The Swedish Market

Spices

Open Trade
Gate Sweden
National Board of Trade

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Get to know the Swedish market

The size of the Swedish market for spices is estimated at about 12,500 tonnes in 2020. Most spices are imported into Europe from tropical and subtropical countries, such as India, China, Iran, Madagascar and Pakistan. Apart from spices, such as pepper, cinnamon, most spices & herbs are imported into Sweden via European importers, especially the Netherlands. Demand for spices in the Swedish market is increasing. The market is driven by growing multiculturalism, changing diets, and increasing demand for packed and ready-made foods.

Table 1: Imports of dry, fresh and frozen spices and herbs to Sweden, 2016–2020

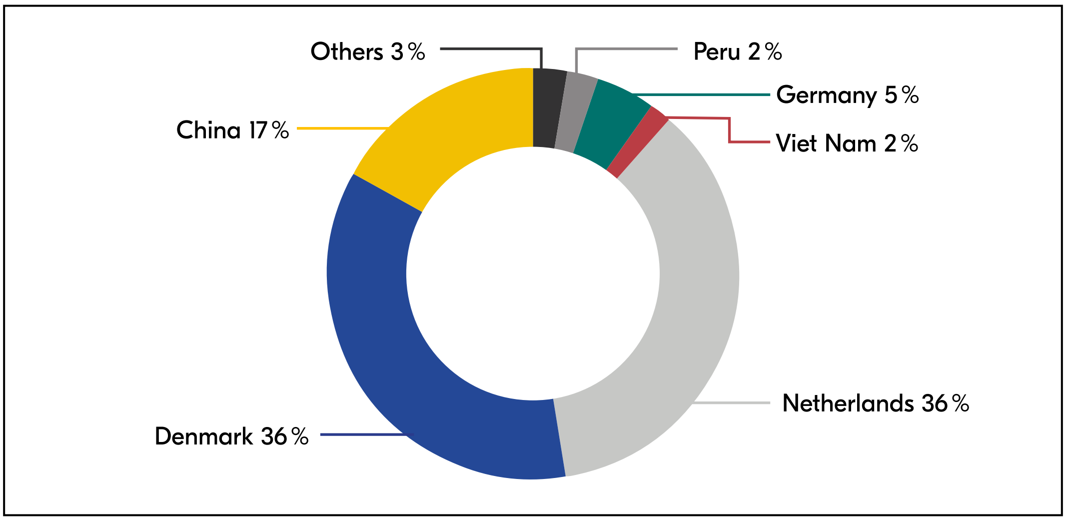
Spices & Herbs	2016	2017	2018	2019	2020	% Change Volume (2016–2020)	m EUR	% Change Value (2016–2020)	Share of Total Imports Volume	Share of Total Imports Value	Extra-EU Imports Share
Pepper	1952	1804	2060	2214	2179	12 %	11.1	−44.9 %	14.6 %	14.2 %	73.2 %
% Change		−7.6 %	14.2 %	7.4 %	−1.5 %						
Chillies and Paprika	2317	1907	1930	2239	2186	−6 %	8.3	−3.2 %	14.6 %	10.6 %	31.1 %
% Change		−17.7 %	1.2 %	16.0 %	−2.4 %						
Vanilla	41	42	51	46	42	3 %	3.7	38.4 %	0.3 %	4.7 %	12.9 %
% Change		4.2 %	21.1 %	−10.4 %	−8.7 %						
Cinnamon	715	634	786	864	766	7 %	3.9	100.1 %	5.1 %	5.0 %	61.9 %
% Change		−11.3 %	23.9 %	9.9 %	−11.4 %						
Cloves	234	230	258	239	166	−29 %	1.1	−47.1 %	1.1 %	1.4 %	28.6 %
% Change		−1.6 %	12.2 %	−7.1 %	−30.7 %						
Nutmeg	61	55	62	67	55	−10 %	0.6	−21.4 %	0.4 %	0.7 %	23.9 %
% Change		−10.59 %	12.75 %	8.40 %	−17.73 %						
Mace	1.8	2.4	2.4	2.8	4.2	133 %	0.1	149.7 %	0.03 %	0.1 %	47.6 %
% Change		33.3 %	0.0 %	16.7 %	50.0 %						
Cardamom	176	235	253	266	291	65 %	7.8	446.6 %	1.9 %	9.9 %	53.7 %
% Change		33.6 %	7.6 %	5.2 %	9.5 %						
Coriander	362	414	337	396	539	49 %	1.5	64.1 %	3.6 %	1.9 %	41.3 %
% Change		14.2 %	−18.5 %	17.3 %	36.3 %						
Cumin	438	364	398	379	374	−15 %	1.5	−9.7 %	2.5 %	1.9 %	70.4 %
% Change		−17.0 %	9.4 %	−4.6 %	−1.5 %						
Ginger	2373	2813	2889	2858	3009	27 %	8.7	87.3 %	20.1 %	11.0 %	21.5 %
% Change		18.6 %	2.7 %	−1.1 %	5.3 %						
Saffron	15	30	27	27	25	70 %	8.3	−39.2 %	0.2 %	10.6 %	27.4 %
% Change		107.5 %	−10.9 %	−0.4 %	−7.8 %						
Turmeric	208	402	370	375	281	35 %	0.9	49.9 %	1.9 %	1.1 %	82.2 %
% Change		93.8 %	−7.9 %	1.3 %	−25.1 %						
Curry	44	55	57	74	83	89 %	0.5	81.6 %	0.6 %	0.6 %	30.6 %
% Change		23.6 %	4.4 %	29.2 %	13.5 %						
Mixed Spices	1413	1429	1220	1317	1575	11 %	5.6	−3.7 %	10.5 %	7.1 %	16.6 %
% Change		1.1 %	−14.6 %	8.0 %	19.6 %						
Thyme	222	121	176	205	213	−4 %	0.8	−24.8 %	1.4 %	1.0 %	53.4 %
% Change		−45.3 %	44.8 %	16.6 %	3.9 %						
Bay Leaves	11	16	17	20	20	86 %	0.5	172.3 %	0.1 %	0.6 %	26.4 %
% Change		50.0 %	5.0 %	19.8 %	−1.5 %						

Source: Eurostat

Spices and herbs, such as ginger, turmeric, pepper, and coriander are prospective for exporters in developing countries. Ginger is an attractive spice for companies looking to export to the Swedish market. Ginger is used in bakery and confectionery products, as well as ethnic cuisine and beverages. India and China are the main country sources of ginger. Other suppliers include Nigeria, Nepal, Pakistan, Vietnam, Burkina Faso, Thailand, Peru and Myanmar.

Figure 1 shows breakdown of ginger imports to Sweden by supplying country. It is shown that majority of ginger actually comes into Sweden via other European countries. China is the leading developing country supplying ginger to Sweden. The feedback from Swedish importers is that they are satisfied with current suppliers of ginger. However, they are always looking for new suppliers from new countries.

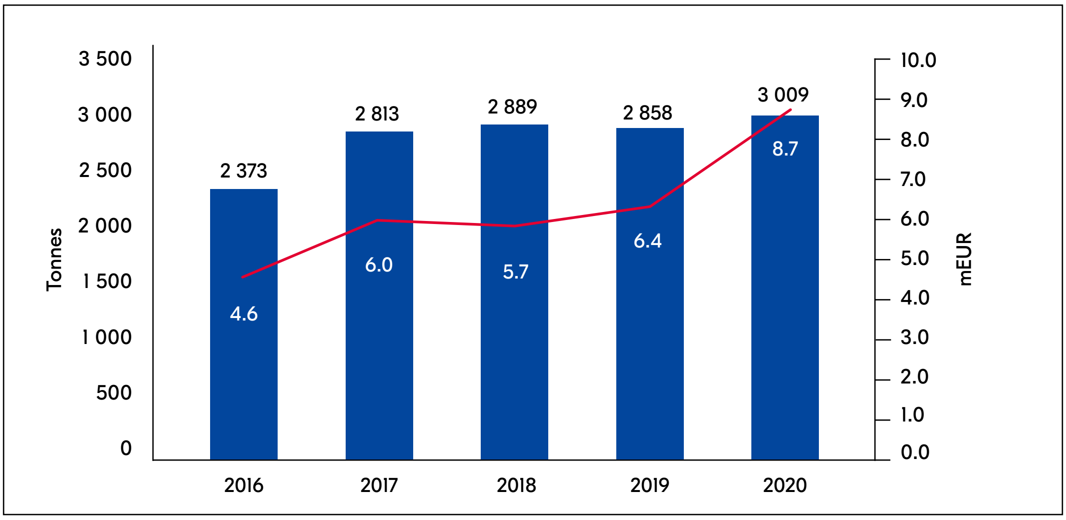
Figure 1: Breakdown of ginger imports by supplying country to Sweden



Source: Eurostat

It is shown in figure 2 that imports of **ginger** into the Swedish market have been increasing over the last 5 years. The volume of imports increased by 27 percent from 2016 until 2020. Ginger exporters in developing countries should target the Swedish market as the trend is likely to continue.

Figure 2: Imports of ginger into the Swedish market, 2016–2020

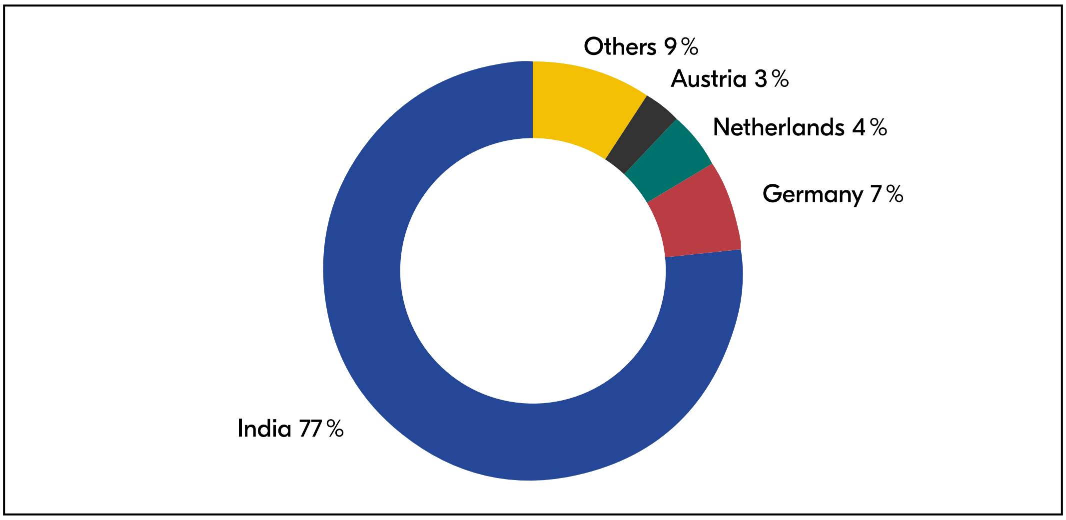


Source: Eurostat

Although imports of **turmeric** decreased from 2019 to 2020, the overall demand is increasing. It is shown in table 2 that the imports of turmeric increased by 35 percent between 2016 and 2020. The value of imports also increased by 2 percent in the last 5 years. Turmeric is used in ethnic cuisine food products, as well as health products. The supply of turmeric was disrupted by COVID-19 emergency measures in India and other countries.

Figure 3 gives a breakdown of the main suppliers of turmeric in the Swedish market. It is shown that India dominates the supply of turmeric. More than 80 percent of turmeric imports to Sweden comes from Extra-EU trade. India can supply large volumes of turmeric. New supplier countries cannot compete with India in terms of volumes.

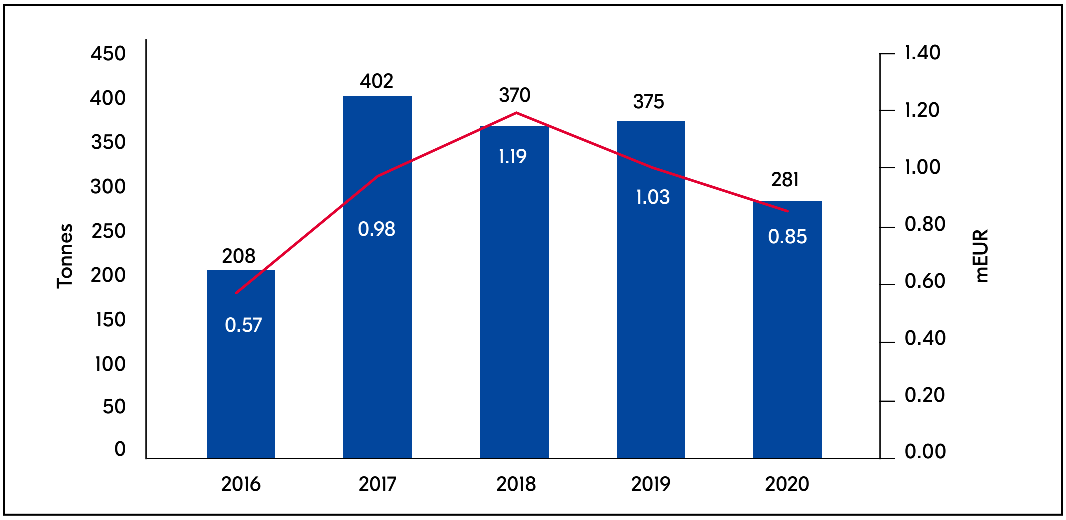
Figure 3: Breakdown of turmeric imports by supplying country to Sweden



Source: Eurostat

According to industry feedback, importers of turmeric have experienced quality issues in the past. Some Swedish importers experienced inconsistency between the batches and problems with adulteration. Importers also look for certified organic turmeric as it is a sign of high quality.

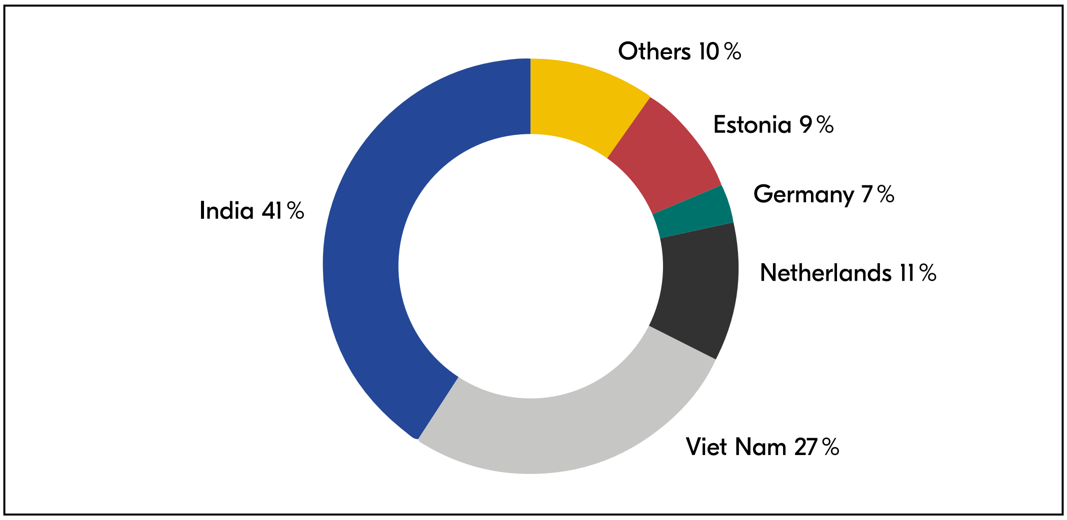
Figure 4: Imports of turmeric into the Swedish market, 2016–2020



Source: Eurostat

Pepper is a leading spice in the Swedish market. It is shown that the volume of imports increased by 12 percent in the last 5 years. The value of imported pepper decreased by 45 percent between 2016 and 2020. The substantial decline is because of falling pepper prices in the global market because of higher supply levels. Important sources of pepper are Vietnam, Brazil, Indonesia, India and China. Around 73 percent of imported pepper into the Swedish market comes from Extra-EU trade.

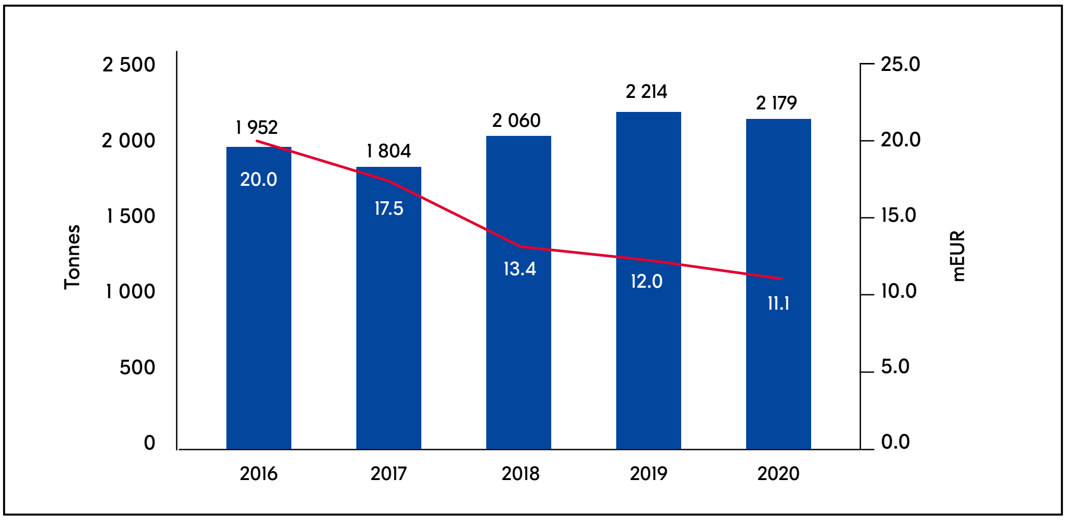
Figure 5: Breakdown of pepper imports by supplying country to Sweden



Source: Eurostat

Figure 5 shows breakdown of imports of pepper per country. It is shown that India and Vietnam are leading suppliers comprising almost 68 percent of the market. Intra-EU trade of pepper to Sweden accounts for more than 26 percent.

Figure 6: Imports of pepper into the Swedish market, 2016–2020

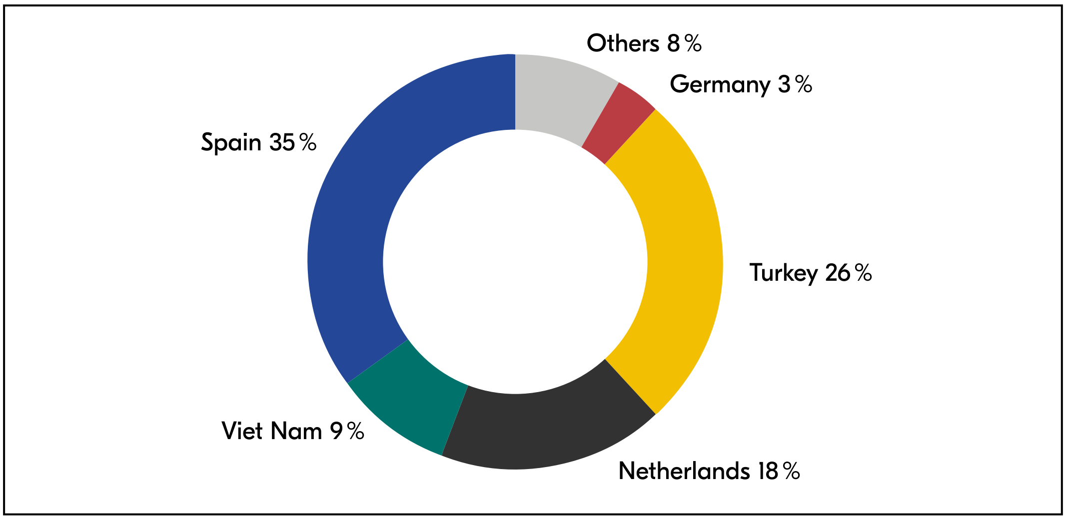


Source: Eurostat

Coriander is also a prospective spice for exporters in developing countries. It is shown in figure 4 that the imports of coriander increased by 49 percent in the last 5 years, while the value increased by 64 percent. There was a substantial increase of coriander imports between 2019 and 2020.

It is show in figure 7 that developing countries account for less than a half of coriander imports to Sweden. Spain is the leading exporter, followed by Turkey. Spain is a growing supplier of coriander. Netherlands is a re-exporter of coriander to Europe. Other suppliers of coriander include India, Egypt, and Lebanon.

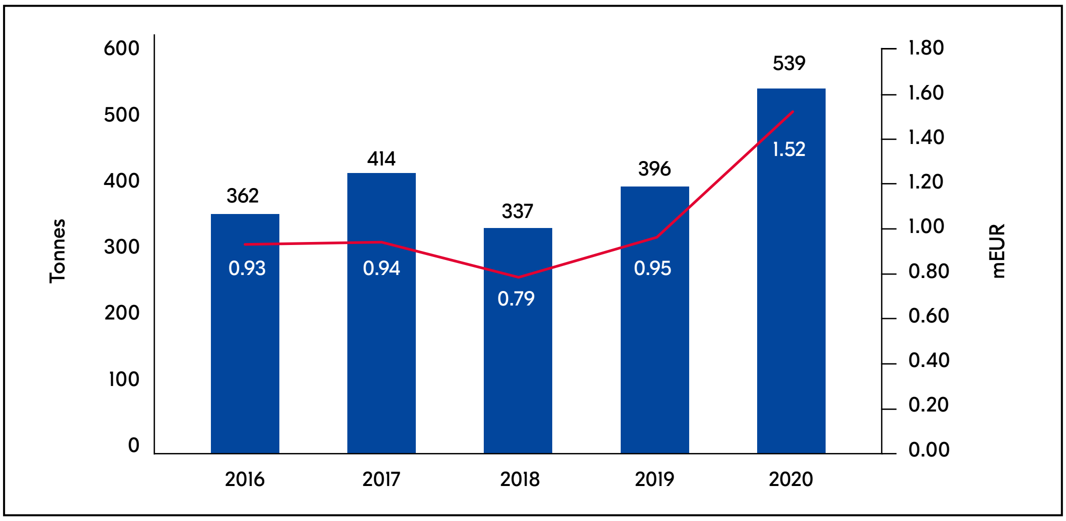
Figure 7: Breakdown of coriander imports by supplying country to Sweden



Source: Eurostat

Coriander powder is often used in meat products, such as kebabs, sausages, and burgers. According to feedback from the industry, demand for local Swedish products, including meats increased during the COVID-19 pandemic in Sweden. This stimulated demand for coriander in the Swedish market. Coriander is also used in ethnic cuisines, such as Indian food.

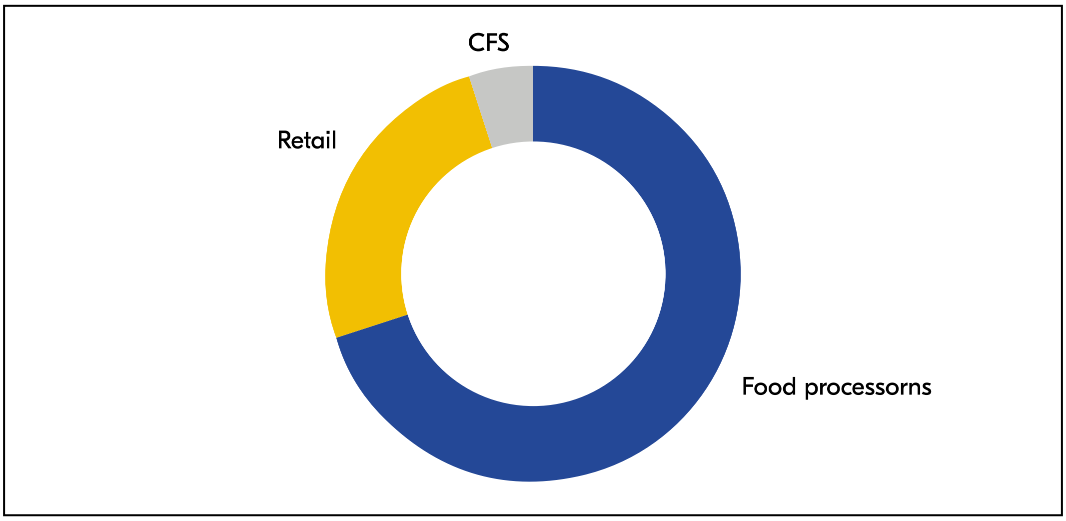
Figure 8: Imports of coriander into the Swedish market, 2016–2020



Source: Eurostat

Figure 9 shows the breakdown of the Swedish herbs & spices market by end-user segment. It is shown that the food processor sector is the leading user with 70 percent share. Orkla is the leading food processor. The retail sector accounts for about 20 percent share. The Catering and foodservice (CFS) sector generates about 10 percent of demand.

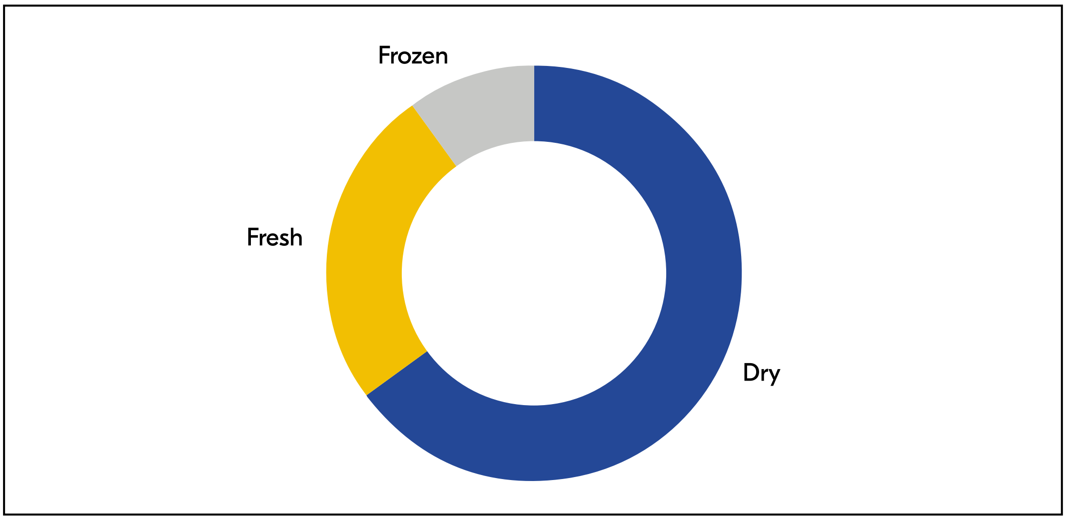
Figure 9: Breakdown of Swedish spices & herbs market by end-user segment



Source: Ecovia Intelligence

Figure 10 shows breakdown of the Swedish spices & herbs market by product type. It is shown that around 65 percent of the market comprises dry spices & herbs. Fresh spices and herbs have about 25 percent share, whilst frozen spices & herbs have roughly 10 percent share. Almost all fresh herbs and spices in Sweden are locally sourced. There are several Swedish fresh herb producers that supply the local market; these include Svegro and Orto Novo. Frozen herbs and spices are mainly imported from countries, such as France, Belgium and Germany.

Figure 10: Breakdown of Swedish spices & herbs market by product type

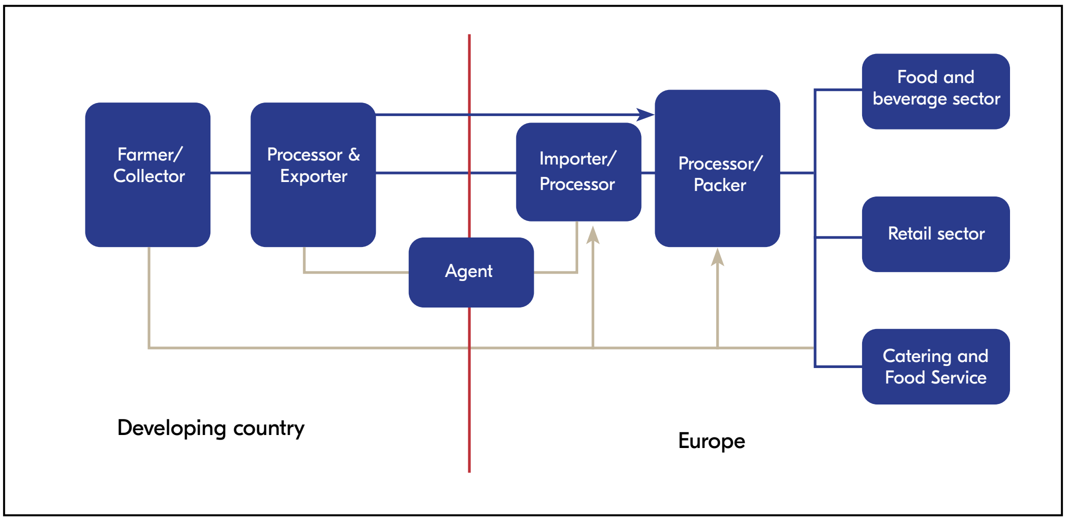


Source: Ecovia Intelligence

Understand the market structure

Figure 11 shows the supply chain of spices and herbs on the Swedish market. It is shown that importers are the main entry point for spices and herbs coming into Sweden. Exporters in developing countries can sometimes supply directly to large end-users, such as food retailer, however this is not common.

Figure 11: Supply chain of spices and herbs



Source: Ecovia Intelligence

Importers and processors

Importers are the main entry point for spices and herbs coming into the Swedish market. These companies usually have experience in international sourcing of ingredients, quality control, documentary and regulatory compliance for processors, blenders and food manufacturers. Several large importers in the Swedish market also process and blend spices & herbs and they have their own packaging facilities. These large importers and processors tend to supply spices & herbs to the retail market, food processors, as well as the catering and foodservice sector. Such companies include Santa Maria, Kockens and Culinar.

Agents

An export agent is a firm or an individual that undertakes most of the exporting activities on behalf of an exporter, usually charging a commission. Agents can be found in developing countries and Europe. However, it is not common for companies to use agents in the Swedish market. Exporters could work with agents who represent and act on their behalf to access the European market.

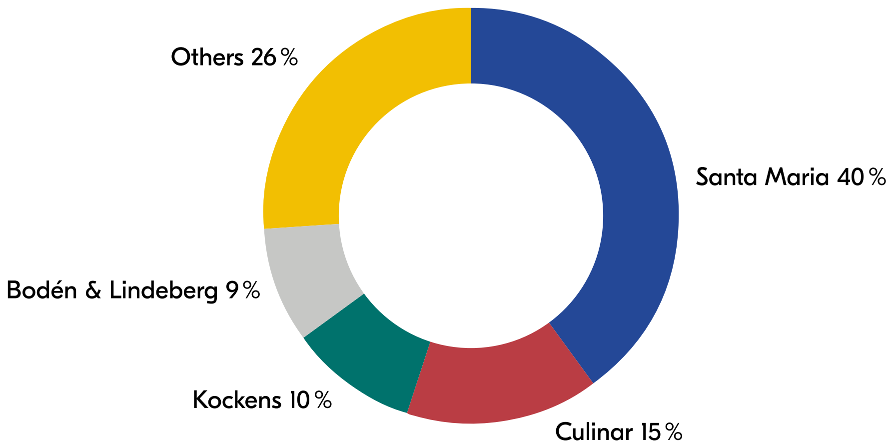
Other channels

If exporters have the resources and can supply substantial volumes of spices & herbs, they could supply directly to the retail sector. However, this is not that common in Sweden since most retailers source spices from importers and processors. It is not easy to enter into direct sourcing partnerships with retailers in Sweden.

Market Analysis

The Swedish market for spices and herbs is dominated by a few market players. The leading importer is Santa Maria with around 40 percent market share. Other notable importers include Culinar, Kockens and Boden & Lindeberg.

Figure 12: Estimated market share of leading players in the Swedish spices & herbs market



Source: Ecovia Intelligence

Part of the Finnish Paulig group, **Santa Maria** is the leading importer of spices & herbs on the Swedish market. The company supplies the retail, food processing and CFS sectors. It offers 28 organic and 191 conventional spices & herbs that are mostly dried. Santa Maria also offers a range of finished products, such as condiments, sauces, crisps and tortillas.

Sveriges Stärkelseproducenter Economic Association owns the leading spices and herbs importers Culinar and Kockens. **Culinar** is the leading importer of spices and herbs for the CFS sector in Sweden. Culinar offers organic and fairtrade certified products in its product range. Since 2008, Sveriges Stärkelseproducenter has also owned Kockens which is one of the biggest spice & herb importers for retailers and the food processing sector. The company has more than 130 spices & herbs in its portfolio. It also offers 26 organic and 8 fairtrade certified spices & herbs.

Boden & Lindeberg is another important spice & herb importer in Sweden. The company was founded in 1862. It offers custom blends and mixes for companies in the food processing and CFS sectors. Boden & Lindeberg has 13 spices, including ground and whole ginger, cinnamon, and cloves which are also available as organic. It also has its own packaging facility in Sweden.

Solina Sweden imports dried spice and herbs for food processors. The company was formed in 2015 when Nordfalks and Formidabel merged and were acquired by the French corporation Solina Group. The company works with the food industry to offer custom mixes and blends. Some of its products are organic.

Sevan is a leading importer of international Food in Sweden. It imports Middle-Eastern spices & herbs for retailers. It also has a range of food products that are marketed under various food brands. Sevan belongs to Sortex of Sweden.

Werners Gourmet Service is a leading supplier of food products to restaurants, confectioners and professional chefs. It imports dried spices & herbs from Europe and distributes to the CFS and retail sectors. It is owned by the Norwegian corporation Orkla/KåKå. Werners offers organic and fairtrade certified products.

The majority of spices & herbs that go into food processing sector are imported by traders. A number of food processors on the Swedish market are owned by foreign companies.

Norway-based **Orkla** is the leading food processor in the Swedish market. The company owns many food producers, such as Procordia Food, **Abba Seafood** and **Kåkå**. Orkla owns many food brands that include OLW, Felix, Anamma, Goteborgs. OLW is one of the leading snack producers; it operates 10 production sites in Sweden. Felix is a Swedish food company that produces condiments, fries, ready-made meals, and porridge. The company offers organic products. Orkla sources certified organic and conventional spices.

The catering & foodservice (CFS) sector comprises restaurants, cafés, hotels, fast-food outlets, as well as canteens in schools, hospitals and universities.

Martin & Servera (Axel Johnson) is the leading supplier of ingredients to the CFS sector in Sweden. Other important foodservice operators include **Menigo** (Sysco Corporation) and **Svensk Cater** (EuroCater).

The Swedish food retail market is dominated by three groups - ICA, Kooperativa Förbundet and Axfood. According to the 2020 Deloitte Nordic Retail Industry Report, the main retail groups have almost 90 percent of the market.

The ICA Group operates about 1,266 stores. Its largest shareholders are ICA handlarnasriksförbund (the Swedish ICA retailer organisation) which controls 54 percent. The ICA retailer organisation consists of around 1,500 members, most of who own and run a Swedish ICA store. The second largest shareholder in ICA Gruppen is Industrivärden with 7 percent share. The remaining 39 percent of the company is owned by private and institutional investors. In November 2021, BidCo is expected to take over as majority shareholder with at least 90 percent of shares.

ICA reported SEK 92 billion (EUR 9.2 billion) sales in 2020. The company operates around 628 ICA Nära convenience stores, 421 ICA supermarket, 129 ICA Kvantum local superstores and 88 MAXI ICA Stormarknad hypermarkets. The retail group employs about 8,412 staff; it is involved in distribution, financial services, real estate and groceries. ICA stores have about 229 different spices & herbs including 18 that are organic. ICA's own private labels comprise 46 conventional spices and 9 organic ones.

Axfood is the second largest food retailer in Sweden with 300 stores. It was formed by the merger between Hemköp and D&D Dagligvaror AB (D&D), Spar Sverige, and Spar Inn Snabbgross in 2000. The retailer is owned by Axel Johnson AB with 50.1 percent of the shares.

It operates 198 Hemköp stores, 162 Willys stores, 50 Willys Hemma stores, 126 Tempo stores and is also involved in wholesale. Axfood employs 11,451 staff and reported SEK 53.7 billion (EUR 5.4 billion) sales in 2020.

The **Kooperativa Förbundet (KF) Group** operates around 800 retailers in Sweden. The retailer is also known as the Swedish Cooperative Union. KF is a federation of 28 consumer groups with 3.7 million members. KF owns Coop Group, which represents the cooperative movement in Sweden and operates chains such as Coop Forum, Coop Extra, Coop Konsum, Coop Nära and Coop Bygg.

Coop markets offer a large selection of eco-friendly products under Änglamark private label. Many products have eco-labels, such as the Nordic Swan label, KRAV (organic) and

MSC. Coop offers 687 different spices & herbs, of which 40 are organic and 1 is fairtrade. Through its product line Xtra, Coop produces 10 spice & herb products.

Life is the leading health food chain, with 149 stores in Sweden. Established in 2000, Life Europe operates over 300 Life health food shops in Norway, Sweden and Finland. Life retailers focus on health & wellness products like nutritional supplements, herbal teas and weight management products. The range of products for herbs & spices is quite limited. As part of its seasoning or powder categories, its stores have organic turmeric, ginger and cinnamon powders.

Founded in 1993, **Hälsokraft** operates around 10 health food shops in Sweden. Its stores have a wide range of health foods and natural products that include nutritional supplements, herbal products, health drinks and cosmetics. Its spice range is limited. Hälsokraft sells 4 types of organic turmeric powder and 2 types of ginger.

Keep up with the trends

Growing demand for organic spices and herbs

There is a growing demand for organic spices & herbs in the Swedish market. Consumers are increasingly seeking organic products because of ecological and health concerns. Organic certification is also seen as a sign of quality. Swedish buyers are also demanding organic certification for the spices & herbs they source.

According to the feedback from the indsustry, there are some spices where there is high demand for organic certification. Cinnamon and turmeric are two examples. There have previously been quality issues with turmeric; Swedish buyers are seeking organic turmeric as it shows it has been produced to a high standard.

This trend is driven by growing consumer demand for organic products. According to Nielsen, the Swedish organic market increased by 3.5 percent in 2020. Demand for organic food has increased since the COVID19 pandemic. In addition, having organic certfication gives exporters an advantage in a competitive market as it makes them stand out.

Exporters should consider adopting organic certification for their spices & herbs. It is expected that the demand for organic food and drink in Sweden will continue to increase in the near future.

Climate change threatening spices and herb production levels

Climate change poses a global threat to many spices and herbs. This is due to extreme weather patterns, flooding, hurricanes and droughts. For example, spices such as black pepper and cardamom are both climate sensitive crops. They generally grow in temperatures between 10-35 °C. However, it is expected that with continued carbon emissions, the **average annual temperature in India** will increase from 24 °C to 28°C by the end of the century.

These changes are expected to have adverse effects of the growth of climate sensitive crops, such as black pepper. The increase in temperature may result in reduced yields of black pepper. However, the increase of minimum temperature in higher altitudes could boost pepper production. Decrease in rainfall and enhanced frequency of drought and heatwaves are likely to reduce production levels of spices and herbs.

Exporters of spices and herbs in developing countries should prepare for climate change by switching to more sustainable methods of production. These make crops more resilient to extreme weather conditions. Examples include, regenerative agriculture, water conservation and agroforestry.

Increasing demand for immune boosting spices and herbs

There is growing demand for health enhancing spices & herbs in the Swedish market. Swedish consumers are giving more attention to the health value of the foods they eat. The COVID-19 pandemic has made this trend more pronounced. Consumers are trying to improve their personal immunity by eating more health foods and nutritional supplements.

Examples of immune boosting herbs & spices include:

- Turmeric
- Cinnamon
- Garlic
- Ginger
- Ginseng
- Cayenne Pepper
- Nigella Seeds
- Cumin Seeds
- Cloves
- Sage
- Green Cardamom

Many spices & herbs contain nutrients that have health benefits. To capitalise on the opportunities, producers in developing countries should try and ensure their spices & herbs have high levels of active nutrients. Exporters should highlight the strengths of their spices & herbs in their marketing materials, as this makes their products more attractive.

Growing importance of traceability & transparency in supply chains

Consumers are asking greater questions about the food products they buy. They are questioning product origins, production methods, and social aspects. Food producers and retailers are responding by providing greater transparency in their supply chains.

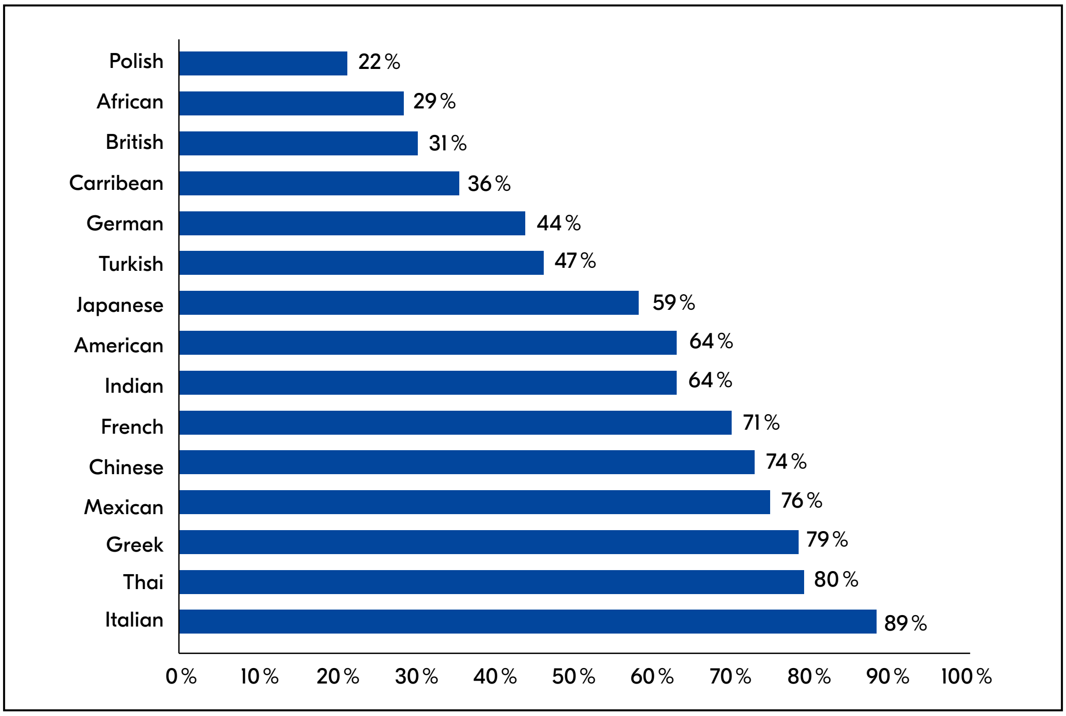
This trend is leading to traceability when companies source spices & herbs. Swedish buyers are demanding more information about the provenance of spices & herbs.

It is expected that traceability of spices & herbs will become more important in the future. Exporters of spices and herbs in developing countries should prepare by being more transparent in how they grow and distribute their products. They should also start collecting data on the provenance and production methods of their spices & herbs.

Rising popularity of ethnic cuisine in Sweden

According to industry sources, there has been growing interest in ethnic food cuisine in Sweden. Changing food culture is the main driver of this trend. There is higher interest in ethnic cuisines such as Asian, African, and Middle-Eastern food. Some consumers are also eating more ethnic foods because of health reasons. This is creating changes in the food products and ingredients that are in demand in the Swedish market.

Figure 13: Favourite ethnic restaurant type in Sweden 2018



Source: Statista

This trend is expected to continue in the coming years. The growing interest in international ethnic cuisine presents an opportunity for exporters of spices and herbs in developing countries. Food manufacturers are launching more products using ingredients sourced from outside Europe. This trend is evident in the retail, as well as catering and foodservice sector.

Pricing

Figure 14 shows prices of various spices on the Swedish market. It is shown that private label spices are priced more competitively than labelled products. For example, ICA Conventional Coarsely Ground Black Pepper (41g) is priced at SEK 22.95. At the same time, Santa Maria Conventional Black Pepper (30g) is priced at SEK 26.50.

Organic spices are sold at a price premium compared to conventional spices. For example, 28g of Kockens conventional chilli flakes is priced at SEK 19.95, while 28g of Kockens Organic chilli flakes are priced at SEK 23.95. Santa Maria organic ground turmeric (39g) is priced almost 37 percent higher than Santa Maria conventional ground turmeric.

Figure 14: The Swedish market for herbs & spices: typical retail prices, november 2021

SEK	
ICA Conventional Coarsely Ground Black Pepper (41g)	22.95
ICA Conventional Ground Cumin (41g)	21.95
ICA Organic Coarsely Ground Black Pepper (34g)	34.95
ICA Organic Ground Cumin (27g)	28.50
ICA Conventional Ground Nutmeg (40g)	25.50
ICA Conventional Cinnamon (20g)	6.50
Kockens Conventional Chili Flakes (28g)	19.95
Kockens Conventional Ground Turmeric (43g)	17.95
Kockens Organic Chilli Flakes (28g)	23.95
Kockens Organic Ground Ginger (21g)	26.95
Kockens Organic Ground Turmeric (43g)	23.50
Santa Maria Conventional Ground Ginger (31g)	23.95
Santa Maria Conventional Ground Turmeric (35g)	22.95
Santa Maria Organic Ground Cinnamon (28g)	36.95
Santa Maria Conventional Black Pepper (30g)	26.50
Santa Maria Organic Ground Turmeric (39g)	34.95

Source: Various retailers

Live up to the requirements

A. Mandatory requirements for the spices market in Sweden

Safety of spices and herbs

For the European Union (EU), ensuring the highest standards of food safety for its citizens is a key policy priority. Exporters of spices & herbs must demonstrate that their products are safe. Companies must comply with the EU's General Food Law, which ensures the safety of spices & herbs.

Under the General Food Law's legislative framework, companies must have a traceability system in place throughout their entire supply chain. The European Commission provides a range of information on the traceability aspect of the EU General Food Law. For spices & herbs from plant origin, the general guidelines apply. For the following two sectors, more detailed guidelines for traceability apply:

- Foods of animal origin: Commission Implementing Regulation (EU) No 931/2011.
- Sprouts and sprout seeds: Commission Implementing Regulation (EU) No 208/2013.

Contamination

For spices & herbs to be traded in the Swedish market, there must be proof the products are not contaminated, or within levels set by the EU. The EU legally requires companies to prove that their spices and herbs are not contaminated by three elements, or within the levels set by them. The three elements are:

- physical - this concerns plastic, metal and dirt residues;
- chemical - this concerns pesticides;
- biological - this concerns bacteria.

The EU has set Maximum Residue Levels (MRLs) for pesticides (EC Regulation 396/2005) and heavy metals (EC Regulation 1881/2006) for food products. This regulation is updated on a regular basis. Swedish & European buyers of spices and herbs regularly test products they import, usually on a per batch basis, to determine whether or not they are contaminated, or within set levels.

Common contamination for spices & herbs include:

- Foreign bodies
- Microbiological contaminants
- Plant toxins
- Polycyclic aromatic hydrocarbons

Classification, Labelling and Packaging

Export packaging must comply with European weighting regulations. The packaging is safe or food grade and that the material in the packaging has to match the quantity specified on the label. Finished products packaging is subject to strict health regulations.

Labelling regulations in the European Union enable people to obtain detailed information about the quality and composition of food items. Labelling aids customers in making educated decisions when buying food. Labelling of energy content and fats, saturates, carbohydrates, protein, sugars, and salt amounts.

The label must include the following information in Swedish:

- Name of the product
- Weight/Volume
- Country of origin
- Contact details of the packer or dispatcher

Figure 15: Examples of packaging format for dry, fresh and frozen spices in Sweden

Source: ICA

Substances allowed in the European Union

Certain herbs & spices may be used as colourings, flavourings, sweeteners and food additives. The EU strictly regulate the safety of food additives. Important regulations include:

- EU Regulation 1333/2008 sets rules for the use of additives, such as colours and thickeners.
- EU Regulation 1334/2008 sets rules for the use of flavourings, such as essential oils.

Documentation

Swedish buyers of spices & herbs usually want exporters to firstly provide them with Safety Data Sheets (SDS). Safety Data Sheets containing:

- a product description
- classification
- hazard identification
- information on safety measures.

Secondly, Swedish buyers want to be provided with Technical Data Sheets (TDS), containing:

- a product description
- product classification
- quality analysis
- information on applications
- certificates.

Swedish buyers also request a Certification of Analysis (CoA) containing the analytical data of the product delivered. This should include the:

- Certification of Analysis matches;
- data mentioned in the TDS;
- pre-shipment sample that was approved by the buyer; and
- the contractual agreements with the buyer.

B. Additional requirements and certifications for spices and herbs

Swedish buyers of spices & herbs have additional requirements beyond mandatory requirements set by the EU. It is recommended that exporters of spices & herbs meet these additional buyer requirements to be successful in the Swedish market.

Quality Management Certification

Herbs & spice buyers in Sweden demand certification of a food safety management system based on the European Union's Hazard Analysis Critical Control Points (HACCP) system outlined in EU Regulation 852/2004 on hygiene of food stuffs.

The most common certifications demanded by Swedish buyers are:

- Global Food Safety Initiative (GFSI) certification
- International Food Standard (IFS) certification
- International Organization for Standardization (ISO) 22000 food safety management system certification and ISO 9001:2015 quality management systems certification;
- Food Safety Certification (FSSC 22000) which is based on ISO 2200 and is specifically aimed towards food manufacturers; and
- British Retail Consortium Global Standard for Food Safety (BRCGS) certification which provides technical standards for food safety.

Figure 16: Examples of certification

Source: Various

Quality Requirements

Swedish buyers have addition requirements on the spices & herbs they import. They determine the quality of spices & herbs by several factors. These include:

- Purity: spices & herbs cannot be contaminated by foreign bodies, and free of foreign bodies and odourless. The European Spice Association (ESA) sets minimum for presence of external substances in spices & herbs to less than 1 percent.

- Moisture content: This is set by the Quality Minima Document provided by ESA. Average specifications usually range from 95 per cent to 99.5 per cent of ground product passing through the sieve.
- Aroma and flavour: Buyers expect some spices & herbs to have a specific distinct aroma and flavour. This depends on the variety, cultivar, regional, climatic, and growth conditions, the flavour profile varies.

Samples

Swedish buyers require samples of herbs & spices after reviewing technical documentation. This is to determine the quality and safety of the spices & herbs. Testing is usually done in-house or external laboratories. Testing usually happens on a per batch basis.

Certification of organic production

There is growing consumer demand for certified organic products in the Swedish market. Certified organic spices & herbs are produced and processed using natural techniques. This includes crop rotation, the biological protection of crops and the use of green manure and compost. Producers must comply with EU regulations to trade their spices and herbs as organic in the European market. More information on organic certification is on the EU organics website.

For any organic ingredient to be traded on the Swedish market, the EU requires it to have a Certification of Inspection (COI). Moreover, Swedish buyers themselves also often request a COI.

From January 2021, new EU regulation (EU) 2018/848 will come into effect in Europe. Additionally, there are new official control regulations to help determine whether products imported to Europe meet European rules.

Sweden also has its of organic KRAV label. It complies with the EU organic regulation. KRAV label goes beyond the EU regulation with stricter standards. The KRAV standard also covers more areas than the EU organic standard, covering slaughter, restaurants and fisheries.

Figure 17: EU organic and KRAV certification logos

Source: ec.europa.eu & krav.se

Environmental and social sustainability

There is growing demand from European & Swedish buyers for sustainably produced spices & herbs. Producers should consider getting certification proving their herbs & spices meet environmental and/or social standards.

Certification proving spices & herbs have been produced according to certain environmental standards can be obtained from the:

- UNCTAD BioTrade Initiative BioTrade Principles and Criteria which provide a framework for the conservation and the sustainable use of biodiversity in business and trade;
- FairWild Standard which focuses on sustainable collection, social responsibility and fairtrade principles for wild-collected plants.
- Rainforest Alliance- In October 2021, Rainforest Alliance developed Herbs & Spices program in cooperation with UEBT. The program brings together the previous UEBT/UTZ Herbal Tea Program along with the UTZ and Rainforest Alliance certification programs for herbs, spices, rooibos, and vanilla. The new programme includes all ingredients for herbal and fruit infusions, including rooibos, as well as other herbs & spices, including vanilla, chili, or pepper.

To prove producers meet social standards, the following should be considered:

- Fairtrade International standards which require producers and traders to meet a range of economic, environmental and social criteria;
- Fair for Life Standard which concerns certification programmes for fair trade, responsible supply chains and Corporate Social Responsibility.

There is growing consumer demand for ethical products in the Swedish market in recent years. Social and environmental certifications are in demand for important spices, such as pepper and chillies. This trend is expected to continue.

Figure 18: Examples of environmental and social standards

Source: Various

Determine your logistics solution

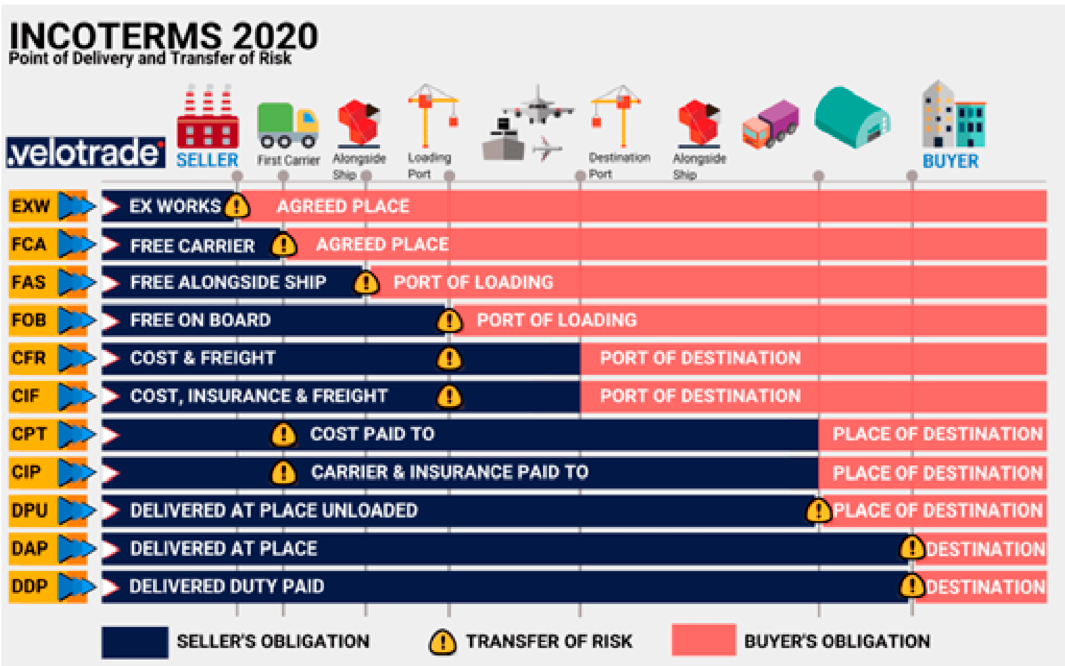
Logistics and delivery terms

Swedish importers of spices & herbs prefer shipping over air freight. This is because of costs and also it is considered to be more sustainable. An importer of spices and herbs stated: “Well, air freight is not very sustainable, so that would be the – it’s also not very cost-efficient especially with herbs and spices that are really large, occupying a lot of space, so air freight is a bad idea.”

As an exporter of spices & herbs, you should carefully consider these factors:

1. Delivery time –Buyers prefer shorter delivery times. Air freight is more reliable in terms of on-time delivery, and also generally faster than sea freight.
2. Delivery volume and order quantity– Larger volumes are often cheaper to transport via sea by ship. Meanwhile, as margins get lower, air freight can be less expensive to transport smaller volumes.
3. Cost of delivery method – For larger volumes, air freight is generally 4–6 times more expensive than sea freight. If you increase volumes, it is unlikely prices of transporting your freight will increase significantly.

Figure 19: Incoterms



Source: velotrade.com

Find a business partner

How to find buyers on the Swedish spices and herbs market

Exporters of spices & herbs should thoroughly research the Swedish market before approaching prospective buyers. The information gathered can provide exporters with knowledge and a deeper understanding of the market. Another major advantage is that being prepared is likely to save companies time and resources in their journey to enter the Swedish spices & herbs market.

Exporters should firstly consider targeting Swedish spices, herbs and flavouring manufacturers directly. Secondly, companies should consider targeting importers supplying and distributing natural ingredients, such as spices & herbs. Substantial volumes of spices & herbs are imported into the Swedish market via other European countries, such as the Netherlands. The Netherlands is an important trade hub and most bottling of spices takes place in Sweden.

Santa-Maria, Bodén & Lindeberg, Lickeby (Culinar AB, Kockens) are some of the largest Swedish spices & herb importers and processors. There are also smaller importers and processors of spices & herbs in Sweden. These types of companies tend to focus on specific type of spices, such as ethnic cuisine spices. Sevan is a example of one such company.

Importers specialising in specific niche sectors are relevant for new exporters of spices & herbs. However, these importers tend to import smaller volumes. It is also possible to supply retailers directly, but this is not common in Sweden. Most Swedish retailers tend to source their spices & herbs from importers and processors. Most processors have private label packing facilities from which they supply retail chains.

Table 20: Types of buyers

Buyer type	Description	Reasons to target
Large to medium-sized buyers/ processors	These buyers source a wide range of conventional and certified spices and herbs. Often have bottling and packaging facilities.	Approach these buyers if you can supply in bulk or have a wide range of ingredients.
Small to medium-sized buyers/ processors	These companies include smaller traders and processors. These buyers usually specialise in certain ingredient groups or specific niche markets.	Approach these buyers if you supply lower quantities, if your ingredients are certified or if you supply niche spices and herbs for a specific ethnic cuisine.
Large to medium-sized food companies	This group includes conventional food companies using spices and herbs.	Consider approaching these companies if you can supply larger quantities of your ingredients.
Small to medium-sized natural and organic or ethnic food companies	Natural and organic food companies almost only using natural/organic and niche spices and herbs.	Approach these companies if you are looking to set up long-term projects and/or if you can supply certified or spices and herbs for ethnic cuisine.

Source: Ecovia Intelligence

Sector specific trade fairs

Exporters are advised to visit and participate in industry trade fairs because doing so offers numerous advantages. This can increase chances of entering the Swedish market include finding and networking with prospective buyers. Examples of significant trade shows include:

- Nordic Organic Food Fair (Malmo)- focusing on the natural and organic products industry in the Scandinavian region. However, many exhibitors from outside the region also come here. The trade show focuses on finished products.
- Fastfood, Cafe & Restaurant Expo (Stockholm)- Trade show focuses on the foodservice sector in Sweden and Nordic region.
- Gastro Nord (Stockholm)- Trade show focuses on the food sector in Sweden and Nordic region.
- Nordic Food Industry Fair (Gothenburg)- Trade fair covers the foods sector in the Nordic region. The trade show focuses on finished products, as well as ingredients.

Exporters can also meet Swedish importers at trade shows across Europe. The most important European trade fairs include:

- ANUGA – One of the world's largest trade fairs for food and beverages. This is an important trade show for ingredients for the European food sector. This trade show is worth visiting to network with conventional and natural food companies and buyers.
- Fi Europe & Ni – Leading trade show for food ingredients in Europe, worth visiting to meet buyers of conventional and organic food ingredients.
- Sial Paris – A leading food trade show in Europe worth visiting to meet buyers of food ingredients, including herbs and spices.
- Biofach – The biggest trade show for organic products in the world. Exporters should attend this trade show if they supply certified ingredients. Companies can network with buyers and finished product companies with organic products.
- Natural & Organic Products Europe (NOPE) – Trade show focuses on natural and organic products in Europe. Exporters will be able to network with some of the leading natural and organic food companies and buyers here.
- NatExpo – French trade show for the natural and organic sector. Exporters should consider targeting this trade show if they want to target the French market.

Due to safety risks posed by the COVID-19 pandemic, many industry trade fairs, exhibitions and conferences have been postponed and/or cancelled. As a result of this many trades shows have launched hybrid events, where it is possible to attend online. Many trade shows are resuming in the latter quarter of 2021 as well as in 2022.

Conclusions

The Swedish market for spices & herbs is dominated by large market players. These include Santa Maria (Paulig), Culinar and Kockens. Spices & herbs, such as pepper, coriander, cardamom and cumin are imported directly from developing countries. However, most volumes are coming into the Swedish market via Intra-EU trade. Around 60-70 percent of spices & herbs demand comes from food processors. Dry spices and herbs are the leading product category in Sweden.

Exporters of spices & herbs in developing countries should focus on pepper, ginger, turmeric and coriander when targeting the Swedish market. These spices & herbs are in high demand. Pepper is the leading spice, followed by ginger in Sweden. The popularity of turmeric on the Swedish market is increasing because of its health qualities. Demand for coriander increased in 2020 because of its applications in meat products.

Exporters of spices & herbs in developing countries have to meet EU regulations when exporting to the Swedish market. Swedish buyers also have additional requirements that exporters should meet. These requirements pertain to quality of spices and herbs, suitable sourcing and production, traceability & delivery terms, as well as packaging. There are a number of trade shows that take place in the Nordic region and in Sweden, where importers can be met. Exporters can also attend European trade shows, as Swedish importers regularly attend them.

Exporters need to ensure all their technical documentation is up to date and well organised. A professional online presence is also important when approaching Swedish and European importers of spices & herbs. Swedish importers meet potential new suppliers at trade shows. They also tend to require their suppliers to have quality management certificate like a BRC, FSSC or an IFS. Sometimes they also do an on-site audit of potential suppliers, to ensure that the quality of spices & herbs is sufficient. Organic certification is becoming important for certain spices, such as turmeric and cinnamon. The importance of sustainable production and traceability in supply chains of spices & herbs is growing.