CBI MARKET SURVEY

The spices and herbs market in France

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Report summary
This CBI market survey discusses the following highlights for the spices and herbs market in France:

- French consumption of spices and herbs amounted to 22 thousand tonnes in 2007, having had an annual average increase of 3.0% between 2004 and 2008. The largest product groups in terms of apparent consumption were pepper, spice seeds, mixtures, paprika, chillies & allspice and ginger.
- France is a large producer of herbs but, as in other European countries, production of spices is very limited. In terms of production, some of the most important products identified in France are: parsley, common thyme, tarragon, basil, rosemary, wild oregano, dill, fennel, sage, fenugreek, marjoram.
- France remains a major EU importer of spices and herbs. In 2008, total French imports of spices and herbs amounted to € 116 million or 33 thousand tonnes. France was the fifth largest EU importer, accounting for 10% of total EU imports. Between 2004 and 2008, French imports increased at an annual average rate of 4.8% in value and 6.0% in volume.
- Because of its level of imports and consumption, France is an interesting market for developing countries (DCs). DCs supplied 50% of spices and herbs imports in 2008, which is similar to the EU average. Leading DC suppliers were Madagascar (with a share of 13% of imports), India (7.1%), Indonesia (5.9%), Vietnam (5.1%), Iran (4.1%), Brazil (3.7%) and Tunisia (2.5%).

This survey provides exporters of spice and herbs with sector-specific market information related to gaining access to France. By focusing on a specific country, this survey provides additional information, complementary to the more general information and data provided in the CBI market survey 'The spices and herbs market in the EU', which covers the EU market in general. That survey also contains an overview and explanation of the selected products dealt with, some general remarks on the statistics used, as well as information on other available documents for this sector. It can be downloaded from http://www.cbi.eu/marketinfo.

1 Market description: consumption and production

Consumption
In this chapter, data from the statistical database of the Food and Agriculture Organization of the United Nations (FAOSTAT) and the statistical office of the EU (Eurostat) are used to indicate apparent consumption (production + imports - exports). One of the limitations of this calculation is that strong fluctuations sometimes are seen between years. Please apply these data with care, as they can only be used as an indication of the market. Also see chapter 1 of the CBI survey 'The spices and herbs market in the EU'.

Total market size
France's apparent consumption of spices and herbs amounted to 22 thousand tonnes in 2008, having had an annual average increase of 3.0% between 2004 and 2008. The growth in the French market follows the general development of the consumption of spices and herbs in the EU at large, which increased at an annual average rate of 1.2% in the review period.

Industry sources indicate that there is still a lot of uncertainty on the market due to the recent economic crisis, and that traders are reluctant to build stocks. There is an overriding hesitance in making predictions on how the spices and herbs market will develop in the coming years.

Product groups

As shown in table 1.1, the most important product group consumed in 2008 was pepper, amounting to 6.4 thousand tonnes, but decreasing at an annual average rate of 4.8% since 2004. Consumption of several types of pepper in France is widespread, including groups such as white, black, red and green peppercorns, chillies and cayenne pepper. The high level of pepper consumption in France is followed by consumption of spice seeds and mixtures, which reached respective volumes of 3.8 thousand tonnes and 3.4 thousand tonnes in 2008. Apparent consumption of spice seeds had a slight annual average increase of 1.2% in the review period, whereas apparent consumption of mixtures had an increase of 30%.

Within the group of spice seeds, fennel is rather popular in Southern France and is often included in Provençal spice mixtures. One spice mixture which is often used in French cuisine is *herbes de Provence* which includes rosemary, basil, marjoram, thyme, sage, savory, tarragon, bay, fennel seeds and lavender.

With the exception of paprika, chillies & allspice, which had an annual average decrease of 3.3% in the review period, all other product groups achieved a positive performance. Vanilla, for instance, had an annual average increase of 41% in apparent consumption between 2004 and 2008.

Table 1.1 Apparent consumption of selected spices and herbs in France, 2004-2008, in tonnes

	2004	2005	2006	2007	2008	Average annual change
Total spices & herbs	**19,722**	**20,950**	**20,576**	**20,263**	**22,175**	**3.0%**
Pepper	7,757	7,916	8,106	6,945	6,362	-4.8%
Spice seeds	3,613	3,296	3,113	3,021	3,785	1.2%
Mixtures	1,180	1,245	1,342	2,835	3,372	30%
Paprika, chillies & allspice	3,013	3,362	2,614	2,425	2,633	-3.3%
Ginger	1,620	1,865	2,304	1,603	2,485	11%
Turmeric	815	803	847	921	1,035	6.2%
Cinnamon	682	756	798	835	828	5.0%
Nutmeg mace & cardamom	594	915	731	791	805	7.9%
Vanilla	127	322	315	540	511	41%
Cloves	302	466	407	326	329	2.1%
Saffron	20	3	1	21	29	10%
Other spices and herbs	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Source: own calculations based on Eurostat and FAOSTAT data (2009)

Market segmentation

Although spices and herbs can be used for the non-food market, such as the pharmaceutical and perfumery, the largest end-user group of spices and herbs is the food-processing industry. In the food market, the consumption of herbs and spices is divided into 3 sectors:

- Industrial, in which spices are used particularly in the processing of meat, fish, canned products, sauces, soups, bakery goods and other prepared and convenience food.
- Retail, where developments are usually triggered by experimental and ethnic consumers.
- Catering, which is small but growing.

For more information on market segmentation, please refer to the CBI survey 'The spices and herbs market in the EU'.

Similar to other EU countries, the French food industry sector is by far the largest consumer of spices and herbs, as indicated in the CBI survey covering the EU market for spices and herbs. However, the exact shares specifically for France are not available.

Major consumption trends

The French cuisine, one of the most notable worldwide, varies greatly by region in terms of dishes and ingredients (including spices and herbs). In turn, many aspects of the cuisine which once were considered regional are now spread throughout France. In spite of these wide variations, some of the spices and herbs traditionally used in France at large are tarragon, fennel, lavender, rosemary, sage, thyme, marjoram, oregano and coriander.

As mentioned previously, one of the most important products in the group of spices and herbs used in the French cuisine is *herbes de Provence*, a mixture which is often used in roasted or braised meats. France is also a large consumer of thyme. Fresh branches of thyme are often tied up into bundles together with other fresh herbs, and added to soups, sauces and stews, being removed before serving. This is called a ‘bouquet garni’, which is French for garnished bouquet.

The large number of immigrants, mainly originating in the Maghreb area, boosted consumption of spices and herbs in France and gradually changed French cuisine into an eclectic mix of influences from all over the world, with increased use of spices and herbs in daily cooking.

French consumers are health-conscious and there is a growing willingness to pay premium prices for quality and healthy food products. Although the domestic production of organic food has increased in recent years by an annual average rate of 25%, there is still a need for imports of organic food. These trends make the French organic spices and herbs market attractive for developing country (DC) exporters. However, the demand for food with high-quality as well as traceability standards may be difficult for exporters to achieve.

Some French studies recently envisaged the possible correlation of heavy use of salt in food preparation and cancer. According to industry sources, this will increase the consumption of spices and herbs as salt substitute, as the volatile oils in spices are proven to be healthy.

France is among the five largest markets in the world for organic food and beverages and a very important market for organic spices and herbs; however, compared to other West European countries, the organic market in France is relatively small - around 1% of the total market, compared to 3-4% on the German market. However, the French organic market is increasing steadily. In 2008, the French organic market for food and drink amounted to approximately € 2.6 billion.

In addition, France is a growing market for Fairtrade certified products. Total Fairtrade market reached over € 256 million in 2008, growing by around 22% in relation to 2007. France is already the second largest market for Fairtrade products in the EU, after the UK (Fairtrade Foundation, 2009).

For more information on consumption trends, please also refer to the CBI survey covering the EU market for spices and herbs.

Production

Total production

France is a large producer of herbs but, as in other European countries, production of spices is very limited. According to Eurostat, the area destined for the cultivation of officinal herbs, aromatic plants and plants for seasoning in France amounted to 29.5 thousand hectares in 2008.

Product groups

FAOSTAT does not provide figures on the production of spices and herbs in France. However, the European Herb Growers Association (EHGA-Europam) does provide information on cultivation areas of herbs which are used in food. However, many of these herbs also find applications in other products and some of them can be identified, or used, as a spice. Some of the most important products identified by EHGA-Europam are: parsley, common thyme, tarragon, basil, rosemary, wild oregano, dill, fennel, sage, fenugreek, marjoram.

Major players
- The French National Inter-professional Office for medicinal and aromatic plants also provides a list of producers - http://www.onippam.fr. Specific country representatives should be most knowledgeable on these issues.

Major production trends
Organic farming in France is expanding rapidly. By the end of 2008, the number of organic producers in France had grown by 10% year on year (Flexnews, news site for the global food industry). In addition, the French Minister of Agriculture announced in early 2009 that the organic sector will receive more investments. More specifically, the area destined for the cultivation of organic herbs, aromatic plants and plants for seasoning reached 3.0 thousand hectares in 2008.

For more information on production trends, please also refer to the CBI survey covering the EU market for spices and herbs.

Opportunities and threats
+/-France is amongst the largest markets in the world for organic food and beverages and is also a very important market for organic spices and herbs. However, the country is not only a significant importer from DCs, but also a large producer and exporter of culinary herbs – which might represent competition.
\+ According to industry sources, the market for spices and herbs in France is not yet saturated. Demand for organic spices and herbs, in particular, outstrips supply.
\+ As French consumers are still brand-conscious - besides the increase in supermarkets' private label products - the range of retail trade opportunities is fairly broad in France.

It is important to note that the outcome of the above analysis depends on the specific situation of an exporter. The same development can be an opportunity for one exporter and a threat to another; exporters should therefore analyse the trends according to their own circumstances. For an example of such an analysis, please refer to chapter 7 of the CBI survey covering the EU market for spices and herbs.

Useful sources
- Interesting sources for obtaining information on consumption and production of herbs and spices are firstly found in the CBI survey 'The spices and herbs market in the EU'. However, more information on the French market for spices and herbs can be found in the 2004 IENICA report - http://www.ienica.net. Although somewhat outdated, it does provide interesting information.
- Moreover, although focused on medicinal and aromatic plants, Onippam - http://www.onippam.fr - should offer exporters interesting information on local production and the French market
- Furthermore, French trade associations mentioned in chapter 6, and the French statistical agency - http://www.insee.fr - can be a source of information.

2 Trade channels for market entry

Trade channels
Most direct imports of spices and herbs from developing countries concern whole, unground products, while processed and packed spices only rarely come from DCs. Spices and herbs share the same trade channels, with the bulk of trade entering the EU through a small number of importers and brokers. Direct trade by processors and, to a lesser degree, food processors has become more prevalent, although processors increasingly work with companies which combine steady high quality and large volumes, instead of several small companies. However, distinctions between different trade channels are becoming increasingly blurred, due to different activities now being carried out within one company. In the CBI survey 'The spices and herbs market in the EU', the main trade channels for spices and herbs are shown and further explained.

According to industry sources, the French market for spices and herbs is dominated by approximately five large importers. The largest grinder/processor/packer is Ducros. The second largest grinder/processor/packer in France is Amora Maille (Unilever). Other brands such as Albert Menes, La Cie des Epices and Gyma hold the rest of the brand market, while private labels also account for a significant and increasing market share.

The largest end-user group is the food-processing industry, which purchases either from processors or directly from importing/trading companies. Other end-user groups are catering companies, purchasing spices directly from grinders or processed products from food industries. The same holds for the retail sector, which is also a major end-user.

Organic
Producers and exporters of organic spices and herbs supply their organic products mostly to specialised traders/importers and/or sometimes to grinders/processors. In most markets, a few traders specialised in organics tend to be the dominant customers for foreign producers. They often have an organic specialisation, focusing on a broad range of products. Several organic traders have a European-wide focus. Direct purchases from foreign organic producers made by purchasing units of retailers, the catering sector and food processors are very rare, but might increase due to increasing organic sales and market entry by conventional players.

Retail trade
The retail trade of spices and herbs is dominated by supermarkets, which account for an approximate market share of 90%. The largest supermarkets in the French food retailing market are Carrefour and Groupe Auchan. The buying organisations of large supermarkets have strong buying power, and there are not many opportunities for small and medium-sized DC exporters to trade directly with them. Niche markets might provide better prospects.

Many large supermarkets in France also offer a significant number of organic spices and herbs. According to industry sources, the market share of organic spices and herbs is relatively small in France and domestic trade channels have still to be developed. Part of this can be explained by the fact that France mainly imports organic spices and herbs from Germany. The leading supermarket selling organic products in France is Carrefour, the country's main retailer. Retailers hold around 68% of the organic market in France; however, the share of special organic shops is also significant for organic spices and herbs. Some leading French spice importers, such as Ducros, are gradually starting to offer a wider range of organic spices and herbs. However, industry sources commented that the demand for organic spices and herbs in France is still lower than in Germany or the UK, where people are more willing to pay a large premium for organic spices and herbs. Furthermore, there is not really a specific organic distribution channel in France. Therefore, Ducros will need cooperation from giant supermarket chains such as Carrefour, to be able to launch a new product on the French market.

Trends
Increasingly strict governmental regulations and the high quality standards demanded by the food industry, especially for processed spices and herbs, make it difficult for DCs to enter these markets.

Increased vertical integration is nevertheless witnessed, with food manufacturers importing directly from DC exporters. This can reduce costs for the importers in the consuming countries, but at the same time increases risks such as reliability. Therefore, as stressed by French industry sources, importers are very demanding when it comes to quality, reliability, traceability and certification.

Along with expanding marketing under private labels, supermarkets use their strong buying power to exert downward pressure on the margins of processors. Generally, private-label spices and herbs are sold for about half the price of branded spices and herbs.

For more information on trends, please also refer to the CBI survey covering the EU market for spices and herbs.

Interesting players

Interesting companies in France include those listed below.

Conventional companies:

- Albert Menes - http://www.albertmenes.fr - importer/distributor.
- Amora-Maille - http://www.maille.com - major importer/processor.
- Cepasco Spigol - http://www.spigol.com - importer/manufacturer/distributor.
- Ducros France - http://www.ducros.fr - major importer/processor (part of McCormick).
- Gyma - http://www.gyma.net/accueil.html - processor.
- Moguntia Est Epices SA - http://www.est-epices.fr - importer/manufacturer.
- Tradimpex JM Thiercelin SA - http://www.tjmt.fr - importer/manufacturer.

Organic importers and traders:

- Arcadie SA - http://www.arcadie-sa.fr - retailers and wholesalers of organic spices, herbs, dehydrated vegetables and extracts.
- Herbier du Diois - http://www.herbier-du-diois.com
- Pimpexport - mailto:pimpexport@aol.com - organic herb importers.
- Sanoflore - http://www.sanoflore.net - buyers and suppliers of organic culinary medicinal herbs and herb teas, and major traders in organic essential oils.
- Distriborg - http://www.distriborg.com

Furthermore, French trade associations can also be of interest for finding relevant companies. These are mentioned in chapter 6.

Price structure

Prices of spices and herbs can be found in the CBI survey 'The spices and herbs market in the EU', as the indications of prices given there do not differ from those in France. Prices of spices and herbs are, to a large degree, dependent on origin as well as buyer preferences regarding demanded quality, order size etc. Therefore, actual prices are dependent on negotiation with partner companies, and prices provided in the market survey covering the EU should be used as a reference point only.

Exporters need to have detailed production costs/volume price breaks regarding the spices and herbs they supply. This will give them a valuable reference point for any negotiations with buyers.

The margins charged by different intermediaries in the spices and herbs trade are influenced by numerous factors. These include the type of spice or herb, the current and expected future harvest situation, the availability or number of sources for the particular spice, the level of demand and the trend in prices.

Finding a suitable trading partner

Finding a trade partner in France should not deviate from the general EU method as described in the CBI survey 'The spices and herbs market in the EU'. Buyers and suppliers often find each other at trade fairs. The BioFach trade fair is of particular importance for organic spices and herbs, whereas Anuga, SIAL, FI Europe are of principal importance for conventional products. Establishing contact through export directories, or directly through contacting interesting companies you encounter, can also be useful. Brokers also fulfil an important function in market linking, while websites offer another opportunity to find trade partners.

For more information on prospects for the spices and herbs market in France, refer to the websites below.

General information:

- The Canadian Agriculture and Agri-Food website provides market information, including country information, product reports and market access - http://ats-sea.agr.gc.ca
- Furthermore, French trade associations mentioned in Chapter 6 of this survey, and the French statistics agency - http://www.insee.fr - can be a source of information.

Sector-specific information:

- The 2004 IENICA report - http://www.ienica.net - describes the situation for the spices and herbs market in France and other EU member countries
- FAO's statistical database FAOSTAT - http://faostat.fao.org – is also a valuable source
- The 'Spices Manual 2004' of the International Trade Centre provides information on the market situation for spices in different EU countries - http://www.intracen.org/organics

On-line company databases for finding companies working in the spices and herbs market are:

- Food world - http://www.thefoodworld.com - an extensive on-line food business directory, with full EU coverage. Condiments, spices and herbs are a separate product group.
- Europages - http://www.europages.com – on-line business directory, with full EU coverage. Condiments, extracts and spices are a separate product group, falling under the category of 'Food & related products'.
- HerbImporters.com - http://www.herbimporters.com - provides contact information of 135 European importers of herbs and herbal medicine products at a cost of US$15 (updated in 2009).
- SpiceImporters.com - http://www.spiceimporters.com - provides contact information of 220 European importers of spices, seasoning and flavouring at a cost of US$20 (updated in 2009).

Business-to-business sources include the following;

- Agronetwork.com - http://www.agronetwork.com/global
- Organic-market.info - http://www.organic-market.info - on line magazine for organic trade.
- Spices Trade world - http://spices.tradeworlds.com
- IngrIDnet - http://www.ingridnet.com - marketing instrument for companies supplying ingredients to, among others, food industries. The database includes contact details of 15,000 ingredient suppliers.

3 Trade: imports and exports

Imports

Total imports

In 2008, total French imports of spices and herbs amounted to € 116 million or 33 thousand tonnes. France was the fifth largest EU importer, accounting for 10% of total EU imports. Germany (20%), the UK (12%), The Netherlands (12%) and Spain (10%) were just above France. Between 2004 and 2008, French imports increased at an annual average rate of 4.8% in value and 6.0% in volume.

Approximately 47% of total French imports in 2008 was sourced in intra-EU countries, of which the largest suppliers were Germany (accounting for 19% of imports), Spain (8.6%) and The Netherlands (8.6%). Between 2004 and 2008, intra-EU imports increased at an annual average rate of 8.8% in terms of value.

Besides imports sourced within the EU, around 2.5% of France's imports was sourced in extra-EU countries (excluding DCs) and 50% was sourced in DCs – the same share as in the EU as a whole. DCs accounted for almost all vanilla imports (91%) and for a significant part of cloves (65%), saffron (64%) and ginger imports (63%) in 2008. Whereas imports sourced in extra-EU countries (excluding DCs) decreased at an annual average rate of 8.0% in the review period, imports sourced in DCs increased at an annual average of 2.4% between 2004 and 2008.

At a value of € 22 million and representing a share of 19% of total French imports, Germany was France's largest supplier of spices and herbs in 2008. The second largest supplier was Madagascar, which accounted for 13% of France's imports, amounting to € 15 million. Spain, the third largest supplier of spice and herbs to France in 2008, accounted for 8.6% of total imports.

In addition to Madagascar, other important DC suppliers in 2008 were India (with a share of 7.1% of imports), Indonesia (5.9%), Vietnam (5.1%), Iran (4.1%), Brazil (3.7%) and Tunisia (2.5%).

Imports by product group

Pepper and vanilla are by far the largest product groups imported into France, with shares of 26% and 15% of the total import value. Pepper imports had an annual average increase of 15% in terms of value between 2004 and 2008, whereas vanilla imports decreased by a considerable rate of 17%. However, in terms of volume, vanilla imports increased by 37% and pepper imports had a slight annual average increase of 0.3% in the review period. Vanilla imports from DCs decreased by an annual average of 15%; imports from Madagascar had a 9.6% decrease and imports from Comoros had a 22% decrease. At the same time, vanilla imports from Uganda and India increased at respective annual average rates of 29% and 14% between 2004 and 2008, indicating that these countries occupy an increasingly prominent role in supplying this product to France. Imports of pepper from DCs, in contrast, show a very stable development, increasing at a modest annual average rate of 1.5% in the review period.

Table 3.1 Imports of spices and herbs into France 2004 - 2008, € thousand / tonnes

Product	2004		2006		2008		Average annual % change	
	value	volume	value	volume	value	volume	value	volume
Total	**96,160**	**26,363**	**86,032**	**29,830**	**115,923**	**33,233**	**4.8%**	**6.0%**
Pepper	16,910	8,703	18,315	9,484	29,665	8,812	15.1%	0.3%
Vanilla	36,385	280	20,697	793	17,347	979	-17%	37%
Mixtures	7,672	2,231	9,300	2,531	11,729	4,185	11%	17%
Paprika, chillies & allspice	8,146	3,307	9,302	3,688	11,328	3,793	8.6%	3.5%
Spice seeds	4,356	3,865	4,073	3,354	7,889	4,190	16%	2.0%
Saffron	2,499	39	2,423	16	7,576	65	32%	13%
Nutmeg, mace & cardamoms	4,058	832	4,406	939	6,255	939	11%	3.1%
Ginger	2,739	1,915	2,626	2,671	3,350	2,791	5.2%	9.9%
Cinnamon	1,014	780	1,176	890	2,015	1,075	19%	8.3%
Turmeric	899	880	846	881	1,780	1,198	19%	8.0%
Cloves	1,006	350	1,251	439	1,825	426	16%	5.1%
Other spices and herbs	10,476	3,182	11,619	4,145	15,164	4,782	9.7%	11%

Source: Eurostat (2009)

Mixtures account for the third largest product group in terms of value, amounting to € 11 million and a volume of 4.1 thousand tonnes in 2008. These imports showed an annual average growth of 11% in terms of value and 17% in terms of volume. Most mixtures imports came from other EU countries (85%), as the primary spices and herbs products are mainly mixed by EU companies. Imports from Belgium and Germany, the two leading suppliers, increased in the review period. Imports from DCs decreased by an annual average rate of 10%. The processing industry for spices and herbs in DCs is not yet well developed, but could offer interesting opportunities in the future.

Imports of paprika, chillies & allspice, the fourth largest product group, experienced an increase in terms of both value and volume. Imports from intra-EU countries accounted for

77% of total paprika imports in 2008, increasing at an annual average rate of 6.6% in the review period. Imports from DCs increased at an even stronger annual average rate of 17%.

Imports of other all other product groups increased between 2004 and 2008 in terms of both value and volume. The increase in saffron imports, at an annual average rate of 32% in value and 13% in volume, was especially noteworthy.

The group of 'other spices and herbs' accounted for a substantial part of French imports of spices and herbs in 2008 (13%). Imports of this product group increased in terms of both value and volume between 2004 and 2008. Imports from DCs, which accounted for 22% of total imports, increased at an annual average rate of 12% in terms of value. Tunisia, India and Brazil were the leading DC suppliers in 2008.

Table 3.2 Imports by origin and leading suppliers to France
2004 - 2008, share in % of value, average annual growth in % of value

Product	Origin	Leading suppliers in 2008 (share in %)	Share[1]	Average annual % change
Total spices and herbs	Intra-EU	Germany (19%), Spain (8.6%), The Netherlands (8.6%), Belgium (6.3%), UK (1.5%)	47%	8.8%
	Extra-EU, ex DC*	Singapore (0.9%), Israel (0.3%)	2.2%	-8.0%
	DC*	Madagascar (13%), India (7.1%), Indonesia (5.9%),Vietnam (5.1%), Iran (4.1%), Brazil (3.7%), Tunisia (2.5%), China (2.2%), Comoros (1.1%), Turkey (0.9%)	51%	2.4%
Pepper	Intra-EU	Germany (18%), The Netherlands (11%), Belgium (3.3%), Spain (0.4%)	33%	5.4%
	Extra-EU, ex DC*	Singapore (3.5%)	3.7%	42%
	DC*	Vietnam (19%), Indonesia (14%), Brazil (13%), India (10%), Madagascar (3.1%), China (2.3%), Malaysia (1.0%)	63%	21%
Vanilla	Intra-EU	Germany (3.5%), The Netherlands (0.7%)	4.4%	-27%
	Extra-EU, ex DC*	Fr. Polynesia (2.9%), USA (1.3%)	4.2%	-28%
	DC*	Madagascar (77%), Comoros (6.8%), Uganda (2.7%), India (2.0%), Indonesia (0.2%), Mauritius (0.1%)	91%	-15%
Mixtures	Intra-EU	Germany (33%), Belgium (22%), The Netherlands (14%), Spain (10%), UK (2.2%)	85%	19%
	Extra-EU, ex DC*	Hong Kong (0.3%)	0.5%	-0.3%
	DC*	Tunisia (13%), Sri Lanka (0.6%), Vietnam (0.3%), India (0.1%)	14%	-10%
Paprika, chillies & allspice	Intra-EU	Spain (35%), Germany (28%), The Netherlands (5.7%), Belgium (4.7%), Hungary (1.2%)	77%	6.6%
	Extra-EU, ex DC*	USA (0.3%), Israel (0.2%)	0.6%	6.5%
	DC*	India (7.9%), Tunisia (5.2%), China (4.1%), Turkey (0.9%), South Africa (0.8%)	23%	17%
Spice seeds	Intra-EU	Germany (15%), The Netherlands (13%), Belgium (6.5%), Spain (5.4%), UK (4.2%)	51%	22%
	Extra-EU, ex DC*	Australia (1.3%)	1.9%	14%

[1] Due to rounding off, shares might not add up to exactly 100%.

Product	Origin	Leading suppliers in 2008 (share in %)	Share[1]	Average annual % change
	DC*	India (23%), Egypt (6.7%), Turkey (6.0%), Syria (4.5%), Morocco (2.6%), China (2.4%)	47%	11%
Saffron	Intra-EU	Spain (27%), Germany (4.1%), Belgium (3.0%), Portugal (0.7%), UK (0.4%)	35%	31%
	Extra-EU, ex DC*	Switzerland (0.8%), U.A.Emirates (0.1%)	0.9%	5.7%
	DC*	Iran (62%), Tunisia (0.8%), India (0.3)	64%	33%
Nutmeg, mace & cardamoms	Intra-EU	The Netherlands (16%), Belgium (14%), Germany (7.3%), Italy (6.2%), UK (2.5%)	46%	2.8%
	Extra-EU, ex DC*	-	0.1%	-38%
	DC*	Indonesia (30%), Guatemala (16%), India (5.7%), Vietnam (0.8%), Sri Lanka (0.6%), Madagascar (0.4%)	54%	24%
Ginger	Intra-EU	The Netherlands (25%), Belgium (5.1%), UK (2.5%), Germany (2.1%), Spain (1.3%)	37%	-8.7%
	Extra-EU, ex DC*	-	0.0%	-100%
	DC*	China (35%), Thailand (18%), India (4.0%), Brazil (2.1%), Sri Lanka (1.0%), Ivory Coast (0.7%)	63%	23%
Cinnamon	Intra-EU	Germany (35%), The Netherlands (8.5%), Belgium (4.2%), UK (0.7%)	49%	22%
	Extra-EU, ex DC*	Singapore (1.4%)	1.4%	46%
	DC*	Indonesia (23%), Sri Lanka (13%), Madagascar (9.9%), Vietnam (1.9%), China (0.8%), India (0.3%)	49%	15%
Turmeric	Intra-EU	Germany (26%), The Netherlands (4.7%), Belgium (4.1%), UK (2.1%), Spain (0.3%)	38%	43%
	Extra-EU, ex DC*	-	0.0%	n.a.
	DC*	India (55%), Vietnam (3.6%), Madagascar (2.3%),Mauritius (0.2%), Brazil (0.2%)	62%	11%
Cloves	Intra-EU	Germany (24%), Belgium (6.0%), The Netherlands (3.3%), Spain (0.4%), UK (0.4%)	35%	16%
	Extra-EU, ex DC*	-	0.0%	-100%
	DC*	Madagascar (39%), Indonesia (12%), Sri Lanka (7.4%), Comoros (5.1%), Brazil (1.6%), Mauritius (0.1%)	65%	16%
Other spices and herbs	Intra-EU	Germany (34%), Spain (14%), Belgium (7.6%), Poland (7.3%), The Netherlands (6.9%)	76%	9.4%
	Extra-EU, ex DC*	Israel (1.4%), Canada (0.4%)	2.4%	3.3%
	DC*	Tunisia (4.4%), India (4.3%), Brazil (3.2%), Turkey (3.1%), Albania (1.9%), Mauritius (1.6%), Morocco (0.8%)	22%	12%

Source: Eurostat (2009)
*Developing Countries

Exports

In 2008, France was the fourth largest EU exporter of spices and herbs, accounting for 11% of total EU exports. The Netherlands, Germany and Spain were the leading exporters in that year. French exports of spices and herbs amounted to € 76 million or 12 thousand tonnes, decreasing at an annual average rate 1.7% in value and increasing by 1.6% in volume.

The main destinations for France's exports in 2008 were the UK and the USA, which accounted for respective shares of 21% and 15%. Other leading destinations were Germany (6.4%), Portugal (6.4%) and Spain (6.1%). France's intra-EU exports decreased by an annual average rate of 2.6% between 2004 and 2008, but still accounted for 63% of total French exports of spices and herbs in 2008.

The largest product groups exported by France are pepper and vanilla, accounting for respective shares of 15% and 14% of total exports. Whereas exports of vanilla had a significant annual average decrease of 13% between 2004 and 2008, pepper exports increased by 20%.

Opportunities and threats

+ France is a relatively significant import market for spices and herbs, and French imports showed a considerable annual average increase of 4.8% in value between 2004 and 2008. In addition, the fact that France sources around half of its imports in DCs offers interesting opportunities for DC exporters of spices and herbs.
+ Pepper, vanilla, ginger, saffron, cloves, nutmeg, mace & cardamom and turmeric might be particularly interesting, as more than half of the imported values of these product groups is supplied by DCs.

Note that the same development or trend can be an opportunity for one exporter and a threat to another. Exporters should therefore analyze if the developments and trends discussed in the previous chapters provide opportunities or threats. The outcome of this analysis depends on the specific situation of an exporter. Refer to chapter 7 of the EU survey for an example of such an analysis.

Useful sources

- EU Expanding Exports Helpdesk
  ➔ http://exporthelp.europa.eu
  ➔ go to: trade statistics
- Eurostat – official statistical office of the EU
  ➔ http://epp.eurostat.ec.europa.eu;
  ➔ go to 'themes' on the left side of the home page
  ➔ go to 'external trade'
  ➔ go to 'data – full view'
  ➔ go to 'external trade - detailed data'
- Understanding Eurostat: Quick guide to Easy Comext

➔ http://epp.eurostat.ec.europa.eu/newxtweb/assets/User_guide_Easy_Comext_20090513.pdf

4 Price developments

Currently, organic spices and herbs are sold with a high-price premium in France and generally cost two to three times as much as conventional spices and herbs. This price premium is so high, partly because organic spices and herbs are imported from Germany and partly because demand outweighs supply. However, French consumers are becoming more aware of healthy food products and the willingness to pay higher prices for good organic products is increasing.

The following sources are useful for price information:

- The International Trade Centre Market News Service (MNS) - http://www.intracen.org/mas/mns.htm - fortnightly bulletin.
- The Public Ledger - http://www.agra-net.com
- The International Pepper Community Weekly Price Bulletin - http://www.ipcnet.org
- The Indian Spices Board - http://www.indianspices.com - offering domestic and international prices for spices.

5 Market access requirements

As a manufacturer in a developing country preparing to access France, you should be aware of the market access requirements of your trading partners and the French government. Requirements are demanded through legislation and through labels, codes and management systems. These requirements are based on environmental, consumer health and safety and social concerns. You need to comply with EU legislation and have to be aware of the additional non-legislative requirements that your trading partners in the EU might request.

For information on legislative and non-legislative requirements, go to 'Search CBI database' at http://www.cbi.eu/marketinfo, select spices and herbs and France in the category search, click on the search button and click on market access requirements.

Detailed information on packaging can be found at the website of ITC on export packaging: http://www.intracen.org/ep/packaging/packit.htm

Information on tariffs and quota can be found at http://exporthelp.europa.eu
The general VAT rate in France is 19.6%. This standard rate or a reduced rate of 5.5% applies to foodstuffs.

More information on taxes can be found at:
- Taric Homepage - http://ec.europa.eu/taxation_customs/dds/cgi-bin/tarchap?Lang=EN
- Directorate General XXI - http://ec.europa.eu/taxation_customs/common/publications/info_docs/taxation/index_en.htm

6 Doing business

General information on doing business like approaching potential business partners, building up a relationship, drawing up an offer, handling the contract (methods of payment, and terms of delivery) can be found in CBI's export manuals 'Export Planner' and 'Your image builder'. Furthermore, cultural awareness is a critical skill in securing success as an exporter. Information on cultural differences in the EU can be found in chapter 3 of CBI's export manual 'Exporting to the EU'. These manuals can be downloaded from http://www.cbi.eu/marketinfo - go to search publications.

Useful sources

Assistance with market entry can also be sought through local business support organisations, import promotion organisations such as CBI and branch organisations focusing on the spices and herbs, or food ingredients sector. Interesting *trade associations* in France are:
- National Association of Spice, Vanilla and Aroma processors / Syndicat National des Transformateurs de Poivres, Epices, Aromates et Vanille - mailto:snpe@wanadoo.fr
- National Association of Food Industries / ANIA - Association Nationale des Industries Alimentaires - http://www.ania.net
- Organic Agency / Agencebio - http://www.agencebio.com
- The French National Inter-professional Office for medicinal and aromatic plants - http://www.onippam.fr

Trade fairs offer companies in DCs the opportunity to establish contacts, promote their products and conduct EU market orientation. Major fairs of EU-wide significance are mentioned in the survey covering the EU. *Trade fairs* of interest in France are:
- SIAL - http://www.sial.fr – trade fair on the global food industry. It is held biennially, in Paris. The next event will be held 17 – 21 October 2010.
- Natexpo - http://www.natexpo.com - Organic products, Health food and Food Supplements, Natural Cosmetics and Ecological products. The last event was be held 17-19 October 2009 in Paris, France.

Trade press can function as a means for gaining insight into market developments and competition, but can also have a promotional function. This concerns finding potentially interesting companies, as well as promotion of your own activities and products. Major trade press of EU-wide importance in France is:

- Marchés Tropicaux - http://www.marches-tropicaux.com
- Frenchfoods.com - http://www.journaldunet.com/0010/001020frenchfoods.shtml
- Lineaires – http://www.lineaires.com - Food Trade and Distribution

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