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Bulgaria

Tree Nuts

Tree Nuts Update

2007

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Report Highlights:

Following recent scandals with imports of peanuts with higher than allowed aflatoxin content the nuts market experienced a temporary crisis which was overcome by May. Health authorities and traders confirm that recent scandals led to 100 percent inspection of all third country shipments. Nevertheless, imports of U.S. almonds for the first two months grew by 190 percent.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Sofia [BU1]
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Aflatoxin regulations and nuts market

Following recent scandals with imports of peanuts with higher than allowed aflatoxin content (BU7004), the nuts market experienced a temporary crisis. Traders report about 20 percent drop in total sales, and a decline of 50 percent for peanuts, between mid-February to mid-March. Peanuts are still leading best seller in nuts followed by almonds and hazelnuts.

The temporary reduction in sales was more considerable at the segment of street kiosks, which reportedly account for 50-60 percent of total nuts sales. These kiosks sell nuts in bulk and the control of origin is weaker. Therefore, food safety scandals affected this type of outlets first. Sales of nuts to the confectionery industry were not reported to be affected. Reportedly, between 30 and 60 percent of peanuts are sold in this segment. The other segment which also did not register a reduction in sales was the supermarket trade due to higher consumer confidence in food safety and origin control.

Traders undertook an awareness campaign with warnings to consumers how to avoid suspect nuts. Disseminated information contained tips how to avoid non-brand products, products with unreadable or unclear labels, and suspiciously low priced nuts. The industry expected the temporary crisis to be over by early May.

Both health authorities and traders confirm that recent scandals led to 100 percent inspection of all third country shipments. According to the health authorities, in the period 2004-2006, there were total 14 cases in which aflatoxins exceeded the norm. Nine of these shipments were re exported and five were destroyed. As of late March, regional health authorities in Sofia inspected 90 outlets but no aflatoxins cases were identified.

Nuts market trends

The latest trade data for annual 2006 imports shows that Bulgaria continued to import higher volumes of nuts. Total nuts imports were 16,800 MT at a value of USD 10.2 million. Thus, imports exceeded FAS projection about the market growth (BU7004). Leading exporters to Bulgaria in 2006 were Greece (1,800 MT, under HS#0801, 0802), and China (8,203 MT of peanuts). The U.S. exports of tree nuts were at USD 1.3 million or lower than in 2005, however, the growth in the first two months of 2007 was already 189.8 percent (U.S. Customs data).