

ANNEX to the minutes of the ENA General Assembly Meeting held on Thursday, 30 June 2022, at NAKTuinbouw, Roelofarendsveen, the Netherlands.

State of the industry: the market situation in each country.

Belgium.

I think it's a quite bit the same as last year. It was still a good year, except in spring, the export markets fell down very early because of the war in Ukraine. So in general, the season was quite okay. But a lot of people are afraid of what is coming for the next season, or afraid or don't know what it's coming for the next season. Also, from the part of the trade but also from part of the costs, energy costs, what's cost substrate? So nobody knows what is what is coming from both sides as well as the cost as a trade. So, there are a lot of uncertainties.

Bulgaria.

Everything seemed very well when we arranged our general assembly in 21st and 22nd February, COVID was almost finished, and we expected very very good season. After that war happened. And we were stuck with this situation because our government is basically involved on this and focused on this. The sales are less, more than 50% on the retail market. For landscaping at the moment the situation is a bit stable. But for the future, we don't know what to say because we cannot see the future projects, good big projects. And in addition, we face this crisis with delivery let's say plastic material, because the price or increase of peat or substrate, everything is going to change very fast. We are not prepared for this, we are not prepared for high prices and forecast is not positive, unfortunately, because there is not feeling good sustainability in our life and our business. We just pray war to not to come close and not want to make one world war. Because as you see all of us we are involved in some situation in somehow in some way in this world. And as I can see for European economics and politics, at the moment, the focus is on producing weapon, army. And Green Deal is not, I think, in the focus on the political. Unfortunately, we face this after the COVID. And in additional when the COVID crisis came, and we loosed a lot of our production because people were stuck in the houses. When asked for supply now we are facing tax officers in our nursery to check the whole situation, production, figures. I'm sorry to tell this but this is the reality; in our country we are not supported at all.

Czech Republic

Spring was good. The landscaping sector is stable, so okay. Last month in retail, we have drop in sales 20%, and we expect for next year big drop in retail, it's a big problem that we have strong inflation, and it is a problem for the retail for next year. Production is stable.

Finland.

Exactly the same, sales wise. Happy COVID years are gone. So two years were extremely good about, now we are back to the numbers that we had in 2019. Retail or the garden center market is going a little bit down now. And landscaping is keeping up the good level with the big infra project that we

have. You had a big question is what to do with the costs and how to price the products for the next season So if anybody got good advices thank you.

France

The feeling is market is not so good right now. And the figures are roughly those of 2020-2019. But with concern for fall and winter. We'll see but it's due to conjuncture, inflation and well, it's not so good atmosphere.

Germany.

Nurserymen all know that the COVID years were exceptional years and the business was very good in these years. Now the retail market, it's better than 2019, I think 5% plus. And of course, people are traveling again and there's competition between the hobbies of the people. But of course, the inflation is the big problem, it's a problem for every customer. You know, in Germany, we have our problem now with the energy market. And of course, the production costs are getting higher and higher. The landscaping market is positive, is still positive, there's a shortage of trees. So the sector was able to raise the prices in the last month. And I think this development is going on. And we have of course, we have a green government, and they have a focus on the green infrastructure. And they want to make efforts that the green infrastructure will rebuild, and the Ministry of Environment has a program for a billion euro for the next three years for green infrastructure. So that is good. But of course, nobody knows what will happen in autumn and winter because of the energy crisis in Germany and the war in Ukraine.

Ireland.

Business has been strong in the retail sector, is leveled off a bit at the start of early June. But it's still strong. We're probably losing a couple of nurseries a year, as all over I think is the same. But the landscape sector is very strong and look to continue. Because there's a lot of construction, lot needed because we have a shortfall of houses of about 300,000 houses have a shortfall at the moment. And rents are extremely expensive, because there's a scarce supply. The only negative I see is we can't seem to get enough construction workers to keep the construction go on. So, it has an effect on the finished product. And landscaping can slow down a bit that way, but there's still good demand. And obviously, increased prices and fuel and plastics. And workers with have been helped by the war in Ukraine because we've about 30,000 refugees and I think there's probably about 15,000 of them will come into the labour market. So, at the moment it looks positive.

Italy

I think that after the COVID bubble, that finished around February, we feel something market went down like minus 15%. But what is quite difficult is to understand the future, but retail is keeping still alive, we are not back to 2019 it's a little bit better. But I don't know how long will last in this condition. We have maybe inflation not so high like some other country. But maybe in the future something is going to change.

Netherlands

We had a shortage of young plants, seeds and seedlings. But in the Netherlands also the market dropped. We are at the same level as 2019. So, it's comparable with most of the countries. Especially the export to the UK dropped in the last few months quite heavily. We see higher prices for peat, for plastics, for all the materials we need. Some growers higher the price but some kept our prices steady. So yeah, maybe we can have the same turnover in the retail market and in the landscape market. The landscape market is quite stable. The retail market is dropping a little bit. Not only the garden centres, but also the online sales and garden centres. A shortage of labour is a problem. Higher cost is a problem. And the insecurity is a problem. So what we see in the Netherlands is that some of the growers are thrown away for 10 to 50,000 euros on plants and start new production for next year. But the production is still quite stable. But there are some plants left which are destroyed around this time. That's roughly what's happening in the Netherlands, and we are very depending on export so what you see in your countries we see even with a more heavily fluctuation. Retail is suffering the most, landscaping business are still having a the lack of workers, they were maybe expecting the worst and they are just keeping up.

Poland.

So the retail sales is a little bit higher than 1919. I think mostly because of very very cold April that there was no sellers at all. Then may was okay. And now it slows down. General problem is with export, which really went down because of the war. And another big problem with workers because we don't have guys from Ukraine that they were mostly in our nurseries so that's a big problem. Like others we are worried about future.

Serbia.

In our place, everything for now looks normal. But the forecast is the biggest problem. Everybody's thinking about the future, what's going to happen, our government is telling us that the big crisis is coming in future. So, investments are almost stopped. And there are no tenders for big projects and things like that. So it must reflect on all the other parts of our sector. So export, also, there are many companies in Serbia that export to Russia. Now still, it's possible, but nobody expects to be possible in future and it's unsafe. And then big problems are coming with that. Because even if you want to work, you will have a lot of problems and we know how, how did things go with export to Russia, it's always problematic, now it will be even more. Our government is making us biggest problems in this moment. In our retail market it looks normal, but if the crisis come it definitely will reflect a little bit.

Sweden.

I would say it's exactly as in Finland, maybe the down in retail is not so much, maybe down 15%. So we are not back to 2019, so it's a little bit better. Almost.

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