

# What is the demand for natural food additives in the European market?

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Europe has a large food and beverage industry that requires natural additives for various applications. There is an increasing demand among consumers for healthier and more sustainable food ingredients instead of artificial ingredients. Stricter EU legislation also plays into this evolution that is driving demand for natural additives, making Europe an interesting market for export companies producing natural sweeteners, emulsifiers, and natural colours, among other things. The European countries that offer the most opportunities for exporters of natural food additives include Germany, France, the Netherlands, the United Kingdom, Italy, and Spain.

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## 1. Sector description

Food additives are substances added to food and drink during manufacturing and processing. They help ensure safety, enhance taste, and improve appearance. The [European Food and Safety Authority \(EFSA\)](#) defines food additives as substances added intentionally to foodstuffs or beverages for purposes including sweetening, the preservation of food and food colouring. The use of food additives for consumption or as a primary ingredient in food products is limited.

Many commonly used food additives [are naturally occurring](#). Some additives are essential nutrients, such as vitamins or minerals. However, all food additives used in the European market must be functional and undergo a safety evaluation before they are approved for use.

In the European Union (EU), all food additives are identified by an E number. An E number registration indicates that an additive has passed safety tests and has been approved for use by the [European Food Safety Authority \(EFSA\)](#). In 2024, more than 300 substances were authorised for use as food additives in the EU. The list of authorised food additives and their specific conditions for use can be found on the [European Commission \(EC\) website](#) and in Annex II of Commission [Regulation \(EU\) No 1129/2011](#).

Natural food additives can be categorised into several groups according to their intended usages. EU legislation defines [27 functional classes of food additives](#). The following groups cover the most commonly used additives:

- Antioxidants (added to prolong the shelf-life of foods by protecting them against oxidation)
- Colours (used to add or restore the colour of foods)

- Flavourings and flavour enhancers (used to bring flavour to foods)
- Emulsifiers, stabilisers, gelling agents and thickeners (used to form or maintain a homogeneous mixture, give texture, or increase the viscosity of a foodstuff)
- Preservatives (used to prolong the shelf-life of foods by protecting them against micro-organisms)
- Sweeteners (added to give a sweet taste to foods)

This study will focus on natural sweeteners, emulsifiers, stabilisers, thickeners and gelling agents, flavours, and food colourants, as these ingredients are more produced in developing countries and present an opportunity for suppliers seeking to enter the market.

Table 1: Main categories and applications of selected natural food additives in Europe

Category	E-number	Main applications	Examples of additives
Natural sweeteners	E900s	Beverages (incl. soft drinks and energy drinks), bakery, dairy, confectionery, table-top sweeteners	Steviol glycosides (stevia), coconut sugar, date sugar
Natural emulsifiers, stabilisers, thickeners, and gelling agents	E400s	Soups, sauces and dressings, bakery (incl. fillings), beverages (incl. juices), dairy and ice cream	Gum Arabic, guar gum, seaweed extracts
Natural flavours	E600s	Beverages (incl. alcoholic beverages), dairy and ice cream, bakery, confectionery, snacks, soups and sauces, meat and meat alternatives	Vanilla extract, citrus oils, clove oils
Natural food colourants	E100S	Bakery and cereals, beverages, confectionery, dairy and cheese, meat and meat alternatives, dietary supplements	Beet extract, turmeric, paprika extract

Source: ProFound, 2023

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

Europe is a very interesting market as it has a large food and beverage industry with a growing demand for natural food additives for various uses. European consumers are paying more attention to the ingredients in their food and beverages, leading to the increasing replacement of artificial ingredients with natural ingredients.

Plant-based diets are very much 'on trend', driving up demand for natural and innovative alternatives in the additive categories. This certainly represents an opportunity for suppliers in developing countries.

## The growing European food and drinks market promotes the growth of the food additives market

Along with the US market, Europe is one of the world's largest and most mature food and drinks markets. The European food and beverage industry provides various uses for food additives. The size of the European market and its steady growth create opportunities for natural food additives and their suppliers.

In 2023, the European food and drinks manufacturing industry had a [reported turnover of 1,112 billion euros](#), making it the largest manufacturing industry and a major contributor to the European economy. By 2024, the revenue of Europe's food and beverages market was estimated at a [value of 1,859 billion euros](#).

During the first years of the current decade market growth has been steady, except for 2020, when turnover dropped because of the fall in demand linked to the COVID-19 pandemic. In 2023, the industry also saw a slight decline due to the effects of increased inflation. Figure 1 shows that the European food and drinks industry in terms of turnover is more resilient compared to other sectors. The food and drinks industry turnover had a more consistent and stable development pattern than that of the broader manufacturing sector.

Figure 1: EU quarterly manufacturing production and turnover, 2015-2024 (2021=100)



Source: [Food Drink Europe](#), 2024

Europe also stands out for its production and exports. Production volumes have been steadily growing for more than ten years now. The European food and drinks industry is diverse, with multiple product sectors. Meat products (20% share in total turnover), dairy products (16%), drinks (13%), and bakery and farinaceous (consisting of or containing starch) products (11%) [were the top four sub-sectors in the European food and drinks market in 2023](#).

Europe is also the world's largest exporter of food and drink products, with [exports outside the EU reaching €182.4 billion](#) in 2023.

Figure 2: Volume of production in the food and drinks industry and manufacturing industry (index, 2000=100)



Source: [Food Drink Europe](#), 2024

It is expected that the European food and drinks market will continue to grow in the coming years, partly as a result of population growth and the associated demand for more food. Although the forecast is positive, the exact growth rate is uncertain. Some sources predict an average annual growth of the European food and drinks market of [5.64% between 2024 and 2029](#), reaching a total value of about 2,480 billion euros in 2029.

The [outlook for Europe's economy in 2024](#) showed slow growth and high inflation. The EU [food supply chain prices are still rising](#) because of rising costs and supply issues. Even though this is tough for consumers and businesses, the food and drinks market has remained strong. It has adapted to the higher costs by finding new ways to manage and keep demand steady, showing how important this market is to Europe's economy.

## The size of the European natural additives market is large

There is not much quantitative information available on the natural additives market. The European food additives market, including synthetic additives, was estimated to be [11.7 billion euros in 2024](#). While there is no recent data on the European natural food additives market, it was estimated to be [worth 9.1 billion euros in 2021](#), representing a small fraction of the total food and beverage market. However, the food additives market has an immediate relationship with the food and beverage sector. Natural food additives are added to various products in some of the most important food segments of the total food and beverage market.

The application of natural food additives in the European food and drinks industry is wide and diverse. Dairy and confectionery products are the main categories using food colourants, followed by desserts, ice cream, juice drinks, bakery, chocolate, snacks, meals, soft drinks, sauces, and seasonings. Bakery, meat products, dairy, and beverages are the main application areas for oleoresins. Soft drinks, dairy products, chocolate and biscuits are relevant end industries for natural sweeteners.

Considering this close relationship between the European food and drinks market and the natural food additives market, Europe is a large market for natural food additives. As the food and drinks sector expands, driven by growing consumer demand, the market for food additives is also expected to grow. Forecasts made in 2024 anticipate an [average annual growth of 5.3% in the European food additives market](#) through to 2029.

This [growth is in part driven by the growing consumption of pre-packaged foods](#), such as snacks, frozen items, and ready-to-eat meals. This encourages manufacturers to scale up production capacity, contributing to the overall expansion of the European food and beverage industry. Additionally, increasing consumer interest in health foods, combined with a focus on product quality, taste, and nutritional value, are key factors involved in the growth of the European food additives market. Specifically for the natural food additives sector, it is expected that health-conscious consumers and growing awareness of the benefits of organic foods will continue to boost demand for natural food additives in Europe.

## Europe is a relevant importer of natural food additives from developing countries

Europe is a large importer of natural ingredients, some of which are widely used as natural food additives in foodstuffs and beverages. The growing demand for natural food additives translates into increased intra-European and extra-European imports. Good reason for exporters in developing countries to target Europe as an important market.

Natural food additives form a large group of products. Because of this, the trade data for these additives is not grouped but separated into different HS codes. This makes it difficult to find the total data for all food additives. However, we can still draw some useful conclusions by looking at the trade data for certain (grouped) ingredients.

Figure 3 presents the import value trend over the last few years for some popular natural food additives in Europe: colouring matter (HS code 320300), gum Arabic (HS code 130120), oils of orange (HS code 330112), and glycosides, including steviol (HS code 293890). Colouring matter is the largest among these four, with the European import value reaching €851 million in 2023. The import value for oils of orange amounted to €418 million, €386 million for glycosides, and €251 million for gum Arabic that same year.

Source: ProFound with data from [ITC Trade Map](#), 2024

In 2023, Europe accounted for about 50% of the value of global imports of colouring matter, gum Arabic, and orange oils. Considering that these are some of the most common additives, it is assumed that Europe also dominates a considerable and noteworthy proportion of the global import value for other similar additives. As

such, the European market offers great opportunities for suppliers.

Overall, the value of European imports of selected food additives has increased over the past five years. Of the four products mentioned above, the European import value of gum Arabic grew at an average annual rate of nearly 13% between 2019 and 2023. The import value for orange oils registered an even steeper increase, with 21% growth over the same period. Colouring matter (4.9%) and glycosides (4.1%) also experienced growth, albeit at more moderate rates. In the case of orange oils, one reason for their growth is that they, along with lemon oils, are among the [essential oils most frequently used in new product formulations created by Europe's large food processing industry](#). For gum Arabic, growth can partly be attributed to a [growing demand for gluten-free diets and low-calorie products in Europe](#). Gums are used in 'free-from' and weight control products because of their functional properties.

Developing countries play an important role in supplying natural food additives to Europe. Some, such as oils of oranges and glycosides, are sourced more from developing countries than others. In 2023, 50% of European glycosides were imported from developing market economies. In the same year, 57% of the value of European imports of lemon oils came from imports from developing countries. France, Germany, the Netherlands, and the United Kingdom are some of the main import hubs in Europe.

Although not all additive imports are analysed, the above information indicates that the European market for natural additives from developing countries has plenty of potential.

## **Organic, plant-based and clean label demand drive natural food additives market**

One of the main trends in the European food and drinks market is 'organic', the rising demand for plant-based and clean-label products, and their increased availability in retail outlets. This might boost the overall demand for natural food additives, creating opportunities for exporters of natural ingredients and ingredients that can be used in certified organic products.

In 2024, Europe, with 26% of the total, was the world's [second-largest market for organic food and drinks](#) after the USA. In 2022, retail sales of organic products in Europe amounted to [53.1 billion euros](#). In Europe, Germany led the way as the largest market, with sales reaching 15.3 billion euros. On a global scale, the EU ranked as the second-largest single market for organic products, following the United States, which recorded sales of 58.6 billion euros.

In 2023, the European organic-certified food market accounted for 3.9% of all general food and drink sales. The organic food share in the European food and drinks market has grown at an average rate of 7.7% per year since 2014. In 2022, however, the organic food and beverage market experienced a decline of 2.2%, marking a decrease after years of consistent growth. This downturn was primarily driven by high inflation, which has reduced purchasing power among European consumers. However, the organic market has recovered and is expected to continue its growth. In Germany, for instance, the [demand for organic products showed a slow growth again in 2023](#). The organic food segment has a positive forecast for steady growth in the coming years, projected to reach a share of 4.8% by 2027.

Source: [Statista](#), 2023

Demand for [plant-based foods and beverages](#) is also growing. The sales of plant-based foods across [six European countries \(Germany, Spain, France, Italy, the UK, and the Netherlands\)](#) amounted to [€5.4 billion in 2023](#). This is 5.5% higher compared to 2022. During the same period, the volume of plant-based food sold grew by 3.5%. Plant-based milk leads the market with sales worth €2.2 billion in 2023, followed by plant-based meat with sales worth €2.0 billion during the same year. These segments grew by 7.1% and 3.9% respectively in terms of sales values between 2022 and 2023.

Both organic and plant-based food and drink products typically avoid using synthetic food additives, thus boosting demand for natural, plant-based food additives such as colourings, organic preservatives and flavourings, and stevia-based sweeteners.

Tips:

Check [our study on trends for natural food additives in the European market](#) to find information on opportunities that may increase your chances of market access.

Make sure to align your business with the objectives of the European Green Deal and Corporate Sustainability Directive. Read our [study on the EU Green Deal impact](#) for more detailed information.

Read [our study on buyer requirements](#) for natural food additives for further information on certifications and regulations for exporting to the European Union (EU).

Stay up to date on the European food and drinks market by visiting [Food and Drink Europe](#).

Learn more about food ingredient trends/developments and meet industry operators at the main food ingredient trade shows in Europe, such as [BioFach](#) in Nuremberg, [Natexpo](#) and [SIAL](#) in Paris, [Fi Europe](#) in Frankfurt, and [Anuga](#) in Cologne.

### 3. Which European markets offer the most opportunities for natural food additives?

Western European countries such as France, Germany, Italy, the UK, Spain, and the Netherlands offer great opportunities for natural food additives. They are, therefore, the most attractive national markets to target for suppliers of these ingredients. These countries are [the largest food and drink producers](#) in terms of turnover. They also play an important role in trade with suppliers from developing countries. The demand for organic and plant-based food and beverages is also relatively high in these countries. This is considered as both segments strongly drive the demand for natural food additives.

Source: [ITC Trade Map](#) and [Access2Markets](#), 2024

Table 2: Market overview and outlook for selected countries, 2024-2029

Country	Food market revenue 2024 (€ billion)	CAGR food market 2024-2029 (%)	Beverage market revenue 2024 (€ billion)	CAGR beverage market 2024-2029 (%)	CAGR food additives market 2024-2029 (%)
France	210.4	2.5	2.6	10.1	3.3
Germany	245.9	3.6	5.0	10.9	3.3
UK	171.7	4.2	11.7	6.3	3.0

Netherlands	55.3	3.8	2.6	8.8	-
Spain	120.1	3.8	2.7	7.4	2.5
Italy	192.2	3.4	1.9	6.0	6.5

Source: [Statista](#), [Mordor Intelligence](#), 2024

Table 3: Organic market overview of selected countries, 2019-2022

Country	Retail sales 2022 (€ million)	CAGR retail sales 2019-2022 (%)	Per capita consumption 2022 (€ / person)
France	12,076	2.3	176
Germany	15,310	8.6	181
UK	3,413	8.4	51
Netherlands	1,435	5.8	81
Spain	2,532	3.1	55
Italy	3,660	4.2	62

Source: [FiBL](#), 2024

Table 4: Plant-based market overview of selected countries, 2023

Country	Retail sales value 2023 (€ million)	Retail sales value, 2022-23 change	Retail sales volume 2023 (million kilo)	Retail sales volume, 2022-23 change
France	648	11.4%	160	1.9%
Germany	2,236	8.0%	733	11.0%
UK	1,136	-2.8%	304	-9.4%
Netherlands	309	1.1%	75	-3.6%
Spain	452	7.5%	260	6.4%



Italy	641	8.0%	183	0.2%
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Source: [Good Food Institute](#), 2024

## France

France is a rapidly-growing market for organic and plant-based foods and a leading importer and distributor of several natural ingredients used as food additives. The country's most important food sectors are meats, dairy, beverages, and confectionery. France has a large food-processing and manufacturing sector. In 2021, 55,968 registered food and drinks processing and manufacturing companies were active in France.

France's food market is expected to reach a total revenue of €210.4 billion in 2024, making it the second-largest in Europe after Germany. The food market is expected to grow by 2.5% annually from 2024 to 2029. The market is predicted to reach €2.6 billion for beverages in 2024, with an expected strong yearly growth of 10.1% up to 2029. The food additives market in France is expected to grow by 3.3% each year, showing a promising opportunity for natural and functional ingredients.

France is the second-largest market for organic food and drinks in Europe. In 2023, the [French market for organic food products reached 12.1 billion euros](#); the same as in 2022. This stagnation in growth was the result of the increase in prices of organic food products and a decline of around 7.0% in volumes sold. As inflation levels stabilise, it is expected that the market will continue its growth. In 2023, France registered a sales value of €648 million for plant-based foods, and it is expected to keep growing in the coming years.

France plays an important role in ingredient formulation, with leading companies in sectors like flavours, fragrances, and natural sweeteners. France has a prominent natural sweetener industry. It has held a strong position in the European stevia market since its use was approved (the Reb A stain in particular). An example of an influential French specialist in natural sweeteners is [Cristalco](#). The country also has an important flavouring sector, including major companies such as [MANE](#) and [Naturex](#) (now part of the Swiss-based multinational [Givaudan](#), one of the world's leading natural extract companies).

Regarding imports, France is the main European importer of natural gum Arabic, several essential oils, and stevia. Some important traders of gum Arabic in France are [Nexira](#) and [Alland & Robert](#). The country's leading importers of essential oils and oleoresins include companies like [Elixens](#), [SNPM Huiles](#), [Nactis](#), [Robertet](#), [Métarom](#), and [Anec France](#).

## Germany

Germany has all the elements to make it an interesting market for natural food additives. It has the largest food and beverage market and industry, a large organic and plant-based market, significant imports across several ingredient categories, and several interesting companies with a demand for natural food additives. Germany's biggest food and drinks segments are meat and meat processing, dairy, confectionery, bakery, and alcoholic beverages. Germany is also the world's third-largest exporter of food products and a major re-exporter of several natural ingredients to other countries in Europe. Growing food safety concerns and the pressure to adopt clean-label food products create an innovative environment in the German food and beverage sector.

Germany leads in Europe with a food market revenue of 245.9 billion euros in 2024, highlighting its importance in the food and beverage industry. The food sector is expected to grow by 3.6% each year until 2029, while the beverage market is expected to reach 5.0 billion euros with a yearly growth of 10.9%. In the coming years, the food additives market in Germany is also expected to grow by 3.3% each year.

Germany has Europe's largest organic food market, valued at over 15 billion euros in 2022. In 2023, the [organic sector was valued at 16 billion euros](#). This increase was mainly a result of higher prices in 2023, and not directly



a result of higher sales volumes. The country is known to be highly interested in organic-certified ingredients, and German consumers are highly aware of and willing to pay for high-quality products. Suppliers of certified organic products should include German importers and distributors in their buyer research. Plant-based products are also popular among German consumers. Germany also has the largest plant-based products market in Europe, with retail sales of 2,236 million euros in 2023. Both the organic and plant-based markets are expected to grow in the coming years.

Germany plays a vital role in the trade of most natural food additives, including seaweed extracts, natural gums, essential oils and oleoresins, and glycosides including stevia. Germany is believed to [be the biggest player](#) in the European food additives market and is an important re-exporter of natural ingredients to other European countries.

According to the [ITC trade map data](#), Germany is Europe's biggest importer of guar, pectin, mannitol, and peppermint oil. After Italy, Germany is Europe's second-biggest importer of natural food colourants (HS 320300). In 2023, Germany imported 5,409 tonnes of natural colours, accounting for 10.8% of the total European import volume. In 2023, Germany imported 40% of its natural colours import value from developing countries.

Major German companies active in natural additives are the multinational ingredient formulator [Symrise](#), with a 70-year tradition in the industry, and [Doehler](#), which sources ingredients worldwide in a vertically integrated manner. [Brenntag](#) is another German multinational active across several natural ingredients. Germany has many other important companies active in processing and trading natural food additives, like [Silesia Aroma](#), [Henry Lamotte Oils GmbH](#), [ADM Wild Europe](#) and [Rüther Gewürze](#). [Roeper](#) and [All Organic Treasures](#) (specialised in organic ingredients) are also interesting trading companies active in natural additives.

## The United Kingdom

The UK is Europe's fourth-largest consumer market for food and beverages. After [Brexit](#) in 2020, the UK has retained its stable and ongoing vibrant trade with Europe and the rest of the world.

In the UK, it was expected that by year-end 2024, the food market would generate revenues of 171.7 billion euros, making it a key player in Europe. The food sector is expected to grow by 4.2% annually from 2024 to 2029. The beverage market is expected to reach 11.7 billion euros, with a yearly growth of 6.3%. The food additives market is expected to grow at a lower rate of 3.0% each year, suggesting less interest in natural food additives and a more cautious growth than the food and beverage sectors.

In 2023, the [UK organic market was valued at 3.8 billion euros](#), corresponding to a growth of 2.0% compared to 2022. The British market for organic food and drinks [is expected to continue to grow](#). Rising consumer awareness of and growing demand for natural and healthier food and drink products are major drivers. People are now actively trying to lead an environmentally-friendly lifestyle.

The UK is Europe's second-largest plant-based products market, valued at 1,136 million euros in 2023.

The UK is among the main importers of natural food additives in several categories. The country is among the leading importers of essential oils, oleoresins, and natural thickeners, such as gum Arabic and agar. It is also one of the main importers of natural sweeteners, including stevia.

The UK has several interesting companies across several natural food additive categories. The main importers of natural food colourants in the UK are [Dura Color](#), [Plant-Ex](#) and [ScotBio](#), which developed products such as [ScotBio Blue](#), a natural blue colourant extracted from spirulina that is usable in food and drinks. Leading importers of oleoresins in the UK include [British Pepper and Spices](#), [Lionel Kitchen](#), [Treatt](#), [House of Flavours](#) and [Phoenix Products](#). In the natural sweetener sector, the UK is home to the headquarters of major European stevia company [Tate & Lyle](#), which has a portfolio of stevia-derived food additives.

## The Netherlands

Although the Netherlands is a relatively small country with a lower population and a smaller food and beverage market, it is still very interesting and offers great opportunities for suppliers of natural food additives from developing countries.

The Netherlands has a food market revenue of 55.3 billion euros in 2024, showing a smaller yet dynamic segment in Europe. The food sector is set to grow by 3.8% each year from 2024 to 2029, while the beverage market is expected to generate 2.6 billion euros, with a yearly growth of 8.8%. There is no available growth forecast for the food additives market.

The organic food and drinks market is growing strongly, though it still remains small compared to other European countries. [Sales of organic products in the Netherlands increased by over 50%](#) between 2019 and 2023. In 2023, the retail value of organic food was estimated at 1.4 billion euros. Regarding the plant-based food market, the Netherlands is an interesting country, but given its small size and population, the country records lower sales values compared to the other countries mentioned in this chapter.

The Netherlands is a major gateway for natural ingredients, supplying them throughout Europe. It is a strong re-exporter to other European nations and has a robust ingredient-processing industry. The country's excellent infrastructure, including the presence of two of Europe's largest seaports (Rotterdam and Amsterdam), further strengthens its position. Additionally, the Netherlands is recognised for its advanced use of technology and expertise in ingredient formulation.

The Netherlands is among the leading importers of essential oils, oleoresins, and natural colourants. In 2023, the Netherlands imported 3,547 tonnes of natural colourants, accounting for a 7.1% share of European imports. That same year, Dutch imports of stevia reached 355 tonnes; good for 5.0% of total European imports. Between 2019 and 2023, the Dutch import volume of stevia increased by 6.8%.

Ingredient formulator [DSM](#) (now part of the [Firmenich group](#)) and the trading companies [Holland Ingredients](#) and [Caldic](#), are relevant examples of internationally-active companies working with natural food additives. The European headquarters of [Cargill](#), a leading multinational ingredient company, are located in the Netherlands. There are also companies working in specific categories, such as [Exberry](#) (part of GNT), a major player in the formulation of food colourants, and [Van Wankum Ingredients](#), a leading importer of stevia.

## Spain

Spain is an important supply market for Europe, being among the top six European hubs for imports of natural food additives. While there are many suppliers in this big market, it is also dynamic, and there are opportunities to enter the market with a competitive product range.

Spain's food market is expected to reach a revenue of 120.1 billion euros in 2024, reflecting its growing importance in Europe. The food market is expected to grow by 3.8% each year until 2029, while the beverage market is also growing, reaching 2.7 billion euros with a yearly growth of 7.4%. The food additives market is expected to grow by 2.5% each year, which means there is potential for exporters.

Spain's organic market grew by 6.2% between 2022 and 2023, reaching [a total value of 3 billion euros in 2023](#). The growth indicates a long-term consumer demand for healthier products. Spain is also the fourth-largest plant-based food market, reaching sales of 452 million euros in 2023. The Spanish plant-based food market shows steady growth and is expected to continue to grow steadily.

Spain is a leader in the processing and import of seaweed extracts, food colourants, and oleoresins and plays an important role in the trade in natural gums. Spain is also a leading re-exporter of food additives to other European countries, including seaweed extracts. The country also has a large and thriving food-processing and

ingredients industry. The Spanish food and drinks market is made up of a large number of production companies ([30,159 in 2021](#)).

Spain is the second-largest European importer of natural colourants in terms of volume. In 2023, Spanish imports of natural colourants amounted to 5,321 tonnes, corresponding to a 10.6% share of total European imports. In 2023, 40% of its imports were sourced from developing countries.

[PROCONA](#) (part of the SEIMEX Group) is one of Spain's main natural colourant producers. It was founded over 20 years ago and specialises in a wide range of colours. Other Spanish companies specialising in food colourants are [Sancan](#), providing solutions for several product categories from meat to a vegan and vegetarian range, and [Coralim](#). Spanish importers of oleoresins include [Pimenton](#), [Diego Pérez Riquelme e Hijos](#) and [Evesa](#). There is also some stevia production in Spain, but imports supplement the local supply. Leading companies in Spain handling stevia include [Azucares Prieto](#), [Disproquima](#) and [EPSA Aditivos Alimentarios](#). Spain-based [Roko](#) is the leading European producer of agar (seaweed extract), while other Spanish companies like [Agar de Asturias](#) also play an important role in this category.

## Italy

Italy represents the sixth largest opportunity for suppliers. Italy's role in natural food additive imports is more limited but still relevant in Europe. The country is among Europe's major food and drinks markets and among the leading importers of natural gums, natural food colourants and natural sweeteners such as stevia. The [most important food sectors in Italy](#) are bakery, dairy, processed meats and seafood. Italy is also a significant manufacturer and exporter of food and drink products. In 2021, records showed Europe's [second-highest number of food and drink companies](#) (56,600).

Italy's food market was anticipated to generate 192.2 billion euros in revenue by year-end 2024, making it the third-largest food and beverages market. The food sector is expected to grow by 3.4% each year from 2024 to 2029. The beverage market is expected to reach 1.9 billion euros, with a yearly growth of 6.0%. Notably, the food additives market in Italy is expected to grow by 6.5% each year, indicating strong opportunities for suppliers of food ingredients in the Italian market.

With a traditional food and beverage market that is of great importance in Europe, Italian consumers focus on high-quality ingredients. However, the development of the food and drinks business in Italy is increasingly oriented towards sustainability, with a greater focus on the environmental and social aspects related to economic activity.

The organic market in Italy, valued at 3.7 billion euros in 2022, plays a smaller role compared to other European markets in terms of the imports of natural food additives, but is still prominent for specific ingredient categories. The country also boasts Europe's third-largest plant-based food market, with retail sales amounting to 641 million euros in 2023. Italian plant-based food retail sales grew by 8.0% between 2022 and 2023.

Some of the main importers and formulators of natural ingredients in Italy are [Aromata Group](#) and [D-Ingredients](#), as well as international companies with branches in Italy, like [Brenntag](#) and [Sensient](#). Within the natural sweeteners market, particularly stevia, some of the major suppliers in Italy include [Bio Mondo](#) and [Moralco](#).

### Tips:

Find out which market offers your company and products the best opportunities. You can get market information and identify potential buyers through or from the industry associations of the main target markets and segments in Europe, like the [European Vegetarian Union](#), [European Alliance for Plant-Based Foods](#), [Natural Food Colours Association](#), [European Flavour Association](#), [German Association of](#)

the [Aroma Industry \(DVAI\)](#) and the [UK Food Additives & Ingredients Association \(FAIA\)](#).

Refer to the [CBI study on finding buyers](#), which provides practical guidance and tips on how to improve your chances when approaching European buyers.

## 4. Which products from developing countries have the most potential in the European natural food additives market?

European demand for natural food additives has been growing for years. This creates opportunities for certain additive categories, such as natural sweeteners, emulsifiers, stabilisers, thickeners, gelling agents, and natural flavours and colourants. Natural food additives with high potential in the European market include stevia, gum Arabic, guar gum, seaweed extracts, essential oils, and oleoresins.

### Natural sweeteners

The European food and beverage industry increasingly uses natural sweeteners to replace sugar in food and beverage products. This is partly in response to the growing share of European consumers actively reducing their sugar intake. Europeans' interest in healthier diets and certain industry commitments have contributed to the expansion of natural sweeteners.

Natural sweeteners are substances that provide a sweet taste in food and beverages. They are extracted from plant sources like stevia or produced by animals like honey. Natural syrups are also used as sweeteners, while they also serve a variety of other functional purposes, such as binding, extending shelf life, and adding texture and stability to products. Examples of natural syrups include syrups made of date, maple, yacon, agave or coconut flower.

Today, natural sweeteners are used in a wide variety of products, including confectionery, beverages, breakfast cereals, and dairy products. They are mostly present in products like low-calorie drinks, sugar-free chewing gum, low-calorie yoghurts, and some processed products like ketchup.

Table 3: Examples of natural sweeteners that are allowed in Europe

Additive	E-Number	HS Code
Erythritol	E968	290549
Mannitol	E421	290543
Neohesperidine DC	E959	293890
Sorbitols	E420	290544
Steviol glycosides from Stevia	E960a	293890
Thaumatococin	E957	350400

Source: [European Commission](#), 2024

European industries and sector associations have also committed to sugar reduction, motivated by the EU regulatory framework as well as [high prices for sugar](#) in 2024. The European Soft Drinks Association (UNSEDA) has a clear [commitment to sugar reduction](#). One of its focal areas is the increase in the use of natural sweeteners. Between 2019 and 2023, UNSEDA recorded a 10.8% reduction in average added sugars in soft drinks.

Innovation is key when it comes to reducing sugar in diets. An example of a company with an innovative approach to sugar reduction is [LĀKŌ Foods](#) (based in Spain). They have developed a date-based sweetener that offers a natural way to sweeten food without relying on refined sugars. [Large multinational companies are also driving innovation](#). [Cargill](#), for instance, is developing sweeteners, bulking agents, and texturisers to support brands in reformulating their sweet products. One of the main challenges for these companies lies in replicating the taste, texture, and mouthfeel of sugary products.

Stevia is one of the most popular natural sweeteners worldwide and in Europe. In 2023, the global stevia market [was worth 702 million euros](#) and is expected to grow at an average annual growth rate of 7.1% until 2032. Meanwhile, the [European market for stevia reached about 143 million euros in 2021](#). This market is expected to grow by 9.1% per year on average, reaching 221 million euros in 2026.

The stevia market in Europe is driven by growing consumer demand for healthier and natural products, rising consumer and company awareness of stevia, and broader applications in food and drink products. However, substitute sweeteners with similar properties, such as barley malts, maple syrup, agave juice, and coconut sugar, are also gaining popularity in the European market and thus threaten the stevia market.

Figure 6 shows the trade data of the HS code that includes stevia (HS 293890; other glycosides, natural or reproduced by synthesis, and their salts, ethers, esters, and other derivatives). Although this HS code does not refer exclusively to stevia, it works well to indicate the trajectory of stevia imports over the last years.

Source: [ITC Trade Map](#), 2024

The figure shows a significant increase in European imports in value between 2019 and 2022. During this period, imports of stevia and other glycosides grew by 10% each year. Growth was sustained even in 2020, when international trade and value chains for all products were severely affected by the COVID-19 pandemic. In 2023, imports declined, which in part can be attributed to the rise of alternative sweeteners. It is expected that the imports will return to a growing trend.

Developing countries play an important role in the trade of glycosides and stevia. In 2023, the value of glycosides imports from developing countries amounted to 191 million euros, accounting for a 50% share of total imports. Over the past five years, the share of imports from developing countries has remained at around 50%. The main stevia suppliers from developing countries are China, India, Malaysia, Chile, and Morocco.

The positive trend in total imports and imports from developing countries is expected to continue in the coming years due to increasing demand for stevia and limited production in Europe. Therefore, there is an opportunity for stevia suppliers and other natural sweeteners from outside Europe.

#### Tips:

Read our studies on [exporting stevia to Europe](#) and [exporting coconut sugar to Europe](#) for additional and more detailed information on trends, requirements, and the market potential for these natural sweeteners.

Visit organic and natural products trade shows to find potential buyers and understand their demands and requirements. Key events include [Biofach](#), [Natexpo](#), [Natural & Organic Products Europe](#), [Free](#)

## Emulsifiers, stabilisers, thickeners, and gelling agents

Natural emulsifiers, stabilisers, thickeners, and gelling agents represent a good opportunity for suppliers from developing countries. Thanks to a growing demand for healthier products from European consumers, rising demand for ready meals and processed foods also generates demand for these food additives.

Emulsifiers, stabilisers, thickeners, and gelling agents are a key component of food and drink products. They are used for their texturising properties and to allow for the incorporation of other ingredients. [Emulsifiers help emulsions occur](#) between two or more liquids that cannot usually be mixed. Gelling agents, thickeners and stabilisers work with emulsifiers to [give texture to foods, mainly by forming a gel](#). Natural sources predominate, and many emulsifiers, stabilisers, gelling agents, and thickeners are derived from plants and seaweeds.

The European market is greatly interested in emulsifiers, stabilisers, thickeners, and gelling agents. These food additives have many uses in sectors such as bakery and confectionery, dairy, meats, condiments, and beverages. For example, food products like mayonnaise and ice cream would not exist without emulsifiers. Gelling agents are also needed to thicken and stabilise foods like jellies, desserts, and candies. Table 4 lists examples of typical European emulsifiers, stabilisers, thickeners, and gelling agents. Though some have their own specific HS codes, most are grouped under HS code 391310 and HS code 130190.

Table 4: Examples of natural emulsifiers, stabilisers, thickeners, and gelling agents allowed and used in Europe, listed by HS code

Additive	E number	HS code
Acacia gum; gum Arabic	E414	130120
Agar	E406	130231
Alginate acid	E400	391310
Ammonium alginate	E403	391310
Calcium alginate	E404	391310
Carrageenan	E407	13023290
Cassia gum	E427	130190
Cellulose	E460	3912
Gellan gum	E418	130190
Guar gum	E412	130232

Karaya gum	E416	130190
Konjac	E425	13021970
Lecithins	E322	292320
Locust bean gum; carob gum	E410	130232
Pectins	E440	130220
Potassium alginate	E402	391310
Processed euchema seaweed	E407a	121221
Sodium alginate	E401	391310
Tara gum	E417	130190
Xanthan gum	E415	130190

Source: [European Commission](#), 2024

## Gum Arabic

Natural gums like gum Arabic, guar gum, and locust bean gum are growing in demand thanks to their unique properties. Natural gums have a lot of potential in Europe due to their use as substitutes for fat in low-fat or fat-free food products and their potential use as a substitute for gelatine in certain gluten-free and vegan products. Demand for natural gums is expected to grow as European food companies increasingly look for natural alternatives in their formulations.

In the last five years, imports of gum Arabic (HS code 130120) to Europe have grown sharply, with a significant increase of 50% in 2022. Developing countries play a significant role in the supply of gum Arabic to Europe. In 2023, 53% of the European gum Arabic imports were purchased from developing countries. The main suppliers of gum Arabic to Europe are mostly located in West and Central Africa, namely Sudan, Chad, Nigeria, and Mali.

Source: [ITC Trade Map](#), 2024

European importers depend heavily on Sudan for the supply of gum Arabic. In 2023, Sudan was the leading exporter of this ingredient to Europe, supplying over 103 million euros worth, accounting for 41% of European imports. However, European importers sometimes have difficulties sourcing the product from Sudan and are generally open to finding new suppliers. In 2023, the share of European imports from other supplying countries, such as Chad, the United Arab Emirates, Nigeria, and Mali, increased relative to Sudan's share.

## Guar and locust bean gum

Guar gum and locust bean gum imports (HS code 130232) show similar behaviour. Between 2018 and 2021, imports grew steadily at an average rate of 17% per year but then showed a large increase in demand of 67% in



2022. Imports in 2022 reached a total value of 704 million, of which 242 million came from developing countries. In 2023, however, European imports dropped significantly to 425 million euros, of which 181 were supplied by developing countries (42%). Over the last five years, the share of developing countries in total Guar gum and locust bean gum imports has remained similar. In 2023, India was the largest international supplier, with around 70% of global exports (211 thousand tonnes). Pakistan followed with 11% (34 thousand tonnes), and China accounted for 2% (5 thousand tonnes).

Source: [ITC Trade Map](#), 2024

## Seaweed extracts

Seaweed extracts, or hydrocolloids, are made of different seaweeds sourced from countries like Indonesia and China. They are often used as gelling and thickening agents. One of the most common seaweed extracts is Agar. This gelatinous substance derived from red seaweed has nutritional benefits as a source of iron and magnesium, plus digestive, bone and brain-health benefits.

Agar has multiple [uses in the food, health products, biotechnology, and cosmetics sectors](#). However, it is estimated that [90% of agar production is destined for the food and drinks industry](#). The confectionery industry uses it for desserts such as jellies, pies, doughnuts, cake icings, etc., and dairy products such as cream cheese and yoghurt. It is also popular as a clarifying agent for beer and wine in the beverage industry.

Figure 9 shows the changing behaviour in European Agar imports (HS code 130231). Between 2019 and 2022, European Agar imports declined by 2.1% per year on average, with 2022 showing a big growth. In 2023, European Agar imports reached a total value of 75 million euros, of which 42 million came from developing countries. According to historical data, imports from developing countries account for about half of total imports. The share of developing countries is increasing, reaching 56% in 2023, which suggests there is market potential for Agar exporters from developing countries.

Source: [ITC Trade Map](#), 2024

### Tip:

Read our studies, [exporting seaweed extracts to Europe](#) and [exporting gums to Europe](#), for more information on market potential and market entry guidelines.

## Natural flavours

Natural flavours are in high demand in the European food and drinks market due to their relatively low costs, rising consumer demand for natural products and processed foods, and the growing organic food market.

Natural flavours are preparations or substances added to foodstuffs to enhance or change their flavour or odour. In Europe, the food-flavouring industry is relevant and extremely varied. According to the [European Flavour Association \(EFFA\)](#), the European flavour industry generates a yearly turnover of 3.5 billion euros, accounting for about one-third of the global market share.

Natural flavours are added to a wide range of food and drink products, including beverages such as fruity infusions and soft drinks, confectionery products, dairy products such as yoghurts, and savoury snacks. The

industry uses all flavourings subject to strict EU regulations to ensure their safety (e.g., the [EU Flavouring Regulation](#)). These food additives undergo continuous safety assessments by European scientific authorities, which can sometimes lead to bans. For example, in April 2024, the [European Union banned certain artificial smoke flavourings](#) used by the food industry. This has created a gap in this specific flavour category in the European market, leading manufacturers to reformulate products, often by turning to natural alternatives.

Essential oils

Food-grade essential oils are commonly used as natural flavours to add or enhance a particular taste in food products. They are obtained from leaves, flowers, bark, and other plant parts with the help of steam distillation. Europe is the leading global market for essential oils, and the European flavouring sector uses large volumes of essential oils. Various essential oils are used in food; the estimated amount is more than 100. Some of the most popular essential oils include peppermint, lemon, orange, lavender, rosemary, bergamot, thyme, cinnamon, and parsley.

Table 5: Examples of essential oils used in the European food and drinks market, listed by HS code

Essential oil	HS code
Cardamom	330129
Cinnamon Leaf	330129
Cinnamon Bark	330129
Ginger	330129
Lavender	330129
Lemon	330119
Nutmeg	330129
Oregano	330129
Peppermint	330124
Rosemary	330129
Rose Geranium	330129
Sandalwood	330129
Spearmint	330125
Tea Tree	330129

Source: [European Commission](#), 2024

European demand for essential oils is increasing, driven by a general increase in the demand for natural products, including natural flavourings for processed food. In addition, the growing health and wellness trend in Europe is also driving [demand for innovation in the flavouring industry](#). Consumers are seeking products with reduced fat, sugar and salt, while expecting the same taste experience. This has led the flavouring industry to explore the potential of ingredients like essential oils. For instance, those ingredients that can mask off-notes, such as cardamom oil which can mask salt reduction.

In 2023, European imports of essential oils (HS code 3301) reached over 2,151 million euros. Over the last five years, the value of imports has been increasing at an average annual rate of 2.4%, with some small fluctuations. Developing country suppliers play an important role in Europe's supply of essential oils. Around 50% of essential oils imported into Europe in the past five years was sourced from developing countries, highlighting the potential for non-European exporters. Brazil is the main supplier of essential oils to Europe, accounting for almost 23% of all essential oil imports, followed by India, China, Argentina, and Mexico.

Source: [ITC Trade Map](#), 2024

Many essential oils are specific to a particular region. Essential oil producers and exporters should determine which essential oils can be produced in their location before developing a strong value proposition for the European market. Some plants used for essential oil production are grown in Europe, so suppliers in developing countries should also focus on niche essential oils that cannot be grown in Europe.

Tips:

Read our study on [exporting essential oils for food to Europe](#). It provides more detailed information on trends, buyer requirements, competitors, etc.

Connect with sector associations specialised in flavours like the [European Flavour Association](#) and the [International Organization of the Flavour Industry](#). Check their members list to find potential partners and buyers. You can also find relevant information on markets and trends.

Natural food colourants

Natural colours are a promising category within the European market. Due to increasing consumer preference and the popularity of natural colour alternatives over artificial additives, the industry is constantly searching for raw materials and extracts that meet performance, stability, and safety requirements. As such, demand for natural food colourants in Europe is expected to grow steadily in the coming years.

Table 6: Examples of natural pigments with colouring properties allowed in Europe, listed by E-numbers

E-number(s)	Colour	Natural Source	Natural pigment	Applications	HS code
E163	Red / Blue	Black grapes, elderberries, cherries	Anthocyanins	Drinks, jams, and sugar confectionery	320300

E162	Red / Pink	Beetroot	Beetroot, betanin	Ice creams and yoghurt	320300
E140	Green	Parsley, spinach	Chlorophylls	Sugar confectionery and dairy products	320300
E101	Yellow	Eggs, milk, yeast	Riboflavin	Dairy products, cereals, and dessert mixes	293623
E153	Black	Carbonised vegetable material	Carbon black	Primarily in sugar confectionery	280300
E120	Red	Cochineal	Carminic acid, carmines	Alcoholic beverages and processed meat products	3204
E160a to E160g	Orange / Red / Yellow	Carrots, oranges, prawns, red peppers, saffron, tomatoes	Carotenoids	Margarine, dairy products and soft drinks	320419
E100	Orange	Turmeric	Curcumin	Pickles, soups, confectionery	091030

Source: [Natural Food Colours Association](#), 2023

Food colourants are dyes, pigments, or substances added to foods to enhance or restore their hue. Natural colours are extracted and purified directly from nature. They can be obtained from various sources, mainly fruits, vegetables, spices, and algae, and can be found in many forms: liquid, powder, gel, and paste.

European imports of colouring matter of vegetable origin (HS code 320300) have increased in the last five years. Between 2019 and 2023, the value of imports of colouring matter of vegetable origin to Europe grew on average by 4.9% per year, amounting to 851 million euros in 2023.

Most imports of colouring matter come from European suppliers, with only 22% coming from developing

countries. The main developing countries exporting colouring matter of vegetable origin to Europe are China, which accounts for around 40% of imports from developing countries, such as Peru, India, Türkiye, and Israel.

Source: [ITC Trade Map](#), 2024

Tips:

Read our studies on [exporting natural food colourants to Europe](#) and [exporting turmeric to Europe](#) for additional information.

Visit the [Natural Food Colours Association \(NATCOL\) website](#) to stay up to date on regulatory changes and other relevant news that might impact your business.

European buyers prefer to work with suppliers that constantly supply additives with consistent colour intensities, light and heat exposure stability, no reactivity with other food components, and no off-flavours or off-odours. Ensure you meet these requirements and provide full product documentation to your potential European buyers.

[ProFound – Advisers in Development](#) carried out this study on behalf of CBI.

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