by those who stayed in business.

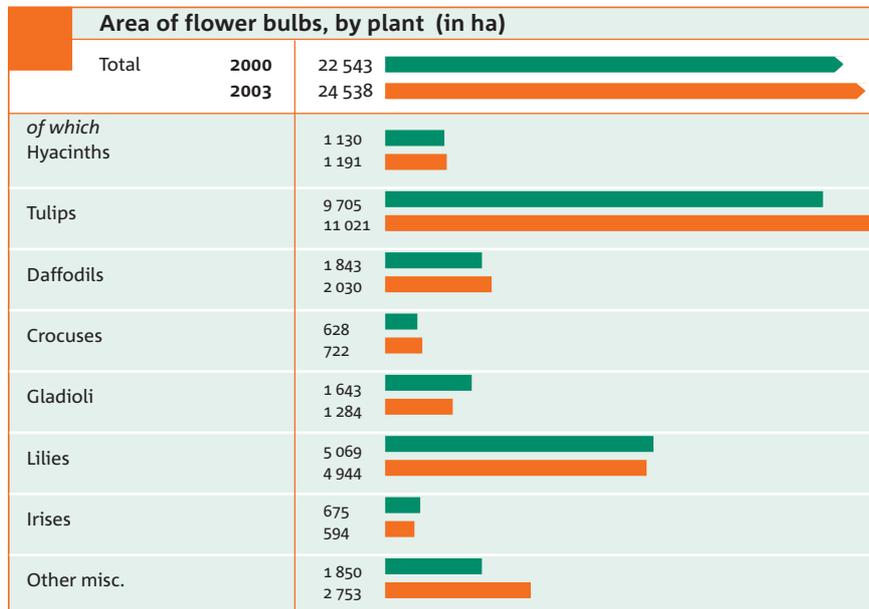
In 2003 the Netherlands had about 85,500 farming businesses. Dairy farms make up the largest group, almost 23,000 in all. There are also some 20,000 farms with grazing stock, cows for slaughter, sheep and goats. The number of arable farms, producing mainly cereals, potatoes and sugar beets, is almost 13,000. There are some 6,000 intensive livestock farms, i.e. farms with pigs or poultry. Some 16,000 businesses operate in the field vegetable and glasshouse sector. Finally, there are some 8,000 businesses that combine a number of branches of production.

Farms in the Netherlands			
1993 and 2003			
Branch	1993 2003		% Decline
Dairy farms	34,471 22,857		34
Farms with grazing stock	23,388 20,142		14
Arable farms	14,551 12,612		13
Field vegetable farms	12,135 8,832		27
Farms with intensive livestock production	11,301 5,917		48
Glasshouse and mushroom production	10,515 7,160		32
Mixed farms	13,363 7,981		40
Total	119,724 85,501		29

Source: LEI

Area of arable crops (x 1000 ha)			
	Total	2000 2003	
		806,2 820,1	
<i>of which</i>			
Cereals		198,9 195,3	
Pulses		8,8 11,8	
Oilseed and fibre crops		6,0 6,1	
Grass seed		22,0 21,6	
Table potatoes		87,4 70,6	
Seed potatoes		41,8 39,3	
Starch potatoes		51,0 48,8	
Sugar beets		111,0 102,8	
Fodder crops		211,9 223,3	
Green manuring crops		2,6 30,1	
Onions		20,0 23,2	
Maize kernel		20,3 24,5	

Source: Statistics Netherlands (CBS)

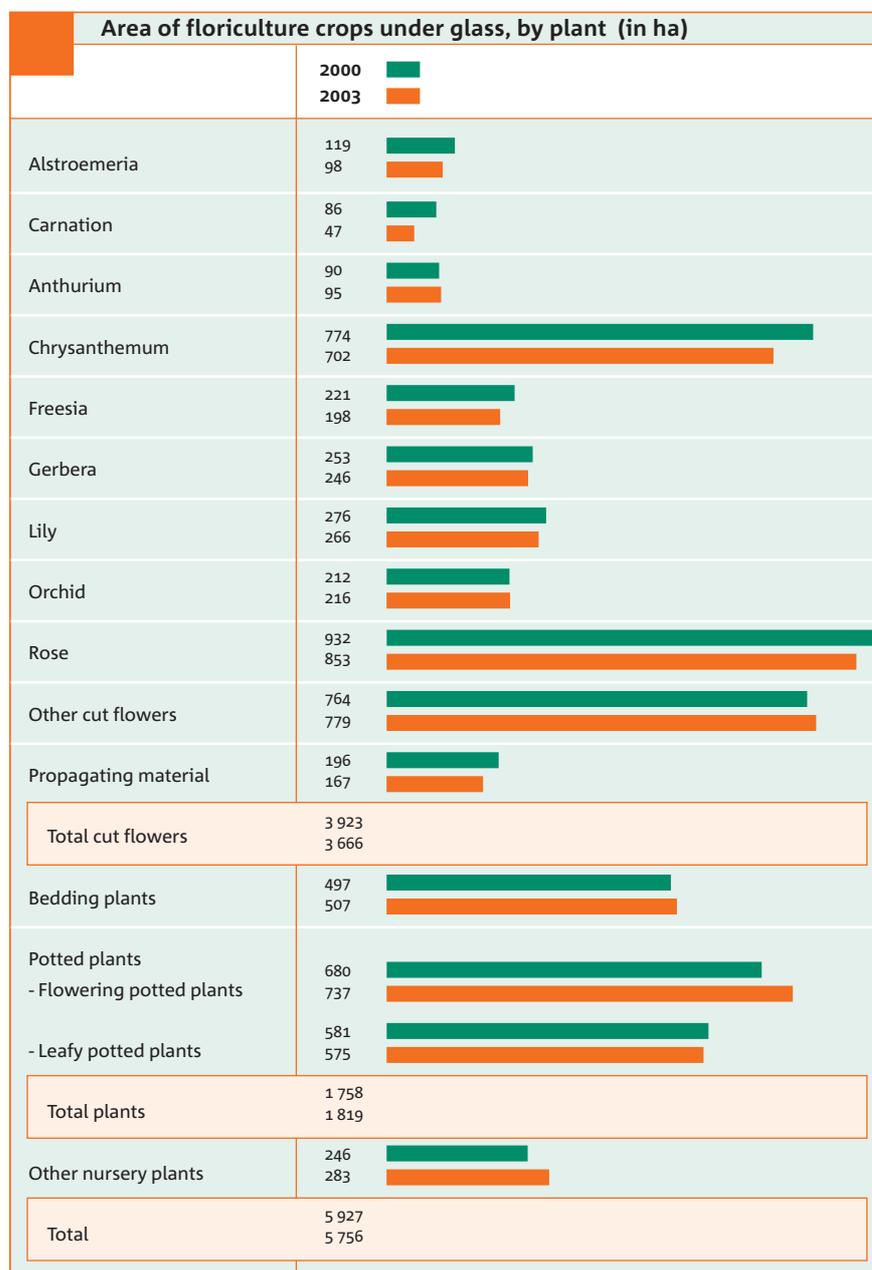


Source: Statistics Netherlands (CBS)

Use of cultivated land 1990 and 2003 (x 1000 ha)			
	1990	2003	
Grass	1096,5	985,7	
Arable crops	799,4	814,3	
Horticulture	103,8	116,2	
of which			
open field	94,0	105,6	
glasshouse	9,8	10,5	
Wood production ⁽¹⁾	5,9	7,8	
total	2 005,6	1 924,1	

(1) 2003 includes fast-growing timber

Source: Statistics Netherlands (CBS)



Source: Statistics Netherlands (CBS)

Average Farm incomes in the Netherlands (in euros)			
Total	2001	2002	2003
	45,000	35,000	40,000
Dairy farms	49,000	41,000	37,000
Pig breeding farms	8,000	-8,000	-20,000
Pig fattening farms	5,000	-23,000	-16,000
Integrated pig farms	11,000	-29,000	-28,000
Laying hen farms	48,000	40,000	176,000
Broiler farms	59,000	-14,000	-2,000
Arable farms	54,000	15,000	41,000
Horticulture under glass - vegetable farms	57,000	70,000	88,000
- cut flower farms	53,000	65,000	50,000
- pot plant farms	88,000	106,000	118,000
Mushroom growers	82,000	33,000	23,000

Results of 2003 for poultry farms not affected by bird flu

Source: Agricultural Economics Research Institute, Farm Accountancy Data Network



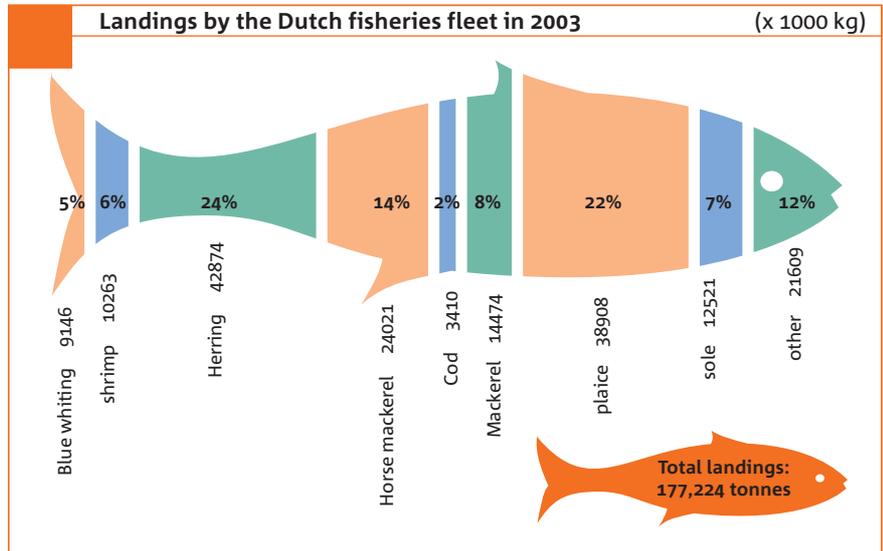
Fisheries

The fisheries sector has attracted a great deal of interest over recent years. Many non-governmental organisations have accused fishermen of over-fishing and disturbing the marine ecosystem. Fishing is subject to quotas, which are fixed every year by the Fisheries Council. Every Member State is allocated Total Allowable Catches (TACs) after advice has been won from the International Council for the Exploration of the Sea. Although the sector does not contribute much to the gross domestic product, the Dutch fishing fleet is the most efficient in Europe, and probably even the world. Dutch fishermen catch the greater part of the quotas set for sole and plaice.

In 2002 the Dutch fisheries fleet consisted of 511 vessels and 2,650 crew. The vessels are categorised according to the species of fish targeted. The cutter fleet with its 393 ships and 1,750 crew is the main branch.

The Dutch fisheries fleet 2002			
	Number of vessels 	Number of crew 	Yield (x million euros) 
Cutters	393	1,746	254
Distant-water fisheries	17	586	126
Mussel fisheries	69	208	68
Cockle fisheries	12	60	10
Other coastal fisheries	20	50	5
Total sea and coastal fisheries	511	2,650	463

Source: Agricultural Economics Research Institute



The part of the fleet that fishes in distant waters consists of 17 trawlers or freezing vessels with an overall length up to 140 m. These ships fish for pelagic species such as herring and mackerel in both European and African waters. The European Commission negotiates with African countries, such as Mauritania, about the catches allowed in their waters. In 2002 the trawlers employed 590 crew.

In addition to the cutter fisheries and distant-water fisheries the Dutch fisheries sector includes cockle, mussel and oyster fisheries. The shellfish sector has 100 ships and employs 330 people.



Food, drinks and tobacco industry

The food, drinks and tobacco industry in the Netherlands is in the hands of relatively large companies. The total number of businesses is slowly declining, as companies merge and concentrate. In 2002, 4825 businesses made up the Dutch food, drinks and tobacco industry, more than 10% of the total number of industrial enterprises in the Netherlands. More than 140,000 people were employed by the industry in 2001, compared to just over 921,000 in total industry. In other words, about one in seven employees in industry work for food, drinks and tobacco companies. The Dutch sector is the sixth largest food, drinks and tobacco producer in the EU-15, with a 7% share in total production.

Larger businesses with at least 20 employees realised a joint turnover of about 40 thousand million euros in 2002. The slaughterhouse and meat processing sector had the largest turnover, 6.9 thousand million euros, followed by the dairy industry with 5.8 thousand million euros. The bread and baked goods sector provides the most jobs. This sector employed 44,000 people in 2002.

The food, drinks and tobacco industry in the Netherlands is export-oriented. Exports in 2002 were valued at 17 thousand million euros, or 43% of that year's total turnover. Most of our exports go to the European Union (13.5 thousand million euros in 2002).

The food, drinks and tobacco industry in 2002			
	Number of businesses ^(a)	Number of employed x 1000 ^(a)	Turnover in million euros ^(b)
			
Slaughterhouses and meat processing	820	23,5	6 873
Fish processing industry	135	3,3	514
Fruit and vegetable processing	135	9,2	2 820
Margarine, fats and oils	20	2,3	2 931
Dairy	240	11,3	5 750
Starch and starch products	75	4,4	1 852
Animal feed	210	8,2	3 629
Bread and baked goods	2 740	44,0	2 225
Cocoa, sugar and confectionery	150	8,4	2 660
Other food industry	170	11,2	3 791
Beverages	110	9,5	3 353
Tobacco	20	5,0	3 695
Total food, beverage and tobacco industry	4 825	140,4	40 093

(a) all businesses in the industry

(b) businesses with at least 20 employees; turnover excludes taxes

Source: Statistics Netherlands (CBS)



Wholesale trade and agri-logistics

Thanks to its geographical position the Netherlands has built a coordinating role for itself, managing the trade flows of farm products and food coming in from overseas and going out to the European hinterlands. Simultaneously, farming and the food and drinks manufacturing industry (the agricultural complex) has developed strongly in the Netherlands itself. This combination made for a powerful wholesale trade sector for agricultural produce.

In 2001 134,000 people worked in this branch of wholesale trade. Its net turnover was some 71 thousand million euros. One of the factors that allowed the wholesale trade to flourish was the efficient transport sector and a good physical infrastructure of seaports, airports inland waterways and roads. Most transport, from feed manufacturer to farm, from farm/horticulture business to auction, trader or processor and from there to buyers at home and abroad goes by road.

Whole sale trade in farm products 2001			
	Number of companies 	Number of employees 	Turnover in euros x 1000 
Total wholesale trade in farm products, of which:	11,400	133,800	71,042
Cereals, seeds, animal feeds	1,201	10,900	9,493
Flowers and plants	2,333	25,700	8,507
Potatoes, fruit and vegetables	1,188	18,200	10,259
Food, drinks and tobacco (general)	1,081	26,800	12,589
Wholesale food, drinks and tobacco	4,214	48,200	25,379

Source: LEI

Thus one in every three lorries on the road carries agricultural products. Part of the commodities and semi-finished goods are transported by river to the manufacturer and in some cases to the end user. The heavy increase in road traffic has made it difficult sometimes to reach production, distribution and retail outlets. Both government and industry, on their own or together, wish to resolve these difficulties by, for instance, promoting intermodal transport or further clustering production and distribution activities.



Food service

Most of the food, drinks and tobacco in the Netherlands are sold in supermarkets, they account for 80% of retail trade and have an annual turnover of 28 thousand million euros. Smaller shops such as the greengrocer's, butcher's and the poultry shop are disappearing fast. In 2001 their combined turnover amounted to a mere 6 thousand million euros. Apart from food, drinks and tobacco supermarkets increasingly sell non-food products (3.5 thousand million euros) of which chemist's products make up the largest share. But also books, DVDs and computers are increasingly sold at supermarkets. The Netherlands has a number of retail organisations. Most of them cover the whole country, some are regional. The three leading retail organisations account for 60% of the retail trade.

As in many other countries, in the Netherlands the consumption of food and drinks away from home is on the increase. The food service market now has an estimated 50,000 outlets in the form of restaurants, fast-food restaurants, hotels, cafes, in-house company, school and hospital restaurants, service stations and other convenience shops. In 2001, this is where consumers spent 30 to 35% of their food expenditure. The share of the food service market is likely to grow further.

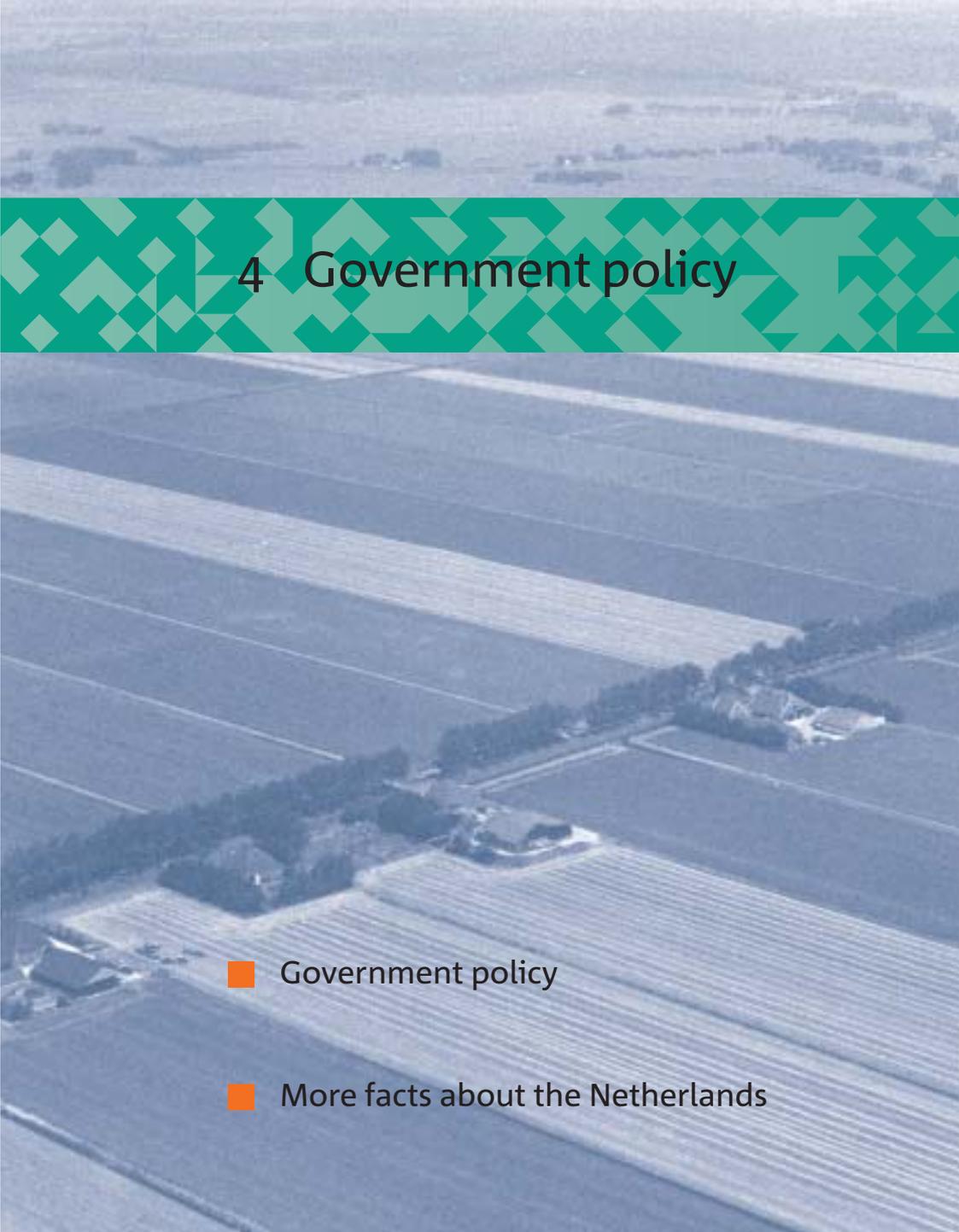
Retail trade in food, drinks and tobacco in 2001			
	Number of companies x 1000 	Number of employees x 1000 	Turnover in 1000 million euros 
Retail trade in food, drinks And tobacco (total)	14.9	144.2	27.6
Supermarkets	3.4	102.2	21.9
Independent shops	11.5	42.0	5.7
- Greengrocer	1.9	6.3	0.6
- Butcher	3.3	13.8	1.6
- Poultry shop	0.3	0.9	0.1
- Fishmonger	0.7	2.3	0.3
- Chocolate and confectionery	0.4	1.3	0.1
- Liquor	1.0	5.1	1.1
- Tobacco	1.4	3.9	0.9
- Cheese	0.5	1.6	0.2
- Wholefood	0.4	1.3	0.2
- Other	1.6	5.5	0.6

Source: Statistics Netherlands (CBS)



Education, extension and research

The agricultural sector is of vital significance to the Dutch economy and culture. Knowledge has always been the means to encourage the necessary innovation in the sector. A strong, up-to-date knowledge infrastructure ensures that the competitive strength of Dutch agriculture is maintained. Wageningen University and Research Centre (Wageningen UR for short) is a leading international knowledge institute and consists of Wageningen University, (applied) research institutes, a training and advisory centre and a professional college. Wageningen UR has become a leading international centre for the agricultural sciences, plant and animal sciences and the environment and ecology. The Netherlands also has other institutes which provide pre-vocational, secondary and higher agricultural education.

An aerial photograph of a rural landscape in the Netherlands, showing a grid of agricultural fields, a farm with several buildings, and a small cluster of trees. The image is overlaid with a green geometric pattern on the left side.

4 Government policy

■ Government policy

■ More facts about the Netherlands

The Dutch government wants its agricultural sector to be an important economic sector that also maintains the liveability of the countryside. The government's agriculture policy aims for sustainable development, where a balance is continually sought between the three P's of People, Planet and Profit.

The Ministry of Agriculture is faced with major changes in society that have an impact on its policy areas. The focus is increasingly on food and food safety, environmental and welfare issues, the use of green spaces and the changing views about the role and significance agriculture should have in our society. These developments call for adaptations to be made in several sectors and production chains such as intensive livestock production, glasshouse horticulture and dairy farming. The government encourages these adaptations but the sectors themselves should take responsibility for them.

Key elements in the government's agro sector policy include

Sound, sustainable agriculture:

an agricultural sector that meets the demands and requirements of society, that is varied and diverse, serves various purposes, thus contributing to the spatial quality of our countryside, and a sector that can compete internationally;

Food quality:

Food that is sound, wholesome and safe, of guaranteed quality and which meets a wide range of consumer demands and is monitored by in-company quality assurance schemes;

Knowledge and innovation:

development of a knowledge infrastructure that contributes to such challenges as innovation. To this end the government has set up an innovation platform and made extra resources available for knowledge and innovation;

An eye on the international context:

participation in various forms of cooperation, in such areas as production, marketing, the economy, ecology and nature as well as the generation, application and exchange of knowledge. The Netherlands is an advocate of the liberalisation of world trade and reforms of the EU farm policy;

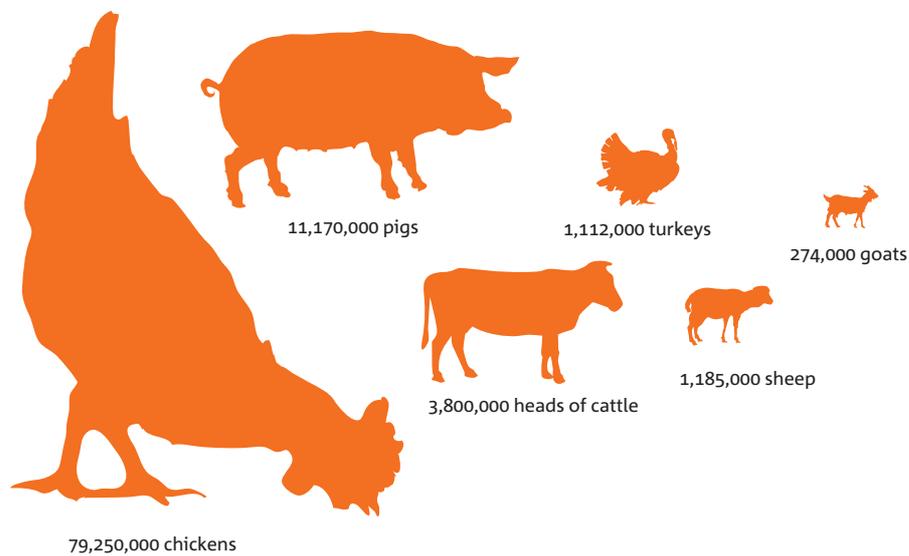
Agri-focused business climate:

to achieve its objectives -- to reduce the quantity of regulations, to resolve problems, and simplify policy -- the Netherlands will harmonise standards and requirements, improve logistic processes for import and export, take the one-shop stop approach and try to resolve agri-logistic problems where possible.



More facts about the Netherlands

- A mere 3.4% of the Dutch population works in the agricultural sector
- A quarter of the Netherlands lies below sea level
- The Netherlands covers 0.008 % of the global land surface
- The Netherlands is among the three leading net exporters of farm products
- The Netherlands was one of the co-founders of the European Union
- In 2003 a Holstein Frisian produced an average 8,343 litres of milk with a 4.34% fat content and a 3.43% protein content
- In 2003 the Dutch livestock herd numbered:



Source: LEI