



CBI
Ministry of Foreign Affairs

CBI Tailored Market Intelligence:

European buyer requirements for Hortensia

Introduction

European buyer requirements for hortensia are significantly higher than in other markets such as the USA. European growers are using their expertise and technology to continuously increase standards in the hortensia market. The standards not only relate to size and colour of the flower-head, but also to strength of the flowers, vase life and logistics.

This document is one of three modules about the European market for hortensia. In this module, you can find all requirements you will be confronted with when placing hortensia on the Dutch, British, French and/or Swiss markets. Information includes product specifications, legal requirements, additional requirements, requirements for niche markets, and marketing requirements.

Product specifications

Quality:

The Dutch auctions (VBN) set product requirements for flowers to be traded through VBN including those for hortensia. Refer to [VBN Product specifications for hortensia](#) for detailed requirements on pre-treatment, leaves, grading and packing. As the Dutch auctions trade much of the hortensia for the European market, many European buyers consider the VBN specifications as a leading standard for the whole sector.

Traders commonly distinguish between the following grades, based on the size of the flower head:

- Mini: <15 cm
- Select: 15-17 cm
- Premium: 18-23 cm
- Jumbo: >23 cm

As official standards for these grades do not exist, companies may grade the hortensia differently while using the same grade names (e.g. select). To prevent any misunderstanding on grading, many European buyers prefer to specify their quality requirements in exact terms, such as centimetres for the size of the flower head, instead of the grade names.

In Europe, buyers mostly demand hortensia with a flower head of around 18 cm. Hortensia with small flower heads (i.e. mini) are often used in the low-end segment of the European market. However, high-quality minis are also used in bunches for special occasions. Hortensia with big flower heads (i.e. Jumbo) are almost exclusively used in the high-end segment. Refer to CBI Market analysis for hortensia for more information on segments.

Other common quality requirements:

- Standard length of the stems: 60 cm.
- Straight stems
- Percentage of opening of the flowers (blooming stage) by grade:
 - Mini: 20-40%
 - Select: 80%
 - Premium: 80%
 - Jumbo: 100%
- Number of leaves: 2-3
- Colours: depending on buyer preferences. Refer to 'CBI Hortensia in the European market' for more information on colour preferences.
- Vase life: at least 7 days after the moment of purchase by the consumer
- Strong and hard flowers which do not get bruised or teared easily

Always determine the exact requirements of your buyer instead of relying on any standards, as above requirements are only indicative of the standards in European trade. They are not official standards and European buyers may have different requirements.

Tip:

- Grow hortensia in greenhouses to control growing conditions (e.g. soil, climate, irrigation, fertilization, etc.) and obtain a consistent quality.

Comercializadoras Internacionales (C.I.), also known as Trading Companies need to apply very strict Standard Operating Procedures on the different farms to obtain quality consistency of hortensia from the different farms they source from.

Labelling:

If you market your produce through the Dutch auction, every stacking cart must be accompanied by a fully and correctly filled-in consignment note containing information about the stacking cart. In addition, every packaging unit needs to be labelled with product and supplier information, namely:

- Supplier number and name
- Variety name
- Amount of stems per packaging unit
- Grading codes for VNB auctions (S20: stem length; S23: flower diameter; S05: maturity; S80: maximum percentage old wood; L11: number of stems per bunch; S50: flower colour).

At the auction/wholesaler or bouquet producer, additional product labelling will be added. During trade, you need to add important quality labelling, including:

- Codes for tracking/tracing
- Certification details (e.g. GLOBALG.A.P., MPS-A, FFP)

If you trade to retailers directly, additional labelling may be required. Growers should already print the article code, selling price and other details imposed by the supermarkets on labels and barcode for the hortensia.

Packaging:

Before packing hortensia, hydration or pre-treatment in water is crucial to strengthen the flowers for their transport to Europe. Hortensia for export can also be packed with a water bunch per stem in Colombia to ensure hydration during transport.

Hortensia flowers are usually packed in cardboard boxes:

- Box sizes are commonly based on airfreight pallet sizes to use the space available effectively (e.g. 103x30x14 cm)
- The number of stems per box depends primarily on the size of the flower head. A box of Select grade hortensia commonly contains 30-40 stems.
- Hortensia from Colombia are commonly sent with a sleeve to protect the flowers. These sleeves do not have much value for promotion and branding on consumer level, as florists usually take off the sleeves when they put the flowers on display.



Example of packaging:

High quality hortensia with individual sleeves for protection of the flower heads.

Tip:

- Purchase your boxes from a packaging supplier with a good reputation and do not try to save money by compromising the quality of the box. Good quality boxes which do not collapse when stacked contribute to preservation of the quality of your flowers.

What legal requirements should hortensia comply with?

Plant health: Hortensia exported to the European Union (EU), must comply with the EU legislation on plant health. The EU has laid down phytosanitary requirements to prevent the introduction and spread of organisms harmful to plants and plant products in the EU.

Hortensia imported in the EU must be accompanied by an official 'phytosanitary certificate' guaranteeing the phytosanitary conditions of plants and plant products. This certificate also demonstrates that the shipment has been officially inspected for compliance with phytosanitary requirements for entry into the EU (as listed in [Council Directive 2000/29/EC](#)) and that it

is free of quarantine pests and other harmful pathogens. Phytosanitary certificates are issued by the National Plant Protection Office (NPPO) in the country of origin.

Tips:

- Check with the [Colombian National Plant Protection Organisation](#) what the exact procedures are for obtaining the phytosanitary certificate.
- Have a look at [Annex VII](#) of the Plant Health Directive for a model phytosanitary certificate.
- Check if Colombia and the country you want to export to have implemented digital services to facilitate the import and export process. For example, the Netherlands uses the [CLIENT export system](#), which is also used by the inspection authorities in supplying countries.
- Read more about plant health in the [EU Export Helpdesk](#).

Intellectual Property Rights (IPR): Developing new hortensia varieties is often very expensive and the breeders of new varieties want a return on their investments. These breeders are protected by intellectual property rights. In recent years, there has been increasing focus on breeders' rights and illegal products are rejected from the market.

Tips:

- Make sure that you know exactly who owns the IPR for your species and pay the necessary royalties.
- Cooperate closely with breeders to test their new varieties and help them to further improve the quality and growing characteristics of these varieties.
- Familiarise yourself with the protection frameworks for new plant varieties, for example from the [Union for the Protection of New Plant Varieties \(UPOV\)](#) or the [Community Plant Variety Office \(CPVO\)](#).

Import tariffs: Since the Free Trade Agreement between Colombia and the EU came into force (2013), exported flowers from Colombia can enter the EU duty-free.

Qualification for duty-free imports to the EU requires either a [movement certificate](#) issued by Colombian customs or an invoice declaration (only for approved exporters).

Tip:

- Contact [Colombian customs authorities](#) to apply for the status of approved exporter. This requires proof of the originating status of your products, as well as any other requirements they may impose.

Full overview of requirements for cut flowers: For a list of requirements for cut flowers (including Hortensia) [consult the EU Export Helpdesk](#), where you can select your specific product under chapter 0603.11 (fresh cut flowers).

What additional requirements do buyers often have?

Certification of CSR: European consumers pay more and more attention to social and environmental circumstances during production of flowers. Especially retailers (i.e. supermarkets) are responding to this trend by requiring suppliers to obtain certificates for compliance with social and environmental standards. Certain certification schemes are more relevant in the focus countries (the Netherlands, the UK, France and Switzerland) than others.

In general, the [Ethical Trade Initiative](#) (ETI) is most common in the UK, this is an ethical code which can be audited for compliance. All major retail chains in the UK are member of ETI and most demand ETI audit reports from their suppliers. In mainland Europe, including the Netherlands, France and Switzerland, many retailers are member of BSCI, which is equal to ETI. However, BSCI is much less active in flower trade than ETI and BSCI audits are not commonly required.

[GLOBALG.A.P.](#) is a very relevant scheme in the UK, France and to a lesser extent also in the Netherlands and Switzerland. Many importers specialised in supplying retail chains in these countries require GLOBALG.A.P. Florverde Sustainable Flowers is benchmarked against GLOBALG.A.P. Therefore, Florverde is an attractive certification scheme for hortensia growers in Colombia, as Florverde can provide advice and training tailored to the specific situation in Colombia.

Demand for [MPS-A](#) certification (Milieu Project Sierteelt – Floriculture Environmental Project) is particularly common in France, the Netherlands and Switzerland. Many importers specialised in supplying retail chains in these countries require either GLOBALG.A.P. or MPS-A.

Demand for Rainforest Alliance certified flowers is negligible in the focus countries. The only CSR label with considerable consumer recognition is Fairtrade.

Tips:

- Use your good agricultural and social practices and certification as a marketing tool in the communication with (potential) buyers.
- To determine which scheme you should follow, consider the market you are targeting: which country do you want to export to and which trade channels do you use? Discuss the different options for certifications with your (prospective) buyers.
- Check the [Equivalency Tool](#) of the [Floriculture Sustainability Initiative](#) or the [Standards Map from the International Trade Center](#) for a comparison between the different standards.
- Also consider the Colombian [Florverde Sustainable Flowers](#) standard and its requirements. As this initiative is benchmarked against GlobalG.A.P. certification can be useful to enter the European market.
- Refer to the report 'Sustainable flowers for Europe' of the [Sustainable Trade Platform](#) in Colombia for more information on CSR.

Cold chain management: Proper cold chain management has a positive effect on the quality and vase life of flowers. Therefore EU buyers' demand for cold chain protocols is growing. Note that, although improving your cold chain management may be a challenge, the higher product quality can also improve your profits.

Tips:

- Develop and implement cold chain protocols as this will be vital to survival in the coming years.
- Take the lead in improving your cold chain management. Develop and implement protocols with your forwarders and buyers, for example regarding temperature checks, vase life tests and Service Level Agreements (SLAs).

What are the requirements for niche markets?

Fairtrade: In all focus countries (the UK, the Netherlands, France and Switzerland), demand for [Fairtrade](#) certified flowers, and particularly roses is growing. Although consumers are generally not willing to pay extra for sustainable flowers, Fairtrade certified flowers are an exception. More and more supermarkets are offering Fairtrade certified flowers in addition to their offering of non-certified flowers.

Tips:

- Always check with your buyer if he/she requires certification and which certification he/she prefers.
- Consult the [Equivalency Tool](#) of the Floriculture Sustainability Initiative for the different labels and standards relevant for cut flowers.

Weddings and special events: Quality requirements for weddings and special events are extremely high when compared to general quality requirements for hortensia. Requirements regarding size of the flower heads and strength of flowers are particularly high. White is the most commonly demanded colour for hortensia for weddings. Most weddings take place during the summer (May-August) when the weather is generally best, followed by October.

Tip:

- Take part in competitions of flower shows and use prizes in your promotion to show that you can supply very high quality hortensia.

What are the requirements for marketing materials?

The promotion of your products and your company is particularly important if you target wholesalers directly instead of through the auction. European buyers need to determine based on the promotion if your company is a credible supplier.

Some aspects you have to include in your promotional materials are:

- *Accurate and detailed description of products* which can be supplied (according to VBN standard and other quality requirements described above):
 - Varieties and colours

- Size
- Grade and grading system
- Packaging
- *Photos of the product* which clearly show the hortensia variety and colour, as well as the packaging.
- *Delivery capacity per year* including a figure which clearly shows your window of supply.
- *Possible delivery date(s)*: As mentioned in the CBI Market Analysis for hortensia, European production is limited to April-November. Although consumer demand is closely linked to these production months, there are (growing) opportunities for supply in Europe's off-season.
- *Quality and delivery reliability*: Explain your company's processes to control quality and how you ensure to deliver on time and with good quality. For more information, refer to the section on delivery terms.
- *Storage and processing facilities*: Make sure you can show that your post-harvest facilities enable you to bring your products quickly into the cool chain. This can be beneficial for your product marketing, as buyers can benefit from your product's longer shelf life. Put pictures of your facilities on your website.
- *Branding*: Company branding, for example by printing a company logo on your packaging, can be important for producers of hortensia, as reputation is a major success factor. Product branding of hortensia at retail level is done by European companies. Flowers for retail chains go through specialised wholesalers who pack and brand the flowers. As such, opportunities for Colombian hortensia growers to brand their hortensia flowers on the European retail market are limited.
- *Export references*: Always ask your business partners if you can use their references in your marketing.
- *Certificates* (for example GlobalG.A.P. or MPS A): If you do not have an established trade relation with European importers, it can be useful to show your quality certificates in your marketing materials. This can help to build trust and credibility of your company with European importers. Mention the year of certification and explain how it contributes to sound products and service.
- *Contact details*: Contact details should be clearly visible on your promotional materials, such as brochures and websites. Contact details should include contact person, address, telephone and e-mail address.
- *CSR Policy*: Your specific CSR policy can also be used in your promotional materials. Explain what your policy is and if you have obtained certifications or have been audited. CSR and sustainability are most important if you target the supermarket channel.

Website: You can improve the perceived credibility of your company by developing your website accordingly. High-quality websites are associated with being a modern, professional organisation. Be aware that poorly managed websites can actually do more harm than good. Websites offer opportunities to display and advertise your products and build trust and credibility towards your (potential) buyers.

Additionally, a company profile, brochures, presentations and product catalogues can be put on your website. By publishing such promotion materials online, you can save on printing and distribution costs. At the same time, you can update the information at any point in time without substantial costs.

Social media: Internet also provides increasing possibilities to spread marketing communication through social media. Social media can help you to get acquainted with European buyers (e.g. LinkedIn or Facebook). However, opportunities for promotion through social media remain limited to updates of your profile. Two-way communication still mostly takes place through e-mail, phone and face-to-face contact. The use of Twitter, Facebook groups and apps for interaction between buyers and suppliers is not yet common.

Trade fairs: You can also participate in shows and trade fairs to showcase your company and the quality of hortensia flowers you can deliver. For example, participating in awards and competitions can be a way to demonstrate the quality of your flowers. Moreover, you can use awards you win here in your promotion materials and website.

Relevant trade fairs include:

- [IPM Essen](#) (International Trade Fair for Plants): This is the leading horticulture trade fair in Germany with around 1,600 exhibitors in 2015 and 56,500 visitors. The trade fair focuses on plants (including cut flowers), technology, floristry and garden features.
- [Flora Holland Trade Fair Aalsmeer](#): This trade fair is especially for members of the FloraHolland auctions in the Netherlands (growers of flowers and plants). In 2015, around 650 growers and 50 breeders exhibited their products at this trade fair to around 15,000 visitors.
- [IETF](#) (International Floriculture & Horticulture Trade Fair): This trade fair in the Netherlands is held at the same time as the FloraHolland Trade Fair and mainly offers a platform for companies which are not member of FloraHolland. In 2015, exhibitors totalled 253 and visitors 27,000.
- [Nordic Flower Expo](#): This is a relatively new trade fair in Sweden targeting trade visitors from Sweden, Denmark, Norway, Finland and The Baltic Region. In 2015, 139 companies from 10 countries participated in this trade fair, which was visited by 2,475 people.
- [Salon du Vegetal](#): This is the leading horticulture trade fair in France. However, only few cut flower growers exhibit here. In 2015, the fair counted a total of 522 exhibitors and 13,500 visitors.

- The Dutch Association for horticulture wholesalers also lists an [agenda](#) of upcoming trade fairs and events

Tip:

- Link your promotion efforts with existing campaigns for flowers in general and hortensia specifically. For example, use materials from campaigns by the [Bloemen bureau Holland](#) such as [Funnyhowflowersdothat](#) or link to their

What are the delivery terms?

The terms of delivery set the responsibilities of exporters, importers and agents. Exporters must choose between own trucks or a forwarding agent and between delivery based on CPT (Carriage Paid To) or FCA (Free Carrier), which is also commonly called FOB (Free On Board). Own trucks and CPT put most responsibility in the hands of the exporter, but also offer most possibilities to control the cold chain. Supply contracts based on CPT allow the exporter to make demands regarding the service of the forwarder or transportation company, including proper cold chain management.

Fast air freight delivery is crucial for success, to ensure freshness and optimal vase life of hortensia. Be aware that during the European production season (April-Mid-October) lead times for European hortensia growers are much shorter than for Colombian producers. Some Dutch producers even accommodate delivery on the same day as the placement of an order. For cut flowers from Colombia transported by air, three days is a commonly accepted lead time. This is the time between placement of the order and delivery to the buyer.

As long as conditions for sea transport are not suitable for keeping the hortensia fresh, hortensia from Colombia will be transported through air. Flights are usually direct to the destination airport. For an indication of transport costs, please refer to the prices section in the CBI Market Analysis for hortensia. From Amsterdam airport, which is a common entry point for cut flowers, it takes one to two days to transport products to cities in Western Europe by road.

International research on sea transport for flowers concentrates on traditional flowers which are traded in bulk such as Dianthus (i.e. carnation), Chrysanthemum, Proteaceae, Hypericum and Rosa. Sea transport for other flowers is expected to be developed in the next decade. Refer to the website of [GreenCHAINge](#) for more information on sea transport related projects by Dutch partners.

Consider to purchase export insurance or hire an independent company to monitor freight conditions (e.g. temperatures) when the risk of quality deterioration is high. This may be the case when making use of an unknown transport company

Tip:

- Select your logistics service provider based on actual costs and returns instead of opting for the least expensive provider. Low-cost logistics often yield lower revenues due to loss of quality.

What are the payment terms?

Formal contracts are unusual in the hortensia trade. Buyers prefer to work with open accounts. They will establish the conditions for supplies in the order. The communication (e.g. e-mails) about the order serves as a formal agreement.

Letters of credit (L/C) and Cash Against Documents (CAD) are often also avoided in the hortensia trade. Buyers do not like the procedures, which require extra paperwork. Moreover, some buyers have had bad experiences. For example, buyers may find out only after payment that products do not meet their requirements. They will then have to negotiate with the supplier again to get their money back. Moreover, banks often take a few days to process the documents, whereas lead times are very short in the hortensia trade.

Payment for hortensia supplies usually takes place on the basis of consignment or commission. In case of consignment sales, buyers will determine the price for the products after selling the products to their respective buyers and then pay you accordingly. They may set a minimum price to provide some form of price guarantee. In general, buyers leave little room for price negotiations. They will send a report with photos of the products when those arrive in bad condition to substantiate any loss of value and their respective price setting.

When a supplier is member of the auctions, European partners often serve as agents on the basis of a commission instead of buyers. European partners also give preference to commission sales when they consider the risk of buying flowers from a certain supplier too high.

Payment usually takes place within a few weeks. However, buyers expect to get more time if necessary.



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