

Indicators for a healthy honey market and policies to support them

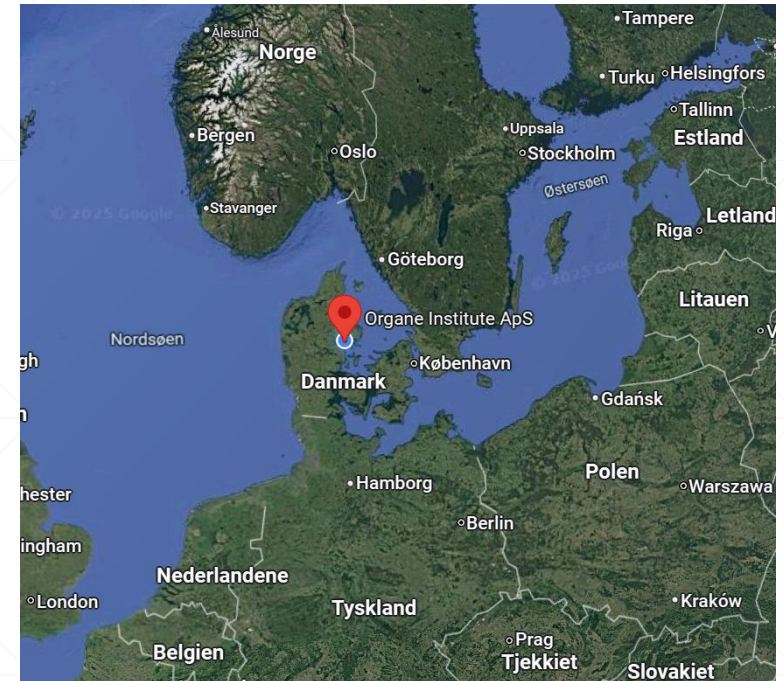
2nd BeSafeBeeHoney Conference, Sarajevo, Bosnia-Herzegovina

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Organe Institute (ORGANE)

- Is a small, private not-for-profit research institute in Denmark, primarily working for public funding.
- Undertake agri-food sector related research & innovation activities of general and public interest.
- Webpage - <https://www.organe.dk>.
- Activities focus on market analyses and policies.



Indicators for the current market and trends:

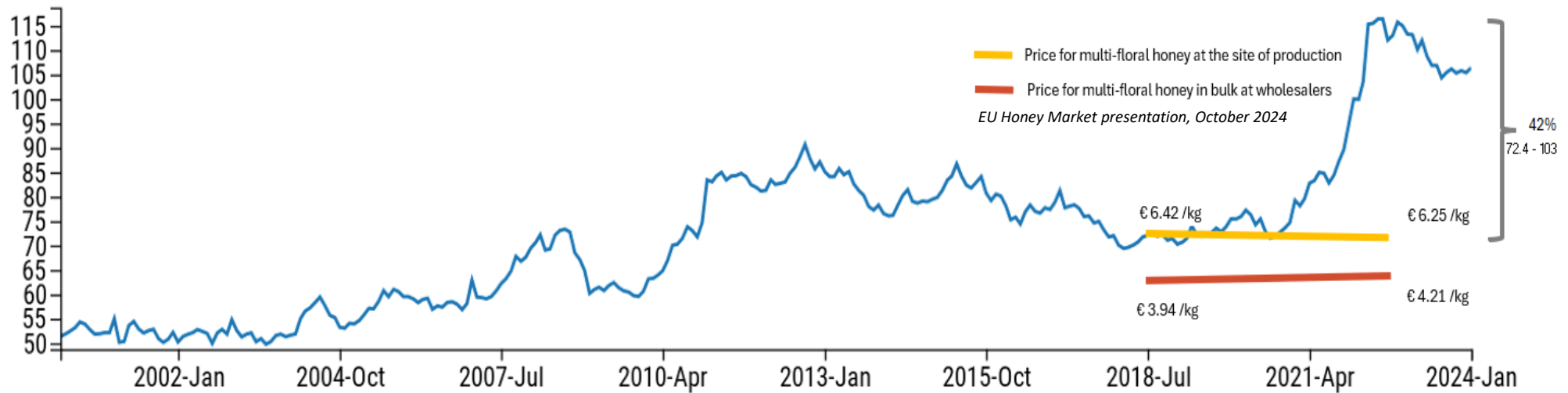
Honey market in a troubling state?

- Number of beehives declined 1.2% from 2022 to 2023 (Spain: -4.1%, Italy: -13.1%, Lithuania: -26.2%)
- Number of beekeepers with > 150 hives (= professionals) reduced from 4 to 3% from 2018 to 2022

■ I - Last Price EU - Food Total Index (Europe)

Based on <https://www.pricepedia.it/>

Indices in Euros (2022-01 = 100)



Indicators for the current market and trends:

Honey market in a troubling state?

- The import is 37%
- Price of imported honey is € 1.89 per kg (Jan-Jun 2024), meaning half of EU bulk wholesaler prices and one third of EU price in site of production!
- Honey offered in my nearby supermarket – this is truly the essence of the honey market:



Is that a problem: Example of other import rates – 89% aluminium, 77% iron, 81% lithium, 99% coffee, 85% soybean

Indicators for the current market and trends:

Honey market in a troubling state?

- Acacia honey – most people don't know what an acacia tree is but they buy this honey since it is very liquid – and keeps the liquid consistence and is easy to apply to for instance pancakes or tea.
- Labelled with EU's certificate for organic certified products, and with the Danish certificate as well.
 - The Danish Ø-mark make people believe the honey is from Denmark, which is a deception, but this follows the rules for marketing of EU organic labelled products.
- The price is 24.45 € per kg.



Indicators for the current market and trends:

Honey market in a troubling state?

- Änglamark honey - Änglamark is a well-known brand for certified organic products. The same confusion about the origin.
- In this case the origin of the honey, the exporting country is completely unknown. The label says: “Produced in countries in EU or outside EU”!
- The price is 6.38 € per kg.



Indicators for the current market and trends:

Honey market in a troubling state?

- Jacobsen honey - Jacobsen is a large honey trader in Denmark, who also do international trade.
- Labelled as heather honey.
- Labelled with the Danish flag.
- The price is 14.08 € per kg.



Indicators for the current market and trends:

Honey market in a troubling state?

- Jacobsen honey - Jacobsen is a large honey trader in Denmark , who also do international trade.
- Claimed to be floral honey.
- Labelled with the Danish flag.
- The price is 11.35 € per kg.



Indicators for the current market and trends:

Honey market in a troubling state?

- Coop Xtra honey – Coops Xtra label means it is a discount product.
- Just labelled as being honey.
- Comes from countries within EU or from outside EU.
- The price is 6.29 € per kg.



Indicators for the current market and trends:

Honey market in a troubling state?

- All is labelled as honey
- Prices varies from 6.29 to 24.45 € per kg
- 2 qualitys are claimed to be Danish produced, for others, the origin is unclear
- We could from the price suspect 2 of them to be blended/fake qualities, they are for sure imported
- Use of organic label is confusing



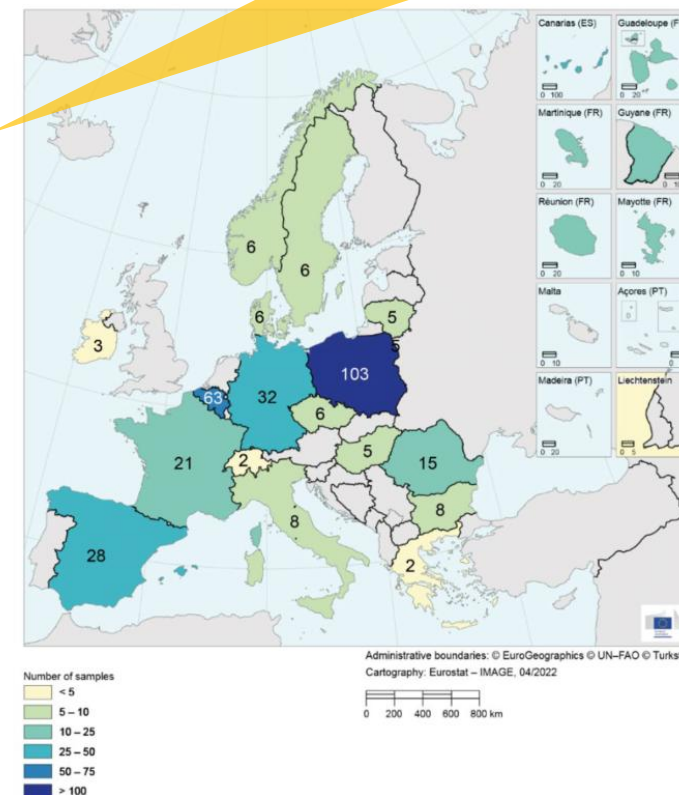
Can be bought at 0.4 – 0.6 €/kg

Indicators for the current market and trends:

Honey market in a troubling state?

- There is suspicion of fraud in the form of mixing the native honey with some sirops. [JRC](#) analysed 320 samples of honey, imported from 20 countries and suspected 147 of these (46%) for adulteration, non-compliant with the [EU Honey Directive](#): ‘...honey shall not have added to it any food ingredient, including food additives, nor shall any other additions be made other than honey’.
- However, the current analytical methods are not yet developed enough at international level and a simple test is not sufficient to detect adulteration.
- This years’ honey competition at the Apimondia conference is for this reason cancelled!

Can we fully trust that adulteration does not happen for honey produced on EU’s internal market?



Lab methods can surely be refined but will there ever be a safe method?

Indicators for the current market and trends:

Can the "butter war" give inspiration?



- Smørrebrød (open sandwich) is an absolute Danish speciality
- It consists of
 1. Bread
 2. A spread (usually butter or spreadable)
 3. Topping

Indicators for the current market and trends:

Can the “butter war” give inspiration?

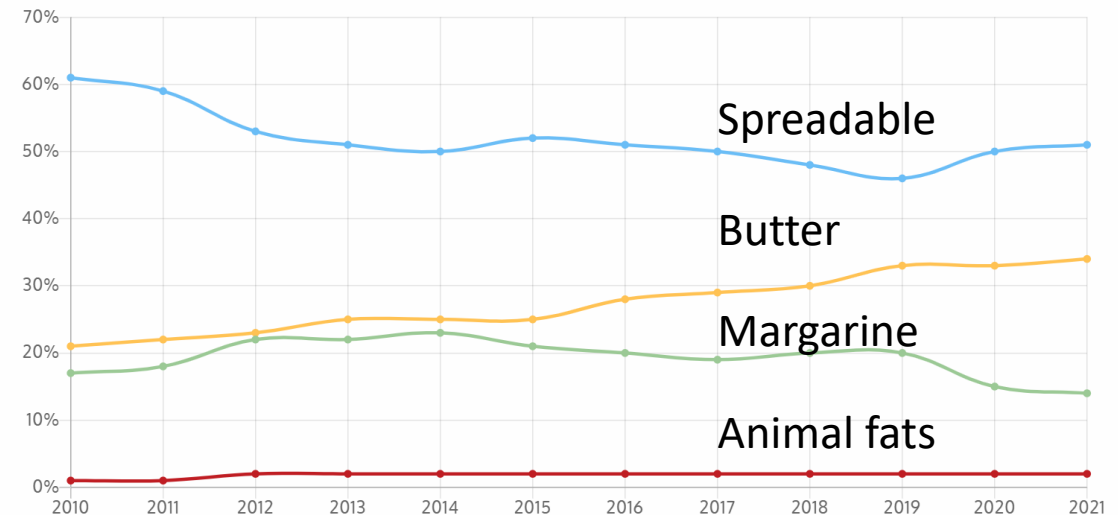
- For generations, there were a “butter war” in Denmark.
- Customers could buy
 - Butter (from cow milk), which was expensive, therefore mainly for the middle and upper class, and
 - margarine, also called artificial butter, made from a mix of plant oils and animal fats, other than butter .
- The dairy farmers strongly defended the view that butter (from cow milk) should only be marketed in pure form, protecting the widely known Lurpak butter brand.



Indicators for the current market and trends:

Can the "butter war" give inspiration?

- A breakthrough was made in 1990, when blended products for the first time was marketed. It contain 78% butter and 22% rape seed oil.
- The new product was in violation of the so-called "Butter ordinance," which prohibited mixing butter and all types of vegetable oil. Kærgården was thus welcomed with both a police report, ministerial criticism, and a fine.
- Today, the spreadables cover 50% of the market – it is cheaper, has the taste of butter but is much easier to use / is softer, directly from the refrigerator.
- Margarine is now always vegetable based.



Other market indicators:

Characterisation of honey as a market commodity

- A part of the production (55% in Denmark) is undertaken by hobby amateurs, driven by interest, not by profit.
- Hobby producers would gladly accept spending money on their interest.
- Hobby producers market their honey production mostly privately – it is a grey market escaping VAT etc.
- Is there anything like it? Yes, it can be compared to the market for woodworks and knitting.



Other market indicators:

Characterisation of honey as a market commodity



Shelves for hanging on a wall in living room: Homemade - € 20, professional designer shelves of massive oak - € 250 (per shelf), offered at Temu (China) - € 16 (for 2 shelves, material unknown, free delivery)

Other market indicators:

Characterisation of honey as a market commodity



Knitted sweater for baby: Homemade, second hand - € 1.6, professional - € 21.50, offered at Temu (China) - € 8.45 (free delivery)

Other market indicators:

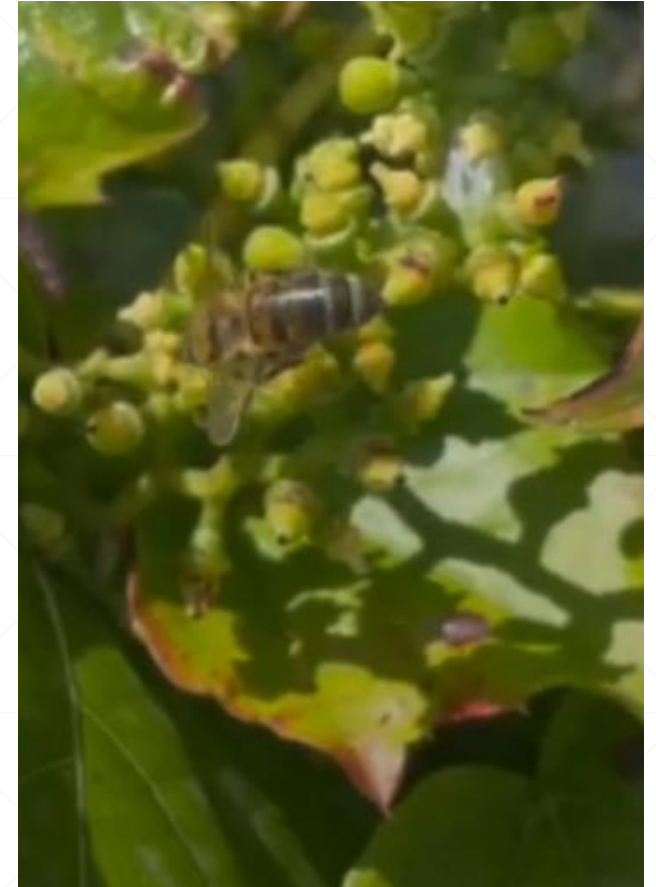
Characterisation of honey as a market commodity

The comparison of the honey market with the market for woodworks and knitwear may be provocative, but I think it is right:

- We have homemade qualities of honey at a grey market without label,
- we have professional qualities offered in shops with labels, and
- we have imported qualities, much from Ukraine and China that is labelled and sold as honey cheaper than professionally marketed honey produced in EU.

The large share of hobby-based production makes the market anarchistic, giving price competition, difficult to control and regulate via policies.

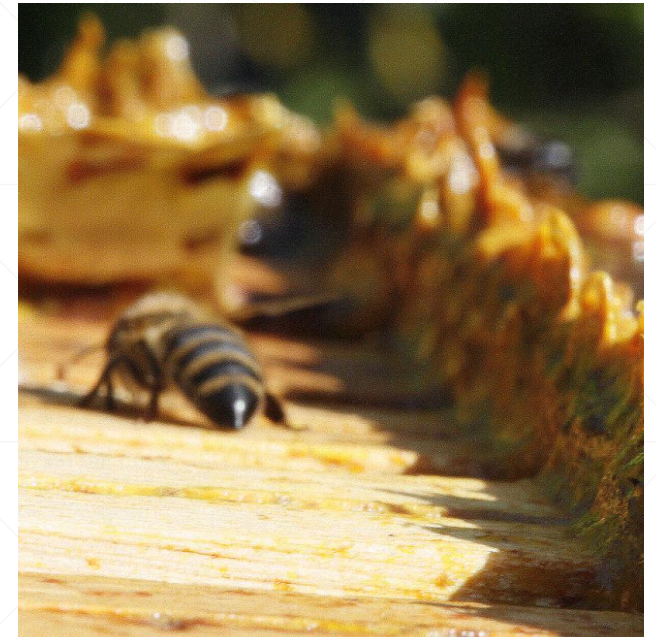
Is this problematic?



Other market indicators:

Conventional parametres

- The most important indicators for food market health concerns trade and economy. Goals are:
 - Self sufficiency: The production + import – export \geq consumption
 - A profitable and reliable production economy: Sales prices are higher than production costs and prices are stable.
- For beekeeping, the role of pollination services and honeys nutraceutical effects would from an immediate point of view make market health more important!
- But the role of honey in our nutrition is marginal, there are many other pollinators, although not domesticated, and apiculture products are not official and effective pharmaceuticals but belongs to alternative treatment products.



From <https://da.wikipedia.org/wiki/Propolis>

Other market indicators:

Market statistics ..not entirely trustworthy!

Country 2023	Faostat				Eurostat		
	Production, tonnes	Exports, tonnes	Imports, tonne	Population	Per capita consumption, kg	Per capita trade balance, kg	Per capita trade balance, kg
Albania	5.633	4	50	2.811.655	2,02	-0,02	
Lithuania	5.666	2.115	1.861	2.854.099	1,90	0,09	-0,24
Bosnia and Herzegovina	4.280	7	469	3.185.073	1,49	-0,15	
Romania	29.760	10.594	5.009	19.118.479	1,26	0,29	-0,10
Türkiye	114.886	9.386	15	87.270.501	1,21	0,11	
Poland	19.031	13.982	27.004	38.762.844	0,83	-0,34	-0,60
Slovakia	4.212	1.694	1.814	5.518.055	0,79	-0,02	-0,17
Armenia	2.100	108	101	2.943.393	0,71	0,00	
Denmark	1.500	2.826	4.154	5.948.136	0,48	-0,22	-0,28

According to Danish Beekeepers Association,
the correct figure is 3,000 – 5,000 tonnes!

Differences?

Example of policies to strengthen markets:

Import taxation or ban (can be supplemented with export subsidisation)

Advantages

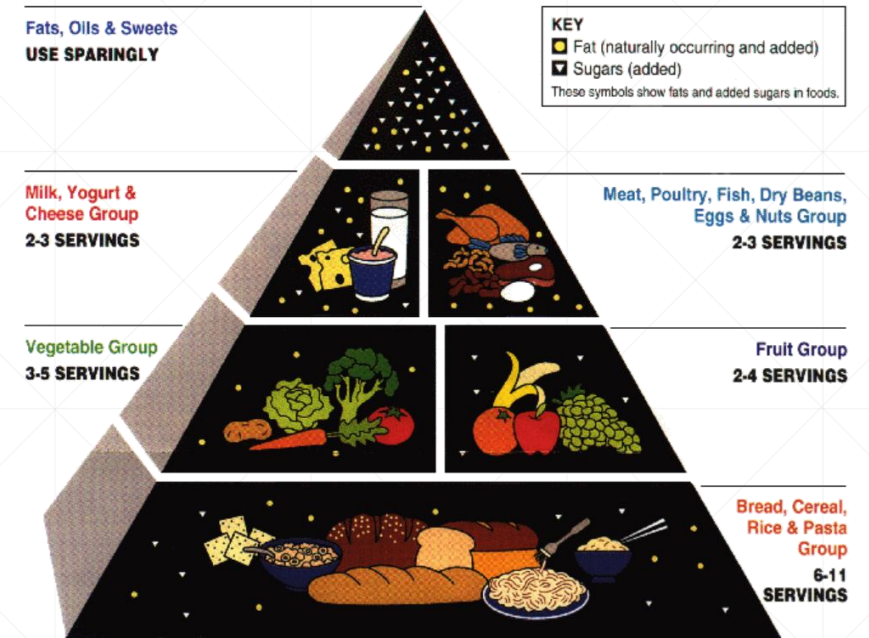
- The effect is that market prices will not be disturbed by cheaper imports.
- The market will be a high-price market, securing stable and high sales prices for the producers.
- Production and consumption of homemade products goes up.

Disadvantages

- Consumers have less choices and must pay more.
- Loss of competition means more expensive products and/or less efficient production.
- Import taxation is generally mutual and will be retaliated, maybe even on other product groups.
- Can easily lead to an over-production, which then needs to be counteracted by **public interventions**.

My judgements of the feasibility as a relevant market instrument for honey

- No, import taxation or ban is alone recommendable to consider for commodities of importance for national security, such as basic food commodities, and maybe not even for that.
- This agricultural policy led in the 70'es and 80'es to massive intervention stores in EU of butter, vine, olive oil, pig meat, etc.



Example of policies to strengthen markets:

Import control

Advantages

- Can on a technical and justified basis be a method to reject goods at the border, avoiding fraudulent honey to enter the market.

Disadvantages

- We do not have the lab or other methods to detect honey fraud and will maybe never have safe methods.

My judgements of the feasibility as a relevant market instrument for honey

- No, we are not able to detect honey fraud.
- Yes, it can be a good idea in case of control for traceability, including ability to trace the honey back to the producer, also if it is organically produced.



Example of policies to strengthen markets:

Quotas on the production

Advantages

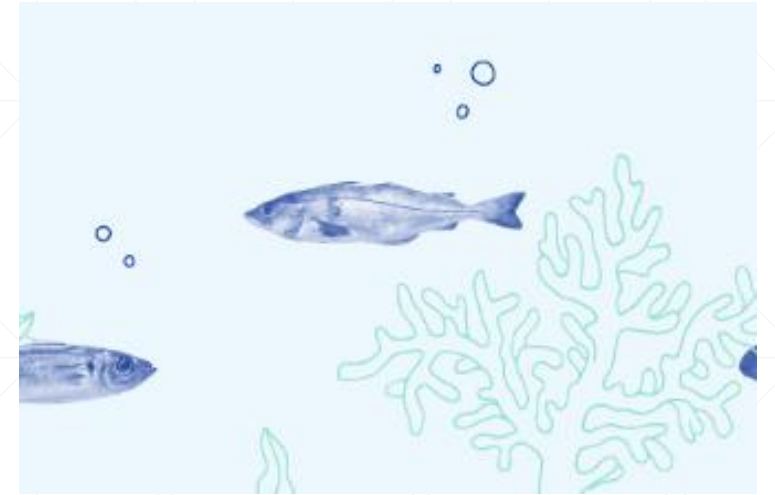
- Will in combination with other policies to regulate import secure the market for the producers, since the market can consume all the production.
- Stable prices, independent from world market prices.

Disadvantages

- Quotas tend to be capitalised, making it difficult and expensive for new producers to get started.

My judgements of the feasibility as a relevant market instrument for honey

- No, quotas are only relevant when a production or harvest is too high and gives currently no meaning for the honey sector.



Example of policies to strengthen markets:

Production subsidisation

Advantages

- Money in the pocket of the producer.
- If provided in a **conditional** way and linked to production standards, it can give the market a lift, especially with respect to product quality, traceability, food safety, combatting disease, ...

Disadvantages

- If given unconditional, it leads in the long run to inefficiency, and it will just be considered as (unfair and unpopular) support / social security payment to producers.
- Tends to be capitalised and a zero business for the producer (which is OK for conditional subsidies).
- Is associated with producer inspections, sanctions, and administration.
- Conditional subsidies are difficult to deal with for hobby producers.

My judgements of the feasibility as a relevant market instrument for honey

- Yes, absolutely, but **ONLY** if subsidies are associated with responsibilities, i.e. the [Conditionality principle](#), e.g.:
 - Must do bookkeeping, accounting, and VAT registration (of all sales).
 - Public registration and control.
 - Compulsory to follow national programs for e.g. disease eradication
 - GPS tagging and public mapping of beehives.
 - Increased veterinarian inspections, for instance, in connection to trade of queens or entire colonies.
 - ...



Example of policies to strengthen markets:

Conditionality

- Regulation 2020/2092: The Conditionality Regulation
- Relates to payments from the EU to countries, organisations, companies, ...
- The Regulation establish the principle that payments are given under certain conditions, and that EU regulations that applies in the specific case must be respected.
- In farming, the conditionality principle replaces the cross-compliance, which is a vital element of the CAP, introduced in 2005, linking most CAP payments to the respect of certain rules in the areas of environment, health and animal welfare.
- Violation of the conditionality principle means generally doubled sanctions.
- In beekeeping, subsidisation could be linked to specific rules, for instance for disease eradication.

Example of policies to strengthen markets:

Innovation support

Advantages

- Will help find better methods for production, processing, marketing, packaging, ... which is highly needed.

Disadvantages

- May not be felt as something helping the individual producer, may take time to give impact and projects may sometimes be unsuccessful.

My judgements of the feasibility as a relevant market instrument for honey

- Yes, absolutely. Can be financed under the CAP financing or via product levies.



Example of policies to strengthen markets:

Product classification / labelling

Advantages

- By marketing both a native honey quality and a blended quality, possible blending fraud would be legalised and that type of fraud not competing anymore.
- Changed organic product labelling in EU will avoid confusion.
- Innovation in blended honey qualities.
- Larger honey consumption overall.

Disadvantages

- ?

My judgements of the feasibility as a relevant market instrument for honey

- Yes, absolutely. A suggestion can be three basic qualities, much related to traceability
 - Native honey, state controlled for producer origin (traceability down to beekeeper or even beehive) – qualifies for subsidies.
 - Native honey with private label (beekeeper association label with associated control and beekeepers name on the label).
 - Blended honey (different qualities, different origin, a minimum share of native honey).



Either or?

Example of policies to strengthen markets:

Product classification / labelling



Example of policies to strengthen markets:

Product classification / labelling

- Example of labelling red wine, you are informed:
 - Type
 - Grape
 - Country
 - Producer (the place it is bottled)
 - Etc.
- Why is this not done for honey?

Vin



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Land: Frankrig | Type: Rødvin | Årgang: 2018 | Druer: Merlot | Område: Bordeaux

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Château Haut-Maillet

Slottets vinmarker grænser op til l'Evangile, La Fleur Petrus og Gazin, hvilket unægteligt har sat sit præg på vinen. Château Haut-Maillet er således en af de mest typiske repræsentanter for den maskuline stilart blandt Pomerol's vine. Vinen besidder således en kompleks bouquet sprængfyldt af mørk frugt og et hint af læder og skovbund. Smagen er kompakt, med stor dybde i den meget lange eftersmag. Vinen fra Château Haut-Maillet besidder et fremragende lagringspotentiale.



Conclusions:

Take home messages

- A relatively large share of the honey production is undertaken by hobby amateurs – it is fantastic with such an interest, but the disadvantages comprise an uncontrollable market and (un-reasonable?) price competition.
- An effect is also that statistics on the honey market cannot be fully trusted.
- A high import rate and high variation in prices is normal for many commodities, not necessarily being a reason for deeming the honey market problematic. But it may not be acceptable for honey since we can produce more ourselves.
- Production subsidies is an excellent market instrument, but only if conditionality applies.
- Innovation support is an excellent instrument to sustain long-term market strategies.
- Better regulations on product classification / labelling is urgently needed and should open up for marketing of blended honey. This is optimally combined with import control on traceability criteria.
- EU regulations for labelling of certified organic products needs to be re-considered to avoid confusion about the origin.

