

# 10 tips for organising your exports of natural cosmetic ingredients to Europe

Last updated:  
26 January 2022

Organising your exports is essential for exporters of natural ingredients to Europe. As an exporter, you must have a good understanding of practical matters concerning exporting, such as customs, tariffs, transportation and documentation. It can make the difference between success and failure when exporting your natural ingredients to Europe. Due to its impact on global trade, and because it will continue to have a significant impact for the foreseeable future, the COVID-19 pandemic is something you must consider when arranging your exports to Europe.

## Contents of this page

1. [Reaching and making contractual agreements](#)
2. [Choose suitable international payment terms](#)
3. [Purchase export insurance](#)
4. [Comply with customs policy](#)
5. [Choose the right mode of international transport](#)
6. [Get your packaging right](#)
7. [Seek assistance](#)
8. [Meet common importer requirements](#)
9. [Provide documents about the traceability of your natural ingredients](#)
10. [Get practical help from our studies](#)

## 1. Reaching and making contractual agreements

Contracts with well-defined agreements will protect your business. Contracts act as a reminder and a record of what needs to be done by both parties. Contracts form the basis of legal procedures in case either the supplier or the buyer breaches agreements. Although contracts can be enforced in Europe, due to complexity, high costs and long waiting times associated with doing so, this is not a straightforward and easy process.

Key advantages of following this tip include the fact that it provides clarity in business relationships, in agreements and about rights of parties and that it prevents misinterpretation of communications and agreements, while also avoiding potential disputes and legal action. Meanwhile, disadvantages of not following this tip include the potential end of your business relationship with European buyers, loss of time and resources, additional costs and reputational damage.

### Reviewing your contract

According to industry sources, European buyers of natural cosmetic ingredients usually write their own contracts. When negotiating contract terms with prospective buyers, you must carefully read their purchase conditions (if provided). Failure to do so puts you at risk of not properly understanding the contract and the key terms and conditions contained therein. As a result, you might end up suffering the consequences of failing to

meet agreed terms and early termination of the contract.

It is important that you have confidence in the company you are dealing with and understand that you are entering into a legally binding commitment which can be enforced by them. Do not verbally agree, confirm or sign an incomplete contract or 1 which you do not fully understand.

You should ensure you are satisfied with and clearly understand the general terms and conditions of your contract, which will typically include the following:

- Name and addresses of the parties;
- Product specifications – information about your product, for example refined or unrefined and/or conventional or organic;
- Quantity – units of measurement in both figures and in words, number of containers, bags and so on;
- Value – the currency must be specified;
- Price agreements – the price agreed with the buyer;
- Terms of payment – based on international payment terms, such as Cash in Advance and Letters of Credit;
- Date of delivery or period over which delivery is to be made;
- Terms of delivery – delivery terms must be stated based on [Incoterms](#), such as Delivered Duty Unpaid (DDU) and Delivered Duty Paid (DDP);
- Charges and/or fees, if applicable – taxes and duties, for example;
- Insurance – information about insurance protecting your goods against loss, damage or destruction while en route to the buyer;
- Default proceedings – information about procedures in the event that parties default on their contractual obligations;
- Dispute resolution proceedings – information about procedures in the event of a dispute, such as arbitration, place of jurisdiction and governing law; and
- Signature and date – signature of the parties with the date the contract was signed.

## COVID-19 implications

Interviews with European buyers of natural ingredients have provided insight into how the global COVID-19 pandemic is causing significant disruption to global supply chains. Delivery times are becoming longer due to flight cancellations and port lockdowns whilst consignments are subjected to quarantine and lockdown measures. Indeed, 1 European buyer of natural ingredients for cosmetics stated, “There are a lot of delays”, with another buyer stating there had been “lots of delays”.

In some instances, the cost of delivery has also increased. This is supported by 1 buyer who said, “Transportation costs have increased”. The production of natural ingredients in developing countries has also been restricted and in some cases completely stopped because of emergency measures introduced by the government.

How long the COVID-19 pandemic will last and what long-term effects it may have are unknown. You must therefore discuss the implications of COVID-19 with prospective buyers and ensure that your contract includes terms and conditions which specifically concern the effects of the pandemic. Points of discussion and specific terms and conditions include who will be held liable for and consequences of:

- Delivery times which unexpectedly become longer;
- Higher delivery costs;
- The inability to deliver the agreed quantities due to restrictions limiting and/or stopping production.

### Tips:

- Ensure you fully understand the contract before signing it, because the consequences of not doing so may put your business and its reputation at serious risk.
- Seek legal assistance from an experienced lawyer in international trade if you need advice.

- Ensure you always meet all of the requirements outlined in your contract. Failing to do so may lead to you incurring penalties and your trading relationship with European buyers ending early.
- Be open minded when working with buyers. Work towards reducing your risks whilst ensuring buyer requirements are met.
- Quickly and clearly communicate any changes. Work constructively with buyers to find solutions to any unexpected issues.
- Ensure your product specifications are formulated precisely, because buyers often have specific requirements concerning the active properties of natural ingredients. For example, the fatty acid composition of baobab oils, such as the ratios of oleic acid, palmitic acid and linoleic acid, which are an important indicator of the oil's quality.
- See the International Trade Centre's [guidance on export contracts](#) which can serve as a basic template of what should be included in a contract.

## 2. Choose suitable international payment terms

For all sides involved, payment is a central part of any trade transaction. International trade carries lots of risks, which creates uncertainty between importers and suppliers. You must perform [due diligence](#) on potential buyers when assessing payment methods. As an exporter of natural ingredients in a developing country, you should try to minimise your risks while also accommodating buyer's needs.

Failing to follow this tip is likely to result in a financial loss for you if you encounter issues concerning payment. On the other hand, following this tip reduces the likelihood of this happening; this is the main advantage of following this tip.

### Cash in Advance

For exporters, cash in advance is relatively risk free. However, it can disadvantage the importer, which carries the risk of potential non-delivery of raw materials. Cash in advance is usually done via wire transfer or a cheque. Escrow services on the internet are becoming increasingly common because they reduce the risk of fraud and ensure both the exporter and the buyer meet their agreement terms.

Choose this payment method when dealing with new buyers with weak credit ratings or in the case of high-value materials. This payment method presents a high risk for importers. Exporters offering cash in advance as the only accepted payment term may lose business relationships with buyers to competitors.

### Letters of Credit

Letters of Credit (LC) are 1 of the most secure payment methods for both the exporter and the importer. An LC allows both parties to contact a financial institution that acts as a neutral intermediary. The chosen bank will guarantee a full payment to the seller, provided the goods have been shipped and the terms agreed upon in an LC have been met.

LCs have several disadvantages, mainly that they can be restrictive and confusing. Exporters can fail to comply with the agreed terms because of poor understanding. Buyers can reject the delivery if terms are not met, so exporters may have to look for alternative buyers or pay for the return of their shipment.

There are various types of LC payments, depending on the specific needs of the parties involved. These include standby, revocable, irrevocable, revolving, transferable, untransferable, back-to-back, red clause, green clause and export/import. For exporters, a standby LC is the most frequently used secure LC transaction. This method of payment is very common in international trade. It is used when contracting parties are unfamiliar with each other. It also provides a certain level of security to both parties.

## Documentary Collection

Documentary collection is where the exporter uses a bank to collect the payment. To release payment, the exporter's bank sends the documents that the importer needs to the importer's bank. The transaction goes through the banks involved in exchange for those documents.

There is a risk that the buyer will not pay for the goods upon receiving documents and offer no verification process. However, this type of payment is less expensive and less rigid than LCs.

## Open Account

Open account is where raw materials are delivered before payment is made. Open account disadvantages the exporter because there is no guarantee that the buyer will pay for the goods. Open account payments are recommended when the relationship and trust between the buyer and the exporter has already been established. To protect yourself from non-payment, you are advised to seek and purchase insurance.

Consignment is a variation of open account where payment is sent to the exporter after the goods are sold by a third-party distributor to the customer. This type of transaction is used for finished goods and other products that are not raw materials.

Choosing the right payment method depends on several factors, such as buyer expectations, financial resources and the available time, competition, your risk appetite and prior experience. A number of financial institutions provide assistance to exporters that export to large European markets. [HSBC](#), [Deutsche Bank](#) and [BNP Paribas](#) are some leading financial institutions providing assistance. You should consider seeking the advice of these financial institutions if you need assistance.

### Tips:

Jointly consider several factors before deciding on payment methods. Factors you should carefully consider include your expectations and those of the buyer, the available resources and time, the willingness to take risks and previous experience.

Be flexible when negotiating [payment methods](#) with buyers. Importers always push for the most secure payment terms for themselves, which is likely to be the open-account type of payment. Show a willingness to negotiate and only commit to what you can deliver. You can also use a combination of payment methods. You can suggest using cash in advance for 50 percent of the fee and secure the other 50 percent through an LC or documentary collection. A combination of various payment methods gives more security to both parties and shows your flexibility and willingness to cooperate. Use banks or agents to judge whether suggested payment methods and additional requirements can be met.

Customise payment methods depending on the size of the delivery and type of contract. For high-value raw materials, use more secure payment methods such as cash in advance or LCs.

Ask chambers of commerce, trade promotion agencies and financial institutions for advice if you are unsure of what payment method to use. Consider if there is a business case for you to enrol in the International Chamber of Commerce (ICC) [online training course](#) or [Export Academy's online training](#) on trade finance, as it has a fee.

Use the support of Trade Facilitation Programmes provided by international development banks. These programmes offer guarantees to cover the costs of transactions. You can access this network through selected banks in your country which are members of these specific programmes. Examples of programmes include [The Asian Development Bank's Trade Finance Program](#), the [ERBD Trade Facilitation Programme](#) and the [IFC Global Trade Finance Program](#).

### 3. Purchase export insurance

Consider purchasing export insurance to cover yourself against a wide range of risks associated with exporting to Europe. You should consider various types of risks. Examples include non-payment for your goods or services, the costs of returning goods if your buyer refuses to accept them or loss of or damage to goods in transit. You should speak to an insurance broker or underwriter if you require insurance to cover a risk that is specific to your natural ingredient.

The central advantage of following this tip and purchasing export insurance is that it provides exporters of cosmetic ingredients with protection if they encounter difficulties in the import-export transaction period. Not following this tip may significantly affect your resources and business relationships when difficulties occur.

#### Look around

Insurance does not cover 100 percent of any potential loss that you could incur. The cost of an insurance policy can also increase the final cost of your product. It is important to shop around for and understand the limitations of the different types of insurance policies available. Export credit insurance is 1 of the most common insurance policies for the export of natural ingredients for cosmetics.

#### Export credit insurance

Export credit insurance is designed to reduce financial risks to exporters. Exporters who have export credit insurance are protected if an importer becomes insolvent, is slow in making payment or defaults on payment terms.

For natural ingredients for cosmetics, there are several types of export credit insurance you can purchase. They include:

- Short-term insurance - repayment period of up to 1 year;
- Single-buyer policy - ideal for insuring against 1 customer or a 1-off risk; and
- Multiple-buyer policies - ideal when you have regular shipments to several customers and use a pay-as-you-go service.

[Atradius](#), [Coface](#) and [Euler Hermes](#) are examples of well-known credit insurance companies. The cost of their insurance policies depends on factors such as your annual turnover, your previous claim history and the risk profile of your buyer.

Steps to purchasing export credit insurance:

Do a credit check on your buyer before approaching insurance companies, so you know the risks you face with the buyer in question. Note that insurance companies can require credit reports and financial statements.

Find export credit agencies in your region; 1 way to do this is through the members of [the International Credit Insurance and Surety Association \(ICISA\)](#).

Carefully review the terms and conditions of your insurance policy and ensure you understand it before purchasing it. Ask questions or seek advice about anything you do not understand in the

insurance policy.

## Marine and cargo insurance

Marine cargo insurance covers losses arising from physical damage to goods throughout the entire journey to a customer, whether by road, rail, sea or air. As a small to medium-sized exporter in a developing country, purchasing this insurance is recommended particularly if the potential loss of cargo would have a significant impact on your business.

Exporters can find the best places to take out export insurance by contacting their country's government trade ministries. For example, exporters from Ghana can visit Ghana's [Trade Facilitation Enquiry Point](#). Additionally, [click here](#) to find information on well-known export insurance companies for exporters in developing countries. The [African Trade Insurance Agency](#) also provides export insurance to exporters from African countries.

### Tips:

- Ensure you have export insurance. Export credit insurance is the most common, because it offers exporters the greatest protection against several risk factors.
- Determine whether there is a business case for purchasing other types of insurance used in the export of raw materials/commodities. Marine and cargo insurance is another type of insurance that is frequently purchased.
- Ensure you have the right documentation ready when you approach insurance companies for quotes. You can do this by asking your insurance broker what documentation is needed to take out a policy. Usually, basic information about your company, a copy of an invoice and the name of your buyer are enough when applying for an insurance policy.
- Have detailed knowledge about your business available, such as your businesses turnover and its risks and liabilities. This is because information such as this is required to tailor an export insurance policy based upon your needs and its respective cost.
- Ensure you comply with all the requirements under your insurance policy. Failing to do so puts you at risk of not being compensated if you were to make a claim.

## 4. Comply with customs policy

Exporters of cosmetic ingredients must be compliant with European customs policy, and non-compliance could prevent access to the European market. Exporters can also face financial penalties and a possible end to their trading relationship with European importers. You must therefore follow this tip. Not following this tip could prevent you from doing business in Europe.

Import duties such as tariffs are determined by the origin of products. Goods are identified by a code number in the [Combined Nomenclature](#). The European Union (EU) [Common Customs Tariff](#) applies to the import of goods from outside the external borders of the EU. Read the CBI study '[What requirements should natural ingredients for cosmetics comply with to be allowed on the European market](#)' for more information on buyer requirements. Table 1 gives an example of tariffs for natural ingredients for cosmetics.

Table 1: EU Tariffs for natural ingredients used in the cosmetics sector

HS code	Ingredient	Tariff
---------	------------	--------

1513211000	Palm kernel and babassu oil for technical or industrial uses other than the manufacture of foodstuffs for human consumption	3.20%
1513111020	Coconut oil for technical or industrial uses other than the manufacture of foodstuffs for human consumption	2.50%
130212	Liquorice extract	3.20%
15159060	Other fixed vegetable oils for technical or industrial uses other than the manufacture of foodstuffs for human consumption	5.10%
33012971	Other essential oils of geranium; of jasmin; of vetiver	2.30%

Source: TARIC

Some EU Member States may also have specific customs requirements for the import of goods to their country. There may be differences regarding custom procedures, documents, laws and regulations and proof of origin. Customs brokers and freight forwarders can complete the customs process for you; consider seeking their services.

Sanctions imposed for non-compliance with EU customs policy differ across EU Member States. However, all EU Member States impose sanctions for non-compliance with EU customs policy.

The EU has lots of trade agreements that are designed to create better trading opportunities and overcome barriers. There are 3 different types of trade agreements that differ according to their content. You can search the [European Commission website](#) for more information on EU trade agreements with specific countries.

A number of trade agreements between the EU and APC (Africa, Pacific and Caribbean) countries are in place, and several are in the process of negotiation.

Table 2 gives an outline of the state of implementation of Economic Partnership Agreements between the EU and individual APC countries.

Table 2: EU Economic Partnership Agreements (EPA) with APC countries, 2021

EPA implemented	Africa	West Africa	Côte d'Ivoire
Ghana			
Central Africa	Cameroon		
Eastern and Southern Africa (ESA)	Mauritius		
Madagascar			

Seychelles			
Zimbabwe			
Southern Africa Development Community (SADC) EPA group	Botswana		
Lesotho			
Mozambique			
Namibia			
South Africa			
Swaziland			
Caribbean	Antigua and Barbuda	Jamaica	
Bahamas	St Lucia		
Barbados	St Vincent		
Belize	St Kitts and Nevis		
Dominica	Suriname		
Dominican Republic	Trinidad and Tobago		
Grenada	Guyana		
Pacific		Fiji	
Papua New Guinea			
Samoa			
Solomon Islands			
EPA concluded, adoption ongoing	Africa	West Africa	16 countries
East African Community (EAC)	6 countries		



Caribbean		Haiti
-----------	--	-------

Source: [trade.ec.europa.eu](https://trade.ec.europa.eu)

In June 2019, the [EU and the MERCOSUR trade bloc \(Argentina, Brazil, Paraguay and Uruguay\)](#) reached a political agreement for a balanced and comprehensive trade agreement. In the same year, the EU signed a [trade deal with Vietnam](#). Negotiations with Mexico have concluded, whilst they have not been finalised with Chile.

The UK has officially left the EU, the EU Single Market and the Customs Union; EU law no longer applies to the UK. For information about importing and exporting to the UK, see the importing and exporting section of [Brexit: guidance for businesses](#). Here, you can find information on [tariffs on goods imported into the UK](#), among other things.

### Tips:

- Find out which EU Common Customs Tariffs apply to your natural ingredients and comply with them. You can find this information by using the TARIC database.
- Find out if the country that you are exporting to has any specific customs requirements. You can find this type of information by visiting [customs offices](#) in individual European countries.
- Seek the services of the EU Access2Markets to Trade Helpdesk, which provides a considerable amount of [information on customs procedures](#) exporters must comply with.
- Consider seeking the services of customs brokers and freight forwarders. The International Federation of Customs Brokers Associations provides assistance with [finding custom brokers](#). However, keep in mind that this service usually has a cost.
- Refer to the Economic Partnership Agreement rules of origin for your natural ingredients to benefit from preferential tariffs. Carefully study [the handbook on the rules of origin of the EU](#) and what documents you need to comply with regulations.

## 5. Choose the right mode of international transport

You can export your natural ingredients to Europe via several modes of transport: sea and air are the 2 most commonly used. Following this tip can lead to long-lasting trading relationships with European buyers. Meanwhile, not following this tip can lead to reputational damage. Logistical and distribution support for your natural ingredients can be found between your country and the destination country.

As a natural ingredient exporter, you must get your mode of transport right. When choosing your mode of transport for exporting your goods to the European market, you must carefully consider the following 3 factors:

1. Delivery time – European buyers prefer shorter delivery times. Air freight is more reliable in terms of delivery time, and it is generally also faster than sea freight. It is important to note that delivery times have been longer since the onset of the global COVID-19 pandemic. The reasons for this include forced quarantine measures and restrictions on the movement of goods;
2. Delivery volume/quantity of order – larger volumes are often cheaper to transport via sea. Meanwhile, as margins narrow, it can be less expensive to transport goods by air freight;
3. Cost of delivery method – for larger volumes, shipping by air freight is estimated to be 4 to 6 times more expensive than by [sea freight](#). Shipping a higher volume is unlikely to result in a significant price increase. Note that, due to the global COVID-19 crisis, the cost of air freight has been increasing; this is likely to change when passenger flights eventually become fully operational again.

Interviews with European buyers of natural ingredients have revealed that COVID-19 is causing significant

disruption to global supply chains. Delivery times are becoming longer due to flight cancellations and port lockdowns, whilst consignments are subjected to quarantine and lockdown measures. Indeed, 1 European buyer of natural ingredients for cosmetics stated, “There are a lot of delays”, with another buyer stating there have been “lots of delays”.

The cost of delivery has also increased. This is supported by 1 buyer who stated, “Transportation costs have increased”. You must therefore carefully consider and factor in what effects COVID-19 is likely to have on your natural ingredients journey to the European market.

Incoterms are internationally accepted commercial terms defining the roles of seller and buyer in the arrangement of transportation and other responsibilities. Incoterms also clarify when the transfer of goods takes place. As an exporter, you should familiarise yourself with frequently used Incoterms, as they will help you in your dealings with logistics providers. Table 3 shows frequently used Incoterms in the transport sector and their meanings.

Table 3: Frequently used Incoterms in the transport sector and their meanings

Term	Meaning
EXW (Ex Works)	The title belongs to and risk is on the buyer, including payment of all transportation and insurance costs from the seller’s door. Used for any mode of transportation.
FOB (Free On Board)	Risk is on the buyer, including payment of all transportation and insurance costs once delivered on board the ship by the seller. Used for sea or inland waterway transportation.
CFR (Cost and Freight)	The title belongs to and risk and insurance costs are on the buyer when delivered on board the ship by the seller, who pays the transportation costs to the destination port. Used for sea or inland waterway transportation.
CIF (Cost, Insurance and Freight)	The title belongs to and risk is on the buyer when delivered on board the ship by the seller, who pays the transportation and insurance costs to the destination port. Used for sea or inland waterway transportation.
CIP (Carriage and Insurance Paid To)	The title and risk pass to the buyer when delivered to the carrier by the seller, who pays the transportation and insurance costs to the destination. Used for any mode of transportation.
DDU (Delivered Duty Unpaid)	The title, risk and responsibility for vessel discharge and import clearance pass to the buyer when the seller delivers the goods on board the ship to the destination port. Used for sea or inland waterway transportation.

DDP (Delivered Duty Paid)	The title and risk pass to the buyer when the seller delivers the goods to the named destination point cleared for import. Used for any mode of transportation.
---------------------------	---

Source: TMCL Container Line

Natural ingredients often need to be transported and stored under specific conditions, such as below a specific temperature or in special containers. You should inform your logistics provider of the special conditions that your natural ingredients need to be transported and stored under throughout the import-export process. Failure to do this can lead to the quality of your natural ingredients deteriorating when they reach the European importer. This can have a negative impact on your business relationships with your clients.

### Tips:

- Take the 3 important factors of delivery time, volume and cost into account when determining which delivery terms are the most suitable for your business needs. Keep in mind that tensions will arise and you will have to make trade-offs, especially when you are doing business for the first time with a European buyer.
- Speak to your logistics provider about how the COVID-19 pandemic might affect which mode of transport you choose and before you agree delivery terms with European buyers.
- Visit the Freightos website to use the [Freightos freight calculator](#) to get instantaneous international freight rate price information for shipping freight by sea and air. Doing so will enable you to make a more informed decision.
- Determine whether your natural ingredients need to be transported and stored under specific conditions. You should inform your logistics provider accordingly if they do.
- Familiarise yourself with the [Incoterms](#), which are frequently used in the transport sector. Other terms that frequently apply in the transport sector can be [found here](#).
- [Logistics France](#) lists companies offering logistical services in France. Lists of companies offering logistical services in other European countries can also be found by selecting a specific country under Europe. Consider contacting companies that meet your business needs.

## 6. Get your packaging right

It is essential that you package your natural ingredients correctly. Incorrectly packaged natural ingredients are at risk of damage. Common causes of damage include incorrect transport, storage and handling, alongside theft and damage of natural ingredients. European buyers are very likely to refuse to accept damaged natural ingredients. Delivering a damaged product is likely to result in you paying for the return of your goods alongside the buyer potentially ending your business relationship. You are therefore urged to follow this tip. Not following this tip could be damaging to your business.

Ensure your natural ingredients are well protected. Key factors to consider include the right type of packaging, handling ingredients with care and minimising the risk of contamination. For example, essential oils must be packaged in materials that are not reactive to them. It is likely that your natural ingredients will be handled by several people throughout the import-export process, so ensure they are safe and easy to handle.

Your packaging must include information on the units and weight of your natural ingredients and information on correct handling. Relevant labels, symbols and texts concerning your natural ingredients must also be displayed on the packaging. Packaging can also be used to market your business, so consider displaying your business logo and information on packaging.

The EU is committed to environmental sustainability and sustainable growth in the EU, as it made clear in its [Circular Economy Action Plan](#) and the [European Green Deal](#). As a result, increasing recyclability and reducing waste are key priorities for the EU.

The EU is putting pressure on European businesses to increase recyclability and reduce their waste through targets and policies. As a result, environmental sustainability is becoming more important for European buyers, a trend that is expected to continue.

Exporters should therefore strongly consider using recycled packaging materials and/or packaging materials that can be recycled. In addition, exporters should also limit the use of plastic packaging and other resource-intensive packaging materials.

### Tips:

- Determine if your importer of natural ingredients has any specific packaging requirements. Only agree to meet requirements if you can, because failing to do so can lead to the end of your business relationship.
- Ensure your natural ingredients are stored in the correct conditions so the quality does not deteriorate. Do this by informing your logistics provider of the conditions natural ingredients must be transported under.
- Read CBI's [European market entry studies of promising export products](#) that are available for several natural cosmetic ingredients, as they set out specific packaging requirements that exporters of natural ingredients should adhere to.
- If your natural ingredients are hazardous and have a UN number, use UN-approved packaging. See the [UN Recommendations on the Transport of Dangerous Goods](#) for further information.
- Look up your product in the [European Union Labelling/Marking Requirements](#) to familiarise yourself with packaging and labelling requirements.
- Consider using recycled and/or recyclable packaging materials, as environmental sustainability is becoming increasingly important for European buyers. Read this [guide on packaging to reduce environmental impacts for information and guidance on ways to do this](#).

## 7. Seek assistance

Several government and non-government agencies and commercial organisations provide assistance or offer services that will help you export your natural ingredients. Seeking their assistance is likely to provide you with vital information about the marketplace. Additionally, assistance is often cost free, especially from government and non-government agencies. These are key advantages of following this tip. Not following this tip is to your disadvantage, as you will miss out on information likely to increase your chances of entering the European market.

The most recognised government and non-government agencies and commercial organisations providing assistance from which you should seek assistance include:

- The [Centre for the Promotion of Imports from developing countries](#) (CBI) – a government agency providing assistance to exporters, specifically expert coaching and training, alongside literature that helps exporters access the European market;
- The [Import Promotion Desk](#) (IPD) – a government agency providing a platform where exporters from selected countries can meet European, especially German importers. It also prepares market reports;
- [Open Trade Gate Sweden](#) – a government agency that supports companies from developing countries in exporting to Sweden and the EU. It provides market information and assistance with rules and procedures.;
- The European Commission's EU [Access2Markets to Trade Helpdesk](#) – helps exporters find detailed information on tariffs, rules of origin, product requirements, customs procedures and formalities, trade

- barriers and trade statistics;
- [Enterprise Europe Network](#) (EEN) – established by a commission of the European Commission and aims to help companies offering all kinds of products and services to innovate and grow internationally;
- The [International Trade Centre](#) (ITC) – a developmental agency of the United Nations for sustainable trade. Most of its activities are for exporters which they help through their programmes. ITC provides export management, supply chain management, quality management, packaging, and marketing and branding programmes.;
- [Africrops](#) – a non-governmental organisation providing exporters with consulting services on capacity building and training in several African countries;
- The [UK Institute of Export & International Trade](#) – a professional membership body representing and supporting the interests of everyone involved in import, export and international trade;
- [Logistics Alliance Germany](#) – an organisation representing leading logistics service providers with expertise in sector-specific logistics across all transport modes;
- [evofenedex](#) – a Dutch business association that has a network of Dutch trade and production companies with a logistical or international operation.

Additionally, check if government ministries in the country you are exporting your natural ingredients from offer assistance. This can include, for example, the Ministry of Trade or Business.

Figure 1: Logos of well-known agencies supporting exporters in developing countries



Source: Various

### Tips:

- See the [CBI study on tips to find buyers](#) on the European natural ingredients for cosmetics market. You can find more information on how to successfully connect with importers in Europe.
- See the [CBI study on tips for doing business](#) with European buyers of natural ingredients for cosmetics. This study provides valuable information on how to build and maintain relationships with European buyers.
- Approach export promotion agencies and chambers of commerce in your country of origin. These agencies may be helpful if you are exporting raw materials that are typical to your country of origin.

## 8. Meet common importer requirements

European importers of natural ingredients for cosmetics are increasingly demanding high-quality raw materials. A key advantage of following this tip is that it will increase the likelihood of you entering the European market. On the other hand, not following this tip will make it difficult for you to enter the European market, which is already highly competitive.

Suppliers of natural ingredients from developing countries should always ensure they provide a high-quality product that is consistent between all batches at all times. European buyers and cosmetics manufacturers always require this, because it is essential to the manufacturing of cosmetic products. A buyer of natural ingredients for cosmetics highlighted that “a problem is the consistency in the goods, from batch to batch”. You should therefore always provide buyers with high-quality, consistent products across all orders.

Increasing quality standards are driven by consumer demand. Importers often require exporters to comply with sustainability principles concerning sourcing. The most common standards include:

- [Good Agricultural and Collection Practices](#);

- [Hazard Analysis & Critical Control Points](#);
- [International Fragrance Association \(IFRA\) standards](#) for natural ingredients such as essential oils used in perfumes.

Other additional requirements importers may have include natural ingredients being sustainably produced. Organic and fair trade certifications are becoming common requirements for buyers. Rising consumer demand for ethical and natural products is driving this trend, and this is expected to continue in the future.

### Tips:

- Carefully determine what additional requirements European importers have. Be willing to negotiate and adapt to the additional requirements that your buyers have. If buyers' requirements present an excessive financial pressure, do not commit to standards you cannot meet.
- Ensure you meet basic quality requirements for your ingredients. For example, if you are an exporter of essential oils, you should meet IFRA standards. This will make your natural ingredients more competitive and add credibility.
- Consider adopting standards that refer to production facilities and quality management systems. Examples include [ISO 22000](#), [FSSC 22000](#) and [ISO 9001:2015](#).
- Prepare a dossier with all additional standards and certifications that you meet. Be ready to show these documents when approaching European buyers.
- See the CBI study [What requirements must natural ingredients for cosmetics comply with to be allowed on the European market](#). This provides further information about requirements European importers often have.

## 9. Provide documents about the traceability of your natural ingredients

When organising your exports to Europe, ensure the traceability of your natural ingredients. According to EU regulations, all cosmetic ingredients must meet standard requirements for safety and effectiveness. Exporters of cosmetic ingredients must be compliant with EU regulations, with non-compliance resulting in access to the European market being denied. Not following this tip is only to your disadvantage, as it can deny you entry to the European market.

It is necessary for suppliers of cosmetic ingredients to have a well-organised and structured technical dossier which has documentation referring to the physical, chemical, microbiological and toxicological attributes of their ingredients. A technical dossier contains documents such as Technical Data Sheets (TDS), Safety Data Sheets (SDS) and Certificates of Analysis (CoA). Table 4 shows what is contained in the SDS, TDS and CoA to help you prepare these 3 important pieces of documentation.

Table 4: Contents of SDS, TDS and CoA

Safety Data Sheet (SDS)	Technical Data Sheet (TDS)	Certificate of Analysis (CoA) which matches
Product description	Product description	Data mentioned in the TDS

Product classification	Product classification	Pre-shipment samples approved by the buyer
Hazard identification	Quality analysis	Contractual agreements with the buyer
Information on safety measures	Information on applications	
	Certificates	

The information required in these documents depends on many variables, such as the type of ingredients that you supply and the specific buyers you are dealing with. It is essential that you find out what the buyer requirements are and what type of information they need. Following this, you should ensure that you meet buyer requirements and provide information that buyers require in your technical dossier.

Ensure that the traceability documentation of your ingredients is done correctly, as this creates trust and shows that you are a reliable supplier. Traceability of natural ingredients for the cosmetics sector is expected to become more important in the foreseeable future.

Having a comprehensive technical dossier is essential for you if you want to export to the EU. Failure to have 1 may result in European buyers refusing to trade with you and your reputation as a credible supplier of natural ingredients being damaged.

For example, when a European buyer of natural ingredients for cosmetics was asked about the importance of documentation, they stated *“Yes of course, if you do not have them (technical documentation), there is not going to be a sale at all”*. It is very important that you invest a substantial amount of time and resources in preparing a well-organised and structured dossier.

### Tips:

- Ensure information guaranteeing traceability is available and accessible. Some buyers may require more data than others, so you must adapt to each buyer.
- Keep in mind that some information is confidential. Sharing of confidential data is done within the scope of confidentiality agreements.
- Your documentation must be complete before your start approaching buyers. Ensure that you update your dossier on a regular basis.
- Do research and have a look at how your competitors organise their documentation. You can do this in person by visiting trade shows and/or you can discuss with buyers. For more tips on visiting trade shows, read the CBI study on [tips to find buyers on the European natural ingredients for cosmetics market](#).
- Review the example [Safety Data Sheet](#), [Technical Data Sheet](#) and [Certificate of Analysis](#) for patchouli essential oil.
- Read the CBI study on [how to prepare a technical dossier for cosmetics ingredients](#) for more information on documents contained within a technical dossier.

## 10. Get practical help from our studies

CBI has published several studies on how you can enter the European market for natural ingredients for

cosmetics. A key advantage of following this tip and reading these studies is that doing so increases the chances of you successfully entering and trading on the European market. These studies offer not only information, but also practical tips which can help you increase your chances of entering and trading on the European market.

### Tips:

Read CBI's [European market entry studies](#) on several natural cosmetic ingredients. These market entry studies contain practical tips which can help you start doing business with European buyers and successfully maintain your business relationship with them.

Read CBI's [European market analysis studies](#) on several natural cosmetic ingredients. The market analysis chapter provides profiles of the European markets with the most business potential, along with examples of leading importers in those country markets.

Read CBI's [tips for finding buyers on the European cosmetics](#) market, which include several practical tips on finding buyers in Europe.


Read the CBI study on [tips for doing business with European buyers](#) in the cosmetic ingredients sector, which provides useful practical tips for making business easier.


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

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

Follow us for the latest updates

(opens in a new tab)  Twitter

(opens in a new tab)  Facebook

(opens in a new tab)  LinkedIn





RSS