

Exporting sacha inchi oil to Europe

In 2013, sacha inchi oil was allowed entry to the European food market for the first time. All food products that are new to the European market have to be approved according to the European Union Novel Food regulation. Sacha inchi oil has growth potential in Europe as a gourmet oil, and is also highly valued for its health benefits. Speciality oils are becoming popular in Europe, creating opportunities for new products.

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1. Product description

Sacha inchi oil (or Inca inchi oil) is made by pressing the seeds and flesh of the fruit of the *Plukenetia volubilis* plant. The sacha inchi plant originated throughout the Amazon basin, in Peru, Ecuador and Colombia. Currently, supplies of sacha inchi oil come from cultivated plants, but the plant can also still be found in the wild.

Sacha inchi oil has a unique fatty acid composition. It contains 50% omega-3 fatty acids and around 33% omega-6 fatty acids. As a plant-based source of omega-3, sacha inchi is an interesting alternative to fish oils for vegetarians.

It is a premium/speciality oil that is now approved for food applications in the European market, but it is also used as an ingredient in cosmetics. In this study, we only focus on sacha inchi oil used for food.

Codes for sacha inchi oil:

Sacha inchi is not classified under a specific Harmonised System (HS) code, but it can be classified under:

HS code	Description
151590	As a vegetable oil under 'Other fixed vegetable oil'
120799	As an oilseed under 'Other seeds and fruits'
130213	As an extract under 'Other vegetable saps and extracts'

Tip:

See our study on [sacha inchi oil for cosmetics](#) for more information on the opportunities for the oil as a cosmetic ingredient.

2. Which European markets offer opportunities for exporters of sachai inchi oil?

As sachai inchi plants are not grown in Europe, demand for sachai inchi oil has to be met by imports.

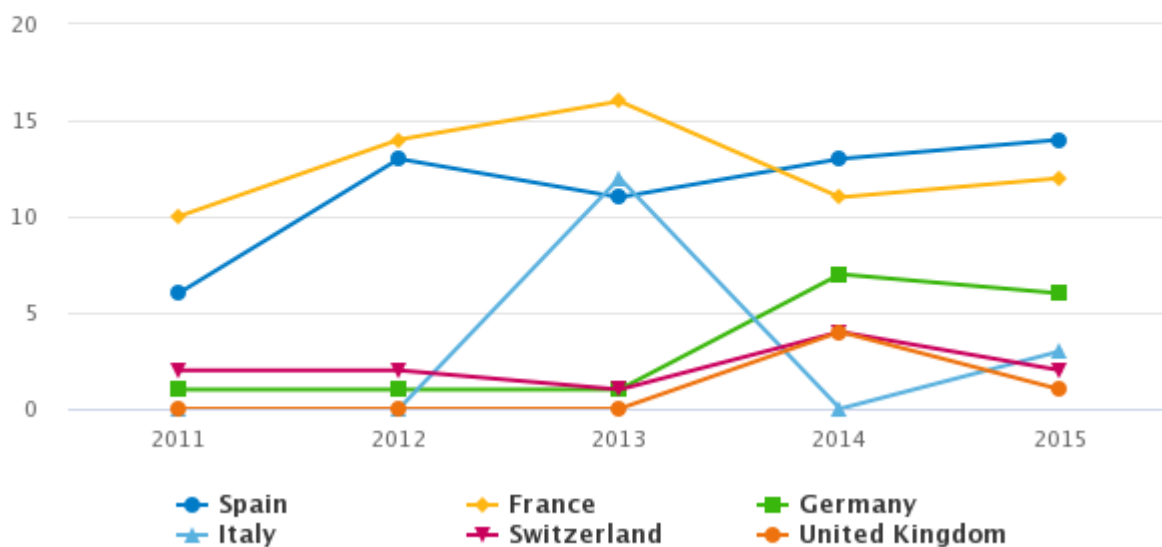
Import data are not available for sachai inchi oil specifically. Since Peru is still the only significant producer and exporter of sachai inchi oil worldwide, Peruvian export statistics can be used as an alternative to estimate the size of the European market.

[Peruvian exports](#) of sachai inchi grew by 27% annually between 2011 and 2015. In 2015, they reached almost 354 tonnes, at US\$4.5 million. Of these 2015 exports, 12% was exported to Europe. The company [Amazon Health Products](#) was the main Peruvian exporter of sachai inchi in 2015.

In 2014, Peru had more than 2,000 hectares dedicated to the production of sachai inchi trees, in the provinces of San Martín, Junín, Huánuco, Ucayali, Loreto and Amazonas. Each hectare has a production yield of 3 tonnes ([Agencia Agraria de Noticias, 2014](#)).

Figure 1: Leading European importers of Peruvian sachai inchi, 2011–2015

in tonnes



Source: Siicex, 2015

The major importers of Peruvian sachai inchi oil in 2015 were:

- Spain (14 tonnes)
- France (12 tonnes)
- Germany (6 tonnes)
- Italy (3 tonnes)
- Switzerland (2 tonnes)
- The United Kingdom (1 tonne)

All companies marketing sachai inchi oil as an edible oil in Europe must notify food safety authorities in Europe (see legal requirements). They have to prove that their oil is substantially equivalent to the oil approved under the Novel Food regulation. According to the [Novel Food list of notifications](#), importers in France, the United Kingdom and Austria are allowed to market sachai inchi as an edible oil.

As can be seen in Figure 3, the position of the main importers fluctuated significantly during the 2011–2015 period. Sacha inchi oil still caters to a niche market. Buyers do not necessarily import sachu inchi every year; they often deal in lots and maintain stocks.

Tips:

Analyse the trade statistics of Peruvian sachu inchi oil at the website of the organisation for Peruvian commerce [Siicex](#).

Make sure to keep up to date on the [Novel Food list of notifications](#), which basically represents your list of potential buyers in Europe. If you can supply one of these companies, you do not need to get a Novel Food approval.

3. What trends offer opportunities on the European market for sachu inchi oil?

European Novel Food status and the notification procedure

Sachu inchi exporters are now able to expand their market opportunities beyond the cosmetics sector.

Following a long process to obtain Novel Food authorisation in the European Union, sachu inchi oil was finally introduced into the European market as a food ingredient in January 2013. This happened through a simplified notification procedure started by a Peruvian sachu inchi supplier. The same Peruvian company recently applied for Novel Food authorisation for the [protein powder of sachu inchi](#), which [has not yet been approved](#).

Sachu inchi oil is still considered to be a ‘novel’ ingredient on the European market, but the notification procedure has opened the way for other companies to introduce the oil to the market.

Tips:

Visit the European Commission’s website for more [information on Novel Food legislation and the notification procedure](#). The website deals with this specific subject. Note that sachu inchi oil is still a ‘novel’ ingredient; thus companies still need to follow the correct procedures (also available on the website) in marketing this product on the European market.

See the section on buyer requirements for more information on the Novel Food authorisation for sachu inchi oil.

Health and wellness

Opportunities for sachu inchi oil in Europe are driven by the health and wellness trend. Sachu inchi oil is highly valued in Europe for its omega fatty acid composition (omega-3 and 6), which is a jackpot for consumers searching for healthy oils.

The growing market for omega-3 ingredients indicates the direction for sachu inchi oil. Grand View Research expects the global market for omega-3 ingredients to grow from [US\\$1.82 billion in 2014](#) to [US\\$3.01 billion in 2022](#).

Sacha inchi oil has a higher level of omega-3 content than fish oil, which is a common source for omega-3 fatty acids. Therefore, sacha inchi oil has opportunities as a vegetable source of omega-3. This is particularly interesting for the growing share of vegan/vegetarian consumers in Europe.

Moreover, sacha inchi has a better balance of omega-3 and omega-6 fatty acids than most vegetable oils. Western diets commonly have a much [higher consumption of omega-6 fatty acids than omega-3 fatty acids](#). Research suggests that this [balance should be around 1:1](#).

Tips:

Educate your buyers and consumers on the possible uses of sacha inchi oil. Stress the oil's high content of omega-3 and omega-6 by providing clear and objective information on the product's composition. You can even compare it with other (vegetable) oils.

However, do not claim health or nutrition benefits of sacha inchi oil without scientific evidence. This is illegal in Europe. Make sure to check the [European Union's Register of nutrition and health claims made on foods](#) to verify whether your product (and the related claim) is included in the list.

Emerging suppliers of sacha inchi outside of Peru

The growing popularity of sacha inchi oil opens up opportunities for new producers outside of Peru. More and more players are entering the market. Countries such as Laos, Thailand and China started cultivation of sacha inchi plants as well.

If you are based in Peru, these emerging suppliers can become a competitive threat. At the moment, Peruvian companies face very little competition from companies outside of Peru.

Tips:

If you are based in Peru, follow developments relating to emerging suppliers to anticipate sources of competition. In your marketing, try to set yourself apart from these new producers; for example, by focusing on the connection between sacha inchi oil with the Incas or its origin in the Peruvian Amazon.

For more information on new producers, have a look at websites of some companies in Laos ([Sacha inchi Laos](#)) and Thailand ([Zenda Life Foods](#) and [Nathan Trading Co.](#)).

If you can produce sacha inchi plants outside of Peru, show that you can offer an alternative source and distinguish yourself through unique selling points; this can be a more competitive price, for example.

4. What requirements should sacha inchi oil comply with to be allowed on the European market?

Buyers in the European Union have strict requirements for sacha inchi oil and other vegetable oils. You will only be able to successfully market your product in Europe when you comply with these requirements. See our study on [buyer requirements for vegetable oils](#) for a detailed analysis of these requirements.

For more information on the requirements for sacha inchi oil for the cosmetic market, see our studies on [sacha](#)

[inchi for cosmetics](#) and [buyer requirements for natural ingredients for cosmetics](#).

Requirements for vegetable oils for food cover the following topics:

Novel Food

The Novel Food regulation is the baseline regulation for sachu inchi oil on the European market. It covers foodstuffs that are newly developed by industry, but also natural foodstuffs or ingredients (like sachu inchi oil) which were not consumed to a significant degree within the European Union before 15 May 1997.

Through the [simplified 'notification' procedure](#), sachu inchi oil entered the European market as a food ingredient for the first time in 2013. The Food Safety Authority of Ireland recognised [the oil as substantially equivalent to linseed oil](#), which is a common vegetable oil in Europe.

Sachu inchi oil can be [used in the same quantities as linseed oil](#), as:

- Edible oil, such as dressings
- Food ingredient, such as in oil mixes
- Food supplement
- The companies [Perles en Gascogne](#) (France) and [Agroindustrias Amazónicas](#) (Peru) were first awarded the Novel Food approval. Since then, other companies followed to file a dossier for approval to use sachu inchi oil.

Tips:

See the guidelines from the United Kingdom [Advisory Committee on Novel Foods and Process \(ACNFP\)](#) for more information on the presentation of data to demonstrate substantial equivalence between a novel food or food ingredient and an existing counterpart.

Visit the European Commission's website for more [information on the Novel Food legislation, including the notification procedure](#).

Other legal requirements

You must follow other legal requirements applicable to food ingredients and vegetable oils specifically:

- Traceability, hygiene and control
- Contamination: For example, aflatoxin occurrence in the sachu inchi nut could represent a contamination risk to the oil
- Erucic acid content: Not highly relevant for sachu inchi oil
- Extraction solvents: Should not be used for sachu inchi oil
- Product composition: For example, do not adulterate sachu inchi oil by adding other (cheaper) oils
- Labelling, including allergens and nutrition & health claims
- Food contact materials

Additional requirements

- Food Safety Certification: In addition to HACCP as a legal requirement, certificates such as [IFS](#) or [BRC](#) might be required by some buyers.
- Corporate responsibility and sustainable sourcing: These aspects will become increasingly important for sachu inchi oil as the European market develops further; sustainability projects dealing with sachu inchi-producing communities and ecological impact are an important way to differentiate yourself from other suppliers. Organic certification is likely to be an extra selling point for you or even a demand from your

buyer, and is described below.

Quality requirements

The main quality problem associated with sachu inchi oil is the risk of contamination. This makes it very important that you take special care during all steps of the production process, from harvesting or collection of sachu inchi nuts, to the distribution of the oil.

Aflatoxin contamination is known to be a problem for many producers, and buyers monitor this aspect closely. Contamination can be transferred from the raw material (sachu inchi nut) to the oil during extraction. This is especially important for sachu inchi oil, since the food industry uses the unrefined oil, with no additives.

Sachu inchi oil is usually obtained through mechanical extraction, without the use of heat or solvents.

Tips:

Make sure that the raw material (sachu inchi nut) is fresh and keep the time between harvesting and extraction as short as possible. The nuts should also be free from sand, stalks, plant debris and other foreign materials.

Prevent contamination with other oils and other foreign materials (example: dust) by keeping facilities and equipment clean.

Make sure that sachu inchi nuts are free from aflatoxins, which will prevent oil contamination as well.

Ensure proper extraction conditions, with a focus on the right temperature, pressure/vacuum, and flow rate. Do not use heat or solvents.

If you want to produce organic sachu inchi oil or target the organic market, comply with organic standards for the production of the raw material. Do not use synthetic pesticides, unless they are officially approved. Only use natural fertilisers and natural control of weeds and ensure traceability. More information on organic certification can be found in the section dealing with buyer requirements.

Labelling requirements

Labels must be in English (unless your buyer has specified otherwise) and include the following:

- Product name
- Batch code
- A statement that the product is destined for use in food products
- Declaration of allergenic substances
- Name and address of exporter
- Best-before date
- Net weight
- Recommended storage conditions
- Organic (if applicable): Name/code of the certifying body and certification number.
- If you pack sachu inchi yourself for the European consumer market, product labels must follow the [European law on food information to consumers](#), and include the following:
 - Name of product
 - List of ingredients
 - Quantity/categories of ingredients
 - Net quantity (pre-packaged)
 - Date: minimum durability
 - Special storage/usage conditions

- Declaration of allergenic substances
- Business name and address
- Particulars of origin, if there are any: such as specific origin or production technique used
- Instructions on the use of the product

If you produce and package organic sacha inchi oil, your product label must contain the European organic logo. Read more about the [European organic logo](#) on the website of the European Commission.

Figure 2. Example of product label on consumer packaging



Source: Bionatur

Packaging requirements

Bulk packaging

An example of good packaging for sacha inchi oil is airtight drums (of 5kg or 25kg capacity). However, always consult your buyer for the specific packaging requirements.

Consumer packaging

Glass (bottles) is the recommended packaging material for sacha inchi oil which is packaged in the country of origin.



Figure 3. Example of consumer packaging: Glass bottle (250 ml)

Source: Thami Body & Mind

Tips:

Ensure preservation of quality of sacha inchi oil by using containers of a material that does not react with components of the oil, for example, lacquered or lined steel or aluminium for bulk packaging.

Glass is the most commonly used material for retail packaging.

Clean and dry the containers before loading the oil.

Fill the headspace in the container with a gas that does not react with constituents of the oil, for example nitrogen or carbon dioxide.

Store containers in a dry, cool place to prevent quality deterioration. Sacha inchi oil must be stored at a temperature below 30° C; its shelf life is estimated at 18 months.

Keep organic sachu inchi oil physically separated from conventional oil.

Requirements for niche markets

Given the close relation of sachu inchi oil to health food markets, organic certification is an important competitive advantage to producers and/or exporters. Sachu inchi oil is often sold as organic on the European market. The rules for organic certification should follow those described in our study on [buyer requirements for vegetable oils](#).

If your sachu inchi nuts are collected in the wild, you can certify the oil for sustainable wild collection, for example [FairWild certification](#), or adhering to principles under [Union for Ethical BioTrade](#) or [BioTrade Principles and Criteria](#) could provide you with a competitive advantage. Traditionally, sachu inchi nuts were obtained only through wild collection. Greater awareness and increasing demand led to cultivation of these nuts, but wild collection still plays an important role.

Fair trade certification is not expected to be relevant for sachu inchi oil in the near future.

Tips:

Search for a certifier whose standards are recognised by the European Union to make sure your organic certification is harmonised. The European Commission's [Agriculture and Rural Development](#) website provides a thorough explanation of import regulations and other related issues.

Investigate the possibilities for organic certification, including the opportunities and costs involved in the process. Consult the [International Federation of Organic Agriculture Movements](#) website for information on certification standards.

Do not engage in a wild collection (certification) programme without researching your (potential) market and/or consulting with your buyer. Investigate the possibilities to engage in such programmes together with your buyer.

Through which channels can you get sachu inchi oil onto the European market?

Market segments

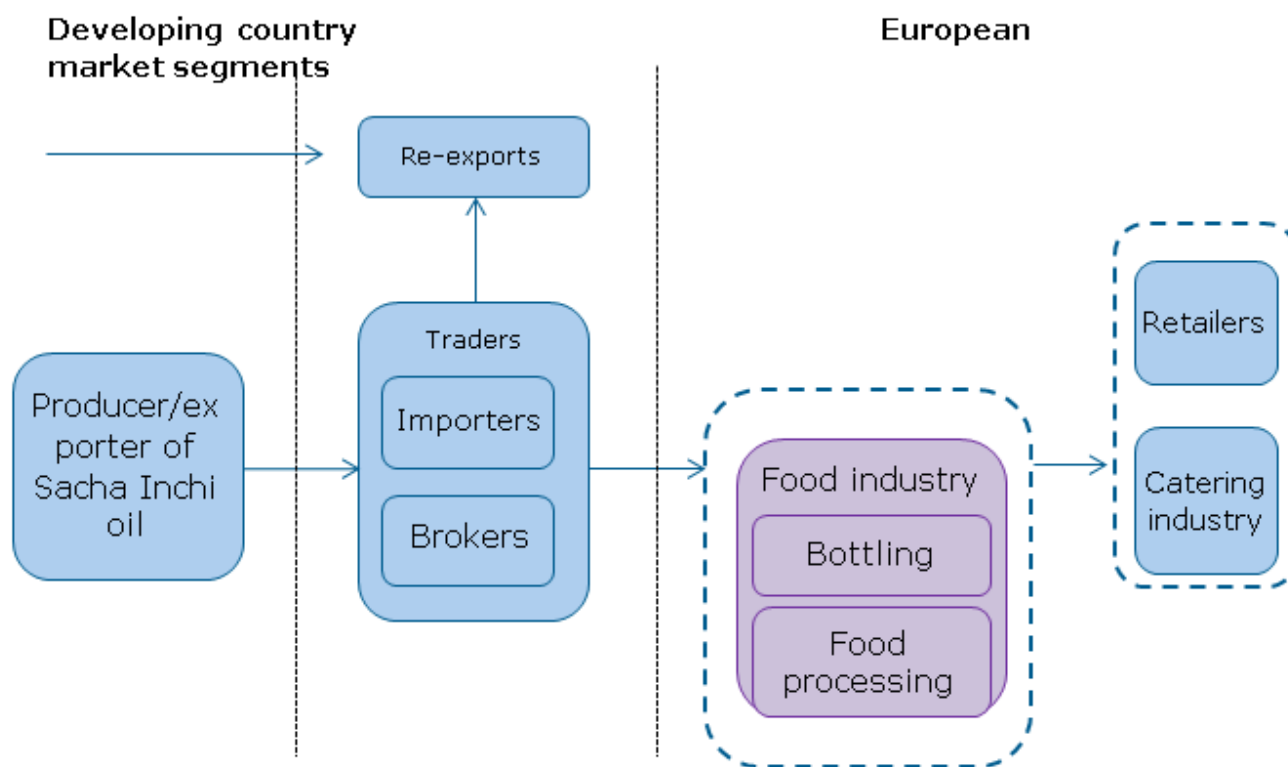
Sachu inchi oil is mostly used in the food market and in the cosmetics industry. On the food market, the oil is currently only sold as a final product, which means it is not used as an ingredient in other food products.

In Europe, sachu inchi has a strong potential in the gourmet food market, sold as a speciality oil. The oil was even [awarded a gold medal at the World Edible Oils competition in Paris](#) for its sensory properties.

Importers in France, the United Kingdom and Austria are allowed to market sachu inchi as an edible oil.

Market channels

Figure 4. Trade channels for sachu inchi oil in Europe



Sachu inchi oil is a speciality oil and is traded in much smaller volumes when compared to the large commodity oils such as palm and coconut oils, or even compared to other speciality oils such as sesame oil.

Sachu inchi oil is usually traded by specialised importers. It can be either packaged in the producing country or re-bottled within Europe. This will depend on the specific requirements of your buyer.

One main characteristic which differentiates the trade channels for sachu inchi oil from most vegetable oils is the fact that it does not go through a refining process when destined for the food market, similarly to the case of virgin coconut oil (VCO). This makes the chain for sachu inchi oil relatively short (Figure 3).

At present, sachu inchi oil is mostly used as a final consumer product, as a luxury salad oil and a dipping sauce. Within the catering sector, most opportunities can be found in gourmet dishes.

Although sachu inchi oil is not commonly used as an ingredient in the food industry, there might be opportunities in specific niche markets, for example in omega 3-enriched food products.

Tips:

Traders are your most suitable entry point to bring sachu inchi oil to the European market. You have the best chance with traders linked to the British, French and Austrian market, as only importers in these countries are allowed to market sachu inchi as an edible oil. When approaching a trader,

provide them with the appropriate product documentation (composition, properties). Some traders might not be familiar with sachachi oil.

Investigate value addition possibilities for sachachi oil, such as packaging it in the country of origin. To do so, you will have to adhere strictly to the market requirements, including labelling and packaging.

Link up with sector associations and join cooperatives if you cannot reach the volumes required by the market by yourself.

If you are a starting exporter, brokers linked to the approved importing countries can be your entry point into Europe (the United Kingdom, Austria and France). They are trusted by the European edible oil sector and can make up for your lack of reputation.

See our study on [market channels and segments for vegetable oils](#) to learn more about trade channels and segments in Europe.

5. What are the end-market prices for sachachi oil?

Retail prices for sachachi oil are specified in the table below. Sachachi oil is often sold as organic, through (online) health and speciality shops.

Table 1. Retail prices for sachachi oil in various European countries

Brand and details	Retail outlet	Price and packaging size	Price per 100 ml
InkaNat	Inkanat.com (Spain)	€13.90 (200 ml)	€6.95
Govinda (organic)	Allbio.de (Germany)	€19.99 (250 ml)	€7.99
Piowald (organic)	Amazon.de (Germany)	€24.90 (250 ml)	€9.96
Martera	Farmaline.nl (the Netherlands)	€15.40 (250 ml)	€6.16
Mattison	Vitamins.nl (the Netherlands)	€18.95 (250 ml)	€7.58
Bioporus (organic)	Bioporus.co.uk (United Kingdom)	£12.90 - €15.19 (250 ml)	€6.08
Bionaturista	Bionaturista.net (France)	€24.90 (250 ml)	€9.96

Tips:

Compare the price of your product with other products on the European market to see who your main competitors are.

Justify the value of your product. Buyers and consumers might be willing to pay a higher price for products which convey quality, sustainability and smart marketing.

Assess whether certification is demanded in your target market. Carry out a cost calculation to decide if certification will be beneficial to you in terms of costs.

Please review our [market information disclaimer](#).