

# The European market potential for teff

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Teff is a relatively niche product in the European market, but it has serious potential in special bakery and health food segments. Its nutritional and gluten-free value make teff very suitable as an ingredient for the increasing demand in health food, sport nutrition and dietary food. Among the potential markets are the German bakery sector, the gluten-free sector in the United Kingdom and the Netherlands as trade hub in specialty grains.

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## 1. Product description

Teff (*Eragrostis tef*) is a grain crop and part of the family of true grasses (Poaceae), similar to millet. The grains are coloured either ivory ('white teff') or reddish brown ('brown teff') and are very small (0.5-1 mm). Around 3,000 grains of teff weigh no more than one gram. Teff is processed as a whole grain because of its small size.

Teff has its origin in Ethiopia, where it is a staple crop and often used for injera, a local type of flat bread. In South Africa, the USA and Australia, teff grass is used as forage and increasingly as a food ingredient. In many other countries, it is milled and consumed as an alternative to regular wheat flour suitable for the gluten-free market.

There is no specific statistical code for teff. Niche cereals including teff are registered under the statistical HS code 1008.90.00, which includes amaranth, wild rice, and other less-known grains.

Check out the website of the Whole Grains Council for [photos of teff grains](#).

## 2. What makes Europe an interesting market for teff?

There is no specific trade data on teff grains. However, teff is probably outperforming other niche grains. The revoked patent rights in the Netherlands and Germany provide new commercial opportunities.

### Teff has lots of unused potential in Europe

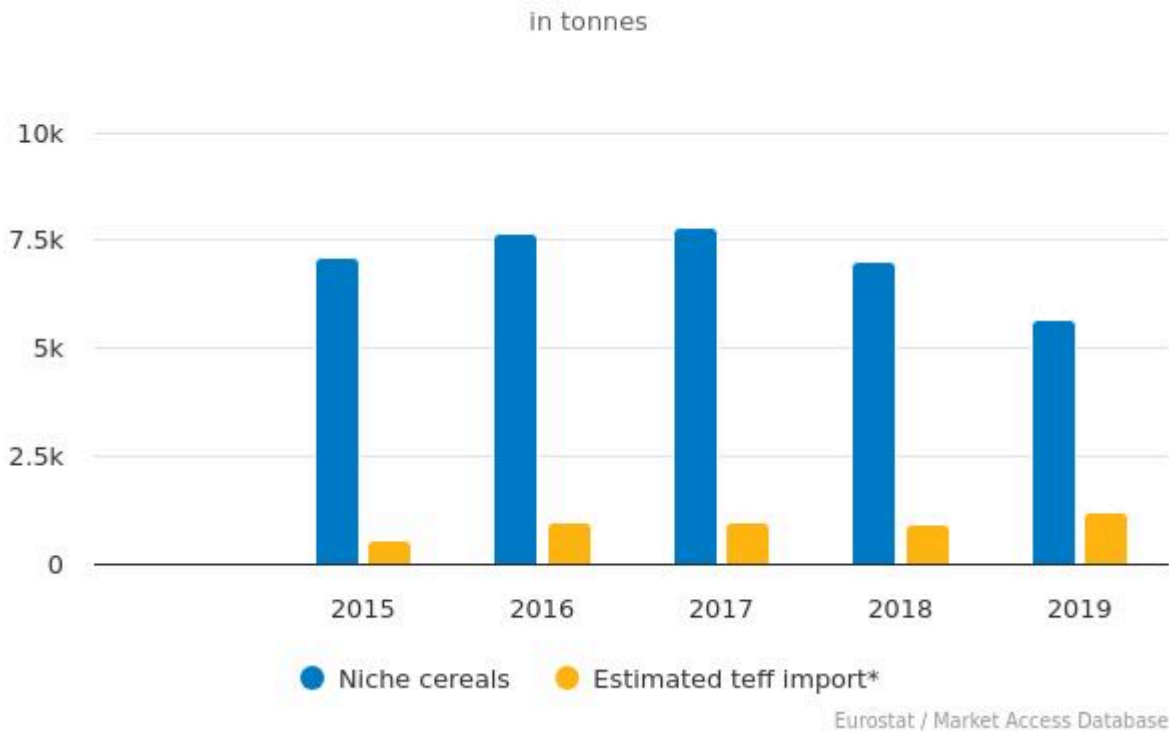
The overall import of niche cereals in Europe has decreased in 2018 and 2019, but amid this decrease, the market for teff will likely become stronger.

Teff is only a small part of the total import of niche cereals in Europe, which include for example amaranth and wild rice. Among its most likely suppliers are South Africa, Argentina, Ethiopia, Ukraine and Israel. The supply of niche cereals from these countries provides a rough estimate of imported teff grains into the European Union. With a volume of around 1,200 tonnes, the import is still very small, but it is increasing. Meanwhile, there are

several European initiatives for teff production.

Europe still counts as an underdeveloped teff market, but increasing import and production volumes may turn the tide. When looking at the recent development and promotion of other nutritious grains such as quinoa and chia, teff has lots of unused potential.

**Figure 1: European Union import of niche cereals and estimated teff import**



\*import of niche cereals from South Africa, Argentina, Ethiopia, Ukraine and Israel.

## Europe opens up for teff after revoked patent

In 2003, a patent application was filed on teff and eventually issued in several European countries. However, the credibility and the validity of the patent is crumbling, which provides opportunities for both European and foreign companies.

A Dutch pioneer obtained a patent for teff flour and products, made from grains with a high falling number of >250 (a quality measurement for flour). In reality, this concerns practically all teff grains and does not require much innovation, which makes the patent controversial. It gave the exclusive rights to the patent holder for making, using, selling or importing the flour and the food products made from the flour.

In the Netherlands, the patent was successfully challenged and revoked in November 2018. Only months later, the patent holder waived the German part of the teff patent after a request for annulment by a German law firm. The patent remains active in four other countries: Great Britain, Italy, Belgium and Austria. However, the validity of the patent is under discussion and will likely be withdrawn. The patent officially expires in 2024, but it will be difficult to enforce the rights in the remaining countries where the patent is still active. It may actually expire much sooner, as the owner has not paid the administrative fees for its patents since 2019.

With the recent legal developments, the European market is opening up for teff, and there are more opportunities for companies in Europe and for their (foreign) suppliers. One of the main potential users is the bakery sector and the flour milling industry.

## Tips:

Read the whole story about “The Patenting of Ethiopia’s Teff by a European Company, and the Country’s Recourse” on [Medium.com](#).

Stay up to date with market developments in niche grains, although news on teff is scarce. Find news publications that are relevant for your business on [Food Navigator](#), [Bakeryandsnacks.com](#) and [Food Ingredients 1<sup>st</sup>](#).

Find facts and members of relevant associations such as [European Flour Millers](#), the [International Association of Plant Bakers](#), [Fedima](#) (Federation of Raw Materials and Improvers for Bakery and Confectionery Industries), and [CEBP](#), the craft association of the national bakery and confectionery associations in Europe.

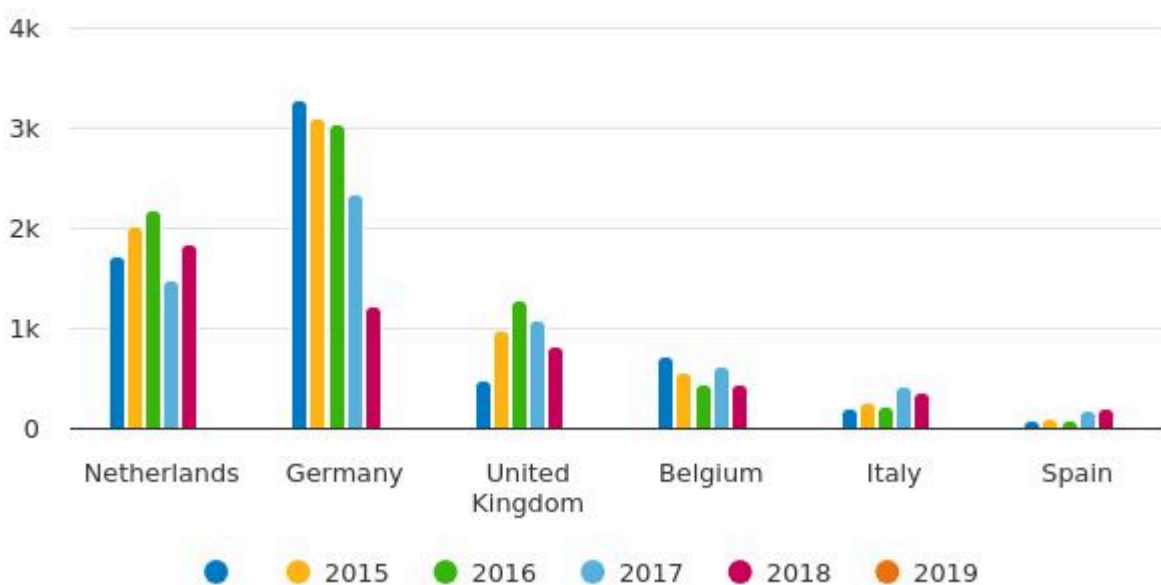
## 3. Which European countries offer most opportunities for teff?

The six markets that are most likely to offer the highest potential for teff are the Netherlands, Germany, the UK, Italy, France and the Nordics.

The import of niche cereals provides a rough indication of the market size for teff, which is highest in the Netherlands, Germany and the United Kingdom. France and Italy are also relevant markets because of their large bakery industry, while the Nordic countries such as Finland and Norway have a high demand for gluten-free grains. Belgium and Spain score higher as importers of niche cereals, but are less relevant for teff than France and the Nordic countries.

**Figure 2: Main European importers of niche cereals with non-European origin**

in tonnes



Eurostat / Market Access Database

### Figure 3: Production value of bakery and farinaceous products per country in 2018

in € billion



Eurostat

Table 1: Gluten-free sales and market size in 2015, in euros and percentage

sales per capita	euros	market size in	% of global sales
Finland	13	United Kingdom	15%
Norway	9	Italy	10%
United Kingdom	7	Germany	7%
Ireland	6	Spain	3%
Switzerland	5	Finland	3%

Source: [Euromonitor 2016](#)

### Netherlands: from teff pioneer to trade hub

The Netherlands is a main entry route and re-exporter of special cereal grains in Europe. The country has built a track record in teff trade and production, which helped to develop the market. This head start can be beneficial for foreign suppliers.

The Netherlands imported the most niche cereals (HS code 1008.90) with non-European origin in 2019: 1,840 tonnes. The majority was imported from South Africa and India. Teff is among the grains that are included in these figures. Together with Belgium, the country is an important transit hub for foreign specialty grains, but teff in particular has also made an impact with a few pioneering entrepreneurs and producers.

The first projects to develop a market for teff started relatively early in the Netherlands, at the beginning of the century. Production initiatives in the past led to 600 to 800 hectares of teff crop, but it failed partly due to

climate conditions and the patent on teff by other Dutch entrepreneurs, which limited its commercialisation. Today, there are still farmers that produce and sell teff products, such as [Dijksterhuis Teffvolkoren](#), and with the waived patent, the production may well increase again with adjusted varieties and leading companies such as [Millets Place](#).

A strong bakery sector may help develop the local teff consumption. The Dutch market is characterised by professional ingredient companies and an industrialised bakery sector, with plant bakeries such as [Borgesius](#) and [Goedhart, Dutch Bakery](#), and the bakery cooperation [Bake Five](#). The local branch of [Bakels bakery ingredients](#) has already adopted teff in one of their bread mixes.

With a better availability of teff grains, the Dutch market will be able to gain momentum and focus on further introduction in the bakery industry.

## **Germany: a promising market for teff grains**

A large population of 83 million consumers, an increasing focus on health food and a large bakery and bread industry make Germany one of the most promising markets for teff grains.

Germany imported 1,207 tonnes of non-European niche grains, which is a decrease compared to previous years, when volumes reached over 3,000 tonnes. The decline is mainly caused by the lower import volume from India and the United States, which implies that the decrease mainly concerns wild rice and/or amaranth.

The forecast for teff is positive. The patent on teff was recently withdrawn by the patent holder, giving way to Germany's top-ranking bakery market. In 2018, the total production value of bakery and farinaceous products was 22.7 billion euros. According to the [Category Trend Analysis of World Bakers](#), Germany leads the European bread market with several emerging opportunities in healthy bread substitutes, packaged baked goods, and other new product launches.

## **United Kingdom: high demand for gluten-free grains**

The United Kingdom has a high demand for gluten-free products and may become more dependent on the non-European supply of ingredients due to the upcoming 'Brexit' (Britain leaving the EU). This offers interesting conditions for foreign teff suppliers.

Bread consumption in the United Kingdom is not very high compared to leading countries such as Germany and Austria, but in gluten-free sales the country holds 15% of the global value. According to the British [Federation of Bakers](#), the demand for a greater variety of bread continues to increase, including ethnic and wholemeal breads with oats, bran, seeds, etcetera.

Eighty-five percent of the bread production is dominated by large plant bakeries. The three largest manufacturers are [Allied Bakeries](#), [Warburtons](#) and [Hovis](#). The first two companies produce gluten-free bread. These three manufacturers account for almost three-quarters the bread market by value. However, the current sale of teff products mainly relies on specialised companies, such as the company [Tobia Teff](#).

With 818 tonnes, the United Kingdom is the third largest importer of niche grains with non-European origin. The upcoming Brexit (Britain leaving the European Union) could further increase the demand for non-European suppliers.

## **Italy: grain-focused food industry**

A combination of a grain-focused food industry and a well-developed gluten-free segment increases the market potential for new grains such as teff.

With a production value of 19.5 billion euros, Italy has the third largest industry in bakery and farinaceous products (including pastas). More importantly, there is much attention for gluten-free products. Supported by an

active [Italian Celiac Association](#), Italy is among the countries that assist celiac diagnosed consumers financially. Companies such as [Dr Schär](#) fill in the demand, contributing to Italy's 10% of the global sales value of gluten-free food.

Italy does not excel in the import of niche grains and only imported 343 tonnes in 2019. Still, the market potential for gluten-free grains such as teff and fonio is clearly present.

## France: high-value grain and bakery production

France is not only the largest European producer and exporter of soft wheat, but also has the highest value in bakery products. This makes it an interesting country to explore the potential for teff as an alternative grain.

The French production value of bakery and farinaceous products was 22.8 billion in 2018, just above the German production value. France is also the biggest producer of cereals in Europe, with soft wheat, maize and barley representing 92.5% of its production. A large portion of these cereals is exported, but the rest is mainly to support the domestic bakery industry: 34.5% of the flour goes to artisanal bakeries, 21.5% to industrial bakers and 28.2% to industrial users (biscuits, crackers).

France may be less developed in gluten-free products, but growth is expected. If the French cereal industry and cereal users start to adopt (more) teff as an ingredient, there will be major market potential, and it is not clear if, and how much teff could be produced in France itself.

## Nordics: high budget for allergen-free food

The Nordics (Norway, Finland, Sweden and Denmark) is an interesting region for the sales of healthy and gluten-free ingredients. These countries score high in the gluten-free consumption per capita.

Finland and Norway have the highest per capita consumption of gluten-free food. The [2015 data of Euromonitor International](#) indicates a consumption per capita of almost 13 euros in Finland and more than 9 euros in Norway. In the figures, Sweden and Denmark are far behind in consumption, although Sweden is the birth place of several brands with gluten-free products such as [Semper](#), [Fria](#) and [Finax](#). In addition to these larger brands, you can expect many small-scale bakers of gluten-free products.

The [consumer price levels for bread and cereals](#) in the Nordics are relatively high, which offers opportunities for the use of more exclusive grains.

### Tips:

Find opportunities in different European countries through information, news and member companies of national associations such as the [Federation of Bakers](#) in the United Kingdom, the [member list of the Dutch Bakery Association](#), or learn about the bread culture in Germany through the [German Bread Institute](#) (in German).

Visit international trade fairs to find potential buyers, for example at one of the main food fairs in Europe such as [SIAL](#), [Anuga](#), [Biofach](#) or [Food Ingredients Europe](#), or at a specific bakery fair such as [Südback](#) and [iba](#), or a specialised event for allergen-free food such as the [Free From Expo](#), or one of the locally organised [Allergy Show](#).

## 4. Which trends offer opportunities on the European teff market?

Specialty grains are growing in popularity in Europe, due to their ancient history, nutritional value, health benefits or allergen-free characteristics. Teff ticks all the boxes of a high-potential, gluten-free grain in the European market.

### Interest in authentic food and ancient grains

Many European consumers are prepared to try out 'new', authentic products. The story behind teff, depicting it as an ancient and nutritious grain from Ethiopia, will appeal to food journalists and curious consumers alike. Although still a niche product, teff is often referred to as the next traditional superfood. Nonetheless, it has not yet gained a significant market growth like other authentic grains and seeds, such as quinoa and chia.

The influence of international cuisine and ready-made products can be a good way to introduce teff in the European market. Showing what you can do with teff as a traditional food can familiarise consumers with the grain. The ethnic channel can play a role in this as well. For example, the Ethiopian company [Mama Fresh](#) has successfully set up a business in producing and exporting injera, a typical traditional flat bread made from teff, reaching Ethiopian and Eritrean restaurants in several European countries. [Eat Dirkosh](#) (also based in Ethiopia) shows another application of teff with the development of a crunchy snack.

### Teff popular as a gluten-free health food

There is an increasing awareness concerning healthy diets and food allergens such as gluten. In Europe, an estimated 1% suffers from [coeliac disease](#), and a much larger group consider gluten-free products because of a gluten intolerance or just for health reasons.

Food media inform consumers about healthy eating and increase the awareness of allergen-free diets. This attention will be beneficial for the further growth of gluten-free grains such as teff. Teff is also high in iron and low on the glycaemic index, which makes it suitable for consumption by Type II diabetics and athletes.

You can expect to see more teff in a variety of new healthy food products and outlets, such as in sport nutrition and specialised gluten-free shops.

#### Tips:

If possible, present a good story for your product, including information on such aspects as its origin, social impact and traditional cultivation.

Search the internet for online shops and retailers to explore new products with teff. Use online translators such as Google translate and use the right search keywords in combination with 'teff'.

Read more about [which trends offer opportunities or pose threats on the European grains, pulses and oilseeds market](#) on the CBI market information platform.

[ICI Business](#) carried out this study on behalf of CBI.

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