

PRACTICAL MARKET INSIGHTS ON THE PRODUCT

Fresh organic Ginger & Turmeric in Europe



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This product fact sheet focusses on the export of fresh ginger and curcuma to Europe. Fresh ginger and, to a lesser extent, fresh turmeric are consumed constantly in Europe, especially in the cold season for the use in beverages and in ethnic cuisine. Imports of these products have seen significant growth in recent years. New producers can enter the market by following trends and ensuring high quality fruits and organic certification to distinguish their product from competitors.

1 Product description

GINGER PLANT AND RHIZOMES



GINGER

Ginger used for consumption is derived from the irregularly shaped root (rhizome) of the ginger plant (*Zingiber officinale*). Ginger belongs to the *Zingiberaceae* family, which also includes turmeric (*Curcuma longa*) and cardamom, among others. Ginger originated in Southeast Asia and is today cultivated all over the tropics. It is widely used as a spice and ingredient in ethnic cuisine as well as folk medicine.

The main producing countries are India and China, but ginger production also takes place in countries such as Pakistan, Nigeria, Peru, Vietnam, Burkina Faso, Thailand, Nepal and Myanmar. The largest exporter of conventional ginger is China. Due to the optimal climate and advanced organic farming practices, South American countries have specialized in the cultivation of organic ginger.

Ginger from Peru is extremely popular with European organic consumers. The tubers are longish, the flesh color is rather light. It has an aromatic smell and the taste is characterized by a spicy pungency with an intense citrus note.

TURMERIC

Turmeric (*Curcuma longa*) is a flowering plant native to southern Asia where it is widely cultivated. The roots and rhizomes of *curcuma longa* are used as food (as a spice, colour and flavour additive and in beverages), cosmetics and health products.

Traditionally, the rhizomes are used fresh or boiled in water and dried. After drying, they are ground into a deep orange-yellow powder commonly used as a colouring and flavouring agent in many Asian cuisines, especially for curries, as well as for dyeing textiles, making use of the characteristics imparted by the principal turmeric constituent, curcumin.

The production of *Curcuma longa* takes place in countries like India, Pakistan, China, Peru, Thailand and Indonesia, among others. Alongside with its focus on organic ginger production, Peru has become Europe's most important supplier of organic turmeric.

TURMERIC PLANT AND RHIZOMES



CLASSIFICATION OF GINGER AND TURMERIC ACCORDING TO THE HARMONIZED SYSTEM (HS):

HS Code	Description
0910.1100	Ginger neither crushed nor ground
0910.3000	Turmeric "curcuma".

2 Product Specifications

2.1 GENERAL QUALITY STANDARDS

A good source for understanding and defining the quality of ginger is the "FAO Standard for Ginger" (Codex STAN 218-1999). The standard applies to the rhizome of commercial ginger varieties grown from *Zingiber officinale* Roscoe of the Zingiberaceae family and intended to be supplied fresh to the consumer after preparation and packaging. Ginger for industrial processing is excluded.

There is no such standard for turmeric from the same or similarly official sources. However, guidance on the classification and minimum requirements for turmeric can be derived from the respective standards for ginger, which are presented in the following.

Ginger is classified in three classes defined below:

- + "Extra" Class: superior quality
- + Class I: good quality
- + Class II: includes ginger, which does not qualify for inclusion in the higher classes

Ginger (and subsequently also turmeric) are also classified according to their size. The FAO Standard for ginger distinguishes between the following classes:

SIZE IS DETERMINED BY THE WEIGHT OF THE GINGER:

Size Code	Weight (grams)
A	300
B	200
C	150

In all classes, subject to the special provisions for each class and the tolerances allowed, the ginger must be:

- + whole
- + sound
- + produce affected by rotting or deterioration such as to make it unfit for consumption is excluded
- + clean, practically free of any visible foreign matter
- + practically free of damage caused by pests affecting the general appearance of the produce; free of abnormal external moisture, and properly dried if washed, excluding condensation following removal from cold storage
- + free of any foreign smell and/or taste
- + firm
- + free of abrasions, provided that minor abrasions that have been properly dried are not regarded as a defect
- + sufficiently dry for the intended use; skin, stems and cuts due to harvesting must be fully dried.

Depending into which class the produce is classified, slight defects differing from the minimum requirements are allowed.

All foods sold in the European Union, including fresh ginger and turmeric, must be safe. This applies to imported products as well. Additives must be approved. Harmful contaminants such as any pesticide residues (in this case, the ones approved by organic certification) and excessive levels of mycotoxins or preservatives are prohibited. It should also be clear from the labelling whether a food contains allergens.

Generally, the condition and development of the produce must be in a state that they can withstand transportation and handling and arrive at their destination in a satisfactory condition.

TIP

The FAO STANDARD FOR GINGER (CODEX STAN 218-1999) defines all relevant technical parameters regarding product quality, packaging, hygienic and phytosanitary aspects.

In addition to the above-mentioned quality standards, all technical requirements of the EU Organic and other relevant standards (see chapter 7) apply.

2.2 PACKAGING, LABELLING AND TRANSPORT

Ginger and turmeric are subject to very similar, if not the same, requirements and conditions with regard to packaging, labelling and transport.

PACKAGING

Packaging requirements differ by customer and market segment. At the very least, the products must be packed in such a way that they are adequately protected during transport.

The contents of each package must be uniform and contain only produce of the same origin, variety, and/or commercial type, quality and size. The visible part of the content of the package must be representative of the entire content. The weight of the heaviest hand (rhizome) may not be more than twice the weight of the lightest hand (rhizome) in the same package.

The products must be packed in such a way that protects the produce properly. The materials used inside the package must be new (this includes recycled material of food-grade quality), clean, and of a quality such as to avoid causing any external or internal damage to the produce. The use of materials, particularly of paper or stamps with trade specifications, is allowed, provided that the printing or labelling has been done with non-toxic ink or glue. Ginger and Turmeric shall be packed in each container in compliance with the recommended International Code of Practice for Packaging and Transport of Fresh Fruits and Vegetables (CAC/RCP 44-1995).

Containers used shall meet the quality, hygiene, ventilation and resistance characteristics to ensure suitable handling, shipping and preservation of ginger and turmeric. Packages must be free of all foreign matter and smell.

The use of recyclable respectively reusable packaging materials such as "IFCO Reusable Packaging Containers" is desirable. Besides economic and sustainability aspects, the standardized plastic boxes allow a good control of product hygiene, temperature and ventilation to prevent product damages during transport, such as mould.

Depending on the country of origin and the buyer's requirements for ginger and turmeric, boxes of different sizes are used, ranging from 5 to 13.6 kg.

LABELLING

For non-retail containers/non final consumer containers, each package must be marked with the following information, in letters arranged on the same side, legibly and permanently affixed and visible from the outside, or in the documents accompanying the shipment:

- + Identification name and address of exporter, packer and/or dispatcher.
- + Identification code (optional)
- + Nature of produce: Name of the produce if the contents are not visible from the outside.
- + Name of the variety and/or commercial type (optional).
- + Origin of produce: Country of origin and, optionally, district in which they are grown, or nationally, regional or local place name.
- + Commercial identification: Class, size (size code or minimum and maximum weight in grams), number of units (optional), net weight (optional).
- + Official Inspection Mark (optional)

In case that a consumer packaging is prepared at origin, the following specific provisions apply (in addition to the requirements of the Codex General Standard for the Labelling of pre-packaged Foods):

+ Nature of produce: If the produce is not visible from the outside, each package shall be labelled with the name of the produce and, if applicable, the name of the variety and/or commercial type.

The producer should enable traceability of individual lots. Labelling should include, for example, traceability codes. Unless the buyer has indicated otherwise, the English language should be used for labelling.

TRANSPORT

Organic products must remain physically separated from conventional ones at all times, so that the organic product is fully traceable.

Desirable conditions for storage and in transport containers are 12 degrees Celsius and between 65 to 75% relative air humidity, nevertheless, transport containers are often not refrigerated but should provide dry and well-ventilated conditions. Shipped under these conditions, ginger and turmeric should be handled well washed and dry and no longer than seven days after the harvest to arrive at the port of destination in good quality that is accepted by the buyers.

When exporting by sea, it is recommended to add 5% more weight to compensate for the weight loss of ginger and turmeric during the crossing. The produce should comply with all microbiological criteria established in accordance with the Principles for the Establishment and Application of Microbiological Criteria for Foods.

3 What is the demand for ginger and turmeric in Europe?

3.1 PRESENT DEMAND IN EUROPE/ GROWTH IN CONSUMPTION

The worldwide consumption of ginger and turmeric is forecasted to continue to grow in the next years. This is mainly because ginger and turmeric are considered to be products that contribute to the human health. Consumers buy ginger especially during the winter to relieve sore throat or flu symptoms. Last but not least, as the Covid-19 crisis is expected to linger, demand for natural relief products is expected to continue to grow.

The growing ginger and turmeric market in Europe provides opportunities for exporters. Buyers are increasingly willing to invest in long-term relationships or collaborations with their suppliers to ensure sufficient supplies. From 2017 to 2019, European direct imports (EU 28) of fresh ginger constantly grew around 10% in volume every year. In 2020, a steep 54% increase was observed reaching an import value of USD 410 Million (World imports value USD 1.2 Billion). As for organic turmeric, a steadily increasing import growth of 15% has been registered in EU 28.

In 2020, European re-exports – mainly to EU country states – accounted for about 46% of total imports (by volume), while the Netherlands, Europe's largest ginger importer, re-exported about 75% of its direct imports.

THE PRICE OF GINGER

There are several criteria that affect the purchase decision of ginger importers, obviously the product price being one of them. The price of ginger mainly depends on crop prices of the world's largest producer, China, which exported its ginger at an average price of US \$ 1,000 / t FOB in 2019. In 2020, China counted on a comparatively small exportable quantity due to production and logistical challenges. As a consequence, Peruvian ginger was exported during 2020 at an average price of almost US \$ 2,000 / ton. In the case of organic Peruvian ginger, this price could almost double, with a price of US \$ 3,500 / t.

Ginger buyers are willing to pay higher prices to suppliers who can help secure supply and meet delivery times and deadlines, as well as food safety requirements. They will also be willing to pay a higher price for organic ginger or ginger with higher organoleptic qualities, such as the one from Peru compared to some varieties from China. Therefore, although price is an important factor in the purchase decision, there is an elasticity in this regard if the product is of better quality or has an organic certification.

3.2 MOST PROMISING EUROPEAN MARKETS

The Netherlands, Germany, Spain, France, Italy and Poland are the top six importers in Europe (EU 28), accounting for roughly 85% of the EU member states imports of fresh ginger (156,000 tons) and the same share for fresh turmeric (32,000 tons) in 2020.

The United Kingdom is another important importer of ginger and turmeric. For ginger, the UK's import volume is equal to that of Germany, the second largest EU importer (20,000 tons). For turmeric, the UK imports more than any EU member state, accounting for about half of the quantity (10,000 tons) of the entire EU 28 imports (21,000 tons).

FIGURE 1:
IMPORTED GINGER 2020, IN TONS

Source: ITC Trade Map

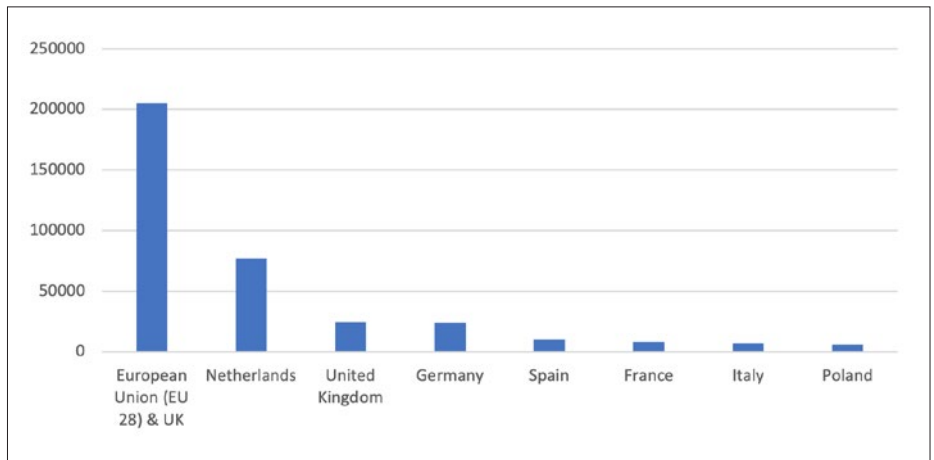
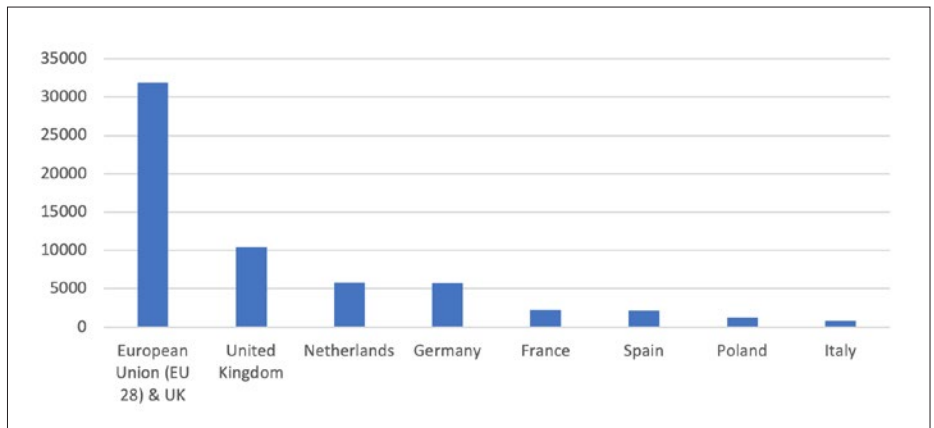


FIGURE 2:
IMPORTED TURMERIC 2020, IN TONS

Source: ITC Trade Map



The Netherlands is by far the biggest importer of ginger in Europe, accounting for more than a third of the EU 28 imports. This is due to the fact that they are the European trade hub for spices. Besides this, UK and Germany are the two largest markets in geographical Europe for fresh ginger and turmeric. The UK is traditionally a large market due to a large Asian and Caribbean diaspora that typically consumes a lot of ginger and turmeric. In Germany, but also in Italy, the Netherlands, Spain and France, the market has grown considerably in recent years because of the increasing popularity of ginger and turmeric as a healthy ingredient in dishes, snacks and beverages such as fruit and nut bars or tea. In terms of the highest per capita consumption of organic food, European countries such as Denmark, Switzerland, Sweden and Austria top the ranking.

FIGURE 3:
GINGER IMPORTS FROM 2017 – 2020

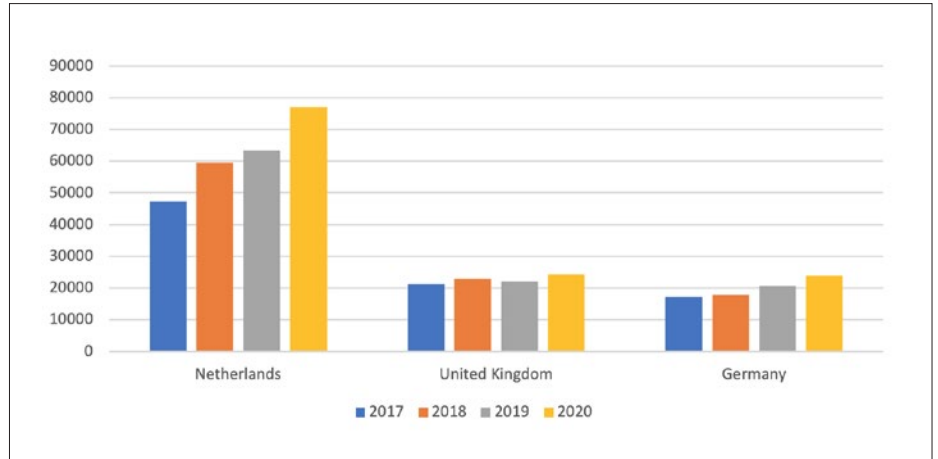
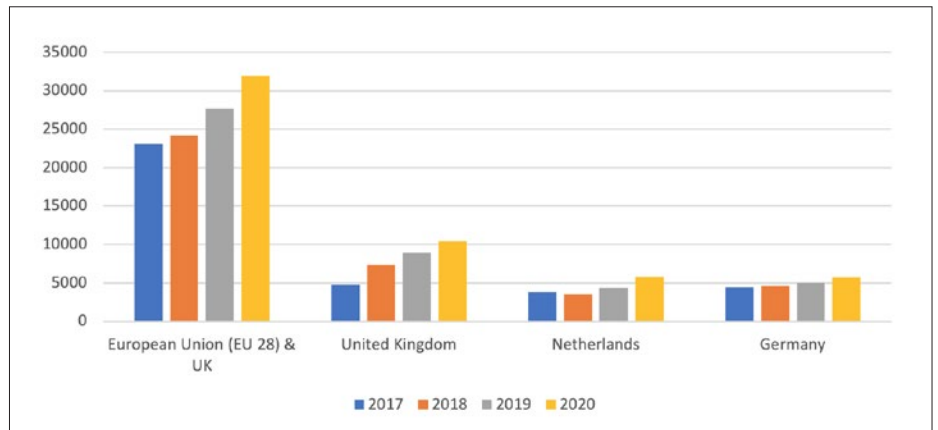


FIGURE 4:
TURMERIC IMPORTS FROM 2017 – 2020



4 Market Entry of ginger and turmeric into Europe

4.1 MARKET CHANNEL AND SEGMENTS

Fresh ginger and turmeric require little additional processing at the country of origin or in Europe. Consequently, the value chain is relatively short. Common activities undertaken in the country of origin are collecting, sorting, washing and packing. The products normally arrive to Europe in larger quantities, i.e. in bulk rather than in consumer packages. Therefore, the products are either offered loose and unpacked in supermarkets, but individual packaging, such as portions in cardboard or sealed in plastic foil, is used for organic products to distinguish them from conventional products which are sold loose.

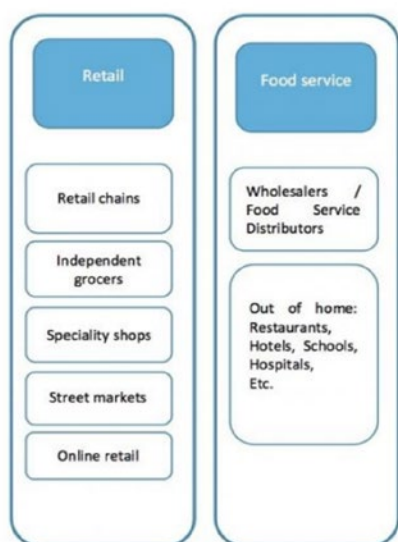
Fresh ginger and turmeric are marketed primarily for culinary uses in two different segments. One is the retail segment, which includes players such as supermarkets (shops and online) and specialty, gourmet and ethnic stores. This segment is absorbing the main share of organic ginger and turmeric imports. The other is the hospitality sector and food service segments such as restaurants and bars often supplied through the wholesale market and its wholesalers. In this segment, the conventional produce is more popular.

Convenient fresh produce of the “extra class” and “first class” is a typical offering from retailers such as supermarkets, where fair quantities of fresh ginger and minor quantities of turmeric are sold as quality ingredients loose to be weighted or in small packages. Street markets, ethnic shops and small fresh vegetable retailers also offer organic fresh ginger, but their market share is much smaller than that of large supermarket chains.

The culinary value of fresh ginger in particular makes the HORECA (HOTel, REstaurant and CAFé/CATERing) an important segment. Food service providers use fresh ginger for specific recipes, ethnic cuisines and to make tea or cocktails. Traditionally, buyers of this segment prefer conventional produce from origins like China due to the bigger rhizome sizes and the higher price sensitivity. However, organic ginger and turmeric become increasingly popular because of its finer product quality.

A smaller share of “first- and second class” ginger finds its clients in the processing industry that produces fresh juices and specialty products such as fresh smoothies. Nevertheless, this segment normally sources directly from traders specialized in fresh products for industrial use.

MARKET SEGMENTS



Source: cbi.eu

4.2 MARKET ENTRY POINTS/ACCESS TO EUROPEAN BUYERS

The buyer power of large supermarkets is very strong and buyer requirements are very demanding. Buyers in Europe tend to prefer long-term partnerships as a means of ensuring the supply and quality of products. The bigger supermarket chains either import the products directly per container (direct sourcing) or are supplied by importers who coordinate the delivery to the different retail locations.

Trading companies specialised in organic products, mainly located in the Netherlands such as EOSTA and Biotropic, but also in other upcoming regional hubs like Spain, Italy or Poland, play a central role in the import and the distribution of fresh ginger and turmeric. They are familiar with all the different requirements of end clients and are able to distribute palette-wise to different market channels such as wholesalers and supermarkets all over Europe.

In general, organic ginger and turmeric are often re-exported in Europe. Next to the biggest hub in Europe, the Netherlands, other countries such as Germany, the UK, France, Spain, Poland and Italy have significant re-exporting numbers and can be considered as smaller hubs and thus count with interesting buyer segments.

Therefore, identifying and accessing international buyers is only possible if products can be shipped container-wise. Thus, quantity, and increasingly a spotless traceability and certification according to organic production principles are needed to enter in the European organic ginger and turmeric market.

4.3 COMPETITION

Imports of fresh ginger and turmeric arrive in Europe steadily throughout the year. In general terms, ginger imports are subject to a more dynamic competition than turmeric and remain stable throughout the year without showing clear signs of seasonality. However, imports from China, Europe's main ginger supplier, tend to peak twice a year. The first occurs between March and April, while the second occurs in the months of October and November. Peruvian exports of ginger to the world tend to be higher between the months of September and November, peaking in the last month. This is due to the fact that ginger production in Peru is concentrated in the mountainous jungle of the Junín region, which causes its production and transport to Lima to be more complicated during the months of December to April, the rainiest months in the Peruvian Andean regions. This means that the export of ginger from Peru coincides in season with that of China, which generates significant competition in the market.

On China and Peru, competition among the two main suppliers of ginger to Europe, and future opportunities of new-comer exporter countries:

In 2020, Peruvian ginger exports to Europe have seen a significant increase compared to previous years. In the first eleven months, exports increased by more than 1,300% compared to the same period in 2019. In part, this can be attributed to the fact that there was a shortage of ginger during that year from China due to a poor harvest and problems with supply chains as a consequence of the pandemic.

In this case, the shortage generated by low productivity in China has had a positive impact on Peruvian exports to the United Kingdom. Peruvian exports reached the UK market in months in which ginger is normally imported from China, mainly in November.

The European market for organic ginger is today clearly dominated by China and Peru. In the case of organic turmeric, Peru has proven to be a reliable and popular origin. The growing demand in Europe for these products offer the opportunity for new, even small origins to gain part of the market share. The example of Costa Rica's organic ginger shows that a small producing country can be successful in the market with state-of-the-art organic agricultural practice, high quality products and sound logistics solutions. Other continents and countries, especially with tropical or warm climates (such as Eastern and Western African, and South-east Asian countries), could seize the same opportunity if they can compete in terms of price, quality and general business sophistication and reliability. Other important factors to proof competitiveness as organic ginger and turmeric exporter are spotless hygienic / microbiological produce, right choice of varieties and (year-round) seasonal availability.

5 Which trends offer opportunities on the European market for ginger and turmeric?

5.1 SUSTAINABILITY AND CSR CONCEPTS TO IMPROVE CONSUMER EXPERIENCE

Environmental and social issues are becoming more and more important in the supply of fresh fruit and vegetables in general. Sustainable sourcing is one of the biggest trends in Europe and is seen by many buyers as a must. Consumer awareness for this topic is increasing, although ginger and turmeric are still considered a niche market. More and more consumers, and consequently retailer and wholesalers, attach great importance to the origin of the products they decide to acquire.

Therefore, organic certified ginger and turmeric represent an important differentiator, ensuring that the product meets the buyers and consumers expectations in terms of sustainability. Nevertheless, on the one hand, traders and marketers of fresh fruits must continuously proof to consumers that their products are produced sustainably, and thus, on the other hand, exporters must proof that good agricultural practices are applied and a positive social impact is created in the production region in order to convince importers and retailers in Europe.

Branding and promoting such as EOSTA's "Nature & More" initiative can contribute significantly to consumers' experience and quality perception. Buyers also react positively to good promotional techniques based on serious compliance with organic standards, a track record in good agricultural practices and possibly in a Corporate Social Responsibility (CSR) concept. For their promotional activities, producers should invest in defining and implementing a CSR concept, professionalizing their marketing materials, review their marketing channels and general strategy, include storytelling, good websites and visual messages (photo and video) to convince buyers to work with them.

TIP

National import promotion agencies such as the CBI and IPD, in collaboration with ITC, offer SMEs comprehensive (online) tutorials and courses on how to establish a solid CSR concept. Visit the ITC website for more information.

5.2 GROWING ORGANIC MARKETS

The demand for organic products in Europe has shown constant growth over the past years. In 2020, changing consumer behaviour and preferences have been observed due to the COVID pandemic, resulting in high market demand for fresh organic products. Fruit and vegetables were the second largest category of imported organic products in 2019 (42% of total organic imports).

The largest share is composed of tropical fruit, nuts and spices (66%), including bananas in particular (85% of tropical fruit). However, also products like organic ginger and turmeric benefited from this trend. The imports of organic fruit and vegetables increased by 8% in 2019. A particularly strong increase is observed in imports of tropical fruit, nuts and spices, which grew by 13% in 2019.

5.3 ATTENTION TO HEALTHY FOOD

Consumers in Europe are becoming more aware of health issues and pay more attention to their diet. Consequently, many consumers prefer to eat organic food, which is presumed to be better for their health. Ginger and turmeric serve consumers that choose to give a special focus on a healthy lifestyle, particularly in the colder European season and even more so in times of the Covid pandemic. All these aspects are used in the promotion of ginger and, to a lesser extent, also to turmeric, and contribute to the increasing consumption throughout Europe.

Thanks to this increased attention to health and the environment, the interest in organically produced ginger is growing. Organic ginger and turmeric continue to be an opportunity for growers who are able to produce according to the strict European guidelines for organic production and who also consider fierce competition, speaking for organic ginger, in the world market with its big rivals China and Peru. For turmeric, the dynamic of the market is lower due to less competition, fewer “big players” and smaller production quantities.

6 What legal requirements must organic ginger and turmeric comply with?

6.1 FOOD SAFETY: TRACEABILITY AND CONTROL

Food safety is a key issue in EU food legislation. All food products in the EU, including ginger and turmeric, must comply with the [General Food Law \(Regulation \(EC\) 178/2002\)](#). This legislation sets out the general principles and requirements of food legislation established by the European Food Safety Authority and lays down procedures in matters of food safety. It also includes provisions on the traceability of food i.e. the ability to trace food products through the stages of production. European buyers often expect the exporter to know and document its suppliers, list any substances or inputs used in production and post-harvest procedures (complying with organic standards), and label final products for traceability.

In the event of repeated non-compliance of specific products originating from particular countries, these products can only be imported under stricter conditions. The EU introduced the [European rapid alert system for food \(and feed\) products \(RASFF\)](#) as a tool to exchange information on the enforcement of EU food safety legislation.

6.2 PESTICIDE RESIDUES AND CONTAMINANTS

Pesticide residues are one of the crucial issues for conventional fruit and vegetable producers and suppliers. It is self-explaining that organic ginger and turmeric has to be 100% residue free.

For general interest, it is important to note, that in order to avoid health and environmental risks, the European Union has set maximum residue levels (MRLs) for pesticides and other contaminants such as heavy metals in and on food products. Products exceeding the MRLs are withdrawn from the market. For substances that are not yet included in the European regulation, the default MRL of 0.01 mg/kg applies. Note that buyers in several EU Member States, such as Germany, the Netherlands and Austria, use even lower maximum residue levels than those established by European legislation.

6.3 PHYTOSANITARY REGULATIONS

The “[European Directive 2019/523](#)” on protective measures against the introduction of organisms harmful to plants or plant products and against their spread within the community requires all imported produce to go through plant health checks before entering the European Union. The plant health inspection must take place in the country of origin and the shipment must be accompanied by a phytosanitary certificate guaranteeing that the products are:

- + properly inspected
- + free from quarantine pests, within the requirements for regulated non-quarantine pests and practically free from other pests
- + in line with the plant health requirements of the EU, laid down in Regulation (EU) 2019/2072

6.4 BORDER CONTROLS

Fresh products that enter the EU are inspected at the border. These controls are carried out to ensure that all foods marketed on the European market are safe and are in compliance with all applicable regulatory requirements. Shipments are checked for documentation, identity, physical plant health, and compliance with the European Commission’s general and specific import requirements, such as the phytosanitary certificate issued by the country of origin.

EU countries collect a fee for the documentary, identity and plant health checks, to be paid by the importer or their customs representative. This fee is usually settled with the account of sales and final payment of the buyer.

For importers of fresh fruit and vegetables, the traceability of products is compulsory. To fulfil this obligation, you must document the sources of your product and be able to hand over proof of origin for all fresh produce. Proof of origin is also necessary for importers to get beneficiary tariffs, if they apply.

TIPS

Familiarize yourself with the procedures. See the CBI tips for organizing your export of fresh fruits and vegetables to Europe. Failure to follow the right procedures could decrease and delay orders, increase costs and result in actions by European enforcement authorities.

Make sure that the accompanying documents (such as a Bill of Lading) correspond exactly to the food products contained in the consignment, including indicated volumes and weight, classes and sizes, number of pallets and boxes.

Check the documents needed for customs clearance in the EU Access2Markets tool. Check out the Factsheet on food traceability of the European Commission.

6.5 FOOD CONTACT MATERIALS

The European Union has laid down rules for materials and articles coming into contact with food (including for packaging) in order to prevent any unacceptable change in the composition of the foodstuffs and to protect human health. These rules are laid down in the [framework legislation Regulation \(EC\) 1935/2004](#).

7 What additional requirements do buyers often have?

Besides the mandatory internationally recognised organic certification, complementary social and environmental standards and certifications such as GLOBALG.A.P., GRASP, SMETA and BSCI have often become an additional precondition for the import of fresh tropical fruit such as ginger and turmeric.

7.1 INTERNATIONAL ORGANIC CERTIFICATION

In order for a company to market its product as organic in the European market, it must comply with the EU Regulation ([Council Regulation \(EC\) No 834/2007](#) and [Commission Regulation \(EC\) No 889/2008 \(OJ L-250 18/09/2008\)](#) on organic production and labelling, which is a legal requirement for all organic products. Organic products must be grown using organic production methods, which are laid down in the legislation. Growing and processing facilities must be audited by an accredited certifier before you may put the EU organic logo onto your products.

One of the factors that exporters have to pay special attention to is whether their organic certification is de facto recognised by the EU legislation. Therefore, producers/exporters should search for a certifier whose standards are accredited by the EU. [The European Commission's Agriculture and Rural Development website](#) provides a thorough explanation of import regulations and other related issues.

Commission Regulation (EC) No 1235/2008 of 8 December 2008 laying down detailed rules for the implementation of Council Regulation (EC) No 834/2007 and its latest amendments regarding the arrangements for imports of organic products from third countries can be found on the [EUR-Lex website](#).

In the organic food market there are also some certifications that go further than the EU regulation. Those standards might become important in case a small niche within the organic market is targeted. The most common of these standards are [Demeter](#) or [Naturland](#) organic certification.

All organic products imported into the EU must have the appropriate electronic certificate of inspection (e-COI). These certificates are managed through the [Trade Control and Expert System \(TRACES\)](#). If an exporter is not in the possession of an electronic certificate of inspection, the products will not be released from the port of arrival in the European Union.

7.2 GLOBAL GOOD AGRICULTURAL PRACTICE (GLOBALG.A.P.)

The most important non-legislative requirement is good agricultural practices, which most EU retailers demand compliance with. [GLOBALG.A.P.](#) is a private global standard and certification for agricultural products. This pre-farmgate standard covers the whole agricultural production process from before the plant is in the ground to the unprocessed product. GLOBALG.A.P. focuses on food safety as well as the environment, labour conditions and product quality. It has become a minimum standard for most European supermarkets.

As social sustainability became more important, GLOBALG.A.P. added a voluntary assessment that can be conducted at the same time as a GLOBALG.A.P. audit to their certification, which is called [GLOBALG.A.P. Risk Assessment on Social Practice \(GRASP\)](#). Its main objective is to raise awareness on social practice in primary production. The outcome of the assessment does not affect the GLOBALG.A.P. certification but serves as additional information to supply chain partners. European buyers are increasingly asking for GRASP certification.

7.3 FAIRTRADE PRODUCTS

Fairtrade labels are niche requirements that can distinguish your product from the masses and, in combination with an organic certificate, attract the more conscious consumers. These certification labels are consumer-focused and are the most applicable to products from smallholder farms and to organic ginger and turmeric production.

Fairtrade International is the leading standard-setting and certification organization for Fairtrade. Products that carry the Fairtrade label indicate that producers are paid a Fairtrade minimum price, implement environmentally friendly agricultural practices, and support the empowerment and autonomy of producers.

7.4 SUSTAINABILITY AND SOCIAL COMPLIANCE

There is growing attention to the social and environmental conditions in the producing areas. Most European buyers have a code of conduct, which they expect their suppliers to comply with. Although product quality is the top priority, social compliance becomes more and more important.

Initiatives in and attention to Corporate Social Responsibility (CSR) vary across different parts of Europe. In the Eastern part of Europe, fewer buyers require strict social compliance, while there are retail buyers in Western Europe which have their own compliance program.

The best way to comply with such buyer requirements is through adopting social and environmental standards or joining respective buyer initiatives such as:

- + Sedex Members Ethical Trade Audit (SMETA)
- + Business Social Compliance Initiative (BSCI)
- + Sustainability Initiative for Fruit and Vegetables (SIFAV)
- + Ethical Trading Initiative (ETI)
- + ISO 26000 for social responsibility and/or ISO 14001 for environmental management.

At present, SMETA and GRASP are the most requested social compliance certifications for European (mainly retail) buyers.

7.5 FOOD SAFETY MANAGEMENT SYSTEMS

Even though food safety management systems are much more important in the trade of processed food items, some buyers might require compliance also for their fresh fruit and vegetable partners.

Food hygiene is based on Hazard Analysis Critical Control Points (HACCP) method, an internationally recognized method of identifying and managing food safety related risk. The adoption of standards that go beyond HACCP will depend on the profile of the buyer; usually large retailers are more demanding and might require compliance with one of the following:

- + International Featured Standards (IFS)-Food: corresponds to ISO 9001, but with a focus on food safety, HACCP, hygiene, the manufacturing process and business surroundings. The IFS is a quality and safety standard published by the union of German supermarket chains, HDE (Hauptverband des Deutschen Einzelhandels).
- + British Retail Consortium (BRCGS): private institution that promotes private standards that contain more extensive rules on Good Manufacturing Practices (GMP) than HACCP, e.g. regarding organisation and communication.

All the mentioned management systems are recognised by the Global Food Safety Initiative (GFSI), which means that they are very likely to be accepted by international buyers. However, in practice, some buyers still have preferences for one specific management system.

7.6 COMPANY PERFORMANCE AND RELIABILITY

Complying with the food safety requirements, quality standards and certifications is a pre-condition to market fresh products in Europe, but it is still not a guarantee for success. Soft skills and company performance are equally important. Buyers look for trust and reliability and flawless communication.

Some of the most important things in the fresh trade are a timely delivery, proactive communication and commitment to agreements. However, rules of good conduct apply in both directions. So be aware of buyers who have a poor reputation or show only a short-term interest. In this fast-moving and perishable market, sudden decisions are taken, such as “dumping” your products at very low prices when the quality starts to deteriorate or when the demand slows down. European buyers are not eager to accept their loss and often rather settle by claiming a quality issue. It is crucial that you can deal professionally with claims, whether they are justified or not.

TIPS

Make sure that you are well organized as a company. Maintain good logistical planning, document your shipments (including proof of quality), respond to your emails within a day and be professional in every aspect of the business process.

Do not put your product in consignment with a buyer which you do not know.

Consignment is becoming less of a standard practice and it increases your risks significantly.

Establish and confirm agreements with your buyer on important topics such as delivery and payment terms, product specifications and certifications.

Follow the CBI tips for doing business with European buyers of fresh fruit and vegetables.

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