

Entering the European market for fresh herbs

Quality and freshness are key for entering the European fresh herb market. Product handling, expensive air freight, certifications and strict buyer requirements are a big hurdle for most suppliers. Successful herb growers and exporters supply the market mainly from Kenya, Morocco and Israel and often off-season. The best way to achieve the same is through partnerships with importers and international growers in Europe.

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1. What requirements must fresh herbs comply with to be allowed on the European market?

Fresh herbs must comply with the general requirements for fresh fruit and vegetables. You can find these in the general [buyer requirements for fresh fruit and vegetables](#) on the CBI market information platform. You can also use the [EU Trade Helpdesk](#) that provides an overview of export requirements for fresh herbs with the code for 'other vegetables' (code 0709 99 90).

What are mandatory requirements?

Pesticide residues and contaminants

Pesticide residues are one of the crucial issues for fruit and vegetable suppliers. To avoid health and environmental damage, the European Union has set maximum residue levels (MRLs) for pesticides in and on food products. Products containing more pesticides than allowed will be withdrawn from the market. The same goes for contaminants such as heavy metals.

Note that buyers in several Member States such as the United Kingdom, Germany, the Netherlands and Austria, use MRLs that are stricter than the MRLs laid down in European legislation.

Tips:

Find out the MRLs that are relevant for fresh herbs by [consulting the EU MRL database](#) in which all harmonised MRLs can be found. You can search for your product ("herbs and edible flowers") or pesticide used. The database shows the list of the MRLs associated to your product or pesticide.

Reduce the amount of pesticides by applying [integrated pest management](#) (IPM) in production. IPM is an agricultural pest control strategy that includes growing practices and chemical management.

Read more about [MRLs on the website of the European Commission](#). Check with your buyers if they require additional requirements on MRLs and pesticide use.

Make sure that contamination of lead in fresh herbs remains below 0.30 mg/kg and cadmium below 0.20 mg/kg, according to the [maximum levels for certain contaminants in foodstuffs](#).

Phytosanitary regulation

In December 2019 the new European regulation for the [trade in plants and plant products from non-EU countries](#) came into force. This regulation requires fresh herbs to have a phytosanitary certificate before being brought into the European Union, guaranteeing that they are:

List:

Inspected: properly inspected;

Free from pests: free from quarantine pests, within the requirements for regulated non-quarantine pests and practically free from other pests;

In line with phytosanitary requirements: in line with the plant health requirements of the EU, laid down in Regulation (EU) 2019/2072

Phytosanitary certificates are provided by plant health authorities. For example, fresh herb exporters in Kenya can obtain an export licence with the [Agriculture and Food Authority \(AFA\)](#) and a phytosanitary certificate through the [Kenya Plant Health Inspectorate Service \(KEPHIS\)](#).

Tip:

Familiarise yourself with the phytosanitary rules to export to Europe laid out in the [Regulation 2016/2031 on protective measures against pests of plants](#) and its [Implementing Regulation 2019/2072](#).

Prevent microbiological contamination

Fresh herbs and leafy vegetables carry a risk in terms of microbiological hazards. Leafy vegetables are grown and packed in diverse ways and have been associated with multiple disease outbreaks. Microbiological contamination such as Salmonella and E.coli can occur during manual picking and packing, water use and soil improvement.

Food business operators must take measures at each stage of food production, processing and distribution, such as the application of Good Hygiene and Manufacturing Practices (GHP, GMP) and the [Hazard Analysis Critical Control Point \(HACCP\) principles](#).

Tips:

Increase your knowledge about potential microbiological risks in fresh herbs by reading the [FAO Meeting Report on Microbiological hazards in fresh leafy vegetables and herbs](#).

Follow the hygiene and handling guidelines for leafy vegetables in [Annex III of the Codex Alimentarius Code of Hygienic Practice for Fresh Fruits and Vegetables](#). This Annex also provides information on the

safety, storage, packaging and transport of fresh herbs.

Quality standard

There is no specific marketing standard for fresh herbs defined by the United Nations Economic Commission for Europe (UNECE), but the [General Marketing Standards of Regulation \(EC\) No. 543/2011](#) (Annex 1 Part A) apply.

The general marketing standards require fresh herbs to be:

1. intact, sound and clean;
2. free of visible foreign matter;
3. free from pests;
4. free from external moisture, foreign smell or taste.

For fresh herbs, the quality of the leaf is most important, including its colour and the balance between stem and leaves. You must also avoid decay, bruising, blackening, yellowing, pesticide residue, uneven colour and the lack of leaves. Product uniformity is important. The condition of the fresh herbs must be of a level that enables them to withstand transportation and handling.

Quality requirements should not be underestimated. Israel is one of the main suppliers to Europe and has much experience with quality requirements. The Israeli Plant Protection and Inspection Services (PPIS) has published a presentation about the [Quality Inspection of Fresh Herbs for Export from Israel](#).

Tip:

Maintain strict compliance with quality requirements and deliver the quality as agreed with your buyer. Being careless with your standards will give buyers a reason to claim on quality issues.

Packaging

Fresh herbs need protective packaging to maintain their freshness and quality. Packaging requirements vary between different actors in the supply chain, such as importers, re-packers, wholesalers and retailers. However, most imported herbs are re-packed by the importer.

Trade: If the herbs are exported for re-packing in Europe, you can send your product bundled in cardboard boxes with a plastic liner or bag. Fresh herbs can be packed lying down or standing upright as is [shown by the Israeli company Carmel Agrexo](#). Perforated polyethylene or poly propylene bags will protect the herbs and reduce water loss. Weight per box is often 1 kilogram, and not more than 3 kilograms.

Retail and wholesale: When you pack directly for retailers, you must be able to offer the required consumer packaging. Freshly cut herbs are usually packed in convenient plastic flow packs, sealed plastic trays or re-closable punnets. Regular sizes are between 10 and 60 grams. See [examples in the supermarket assortment of Albert Heijn](#) and [Rewe](#). Locally produced fresh herbs are also offered as potted plants in plastic sleeves, especially in Northern-European markets such as the Netherlands and the United Kingdom. See for example [Tesco's pot of British basil online](#). Wholesalers often require packaging from 50g up to a kilo for their clients such as restaurants and other bulk users.

Tips:

Always discuss specific packaging requirements and preferences with your customers.

Investigate new innovations in packaging that improve shelf life and waste reduction. As inspiration you can read about introductions of new packaging in the past, such as the [Fresh Lid packaging by Tadbik](#) on Hortidaily and [ecological packaging for potted plants in ICA supermarkets in Sweden](#) on FreshPlaza.

Check the additional requirements if your product is pre-packed for retail in the [Codex General Standard for the Labelling of Prepackaged Foods](#) or [Regulation \(EU\) No. 1169/2011](#) on the provision of food information to consumers in Europe.

Find the legal requirements for labelling in the [Buyer requirements for fresh fruit and vegetables](#) on the CBI market information platform.

Handling

Fresh herbs are highly perishable. When shipping fresh herbs, make sure they are transported quickly (air freight is common) and kept at a proper temperature. Maintaining an unbroken cold chain is crucial to maintaining quality. For most herbs the ideal temperature is 0 degrees Celsius. Basil is the exception and is best kept at 10 degrees Celsius.

Tips:

Minimise the time between harvesting and packaging to ensure maximum freshness and quality. Use pre-cooling when your herbs are harvested.

Check the [Recommendations for Maintaining Postharvest Quality](#) of the Postharvest Center of the University of California.

What additional requirements do buyers often have?

Transparency and demand-oriented delivery

Buyers can be very specific in their preference, especially when they supply supermarkets. They will be demanding in the way your herbs are cultivated, selected and packaged. As a supplier you need to be transparent about every step in the process. Volume, quality and uniformity are essential for your product to end up at large retail chains. Variety, appearance and flavour can also play an important role, for example to satisfy culinary professionals. For smaller products there is more emphasis on service and assortment choice.

Tips:

Work closely together with your buyers and invite them to your farm. Showing your production is the best way to convince your buyer.

Get information from herb seed breeders to select the right sub-varieties that are best adapted to your climate and provide the best characteristics for your target market.

For additional requirements such as payment and delivery terms, see the [CBI Buyer Requirements for](#)

fresh fruit and vegetables and [Tips for doing business with European buyers](#).

Certification

Fresh herbs are a common product in retail programmes. As a result buyers almost always require a set of certifications to demonstrate good practices and food safety. Common certifications are [GlobalG.A.P.](#) for agricultural production and [BRCGS](#), [IFS](#) or similar HACCP-based food safety management systems for packing houses. These management systems are recognised by the [Global Food Safety Initiative \(GFSI\)](#).

Sustainability and social compliance

There is growing attention for the social and environmental conditions in the producing areas. Most European buyers have a social code of conduct which they will expect you to adhere to. For fresh herbs, social compliance is important, although product quality has top priority.

It can be a plus to be [GRASP](#) certified. GRASP is a social add-on of GLOBALG.A.P. and an accessible certification that is gaining importance in Europe.

Another good option is implementing standards recognised by the [Sustainability Initiative Fruit and Vegetables \(SIFAV\)](#), such as the [Sedex Members Ethical Trade Audit \(SMETA\)](#). SIFAV is an initiative of traders and retailers to make sourcing from Latin America, Africa and Asia 100% sustainable by 2020. The involved companies do not purchase fresh products without at least one environmental and one social standard.

Fair trade certifications are less common for fresh herbs. In dried herbs and spices, you have more options for [fair trade](#) and other initiatives, such as the [Sustainable Spices Initiative](#).

Tips:

Implement at least one environmental and one social standard. See the [Basket of Standards](#) of SIFAV, The Sustainable Trade Initiative for Fruit and Vegetables.

Examine your company's current performance, for example by completing a self-assessment of the Business Social Compliance Initiative website (BSCI) on the [amfori website](#).

Consult the [Standards Map database](#) for more information on different social and sustainable labels.

What are the requirements for niche markets?

Organic label is relevant for fresh herbs

Fresh herbs are meant for direct consumption and that is why an organic label can be a relevant requirement. The market for organic vegetables is growing. For example, many of the potted herbs sold by local growers are produced organically. An organic label is a confirmation to the consumer that the herbs are natural and healthy. There is less foreign supply of organic, freshly cut herbs. As an organic grower you can use this to your advantage and differentiate your products.

In order to market organic products in Europe, you have to use organic production methods according to [European legislation](#) and apply for an organic certificate with an accredited certifier. Note that starting January 2021 the new [Regulation \(EU\) 2018/848](#) will come into force. Among the requirements are:

List:

Use of soil: Your herbs need to be cultivated in soil (no hydroponic or soilless systems).

Organic production methods: Your production has to be cultivated according to organic methods for at least two years.

Certification: Your product needs to be certified as organic by an accredited certifier.

Tip:

Consider organic herbs as a plus, not as a must. Remember that implementing organic production and becoming certified can be expensive. You must be prepared to comply with the whole organic process to market organic products.

Selling ethnic and exotic herbs

Ethnic and exotic herb varieties are also part of niche markets. Due to their smaller trade volume they are often part of a spot market with more risk of fluctuation. If the fresh herbs are not pre-ordered by an end client, importers will likely ask you to provide your product in consignment. As an exporter you must understand the risks of quality claims and fluctuating returns prices when selling your herbs on commission base.

Tip:

Only do business on commission with buyers that have a proven record and that preferably have a longstanding relation with your company.

2. Through what channels can you get fresh herbs on the European market?

Fresh herbs have different end-markets in retail and food services. The best way to get your herbs to these markets is through partnerships with herb importers or international growers.

How is the end-market segmented?

Fresh herbs are mainly marketed for culinary uses in two different segments. One is the convenience segment, where you will find retailers such as supermarkets, specialised shops and street markets. The other is the hospitality industry and food service segments such as restaurants and bars.

Figure 1: Market segments for fresh herbs



Retailers promote fresh convenience

Convenient fresh products are typical for retailers such as supermarkets, where fresh herbs are sold as quality ingredients in handy packages, as ultra-fresh potted products or frozen. Here you can also find a wide assortment of processed food products that contain fresh herbs such as ready-made meals, salads, fresh juices, soups and sauces. Good examples are the [salad with parsley and chives in the German supermarket Rewe](#) and [fresh tomato soup with basil sold in Tesco supermarkets](#).

Street markets, ethnic shops and small retailers of fresh vegetables are also in the market for fresh herbs, but their market share is much smaller than that of the large supermarket chains. These traditional channels are more suitable if you do not work with retail packers or when you are supplying a niche variety. On street markets, vendors sell fresh bundles of herbs for reasonable prices, saving costs on expensive packaging.

Food service providers introduce and promote new flavours

The culinary value of fresh herbs makes food service an important segment. The food service segment can be important for the introduction of new types of fresh herbs as well as larger packaged deliveries.

Food service providers such as restaurants use fresh herbs for specific recipes or ethnic cuisines. Cafes and bars also use herbs, mostly mint, to make fresh mint tea or mojitos. Food service innovators are often responsible for introducing new flavours. They distinguish themselves with creativity and taste. Therefore they are more open to experimenting with different flavours and herbs, such as purple basil, Thai basil, Chinese chives, shiso or edible flowers.

Tips:

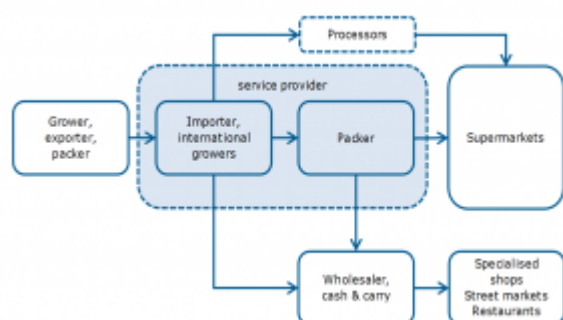
Offer something unique. In all segments quality must be your priority, but you can differentiate by offering a unique variety in a niche segment or an organic or sustainable label in a main retail segment.

Research different supermarkets, wholesale markets (such as [Rungis](#) in France) and specialised shops when visiting Europe. See for yourself which kind of stores sell your type of herbs and find out who is supplying them. The less common your variety the more specific your segment and potential buyer will be.

Through what channels does a product end up on the end-market?

Service providers and international growers have a central role in the import and distribution of fresh herbs. They are familiar with all the different requirements of end clients and are able to distribute to different markets. By sourcing fresh herbs in different regions, both from local and foreign origin, fresh herb companies can assure their clients with a year-round supply.

Figure 2: Supply channels for fresh herbs in Europe



Service providers provide access to supermarkets

Fresh herbs have become a typical retail product. Large retail organisations such as supermarkets usually work with supply programmes and offer both packed and potted herbs to consumers.

Successful suppliers to supermarkets often position themselves as service providers. They organise the supply chain according to the needs of their clients, from growing and sourcing to re-packing, mixing and branding. You can become part of this supply chain if you are able to offer the quality and logistics that a service provider requires. It is common for fresh herbs to be packed or re-packed according to retailer standards. Luxury supermarkets distinguish themselves by offering an attractive assortment of fresh herbs. Discount retailers like Lidl and Aldi limit their offer to the main herbs such as parsley, chives, dill and basil.

Large companies that supply supermarkets are for example as [Europe Retail Packing](#) and [Vitacress](#). Europe Retail Packing is one of the largest suppliers in the Netherlands of fresh cut herbs from local suppliers as well as Israel and Kenya. They work directly with farmers and offer a wide range of packing and mixing solutions. Vitacress is a UK based leading supplier of fresh herbs, watercress and salads. They have farms in the UK, Portugal, Germany and Spain, a global sourcing network to offer fresh herbs under private label or with their own brand.

International growers look for partnership

Growers and grower organisations are very important in the supply of fresh herbs. Some of these growers work at an international level and look for foreign partnerships. Much of the year they cover the local demand themselves, but they fill in the gap with the imported produce. Examples of growers with international networks are:

- [Hermann Kräuter](#), a German grower that supplies fresh herb and cress varieties from 350 hectares of its own production in summer and find additional supply in winter from Italy, Spain, Kenya, Israel and Morocco.
- [Van Vugt](#), a Dutch producer with an international growers' network in Belgium, Spain, Germany, Italy, Hungary and Kenya.

Importers have strong foreign relations

Most importers of fresh herbs have steady commercial relationships with growers in different countries. They are specialised in working together with different supply countries or more unique herb varieties. Companies that are more focused on imported herbs and exotic produce are, for example, [TFC](#), [BUD Holland](#) and [Greenfresh](#). Importers of niche products usually sell at wholesale level. Re-packing is often one of their additional services, which brings them closer to being a full service provider. Their expertise in import and logistics make them into valuable partners for foreign suppliers.

Wholesalers supply the spot market

Wholesalers often supply smaller quantities of fresh herbs to secondary channels such as hospitality and food

services, specialised retailers and street markets.

Import can be among the activities of a wholesaler, but they are not equipped to organise a global network of growers. Instead, they prefer to buy from local growers and international import specialists. Without a retail programme they mainly cover the spot market, moving with the fluctuations of the trade. Typical wholesalers that sell fresh herbs are, for example, [Van Gelder](#) in the Netherlands and [Herzog](#) in Austria.

Suppliers to the food industry require continuity

Europe's food industry requires large quantities of herbs, varying from sauces and soups to prepared meat and meals. Food processors need continuity and stability and often work with supply contracts and fresh herb specialists. [Herbs Unlimited](#) in the United Kingdom is such a specialist. Besides packing herbs for retail businesses they supply freshly cut herbs to food manufacturers like Cranswick Gourmet Sausage Co.

In the food industry you can expect most purchasing to happen with local companies and a strong competition from the dried herb industry.

Tip:

Make sure to have a reliable partner if your herbs are re-packed in your destination country. Quality claims are easily transferred to your company if the product is rejected by the retailer even if it is not your fault. Be sure to document your product quality (make pictures before shipment) and production process (such as processing time, temperature and laboratory tests).

What is the most interesting channel for you?

As a foreign supplier your best chance to enter the European market is through a partnership. A partnership with a large European grower, importer or service provider helps you sell your fresh herbs in the European off-season, for example to supermarkets. Importing wholesalers can distribute your fresh herbs to a variety of segments, including niche markets.

Being part of retail supply programmes gives you the best security for a stable demand and margins are often most profitable. However, the requirements are high and room for negotiation is minimal. Supplying supermarkets directly is challenging for non-European suppliers and will be easier with a European partner. Their supply is programmed and the local seasonal production weighs heavy in retail preference.

As a foreign supplier you must be prepared to integrate your business with European herb growers or offer a reliable year-round volume including supply from local European sources. The most likely route to become part of a retail programme is to cooperate with a service provider that has a local infrastructure and established supply contracts with retailers.

If you cannot comply with the high service level or guaranteed supply contracts that are required by large retailers, it is best to work with an importer or importing wholesaler. Wholesalers buy fresh herbs from European growers and often have additional imports of fresh herbs from trusted foreign suppliers during the off-season. Specialised importers may also look for different herb varieties or quality that is better available abroad to fulfil the demand of culinary or ethnic buyers; for example large Moroccan mint from open field production or Thai basil and lemongrass from Thailand.

Tip:

Visit trade fairs to find buyers. The most important trade fairs in Europe for fresh fruit and vegetables are [Fruit Logistica](#) in Berlin and the [Fruit Attraction](#) in Madrid.

3. What competition do you face on the European fresh herb market?

For European buyers it can be worthwhile to complement the supply from local growers with supply from other countries that have favourable climates and competitive production costs. This provides opportunities for horticulturalists in countries such as Kenya and Morocco. Differences in variety, quality and season are the main reasons to buy herbs in non-European countries.

Which countries are you competing with?

Kenya: Europe's source for counter seasonal supply

Kenya has made a big step in fresh herb production, with basil being the dominant crop. Production is cheaper in Kenya than it is in Israel and European countries, and a favourable climate allows for a year-round supply. Some buyers also argue that the herbs have a more intense flavour because of the country's geographic location.

With several larger growers Kenya offers supply certainty, traceability and control of residues. The country is the main non-European supplier (at least within the product code HS 07099990), but it has difficulties in further growth. [Current discussions on Kenyan media](#) to reverse the ban on 262 pesticides and herbicides may affect the supply to Europe. And the 2019-2020 herb season was already under pressure due to excessive rains and flooding.

When the quality or volume in Kenya is not up to standards, buyers can make use of alternative sources such as Israel, but also countries such as Ethiopia or Uganda.

Morocco: leading in mint, thyme and chives

Morocco is a powerhouse when it comes to the production of vegetables and the supply to Europe. Fresh herbs such as mint are among the products that are in demand in Europe. The main advantage of Morocco is its proximity to Europe and its warmer production climate. They can extend the production season in Europe and differentiate in production method and product quality. For example, mint from Morocco has strong stems and more flavour, thanks to the open-air cultivation with lots of sunshine. Morocco is also the number one supplier to Europe of thyme (as a spice, HS code 09109933) and chives (HS code 07039000).

In 2019 Morocco exported 12.2 million euros worth of 'other vegetables' (HS 07099990) including fresh herbs to Europe. This is 80% more than five years earlier. Moroccan companies have become valuable options for European buyers because of their improvement in product quality. The fresh herb production still has potential to increase in the future, but Morocco will be competing with other Mediterranean and Northern African producers. Spain, Italy, Egypt and Turkey all have overlapping production seasons.

Thailand: supplier of exotic herbs

Competition from Thailand is mainly oriented on specific herbs such as Thai basil and lemongrass, as well as various exotic herbs and leafy vegetables. Fresh herbs are air-freighted to European buyers along with a wide variety of exotic fruit and vegetables. France and Sweden are among the main buyers of fresh herbs from

Thailand.

The exotic and unique varieties allow Thai growers to address specific ethnic markets and differentiate their products in the wholesale channel.

Jordan: export potential to Europe

The Jordan valley, neighbouring with Palestine and close to Israel, is a productive area for fresh herbs such as basil, tarragon and thyme. The reputation of Jordan's horticultural sector is mostly positive, but logistics to Europe may be difficult.

According to the trade statistics Jordan is a significant and stable supplier of fresh herbs to Europe. EU statistics show an import value of 5.2 million euros of imported 'other' vegetables (including fresh herbs) from Jordan in 2019. The United Kingdom is Jordan's main export market, followed by Germany.

Additional export in the future will be driven by increased attention for Jordan's potential. There is support for the sector by [CBI's export promotion programme until 2022](#) and by the [Jordan Exporters and Producers Association for Fruit and Vegetables \(JEPA\)](#).

Israel: superior quality

Israel has a well-developed horticulture and very experienced fresh herb growers. Prices for fresh Israeli herbs are somewhat higher than prices for herbs from other origins, but the reputation in quality is high. Fresh herbs are efficiently processed and packed. International logistics are well organised to ensure a short transit time to Europe.

In 2019 Israel supplied 4.9 million euros of miscellaneous vegetables (mostly herbs) to Europe. Important fresh herbs from Israel include basil, chives, mint and coriander. Belgium is the main destination in Europe, but its importance is decreasing. The Netherlands and the United Kingdom are the second and third market for Israeli herbs.

Growers have also invested in production outside Israel. Companies such as [ADA Fresh](#) and [Agriver](#) use their knowledge to expand fresh herb production in countries such as Kenya and Ethiopia. This way Israeli growers will maintain a significant role in the future fresh herb trade.

Turkey: unused potential

In 2019 Turkey registered an export to Europe of 3.7 million euros of fresh herbs and other vegetables that share the same trade code. Most fresh herbs go to Eastern Europe (Romania). Turkey is also the leading supplier of (dry) bay leaves as a spice (HS 09109950), of which Europe imported 11.2 million euros in 2019, mainly for the German and Polish market.

Turkey is an important producer of a variety of herbs and spices, including thyme, sage, bay leaf and mint. The horticulture sector is growing, but at the moment it is not organised well enough to benefit from its true potential in exporting fresh herbs. This prevents Turkey from becoming a stronger competitor in the next few years.

Europe: main competition in summer

Your main competition in fresh herbs comes from European production. The local availability peaks between May and September and some herbs are even cultivated year round in milder climates and greenhouses. During the summer, Europe is supplied by herb growers in Italy, Spain, Greece as well as greenhouse growers in the Netherlands and other northern European countries. This makes it very difficult for suppliers from overseas to be on the European market all year round. However, the presence of foreign herbs increases from October

onwards in order to feed the constant consumption.

Tips:

Discuss with potential buyers in Europe if your supply window and costs (both in production and logistics!) are competitive and attractive for the European market. Use the advantage of your specific climate and plan your production accordingly.

Invest in knowledge, technology and farm management. As a company you can only compete successfully when you invest in excellent horticultural practices and the highest product quality. Find knowledge in countries with a strong horticultural tradition such as Israel, the Netherlands and Spain.

Which companies are you competing with?

AdaFresh: Competing through international presence

Some companies in the fresh herbs segment compete on an international level with growers from different countries. This gives them the advantage of having a year-round supply from different climates. [AdaFresh](#) is an example of an Israeli company that combines horticultural knowledge with an international network of growers. They supply herbs from Israel and Kenya, but with their own logistical branch office in the Netherlands they can source from basically any country.

By taking responsibility of the supply chain from cultivation to international commerce AdaFresh has become a strong competitor in the fresh herb sector. But as an international sourcing company they could also become a partner for exporters that manage their own farms. Many European grower organisations work in the same way.

Brookveg Limited: Timing and international partnerships

Focusing on export markets in Europe often means a big change in your production process and quality protocols. [Brookveg Limited](#) has made this shift successfully. They found a partner in the Dutch company Van Vugt, one of the leading herb companies in Europe. Currently, the company supplies them with several herb varieties including chives, basil, sage and chervil.

For fresh herb producers it can be a good strategy to start locally and look for international partnerships when the company is ready for the requirements of European buyers.

Beleco: Competing in organic herb cultivation

[Beleco](#) is one of the Moroccan companies that have taken the opportunity to improve product quality, and that have developed a range of organically grown herbs. The company certified its organic production with [Ecocert](#) in France. It is a specialisation that satisfies the European demand for more natural fresh products. For planning, monitoring and sampling they work together with an external expert. The company shows the importance of differentiating in quality, but also of making the most out of both the local circumstances and external knowledge.

Tip:

Expand your business and international presence through strategic partnerships. Fresh herbs is a specialised business which requires a solid network of growers, packers and marketers to coordinate trade and manage information. Emphasise your strengths as a partner when talking to potential buyers, not just your sales pitch.

Which products are you competing with?

Although fresh herbs are highly perishable they are a welcome substitute for dried herbs, especially as a culinary addition. Consumers increasingly prefer the fresh option. For everyday cooking, however, dried herbs are still more common because of their shelf life and convenience. Another in-between solution is the use of frozen herbs, to give the consumer the satisfaction of a fresh product and the convenience of a dried product.

Among herb varieties there is less competition, as each has its own unique flavour and purpose. The main threat for your product are locally produced herbs, including potted herbs that may limit the demand for imported freshly-cut herbs.

In some cases buyers prefer fresh herbs from specific origins because of their unique characteristics. Almost all herbs can be cultivated in Europe, but it is difficult to imitate the exact growing conditions such as climate and soil. This is why Thai basil from Thailand and strong mint from Morocco are sometimes preferred over the local (greenhouse) production in Europe.

Tip:

Highlight the characteristics of your product on your website and in your communication to potential clients. Describe taste, size and other additional value of your product.

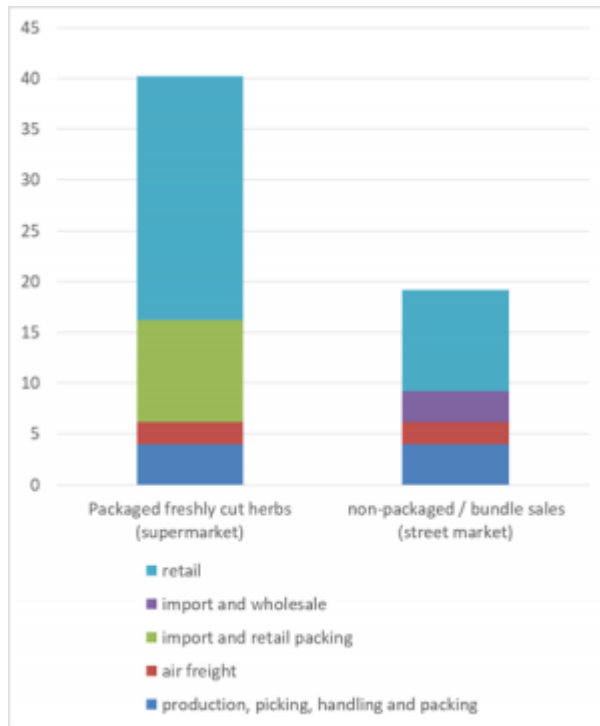
4. What are the prices for fresh herbs?

Prices for fresh herbs are relatively stable and vary according to the quality and variety. However, the final price is always subject to the way fresh herbs are handled, packed and transported. Especially manual labour and small packaging can drive up the price to consumers.

Non-European herbs are almost always air-freighted. According to a [market update of Farmbizafrica.com](#) Kenyan farmers are paid anywhere between 3.30 and 5.25 euros per kilo for regular fresh herbs so logistical costs are a big part of the product's value when it arrives in Europe. As an exporter you need competitive air-freight prices.

Sales prices from importers in Europe are between 7 and 11 euros per kilo. This includes the import and handling costs as well as the regular profit margins for the importing wholesaler (approximately 8 to 12%).

Figure 4: Indicative price breakdown for imported fresh herbs in Europe



Retail prices can be several times the wholesale prices. Prices of small packages of herbs in supermarkets are the highest; anywhere between 25 and 100 euros per kilo, depending on the packaging size (usually between 15 and 40 grams). These retail prices include re-packing after import, but also presentation, store-cooling, left-over disposal and taxes. Being a highly perishable product, fresh herbs have a relatively high waste rate.

Consumers get much better value for their money when buying herbs in bundles on street markets and in traditional grocery stores. There they pay around one euro for a medium-large bundle (8 to 20 euros per kilo). Potted herbs are also attractively priced between 1.50 and 2 euros.

Table 1: Examples of fresh herb prices: wholesale (kilo boxes) and retail (pre-packed freshly-cut)


	Wholesale (March 2020)	Retail (April 2020)			
	based on price lists of Dutch importing wholesalers (in EUR)	Tesco United Kingdom (prices in GBP):	Rewe Germany (prices in EUR):	Hipercor Spain (prices in EUR):	AH Netherlands (prices in EUR):
Basil	7.50 (Kenia), 8 (Ethiopia), 9.25 (Israel)	30g 0.70 (23/kg)	15g 0.99 (66/kg)	20g 1.49 (75/kg)	15g 1.29 (86/kg) 40g 1.99 (50/kg)
Chives	8.5 (Kenya), 8.75 (Ethiopia), 10.75 (Israel)	20g 0.70 (35/kg)	25g 0.99 (40/kg)	20g 1.49 (75/kg)	25g 1.69 (68/kg)

Coriander	7.5 (various origins), 8.75 (Israel)	30g 0.70 (23/kg)	15g 0.99 (66/kg)	20g 1.49 (75/kg)	15g 1.49 (99/kg) 40g 1.69 (42/kg)
Dill	7.75 (various origins)	20g 0.70 (35/kg)	25g 0.99 (40/kg)	20g 1.49 (75/kg)	15g 1.39 (93/kg)
Flat parsley	7.5 (Netherlands)	30g 0.70 (23/kg)	30g 0.99 (33/kg)	20g 1.49 (75/kg)	15g 1.39 (93/kg)
Thyme	7.5 (various origins)	20g 0.70 (35/kg)	15g 0.99 (66/kg)	20g 1.49 (75/kg)	15g 1.49 (99/kg)
Rosemary	7.5 (various origins), 8.25 (Kenya), 8.5 (Israel)	20g 0.70 (35/kg)	15g 0.99 (66/kg)	20g 1.49 (75/kg)	15g 1.15 (77/kg)
Mint	7.5 (various origins)	30g 0.70 (23/kg)	15g 0.99 (66/kg)	20g 1.49 (75/kg)	15g 0.99 (66/kg)
Sage	8.25 (various origins)	20g 0.70 (35/kg)			15g 1.49 (99/kg)
Tarragon	10.5 (various origins), 11 (Israel)	20g 0.70 (35/kg)			15g 1.49 (99/kg)
Oregano	8.25 (various origins)				15g 1.45 (97/kg)
Marjoram	8.75 (various origins/Israel)				
Thai Basil	9 (various origins), 11.5 (Israel)				


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