



™

**WORLD SPICE CONGRESS 2016**

ORGANISED BY | **SPICES BOARD INDIA**

Ministry of Commerce & Industry, Government of India

# 2016 HERBS CROP REPORT



presented by Mouhssine CHAMI

# Market Overview

---

- Introduction
- Market Overview 2015 & 2016:
- Basil
- Laurel Leaves
- Marjoram
- Mint
- Oregano
- Rosemary
- Thyme
- Sage
- Spearmint

# Introduction

- ▶ Herbs mainly produced in the Mediterranean region



- ▶ Large Variety of flavors and active components
- ▶ Wild and cultivated
- ▶ Labor Intensive & Difficult to process/clean.

# Market Overview

## □ 2015:

- ▶ Global Herbs market was stable in 2015 with overall offer meeting demand except for some few species and origins.
- ▶ Effect of climate change :
  - ✓ 2015 was the warmest year of all time (Nov.1854).
  - ✓ Lower rainfall at the west of Mediterranean area.
  - ✓ Negative impact on wild crops.
  - ✓ Improvement of biomass of cultivated herbs.

# Market Overview

## □ 2016:

- ▶ Oil price is maintained at its lowest level.
- ▶ Severe DROUGHT in the Western Mediterranean countries: EL NINO effect.  
NO RAINS SINCE NOVEMBER 2015!



# Market Overview

---

## □ 2016:

- ▶ Renewed interest for cultivated herbs after the fall of prices of major food commodities.
  
- ▶ Increase in costs due to intensification of food safety measures.
  
- ▶ Effect of Foreign Currency exchange and Volatility
  
- ▶ Recurrent Quality problems :
  - Allergens.
  - Adulteration.
  - Polycyclic Aromatic Hydrocarbons PAH
  - PA Pyrrolizidinalkoids (toxic plants)
  - Plastic contaminants.
  - Pesticides residues.

# Basil :

## *Ocimum basilicum*

- ▶ 100% Cultivated & Main production Country: Egypt
- ▶ First cutting to start in June
- ▶ There is limited carry over of good quality
- ▶ Prices are firm, but stable.
- ▶ Quality issues mainly on plastic and flavor



E  
G  
Y  
P  
T

# Basil :

## *Ocimum basilicum*

- ▶ Morocco: New entry
- ▶ First cutting to start in April
- ▶ Why/Differentiation?
  - Reducing / Splitting Procurement risk (Political and Food Defense // Middle East)
  - Earlier Harvest
  - Offering a better Quality: Taste, Color, VO, cleanness ( Plastic)
  - Sustainability



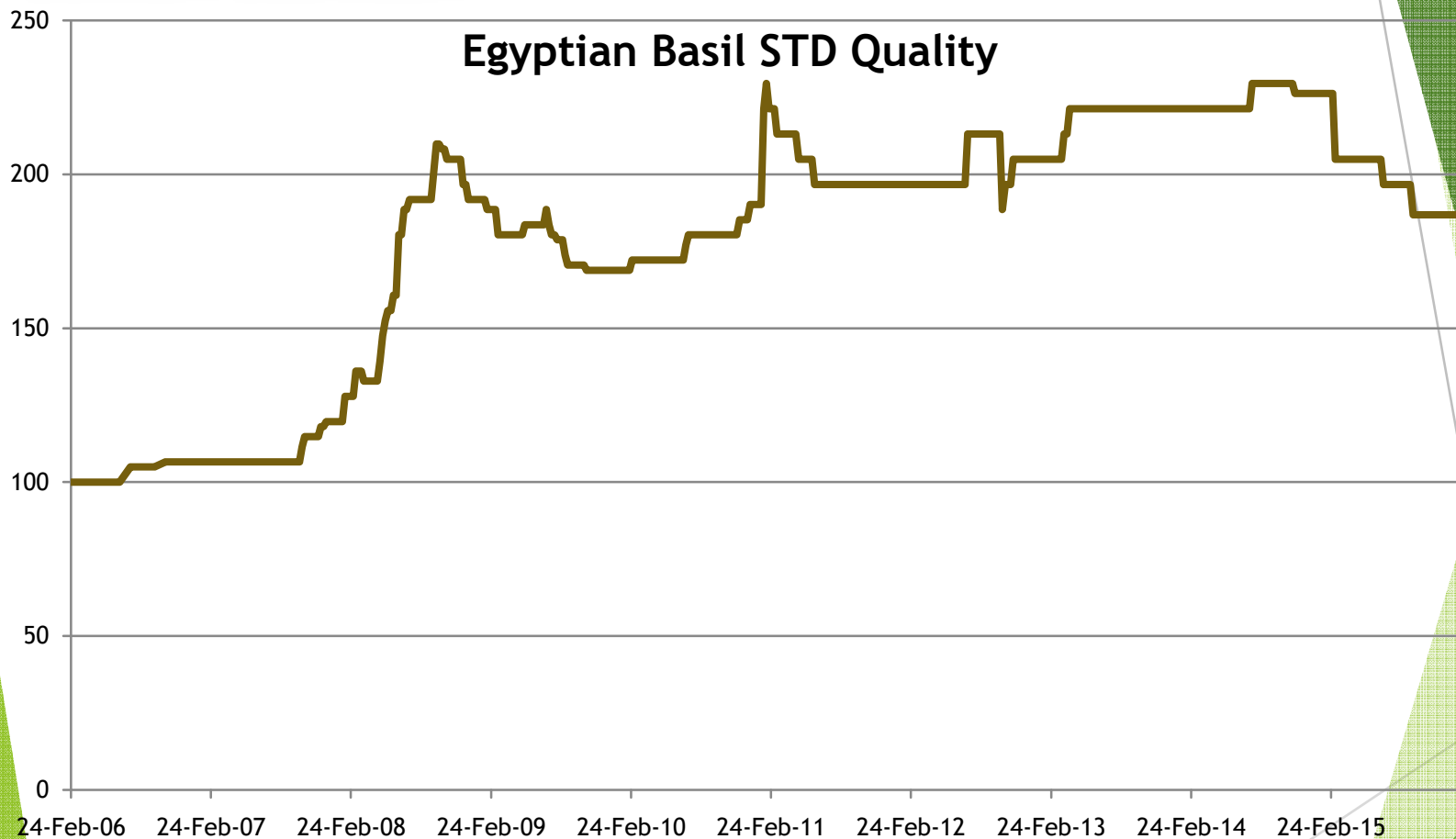
M  
O  
R  
O  
C  
C  
O





# Basil :

*Ocimum basilicum*



EGYPT

Stable Harvest projection in 2016 and prices, but expect higher prices for good quality Basil.



# Laurel Leaves:

## *Laurus nobilis*

- ▶ Production is concentrated in Turkey.
- ▶ It's a wild production. Harvest by September/October
- ▶ Sun dried and Oven Dried
- ▶ Good weather conditions up to date & Stability of market in short term.
- ▶ Carry Over: 20 to 25%, but very small on good quality.
- ▶ Demand weaker since December 2015 on normal quality but high on good one.
- ▶ **We expect stability or ease of prices in 2016** →

TURKEY



# Marjoram :

*Origanum majorana*

- ▶ 100% cultivated
- ▶ Main production country: Egypt
- ▶ First cutting in March
- ▶ Prices have lowered in Q4/2015.
- ▶ Farmers have reduced plantation (as plantation in Q4)
- ▶ Smaller crop size expected in 2016
- ▶ **Firmer Prices ex.2016** ↗

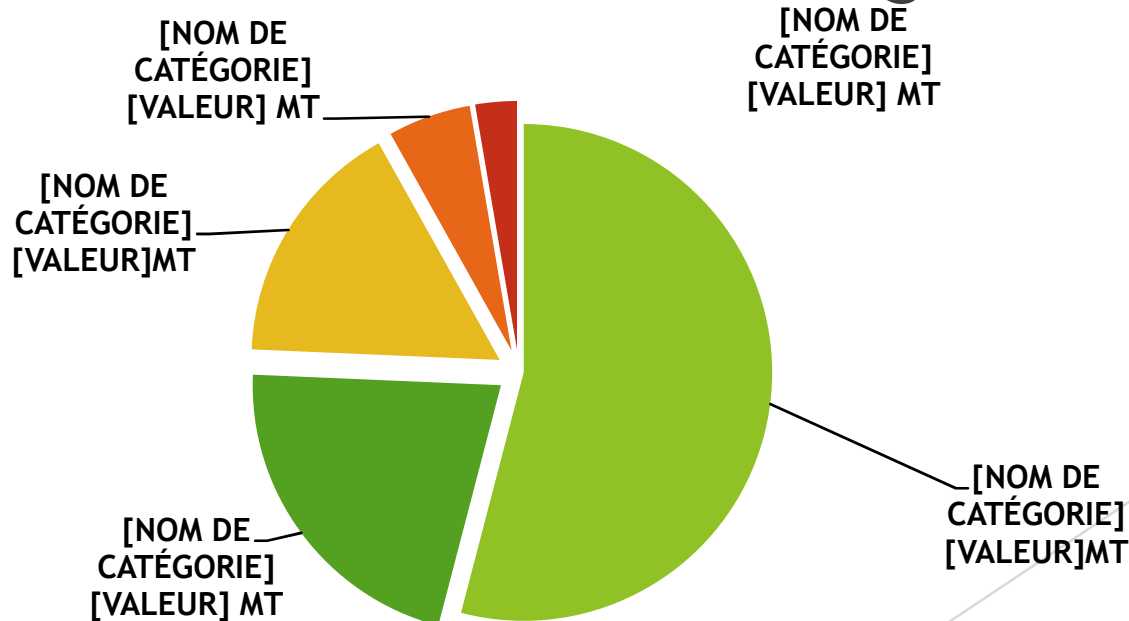
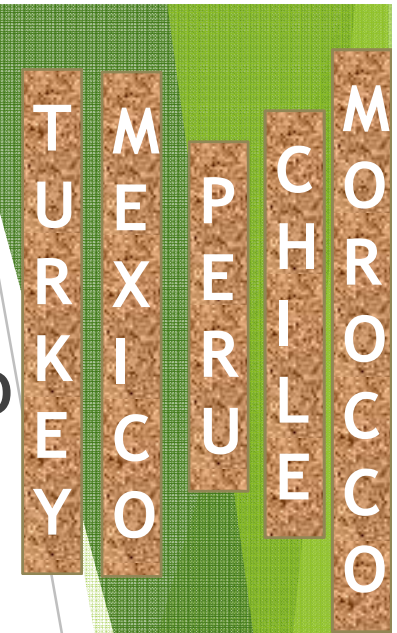


E  
G  
Y  
P  
T

# Oregano :

*Origanum onites & Origanum vulgare*

- ▶ Production mainly concentrated in : Turkey, Mexico, Peru, Chile and Morocco
- ▶ Pressure on High quality Oregano and adulteration
- ▶ Market has been stable during 2015.



# Oregano :

*Origanum onites* & *Origanum vulgare*

► Turkey:

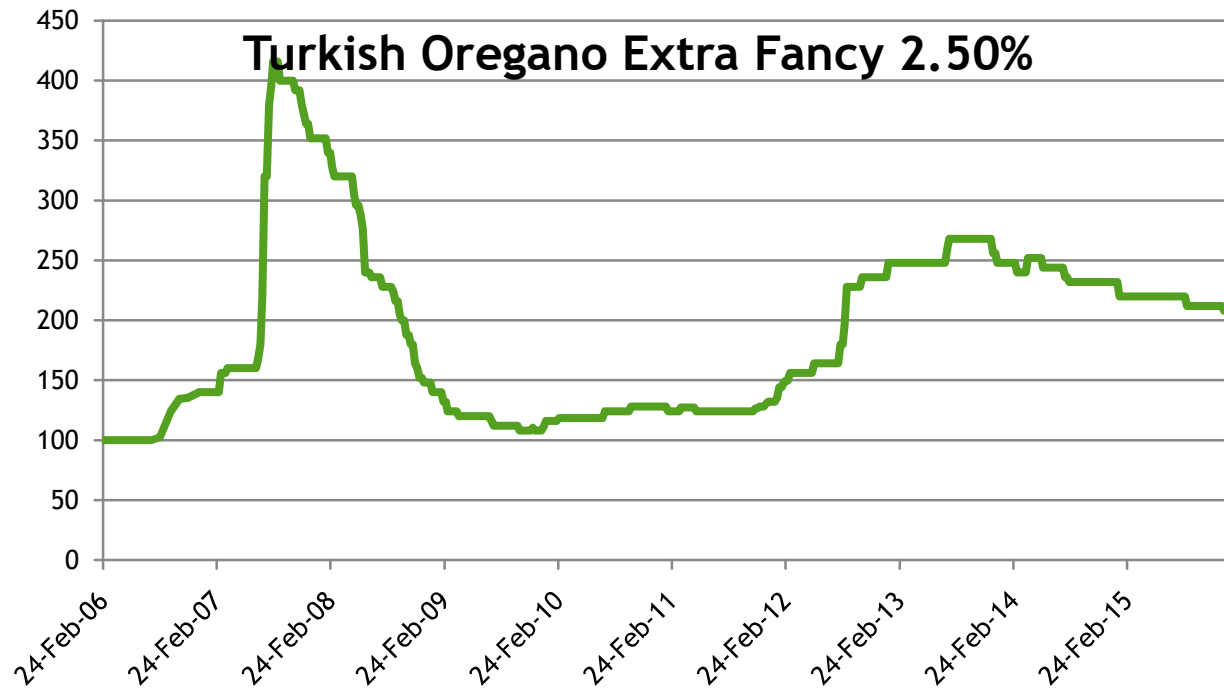
- Wild and Cultivated
- Prices will depend on ratios of Cultivated vs Wild oregano.
- Stability of market in short term.
- Next harvest shall begin from July.
- 15% to 20% Carry Over.



TURKEY

# Oregano :

*Origanum onites & Origanum vulgare*

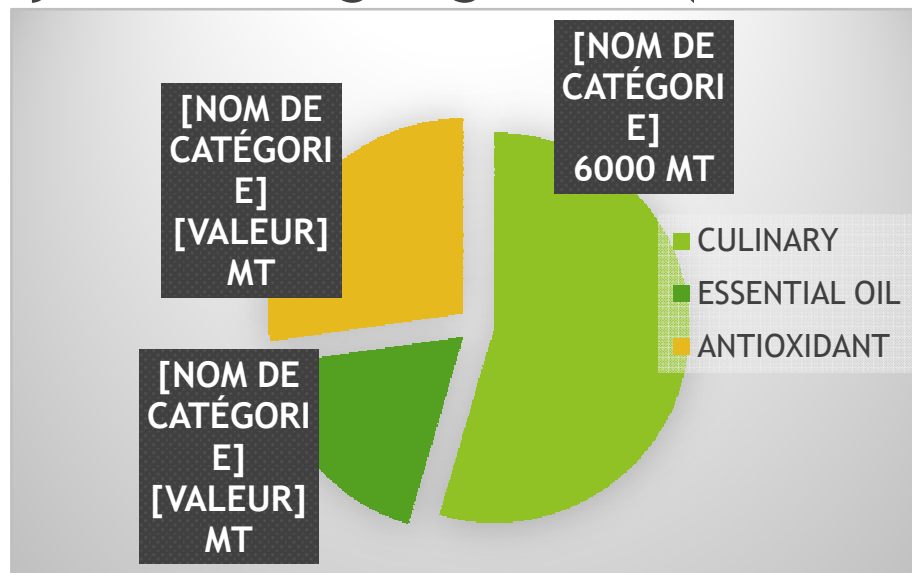


- Good weather conditions and planting areas: Expect 10% increase in 2016 Crop. Same effect on price → ?

# Rosemary:

*Rosmarinus officinalis*

- ▶ Production: 95% Morocco, 5% other Mediterranean countries
- ▶ 100% wild Crop in Morocco
- ▶ Production Price driven by Governmental Collection permit costs and weather conditions.
- ▶ Rosemary marketing segments (Total 11.000MT):



# Rosemary:

*Rosmarinus officinalis*

- ▶ 2015 prices were +30% vs. 2014 (lack of collection permits but good weather conditions)
- ▶ 2016: Sever drought with no rains since 11/2015 but More collection permits scheduled in 2016.
- ▶ Carry over : about 10% in Jan 2016.
- ▶ High Demand on Essential Oils and Anti Oxidant (+5%/yr)
- ▶ Stable demand on Culinary
- ▶ **Expectations 2016:**
  - Permits & Rains: → ↘
  - Less Permits & No Rains: → ↗

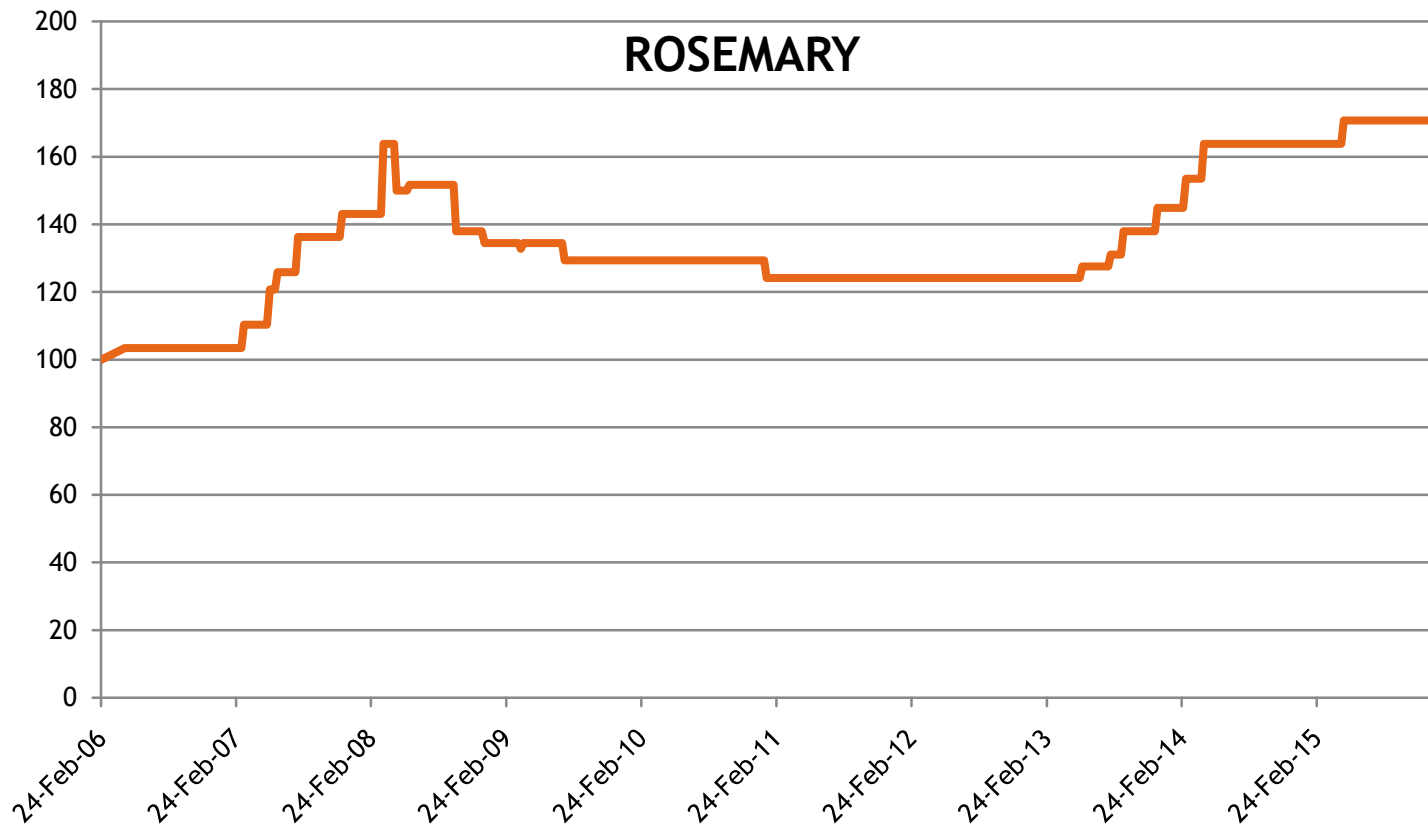
M  
O  
R  
O  
C  
C  
O





# Rosemary:

*Rosmarinus officinalis*



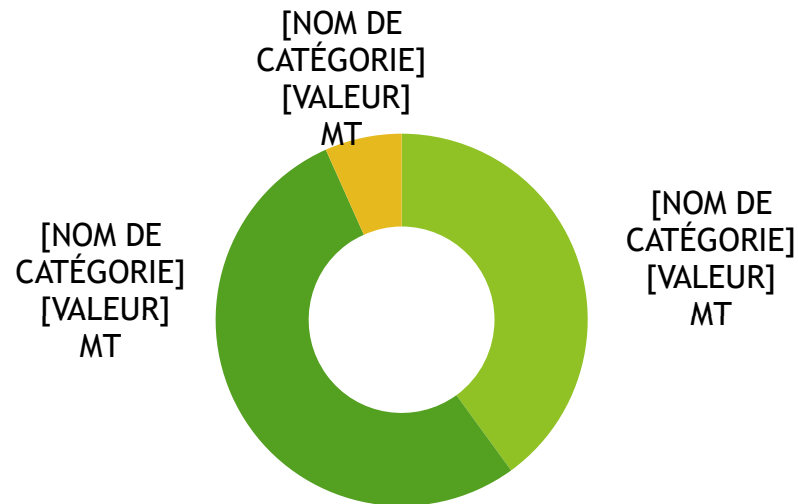
M  
O  
R  
O  
C  
C  
O



# Thyme:

*Thymus vulgaris & satureioides*

- ▶ 3 Producing Countries: Poland, Morocco & Spain



- ▶ Harvest Calendar:

- ▶ April/May: Morocco
- ▶ June/July: Spain
- ▶ September/October: Poland



# Thyme:

*Thymus vulgaris & satureioides*

▶ Polish Thyme: (*Thymus vulgaris*)

- 100% Cultivated
- Crop failure in 2015.
- Farmers holding back Material to get High Prices
- **Too early to give clear Forecast but price should drop** →

▶ Morocco: (*Thymus satureioides*)

- 100% Wild.
- 2015 was a fair crop but still below normal
- 2016: Sever drought with no rains since 11/2015
- Prices already up. If no rains in Feb./Early March, crop will be definitely short.
- **Prices should be higher in 2016** ↗

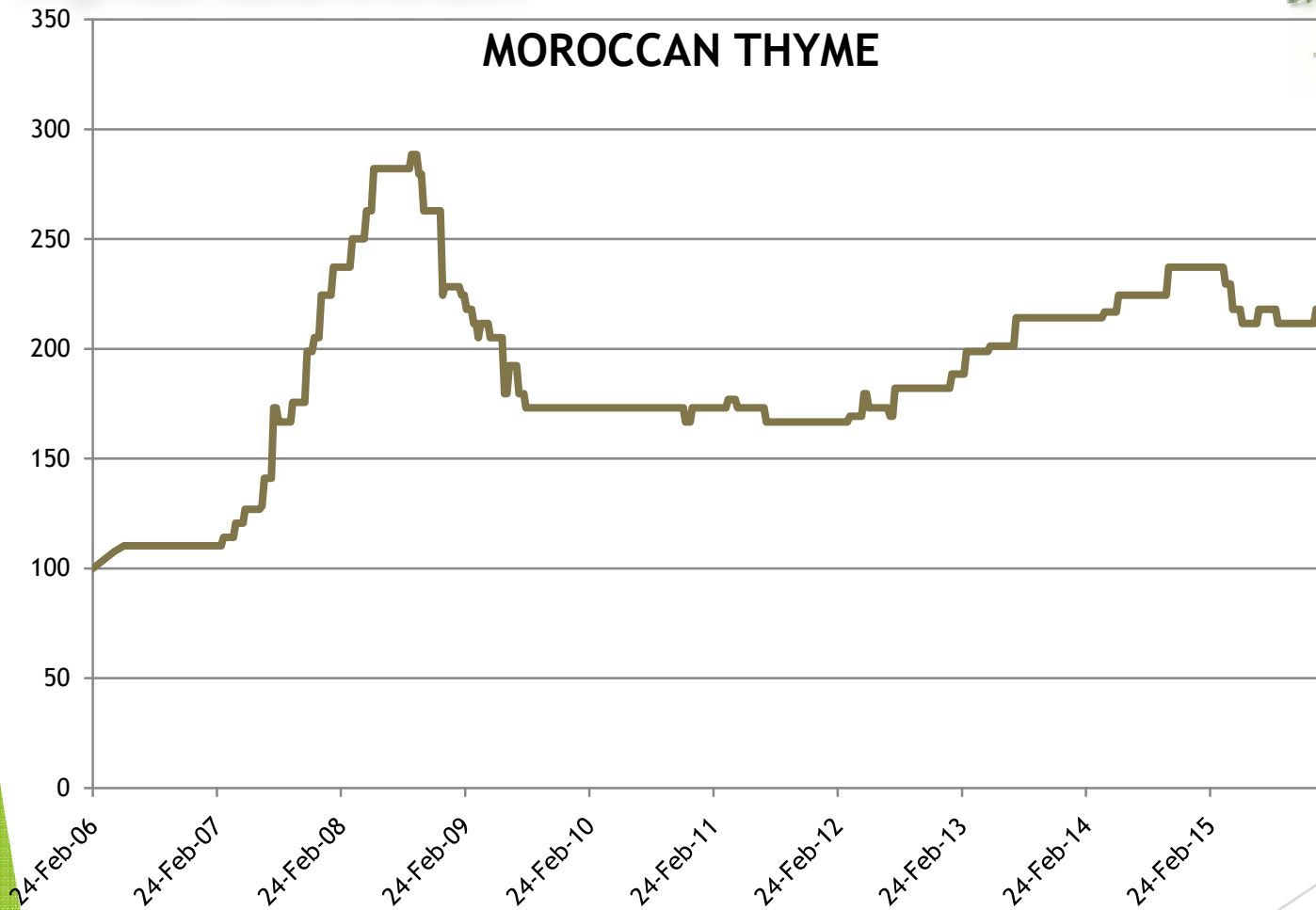


P  
O  
L  
A  
N  
D

M  
O  
R  
O  
C  
C  
O

# Thyme:

*Thymus satureioides*



MOROCCO

POLAND

# Sage:

## *Salvia officinalis*

- ▶ Both wild and cultivated
- ▶ Production country: Albania(80%) & Turkey (20%)
- ▶ Good production in 2015.
- ▶ Cultivated sage becomes important in Albanian production.
- ▶ 30-35% carry over
- ▶ Ease of price → ↘

### Disadvantages of Cultivated Sage in Albania compared to Wild Sage.

- Excessive pesticide usage.
- Usage of fertilizers causing thicker stem and weaker leaves.
- Lower volatile oil content; hence weak flavor.

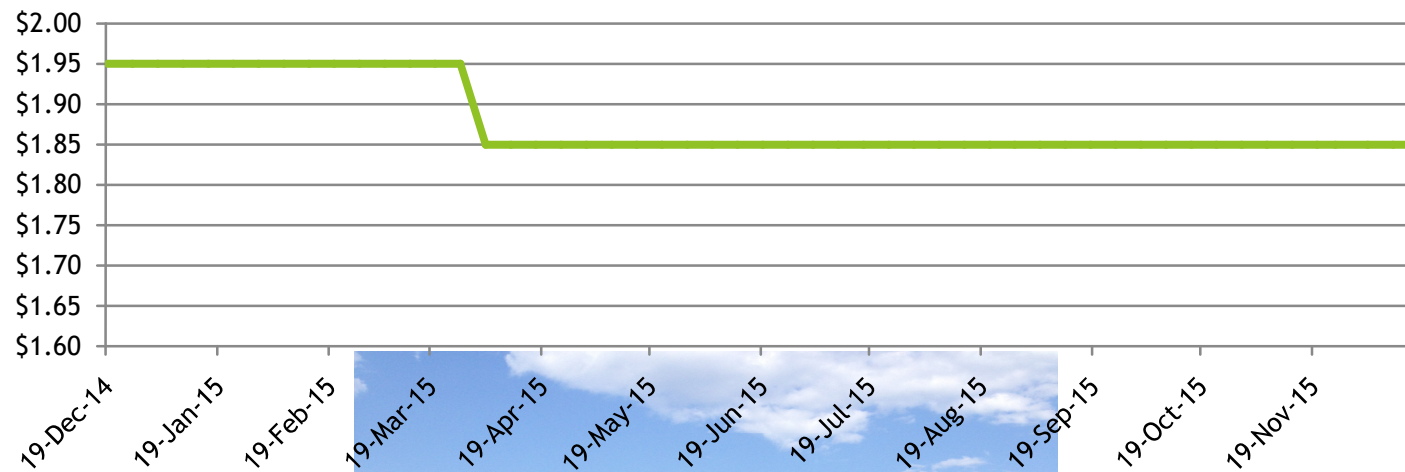


ALBANIA  
TURKEY

# Albanian Sage:

*Salvia officinalis*

**CHANGES IN PRICE OF ALBANIIAN SAGE**



# Turkish Sage

*Salvia triloba*

- ▶ This crop is only wild.
- ▶ This type of sage is different than officinalis both physically and flavor wise.
- ▶ Every year there is limited quantity coming from the forests due to lack of manpower to collect this item.
- ▶ There is excessive amounts of adulteration in Turkish Sage with mainly White Cistus and Olive Leaves(60% adulterated).
- ▶ Good weather condition.

Ease of price



# Spearmint:

## *Mentha spicata*

- ▶ Harvesting starts on May, 4 times/year-All year round
- ▶ Relatively high prices of last season and small carry over caused the market to open at the same price levels of last season, however good crop size immediately pulled down the prices.

**Stable market expected in 2016**



WSC - HERBS CROP REPORT 2016



WSC - HERBS CROP REPORT 2016





™

# WORLD SPICE CONGRESS 2016

ORGANISED BY | SPICES BOARD INDIA

Ministry of Commerce & Industry, Government of India

# THANK YOU

