

Van: [Landheer drs. G.M. \(Guido\)](#)
Aan: 10.2.e
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Onderwerp: Fwd: Situation ornamental sector NL, Germany, Italy, UK, France, Austria, Belgium, Denmark
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Nav contact met 10.2.e hierbij nadere info over de sierteelt sector.
Morgen verder.

Verstuurd vanaf mijn iPhone

Begin doorgestuurd bericht:

Van: "Herben, Eveline"
Datum: 19 maart 2020 om 20:34:56 CET
Aan: "Landheer, drs. G.M. (Guido)"
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Dag Guido,

Bijgaand een overzichtje met informatie welke ik de afgelopen 2 dagen heb kunnen ophalen bij een aantal Europese zusterorganisaties. Ik heb deze ook gedeeld met 10.2.e en we zijn ook bij DG Agri aan de deur aan het kloppen. Misschien kunnen jullie dat steunen. Een vrije markt sector die nooit inkomens steun nodig heeft gehad, groter dan bijvoorbeeld de EU biologische sector, maar die nu instort.

We zijn natuurlijk ook in NL bezig en hoewel blij met het steunpakket dat er nu is, gaan we het niet redden zonder noodfonds. Bedrijven gaan snel om, kosten kunnen niet teruggeschroefd worden, het kapitaal in zit in de planten en er is geen omzet alleen kosten.

Alle hulp om iets voor elkaar te krijgen is welkom!

Hartelijke groet en dank voor je aanbod!

Eveline



Eveline Herben L.L.M.

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10.2.e

Situation ornamental sector EU 18/19 March 2020

The EU ornamental sector represents 760.000 jobs and a turnover of 48 bn Euro.

Most important production countries are:

1. Netherlands
2. Italy
3. Germany
4. France

Consumption of these ornamental products is for 85% within the EU internal market.

Due to the corona crises, the demand is diminishing dramatically, sales channels are closed and distribution is difficult. In Italy and France in complete lockdown the sector is desperate, but also in other countries. This is the time of the year when normally most turnover is being realised as this is the garden season when people buy new plants for the garden and festivities as Eastern and mother's day in the different countries when a lot of flowers are sold.

We reach out to the EU Commission for support to compensate growers in the EU for the dramatic income loss before the EU sector will collapse totally.

In these difficult times where people need to stay at home, the joy of flowers and plants in and around the house can make live a little bit better and with social abstention, buying online and sending each

other flowers, might keep up the spirit in society, especially for elderly people in isolation.

Netherlands

The iconic and world leading Dutch flower sector is about to collapse. Auction sales dropped dramatically: **over 65% less turnover** today compared to last year, due to a lack of consumer demand as well as the lack of sales channels, prices are going down. The past few days a lot of product was not sold at the auctions and destroyed (20% Tuesday, 46% on Monday) turnover loss was daily over 50% since last week.

The problems are so acute for producers of these perishable non-food products because they have no turnover and all cost remain. Their capital is in plants and the production site/greenhouse and production can't be turned off or cut back instantly (different from traders/wholesalers who can cut back costs immediately by not purchasing or purchasing less if there is no turnover). The sector fears that growers can go bankrupt within weeks without emergency funding by the government. Following the growers, trade companies and flower shops will go down.

In NL shops are still open, however, demand has decreased enormously.

Big supermarkets like Albert Heijn, do not want to sell flowers anymore due to logistical challenges with food supplies, thanks to the hamsters... IKEA has closed all shops in NL today. Garden centres are still open and so are flower shops but there is hardly any demand.

Also exports decrease dramatically.

For reference these overviews of exports of flowers and plants from the Netherlands in 2019 in Euro's export value and %.



Germany

Sales in garden centres is still allowed because these are still open for selling pet food. The permission to sell in flower shops depends on the policy in the respective state, the federal government is advising only.

In Mecklenburg Vorpommern flower shops may be open, probably also in Berlin. However flower shops are closed in Bayern and since yesterday in North Rhine Westphalia. In other states it is not clear yet. Sales of flowers are still possible in supermarkets and open street markets.

- Although supermarkets still sell flowers, logistics tend to become a challenge for supplies.

Most garden centres stopped selling cut flowers and are concentrating on seasonal potted plants which give better margins.

- Flower shops are allowed to sell online. Some try to but most are not equipped to it yet. Besides most employees are women with children which need to be home due to the closure of schools, so there is also a lack of personnel.
- Lack of personnel is also a problem for flower shops to stay open and to sell at the door (take away model).

Italy

- **Production losses:** first estimates show 1 billion (pieces) of cut flowers and unsold plants, equivalent to:
- a monthly loss between 18 to 27 euro/sm of greenhouses, and between 3.000 to 15.000 euro of nursery p/ha
- **Seasonality:** spring 2020 lost, production 2021 in danger in case of lack of liquidity to invest in planting for the flowers and plants to be sold in 2021;
- **Exports:** difficulty due to blocks at the border and customs procedures of several countries (EU and non-EU) and cancellation of orders;

Transport delays due to border, checks and sanitary measures for the drivers coming from Italy;

- **Lack of liquidity:** need to bear production costs for production that could not be marketed, to support crop advances of hundreds of thousands/million euros, and start new cultivation cycles for the resumption of normal commercial activities.

France

It's impossible to obtain insurance cover for operating losses linked to the health crisis, difficulty in relaunching activity at the end of the crisis since the most prosperous period (the one where the bulk of turnover many companies are carried out) – spring - will have been suspended by closedown and movement restrictions, risk of having a sector shutdown for longer than the only time of the health crisis.

In France, the sector fears that the specificity of the ornamental industry will not be taken into account: a highly perishable, seasonal product, a plant cycle that can't be interrupted during the crisis and therefore an inevitable loss of an entire production.

Belgium

Also Belgium is more or less in lock down.

- Garden centres in Belgium are up to now only allowed to sell food and pet food. Our Belgium colleagues are negotiating with the government to allow also the sale of plants and flowers, however now it is not allowed.
- Supermarkets still sell flowers and plants.
- Some flower shops sell at the door (take away model) but a lot of shops are closed.
- Garden centres and flower shops are anyway closed during the weekends.
- Some producers, because they are desperate, put the products on the street with a pricetag and a money pot hoping honest customers will pay.
- Online sales and delivery of flowers and plants is still allowed but discouraged. This also applies for flower shops because flowers and plants are not considered to be essential products.
- Extra problem in distribution is that the big wholesale company Agora is closing down in Belgium, as they already did in France.
- Exports to Germany, Switzerland, Italy and France stopped because there are no sales of our products there or transport/distribution is not possible. Value of several millions Euro. Supplies of perishable goods with a maximum conservation time of 5 days. Destruction takes place end of the week. Value was several millions of Euro. Compensation of such losses necessary from a/any emergency fund!

Turnover decrease in Belgium for the period 15th March up to 10th of May is 78%



United Kingdom

- Consumer demand for flowers and plants has fallen significantly. The key demographic for garden centres would be retired people, who are now the most vulnerable to the virus and therefore have not been buying these goods for several weeks now. This is a particular problem for businesses as this is the peak sale period as everyone gets ready for spring planting.
- Expected that lots of businesses will be going under in the next few weeks.
- Online sales currently need authorisation of the plant passports in order to be valid for sale. The problem here is that it is increasingly difficult to get inspectors out to do that authorisation, so it is not always possible to switch from over-the-counter to online sales.
- The NFU is asking for a derogation on the need for authorisation so allow businesses to switch to online sales.
- The government announced this week that as part of the emergency measures all restaurants and pubs can now become takeaways. This would theoretically be possible with flowers and plants, but it is up to the individual businesses. We have not yet heard of this happening in the ornamental sector though perhaps some will be able to. I think the online aspect and the age demographic would also be a difficult one here as even if the switch were made to online sales, many older people are not as comfortable with buying online.

Austria

- Production is allowed
- Wholesale market is closed
- Producers, which sell their products direct to the consumers in their own shops direct at the production site, are allowed to sell. The main reason is, that consumers should get vegetable plants, herbs and fruit plants
- Florist shops are closed
- Home-improvement stores and garden centres, which normally sell a lot of plants, are closed
- Plant selling in supermarkets is allowed
- It's allowed to deliver flowers and plants
- It's allowed to work as landscape gardener or cemetery gardener

At the moment in Austria people are just allowed to leave their home, if they go to work, buy essential goods for living, go to pharmacy, help other people or going for a walk/do sports alone or with the people, who live in the same house. The police stops people in cars and streets and ask them, where they go.

That means, that

- All our large producers, which sell their products to garden centres and home-improvement stores, can't sell.
- Normal production numbers are 16,5 Mio springplants (viola, primula,...), which should be sold now, but the garden centres and home-improvement stores are closed.
- We can sell direct to consumers at the production site, though there are not many

customers. Estimated loss in turnover-60%.

- From April to Mai production numbers are 28,7 Mio balcony plants, 1,2 Mio strawberry plants and 24 mio vegetable plants and herbs are produced.
- If the measures stay this intense, estimated loss in turnover -70-80%. Also the potted roses in June will become a problem. We produce about 1,2 mio products.
- The production value of all produced plants and flowers 400 mln Euro per year of which is sold 60-70% in springtime.

Denmark

The situation is very bad for the ornamental sector. We had an expected sale of 110 mio € estimated, however at the moment we are losing 80-90% of this turnover.

The producers are most affected, but also the retailer and the flower shops and the garden centers are severe effected.

- Garden centres are still open
 - Flower shops still open
 - Unnecessary traffic of citizens is not recommend, which impacts visiting garden centres and flower shops
 - Demand is low, critical decrease in the export to markets south of Denmark. Exports to Sweden and Norway is still at an acceptable level.
 - Further restrictions in the retail outlets for flowers and plants will cause severe casualties in the sector, as neither the growers or the wholesalers are consolidated to a crises with this scope. A market shut down for one or two months will destroy the Danish sector all together.
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