

Exporting sustainable spices and herbs to Europe

Sustainability is becoming more important on the European spices and herbs market. If you can demonstrate that you produce sustainably, you can make your product offering more attractive to new buyers. Product certification can be interesting for spices that are in short supply globally, such as pepper, vanilla and cinnamon.

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1 . Product description

In general, spices and herbs are considered sustainable if they are verified according to a sustainability standard. Sustainability certifications pay specific attention to environmental and/or social aspects that exceed legal requirements. Certified products represent a small but growing niche in the spices and herbs market. Examples of such standards, with a logo that ensures visibility for the consumer, are:

- Organic. This standard focuses on environmental sustainability. Requirements for [organic food products](#) are laid down in legislation and include crop rotation, biological crop protection and using green manure.
- Fair trade. This standard focuses on social sustainability by improving living conditions for smallholder farmers. The best-known standard is [Fairtrade International \(FLO\)](#). This system guarantees farmers a minimum price and Fairtrade premium for their products, which is spent on the development of farming communities. Lesser-known fair trade standards include [FairWild](#) (focusing on wild-collected products) and [Fair for Life](#).
- Rainforest Alliance. This standard includes a broader range of environmental, social and economic sustainability issues. Whereas Organic and Fairtrade certified products cater to a niche

market, [Rainforest Alliance](#) certified spices and herbs target mainstream traders, processors, brands and consumers.

However, not all buyers require spices and herbs to be certified according to a sustainability certification. Buyers also define sustainability standards themselves and do not necessarily communicate these to the consumer; one example is [Unilever's Sustainable Agriculture Code](#).

Usually, if you follow the sustainability standards of your buyer, you do not need to certify your spices and herbs. Buyers may either ask that you comply with supplier codes of conduct or assess your performance in sustainability issues.

European buyers have different approaches to sustainability, based on various definitions, priorities and levels of ambition. Many European players will look at the sustainability performance of their suppliers throughout the entire supply chain.

2 . What makes Europe an interesting market for sustainable spices and herbs?

Growing demand for specific sustainably produced spices and herbs due to supply scarcity

Sustainability is becoming increasingly important in the spices and herbs sector. Demand for sustainable spices and herbs is growing, although it depends on the specific product how rapid this growth is. The demand for sustainable products is highest for spices and herbs with a large international market and supply scarcity. According to European buyers, these include:

- Pepper
- Cinnamon
- Chilli and paprika
- Vanilla

One of the main reasons for the growth in demand for sustainable spices and herbs is the increasing supply scarcity for many spices and herbs. If products are scarce, ensuring their future availability becomes key. Sustainable production and harvesting also become more and more important, as in the case of cinnamon and pepper. In addition, spice importers and manufacturers are following the general trend of sustainability in the food sector.

Key sustainability issues in the spices and herbs sector include:

- The use of pesticides
- Child labour
- Healthy and safe working conditions
- Fair payment for farmers

Tips:

- If you are a new producer, demonstrate to your potential buyer that you can offer a continuous supply of good-quality sustainable spices and herbs which comply with food safety requirements.
- Invest in establishing long-term trade relationships with your buyers.
- Educate your suppliers in improving efficiency and agronomics to improve your supply continuity.
- Stay up to date on market developments and keep an eye on your largest competitors. This information can indicate which spices and herbs are in short supply and where sustainability will become more important in future. Consult multiple sources, as estimates and projections are only valid for 4-6 months and can be incorrect. Moreover, production prognoses and market conditions can change rapidly.
- Look for online crop reports to anticipate supply scarcities; for example, from the [European Spice Association](#), [McCormick](#) and [Nedspice](#), or public sources such as [Business Standard](#). You can also visit events where these reports are shared by sector experts, such as conferences or trade fairs, or ask your buyers for this information.

More and more sustainability initiatives in the spices and herbs industry

Increasingly, companies are looking for ways to operate sustainably without certifying according to the main sustainability standards; for example, through low-cost certification or a supplier assessment against a buyer's supplier code.

Many sustainability projects focus on:

- Increasing yields; for example, through improved water management, better use of fertilisers or implementing crop protection measures
- Ensuring a stable income for farmers
- Reducing the use of chemicals

Major manufacturing and trading companies such as [McCormick](#), [Olam](#) and [Unilever](#) are implementing sustainable practices throughout their entire supply chain, linking their brand and quality directly to sustainability. An example is Olam's [AtSource](#), which enables manufacturers to trace the source of their supply.

European companies also set up projects for specific spices and herbs. For example, [Nedspice developed a sustainability standard for pepper](#) in Vietnam, while [Unilever joined up with Symrise](#) to train vanilla farmers in sustainable practices.

Another industry initiative aimed at vanilla is the [Sustainable Vanilla Initiative](#) (SVI). The SVI is hosted by [the Sustainable Trade Initiative](#) (IDH) in collaboration with US-based [Sustainable Food Lab](#) (SFL). The SVI aims to

improve vanilla bean farmers' livelihoods and assure the long-term stable supply of high quality natural vanilla. To illustrate, flavouring manufacturer Firmenich (Switzerland) established an agreement with their supplier Uvan (Uganda) to share the mutual benefits of their cooperation.

Tip:

- See our study of [trends on the European spices and herbs market](#) for additional information on sustainability and other trends.

Demand for certified spices and herbs fails to keep up with supplies

Europe is one of the largest global markets for certified sustainable products, with most demand coming from northern and western European countries. However, certified spices and herbs only make up a small share of the total market for spices and herbs. Industry experts indicate that supply for these certified spices and herbs exceeds demand from the market, which makes the future of certification in this sector unclear.

The development of the certified spices and herbs market is lagging behind in comparison to, for example, the market for certified coffee, cocoa and tea. The reasons for this are the following:

- Traded volumes are lower for spices and herbs.
- The sector is highly fragmented and comprises many different products, production regions and companies.
- Spices and herbs only account for a small share of the total product composition, which means that the need for certification is smaller.

Whether or not European buyers are interested in buying certified spices and herbs depends on how they communicate this product to their customers. Industry sources indicate that 80-90% of spices and herbs are used as food ingredients instead of final products. When a spice makes up a small share of a product, it is difficult to communicate its sustainability to consumers. European food manufacturers are more interested in certified spices and herbs if they are part of an entirely certified food product.

At the same time, a large share of European consumers and buyers often do not want to pay a premium for certified sustainable spices and herbs as an end product. As a result, certified sustainable spices and herbs make up a small niche of the total spices and herbs market. Organic certified spices and herbs offer an exception, as consumers believe that these products have a higher quality.

If you do not certify your products according to sustainability standards, you can still make your products ready for certification. Certification covers a wide range of issues such as traceability and risks. If you can solve some of these issues,

you can add value to your product and company. This strategy could make it easier to attract new buyers. Moreover, it makes it easier for you to certify your products in future, if your buyer requires you to or if you want to target the market niche for certified spices and herbs.

Tips:

- Find out what your buyer expects from you in terms of sustainability and always verify if they are interested in certified ingredients. European companies have different definitions, priorities and ambition levels when it comes to sustainability. Some may want you to comply with their code of conduct or sustainability code, while others expect product certification.
- Look for possible partners to promote sustainability. You can use available programmes and subsidies from governmental or non-governmental organisations in developed countries for investments in sustainability. For more information, see websites such as the [Sustainable Spice Initiative](#), the [Netherlands Enterprise Agency](#), the [German Ministry for Economic Cooperation and Development](#) or [Cordaid](#).
- Determine if certifying your spices and herbs is feasible. Can you find enough buyers for your product to offset your investments? You can look for buyers online, such as on the website of the [International Trade Centre](#). In addition, you can look for [exhibitors at BioFach](#), the most important European organic trade fair.
- Target western and northern European countries with your exports of certified sustainable spices and herbs. Be aware that these countries value different aspects of sustainability. For example, the United Kingdom is the largest global market for Fairtrade products. In Germany, buyers are more focused on quality and opt for Organic certified products.
- Make sustainability part of your core business. Try to provide a fully traceable product, improve your control over the supply chain, make your production more sustainable, invest in farmers and train them in sustainability issues.
- If you choose not to certify your product, show your buyers how you ensure sustainability. Add pictures or stories to your product on the impact of sustainability or the origin of your product. This strategy can make your offer more valuable.
- See our study of [buyer requirements for spices and herbs](#) for additional information on certification standards.

Rapidly growing organic food market

The European organic market continues to grow rapidly. In 2018, the market reached €33 billion, representing an impressive increase of around 12%

compared to the previous year. Many large retailers and speciality shops in Europe include organic, sustainable spices and herbs in their product offerings.

European demand for organic food is growing, especially in northern and western Europe:

- Ireland (+22% in 2016)
- France (+22% in 2016)
- Norway (+20% in 2016)
- Denmark (+20% in 2016)
- Finland (+14% in 2016)
- Italy (+14% in 2016).

The average per capita consumption of organic food products amounted to €40.80 in 2016. Countries that spend most on organic products, per capita, are:

- Switzerland (€274)
- Denmark (€227)
- Sweden (€197)
- Luxemburg (€188)
- Austria (€177)
- Liechtenstein (€171).

Note that there are no specific data available about the market for organic spices and herbs, although spices are assumed to follow the trend mentioned above.

Tips:

- Stay up to date on developments in the European organic market by checking online sources. Examples include Online-market.info and the report "[Organic in Europe](#)" by the [Research Institute of Organic Agriculture](#) (FiBL) and the [International Federation of Organic Agriculture Movements](#) (IFOAM).
- Target western and northern European countries with your organic spices and herbs, as these are spending most on organic food products.
- See our buyer requirements below for more information on Organic certification.

Increased sales of Fairtrade certified spices and herbs

Fairtrade International includes sales data on Fairtrade certified spices and herbs in their data on herbs, herbal teas and spices

Globally, sales of Fairtrade certified herbs, herbal teas and spices reached 3.4 thousand tonnes in 2015. This represented a growth of 44% compared to 2014, with almost 80% of these sales consisting of herbal teas or composite products.

Between 2011 and 2012, sales data only covered herbs and spices. From 2013 on, Fairtrade International included sales of herbal teas in the same category. Compared to sales of Fairtrade certified herbs and spices, the total sales of herbal teas are much larger. This could indicate that herbal teas are the main reason for the 2013-2015 sales growth of the total product group.

The growth in sales of Fairtrade spices and herbs amounted to around 14%.

Of all Fairtrade spices and herbs sales in 2015, 40% was sold in the United Kingdom. Traditionally, this market is by far the largest market for all Fairtrade products. The United Kingdom accounted for almost 30% of the global sales of all Fairtrade certified products in 2015. The United States accounted for 34% of 2015 sales of herbs, spices and herbal teas, while the rest of the world accounted for an additional 26%. Other top-selling countries in Europe include:

- Germany
- France
- The Netherlands
- Switzerland

Sales of dual certified products (both Fairtrade and Organic certified) decreased in the last year. These products accounted for 35% of the total 2015 sales, with half of these products sold in the United States. In Europe, large supermarkets sell Fairtrade sustainable spices and herbs combined with Organic certification, such as [Bart's Organic and Fairtrade pepper mills](#).

Tip:

- Target the United Kingdom and buyers in other western European countries with Fairtrade certified spices and herbs, as these are the largest European markets for Fairtrade products.

Pepper accounts for highest sales of Fairtrade certified spices and herbs

Sales of Fairtrade vanilla grew the most rapidly between 2012 and 2014 by 34% annually.

Between 2013 and 2014, Fairtrade sales of black pepper and turmeric grew strongly as well, by 9% and 16% respectively.

Tips:

- Always discuss options for Fairtrade certification with your buyers. See the section on buyer requirements below for more information on the Fairtrade standard.
- Check the [website of Fairtrade International](#) for more information.

Consumers and food industry reluctant to pay premium for Rainforest Alliance certification

Since 2013, spices and herbs can also be certified with the Rainforest Alliance (RA). The largest drivers of RA certified sustainable spices and herbs are members of the [Sustainable Spice Initiative](#) such as [Euroma](#), [Olam](#) and [Nedspice](#). These members have invested in training farmers and exporters in the countries of origin to comply with RA requirements.

In 2016, almost 36 thousand tonnes of spices were produced under RA certification. The main products include:

- Chillies (64% of 2016 production)
- Pepper (10%)
- Vanilla (9%)

There is a growing demand among producers for RA certified herbs in recent years. In 2016, certified products amounted to around 38 thousand tonnes of herbs. These products also include herbs used in herbal infusions, such as yerba mate, rooibos and mint. The largest products include:

- Tarragon (64% of 2016 production)
- Chives (5%)
- Coriander (4%)

The Rainforest Alliance standard is still new to many European consumers. At the same time, several European companies state that it is difficult to get a premium on their products for RA certified spices and herbs. Some ask for a premium, but consumers and the food industry are reluctant to pay it.

According to industry sources, the European demand for RA certified spices and herbs is lower than the supplies of these products. As a result, a large share of RA certified spices and herbs are sold as non-certified products.

It might still be interesting for you to get RA certification, as the organisation also offers training in efficiency.

Tip:

- Check the [website of the Sustainable Agriculture Network \(SAN\)](#), which developed the Rainforest Alliance standard, for a list of certified farms

and operations. This list also gives an overview of the types and quantities of products that are certified.

Insufficient supplies of spices meeting strict European food safety requirements

There are more and more problems with pesticides in spice and herb production. A large share of the pepper crop from Vietnam, for example, fails to comply with European legislation. Products that do comply with European legislation are even offered at a premium.

Moreover, because there are many small suppliers in the supply chain of spices and herbs, full transparency and traceability to the field does not exist. Traceability is key to ensure food safety and is a requirement under the [European General Food Law Regulation](#). This regulation defines traceability as the ability to trace and follow food and ingredients throughout all stages of production, processing and distribution.

In future, traceability will become even more important, both from buyers and from consumers who are increasingly interested in knowing where their products come from (see the section on consumer trends below). To ensure traceability, buyers are more willing to source directly from producers.

Tips:

- Make your supply chain transparent for European buyers. Ensure that you provide a fully traceable product. Use appropriate tracking and tracing or other audit and certification systems to show where your ingredients come from. This strategy can make it easier for you to access the European market by distinguishing yourself from the competition.
- Also demonstrate that you are a reliable supplier in terms of quality consistency, delivery, packaging, service delivery and supply security.
- See the section on legal and quality requirements below for additional information on food safety requirements.
- See our tips on [doing business](#) for additional information.

European consumers increasingly demand sustainable products

The demand for sustainability is driven by two main societal trends: a growing consumer awareness of health, and an increased interest in the origins of food.

Consumers have become more aware of what they eat, since health and sustainability are interrelated in the mind of the consumer. Organic products are considered to be healthier, as they do not use chemicals. For this reason, Organic certification of food products is an important driver for certification in spices and herbs.

In response to the health trend, European companies are increasingly offering healthier products to a growing niche of consumers. For example, [Unilever](#) in the Netherlands is changing recipes and formulas to reduce the salt intake of their customers, largely by using herbs and spices instead. [Schwartz](#) in the United Kingdom offers salt-free or low-salt spice and herb mixtures.

The growing consumer interest in knowing where food comes from also drives the demand for social sustainability, as consumers want to know more about the people who harvest and produce their food. Companies respond to this by labelling products with QR codes or by storytelling from the farmers, which is also a driver for certifications such as Fairtrade.

Tips:

- Discuss certification options with your buyers and assess their interest in certified Fairtrade or Organic spices and herbs.
- If you choose not to certify your products, provide your buyers with stories, pictures or videos to show their social aspects.

3 . What requirements should sustainable spices and herbs comply with to be allowed on the European market?

You can only export sustainable spices and herbs to Europe if you comply with the [buyer requirements for spices and herbs](#).

Legal requirements

If you fail to comply with European legal requirements, your product can be rejected at the border or withdrawn from the market. Compliance is key and can even result in a price premium for your product. When exporting to Europe, you have to comply with the following legally binding requirements:

- Food safety. Traceability, hygiene and control measures are specified in the [General Food Law](#).
- [Mycotoxins contamination](#). This is a risk for many spices, as the European Union sets maximum levels for mycotoxins in specific spices. For example, pepper, capsicum, ginger, turmeric or nutmeg have a maximum level of aflatoxin between 5.0 µg/kg (aflatoxin B1) and 10 µg/kg (total aflatoxin content B1, B2, G1 and G2).
- [Maximum residue levels of pesticides](#). This is one of the main issues for sustainable spices and herbs exports.
- [Microbiological contamination](#). The presence of Salmonella is the main reason for banning sustainable spices and herbs from the European market.

- [Food additives and adulteration](#). Spices and spice blends are rejected by customs authorities for containing an undeclared, unauthorised or excessive presence of extraneous materials.
- [Maximum levels of polycyclic aromatic hydrocarbons](#) (PAHs). Contamination with PAHs is the result of bad drying practices.
- [Irradiation](#). This practice is allowed but uncommonly used, as consumers do not always accept this treatment. Discuss this option with your buyer.

More and more often, European buyers require suppliers to use steam sterilisation to combat the microbiological contamination of sustainable spices and herbs. You can earn a significant premium if you are able to supply sustainable spices and herbs that are sterilised at the source. However, investments in the necessary equipment have a high cost of up to €1 million.

Steam sterilisation could be damaging to the crop, as it can harm the taste of the sustainable spices and herbs. Research is conducted into alternatives to this method. Currently, it is still the cheapest and safest method to combat microbiological contamination.

Tips:

- Check the [Rapid Alert System for Food and Feed \(RASFF\) database](#) for examples of spices and herbs withdrawn from the market and the reasons behind these withdrawals.
- Comply with the requirements listed above. Your buyer will transfer costs for cleaning contaminated sustainable spices and herbs to you if you fail to comply.
- Always discuss with your potential buyers if they want steam sterilisation. If you cannot sterilise your sustainable spices and herbs yourself, look for local sterilisation companies that can provide this service for you.
- Comply with food safety requirements during drying, storage, processing (such as sieving, mixing, grinding or crushing), packaging and transport. If you fail to comply, steam sterilisation does not work.
- You also need to prevent contamination with mycotoxins and other contaminants, because steam sterilisation cannot take these out.
- Keep up to date with the development of steam sterilisation alternatives by checking online sources such as [GreenFoodDec](#).
- Compare your company with your potential buyer to find a strategic fit. Can you comply with extra-legal food safety and sustainability requirements? What quantities of supplies can you deliver? What type of product do you produce, mainstream or niche?

Sustainability requirements

There is no universal definition of sustainability in the spices and herbs sector. Generally, the sustainability of products needs to be verified according to a

standard, but they do not need to be certified. Options to meet sustainability requirement include:

- Sustainable product certification. The best-known certification standards are [Organic](#), [Fairtrade](#) and [Rainforest Alliance](#). Lesser-known standards include [FairWild](#) and [Fair for Life](#).
- Self-verification. Suppliers assess their own compliance with the sustainability code of buyers. Examples include Unilever's [Sustainable Agricultural Code](#) (SAC) or the [Olam Livelihood Charter](#).
- Corporate Social Responsibility (CSR). Companies have different requirements for CSR, which may include signing their code of conduct or following common standards such as Supplier Ethical Data Exchange ([SEDEX](#)), Ethical Trading Initiative ([ETI](#)) or Business Social Compliance Initiative ([BSCI](#)).

Tip:

- Check the [Sustainable Spices Initiative Equivalency Tool](#) for more information on different certification standards.

Additional requirements

Consider complying with non-legal requirements to ease market access. By complying with these requirements, you can create a competitive advantage over competitors through your company or product offering. European buyers can use these requirements as selection criteria.

Food safety certification can be used as a guarantee of compliance with buyer requirements. The most important food safety management systems in Europe are British Retail Consortium ([BRC](#)), International Featured Standards ([IFS Food](#)), Food Safety System Certification 22000 ([FSSC22000](#)) and Safe Quality Food Program ([SQF](#)).

Always verify your buyer's preference for a specific food safety management system, as some may prefer the one system over the other. For example, BRC is developed by retailers in the United Kingdom and more commonly demanded in this market. If you want to target the United Kingdom, BRC may be more important.

Quality requirements

Product quality is a key issue for buyers in Europe, as you need to comply with the [Quality Minima Document](#) from the [European Spice Association](#) (ESA). This document is leading for the national spice associations in Europe and for most key players in the market.

It specifies the legal European requirements for unprocessed spices and herbs, as well as additional buyer requirements that are not laid down in legislation. This document does not cover crushed or ground spices and herbs.

In the country of production, spices and herbs are graded according to the national standard. Moreover, [ISO standards](#) give general guidelines on grading, handling and packaging spices and herbs. The American Spice Trade Association (ASTA) developed [cleanliness specifications](#) for spices and herbs. European buyers often use these specifications, as the European Spice Association has not developed similar specifications.

Tips:

- At a minimum, do some rudimentary cleaning. Use detection and prevention methods to ensure that your sustainable spices and herbs are not contaminated with metal, stone or animal droppings.
- You can also use more sophisticated cleaning methods to add value to your product.
- Check the ISO website for standards on the spice that you produce.
- Follow the European Spice Association's [Quality Minima Document](#) on the chemical and physical parameters that your unprocessed sustainable spices and herbs needs to comply with when it is sold in Europe.

Labelling requirements

Correct labelling is important for European buyers, which means that you should pay extra attention to labelling your product.

For bulk sustainable spices and herbs, your product label must include:

- the name of the product
- details of the manufacturer (name and address)
- batch number
- date of manufacture
- expiry date
- weight of contents.

Other information that the exporting and importing country require includes the barcode, the producer and/or packager code, and any extra information that can be used to trace the product back to its origin.

Tips:

- See our study of [value-added spices and herbs](#) for requirements on consumer packaging and labelling. In Europe, there are very strict requirements for packaging and labelling of consumer products, which differ from the requirements mentioned here.

- See the website of the European Commission for additional information on [food labelling legislation](#). This legislation only applies to final products that are sold directly to consumers.

Packaging requirements

Spices and herbs (whole and powdered) should be packaged in new, clean, durable and dry:

- jute bags
- cloth bags laminated with polyethylene or polypropylene
- poly-woven bags with inner linings made of food-grade material
- poly pouches or high-density polyethylene (HDPE) bags made of food-grade material.

Crushed and ground spices and herbs can also be packaged in new, clean, durable, and dry containers made of tin or glass, as well as in polypropylene bags or pouches of food-grade plastic materials to prevent the loss of flavour. Do not use polythene bags, because these result in flavour loss.

The packaging must be free from:

- insect infestation
- fungus contamination
- undesirable or bad odours
- substances that may damage the contents.

Tips:

- Always ask your buyer for their specific packaging requirements.
- Store packaged spices and herbs in a dry, cool place to prevent quality deterioration.
- Physically separate certified sustainable spices and herbs from any noncertified or non-sustainable spices and herbs that you produce.
- Make sure that you can identify all your sustainable products throughout all stages of the supply chain, such as storage, transport, processing, packaging, labelling and handling. Also include this information in your documentation.
- See the certification standards [Organic](#), [Fairtrade](#) (see the section on traceability) and [Rainforest Alliance](#) (Chain of Custody) for information on their specific packaging and labelling requirements.

4 . What competition do you face on the European market for sustainable spices and herbs?

There are some key differences between the general spices and herbs market and the sustainable market. It can be more difficult to enter the market for sustainable spices and herbs due to its strict requirements and the investments needed. At the same time, the threat of new entrants is lower than in the conventional market.

Product differentiation reduces the threat of substitution

Sustainable spices and herbs are high-end products, which means that the threat of substitution is lower than in conventional spices and herbs. Companies use certifications as well as packaging and marketing concepts to distinguish their products on the European market; for example, by sharing the story behind the product.

To illustrate this concept, Dutch processing company and consumer packager [Versteegen](#) provides more information about their farmers to show how it implements sustainable practices. The company [Fairtrade Original](#) combines spices with other flavours to differentiate its products on the market.

Strong negotiation position of European buyers

Europe is one of the most important global markets for sustainable spices and herbs. In the past, these products were mainly sold by small specialist processing companies and retailers. Nowadays, more and more suppliers can offer sustainably produced spices and herbs. As a result, the buying power of larger players in Europe is increasing, because they have more suppliers to choose from. Moreover, supplies even outstrip demand for some products.

Spices and herbs are largely grown by smallholders, which often do not possess the knowledge or resources to switch to sustainable production. This situation makes it difficult to create a sustainable value chain. To overcome this issue, buyers can provide training in how to integrate sustainable practices. Some buyers also pay for certification costs, which indicates the growing demand from European buyers for sustainable spices and herbs. On the basis of the willingness of European importers to invest as well as the growth of the market, we can expect the negotiation position of suppliers to improve.

Tips:

- See our study of [competition on the European spices and herbs market](#). Competition on the market for sustainable spices and herbs does not differ significantly from competition on the market for other spices and herbs.
- Make sure that you or the collectors working with you integrate sustainable practices (such as fair prices). Work closely with your suppliers to ensure transparency and traceability.

- See our study of [exporting value-added spices and herbs to Europe](#) for additional information.
- See our study of [oleoresins for the European food industry](#) for more information on value added spices and herbs products.

5 . Through which channels can you get sustainable spices and herbs on the European market?

See our study of [channels and segments on the European spices and herbs](#) market. The channels for sustainable spices and herbs do not differ significantly from those for other spices and herbs.

Some European importers specialise in buying sustainably certified products. You can find these online, for example:

- [OrganicBio.com](#)
- Exhibitors at the organic food trade fair, BioFach
- International Trade Centre's [overview of organic importers](#)

Tips:

- Explore opportunities to work together with European processing companies, especially large ones that have the size and resources required to invest. You can find these companies in the membership lists of the national spice associations in Europe. Go to the Members section of the [European Spice Association](#) (ESA) for an overview of associations.
- Visit or participate in trade fairs to test if the market is open to your product, get market information and find potential buyers. Trade fairs with a specific focus on sustainable products include [Biofach](#), the most important European organic trade fair, and [Natural & Organic Products Europe](#). Other relevant trade fairs in Europe are [Food Ingredients Europe](#), [SIAL](#) and [Anuga](#).
- See our tips for [finding buyers](#) and [doing business](#) for additional information.

6 . What are the end-market prices for sustainable spices and herbs?

In retail stores, prices of certified sustainable spices and herbs are generally higher than those for conventional products (see table 1 below). This means there is a margin for such certified spices and herbs.

For example, prices for organic pepper can be 10-30% higher than the conventional price. Prices for Fairtrade pepper can be 30% higher than for non-certified pepper.

These higher prices are needed to cover certification costs of the different standards. Moreover, companies also use better-quality spices for certified products.

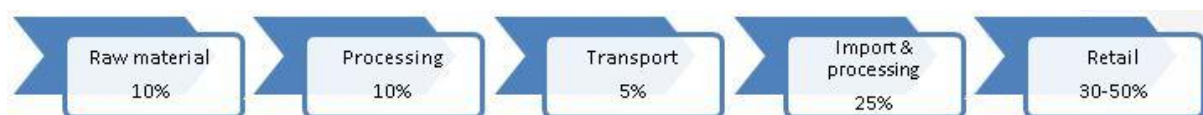
Suppliers of Fairtrade certified spices and herbs also get a premium for their products. Fairtrade International guarantees both a Fairtrade minimum price and a Fairtrade premium to producers. For most spices and herbs, this minimum price is set at the commercial price. The Fairtrade premium adds up to 10-15% of the commercial price.

Organic and Rainforest Alliance do not offer such a premium or minimum price. Instead, product premiums need to be agreed upon between buyers and sellers.

However, you can only receive a premium if products are sold as certified products. According to industry sources, demand for sustainable certified spices and herbs does not always keep up with supply. This means that there is a risk that spices and herbs will be sold as conventional products if demand is too low.

Spices and herbs that comply with European regulations on pesticides are also offered at a premium. For example, estimates of this premium for peppers range from around 200-300 US dollars per tonne up to 2,000 US dollars per tonne.

Indicative price breakdown for sustainable spices and herbs sold in spices and herbs sections of supermarkets, in %



Source: ProFound

Above Figure gives an indicative price breakdown for sustainable spices and herbs. Actual margins may differ, as these are influenced by various factors such as:

- Country of origin
- Current and expected future harvest situation
- Quality of the raw material
- Level of processing
- Level of demand
- Trends in prices

Tips:

- Check the Fairtrade [pricing list](#) for up-to-date information on minimum prices and premiums for specific spices and herbs. Refer to the Herbs

and Spices list from Fairtrade to find out if your specific product can be sold with a Fairtrade certification.

- Make sure that your prices reflect the quality of your product.
- Stay up to date on prices of spices and herbs by checking websites such as [Commodity Online](#), the [International Trade Centre](#) (ITC) or [IEG Vu](#) (a paid service).
- Check market and crop reports for price analyses. Examples include those published [Nedspice](#), or public sources such as [Business Standard](#)