NORTH AMERICA

Here we have included the USA and Canada.

USA

Market Background

- 280 million (2000 Census) and growing - 105 million Households
- 3,000 miles from Boston to Los Angeles
- Four time zones; Eastern, Central, Mountain and Pacific
- $9.8 trillion GDP - $36k per capita ($24k in UK)

Trade Environment

- Very dynamic market with a wide range of opportunities but agricultural commodities are protected and alcohol is heavily regulated
- UK food and drink exports to the market: £914.02 million in 2007 (No 3 in rank)
- Major growth in natural and organic products

Retail Environment

- US retail market is very fragmented
  - 165,000 stores sell food and beverages
  - Manufacturers became national - retailers stayed local
  - Most products are delivered DSD - direct to store - bywholesalers, distributors or manufacturers
  - Most manufacturers depend on 3rd-party broker sales forcesto police stores, drive promotional activity and enforce pricing discipline
  - The top 5 chains –
  - Wal-Mart, Kroger, Albertson’s, Ahold and Safeway - account for only 40% of retail sales. Wal-Mart leads with a 12% market share.
  - With exception of Wal-Mart, all chains are regionalized(buying and logistics)

Canada

Market Background

- The Population is 32 million
- Population density of 3.1 per square Kilometre
- 10 Provinces and 3 Territories
- Larger than the USA – 38 times the size of the UK
- Second largest Country on Earth
- Bi-lingual nation: English and French
- Population has a wide ethnic make up

Trade Environment

- UK tradition with new ethnic influences
- UK food and drink exports to the market: £181.13 million in 2007 (No 11 in rank)
- All major groups are actively developing private label

Retail Environment

1	Loblaws	41%
2	Sobey's	19%
3	Metro	9%
4	Safeway	9%

KEY MARKET SNAPSHOTS – FOOD & DRINK

ASIA & OCEANA

Here we have provided information about the markets in Australia, China, Hong Kong, India, Japan, Malaysia , Singapore and Thailand .

In general, high quality, innovative products are in demand, as are healthy foods and convenience products. In many Asia Pacific markets with a gift-giving culture, imported products can always be positioned as being suitable as gifts.

- Private label is most widely available in markets where European retailers are present. Domestic retailers in Hong Kong, Singapore and Australia have been increasing their private label presence, however, in comparison with the UK, it is still low. Private label in Australia, for example, has a 12% market share.

Australia

Market background

- Population: 19.88 million (2005)
- GDP: £19,266.03 per head (2005)

- Unemployment rate: 5.2% (2005)
- Inflation: 2.67% (2005)
- Consumer expenditure on food and non-alcoholic drinks: £1,076.10 per head (2005)

Trade environment

- Total food and drink imports to the market: £2.8 billion (2005)
- UK food and drink exports to the market: £118.01 million in 2007 (No 19 in rank)
- UK share of imports: approximately 4.5%

Retail environment
Top retailers by market share - Australia (2005)

1	Woolworths	38.1%
2	Coles Group	29.6%
3	Metcash	17.8%

China

Market background

- Population: 1,317.66 million (2006)
- GDP per head: $ 1,927.57
- Unemployment rate: 4% (2006)
- Inflation: 2.1%
- Consumer expenditure on food and non -alcoholic drinks: £146 per head (2006)

Trade environment

- Total food and drink imports to the market 2006: £11,475,635.93 (source: China customs statistics)
- UK food and drink exports to the market: £80.29 million in 2007 (No 25 in rank)

Categories of interest

- Biscuits – there is excellent potential for high quality British biscuits.
- Cheese - More and more retailers, restaurants and bakery stores are looking for imported cheeses. UK manufacturers are recommended to take advantage of this opportunity.
- Health related products.
- Confectionery products are in high demand.
- British Beer and Ales.
- Breakfast cereals are still a novelty in China but UK exports of cereals to China have shown an increase of 11% from 2006.
- Fish and seafood. UK Fish and seafood exports to China are showing continuous growth.

- Jams, Chutneys and Condiments. UK exports of preserved products such as jams and chutneys have increased.

Retail environment

Top retailers by market share in China (2006)

1	Carrefour	2.9%
2	Wu-mart	2.7%
3	Nong Gong Shang	2.3%
4	RT-Mart	2.3%
5	Wal-mart	1.7%
6	Trust-mart	1.6%
7	Lotus	1.6%
8	Metro	1.1%
9	Hymall	1.1%
10	Auchan	0.7%
11	Jingkelong	0.7%

Hong Kong

Market Background

- Population: 6.9 million (2007)
- £13,438 per capita (2006)
- Unemployment rate: 4.3% (Q3 2007)
- Inflation: 3.4% (Q3 2007)
- Consumer expenditure on food and non-alcoholic drinks: £303.94 per month or £3,647.25 per year per family (2005)

Trade environment

- UK food and drink exports to the market: £79.73 million in 2007 (No 26 in rank)
- Good opportunities for British specialty products

Retail environment

Top retailers by market share - Hong Kong (2006)

1	Dairy Farm	21.5%
2	AS Watson	45.5%
3	AEON	1.97%
4	China Resources Enterprise	30%
5	Convenience Retail Asia	1.03%

India

Market Background

- UK exporters should work closely with their appointed Indian importers to ensure that all the provisions of The Foreign Trade 9 (Development and Regulation) Act 1992 are closely adhered to.
- New regulations and standards will continually be added by the FSSA in the future. In this connection, it is advisable for UK exporters to regularly check with their appointed Indian importers on the latest regulations and standards applicable for the import of their products into India.

Trade Environment

- UK food and drink exports to the market: £45.63 million in 2007 (No 34 in rank)
- Opportunities
    - Savoury snacks, global cuisines, condiments, breakfast cereals.
    - Organic and Fair trade and health related foods to the more affluent population.
    - Baby food presents a good opportunity as no Indian brand available for baby food.
    - Good quality dairy products have limited so good quality dairy products like yoghurts, dairy drinks and fresh cheese are in demand.
    - There are tremendous opportunities for private label manufacturers with the growth of organised retail.
    - The ready to eat and frozen food category is gaining acceptance.
    - Most Indians have a sweet tooth making the confectionery category very attractive.
    - Fruit juices and beverages are also sought after.

Japan

Market background

- Population: 127.77 million (2006)
- GDP: £18,573.15 per head (2006)
- Unemployment rate: 4.13% (2006)
- Inflation: -0.24% (2006)
- Consumer expenditure on food and non alcoholic drinks: £1,147.48 per head (2006)

Trade environment

- UK food and drink exports to the market: £139.13 million in 2007 (No 15 in rank)
- Foodservice market is worth £61.93 billion (2006)

Retail environment

Top retailers by market share - Japan (2006)

1	Seven & I	5.9%
2	AEON	4.7%
3	Uny	2.5%
4	Daiei	1.3%

Malaysia

Market background

- Population: 25.61 million (2005)
- GDP: £2,751.88 per head (2005)
- Unemployment rate: 3.6% (2005)
- Inflation: 2.96% (2005)
- Consumer expenditure on food and non-alcoholic drinks: £226.02 per head (2005)

Trade environment

- Total food and drink imports to the market: n/a
- UK food and drink exports to the market: £30.16 million in 2007 (No 44in rank)

Retail environment

Top retailers by market share - Malaysia (2005)

1	Dairy Farm	5.8%
2	Parkson Corp	0.5%
3	AEON	2.9%
4	The Store Corp	1.8%
5	Tesco	2.1%

Singapore

Market background

- Population: 3.44 million (2005)
- GDP: £18,231.16 per head (2005)
- Unemployment rate: 5.0% (2005)
- Inflation: 0.47% (2005)
- Consumer expenditure on food and non-alcoholic drinks: £842.97 per head (2005)

Trade environment

- Total food and drink imports to the market: n/a
- UK food and drink exports to the market: £192.82 million in 2007 (No 10 in rank)

Retail environment

Top retailers by market share - Singapore 2005

1	Dairy Farm	9.9%
2	NTUC FairPrice	9.9%
3	AS Watson	1.0%
4	Carrefour	1.1%
5	Wal-Mart	0.1%

Thailand

Market background

- Population: 64.76 million (2005)
- GDP: £1,569.11 per head (2005)
- Unemployment rate: 1.3% (2005)
- Inflation: 4.54% (2005)
- Consumer expenditure on food and non-alcoholic drinks: £237.52 per head (2005)

Trade environment

- UK food and drink exports to the market: £58.80 million in 2007 (No 28 in rank)

Retail environment

Top retailers by market share - Thailand (2005)

1	Tesco Lotus	7.9%
2	Central Retail	2.8%
3	CP Seven Eleven	6.2%
4	Casino	4.4%
5	SHV Makro	5.2%

KEY MARKET SNAPSHOTS – FOOD & DRINK

EUROPE

Northern, Southern and Western Europe

Here we have information about Belgium, France, Germany, Italy, Netherlands, Nordic [Denmark, Finland, Norway and Sweden], Portugal and Spain.

Belgium

The Belgian market offers many opportunities to British food and drink companies. Here's an overview of the Belgian market.

Opportunities

- Belgium's private label market is developed and accounts for around 29% of the total market.
- There is a large discounter presence in which Aldi, Lidl and Colruyt have intensified the scope of competition.
- Consumer preferences have been changing over the past few years as a result of the need for convenience, food safety and dietary concerns. Therefore, opportunities can be identified for healthy and fresh ready-to-eat meals, together with convenience food. Consumer demand for speciality, high-quality produce has also been growing.

Market background

- Population: 10.6 million (2007) GDP: €31,311 per capita (2007)
- Unemployment rate: 7.8% (2007)
- Inflation: 1.8% (2007)
- Consumer expenditure on food and non-alcoholic drinks: £1,428 per head (2007)

Trade environment

- Total food and drink imports to the market: £15.8 billion (2007)
- UK food and drink exports to the market: £362.92 million in 2007 (No 8 in rank)
- UK share of imports: approximately 2.9% (2007)

Top five retailers by market share (2006)

1	Carrefour	28%
2	Delhaize Group	24.5%
3	Colruyt	20.8%
4	Aldi	11.2%

5	Louis Delhaize	7%

France

Opportunities

- France is the second largest export destination for UK food and drink. It is a market with an increasing appetite for British food and drink.
- British food and drink exports to France recorded spectacular growth in 2006 (+11.1%) to reach £1.4 billion.
- The French market is increasingly open to British products and innovations. British expertise is well known and recognised for:
  - private label development
  - traditional classics (tea, morning goods, seafood, whisky, beer, mineral water, cakes, biscuits)
  - snacking and convenience foods
  - ethnic cuisine
  - confectionery

Market background

- Population: 60.5 million (2007)
- GDP: £20,828 per head (2007)
- Unemployment rate: 8.3% (2007)
- Inflation: 1.6% (2007)
- Consumer expenditure on food and non-alcoholic drinks: £1,587 per head (2007)

Trade environment

- Total food and drink imports to the market: £23.5 billion (2007)
- UK food and drink exports to the market: £1.4 billion in 2007 (No 2 in rank)
- UK share of imports: approximately 5.4% (2007)

Top 5 retailers by market share (2006)

1	Carrefour Group	25.7%
2	Lucie (Leclerc + Système U)	24.3%
3	EMC Distribution (Casino + Monoprix)	13.2%
4	Auchan Group	12.6%
5	Intermarché	12.6%

Germany

Opportunities

- There are over 80 million potential customers in Germany. In some areas also niche markets can be promising.
- Retailers often perceive the British retail scene as “trendsetter”. Many have started to trade up in order to differentiate themselves from discounters.
- Private label ranges are developing. Good potential exists in the following product categories: chilled food, health and wellbeing, organic, convenience, ethnic.

Market background

- Population: 82.4 million (the largest in Europe)
- GDP: £ 20,043 per head
- Unemployment rate: 7 % (note: still gap between East and West Germany)
- Consumer Price Inflation: 2.1 %
- Grocery retail sales, net: £ 1,126 per head

Trade environment

- Total food and drink imports into the market: £ 35.5 billion
- UK food and drink exports to the market: £795.8 million in 2007 (No 5 in rank)
- UK share of imports: approximately 2%

Top five retailers by market share (2007)

1	Edeka	20.9%
2	Rewe	15.4%
3	Schwarz Group	12.3%
4	Aldi	11.8%
5	Metro Group	7.7%

Italy

Opportunities

- Italy offers opportunities in chilled private label and ethnic food in particular. Find out more about the market here.
- The market for private label in Italy is small, accounting for around 10% of total grocery sales. However, this sector is growing steadily and chains are increasingly looking at private label products as a genuine alternative to other market competitors.

- The ethnic food market, although small, is growing fast as immigration increases and Italians discover the culinary traditions of other nations.
- There is dramatic growth in the refrigerated area of the supermarket shelf and the logistics systems are rapidly changing to facilitate the distribution of products with short shelf life.

Market background

- Population: 58.1 million (2007)
- GDP: £17,855 per head (2007)
- Unemployment rate: 7.1% (2007)
- Inflation: 2% (2007)
- Consumer expenditure on food and non-alcoholic drinks: £1,544 per head (2007)

Trade environment

- Total food and drink imports to the market: £19.3 billion (2007)
- UK food and drink exports to the market: £445.8 million in 2007 (No 7 in rank)
- UK share of imports: approximately 2.4% (2007)

Top five retailers by Grocery Retail market share (2006)

1	Coop Italia	17.1%
2	Carrefour	10.4%
3	Auchan	9.6%
4	Conad	9.6%
5	Esselunga	8.3%

Netherlands

Opportunities

- There are particular opportunities in the private label, snacking and premium categories in the Netherlands.
- Private label penetration in the Netherlands at just below 20% is low in comparison to other markets, but on the rise.
- There is a current trend to upgrade the positioning, image and intrinsic quality of the private label ranges. Retailers are now even starting to look at possibilities to introduce a premium own label next to the standard one, like Tesco's Finest range.
- The non-Dutch population in the Netherlands (20%) has been growing steadily: as a result, there has been strong growth in the number of stores serving ethnic niche markets and purchase of non-traditional Dutch food. Due to an increasingly less regular and individual eating pattern, snacking

and grazing are on the rise, therefore boosting the demand for convenience, portioned and easy-to-prepare food.

Market background

- Population: 16.3 million (2007)
- GDP: £23,477 per head (2007) Unemployment rate: 3.5% (2007)
- Inflation: 1.6% (2007)
- Consumer expenditure on food and non-alcoholic drinks: £1,111 per head (2007)

Trade environment

- Total food and drink imports to the market: £23.6 billion (2007)
- UK food and drink exports to the market: £618.2 million in 2007 (No 6 in rank)
- UK share of imports: approximately 3.3% (2007)

Top five retailers by Grocery Retail market share (2006)

1	Albert Heijn	22.2%
2	Schuitema	13.2%
3	Laurus	10.7%
4	Aldi	5.1%
5	Koopconsult (Dirk van den Broek)	4.1%

Source: IGD Datacentre, IGD estimates

Nordic Market: Denmark, Finland, Norway, Sweden

Opportunities

- Nordic's private label is well developed and extensive opportunities exist for UK exporters. The competitive and consolidated market has contributed to the level of private label share.
- Good potential exists in the following product sectors: value-added products and convenience foods, organic and healthy offerings, innovative products which link convenience to the vegetarian alternative and ethnic food.

Market Background - Denmark

- Population: 5.4 million (2007)
- GDP: £28,567 per head (2007)
- Unemployment rate: 3.7% (2007)
- Inflation: 1.7% (2007)
- Consumer expenditure on food and non-alcoholic drinks: £1,498 per head (2007)

Market background - Finland

- Population: 5.2 million (2007) GDP: £23,196 per head (2007)

- Unemployment rate: 7.3% (2007)
- Inflation: 1.6% (2007)
- Consumer expenditure on food and non-alcoholic drinks: £1,374 per head (2007)

Market background - Norway

- Population: 4.6 million (2007)
- GDP: £41,871 per head (2007)
- Unemployment rate: 4.8% (2007)
- Inflation: 0.8% (2007)
- Consumer expenditure on food and non-alcoholic drinks: £1,946 per head (2007)

Market background - Sweden

- Population: 9 million (2007)
- GDP: £24,960 per head (2007)
- Unemployment rate: 5.6% (2007)
- Inflation: 2.2% (2007)
- Consumer expenditure on food and non-alcoholic drinks: £1,322 per head (2007)

Trade environment - Denmark

- Total food and drink imports to the market: £6.4 billion (2007)
- UK food and drink exports to the market: £169.9 million in 2007 (No 12 in rank)
- UK share of imports: approximately 3.7% (2007)

Trade environment - Finland

- Total food and drink imports to the market: £2.1 billion (2007)
- UK food and drink exports to the market: £51.1 million in 2007 (No 30 in rank)
- UK share of imports: approximately 2.7% (2007)

Trade environment - Norway

- Total food and drink imports to the market: £2.8 billion (2007)
- UK food and drink exports to the market: £93.9 million in 2007 (No 21 in rank)
- UK share of imports: approximately 4.1% (2007)

Trade Environment - Sweden

- Total food and drink imports to the market: £6 billion (2007)
- UK food and drink exports to the market: £164 million in 2007 (No 13 in rank)
- UK share of imports: approximately 3.1% (2007)

Top five retailers by Grocery Retail Market Share (2006)

Denmark

1	Dansk Supermarked	29.9%
2	Coop Danmark	24.7%
3	Reitangruppen	5.7%
4	Spar Danmark	5.4%
5	Aldi	3.3%

Finland

1	S Group	47.4%
2	Kesko Food Ltd	26.7%
3	Tradeka Ltd	9.7%
4	Spar Finland	3.4%
5	Lidl & Schwarz	1.8%

Norway

1	NorgesGruppen (Including Spar Norge)	31.0%
2	ICA Norge	14.8%
3	Coop Norge	12.5%
4	Reitangruppen	12.3%
5	Lidl & Schwarz	0.5%

Sweden

1	ICA	35.9%
2	Axfood	11.4%
3	Coop Sverige	10.5%
4	Bergendahls	1.9%
5	Lidl & Schwarz	1.3%

Source: IGD Datacentre, IGD estimates

Portugal

Opportunities

- A market with opportunities to sell to British ex-pats as well as increasingly adventurous Portuguese consumers.
- Private label in Portugal accounts for 13.4% in the food sector and for 13.2% in the drinks segment.

- Consumers are constantly presented with new food product choices, where trends are moving towards more novelties (including ethnic food) and specialities, more 'natural' and delicatessen foods and more prepared and ready to eat products favouring convenience. Consumers are also increasingly responding to high-quality foods in attractive packaging.
- Owing to previous restrictions on large store formats, the discount market has become highly competitive, driven by hard discounters.

Market background

- Population: 10.5 million (2007)
- GDP: £10,515 per head (2007)
- Unemployment rate: 7.98 % (2007)
- Inflation: 2.40% (2007)
- Consumer expenditure on food and non-alcoholic drinks: £1,202 per head (2007)

Trade environment

- Total food and drink imports to the market: £4.8 billion (2007)
- UK food and drink exports to the market: £137.8 million in 2007 (No 16 in rank)
- UK share of imports: approximately 2.4% (2007)

Top five retailers by Grocery Retail market share (2006)

1	Modelo Continente	15.4%
2	Jerónimo Martins	10.3%
3	Intermarché	8.5%
4	Carrefour	8.2%
5	Auchan	6.3%

Source: IGD Datacentre, IGD estimates

Spain

Opportunities

- A market with a high population of British ex-pats, formerly conservative Spanish tastes are broadening, offering opportunities to British manufacturers.
- The share of private label in Spain is about 27%. The position of private label products is medium, between leading branded and fighting brand products. Private label products are subject to high quality controls by the retailers.
- Good potential exists for the following product sectors: ready meals, biscuits, frozen foods, beer (ethnic), ethnic foods, cheeses, spirits, cereals, tea, and confectionery products.

Market background

- Population: 43.1 million (2007)
- GDP: €23,600 per capita (2007)
- Unemployment rate: 8.1% (2007)
- Inflation: 2.8% (2007)

- Consumer expenditure on food and non-alcoholic drinks: £1,296 per head (2007)

Trade environment

- Total food and drink imports to the market: £15.0 billion (2007)
- UK food and drink exports to the market: £890 million in 2007 (No 4 in rank)
- UK share of imports: approximately 5.8% (2007)

Top five retailers by Grocery Retail market share (2006)

1	Carrefour	14.8%
2	Mercadona	11.4%
3	Grupo Eroski	4.9%
4	El Corte Inglés	4.8%
5	Auchan	4.7%

Source: IGD Datacentre, IGD estimate

Central and Eastern Europe

Here we have covered Hungary, Poland, Russia and The Czech Republic.

A broad range of categories have export potential.

- The Central and Eastern European markets appeal to experienced exporters looking to expand upon consolidated EU markets. Companies need a long-term strategic approach backed by significant marketing support.
- Across Central Europe, the market share of private label goods is increasing. Trust and acceptance of these products is growing as the quality of products has improved. Most retailers have own label ranges, and ambitious plans to develop these ranges.

Hungary

Opportunities

- The fast-developing Hungarian market has huge potential for British exporters.

Market background

- Population: 10.1 million (2007)
- GDP: £6,874 per head (2007)
- Unemployment rate: 7.8% (2007)
- Inflation: 7.9% (2007)
- Consumer expenditure on food and non-alcoholic drinks: £753 per head (2007)

Trade environment

- Total food and drink imports to the market: £2.1 billion (2007)
- UK food and drink exports to the market: £28 million in 2007 (No 46 in rank)
- UK share of imports: approximately 1.8% (2007)

Retail environment

Top retailers by Grocery Retail market share - Hungary (2006)

1	Tesco	16.1%
2	CBA	12.2%
3	Coop Hungary	11.5%
4	Real Hungaria RT	10.0%
5	Cora-Louis Delhaize	8.8%

Source: IGD Datacentre, IGD estimates

Poland

Opportunities

- Polish consumers are getting a taste for British products. The market can only grow as Poles return to Poland with tastes acquired in the UK.
- Poland has the fastest growing private label market in the world - products started to appear 5-6 years ago; today their market share stands at almost 10%.

Market background

- Population: 38.5 million (2007)
- GDP: £5,498 per head (2007)
- Unemployment rate: 10.7% (2007)
- Inflation: 2.5% (2007)
- Consumer expenditure on food and non-alcoholic drinks: £687 per head (2007)

Trade environment

- Total food and drink imports to the market: £5.2 billion (2007)
- UK food and drink exports to the market: £92.5 million in 2007 (No 23 in rank)
- UK share of imports: approximately 2.4% (2007)

Retail environment

Top retailers by Grocery Retail market share - Poland (2006)

1	Spolem	5.3%
2	Jerónimo Martins	5.0%
3	Tesco	4.6%
4	Auchan	4.2%
5	Lidl & Schwarz	3.7%

Source: IGD Datacentre, IGD estimates

Russia

Market Background

- Population: 142.8 million (2006)
- GDP: £3,900 per head (2006)
- Unemployment rate: 6.9% (2006)
- Inflation: 12% (2006)
- Consumer expenditure on food and non-alcoholic drinks: £550.25 per head (2005)

Trade Environment

- The total market of grocery retail in 2006: £124 billion

- UK food and drink exports to the market: £122 million in 2007 (No 18 in rank)
- The rapid expansion of the Russian economy and consequent development of the grocery retail scene has created exciting opportunities for British speciality food.
-

Retail Environment

- Modern trade formats (supermarkets, hypermarkets, discounters) are expanding very rapidly and creating both new opportunities and challenges for suppliers.

Top retailers by market share - Russia (2006)

1	Pytaterochka	2.3%
2	Perekrestok	2.3%
3	Metro (cash & carry)	1.9%
4	Tander "Magnit"	1.7%
5	Auchan	0.9%
6	7th Continent	0.7%

The Czech Republic

Opportunities

- Like many of the newer EU Member States, demand for British food in the Czech Republic has recently taken off.

Market background

- Population: 10.2 million (2007)
- GDP: £8,514 per head (2007) Unemployment rate: 5.4% (2007)
- Inflation: 2.9% (2007)
- Consumer expenditure on food and non-alcoholic drinks: £677 per head (2007)

Trade environment

- Total food and drink imports to the market: £3 billion (2007)
- UK food and drink exports to the market: £29.4 million in 2007 (No 45 in rank)
- UK share of imports: approximately 1.2% (2007)

Retail environment

Top retailers by Grocery Retail market share (2006)

1	Lidl & Schwarz	12.4%

2	Ahold	11.4%
3	Tesco	10.5%
4	Coop SCMSD	7.9%
5	Rewe	7.5%

Source: IGD Datacentre, IGD estimates

KEY MARKET SNAPSHOTS – FOOD & DRINK

GULF STATES

Here we have covered Saudi Arabia and the United Arab Emirates.

Opportunities

- The Gulf States are some of the world's most exciting markets. There are significant opportunities for British companies in the Gulf States.
- The Gulf Cooperation Council consists of Saudi Arabia, United Arab Emirates, Oman, Bahrain, Kuwait and Qatar.
- Exports of food and drink from the UK to the Gulf Cooperation Council markets were worth £228 million in 2007.

Key Market Characteristics

- Large families, young population
- Culture of meal preparation
- Role of traditional foods / Halal
- Conservative, sensitive consumers
- Trade 'unsophisticated'
- Importance of brands

Trade Environment.

- The main product opportunities can be identified in the sectors of premium biscuits, breakfast cereals, chocolate/chocolate confectionery and luxury niche products, with dairy offerings starting to show healthy gains.
- Dubai is the key market for UK exporters, reaching £83m in 2007, and a burgeoning tourist market is driving growth with premium hotels and restaurants demanding quality food and drink supply.
- Targeting the ex-pat and tourist market will be rewarding for UK exporters of branded products: there are an estimated 115,000 British ex-pats in the UAE only, with Dubai being number two winter-sun destination for tourists from the UK.
- Given the impressive economic growth in the Gulf States, with Dubai being the fastest growing tourist destination in the world, there are opportunities for UK exporters to capitalise on the ever-expanding foodservice chains

Saudi Arabia

- Saudi Arabia is the largest economy in the GCC.
- Major cities: Riyadh, Jeddah, Dammam/Al Khobar, Makkah, Madinah
- Cons: Conservative, suspicious, capricious
- Pros: large market

Market background

- Population: 24.6 million (2007)
- GDP: £7,590 per head (2007)

- Unemployment rate: 5.7% (2007)
- Inflation: 4.1% (2007)
- Consumer expenditure on food and non-alcoholic drinks: £403 per head (2007)

Trade environment

- UK food and drink exports to the market: £57.4 million in 2007 (No 29 in rank)

Retail environment

Top retailers by number of outlets (2007)

1	Alazizia Panda	59
2	Al Othaim	58
3	Giant	17
4	Geant	6
5	Carrefour	6

United Arab Emirates/Dubai [UAE]

Market background

- Population: 4.5 million (2007) GDP: £19,984 per head (2007)
- Unemployment rate: 1.8% (2007)
- Inflation: 11% (2007)
- Consumer expenditure on food and non-alcoholic drinks: £640 per head (2007)

Trade environment

- UK food and drink exports to the market: £83.2 million in 2007 (No 24 in rank)
- Strong and fast growing market in its own right
- Major gateway to GCC (Gulf Cooperative Council)
- Trend setter for the rest of the GCC through introduction of new products in the market.
- Major cities: Abu Dhabi, Dubai
- Cons: very competitive
- Pros: very open, large expat population
- With Dubai as regional hub for the rest of the GCC – a tempting total target market – there are interesting logistical options on offer.

Retail environment

Top retailers by number of outlets (2007)

1	Co-Operative stores	86

2	EMKE Group (Lulu)	49
3	Al Safeer Group	29
4	Spinney's	27
5	Choithram	25
6	Carrefour	10