



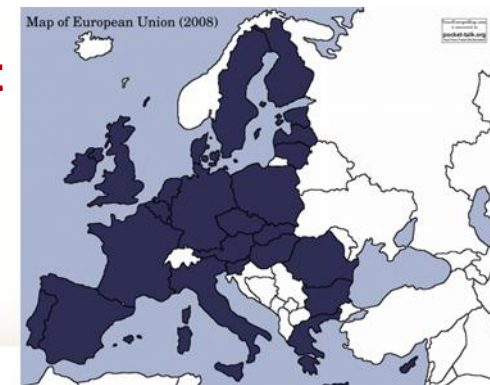
Organic trends in the herbs/spices sector

15 April 2015, the 3rd CARIFORUM/EU Business Forum

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GIZ, Barbados



Our profile

A German federal enterprise

- Owned by the Federal Republic of Germany
- Organised as a private-sector entity
- Supports the objectives of the German Government

Facts and figures

- Operations in Germany and in over **130 countries** around the world
- Around **17,000 employees**
- Business volume of **around 2 billion euros** in 2014
- Commissioned by **public** and **private-sector bodies** inside and outside Germany
- Main commissioning party: the **German Federal Ministry for Economic Cooperation and Development**

GIZ's/German project supporting the EPA implementation

- **Financed by Germany, 5 Million Euro for 2010 – 2015**
- **Goal: strengthen relevant regional and national organisations thereby enabling them to contribute significantly to a development-friendly implementation of the CARIFORUM-EC EPA**
- **Areas of support:**
 1. **Strengthening of EPA Implementation Units**
 2. **ProNet SME training together with Caribbean Export**
 3. **Services Go Global training together with the Coalitions of Services Industries and Caribbean Export**
 4. **Trade Fair Exposure (this year e.g. ANUGA)**
 5. **Strengthening of Coalitions of Services Industries**
 6. **National and regional stakeholder meetings**

Market for Herbs and Spices highly concentrated

UK: US company McCormick is market leader in the UK, selling twice as much as the next competitor

Germany: Fuchs covers 85% of the market!

But the market for organic herbs and spices is still very divers, most companies are SMEs

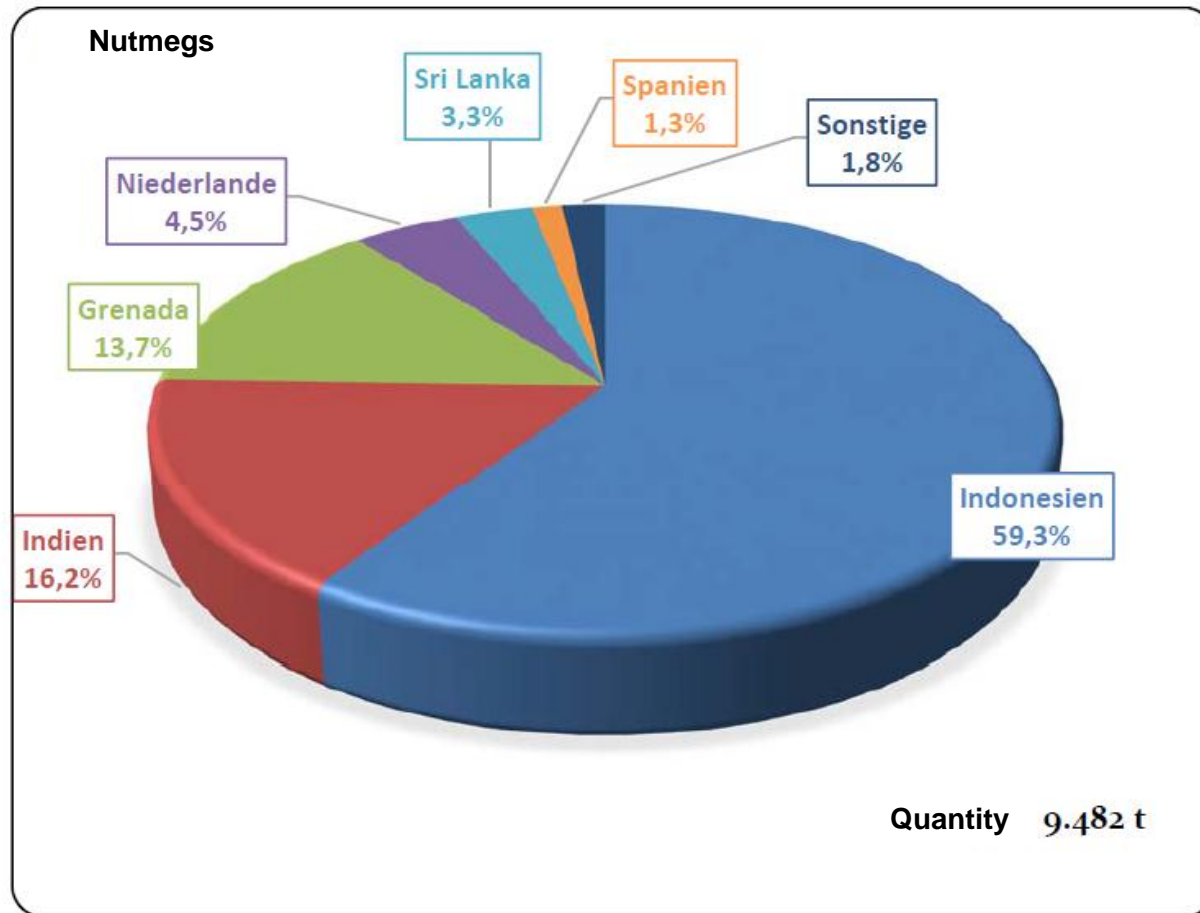
German spice market as example

- **Increase of consumption of spices:**

**2000 to 2012: 44% up to 96,000 tons worth
about 390 million EUR**

- **Thereof spices *manufactured* in food:**

63,000 tons in 2012



Source: Fachverband der Gewürzindustrie Germany 2013

Example of marketing for a spice mixture with Caribbean symbols



Organic Farming - Definition

- **Form of agriculture that relies on techniques such as crop rotation, green manure, compost, and biological pest control.**
- **Organic farming excludes or strictly limits the use of various methods (including synthetic petrochemical fertilizers and pesticides; plant growth regulators such as hormones; antibiotic use in livestock; genetically modified organisms**
- **Organic agricultural methods are internationally regulated and legally enforced by many nations, based in large part on the standards set by the International Federation of Organic Agriculture Movements (IFOAM), an international umbrella organization for organic farming organizations established in 1972**

ITC Standards Map: www.standardsmap.org



Certification of Organic Agriculture

- **The Caribbean national certification systems for organic agriculture (following the legal definitions of the European Union) are all not accepted by the EU as equivalent,**
- **therefore an individual certification is necessary (which is more expensive)**
- **To save costs, group certification of cooperatives is widely used**
- **Certifying Institutes with international experience (examples):**
 - **Ecocert, France**
 - **BCS Öko-Garantie, Germany**

Importance of organic food compared to total food

Germany as largest organic market in Europe:

3.6 % of all food consumed in Germany is organic, with a growth rate of 7.2 % in 2013! (in Switzerland even 12.1 %!)

This means for spices:

As the European spice market valued 1,8 billion EUR in 2013 (Hustler & Chaitoo), the potential organic market would be about 60 million EUR, the actual market is about 20 million EUR

Exact figures on organic spices and herbs are difficult to obtain, as the international customs classifications do not distinguish between organic and conventional, and the annual statistics of the organic associations don't go into that detail

Specifics of the organic herbs and spices market

- **Prices are (difficult to generalise, but) slightly higher**
- **As organic production of at least most spices is not more expensive than conventional production, and as market concentration is also ongoing in the organic sector, price differences might shrink in the future**
- **Consumers of organic products have different taste preferences, they like exotic kitchens, therefore the quantitative relations between spices differ**
- **Some additives and treatments (e.g. radiation) are not allowed in organic agriculture**



www.ORGANIC-BIO.COM

International directory of organic food wholesale & supply companies

Search through more than 14000 companies or add your own company

Directory Advanced search Fairs Infos Labels Subscriptions Login Dictionary

ORGANIC EDIBLE PREPARATIONS & SPICES


wholesale & supply & services

- ▶ BASIL 13 5
- ▶ BAY LEAVES 6 3
- ▶ CAPER 4 1
- ▶ CARAWAY 11 4
- ▶ CARDAMOM 17 6
- ▶ CHILI PEPPER 20 7
- ▶ CINNAMON 14 6
- ▶ CITRONELLA 1 0
- ▶ CLOVES 13 3
- ▶ CORIANDER 11 4
- ▶ CURRY 2 2
- ▶ FENNEL 16 8
- ▶ FOOD COLORING 17 4
- ▶ GINGER 31 11
- ▶ GREEN TEA SPICES 1 1
- ▶ HERBS 346 103
- ▶ INULIN 12 4
- ▶ JUNIPER BERRIES 3 2
- ▶ KETCHUP 41 8
- ▶ LAVENDER 7 2
- ▶ LEAVEN 0 0
- ▶ LIQUORICE 11 7
- ▶ MANGO CHUTNEY 0 0
- ▶ MARINADE 10 1
- ▶ MAYONNAISE 35 4
- ▶ MIXTURES 25 7
- ▶ MUSH 0 0
- ▶ MUSTARD 64 8
- ▶ NUTMEG 10 5
- ▶ ORANGE CHUTNEY 0 0
- ▶ PATE 56 8
- ▶ PEPPER 50 19
- ▶ PLANT DECOCTION 5 2
- ▶ ROSEMARY 11 6
- ▶ SAFFRON 74 7
- ▶ SALAD DRESSING 54 6
- ▶ SALT 135 53
- ▶ SAUCES 301 68
- ▶ SOUPS 140 37
- ▶ SPREADING PASTE 60 7
- ▶ STARCHES 25 8
- ▶ SWEET MARJORAM 6 1
- ▶ THYME 13 5
- ▶ TURMERIC 18 7
- ▶ VANILLA 45 19
- ▶ VINEGAR 30 1
- ▶ WILD YAM 3 3

[sellers](#) [buyers](#)

511 company/ies for product group EDIBLE PREPARATIONS & SPICES were found.

All Display companies from: <No specification> search

Company Name	Company profile	Country	City
 AGRANA STAERKE GMBH	STARCH AGRANA organic ingredients for the food industry are produced out of organic certified potatoes,....>>>	AUSTRIA	GMUEND
 ARYAN INTERNATIONAL C.A.A.J.		INDIA CAMEROON	JONAPUR DOUALA
 LA CAVERNE AUX EPICES ORGANICS BRAZIL		FRANCE BRAZIL	SOUSCEYRAC CURITIBA

<http://www.organic-bio.com/en/directory/spices-and-edible-preparations/>



The screenshot shows the 'EXPORT HELPDESK for developing countries' website. The header features a colorful bar and the text 'EII | ES | FR | PT'. The main content area has a blue background with a globe and the text: 'The Export Helpdesk is an online service, provided by the European Commission, to facilitate market access for developing countries to the European Union. This free and user-friendly service provides relevant information required by developing country exporters interested in supplying the EU market.' Below this is a navigation menu with buttons for 'About the Export Helpdesk', 'Requirements and Taxes', 'Import tariffs', 'Preferential arrangements', 'Trade statistics', 'Links', and 'What's New'. The footer includes links for 'Contact', 'Privacy Statement', 'Important Legal Notice', and 'A Service Provided by EXTERNAL TRADE, EUROPEAN COMMISSION'.

Caribbean States:

- ➔ Preferential Trade Arrangement with the EU (→ EPA)
- ➔ Export to EU largely free of tariffs or quotas

Export Helpdesk

- ➔ Import Tariffs
- ➔ Import Requirements (such as packing and labelling, plant health control, technical standards, etc.)
- ➔ Statistics on trade (→ your market research)

<http://comtrade.un.org>

The screenshot shows a Windows Internet Explorer browser window displaying the United Nations Statistics Division website. The address bar shows the URL http://unstats.un.org/unsd/trade/imts/imts_default.htm. The browser's search bar contains the word "Google". The website's navigation menu includes links for "Home", "Statistical Databases", "Publications", "Methods & Classifications", "Meetings & Events", and "Technical Newsletters". A search box is located on the right side of the navigation menu.

The main content area features the United Nations logo and the text "United Nations Statistics Division". Below this, there is a section titled "INTERNATIONAL MERCHANDISE TRADE STATISTICS (IMTS) UNITED NATIONS STATISTICS DIVISION" dated "13 May 2010".

The text in this section reads: "This web site provides access to information and data on International Merchandise Trade Statistics (IMTS) and the work of the International Merchandise Trade Statistics Section (IMTSS) of the United Nations Statistics Division (UNSD). The work program has four parts:

- 1. Concepts and methods
- 2. National Practices
- 3. Inventory of IMTS classifications and related correspondence tables.

Below this list is a section titled "UN Comtrade database" with the text: "Free data access. Registered users have full access to all features. The UN Comtrade database contains more than 1 billion trade records starting from 1962. As part of the UN Comtrade database the following additional services are offered:

To the right of the main text is a "What's New" section with several entries:

- New recommendations on International Merchandise Trade Statistics (IMTS 2010) adopted in February 2010.** Thu, May 13 2010
- Monthly Bulletin of Statistics tables updated** Thu, Apr 29 2010
- New edition of International Trade Statistics Newsletter now available.** Tue, Apr 20 2010
- ECLAC released its newly updated Interactive Graphic System of International Economic Trends (SIGCI)** Tue, Mar 16 2010
- 2008 International Trade Statistics Yearbook (2008 TSY), Volume II - Trade**

The browser's taskbar at the bottom shows several open applications: "EXPORT MARKETIN...", "Microsoft PowerPoi...", "United Nations Stati...", and "Barbados". The system clock in the bottom right corner shows "01:33 PM".

Trade shows for Organic Agriculture

More general trade shows with significant organic representation:

- **ANUGA Cologne, 10-14 Oct 2015**
- **SIAL Paris, 16-20 Oct 2016**

Specific Organic Agriculture and Food shows:

- **Natural & Organic Products Europe, London, UK, 19-20 Apr 2015**
- **Naturally, Paris, France, 29 May-1 Jun 2015**
- **Biofach, Nürnberg, Germany, 10-13 Feb 2016**

Recommendations for discussion

- **Companies should do a thorough market research, if they could serve the growing organic market**
- **Certification is an additional hurdle → companies should cooperate to reduce costs**
- **Governments should introduce legislation and standards on organic agriculture in a regionally harmonised manner**
- **They should strengthen their quality infrastructure (especially certifying and accrediting bodies)**
- **Public support programmes for the herbs and spices sector should take organic markets into consideration**



Thank you for your attention.

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