

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

**Market Brief in the European Union**  
for selected natural ingredients derived from native  
species

***Lippia alba***

Prontoalivio, Erva cidreira, juanilama, Melissa



UNITED NATIONS

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## PREFACE

The **BioTrade Initiative** is UNCTAD's programme that supports sustainable development through trade and investment in biological resources in line with the Convention on Biological Diversity. The specific objectives of the BioTrade Initiative are: (i) To assist developing countries in the formulation and implementation of National BioTrade Programmes; (ii) To assist Inter-Governmental Organizations in the formulation and implementation of Regional BioTrade Programmes; (iii) To provide inputs to international policy making processes related to trade and biodiversity; (iv) To carry out technical assistance on issues related to trade and investment related to biotrade.



The **BioTrade Facilitation Programme (BTFFP)** for biodiversity products and services aims at assisting partners in developing countries on issues related to trade promotion of specific sectors, which have high value-adding potential and can generate local income by involving local and indigenous communities, while contributing to the biodiversity conservation. Priority product groups include edible plant products (e.g. fruits and nuts); food ingredients (e.g. natural colouring and flavouring materials); cosmetic and pharmaceutical ingredients (e.g. medicinal plants, essential, fatty and vegetable oils), fibres, latex, resins, gums and gum by-products.

The **BTFFP** addresses specific developing countries' needs such as market information, market access strategies, development of methodological approaches, best-practices, as well as advocacy and participation in policy making processes (e.g. trade barriers, certifications, sustainable use, etc.). Selected countries from Latin America (the Andean and Amazonian regions), Africa (the eastern and southern regions) and Asia are currently part of the BTFFP. The BTFFP is an official partnership of the World Summit on Sustainable Development (WSSD), and counts with the financial support of the Governments of Switzerland and the Netherlands. The International Trade Centre (ITC), serves as the Programme's technical advisor. Other current BTFFP partners include: BioTrade National programmes, PhytoTrade Africa, Programme Bolsa Amazonia, the Dutch Centre for the Promotion of Imports from Developing Countries (CBI), and the Swiss Import Promotion Programme (SIPPO).

This document is part of a series of market briefs on selected natural ingredients derived from native species in beneficiary countries of the **BTFFP**. It is addressed to corporate executives, partners of the **BTFFP**, officials of international and trade promotion agencies, representatives of nongovernmental organizations and researchers. The market brief seeks to provide balanced information and analysis of trade opportunities. Each study may be read by itself, independently of the others.

*For further information please visit [www.biotrade.org](http://www.biotrade.org)*

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## Abstract

The market brief on *Lippia alba*, profiles the EU market for this native South American species and its derivatives, used as natural ingredients in the cosmetics (aromatherapy) and phytopharmaceutical industries. This document was developed within a series of market briefs on selected natural ingredients derived from native species in beneficiary countries of the BTFP.

The underlying market brief, on *Lippia alba*, is divided in eight sections. Sections 1 to 5 profile the EU market for *Lippia alba*. The brief starts with providing a description of the species including, botanical name, common names, trade names, HS codes, countries and regions of origin, methods of cultivation/harvesting, importance to the native biodiversity of the country of origin and traditional use. The major national markets within the EU for these products are highlighted and current trends are described. Furthermore, (statistical) market information on consumption, production and trade, and information on trade structure and opportunities for exporters is provided

Section 6 describes the requirements, which have to be fulfilled in order to get market access. It is of vital importance that exporters meet the requirements of the EU market in terms of product quality, packaging, labelling and social, health & safety and environmental standards. Section 7 provides indicative prices and price developments for the selected products differentiated by trade channel and value added as well prices of substitutes. It also provides sources of price information.

The final Section, describes marketing and sales promotion strategies as well as recommendations on different levels: supply chain management, promotion strategies and business-to-business opportunities. This chapter was validated through interviews with buyers, consumers, market experts and other relevant actors in the EU market

**Keywords:** *Lippia alba*, prontoalivio, erva cidreira, juanilama, salvia morada, bushy matgrass, bushy lippia, lemongrass, lemon verbana, melissa, natural ingredients, biodiversity, sustainable use, export, BioTrade Facilitation Programme, trade, market, information

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## 1 Species description and product definition



Family: Verbenaceae  
Genus: Lippia  
Species: *Lippia alba*  
Common names: Prontoalivio (Colombia) Erva Cidreira (Brazil), Juanilama (Costa Rica), Salvia Morada (Argentina), Bushy matgrass, Bushy Lippia Oaxaca lemon verbana, Melissa

*Lippia alba* is cultivated in the warm regions of Latin-America, stretching from Mexico to Paraguay, Brazil, Uruguay, Argentina as well as Colombia. The shrub, which is very aromatic, is normally 1 to 1.5 metres of height, but can reach 2 metres. The leaves are membranaceous, petiolate, pubescent with a strong flavour and the typical smell lemon. Its limbs have variable forms with pointed apex, cuneiform or decumbent base, and serrated or crenated border.

The plant *Lippia alba* is one of the most important medicinal plant used by, among others, the Brazilian people<sup>1</sup>. It is mostly used for its somatic, sedative, antidepressant, and analgesic properties. The *Lippia alba* essential oil also has many applications, among others stomachic, anti-spasmodic, phlegm-discharging, digester/digestive, anti-haemorrhoids and anti-asthma.

### 1.1 Common and traditional use of the species

#### *Lippia alba* essential oil

Essential oils are aromatic, or odorous, oily liquids (sometimes semi-liquid or solid) obtained from plant material, for example flowers, buds, seeds, leaves, twigs, bark, herbs, woods, fruits and roots. Depending on the kind of oils and the quality, essential oils can be used in different industries. Essential oils are mainly applied in the food industry as flavouring, the perfume industry for fragrances, and the pharmaceutical industry for adding taste or smell or suppressing the less desirable medicated flavour. The use of essential oils in the health service is called ‘aromatherapy’.

The *Lippia alba* essential oil has a relatively high Carvone content, between 30 and 35 percent. This makes the oil an interesting substitute for other essential oils containing this component. Another important chemical component of *Lippia alba* essential oil is Limonene, making up more than 25 percent of the essential oil, is Limonene.

Other essential oils with Carvone as well as Limonene as the main chemical constituents are<sup>2</sup>:

- Caraway essential oil (*Carum carvi*)
- Dill essential oil, (*Anethum graveolens*)
- Galbanum essential oil, (*Ferula galbaniflua*)
- Peppermint essential oil, (*Mentha piperita*)

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<sup>1</sup> Source: *Cultivation Of Lippia Alba, An Important Medicinal Plant In Brazil*, Dulce Marcia de Castro and Lin Chau Ming, Department of Horticulture - Agronomical Sciences College, São Paulo Statal University, Botucatu, São Paulo, Brazil CEP 18.603/970

<sup>2</sup> Source: [www.chamomile.co.uk](http://www.chamomile.co.uk)

- Spearmint essential, (*Mentha spicata*)

According to a French trader of essential oils, it would be interesting to compare the *Lippia alba* essential oil with *Lippia citriodora* essential oil. Both have a typical lemon fragrance. The *Lippia citriodora* essential oil is more widely known within the EU fragrance market, although still very expensive, as the yield of essential oil production is very low. *Lippia citriodora* essential oil is being used in the cosmetic industry, but also in a number fashionable beverages, which are increasingly popular among EU consumers. However, tests have shown this some sub-species of *Lippia citriodora* essential oil to be photo toxic, skin sensitizer and irritant. It is prohibited to be used as a fragrance ingredient based on its sensitizing potential. The oil is only allowed to be used subject to certain restrictions (level not exceeding 0.2% of finished cosmetic product). This opens up interesting possibilities for the *Lippia abla* essential oil placing it as a substitute for the *Lippia citriodora* oil.

## 1.2 Customs/statistical product classification

On January 1, 1988, the Harmonised Commodity Description System (HS), developed by the World Customs Organisation (WCO), was introduced to harmonise the trading classification systems used world-wide. The system comprises about 5,000 commodity groups, each identified by a six-digit code. More than 179 countries use the system as a basis for their Customs tariffs and for the collection of international trade statistics. After the six-digit code, countries are free to use further subheadings.

Within the Harmonised Commodity Description System (HS), essential oils are classified under the four-digit HS code 3301, which comprises essential oils as well as resinoids and extracted oleoresins. The box below lists the six-digit HS codes for the essential oils falling under 3301. Under the eight-digit HS codes, the respective essential oils are further specified under either terpenic (containing hydrocarbons) or terpeneless (hydrocarbons have been removed) essential oils.

**Table 1-1 HS codes for essential oils**

HS CLASSIFICATION OF ESSENTIAL OILS	
HS code	Product description
	<b>essential oils of citrus fruit</b>
3301 11	bergamot oil
3301 12	orange
3301 13	lemon
3301 14	lime
3301 19	other citrus fruits
	<b>essential oils other than those of citrus fruit</b>
3301 21	Geranium
3301 22	Jasmine
3301 23	Lavender
3301 24	Peppermint
3301 25	other mints
3301 26	Vetiver
3301 29	other essential oils

Essential oil of *Lippia alba* does not have its own HS code, but is falls under the generic HS code 3301 29, under which essential oils, not specified elsewhere, are classified. This means that no specific statistics regarding the imported and exported values and volumes of *Lippia alba* essential oil are available.

**Table 1-2 HS classification of *Lippia alba* essential oil**

<b>HS code</b>	<b>Product description</b>
3301 29	essential oils, whether or not terpeneless, incl. concretes and absolutes (excl. those of citrus fruit, geranium, jasmine, lavender, lavandine, mint and vetiver)

## 2 Market Characteristics

### 2.1 Market segments

The type of essential oil and the quality of the oil determine in what kind of final product essential oils are processed. Essential oils are used as basic raw materials in flavouring. They are used in the preparation of food products and beverages, pharmaceutical / medicinal preparations, as well as personal care and household products (such as cosmetics, toiletries, and cleaning preparations). New food and beverage products require strong flavour demand, for instance in fashionable drinks. In the pharmaceutical and cosmetic industry, there is a growing interest in a multiple of different, often very specific essential oils and extracts from plants and seed, most of them of tropical origin. Essential oils are also used in medicinal products to add taste or smell or to suppress the less desirable medicated flavour.

The box below gives an overview of the utilisation of essential oils in the three different major end-user markets in the EU.

**Table 2-1 Overview of the three different major end-user markets in the EU for essential oils**

Sectors	Segments	Essential oils
Cosmetic industry	Personal care Soap and detergent Dental care	<ul style="list-style-type: none"> <li>▪ Lemon</li> <li>▪ Peppermint</li> <li>▪ Orange</li> <li>▪ Patchouli</li> <li>▪ Rosewood</li> <li>▪ Mint</li> <li>▪ Spice</li> <li>▪ Eucalyptus and derivatives</li> </ul>
Food industry	Soft drink Confectionery Tobacco Candy Processed and canned food products	<ul style="list-style-type: none"> <li>▪ Citrus</li> <li>▪ Spice oleoresins</li> <li>▪ Vanilla</li> <li>▪ Flavour and floral oils</li> <li>▪ Oleoresins</li> </ul>
Pharmaceutical industry	Homeopathy Health care products Aromatherapy	<ul style="list-style-type: none"> <li>▪ Orange</li> <li>▪ Citrus</li> <li>▪ Patchouli</li> <li>▪ Lavender</li> <li>▪ Geranium</li> </ul>

### 2.2 Imports of essential oils in the European Union

The trade data for essential oils provided by Eurostat do not make a distinction of essential oils used in the cosmetic, pharmaceutical and food industries. Instead, the data described in the underlying section refer to essential oils used in all kinds of industries.

In 2003, total imports of essential oil by the original 15 EU member states amounted to € 490 million, which represented a decrease of 13 percent compared to the preceding year. After a continuous upward trend in the past years, imports of essential oils stagnated in 2003.

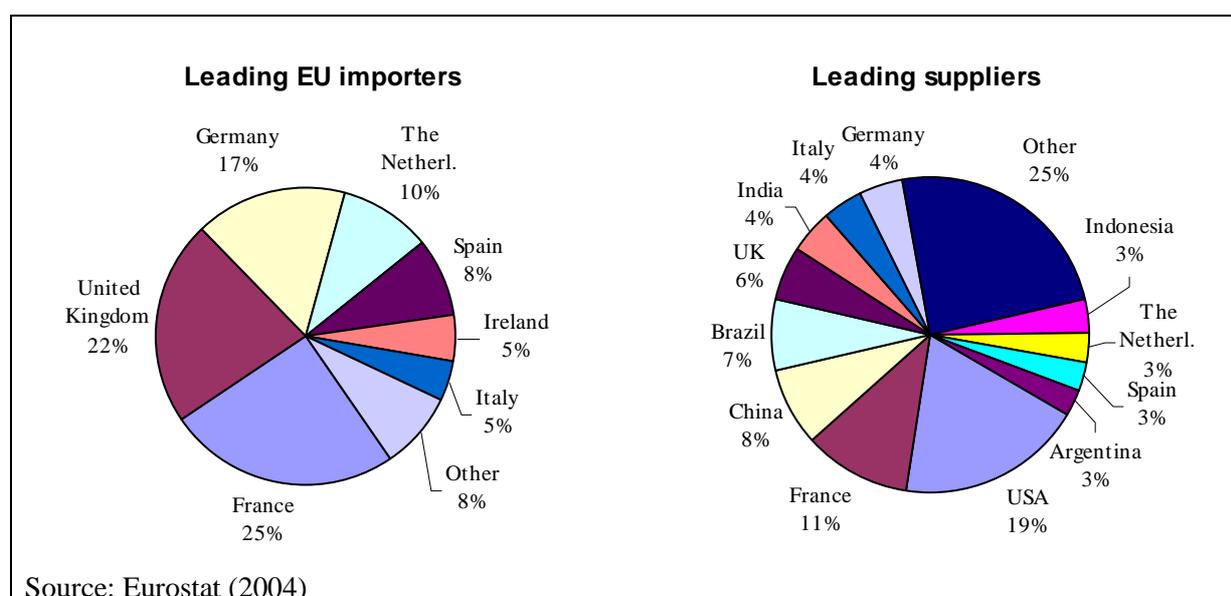
Essential oils other than those of citrus fruit (HS code 330129), under which *Lippia alba* essential oil is classified, were the leading product group imported by EU member countries. Other important essential oils in the EU are oils of oranges, peppermint and lemon. Particularly the imports of orange oil increased tremendously and continuously in the past few years, reaching € 60 million in 2003.

**Table 2-2 Imports of essential oils by the original 15 EU member states, 1999-2003, € million**

HS code	Essential oil	1999	2000	2001	2002	2003
<b>3301</b>	<b>Total essential oils</b>	<b>469.2</b>	<b>490.8</b>	<b>527.4</b>	<b>565.8</b>	<b>489.7</b>
3301 29	Other essential oils	227.5	243.1	262.9	278.3	230.3
3301 12	Orange oil	23.9	31.1	34.2	49.2	59.7
3301 24	Peppermint oil	61.6	63.5	70.5	69.0	55.2
3301 13	Lemon oil	47.8	38.8	44.7	52.5	36.1
3301 25	Other mint oil	29.7	29.5	30.3	31.0	26.8
3301 19	Other citrus fruit oil	19.4	22.6	21.9	21.7	18.5
3301 14	Lime oil	14.6	13.4	17.0	16.2	18.2
3301 23	Lavender oil	16.0	16.3	15.7	16.5	16.0
3301 11	Bergamot oil	12.8	12.6	11.5	11.0	10.3
3301 21	Geranium oil	7.3	9.3	8.0	9.4	8.4
3301 26	Vetiver oil	4.3	4.7	4.1	5.2	5.2
3301 22	Jasmine oil	4.3	6.0	6.4	5.7	5.1

Source: Eurostat (2003/2004)

France and the UK are the leading EU importers of essential oils, together accounting for almost half of the total EU import value in 2003. France has traditionally been at the centre of the European trade in high-grade perfumery compounds. Marseille, Bordeaux and Paris have long been major trading centres for essential oils. Grasse, a city situated in the South of France, is well known for its perfumery industry and for the production of high-grade essential oils derived from locally grown flowers. The perfume compounds produced in Grasse are generally regarded as the best available in the world.

**Figure 2-1 Leading EU importers and leading suppliers to the EU of essential oils**

Source: Eurostat (2004)

The UK is also a major trader of essential oils, accommodating a number of big processing companies that export large volumes of reprocessed oils and compounded formulations to overseas subsidiaries or to independent end-product manufacturers.

Some of the world's largest essential oils traders are based in Hamburg, making the city an important transit port for essential oils. In 2003, Germany imported € 81 million worth of essential oils, making it the third leading EU importer of essential oils. Other major EU importers are The Netherlands (10% of total EU import value) and Spain (8%).

A large part of the essential oils imported in one EU member country is re-exported to another EU member country. This is particularly the case in The Netherlands, which controls the EU import through the ports of Rotterdam and Amsterdam.

Compared to the original 15 EU member countries, essential oil trade of the ten new EU member state (NMS) is relatively minor. In 2003 the NMS together imported € 6.5 million worth of essential oils, which is less than 2 percent of the total value imported by the original 15 EU member states in the same year. More than half of the total NMS import value in 2003 consisted of the group 'Other essential oil' under which also the *Lippia alba* essential oil falls.

Among the NMS, Poland, the Czech Republic, Slovenia and Hungary are by far the leading importers, together accounting for almost 90 percent of the total value.

**Table 2-3 Imports of essential oils by the 10 new EU member states (NMS), 2003, € thousand**

HS code	Essential oil	Total NMS	Poland	Czech Rep	Slovenia	Hungary	Other NMS
<b>3301</b>	<b>Total essential oils</b>	<b>6,484</b>	<b>2,132</b>	<b>1,671</b>	<b>926</b>	<b>885</b>	<b>869</b>
3301 29	Other essential oils	<b>3,418</b>	1,073	1,064	536	178	567
3301 13	Lemon oil	<b>694</b>	303	61	125	108	96
3301 24	Peppermint oil	<b>548</b>	144	135	17	204	48
3301 12	Orange oil	<b>521</b>	218	57	147	67	33
3301 19	Other citrus fruit oil	<b>415</b>	29	214	55	67	49
3301 23	Lavender oil	<b>355</b>	31	55	17	215	37
3301 25	Other mint oil	<b>325</b>	205	42	19	39	20
3301 11	Bergamot oil	<b>82.4</b>	56.1	11.2	1.4	5.0	8.7
3301 14	Lime oil	<b>72.7</b>	45.5	26.0	0.6	0.0	0.6
3301 21	Geranium oil	<b>35.1</b>	24.0	2.9	4.0	0.0	4.2
3301 22	Jasmine oil	<b>10.8</b>	3.2	0.5	3.4	0.0	3.7
3301 26	Vetiver oil	<b>6.5</b>	0.8	1.7	0.3	1.7	2.0

Source: Eurostat (2004)

### 2.3 Exports of essential oils in the European Union

In 2003, the original 15 EU member countries together exported a total of € 373 million of essential oils. In the period 2001-2003, total exports remained relatively stable, although on the product level the exports of most essential oils fluctuated considerably. For example, the exports of orange oil increased considerably, while lemon oil exports changed in quite the opposite direction. As already mentioned, the data provided below refer to essential oils used in all kinds of industries.

**Table 2-4 Exports of essential oils by the original 15 EU member states, 1999-2003, € million**

HS code	Essential oil	1999	2000	2001	2002	2003
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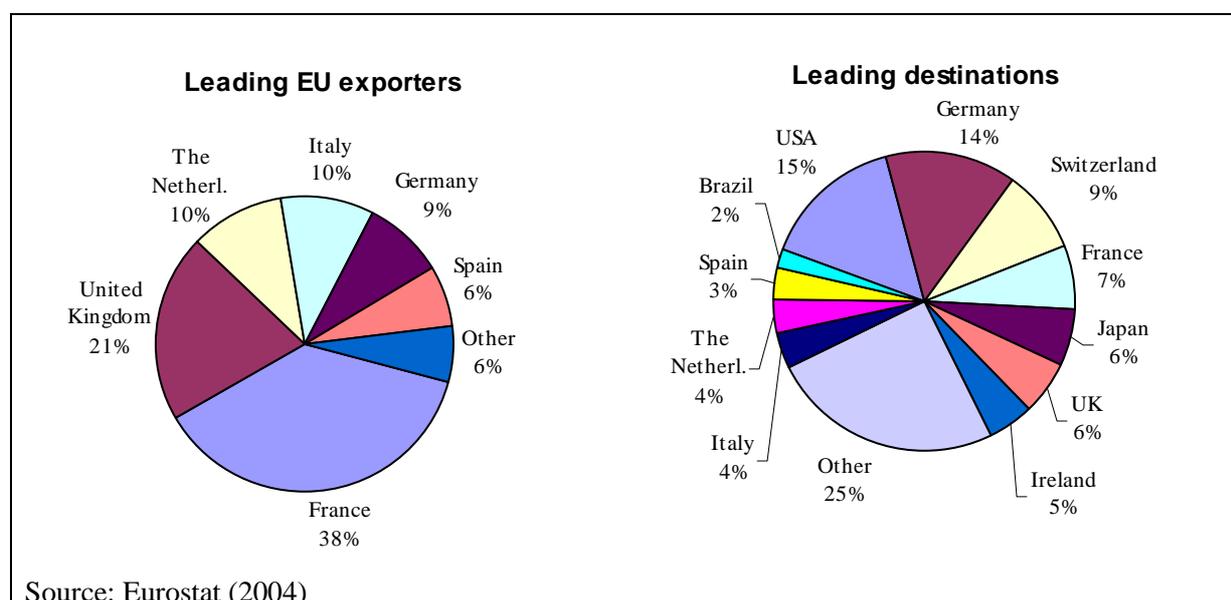
<b>3301</b>	<b>Total essential oils</b>	<b>351.2</b>	<b>358.7</b>	<b>373.8</b>	<b>374.7</b>	<b>373.2</b>
3301 29	Other essential oils	177.1	180.3	188.0	188.3	177.8
3301 12	Orange oil	16.9	21.7	25.0	36.4	43.3
3301 13	Lemon oil	38.5	38.5	44.0	35.5	34.6
3301 23	Lavender oil	30.3	26.0	24.3	26.8	24.7
3301 11	Bergamot oil	17.9	19.0	18.4	16.0	24.4
3301 19	Other citrus fruit oil	24.2	25.9	24.1	21.8	21.9
3301 14	Lime oil	9.0	8.4	9.7	11.1	12.7
3301 24	Peppermint oil	16.9	18.9	19.3	18.3	12.4
3301 25	Other mint oil	11.6	11.7	11.3	10.5	11.7
3301 21	Geranium oil	5.5	5.3	5.6	5.0	4.1
3301 22	Jasmine oil	1.4	1.5	2.5	2.7	3.8
3301 26	Vetiver oil	1.8	1.5	1.7	2.2	1.7

Source: Eurostat (2003/2004)

Besides being the leading EU importer of essential oils, France is also the leading EU exporter of essential oils, accounting for about 40 percent of total EU exports. The United Kingdom is the second leading EU exporter, accounting for more than 20 percent of the total EU export value.

More than half of the total EU exports value was directed to other EU member states, notably Germany, France and the UK. A substantial amount of the exports is also exported to the USA.

**Figure 2-2 Leading EU exporters and leading destinations of essential oils, % of the total export value in 2003**



Exports of essential oils by the ten new member states are quite insignificant. In 2003, the NMS together exported less than € 3.5 million of essential oils, of which 75 percent exported by only Hungary. About 95 percent of the total NMS exports consisted of essential oils falling under HS code 330129 'other essential oils other than of citrus fruit.'

**Table 2-5 Exports of essential oils by the NMS, 2003, € thousand**

<b>Total new EU member states</b>	<b>3,445</b>	Hungary	2,552	Slovakia	24
		Slovenia	381	Lithuania	2
		Czech Rep.	206	Latvia	0.1

	Poland	201	Estonia	0.1
	Cyprus	79	Malta	0.0

Source: Eurostat (2004)

### 3 Consumption patterns and trends

Consumption of natural flavourings and fragrances continues to grow despite an increasing market share of synthetic substitutes which offer significant advantages, such as lower production costs, stable pricing and regular supply. Reasons for the persisting upward trend in the consumption of essential oils are:

- Not all essential oils can be satisfactorily replaced by synthetic substitutes (e.g. clove oils);
- Some essential oils are available at such low prices that the investment in their synthetic manufacture would not be worthwhile; and
- There is a growing tendency on the part of the consumer to prefer the use of 'natural' ingredients in the composition of a product.

The demand for essential oils is influenced by several factors:

- **Fashion:** Fashion and the emphasis on maintaining a youthful appearance, due partly to the growing life expectancy of consumers, particularly in developed countries, bring about a higher demand for essential oils used in the cosmetic industry.
- **Homeopathy / aromatherapy:** Over the past decade, the use of essential oils in alternative medicines and therapies such as homeopathy and aromatherapy has developed considerably contributing to increased demand for essential oils, including relatively unknown essential oils like the *Lippia alba* essential oil. Aromatherapy is the use of essential oils, obtained from plants, to promote balance and harmony between mind and body. It can be used in a variety of different ways: massage, bath, shower, inhalation, burner, perfume, lotion etc.
- **Health food:** European consumers have a strongly increased interest in a healthy life-style and, consequently, in the consumption of health food. Health food refers to food products, which are low in fat and have limited sugar and salt content; this includes functional foods, which have specific health-promoting properties and food products with added vitamins and minerals or bacteria supporting the intestinal function. To offset diminished palatability, essential oils can be used in food containing less saturated fats, calories, sugars, or salt.
- **Organic food:** Since European consumers have recently experienced several food scares, many people are concerned about the safety of food, as well as the effects of intensive farming on the countryside and on the environment in general. These factors, combined with the increasing awareness of the importance of diet and nutrition, have intensified interest in organic foods, which are grown according to principles laid down in Directive EC 2092/91.
- **Nature-identical oils:** Perfumers and flavour technicians are being forced to reduce the costs of their formulations. Cheaper ingredients such as nature-identical oils or flavours of synthetic origin are seen as a substitute for expensive essential oils.
- **Personal care and detergent industry:** the demand for essential oils is positively influenced by the demand for fragrances in personal care and detergent products. The European consumer increasingly favours a nice or fresh smell in these products.

#### 3.1 Food market

The food and drink producing industry is of paramount importance for the economy of the European Union, since it uses huge amounts of food ingredients. The total EU output of the food and drink industry amounted to € 626 billion in 2001. The so-called 'various food products,' the meat industry, the beverage industry and the dairy industry are the four main food and drink sectors. France is the biggest producer of the first two while Germany and the United Kingdom respectively dominate the

other two. Bakery, pastry, chocolate and confectionery products represent more than half the production value in the 'other foodstuffs' category.

**Table 3-1 Production in the food and drink industry in the EU, 1998-2001, in € billion**

Sector	1998	2001	+/-
Various food products <sup>1</sup>	134	163	+22%
Processed meat	102	126	+24%
Beverages	93	98	+5%
Dairy products	88	96	+9%
Animal feed	35	40	+14%
Processed fruit & vegetables	32	36	+13%
Flour & starch products	20	27	+35%
Oils & fats	29	25	-14%
Fish products	12	15	+25%
<b>Total EU</b>	<b>545</b>	<b>626</b>	<b>+15%</b>

<sup>1</sup>Including bakery, pastry, chocolate, confectionery products, which together account for more than half of the production of this category.

Source: CIAA (Confederation of EU Food and Drink Industry) (2003)

The use of essential oil within the food industry has steadily increased over the past few years and this appears to be a promising sector for demand growth. There are varying estimates on the fragrance and flavour industry. According to the Dutch Association of fragrance and flavour producers, global sales for 2004 are estimated at some € 11 billion, while other sources give estimations of about € 15 billion. The main essential oils used are of citrus fruit, mint and clove. New food and beverage products ask for strong flavour demand, for instance in fashionable drinks.

### 3.2 Cosmetic market

No specific figures are available concerning the industrial demand for essential oils in the EU cosmetic industry. The production figures of the EU companies manufacturing the end-product can, however, be used to give an indication of the demand for essential oils in the EU.

**Table 3-2 World's Top-20 Beauty Companies, 2003, in € billion**

Company	revenues	Company	revenues
1. L'Oreal	9.9	11. Kao Corporation	1.8
2. Procter and Gamble	7.5	12. Limited Brands	1.7
3. Unilever	5.0	13. Kanebo	1.7
4. Shiseido	3.6	14. Colgate-Palmolive	1.7
5. Estee Lauder Cos.	3.5	15. LVMH	1.5
6. Avon Products	2.9	16. Henkel	1.4
7. Johnson & Johnson	2.7	17. Boots	1.4
8. Beiersdorf	2.4	18. Coty	1.3
9. Wella	2.3	19. Revlon	1.1
10. Alberto Culver	1.9	20. Mary Kay Inc.	1.1

Source: WWD Beauty 100 (2003)

According to a survey by Euromonitor, the global market for cosmetics and toiletries in 2002 was valued at € 201 billion, indicating an increase of 4.8% compared to 2001. Western Europe represents a massive share of over 31% of the global cosmetics and toiletries market. Spain, Portugal and Ireland were the most dynamic countries in the period reviewed. North America takes a close second place, with almost 25% of total global sales and saw the slowest growth in 2002. At 23% in 2003, the Asia Pacific regional share comes in third. Latin America sits in fourth place with a 9.3% global share and experienced the fastest growth, thanks to the stabilisation of some key economies. The rest of the

world represents 12% of the global market. Eastern Europe is one of the fastest growing markets, with rising levels of disposable income among consumers.

In 2003, the West European market for cosmetic and toiletry products continued its upward momentum. The growth rate of 3.5% corresponding to € 58 billion retail sales prices was recorded as being slower than the 4.8% in 2000, but almost equivalent to the 3.6% of 2002. However, the increase in the cosmetics market in 2003 was higher than the growth rate of the gross domestic product for Western Europe (1%).

The EU is not only an important consumer of cosmetic products, but also the world's largest producer of cosmetic products, with the USA and Japan following at a distance. The main EU producers are multinational companies like Unilever (The Netherlands/UK), L'Oreal (France), Wella (Germany), Sanofi (France), and Beiersdorf (Germany). Many of them operate across a wide spectrum, being involved in other sectors such as pharmaceuticals, chemicals, food or household products.

The principal market drivers were: growing consumer concerns about health, a sense of well-being and looking good. Men's grooming products were a particular beneficiary of this trend. Older consumers were also mentioned as a core target group, many of who are increasingly affluent and keen to spend more on maintaining a youthful appearance. Other trends include interest in "natural", spa-at-home and detox products as people look for ways to feel good about themselves and escape from the stresses of everyday living.

Natural personal-care products accounted for € 2.1 billion in the 1997 global personal-care market. More recent figures are not available, but it is clear that since then this market has grown rapidly, by an estimated average annual growth of 8-25%. In contrast, the mainstream, largely synthetic or petrochemical ingredient-based market segment of this industry on average increases by 3-10%. Growth in the natural personal care and cosmetics market is global. For example, in South East Asia, several local manufacturers have successfully introduced new products with plant extracts like cucumber, apricot, ginseng, iris, and aloe, and are marketing brands in competition with overseas companies like the Body Shop.

The number of small and large companies entering the market of natural products is on the rise, and during the last few years, there has been a massive entry into this arena by the large mainstream manufacturers.

An important trend in this segment is the increasing consumer sophistication and interest in all things natural. Consumers are calling, across sectors, for healthier and more natural products. Increased consumer sophistication and awareness of ingredients, performance and health benefits are changing the personal care and cosmetics industry. The trend is turning away from products that superficially enhance beauty but have no biological effect, to 'therapeutic' products so-called cosmeceuticals that might, for example, repair damaged tissues, smooth, protect from the sun, and moisturise. This has led to increased use of new, active ingredients, including natural products with defined constituents and specific biological effect.

### **3.3 Pharmaceutical market**

The use of essential oils in alternative medicines and therapies such as homeopathy and aromatherapy has gained considerably popularity among EU consumers. The pharmaceutical market is strongly dominated and controlled by large pharmaceutical companies. Exporters in developing countries will find more opportunities in the trade of ingredients with known properties and activity, which are not patented and which can be traded freely. The herbal medicine market, which is more interesting for exporters, is discussed separately.

Please note that the data provided below originate from several sources, most using different definitions for pharmaceuticals, medicines, etc.

IMS data (covering 90% of total pharmaceutical global sales) show that audited global pharmaceutical sales increased by 9 percent in 2003, reaching € 350 billion. The global pharmaceutical industry continued to grow at a solid pace in 2003, despite difficult economic conditions and continued pressure on the sector from regulators and the media. The United States continues to generate the highest growth, while Europe and Asia show solid sales results. The pace of growth in Japan has accelerated. While in 2002 sales in Latin America slumped 10 percent, in 2003 the market shows improvement. The Chinese market continues to grow significantly and represents an important strategic market for the pharmaceutical industry.

Despite economic challenges in the world's leading markets and a lower-than-normal number of new product introductions, the global pharmaceutical industry experienced solid growth in 2002. Generic drug sales strengthened in North America and Western Europe due to several patent expiries, while the Japanese market continued to show nearly flat growth. Ageing populations and the ongoing demand for innovative therapies are expected to effectively sustain pharmaceutical growth in 2004 and beyond.

**Table 3-3 Global pharmaceutical sales by region, 2003**

World Audited Market	Sales (€ billion)	Global sales	Growth
North America	229.5	49%	+11%
European Union (EU-15)	115.4	25%	+8%
Rest of Europe	14.3	3%	+14%
Japan	52.4	11%	+3%
Asia, Africa and Australia	37.3	8%	+12%
Latin America	17.4	4%	+6%
<b>TOTAL</b>	<b>466.3</b>	<b>100%</b>	<b>+9%</b>

Source: IMS (2004)

The pharmaceutical market is increasingly globally in scope. Previously, companies might launch a number of products in one or two of the three major markets (USA, Europe and Japan). Today, in order to derive a satisfactory return on R&D, pharmaceutical companies generally launch products in all three markets.

Table 3-4 shows expenditures on pharmaceuticals in the main European markets. Expenditures pharmaceutical products are highest in Germany, followed by France. The main markets among the new member states are Poland, Hungary and the Czech Republic with expenditure of € 4,110 million, € 1,700 million and € 1,307 million respectively.

**Table 3-4 Expenditures in the pharmaceutical sector of the main EU markets,**

Country	2001	2002	2003
Germany	30,670	33,287	34,106
France	22,944	23,397	24,408
Italy	17,375	17,851	18,203
Spain	10,512	11,087	12,355
United Kingdom	8,976	10,947	11,465
Netherlands	4,287	4,700	4,985
Belgium	3,262	3,456	3,566
Austria	2,833	3,128	3,347

Source: AESGP (2004)

A particularly important trend within this segment is that Western consumers increasingly seek an alternative or complement to pharmaceutical drugs and modern healthcare, resulting in a growing

demand for 'natural' medicines and herbal remedies. This creates new opportunities for niche products like the *Lippia alba* essential oil, which can not only be used in aromatherapy and the cosmetic industry, but also has health-improving and curing features (see Chapter 2).

- Please check [http://www.wsmi.org/member\\_europe.htm](http://www.wsmi.org/member_europe.htm) for addresses and names of national self medication.
- For more information on other markets, for example those of the new EU member countries, please refer to [www.euromonitor.com](http://www.euromonitor.com) industry associations.

## 4 Production

According to FAO, world production of essential oils was estimated at 28.2 million tonnes in 2003. Within the EU, only Greece was recorded to produce some essential oils, amounting to 278 thousand tonnes in 2003. Although not recorded by FAOSTAT, production of essential oils does take place in other EU member states, notably in France.

Developing countries, where the raw materials are grown, command a dominant position in the global production, of which they account for 85 percent. Particularly China, Iran and Lebanon are strong in this respect. The competition with industrialised countries, however, remains very strong. Industrialised countries remain in a dominant position where high yields and full mechanisation make cultivation competitive with countries, which rely on low labour costs.

**Table 4-1 Production of essential oils, 2001-2003, in 1,000 tonnes**

	1999	2000	2001	2002	2003
<b>World</b>	<b>22,166</b>	<b>25,177</b>	<b>28,277</b>	<b>28,209</b>	<b>28,181</b>
• China	15,119	16,138	16,150	16,650	16,650
• Iran	50	2,000	5,000	5,000	5,000
• USA	4,530	4,140	4,140	3,970	3,950
• Lebanon	1,628	2,074	2,062	1,631	1,647
• Greece	232	210	270	301	278
• Guatemala	215	230	245	250	250
• Côte d'Ivoire	180	180	210	210	210
• Guinea	113	110	110	110	110
• Comoros	51	46	43	43	43
• Samoa	39	39	39	39	39
• Réunion	9	9	8	4	4

Source: FAO (2004)

In Europe, essential oils are produced from around 2,000 plants, many of them supplied by developing countries with a tropical climate. Lavender and peppermint are among the most popular. Production is particularly successful in the Mediterranean countries of Greece, France and Italy, although production also takes place on a smaller scale in other EU member countries. Due to climatic restrictions, no production of the *Lippia alba* plant takes within the EU.

On a global scale, the 18 most important species represent nearly 75 percent of the total production value. The concentration in terms of tonnage is even higher, as there is a trade in small volumes of products with high unit values (e.g. rose, jasmine, and vetiver).

### 4.1 Cultivation of *Lippia alba*

Agricultural researches conducted in the Parana and São Paulo states in Brazil showed important characteristics to the cultivation and development of the *Lippia alba* plant. Plant propagation is vegetative, using stem cutting about 20-25 cm long and 0.5 cm diameter. The planting in certain areas should be done about 40 days after the preparation of the stem cuttings. Plant spacing depends on the variety used. The recommended fertilisation is 4 kg/ha of organic manure. The foliar biomass yields are about 5 ton/ha in four harvests during one year. The yield of essential oil is about 0.3 to 0.4 percent. Studies on harvesting seasons showed that, in the summer, the leaves at the base section of the

stems produced more essential oil than leaves from the apical section. The first harvest can be done four months after planting.

## 4.2 Harvesting of essential oils

Raw materials are cultivated and can increase substantially. Correct harvesting is very important. The essential oil content varies considerably during the development of the plant. If the plant is harvested at the wrong time, the oil yield can be severely reduced.

The oil is usually contained in oil glands, veins or hairs which are often very fragile. Handling will break these structures and release the oils. This is the reason a strong smell is given off when these plants are handled, so these plants have to be handled very carefully to prevent valuable oils being lost.

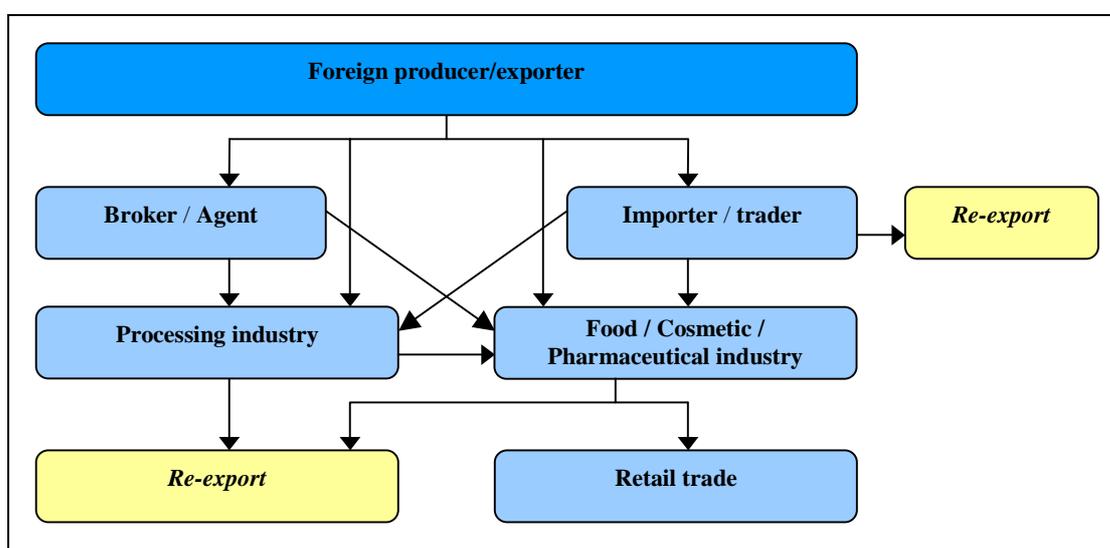
<b>The three methods of distillation are:</b>	
☞ <b>Water distillation</b>	This is the simplest and usually cheapest distillation method. The plant material is immersed in water and boiled. The steam and oil vapour is condensed and the oil is separated from the water. This method is suitable for flower blossoms and finely powdered plant material. This method of water distillation is also used to obtain the respective <i>Lippia alba</i> essential oil.
☞ <b>Water and steam distillation</b>	This is the same as the water distillation, except that the plant material is not immersed in water but held above the boiling water on a grid. This method is somewhat more expensive than water distillation but better for herb and leaf material. Moreover, the plant material does not need to be finely chopped or powdered.
☞ <b>Steam distillation</b>	This method uses dry steam to vaporise and extract the oil. This is more expensive than the other methods. It is particularly suitable for plant materials with high boiling point oils and can be used for the production of most oils. The rate of distillation and yield of oil are high and the quality of the oil is good. Steam distillation is used by commercial ventures seeking to process large quantities of essential oils economically.

## 5 Trade Structure

This chapter discusses the trade structure of essential oils used in the cosmetic, food and pharmaceutical industries. It does not make a distinction between the different end-uses of the oils.

The major part of the essential oils used in the EU is imported from abroad. The sale of essential oils can be affected by means of several trade channels as indicated by Figure 5-1. The selection of a trade channel and a trade partner depends on the product and on the services to be delivered by the trade partner. By selecting one specific channel, other channels are often automatically included. It is important that the exporter is aware of the different channels in the market. Some producers will bargain directly with the major end users. Other producers will sell by means of independent traders (importers) or through sales agents (importers) or through sales agents.

**Figure 5-1 Distribution channels for essential oils**



Four major types of business partner can be distinguished for exporters of essential oils:

### Agents

Agents are intermediaries executing the buying and selling orders of a customer against a commission. The products do not pass physically through the agents' hands or even through their countries of operation. The customer of an agent can be a processing manufacturer, importer or end-product manufacturer. Agents are usually extremely well informed about the current market trends, prices and users.

### Importers

Importers buy and sell on their own account mainly to the processing houses and end-product manufacturers. Importers take 'long' or 'short' positions in the market depending on their expectations of future price trends. If an importer sells 'short', he is contracting to sell products, which he does not yet possess, while taking a 'long' position means that he has unsold products in his trading account.

### Processing industry (processing importer)

Processing manufacturers/processing importers buy raw materials and half-fabricates to process them further, with the goal of selling these to the end-product manufacturers. For example, essential oils are used by flavour compound houses which create fragrance formulae for further use in a variety of industries. The processing manufacturers purchase essential oils directly, from importers, or through the services of an agent. However, they mainly order directly from the country of origin. Multinational flavour houses are also supplied with essential oils by their own production of synthetic essential oils.

### **End-product manufacturers**

Some end-product manufacturers, like the Body Shop and Yves Rocher, who need large quantities of essential oils (on a regular basis) purchase their products directly from producers abroad. However, most end-product manufacturers prefer to use importers or agents, as the latter offer a reference situated within their own country. Imported essential oils needing further processing before use in the end product are either bought from the processing industry/processing importers or processed by the end-product manufacturer himself.

The trade structure shown in Figure 5-1 changes constantly, therefore, the distribution channels and the specific functions mentioned are not as clear-cut as they suggested. About 60 to 80 percent of the essential oil trade takes place directly from producers/exporters to the processing importers, e.g. multinational flavour houses. An advantage of processing importers is that they can create a total flavour composition and give excellent services. This can bring about co-operation with the end-product manufacturers in the food industry.

As already stated, some of the end-product manufacturers, who need large quantities of essential oils, purchase the essential oils directly from the producer. Their senior purchasing staff frequently travels to negotiate direct agreements with producers/exporters. However, most end-product manufacturers do not often purchase essential oils directly from the producer so as to avoid the risks of deliveries of the wrong quantity or/and of bad quality. Critically, if end-users are unable to produce, owing to not being supplied with the right quantity or quality of oils, their image may be affected. Another advantage of not purchasing directly is the possibility of ordering smaller quantities.

International trade for the big bulk essential oils (like citrus) takes place on a large scale. Shipments may be diverted to neighbouring countries, and there is substantial re-export business. Most of the EU leading traders supply several countries. The re-exports are important as they can reduce the effect of supply irregularities and domestic imbalances in supply and demand, caused by vagaries of climate, crop disease, inadvertent over-stocking or unexpected peaks in demand.

However, it should be noted that the companies, which trade in big bulk essential oils, are often not the most suitable business partners for such specialty essential oils like *Lippia alba* essential oil. Companies that offer the best opportunities for exporters of non-bulk essential oils are mostly the smaller or medium-sized companies. Exporters have to consider that several hundreds of this type of companies are active in Europe. The initial step of finding a suitable business therefore depends for a large part on simply starting to contact a large number of potentially interesting companies to make a first selection.

Most EU importers have a website, where interested parties can find more information on the field in which these importers are active. Besides websites of respective companies, the cosmetic suppliers' guide ([www.cosmeticsbusiness.com](http://www.cosmeticsbusiness.com)) and Europages ([www.europages.com](http://www.europages.com)) are other good sources for finding contact details and information on the activities of importers.

The site [www.ingridnet.com](http://www.ingridnet.com) is a marketing instrument for companies supplying ingredients. The database includes contact details of 10,000 ingredient suppliers and is used by the food, cosmetic and pharmaceutical industries to source ingredients.

#### **Information:**

- ① <http://www.green-tradenet.de>
- ① <http://www.greentrade.net>
- ① <http://www.cosmeticsbusiness.com>
- ① <http://www.europages.com>
- ① <http://www.ingridnet.com>

## 6 Market Access

When exporting *Lippia alba* essential oil to the European Union, exporters will have to meet with several requirements which are either laid down by the government or industry itself. It is very important that legislative requirements (i.e. product legislation) in the EU are taken into account. As can be used in the cosmetic, food as well as the pharmaceutical industry, specific requirements of these industries are discussed.

### 6.1 Legal requirements

#### 6.1.1 All industries

##### **CITES**

Known as CITES, the Convention on International Trade in Endangered Species of Wild Fauna and Flora, entered into force on 1 July 1975 and now has a membership of 160 countries. These countries act by banning commercial international trade in an agreed list of endangered species (including plants) and by regulating and monitoring trade in others, which might become endangered.

More than 230 medicinal plants species have been added to CITES appendices. Under this listing, commercial trade is permissible, provided specimens of listed species are legally harvested without detriment to wild populations, and valid CITES documentation is obtained prior to shipping.

At the moment, *Lippia alba* is not listed as one of the species that is controlled by CITES regulation.

For up-to-date information on species included in CITES Appendix I and II, please refer to:

① <http://www.cites.org>

##### **REACH**

The central instrument of the new European chemicals policy is to be the REACH system, which will apply to both existing and new substances. Under REACH, which is now under consideration by the EU Parliament and Council, enterprises that manufacture or import more than one tonne of a chemical substance per year would be required to register it in a central database. REACH – Registration, Evaluation and Authorisation of Chemicals – would furthermore give greater responsibility to industry, to manage the risks from chemicals and to provide users in the supply chain with safety information on the substances. During the period of consideration from 2004 until implementation in 2006, different preparatory actions will take place to allow for immediate implementation when it enters into force.

The system imposes on parties involved in both the trade and industry obligations to provide proof and documentation in order to improve safety for both humans and the environment in connection with the handling of chemicals. Some importers indicated that it is expected that REACH will impose a heavy burden on producers of essential oils. REACH also has influence on the desirability of introducing new ingredients for cosmetics and food industries, like *Lippia alba* essential oil, as they have greater responsibility for the entire supply chain. Hence, for exporters of *Lippia alba* essential oil, it is important to stay well informed on the developments concerning REACH.

The New Chemicals Legislation - REACH:

① <http://www.europa.eu.int/comm/enterprise/chemicals/chempol/whitepaper/reach.htm>

#### 6.1.2 Cosmetic industry

EU product legislation on environmental and consumer health and safety issues is compulsory and, therefore, of utmost importance. Cosmetic ingredients have to comply with several legal EU requirements on safety, marketing and Good Manufacturing Practices.

### ***Cosmetics Directive 76/768/EEC***

The leading legislation determining access to the EU is laid down in Directive 76/768/EEC. The Cosmetic Directive indicates:

- which substances are not allowed in cosmetic products;
- which substances are allowed in cosmetic products up to pre-specified limits and conditions;
- which colorants are exclusively allowed in certain applications in cosmetics;
- which preservatives are exclusively allowed in cosmetics.

Since 1997, cosmetic manufacturers have been under the obligation to hold product information dossiers for all their products, containing the following information:

- the qualitative and quantitative composition of the product;
- the physico-chemical and micro-biological specifications of the raw materials and the finished product, and the purity and microbiological criteria of the cosmetic product;
- the method of manufacture, which must comply with the Good Manufacturing Practices (GMP);
- an assessment of the safety for human health of the finished product; to that end, the manufacturer shall take into consideration the general toxicological profile of the ingredient, its chemical structure and its level of exposure;
- the name and address of the qualified person(s) responsible for the safety assessment;
- existing data on undesirable effects on human health resulting from the use of the cosmetic product;
- proof of the effect claimed for the cosmetic product, where justified by the nature of the effect or of the product.

Please refer to the following websites for more detailed information:

① <http://pharmacos.eudra.org/F3/home.html> (EU Cosmetics Directive)

### ***INCI***

As *Lippia alba* essential oil is also used as a cosmetic ingredient, it is interesting to look at the International Nomenclature Cosmetic Ingredients (INCI), which refers to the common nomenclature for labelling ingredients on the packaging of cosmetic ingredients, which is used by the European Cosmetic Toiletry and Perfumery Association (Colipa).

An INCI name may covers several chemical entities. Assignment of an INCI Name is for cosmetic product ingredient identification purposes only, and does not indicate that the ingredient is safe for any particular use and neither that the use of the substance as a cosmetic ingredient complies with the laws and regulations governing such use in the United States of America or any other country (CTFA, 2004). Before exporting your ingredient, it is important to register it under an INCI name.

*Lippia alba* essential oil is not yet listed in the INCI inventory. In the case of novel ingredients, which are not regulated under the Cosmetics Directive, the responsibility for the safety of the resulting product lies with the cosmetics manufacturer. In order to assess the safety of such ingredients and have them regulated under the Cosmetics Directive, safety files are prepared by the cosmetics industry and submitted to the Scientific Committee on Cosmetology (SCC, the advisory body of the European Commission), via The European Cosmetic Toiletry and Perfumery Association Colipa. The SCC consists of qualified persons in the different EU member states.

Once a proposal has been accepted by SCC, the European Commission publishes the modification to the Cosmetics Directive in the Official Journal of the European Communities. The member states of the European Union have to implement the modification in their national laws. It is only after publication in the Official Journal of each member state that the substance in question will be permitted to be utilised, according to the conditions laid down in the Directive.

For further information about INCI or for details on how to register an ingredient on the INCI register please visit their websites.

Information:

① <http://www.colipa.com> (Colipa)

① <http://pharmacos.eudra.org> (General)

① <http://ecb.jrc.it/esis/esis.php?PGM=ein&DEPUIS=autre> (EINECS Information System)

### **6.1.3 Food industry**

Food safety is an increasingly important issue for European consumers caused by several food scandals. In order to reassure consumers and restore confidence in food products, regulation on food products and ingredients has become more stringent and increasingly complex.

The market access for food ingredients for industrial use is regulated through the EU basic regulation EC 1035/72, which stems from the Common Agricultural Policy to protect EU agricultural produce, producers and consumers. In 2002, regulation EC 178/2002, also known as the General Food Law, has been adopted. The core aspects will take force in January, 2005, until then products should continue to comply with separate EU member states' legislation. It lays down the general principles and requirements of food legislation, established the European Food Safety Authority and laying down procedures in matters of food safety and the traceability of food.

#### **Hygiene and safety**

General rules for food hygiene are laid down in the Directive 93/43/EEC. Hygiene is defined as all measures to ensure safety and wholesomeness of foodstuffs. The new regulation states explicitly that foodstuffs cannot be placed on the EU market if they are unsafe. This was, at least implicitly, already regulated through national food law, but now there is an EU-wide explicit regulation.

#### **Traceability**

Due to increasing consumer attention for food safety, industry and trade in the EU are obliged to have full command and information on the whole food chain. For each step, the origin (supplier, date and batch of production) of all raw materials used should be documented. This means that exporters overseas have to be able to give their buyer full information on the origin of their product. Companies dealing with organic products are already familiar with such administrative requirements.

#### **Organic and novel food products**

EU standards for organic food production and labelling are laid down in Council Regulation (EEC) 2092/91. It establishes the main principles for organic production at farm level and the rules that must be followed for the processing, sale and import of organic products from third countries. Prospective exporters should be aware that the grower, the processing industry, as well as the exporter have to be inspected and certified by an internationally accredited certifying body.

Regulation (EC) 258/97 on Novel Foods and Novel Food Ingredients sets out rules for authorisation and labelling of GM food products and other categories of novel foods. It indicates that food products that were not on the EU market before 1997 cannot be introduced in the market before it is demonstrated that they are safe. Furthermore, the control of GMO-free product claims is expected to become stricter within the EU.

### **6.1.4 Pharmaceutical industry**

Procedures have been laid down in the European Union in order to ensure the production and marketing of safe and effective pharmaceutical products and parts of products. In this respect, the homeopathic and traditional herbal medicinal products are of particular interest for an exporter of *Lippia alba* essential oil.

### **6.1.5 Homeopathic medicinal products**

Chapter 2 of Directive 2001/83/EC deals specifically with homeopathic medicinal products. Since homeopathic products contain only a very low level of active principles and because the conventional statistical methods relating to clinical trials are difficult to apply, a special and simplified procedure for homeopathic products was developed.

The following homeopathic products are subject to this simplified procedure (2001/83/EC, Article 14):

- They are administered orally or externally;
- No specific therapeutic indication appears on the labelling of the medicinal product or in any information relating thereto; and
- There is a sufficient degree of dilution to guarantee the safety of the medicinal products.

Article 15 specifies what information should be included with the application for a marketing authorisation for the above-mentioned homeopathic products. All homeopathic medicinal products not complying with characteristics specified above shall be authorised in compliance with the procedure for “conventional” medicinal products. In principle, the Member States shall ensure that the procedure for marketing authorisation is completed within 210 days after the application was submitted.

Authorisations can be refused if not all-necessary information is included and if a) the medicinal product is harmful under normal conditions of use; b) its therapeutic efficacy is lacking or is insufficiently substantiated by the applicant and/or c) its qualitative and quantitative composition is not as declared. An authorisation is valid for 5 years, and is renewable for five-year periods.

### **6.1.6 Traditional herbal medicinal products**

Directive 2004/24/EC amends Directive 2001/83/EC and extends the coverage to include traditional herbal medicinal products (Chapter 2a). Just as for homeopathic products, a special and simplified procedure has been developed for these products.

The following traditional herbal medicinal products are subject to a simplified procedure (2004/24/EC, Article 16a):

- They have indications exclusively appropriate to traditional herbal medicinal products,
- They are exclusively for administration in accordance with a specified strength and posology,
- They are an oral, external and/or inhalation preparation,
- The period of traditional use has elapsed and the information on the traditional use is sufficient. (By ‘the period of traditional use’ is meant that the product in question has been in use for at least 30 years, of which 15 within the EU. That this is the case must be backed up by bibliographical or expert evidence.)

## **6.2 Quality standards**

### **6.2.1 All industries**

The exporter has to determine for which end-use (cosmetic, food or pharmaceutical industry) he or she intends to supply. Quality standards and technical specifications vary greatly between the different categories.

#### **GMP and GACP**

Producers should be prepared to apply the Good Agricultural and Collection Practice (GACP) and the Good Manufacturing Practice (GMP). These standards state minimum quality and hygiene requirements for the production process. Please be aware that Colipa (The European Cosmetic, Toiletry and Perfumery Association) sets GMP guidelines for cosmetics. Colipa is a sector association for the membership companies ([www.colipa.com](http://www.colipa.com)). In this way, Colipa is able to influence legislation. It should also be noted that the GACP and GMP guidelines of WHO are binding for UN member states and have to be incorporated in national and regional legislation. The legal implementation of these guidelines can be found at the Internet site <http://pharmacos.eudra.org/>, which includes

pharmaceuticals and cosmetics as well. Detailed information on the guidelines can be found at [www.who.int](http://www.who.int).

### **ISO 9000**

The International Organisation for Standardisation (ISO) developed the ISO 9000 series for quality management and assurance of the production process. The ISO 9000 standards represent an international consensus on the essential features of a quality system. Producers who have obtained an ISO 9000 series certificate possess an important asset. It is a major selling point when doing business in the highly competitive EU market. For more information, please refer to [www.iso.org](http://www.iso.org) or to the CBI AccessGuide.

#### **6.2.2 Cosmetic industry**

Because of the different end product, each buyer has specific quality requirements for the ingredients used in the production process. The quality assessment of essential oils used in the cosmetic industry takes place on the basis of:

- The odour and flavour character;
- Physical properties;
- Chemical composition;
- Purity; and
- Absence of adulteration.

The relative significance of each of these criteria to a buyer will depend on the individual *essential oil* and its intended end-use. The assessment of physical indicators is the main determinant of the quality of essential oils used in cosmetic industry. Nevertheless, the buyer can also make use of other quality grading standards. Importers can use these standards to indicate the quality of a product. An exporter who can obtain a certification from one of the bodies mentioned below has a competitive advantage.

#### **6.2.3 Food industry**

Essential oils and oleoresins that are used in foods as flavouring/colouring have to conform to various requirements.

- Essential oils and oleoresins used in the food industry should not contain any element or substance in a toxicologically dangerous quantity.
- The use and the methods of production of flavourings, including physical processes or enzymatic or micro-biological processes for the production of flavouring preparations and flavouring substances should be strictly and accurately defined.

### **HACCP**

The need for good quality management is gaining increasing importance. The HACCP (Hazard Analysis and Critical Control Points) procedure applies to the food-processing industry. The HACCP procedure is based on the EU directive on Hygiene for Foodstuffs, 93/43/EC, which became effective in January 1996. For more information, please refer to [europe.eu.int/documents/eur-lex/index\\_en.htm](http://europe.eu.int/documents/eur-lex/index_en.htm).

#### **6.2.4 Pharmaceutical industry**

It is important to know whether essential oils are imported as raw materials or as medicines. If then are imported as raw materials, no specific requirements apply. Only requirements stated by the client are relevant.

The law on the Procurement of Medicines applies if medicinal herbs are imported as medicines. It is therefore of importance that exporters inquire whether a certain plant is considered as a raw material or as a medicine.

### 6.3 Environmental issues

Environmental aspects of products have become a major issue in Europe in recent periods. Depending on the product group in question, environmental aspects may play a vital role in preparing for exports to the European market. Besides governmental actions (legislation and regulation), a strong consumer movement is noticeable in most EU member countries. Therefore, manufacturers have to view their products and production processes not just by looking at traditional aspects like price, quality, customer demands and standards, but also at the environmental aspects.

Issues such as (environmental) Life Cycle Assessment (LCA) of products, Cleaner Production (CP) have all become important tools for companies to improve on the environmental performance of their products and production processes.

Ecolabelling procedures are purely aimed at the products and indicate that the product with a label has a reduced impact on the environment. If a producer wants to indicate to external parties that he is producing in an environmentally sound way, then he can comply voluntarily with standards like ISO 14001.

### 6.4 Social issues

Social issues are becoming increasingly important in international trade. Social issues concern both general labour conditions, such as minimum wage and maximum working hours as well as health and safety of the employees.

European trading partners more and more request a minimum of social requirements from their suppliers in developing countries. This is done through social or ethical trading requirements, suppliers' declarations, social responsibility and social accountability schemes.

#### ***ILO***

Just as every citizen of the world, employees should be respected according to basic human rights. In order to formulate definition to employee's rights, the ILO (international labour organisation) is the UN specialized agency which seeks the promotion of social justice and internationally recognized human and labour rights. The ILO has installed Conventions and Recommendations setting minimum standards of basic labour rights.

The ILO Conventions are dealing with issues like: minimum wage, minimum age of workers, non-discrimination, freedom of labour organisation etc. ILO conventions are internationally accepted and provide an excellent source of information and guidance for companies.

#### ***SA8000***

SA8000 is one of the most well-known voluntary global standards to ensure social accountability. SA8000 includes standards in the form of a "Code of Conduct" which define what is considered social accountability as well as requirements for a management system which ensures the implementation of these standards in business policy.

The standards included in SA8000 are based on conventions of the International Labour Organisation (ILO) and other human rights conventions. By means of independent verification companies can be certified according to SA8000.

Useful website:

① ILO and SA8000: <http://www.ilo.org>

## 6.5 Requirements for packaging, marking and labelling

Most essential oils are shipped in the standard 220-litre iron drum, containing approximately 180 kilograms of oil. Epoxy-lining is common for oils that are likely to react adversely with iron. In some cases, the drum may be constructed of heavy-duty plastic. Lower-volume oils, like the *Lippia alba* essential oil, may be shipped in smaller containers of between 25 and 100 litres.

The producer is responsible for the following:

- Ensuring that the containers are correctly sealed;
- The containers have adequate air-space between the surface of the oil and the top of the container;
- Labelling specifying the identity of the product, its origin, and net and gross weight is properly.

Norms for packaging and labelling have been laid down by the ISO. Where choice is available, packaging is a matter of negotiation between customer and supplier. It is very important to create solid relationship with customers by delivering the essential oil according to their requirements and needs. In a number of cases it is recorded that the supplier-customer relationship were damaged because of packaging essential oils in unclean used containers, thereby contaminating the oil. This has tended to occur with low-value oils, causing the final price to rise disproportionately, as the oils have to be filtered or rectified before they can be used again. Although the use of second-hand 200-litre containers is widely accepted for several essential oils, in view of the growing cost of new drums, it is important to thoroughly clean and remove all trace of impurities which would affect the quality of the oil. The fragrance nature of the oil, and of ensuring that epoxy-resin linings are intact and not cracked, cannot be overstated.

### Marking and labelling of essential oils used in the cosmetic industry

Legal requirements for labelling are noted in the Food and Drugs Act. The following aspects must be indicated on the label for all raw materials:

- Of which material it is;
- From which batch the material is.

### Marking and labelling of essential oils used in the food industry

Flavourings not intended for sale to the final consumer may not be marketed unless their packaging or containers bear the following information, which should be easily visible, clearly legible and indelible:

- The name or business name and address of the manufacturer or packer, or of a seller established within the EU;
- The sales description: either the word 'flavouring' or a more specific name or description of the flavouring;
- Either the statement 'for foodstuffs' or a more specific reference to the foodstuff for which the flavouring is intended;
- The nominal quantity.

### Marking and labelling of essential oils used in the pharmaceutical industry

The product labelling information should include:

- Name, active ingredients and pharmaceutical form;
- Content by weight, volumes or doses;
- Excipients known to have recognised effect;
- Special warnings and storage precautions;
- Expiry date.

## 6.6 Tariffs and quotas

Conventional tariff rates for essential oils vary between 0 and 7 percent. However, Colombia is classified under the country group SPGE. To exports of essential oils from the countries, which fall under this country group, a zero-tariff rate applies. Please refer to the following link for more tariffs: [http://www.europa.eu.int/comm/taxation\\_customs/dds/en/tarhome.htm](http://www.europa.eu.int/comm/taxation_customs/dds/en/tarhome.htm)

A form A or EUR I form has to be provided, in case a general tariff is applicable and the exporter from a developing country wants to take advantage of the GSP tariff.

There are no quota on the imports of essential oils into the EU.

## 7 Prices

### 7.1 Price developments

The prices of essential oils can fluctuate widely depending on the raw material of the oil. As also with flavours and colours, the price level of an essential oil is influenced by quality (country of origin, the climate, the crop, the concentration of the oil and the extraction method) and economic factors (size of the current crop, the carry-over from previous crops and the existence of synthetic substitutes).

In cases of bad weather (e.g. heavy rainfall), the prices increase. On some price lists, the difference between spot market and shipment market is made. On the spot market, the essential oils are delivered directly from the stocks held by dealers. On the shipment market, the essential oils have to be delivered from the country of origin. In general, the essential oils are cheaper on the spot market.

Another factor to be taken into account is the shelf life of certain oils, which can be stored for several years without any significant deterioration of the quality. However, stocks are usually dependent on production levels and demand. Many of the processing divisions or compounding houses hold large stocks so as to ensure sufficient supplies. Stocks are also maintained for speculative reasons that influence market prices.

The following overview can give some insight in the prices and their trend for certain essential oils on the European market.

**Table 7-1 Highest and lowest prices for essential oils in 2004, up to 15 November 2004,**

	2004 high	2004 low		2004 high	2004 low
<b>Amyris oil</b>			<b>Ginger oil</b>		
* Haiti spot	18.00	15.00	* China spot	34.00	24.00
* Haiti forward	13.00	13.00	* China cif	32.00	22.00
<b>Aniseed oil</b>			* India cif	80.00	80.00
* China spot	7.00	6.50	<b>Lemon oil</b>		
* China cif	6.70	5.50	* Argentina spot	7.50	7.50
<b>Bay oil</b>			<b>Lemongrass oil</b>		
* West Indies spot	70.00	65.00	* Cochin spot	12.45	10.75
<b>Cananga oil</b>			* Cochin cif	11.00	10.20
* Java cif	35.00	30.50	<b>Lime oil</b>		
<b>Caraway oil</b>			* Mexico spot	18.00	17.85
* Egypt forward fob	95.00	95.00	* Mexico fob	16.50	16.50
<b>Cardamon oil</b>			<b>Nutmeg oil</b>		
* Spot	150.00	125.00	* Indonesian spot	42.00	37.00
* Cif	130.00	105.00	* Indonesian fwd	38.00	34.00
<b>Cinnamon leaf oil</b>			* Grenada c&f	37.00	36.00
* Sri Lanka spot	7.80	7.40	<b>Orange pera</b>		
* Sri Lanka cif	7.70	6.10	* Brazil spot	3.00	1.45
<b>Cinnamon bark oil (60%)</b>			* Brazil fob	2.60	1.10
* Spot	200.00	200.00	<b>Patchouli oil</b>		
<b>Citronella oil</b>			* Indonesian spot	34.00	28.00
* Sri Lanka spot	7.80	7.45	* Indonesian cif	32.00	27.00
* Sri Lanka cif	6.70	6.50	<b>Peppermint oil</b>		
* Java cif	4.30	3.90	* China spot	10.50	7.25
* China cif	4.50	3.85	* China cif	7.00	6.50
<b>Clove leaf oil</b>			* Brazil spot	3.80	3.80
* Madagascar spot	5.50	4.35	* India spot	9.50	6.10
* Madagascar c&f	4.50	3.80	* India forward	6.80	6.00

* Indonesian spot	5.50	4.50	<b>Petitgrain oil</b>		
* Indonesian cif	4.20	3.50	* Paraguay spot	20.00	18.00
<b>D'limonene</b>			* Paraguay fob	18.50	17.00
* Brazil spot	2.85	1.50	<b>Pimento leaf oil</b>		
* Brazil fob	2.50	1.20	* Jamaica spot	81.00	60.00
<b>Garlic oil</b>			<b>Vetivert oil</b>		
* Mexico spot	33.00	26.00	* Indonesian spot	85.00	unq
* China spot	36.00	22.00	* China cif	70.00	55.00
* China forward	34.00	17.85	* Indonesia spot	100.00	85.00

Source: The Public Ledger (November 2004)

Looking at the prices listed above, it can be noted that the unit price of different essential oils are very diverse and can even vary widely within a single type of essential oils. Most of the essential oils listed below are bulk products and hence, which is also reflected in the price. However, in case of many specialty products like *Lippia alba* essential oil, there is no real 'world market price.' If negotiations start with a prospective buyer, it could be the case that also the buyer does not have an idea of what the price of the products is. In those cases, you will have to set your own export price depending on your production costs, exporting costs, etc. and in some cases on local market prices. In the end, it is important to set the price in such a way that it is profitable for both you and your customer.

On several websites, online sale of the *Lippia alba* essential oil already takes place. For example, refer to the following link, which provides indicative prices of *Lippia alba* essential oil originating in Costa Rica: <http://www.essentialaura.com/juesoil.html>

The margins for the different intermediaries in the trade structure (importers, agent, etc.) are difficult to determine because they are influenced by factors like size of the order, length of the trade channel, product quality, product availability and added value. In general, it can be said that importers processing raw materials before further shipment to end-product manufacturers get higher margins as they add value to the product (by cleaning, filtering, and further refining of the oils).

## 7.2 Sources of price information

As prices of essential oils and raw materials used for obtaining essential oils can fluctuate strongly, it is important to have continuous access to up-to-date price information. The most up-to-date price information can be obtained from importers, brokers and agents, who publish regular market reports for their customers. They use these reports to inform their customers about crop production, demand and supply.

The company FDL (Fuerst Day Lawson) publishes frequently market reports on essential oils and aroma chemicals, castor and industrial chemicals, etc. with inside information on the industry and price developments.

The Public Ledger provides news and topical features on world commodity markets, including regulatory issues and comments from leading industry figures and exclusive interviews with key players. The Public Ledger weekly publishes the latest trading prices for over 700 commodities worldwide, including about 40 essential oils. Table 8.1 gives an overview of the prices for a selected group of essential oils as provided by The Public Ledger.

The magazine COSSMA monthly publishes prices of a number of cosmetic raw materials (mostly essential oils), such as vetiver oil, citrus oil, patchouli, geranium oil.

ITC provides Market News Services for medicinal plants and extracts. This MNS bulletin presents prices and market intelligence for those products for which current information is not readily available, but that is of substantial importance to a significant number of developing countries and has promising

market potential. The bulletin is published quarterly and provides information on indicative prices of raw materials and extracts commonly consumed in the region (North America, Western Europe, East and Southern Europe, India, China and Japan), regional demand and supply scenarios including factors influencing the market, industry news including mergers, acquisitions, developments and trade fairs, conferences, and industry events taking place in the region. For subscription, please refer to [www.intracen.org](http://www.intracen.org)

## 8 Marketing strategies, prospects and sales promotion

### 8.1 Marketing and sales promotion strategies

The *Lippia alba* essential oil is relatively unknown within the EU market. The introduction on the EU market of such a new essential oil encounters many hurdles and it will take a lot of time, cost and effort to position this oil in the EU market. Within the cosmetic (personal care) industry, many well-known and relatively cheap essential oils already exist on the market, while the introduction of the oil as a pharmaceutical ingredient needs proof of exceptional properties as well outstanding technical support.

To be able to supply your products to these markets, it is critical that you (make effort to) satisfy the following value-adding requirements:

#### **Critical requirements for supplying the selected markets:**

(For information on these issues, please refer to Section 6)

##### General

- CITES
- REACH
- Technical Data Sheets (TDS)
- GACP, GMP

##### Food industry:

- HACCP
- Food Directive

##### Cosmetic industry:

- Cosmetics Directive
- Dangerous Substance Directive
- Material Safety Data Sheets (MSDS)
- EINECS and ELINCS

##### Pharmaceutical industry:

- Traditional herbal medicinal products
- Homeopathic medicinal products

Compliance with the above mentioned requirements gives the exporter a very positive lead in entering the European market. However, the exporter will need to compete with other suppliers and substitutes of the respective product.

#### **Value addition**

It is critical that you verify if there are any other possibilities to add value to the product in order to make the product more interesting for buyers in the European market to give you that competitive edge you will need to get a foothold on the European market.

Adding value to your products starts at your own factory. In fact, you are already a couple of steps on the way. Not just supplying raw materials like *Lippia abla* plant but a processed product like *Lippia abla* essential oil that has gone through a number of processing steps already means you added value to the product. Having your business processes (planning, cost-calculation, purchasing, etc.) organised is another major determinant of the quality of your export product and whether you prove a successful supplier to the European customer. In Section 7, we explained the role of quality systems like GMP in this field.

During our interviews with importers and sector specialists, we identified a number of other options to add value to your product. Below you will find an overview of these opportunities to improve your competitive position. Please assess whether you are able to comply with these options:

**Options for increasing your competitive edge:**

**Product documentation**

- When looking for new European business partners, it is of the utmost importance that the exporter is able to show proper and detailed product documentation (technical data sheets, TDS). The exporter should be able to demonstrate, by means of test results of an independent laboratory, the unique properties of the essential oil on offer. Based on the product information, an importer should be able to assess the features of the oil and to easily compare it with substitutes. It is important to consider the fact that one of the first things an importer will ask is more detailed product information. It is of crucial importance that the exporter has this kind of information readily available. It must also be noted that certification can be used as a tool for the establishment of a good system of product documentation.

**Organic certification**

- Although still a small segment, the market for organic ingredients is expected to keep on growing in the coming years. Growers, crushers and exporters in developing countries can distinguish themselves from the mainstream products by offering organic essential oils to EU importers; they can have their fields and pressing facilities certified by (local) EU certifying organisations.
- This is particularly important for small specialty products like *Lippia alba* oil. Smaller quantities can be more easily marketed in the organic market than in the regular market, where larger quantities are required by traders.
- An example of a company offering only organic essential oils can be found at the Internet site [www.organicherbtrading.com](http://www.organicherbtrading.com) Requirements for organic products can be found in the EU Regulations EEC 2092/91 and EC 1804/1999, or contact Skal (see Appendix 2.5).

**Quality systems**

- Suppliers who have quality systems like HACCP and ISO in place have a major competitive advantage, as these certifications provide guarantees on quality assurance and food safety.
- Also suppliers who have quality systems like GMP and GACP, or who can prove that they are trying to work according to these systems, have a major competitive advantage, as standards state minimum quality and hygiene requirements for the production processes in the cosmetic as well as the pharmaceutical industry.

**Niche marketing**

- *Lippia alba* essential oil is a new product to the EU market. Importers and end users are not familiar with the product and its properties. Furthermore, due to the relative high production costs of the oil, *Lippia alba* essential oil not able to compete directly with the main products like lemon or peppermint essential oil.
- Nevertheless, opportunities exist for this kind of specialty products if the producer is able to show the added value of the oil. The exporter should point out the specific properties of the oil which makes it interesting for the end user to pay the higher price.
- Exporters will find opportunities in the trade of ingredients with known properties and activity, which are not patented and which can be traded freely. The market segment of herbal medicines, produced directly from whole plant material, is of particular interest to exporters in developing countries. In general, the market for herbal medicines is growing at a faster rate than that for conventional chemical drugs.

**Integrated value chain analysis, control & traceability**

- Tracking and tracing of essential oils for application in food products is increasingly required by food processors in the EU. Suppliers in developing countries who have a system of tracing and tracking, supported by documentation have a competitive advantage in dealing with EU importers.

**Language and communication**

- When dealing with European importers, English is the most frequently used language. Although most European trade partners will not be native speakers themselves, the vast majority speaks English fluently. In almost all cases, foreign language skills, particularly English, are essential when entering the European market. Since many essential oil trader/importers are located in France, knowledge of the French language would also be a good competitive advantage. For Latin American companies, an exception of course is the competitive advantage they have if communicating with Spanish importers.
- All documentation (company profiles, technical data sheets, etc.) should be made available in English.
- It is advisable to commence with some communication measures which only require a small amount of planning and co-ordinating. A company brochure (including photos of production sites and produce) can be useful for promoting new contacts and sales.

**EINECS and ELINCS**

- When the essential oil is going to be supplied to the cosmetic market, it is critical that the product is listed as a recognised ingredient. For a new product like *Lippia alba* essential oil, importers tend to be hesitant as most of them are often not interested in products that still have to go through all the paperwork to get the product accepted in the EU market. For more information on getting listed in EINECS and ELINCS, please refer to the European Chemicals Bureau at <http://ecb.jrc.it/>

## Annexes

### Annex 1: Sources of price information

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#### **Agra Europe Ltd.**

Publisher of 'The Public Ledger'

E-mail: [marketing@public-ledger.com](mailto:marketing@public-ledger.com)

Internet: [www.public-ledger.com](http://www.public-ledger.com)

#### **FAO**

Food and Agriculture Organisation (Publisher of 'Monthly Bulletin of Statistics', 'Commodity and Market Review', and 'Food Outlook')

E-mail: [FAO-HQ@fao.org](mailto:FAO-HQ@fao.org)

Internet: [www.fao.org](http://www.fao.org)

#### **COSSMA**

Health and Beauty Business Media GmbH

E-mail: [juergen.volpp@health-and-beauty.com](mailto:juergen.volpp@health-and-beauty.com)

Internet: [www.cossma.com](http://www.cossma.com)

#### **ITC**

International Trade Centre (Publisher of 'MNS Medicinal Plants & Extracts')

E-mail: [mns@intracen.org](mailto:mns@intracen.org)

Internet: [www.intracen.org](http://www.intracen.org)

### Annex 2: Trade associations

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#### **Aromatherapy Trade Council**

E-mail: [info@a-t-c.org.uk](mailto:info@a-t-c.org.uk)

Internet: [www.a-t-c.org.uk](http://www.a-t-c.org.uk)

#### **CIAA**

Confederation of the Food and Drink Industries in the EU

E-mail: [ciaa@ciaa.be](mailto:ciaa@ciaa.be)

Internet: [www.ciaa.be](http://www.ciaa.be)

#### **Colipa**

The European Cosmetic Toiletry and Perfumery Association

E-mail: [colipa@colipa.be](mailto:colipa@colipa.be)

Internet: [www.colipa.com](http://www.colipa.com)

#### **CTFA**

Cosmetic, Toiletry, and Fragrance Association

Internet: [www.ctfa.org](http://www.ctfa.org)

#### **IFEAT**

International Federation of Essential Oils and Aroma Trades

E-mail: [secretariat@ifeat.org](mailto:secretariat@ifeat.org)

Internet: [www.ifeat.org](http://www.ifeat.org)

#### **IKW**

German Cosmetic, Toiletry, Perfumery and Detergent Association

E-mail: [info@ikw.org](mailto:info@ikw.org)

Internet: [www.ikw.org](http://www.ikw.org)

### Annex 3: Trade fair organisers

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#### **BioFach**

Certified organic products

E-mail: [info@biofach.de](mailto:info@biofach.de)

Internet: [www.biofach.de](http://www.biofach.de)

#### **CphI**

Pharmaceutical ingredients

E-mail: [jekelschot@cmpinformation.com](mailto:jekelschot@cmpinformation.com)

Internet: [www.cphi.com](http://www.cphi.com)

#### **FI Europe**

Food Ingredients

E-mail: [fi@cmpinformation.com](mailto:fi@cmpinformation.com)

Internet: [www.fi-events.com](http://www.fi-events.com)

#### **IN-COSMETICS**

Cosmetic ingredients

Internet: [www.in-cosmetics.com](http://www.in-cosmetics.com)

#### **Natural Products Europe**

Internet: [www.expoeurope.com](http://www.expoeurope.com)

#### **SANA**

Exhibition of Health Food, Health and Environment

E-mail: [info@sana.it](mailto:info@sana.it)

Internet: [www.sana.it](http://www.sana.it)

**SIAL**  
Salon International de L'Alimentation

E-mail: [sial@sial.fr](mailto:sial@sial.fr)  
Internet: [www.sial.fr](http://www.sial.fr)

#### **Annex 4: Standards organisations**

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##### **INTERNATIONAL**

###### **World Health Organization (WHO)**

E-mail: [info@who.int](mailto:info@who.int)  
Internet: <http://www.who.org/>

###### **International Standardisation Institute (ISO)**

E-mail: [central@iso.org](mailto:central@iso.org)  
Internet: [www.iso.org](http://www.iso.org)

##### **UN/ECE**

*Trade Division - Agricultural Standards Unit*

E-mail: [info.ece@unece.org](mailto:info.ece@unece.org)  
Internet: [www.unece.org](http://www.unece.org)

###### **Joint FAO/WHO Food Standards Programme**

*Codex Alimentarius Commission ESN Division*

E-mail: [fao-hq@fao.org](mailto:fao-hq@fao.org)  
Internet: [www.fao.org](http://www.fao.org)

##### **EUROPEAN UNION**

###### **CEN**

*European Committee of Standardization*

E-mail: [infodesk@cenorm.be](mailto:infodesk@cenorm.be)  
Internet: [www.cenorm.be](http://www.cenorm.be)

###### **Comité Européen de Normalisation (CEN)**

*European Normalisation Committee*

E-mail: [infodesk@cenorm.be](mailto:infodesk@cenorm.be)  
Internet: [www.cenorm.be](http://www.cenorm.be)

###### **SGS European Quality Certification Institute E.E.S.V.**

E-mail: [sgs.nl@sgs.com](mailto:sgs.nl@sgs.com)

Internet: [www.sgs.nl](http://www.sgs.nl)

##### **FRANCE**

###### **AFNOR**

*French Association of Normalisation*

E-mail: [communication@afnor.fr](mailto:communication@afnor.fr)  
Internet: [www.afnor.fr](http://www.afnor.fr)

##### **GERMANY**

###### **DIN**

*German Institute for Standardisation*

E-mail: [zentrale@dincertco.de](mailto:zentrale@dincertco.de)  
Internet: [www.din.de](http://www.din.de)

##### **THE NETHERLANDS**

###### **NEN**

*Netherlands Institute of Normalisation*

E-mail: [info@nen.nl](mailto:info@nen.nl)  
Internet: [www.nen.nl](http://www.nen.nl)

##### **UNITED KINGDOM**

###### **BSI**

*British Standards Institution*

E-mail: [cservices@bsi-](mailto:cservices@bsi-global.com)  
[global.com](http://global.com)  
Internet: [www.bsi-global.com](http://www.bsi-global.com)

##### **ITALY**

###### **Ente Nazionale Italiano di Unificazione (UNI)**

*Italian Standardisation Entity*

E-mail: [uni@uni.com](mailto:uni@uni.com)  
Internet: [www.unicei.it](http://www.unicei.it)

#### **Annex 5: Trade press**

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##### **Parfums Cosmétiques Actualités**

*Société d'expansion Technique et Economique*

Phone: +33 1 40612000

Fax: +33 1 40612001

Internet: [www.parfums-cosmetiques.presse.fr](http://www.parfums-cosmetiques.presse.fr)

##### **COSSMA**

*Health and Beauty Business Media GmbH & Co  
KG*

E-mail: [dorothea.michaelis@health-and-  
beauty.com](mailto:dorothea.michaelis@health-and-beauty.com)

Internet: [www.cossma.com](http://www.cossma.com)

##### **EUROCOSMETICS**

E-mail: [info@eurocosmetics-magazine.com](mailto:info@eurocosmetics-magazine.com)

Internet: [www.eurocosmetics-magazine.com](http://www.eurocosmetics-magazine.com)

##### **GCI Global Cosmetic Industry**

Internet: [www.globalcosmetic.com](http://www.globalcosmetic.com)

##### **Foodnews**

E-mail: [marketing@agra-net.com](mailto:marketing@agra-net.com)

Internet: [www.agra-net.com](http://www.agra-net.com)

##### **SÖFW Journal**

E-mail: [simons@sofw.com](mailto:simons@sofw.com)

Internet: [www.sofw.com](http://www.sofw.com)

##### **World Directory Cosmetics Industry**

E-mail: [info@teknoscienze.com](mailto:info@teknoscienze.com)

Internet: [www.teknoscienze.com](http://www.teknoscienze.com)

##### **International Journal Of Cosmetic Science**

*Blackwell Science Ltd*

E-mail: [journals.cs@blacksci.co.uk](mailto:journals.cs@blacksci.co.uk)

Internet: [www.blackwell-science.com](http://www.blackwell-science.com)

E-mail: [customerservice@allured.com](mailto:customerservice@allured.com)

Internet: [www.cosmeticsandtoiletries.com](http://www.cosmeticsandtoiletries.com)

## C&T - Cosmetic & Toiletries

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## Annex 6: Other useful addresses

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### Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)

E-mail: [cites@unep.ch](mailto:cites@unep.ch)

Internet: [www.cites.org](http://www.cites.org)

### FI Data Services

Internet: [www.ingridnet.com](http://www.ingridnet.com)

### GTZ Deutsche Gesellschaft für Technische Zusammenarbeit GmbH

Internet: [www.gtz.de](http://www.gtz.de)

### International Chamber of Commerce

E-mail: [webmster@iccwbo.org](mailto:webmster@iccwbo.org)

Internet: [www.iccwbo.org](http://www.iccwbo.org)

### Netherlands Association for Phytotherapy

E-mail: [nvf@fyto.nl](mailto:nvf@fyto.nl)

Internet: [www.fyto.nl](http://www.fyto.nl)

### Skal

(Internationally operating organisation, inspecting and certifying sustainable agricultural production methods and products)

E-mail: [info@skal.com](mailto:info@skal.com)

Internet: [www.skal.nl](http://www.skal.nl)

### Traffic Europe

(Joint wildlife trade monitoring programme of WWF and IUCN)

E-mail: [traffic@trafficint.org](mailto:traffic@trafficint.org)

Internet: [www.traffic.org](http://www.traffic.org)

### International Council for Medicinal And Aromatic Plants

E-mail: [info@icmap.org](mailto:info@icmap.org)

Internet: [www.icmap.org](http://www.icmap.org)

### European Advisory Services (EAS)

Avisory company specialising in European and international food and nutrition policy (incl. herbal supplements).

E-mail: [info@eas.be](mailto:info@eas.be)

Internet: [www.eas.be](http://www.eas.be)

### Earthscan Publication Ltd.

E-mail: [earthinfo@earthscan.co.uk](mailto:earthinfo@earthscan.co.uk)

Internet: [www.earthscan.co.uk](http://www.earthscan.co.uk)