



# ***Overview of Import Markets Analysed***

**Market Trends in the three Sectors:  
Food, Personal Care (Cosmetics) and  
Phyto-pharma (Health)**

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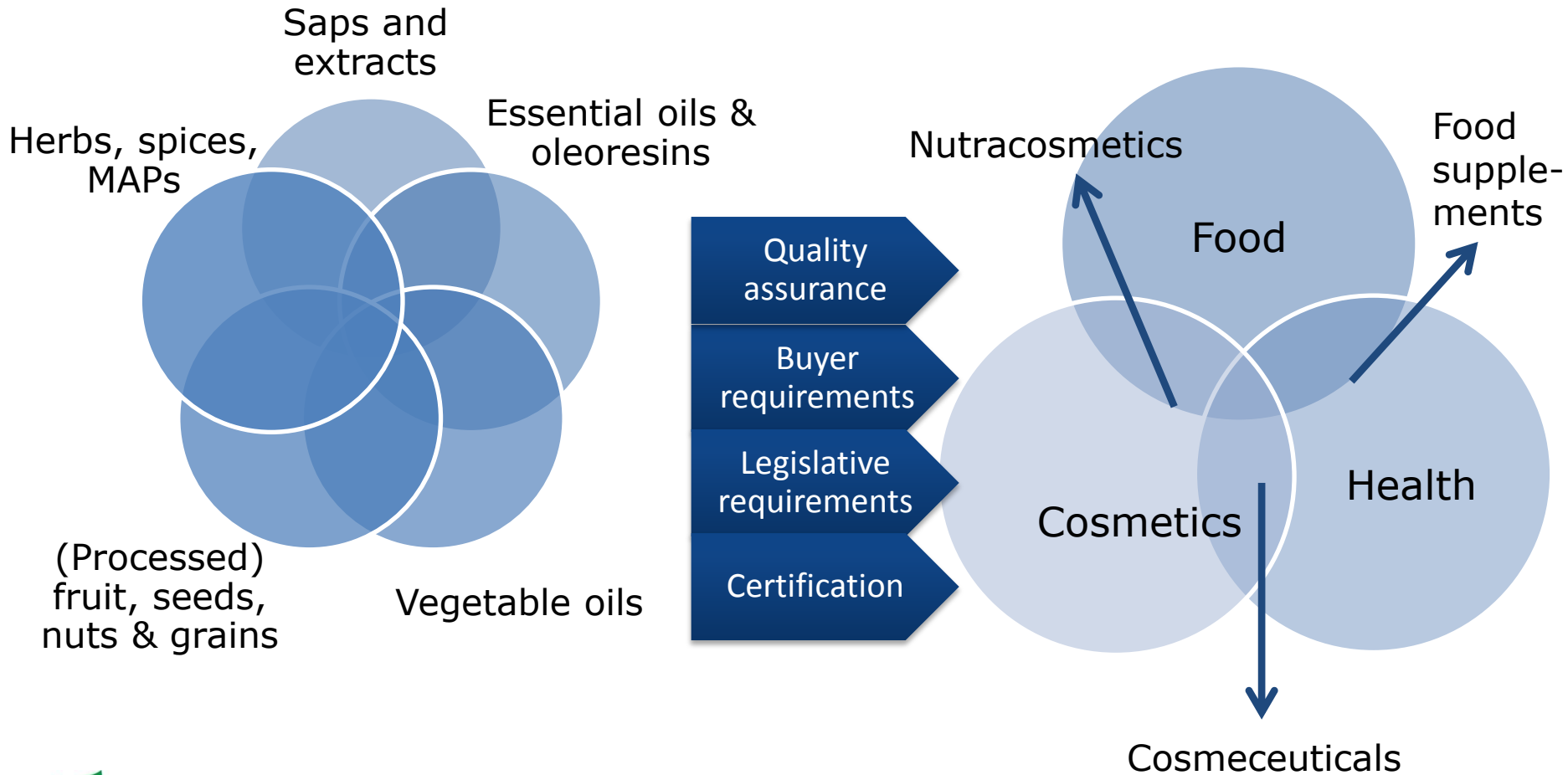


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# What do we talk about?

- Sector overview
- Megatrends
- Consumption
- Translation to:
  - Consumers
  - Supply chain
  - Companies
  - Business opportunities
- Examples
- Links

# Products and segments



# Imports of natural ingredients for 2015 in 1000 USD

Market	Natural colours, Flavours, Thickeners	Spices and herbs	Vegetable oils	Health	Cosmetics
China	1,515,026	55,505	6,549,920	366,704	5,001,975
European Union	4,459,366	1,925,574	17,913,526	3,037,924	17,262,411
Japan	600,942	171,511	1,345,769	574,553	1,590,017
Switzerland	242,246	36,266	236,338	114,814	589,018
USA	2,845,228	1,137,021	3,669,790	2,113,300	5,200,555

Source: ITC Trade Map (accessed 20.06.2016)

[http://www.trademap.org/cbi/Country\\_SelProduct\\_TS.aspx](http://www.trademap.org/cbi/Country_SelProduct_TS.aspx)

# Global Megatrends

Social	Technological	Economic	Environment	Political
Healthy, natural Ethical & fair	Innovation Connectivity	Crisis Supply chain integration Asia	Care for the environment Organic Dual certification	Lobbying for health Substantiation of claims

Source: ProFound, 2015

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# Consumption

Most consumer products are produced in country of consumption  
Brand management not successful

Strong natural food, cosmetics, health industries



Large and increasing demand for natural ingredients



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# Translation to consumers

- Taste for the new” vs. “desire for the known”
- Market polarization “Affluence vs. Economizing”
- Time pressure and stress
- Sustainability concerns
- Ageing population
- Smaller households
- Natural lifestyle choice
- Quality brand management missing



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# Translation to supply chain (1/2)

## Concentration (retail, processing, importing):

- Mergers & Acquisition
- Increasing buying power of few players
- Global trading of ingredients
- Distance between buyers and management
- Preferred suppliers in integrated supply chains

How to deal with this reality?

- **Conventional markets:** large and consistent volumes
- **Niche markets:** lower volumes, specialty products, price premium





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# Translation to supply chain (2/2)

More processing in producing countries

- More **value addition** becomes possible
- Pressure on resources

New responsibility for resource management:


- Health of users
- Social acceptance, benefit-sharing, fair treatment
- Sustainable use to ensure **availability** of species

→ Future decrease in market / availability for raw material expected

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# Translation to companies (1/2)

## Higher requirements, stricter controls!

- **Safe products** 
  - *Safe to process and use*
  - *Safety in terms of supply*
  - *Safe in terms of sustainability*
  - *Safe in terms of proof of efficacy*
  - *Safe in terms of transparency*
- Documented accordingly
- At the right price
- Communication is key

# Documentation and certification

- Different rules of the game
  - GACP
  - Standard Operating Procedures (SOPs)
  - Standards (GACP, HACCP, ISO 22.000, ISO 26.000)
  - Health and safety are priority
  - Claim substantiation



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# Translation to companies (2/2)

## **Ecological standards**

- Organic: Organic Agriculture
- Different rules apply for labelling and marketing: food, cosmetics, health

## **Social standards**

- Fair treatment/CSR: Fair Trade, SA 8000, OHSAS 18001, ISO 26000
- Fair sharing of benefits: BioTrade Principles and Criteria, FLO, and Fair for Life

## **Biotrade**

- BioTrade Verification: UEBT

## **Sustainable wild collection**

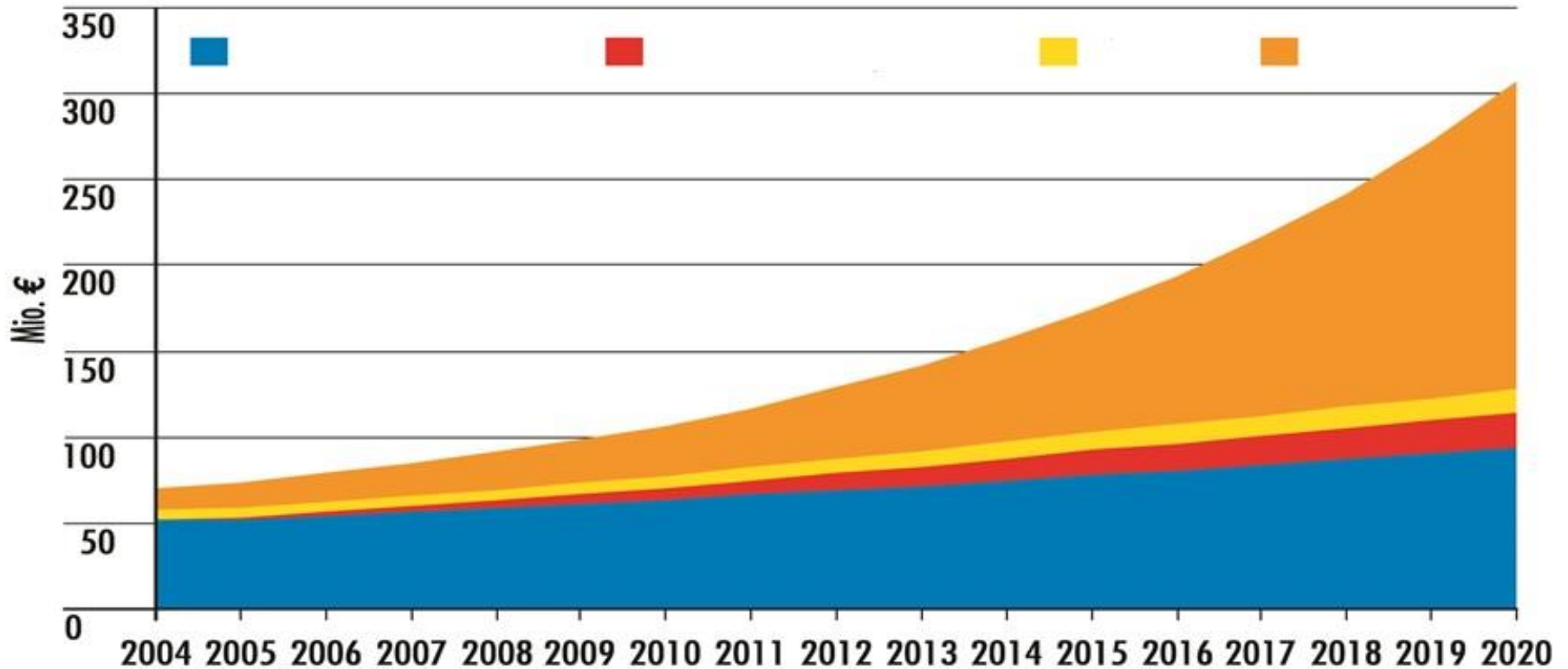
- Sustainable wild-collection: Management and certification standard FairWild Standard

# Translating trends in business opportunities

- Different value addition propositions
  - Sustainability
    - Certification
    - Marketing stories
  - Quality and traceability, with right documentation
  - Further processing, with right documentation
- New market segments
- Meeting needs for functionality or activity



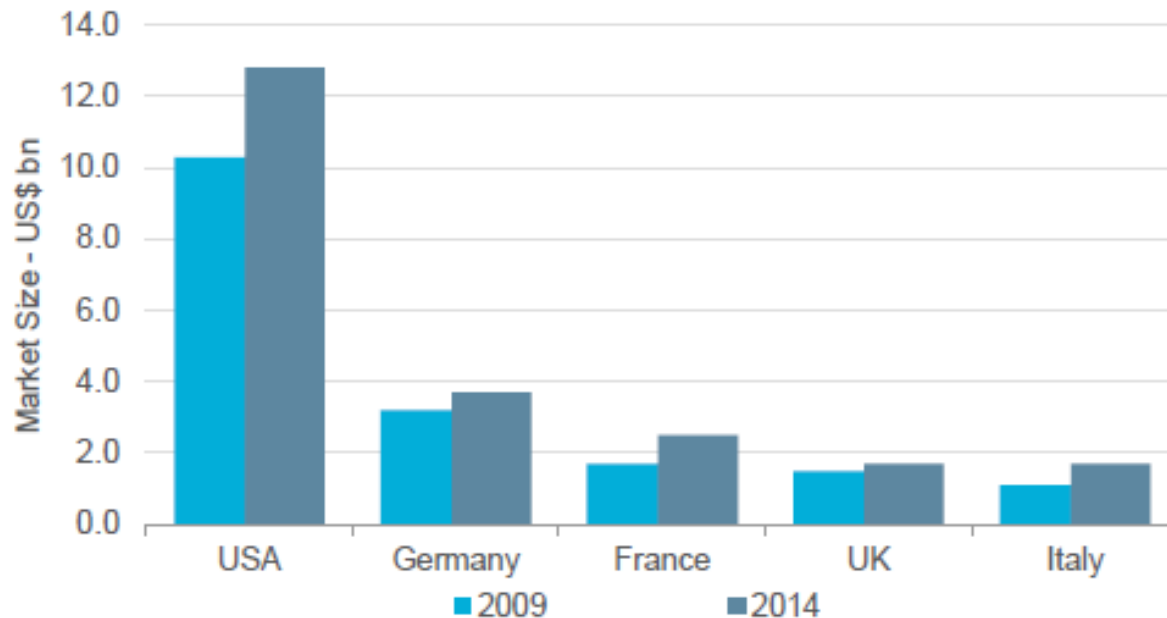
# Example: Forecast of sales of MAPs in Germany in 2020



Quelle: meó

# Example: Organic Packaged Food Markets

Top 5 Organic Packaged Food Markets in 2014



Source: Euromonitor International trade sources/national statistics

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# Links

- CBI studies on sector trends:

- Food:

- <https://www.cbi.eu/market-information/natural-colours-flavours-thickeners/natural-flavours/trends/>

- Cosmetics:

- <https://www.cbi.eu/market-information/natural-ingredients-cosmetics/botanicals/trends/>

- Health products:

- <https://www.cbi.eu/market-information/natural-ingredients-health-products/trends/>

- Trade:

- Japan spice statistics:

- [http://www.intracen.org/uploadedFiles/intracenorg/Content/Exporters/Market\\_Data\\_and\\_Information/Market\\_information/Market\\_Insider/Spices/ITC%20Market%20Insider%20Spices%20EU%20Import%20Statistics%20May%202015.pdf](http://www.intracen.org/uploadedFiles/intracenorg/Content/Exporters/Market_Data_and_Information/Market_information/Market_Insider/Spices/ITC%20Market%20Insider%20Spices%20EU%20Import%20Statistics%20May%202015.pdf)

- EU spice statistics:

- [http://www.intracen.org/uploadedFiles/intracenorg/Content/Exporters/Market\\_Data\\_and\\_Information/Market\\_information/Market\\_Insider/Spices/ITC%20Market%20Insider%20Spices%20Japan%20Import%20Statistics%20Aug%202015.pdf](http://www.intracen.org/uploadedFiles/intracenorg/Content/Exporters/Market_Data_and_Information/Market_information/Market_Insider/Spices/ITC%20Market%20Insider%20Spices%20Japan%20Import%20Statistics%20Aug%202015.pdf)



# Questions and answers



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## Thank you.

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