

What is the demand for natural food additives on the European market?

Europe has one of the largest food and drink markets in the world. There is high demand for natural food additives as food companies shift away from synthetic ingredients and consumers look for products with natural ingredients. Many food additives are from developing countries, so there are good opportunities for exporters.

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According to the European Food and Safety Authority (EFSA), food additives are substances added intentionally to foodstuffs to perform certain technological functions, for example to colour, to sweeten or to help preserve foods. This study focuses on natural ingredients for food additives that are produced in developing countries. There are various groups of food additives, such as:

- Food colourants;
- Preservatives;
- Antioxidants;
- Sweeteners;
- Flavour enhancers;
- Emulsifiers, stabilisers, thickeners and gelling agents;
- Other.

1. What makes Europe an interesting market for natural food additives?

The European food and drink market is growing at a healthy pace. The European market is one of the biggest in the world and is highly competitive. The sizeable market and its healthy growth rates make the European ingredients market attractive. This creates an opportunity for suppliers of natural food additives from developing countries.

Figure 1 shows output from the European food and drink industry. It shows that the industry generated EUR 1.2 trillion in 2018.

Tips:

Stay up to date on the European food and drink market by visiting [FoodandDrinkEurope.eu](https://www.foodanddrink-europe.eu).

Do research on EU regulations on novel foods and ingredients on the website of the [EFSA](#). See the [CBI buyer requirements study](#) on requirements for natural colours, flavours and thickeners in the European market, which has details on the regulations for exporting to the EU.

As highlighted in the CBI trends report, one of the main trends in food and drink is the increasing demand for organic food and drink products. Figure 2 shows that the European market for organic food and drink continues to expand. This trend is expected to continue in the future, thanks to the growing availability of organic food

and rising consumer awareness.

European consumers are willing to pay more for high-quality and healthy products, and demand for organic food and drink is increasing in Europe. [According to Mintel](#), younger European consumers are more likely to pay higher prices for organic food and drink products. Health and environmental benefits are two of the main drivers behind this.

Some major conventional food companies are tapping into this trend. Anglo-Dutch consumer goods company Unilever has acquired a number of health and wellness brands in recent years, including snacks company Graze in January 2019 and Dutch meat alternatives company The Vegetarian Butcher in December 2018.

The Dutch organic food company Royal Wessanen was acquired by a consortium comprising PAI Partners and Charles Jobson for EUR 885 million in 2019. Royal Wessanen owns a number of established natural and organic food companies in the European market. Many multinational companies have developed organic lines to complement their conventional product lines. In September 2018, Swiss-based multinational Nestlé [launched organic versions of popular conventional products](#), such as Chocapic, Nesquik and Cheerios. In 2017, Nestlé launched a new version of its Stouffer's macaroni and cheese with healthier and fresher ingredients, having removed some artificial colours, flavours and preservatives from its ingredients list.

Organic food and beverage products also restrict the use of synthetic food additives. This creates an opportunity for natural additive suppliers in developing countries. As the organic food market is expected to expand, there will be higher demand for natural food additives.

In April 2020, Nestlé announced that it is focusing on improving health and nutrition in its products. In the first quarter of 2020, the company already added about 750 million portions of vegetables, 300 million portions of nutrient-rich grains, pulses and bran and more nuts and seeds to its products.

Demand for natural ingredients is coming from the conventional food sector as well as the organic food sector. According to Euromonitor, natural ingredients are leading consumer trends: approximately 47% of global [consumers ask for natural products](#), and 55% of respondents look for natural features when buying products in at least one category.

Tips:

Learn more about the European flavourings market on the website of [EFFA](#).

Visit [SpecialtyFoodIngredients.eu](#) for more information on specialty ingredients in Europe. Specialty food ingredients have wider functional and technological benefits and are often used in processed food products with specific nutritional qualities, such as low sugar, fat or sodium content. Many natural food additives imported from developing countries fit the specialty food ingredients label, including natural sweeteners, gums and oleoresins. Use this information about your ingredients when targeting buyers.

Learn more about food ingredient trends and developments and meet industry operators at the main food ingredients trade show in Europe, [FI Europe](#).

Learn more about sustainable ingredients for the food industry at the [Sustainable Foods Summit](#), hosted in Europe (Amsterdam, June), Latin America (São Paulo, November), North America (San Francisco, January) and Asia-Pacific (Singapore, March).

Figure 3 shows that the global food ingredients market was worth €253 billion in 2017. This market is projected to expand by approximately 6% per year to reach €339 billion by 2022.

The European [food additives](#) market was valued at US\$12.23 billion in 2018. The market is projected to show a compound annual growth rate of 5.1% between 2018 and 2023. The upward trend creates opportunities for suppliers of natural food additives in developing countries.

Demand for natural food additives in Europe is increasing because of an increasing health-conscious population. Robust EU regulations on the use of synthetic additives also generate demand for natural food additives. European food manufacturers are investing in R&D and developing innovative products.

Interesting product groups for suppliers in developing countries include natural sweeteners, emulsifiers, stabilisers, thickeners, gelling agents and natural flavours. High demand for natural sweeteners is coming from the organic food sector since such consumers are more health conscious and look for products that have low sugar content. Natural sweeteners have a diverse range of applications in the European market, including confectionery products, beverages, breakfast cereals and dairy products.

Natural sweeteners are also used in drink products. According to Mintel, new beverage product launches with stevia grew by 161% between 2012 and 2017.

Other natural sweeteners, such as coconut sugar, are also gaining popularity in the European market. Coconut sugar caters to consumers who buy organic and more eco-friendly products. Coconut is marketed as more environmentally friendly because [coconut palms produce 50%-75% more sugar per acre than cane sugar](#).

Natural emulsifiers, stabilisers, thickeners and gelling agents represent a good opportunity for suppliers in developing countries, thanks to growing demand for healthier products from European consumers. Hydrocolloids have a wide range of applications, such as bakery products, confectionery products, meats and beverage products. Rising demand for ready-meals and processed foods also generates demand.

Natural flavours are in high demand in the European market partly because of their relatively low costs and rising consumer demand for natural products. Natural flavours have become mainstream in some European countries, partly because of the burgeoning organic food market and rising demand for processed foods.

2. Which European markets offer most opportunities for natural food additives?

Europe has a significantly large food and beverage manufacturing industry. Suppliers of natural food additives from developing countries should target countries with a strong food manufacturing industry, such as Germany, France, the Netherlands, Italy, the UK and Spain.

These country markets comprise the leading importers of natural food ingredients in Europe. Plus, Germany, France and Italy also have significant food processing sectors.

[According to Food and Drink Europe](#), approximately 66% of the total food and drink industry turnover comes from the EU's five biggest food and drink producing countries. These countries are France, Germany, Italy, the UK and Spain, suggesting that these countries are the most important for food additives.

Table 1: The largest food & drink markets in Europe

Country	Food and Drink Market	% Growth
	2017	
Germany	203.9	19
France	228.1	26.8
Italy	138.6	4.1
The UK	118.7	3.8
The Netherlands	58 (2018)	4.2
Spain	118.8	16.4

Source: Food and Drink Europe

Germany

Germany is the [third-largest importer and exporter](#) of agricultural food products worldwide. The product categories with the largest shares within agri-food products in Germany are meat and sausage products (24%), dairy products (15%), baked goods (10%) and confectionery (8%).

The food industry is one of the most important sectors in the country. Important sectors include meat and meat processing, dairy, confectionery, bakery and alcoholic beverages.

The German organic food market is the largest in Europe, valued at €10.9 billion in 2018. Organic foods are widely accessible to consumers in Germany, with approximately 60% sold via mainstream retailers.

Germany is a leading importer of natural ingredients, such as seaweed extracts and guar gum, and the second leading importer of ingredients, such as essential oils, oleoresins and glycosides, including stevia. Germany is also an important re-exporter of natural ingredients to other European countries.

France

France is a leading importer of food ingredients. The country has a large food processing sector but is also an important re-exporter of natural ingredients to other European countries.

France is a major importer of gums, essential oils and natural sweeteners. The country is [the biggest importer and exporter of gum arabic](#) (US\$114 million). [Nexira](#) is an important supplier, having the largest market share in Europe. The country is also a leading importer of essential oils and glycosides, such as stevia.

The country has an important flavouring sector, including some of the major flavouring companies, such as [MANE](#) and [Naturex](#) (Givaudan), which are based in France.

France has an important market for natural sweeteners, such as stevia. French consumers [demand high-quality, innovative and healthy products](#).

The food sector leads the industrial sector in France, growing by 26.8% to €228.1million. The sixth-largest food exporter in the world, France's [domestic market accounts for about 75% of its food industry's revenues](#). The

most important sectors are meats, dairy, beverages and confectionery.

The French organic food market is the second-largest in Europe, worth €9.1 billion. The French organic food market recorded high growth between 2017 and 2018. In 2018, French consumers spent around €136 on organic products annually. Demand for organic food in France is expected to continue. [Mainstream retailers are highly active](#) in marketing organic foods and improving accessibility to organic products.

The Netherlands

The Netherlands is a significant entry point for food ingredients. The country is the second leading importer of guar gum and the third leading importer of essential oils, gum arabic, oleoresins and natural colourants, such as turmeric, to Europe. It is also a leading importer of natural colourants and essential oils.

The [food sector in the Netherlands had a turnover of approximately €58 billion in 2018](#). The meat and dairy processing industries are the most important. The share of small and medium-sized businesses accounts for 24% in the dairy industry and 19% in the meat industry.

The Netherlands is the second-largest agricultural exporter in the world. Approximately 78% of Dutch agricultural exports go to EU countries, such as Germany, Belgium, the UK and France.

In 2018, the Dutch organic food market was worth €1.3 billion. According to the 2018 Food Economic Report of the Netherlands, total spending on sustainable foods reached €4.5 billion in 2017, a 19% increase compared to 2016. Between 2013 and 2016, the turnover of sustainable foods increased by 68%.

The UK

The UK is a leading importer and exporter of ingredients to Europe. However, its position in Europe is unclear because of the uncertainty surrounding Brexit. The UK is the second leading European importer of essential oils.

The [British food industry generated €118.7 billion in revenues](#) in 2017. Approximately 97% of the [food and beverages companies](#) in the UK food industry are small and medium-sized enterprises.

[The UK's organic food market](#) is the sixth-largest in Europe, worth €2.5 billion in 2018. Supermarkets are the most important sales channels, followed by specialist retailers. Dairy products, fruit and vegetables and packaged foods are popular product categories.

The UK is a leading importer of natural ingredients, such as oleoresins, and natural colourants, such as turmeric. The country is the third-largest importer of mucilages and thickeners, such as carrageenan, and the fourth-largest importer of glycosides, such as stevia.

Brexit is causing uncertainty, influencing many parts of the food industry, including regulations, labelling, logistics, as well as safety and quality standards. There are also trade risks, since approximately 61% of British food and drink exports go to the EU.

Italy

Italy is also a significant importer and food and drink producer in Europe.

The Italian food processing industry is dependent on food ingredient imports. The [most important food sectors in Italy](#) are bakery products, dairy products, processed meats and seafood.

The Italian organic food market is the third-largest in Europe, worth €3.5 billion in 2018. Market growth is driven by increasing consumer demand for high-quality, premium products and rising consumer awareness.

Specialist retailers and farmers' markets are the most important sales channels for organic foods in Italy. However, mainstream retailers are gaining market share, especially in packaged foods.

Italy is the third leading importer of guar gum, the fourth leading importer of oleoresins and the sixth leading importer of glycosides, such as stevia. Italy often obtains imports from Intra-EU trade.

Spain

The Spanish food industry generated €118.8 billion in 2017. Spanish food exports amounted to €30.6 billion, an increase of 9% according to the Spanish Federation for the Food and Beverage Industry.

There is a [growing trend](#) of organic and sustainable foods in Spain. According to FiBL, the Spanish organic food market was worth €1.9 billion in 2018.

Spain is the second-largest importer of seaweed extracts and the fourth-largest importer of guar gum.

Distributors

Many food ingredient distributors are located in Germany, the UK, France and the Netherlands. Smaller food manufacturers tend to source their ingredients from distributors rather than from food ingredient companies.

Tips:

Focus on Western European countries when targeting the European market, because these are the biggest importers of food additives in general and of natural food additives as well.

Approach importers and distributors of food ingredients in Europe, since only large European food companies import directly from outside Europe. Look into identifying and approaching companies that specialise in food ingredients, such as [Agrana](#), [Ariza](#) and [Steinhauser Group](#).

3. Which products from developing countries have most potential in the European Market?

European markets have strong demand for natural food additives. Those that present opportunities for exporters in developing countries include gum arabic, guar gum, locust bean gum, carrageenan, agar, coconut sugar and stevia.

There is growing demand for natural emulsifiers, stabilisers, thickeners and gelling agents in the European food industry, thanks to increasing consumer demand for more natural and healthier food products and rising awareness among European consumers.

Food additives are also used in healthier, free-from products, such as products with lower sodium content. Growing demand for high-quality food products as well as increasing demand for packaged and processed food in Europe is increasing the use of natural emulsifiers, stabilisers, gums, thickeners and gelling agents in food products.

Natural sweeteners also present an opportunity for exporters of natural food additives from developing countries. Because of rising rates of obesity and other chronic diseases in Europe, consumers are looking for healthier food products. Stevia is becoming a popular ingredient, especially in the beverages sector.

Coconut sugar appeals to consumers looking for organic and more environmentally friendly products. Since the

organic food market is forecast to continue to grow in Europe, demand for coconut sugar is also expected to increase.

Food Colourants

Food colourants are food additives which are added to foods to enhance natural colours, to make up for colour losses and to add colour to foods that would otherwise be colourless or coloured differently. Food colourants are used in a wide range of products, including dairy products, snacks, margarine, beverages and condiments.

Table 2: Natural colourants allowed in the EU

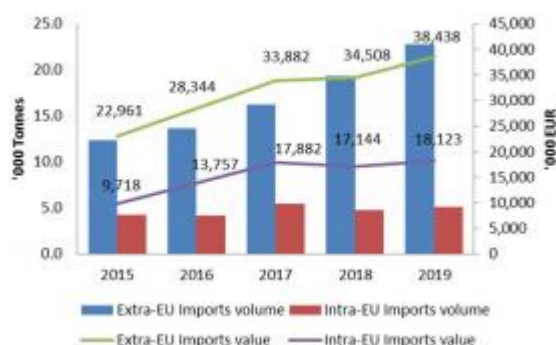
E Numbers	Additives	HS Code
E100	Curcumin	09103000
E101	(i) Riboflavin	29362300
	(ii) Riboflavin 5'-phosphate	29362300
E120	Cochineal; carminic acid; carmines	3204
E140	Chlorophylls and chlorophyllins	320300
E153	Vegetable carbon	28030000
E160a	Carotenes	32041990
E160b	Annatto; bixin; norbixin	12119086
E160c	Paprika extract; capsanthin; capsorubin	330190
E160d	Lycopene	32030010
E160e	Beta-apo-8'-carotenal (C30)	32129000
E161b	Lutein	320300
E161g	Canthaxanthin	32041900
E162	Beetroot Red; betanin	32030010
E163	Anthocyanins	320300
E170	Calcium carbonate	28365000

The use of natural colourants is on the rise as food companies look to replace synthetic ingredients with natural variants. Some natural colourants are likely to be in demand from developing countries, including E100 curcumin, E160b annatto and E160d lycopene.

Curcumin is derived from the turmeric plant root. It is used in beverages, condiments, confectionery, dairy products, fish products, dietary supplements, processed meats and vegetables.

Figure 4 shows imports of turmeric to Europe. It shows that the volume and value of imports has increased in Europe. The majority of European imports come from extra-EU trade, mainly India. Europe is dependent on turmeric imports from developing countries.

Figure 4: Imports of turmeric to Europe



Source: Eurostat

Annatto (E160b) seed is harvested in countries such as Peru, Brazil, Bolivia, Ecuador, Jamaica, East Africa and the Philippines. It is mainly used in cheese, margarine and tofu. Demand for annatto is expected to grow in the future, as the market for annatto is projected to grow **by 3.5% CAGR between 2018 and 2023**.

Lycopene (E160d) can be sourced from papayas and watermelons and is used in tomato-based foods.

Tips:

For more information on natural food pigments and colourants, visit [ScienceDirect.com](https://www.sciencedirect.com).

Read the CBI report with [tips for doing business with European buyers](#).

Read the CBI report on [the requirements for natural colours, flavours and thickeners to be allowed in the European market](#).

Antioxidants

Antioxidants are additives used to prevent rancidity in food due to oxidation. The main purpose of antioxidants is to lengthen shelf life. Table 4 shows examples of natural antioxidants used in food products, which are in high demand as food companies look to move away from synthetic ingredients.

Table 3: Natural antioxidants allowed in the EU

E Numbers	Additives	HS Code
E300	Ascorbic acid	29362700

E306	Tocopherols	29362800
E392	Extracts of rosemary	13021970

The most common natural antioxidants in the European market are ascorbic acid, tocopherols and extracts of rosemary. Ascorbic acid, also known as vitamin C, is found in various fruits and vegetables. Tocopherols are mainly present in vegetable oils, such as soybean oil or sunflower oil. Extracts of rosemary are obtained from the rosemary plant using solvents suitable for human consumption.

Natural Sweeteners

Natural sweeteners are increasingly used in place of sugar in food and beverage products. The World Health Organization's (WHO) [sugar intake for adults and children](#) guideline strongly recommends reducing the intake of free sugars to less than 10% of total energy intake for adults and children.

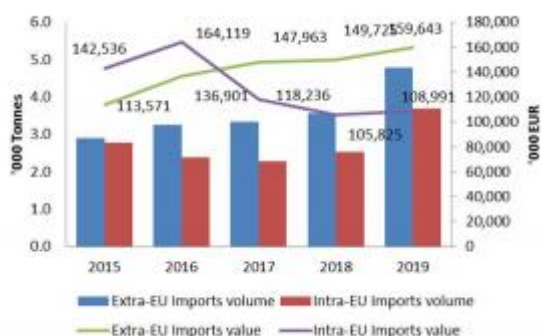
However, the [International Diabetes Federation Europe reports](#) that levels of sugar consumption range from 16-17% in the UK and Spain and range from about 12% in Denmark, Slovenia and Sweden to almost 25% in Portugal. The natural sweeteners in Table 4 below are now approved for use in the EU.

Table 4: Natural sweeteners allowed in the EU

E Numbers	Additives	HS Code
E420	(i) Sorbitol	290544
	(ii) Sorbitol syrup	
E421	Mannitol	29054300
E957	Thaumatococcus	350400
E959	Neohesperidine DC	29389090
E960	Steviol glycoside	29389090
E968	Erythritol	29054900

Stevia is one of the most popular natural sweeteners. The [global stevia market is growing](#) and is expected to reach US\$1 billion (€0.85 billion) by 2023. [Product launches with stevia increased](#) from 479 in 2010 to 3,526 in 2017. Demand has been particularly strong in the drinks sector.

Figure 5: Imports of other glycosides, natural or reproduced by synthesis, and their salts, ethers, esters and other derivatives to Europe, 2015-2019



Source: Eurostat

Figure 5 shows imports of other glycosides, natural or reproduced by synthesis, and their salts, ethers, esters and other derivatives with HS code 29389090, under which stevia extract is usually traded. It shows that there was an increase in volume and value into Europe from extra-EU trade. However, this product category includes other glycosides than stevia.

[Germany is the leading market](#) for stevia-based sweeteners in Europe. Some of the most important cultivation regions are Africa, South America and Asia-Pacific. However, some cultivation is also taking place in Europe.

Other natural sweeteners include monk fruit, palm sugar, coconut sugar and yacon syrup. These types of natural sweeteners are not as widely used by European food companies. The demand for these sweeteners depends on the willingness of R&D departments to use them as ingredients.

Honey is also used as a natural sweetener. Food manufacturers choose honey because it is considered to be a healthier alternative to sugar. However, honey is produced in Europe, so it is not considered attractive for producers in developing countries.

Tips:

Target companies that produce healthy food and beverage products. These companies are more likely to use natural sweeteners in place of sugar. Such companies usually exhibit at organic and natural product trade shows, such as [BioFach](#), [Natural & Organic Products Europe](#) and the [Nordic Organic Food Fair](#).

Read the CBI studies on [stevia](#) and [coconut sugar](#), which provide further information about exporting these two products respectively to the European market.

Emulsifiers, Stabilisers, Thickeners and Gelling Agents

Emulsifiers, stabilisers, thickeners and gelling agents are used as food additives to prevent ingredient separation and maintain consistent product texture. They are used in a wide range of products, such as condiments, dairy products and confectionery.

Many emulsifiers, thickeners, stabilisers and gelling agents are derived from natural sources like plants and seaweeds. They can also be made by bacterial fermentation or chemical modification of natural cellulose to produce a synthetic version of the natural product.

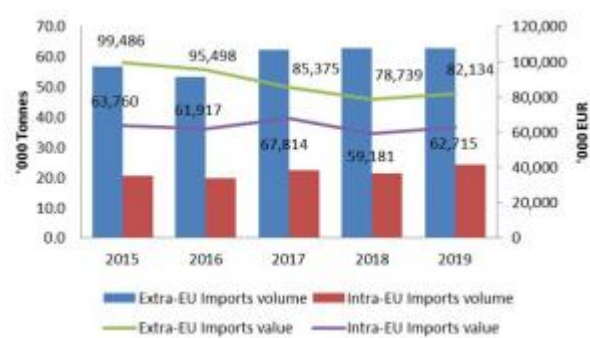
Table 5: Natural emulsifiers, stabilisers, thickeners and gelling agents allowed in the EU

E Numbers	Additives	HS Code
E322	Lecithins	29232000
E400	Alginic acid	39131000
E401	Sodium alginate	39131000
E402	Potassium alginate	39131000
E403	Ammonium alginate	39131000
E404	Calcium alginate	39131000
E406	Agar	13023100
E407	Carrageenan	13023290
E407a	Processed eucheuma seaweed	12122100
E410	Locust bean gum; carob gum	13023210
E412	Guar gum	13023290
E413	Tragacanth	13019000
E414	Acacia gum; gum arabic	13012000
E415	Xanthan gum	13019000
E416	Karaya gum	13019000
E417	Tara gum	13019000
E418	Gellan gum	13019000
E425	Konjac	13021970
E426	Soybean hemicellulose	
E427	Cassia gum	13019000
E440	Pectins	130220
E460	Cellulose	3912

E1103	Invertase	350790
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Table 5 shows a list of natural emulsifiers, stabilisers, thickeners and gelling agents allowed in the EU. Natural ingredients, such as gum arabic or acacia gum, guar gum and locust bean gum are in demand because of their unique properties. They are used as a substitute for fat in low-fat and fat-free food products. [Other applications and functionalities](#) depend on the individual type of gums.

Figure 6: Imports of natural gum arabic to Europe



Source: Eurostat

Figure 6 shows that the imports of gum arabic increased slightly in volume between 2015 and 2019. The price of gum arabic tends to fluctuate because of political instability in supplying countries, weather conditions and changes in demand.

Approximately [102 thousand tonnes](#) of gum arabic were exported annually from the gum belt region between 2014 and 2016. [The exported amount of processed gum arabic](#) reached 53 thousand tonnes per year between 2014 and 2016. Increasing local processing to even out the unequal value distribution in the supply chain remains an important challenge for producers in developing countries.

European importers are [heavily dependent on Sudan for the supply of gum arabic](#), as Sudan produces approximately 66% of the global supply and 83% of all European gum arabic imports from outside the EU-28. Due to political instability in Sudan, European exporters are open to finding new suppliers. Nigeria, Chad, Senegal and Mali are other suppliers of gum arabic. Despite significant progress in recent years, producers in these countries face many obstacles, including infrastructure, production disruptions and quality issues.

The market for gum arabic is highly concentrated. French producer [Nexira](#) is estimated to hold approximately [50% of the global market](#), making France the most important supplier of gum arabic to EU countries. Most demand for gum arabic comes from Germany, France, the UK and Italy.

Demand for gum arabic is expected to continue to grow at a stable pace as food companies look for natural ingredients.

Tips:

Read the CBI report with [tips for doing business with European buyers](#).

Read the CBI report on [the requirements for natural colours, flavours and thickeners to be allowed in the European market](#).

See [EU Directive 95/2/EC \(20 February 1995\)](#) for more information on emulsifiers, stabilisers, thickeners and gelling agents.

Document and promote the ability of your gum to replace fat and other contentious ingredients. Make sure to promote all the positive properties of gums to buyers.

Assist food manufacturers with reformulation by providing knowledge on processing characteristics.

Guar gum is used in a variety of industries, including food. According to Market Data Forecast, the [European Guar Gum Market](#) was worth US\$197.8 million (€167 million) in 2018 and is projected to grow to US\$290 million (€246 million) by 2023. [India is the main supplier](#) of guar gum in the world, supplying approximately 80% of the total.

The [major country importers of guar gum](#) in Europe are Germany, France, the UK, the Netherlands and Italy. Europe is the second-largest market after North America. Guar gum is widely used in the food industry and is also used in the oil sector, so its prices fluctuate depending on demand for crude oil in the global market.

Demand for guar gum is likely to increase in the near future because of its properties, wide array of applications and stable supply. In the past, rising prices led food companies to look for cheaper alternatives. Higher prices and limited supplies pose risks for the guar gum market in Europe.

Figure 7: Imports of mucilages and thickeners of guar seeds, whether or not modified (1988-2500), to Europe

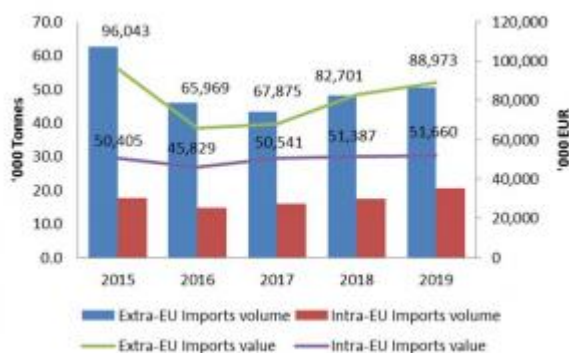


Figure 7 shows imports of mucilages and thickeners of guar seeds, whether or not modified, between 2015 and 2019. It shows that the import volume decreased in 2016. The imports have increased in volume and value in the last couple of years.

Locust bean gum (LBG) is commonly used as a thickening and gelling agent in the food industry. There is high demand from the food and beverage industry, especially the dairy sector. Between 70% and 75% of [carob bean gum](#) is produced in the Mediterranean region. European countries, such as France, Italy, Spain, Germany and the UK, are the biggest markets for carob bean gum products.

Tara gum is a less popular additive, often used as an alternative to guar gum and LBG. [The food industry is the main end user of tara gum](#), making up about 60%-70% of its demand. It is used in low-fat and low-calorie foods. Peru is the major supplier of tara gum, but it has also been introduced to Africa, the Middle East and Asia.

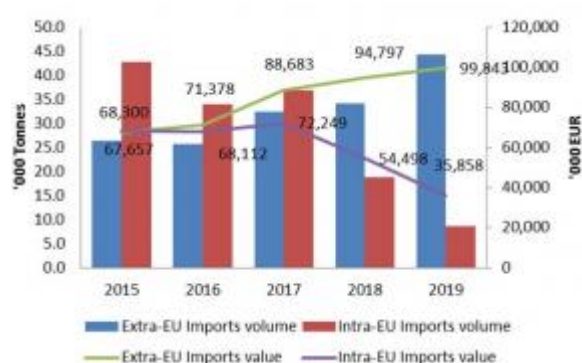
Tara gum faces competition from guar gum and LBG, as well as some other synthetic gums. Demand for tara gum depends on the willingness of R&D departments to reformulate their products and use new ingredients. Competing products have been on the market much longer and are better known to formulators and importers of gums to Europe. The success of tara gum will also depend on marketing activities of tara gum suppliers.

Other natural gums, such as tragacanth and konjac gum, have niche applications.

Tragacanth is a form of dietary fibre used as a natural emulsifier, thickener, stabiliser and texturing additive. It has good properties in the presence of heat or low pH and has a long shelf life. In the food industry, it is used in dressings, sauces, relishes, beverages, bakery products, broths, confectionery, ice creams, soft jellied products, condiment bases and sweet pickle liquors.

Konjac gum, also known as konjac glucomannan, is used as dietary fibre and gelling agent in the pharmaceutical industry. In the food industry, it is used as thickener, texture stabiliser, emulsifier, gelling agent and preservative. Konjac gum can be found in dairy products, bakery products, pastries, confectionery, dressings, drinks, spreads, processed meat products and frozen food.

Figure 8: Imports of lac, natural gums, resins, gum resins, balsams and other natural oleoresins with HS Code 130190 to Europe



Source: Eurostat

Figure 8 shows imports of lac, natural gums, resins, gum resins, balsams and other natural oleoresins with HS Code 130190, under which xanthan gum, karaya gum, tara gum, gellan gum, cassia gum and tragacanth are traded. It shows that the volume and value of imports from outside the EU has increased between 2015 and 2019.

According to industry feedback, gums have a lot of potential in the European market, especially for free-from food products, such as gluten-free and vegan. Many gums can be used as a substitute for gelatine for certain applications, which makes them an attractive ingredient for vegan food products.

Tips:

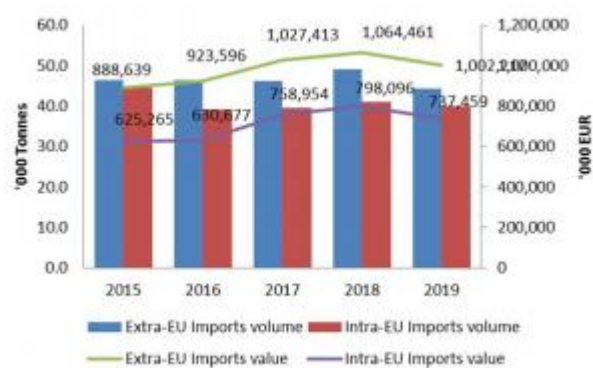
Consider obtaining organic certification for gums, which can help you access niche markets. Look up information on [EU organic certification and regulations](#). Organic certification can make food additives more competitive in the European market.

Adopt measures to improve the sustainability of your production system, such as energy reduction, reduction in water use and proper waste management. These practices can help you gain the trust of buyers. Promote this information on your website and marketing materials.

Flavours

Food grade essential oils can be used as flavouring in food products. Essential oils, such as peppermint, lemon, orange lavender and bergamot are commonly used in sweets, frostings, baked goods and marinades to enhance or add flavours. Thyme and marjoram are used in savoury foods.

Figure 9: Imports of essential oils to Europe



Source: Eurostat

Figure 9 shows imports of essential oils to Europe between 2015 and 2019. It shows that there was a slight increase in the value of essential oils from extra-EU imports. A substantial part of essential oils imports is used by the flavouring sector.

Brazil, the Netherlands, the US, France and China are some of the main suppliers of essential oils to Europe. Countries such as the Netherlands, Germany, France and Italy mainly re-export essential oils to the EU. The biggest producers are Brazil, China, India and Mexico.

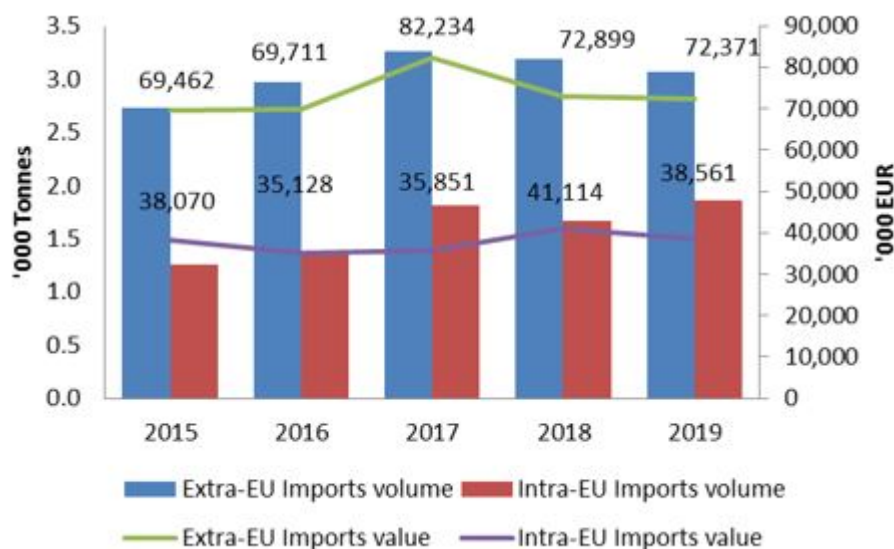
The [global essential oils market](#) is estimated to reach US\$11.19 billion in 2022 (€9.48 billion). The most popular essential oil types are orange and other citrus oils, which are used to add freshness to finished products.

Oleoresins as natural flavouring additives are a viable alternative to spices and essential oils. They are much more stable and dissolve in oils, fats and lipids, as opposed to essential oils.

The [global oleoresin market](#) was worth US\$1.44 billion in 2018 (€1.22 billion). The most common oleoresins used in the food industry are paprika, black pepper, capsicum, turmeric, ginger and garlic. Demand is increasing because of their growing use in ethnic food and businesses shifting towards natural ingredients.

India is the main oleoresin producer, followed by China, the US, Sri Lanka and South Africa. The price and availability of oleoresins fluctuates depending on the harvest.

Figure 11: Imports of oleoresins in Europe



Source: Eurostat

Demand for oleoresins is expected to continue to increase in the future, opening opportunities for suppliers in developing countries. Oleoresins, such as black pepper, paprika and turmeric are becoming popular among European food manufacturers. The main demand is coming from meat and processed food industries, as well as ethnic cuisine.

Tips:

Read the CBI report with [tips for doing business with European buyers](#).


Read the CBI report on [the requirements for natural colours, flavours and thickeners to be allowed in the European market](#).


This study has been carried out on behalf of CBI by [Ecovia Intelligence](#).

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