

Entering the European market for cardamom

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Complying with European regulations is a minimum requirement to access the European market. Special attention should be paid to controls on contamination, pesticide residues, heavy metals, and food additives like artificial colours. Food fraud also becomes an important issue on the market, and it is crucial for you to be transparent about your supply chain.

Guatemala and India are the main suppliers of both whole and crushed/ground cardamom to Europe, but if you are a supplier from another country you may profit from interest in unique origins, stories and sustainability. Niche markets for high-quality and certified cardamom can offer especially interesting prospects.

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1. What requirements must cardamom comply with to be allowed on the European market?

What are the mandatory requirements?

When exporting to Europe, you have to comply with the legally binding requirements regarding food safety, as specified in the [General Food Law](#). This law mainly covers traceability, hygiene and control. Compliance with this legislation ensures that the spice is safe to eat. Related to this are the legal limits for food contaminants.

Official border control for cardamom imported to the European Union

Official food controls include regular inspections that can be carried out at import or at all further stages of marketing. In case of non-compliance with [European food legislation](#), individual cases are reported through the [Rapid Alert System for Food and Feeds](#) (RASFF), which is freely accessible to the general public.

You should be aware that repeated non-compliance with European food legislation by a particular country might lead to special import conditions or even suspension of imports from that country. Those stricter conditions include laboratory tests for a certain percentage of shipments from specified countries.

The [New Official Controls Regulation](#) entered into force in December 2019, and will extend its scope to organic products. As an exporter from a country outside of the EU, you will have to use the single standard Common Health Entry Document for the prior notification of exports.

Contaminant control in cardamom

[European Regulation on Contaminants](#) sets maximum levels for certain contaminants in food products. This regulation is frequently updated, and apart from the limits set for general foodstuffs there are a number of

specific contaminant limits for specific products, including cardamom. The most common requirements regarding contaminants in cardamom are related to the presence of pesticide residues, mycotoxins, heavy metals and microbiological organisms. In 2021 there were [two notifications](#) on food safety issues with cardamom in the RASFF database, related to pesticide residues exceeding maximum levels.

Contaminant levels shall be kept as low as can reasonably be achieved following recommended good working practices.

- Pesticides: consult the [EU pesticide database](#) for an overview of the maximum residue levels (MRLs) for each product (see the [relevant levels for cardamom](#)). Note that in June 2020 new specific binding MRLs were set for chlorate.
- **Mycotoxins:** limits for mycotoxins are set by [EC Regulation 1881/2006](#). The general specifications for Aflatoxin B I and Total Aflatoxin (B I + B2 + G I + G2) are 5 ppb and 10 ppb, respectively.
- Maximum levels of [polycyclic aromatic hydrocarbons](#) (PAHs): current European legislation on contaminants sets the maximum level of PAH for almost all spices and herbs, but cardamom is one of the only exceptions.
- Heavy metals: until recently, specific limits for the presence of heavy metals in spices and herbs were not set in the European legislation on contaminants. However, this changed in 2021, following a review process for the maximum allowed levels of cadmium. No specific levels are applicable to cardamom.
- **Microbiological contamination:** *Salmonella* must be absent from cardamom for the European market.

European buyers increasingly require their suppliers to use steam sterilisation to combat microbiological contamination of cardamom. You could earn a significant premium if you can supply cardamom that is sterilised at the source. However, investments in the necessary equipment can have a high cost of up to €1 million.

Research is being conducted into alternatives to steam sterilisation, as this treatment negatively affects the taste of cardamom. Currently it is still the cheapest and safest method to combat microbiological contamination.

Irradiation: this process is legally allowed in many EU countries, under restrictive conditions. However, in practice irradiation is not applied on cardamom for the European market, as consumers do not always accept this treatment. Only discuss this option with your buyer when other types of treatment such as fumigation and steam sterilisation are not possible.

Food additives

Buyers and European authorities can reject products if they have undeclared, unauthorised or excessive levels of added substances. There is specific legislation for [additives](#) (like colours, thickeners) and [flavourings](#) that list which E-numbers and substances are allowed for use. Authorised additives are listed in Annex II to the [Food Additives Regulation](#).

Although you might consider using food additives in the production of cardamom, keep in mind that European traders and consumers prefer spices that are additive-free. [The chemical colouring of cardamom has been reported in a few instances](#), and this is not allowed.

Food fraud

Food fraud in the spices and herbs sector is a serious issue, and European buyers are increasingly attentive to it. Many laboratories around Europe have increased testing to detect this type of fraud in spices and herbs. Common methods include DNA analysis, isotopic techniques, mass spectrometry, spectroscopy, chemometrics, and a combination of detection methods. It has been reported that cardamom is sometimes [imported from Bhutan or Nepal to India and presented as having Indian origin](#). Another example: [green cardamom pods are often adulterated with used cardamom pods](#), or ones from which volatile oils have already been extracted. These actions constitute food fraud, and will affect a supplier's reputation in the European market.

Tips:

For a complete overview of requirements, refer to our study on [buyer requirements for spices and herbs](#) or consult the specific requirements for cardamom on the European Commission website of [Access2Markets](#).

Apply the [general guidelines for Good Agricultural Practices \(GAP\) on spices & culinary herbs](#) of the International Organisation of Spice Trade Associations (IOSTA).

Check the [Rapid Alert System for Food and Feed \(RASFF\) database](#) for examples of cardamom withdrawn from the market and the reasons behind these withdrawals. This will help you identify and analyse your own risks in compliance or non-compliance with EU regulation and border controls.

Always discuss with your potential buyers whether they want steam sterilisation. If your buyer requires steam sterilisation, look for local sterilisation companies that can provide this service for you.

Comply with food safety requirements during drying, storage, processing (such as sieving, mixing, grinding or crushing), packaging and transport. This will help prevent contamination with mycotoxins and other contaminants. Not even steam sterilisation can fully remove these substances.

Read the [Guide on Authenticity of Herbs and Spices](#) published by the UK Food and Drink Federation to find out more about actions and initiatives that can help you prevent fraud in your supply chain.

What additional requirements do buyers generally have?

Quality Minima

The [European Spice Association](#) represents the interests of the European spices industry and has established non-legal minimum quality requirements for spices, including cardamom, in its [Quality Minima Document](#). While these requirements are not legally binding and non-compliance will not result in rejections by border controls, compliance is expected by most European buyers and often enforced through purchasing contracts which include product specifications. The specific requirements applicable to cardamom are:

Chemical/physical parameter	Value
Ash (% Weight for Weight Max)	9.0
Acid insoluble ash (% Weight for Weight Max)	2.5
Moisture (% Weight for Weight Max)	12
Volatile oil ml/100G Min	4.0

There are other parameters generally related to spices that also apply to cardamom. These cover chemical/physical parameters, contaminants/residues and purity. Some of the main ones are:

Subject	Details
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Water activity	Water activity is a key parameter that affects microbiological growth, therefore ESA recommends a target value of max. 0.65.
Microbiology	The product shall be free from microorganisms at such levels which may represent a health hazard. Specific requirements to be agreed between buyer and seller.
Adulteration	Must be free from adulteration.
Infestation	Should be free in practical terms from live and/or dead insects, insect fragments and rodent contamination visible to the naked eye.
Extraneous matter (all matter from the specific plant other than the desired part)	Spices max. 1% by weight.
Sensory properties	Must be free from off-odour or off-flavour.

ESA has not developed cleanliness specifications. As a result, European buyers often use the cleanliness specifications for cardamom of the [American Spice Trade Association \(ASTA\)](#):

Whole insects dead	Excreta Mammalian	Excreta other	Mould	Insect defiled/infested	Extraneous foreign matter
By count*	By mg/lb	By mg/lb	% by weight	% by weight	% by weight
4	3	1	1	1	0.5

*per sub-sample

Quality grading

Cardamom is graded on the basis of colour, clipping (pods with the tips trimmed), size, whether bleached or unbleached, proportion of extraneous matter present, and product origin. The proportion of burst fruit pods ('open pods') also determines quality, as do colour (green or yellow) and drying method (mechanical or sun). Grading is done in accordance with a relevant national standard, if available. For example, [the Bureau of Indian Standards \(BIS\)](#) has specific quality specifications for cardamom:

- IS 1987:1984 (Cardamom - capsules and seeds)
- IS 13446:1992 (Large cardamom)

The International Standard for Standardization (ISO) also has two specification standards for small cardamom:

- [ISO 882-1: Cardamom \(Elettaria cardamomum Maton var. minuscula Burkill\) Specification, Part 1 -Whole Capsule](#)
- [ISO 882-2: Cardamom \(Elettaria cardamomum Maton var. minuscula Burkill\) Specification, Part 2- Seeds.](#)

Additional food safety requirements

Only very few cardamom buyers require suppliers to implement an advanced food safety management system and obtain a certificate from an accredited certifier. This is mostly if the cardamom is crushed/ground and pre-packed at origin. Examples of such advanced food safety management systems are the Food Safety System Certification ([FSSC 22000](#)), [BRCGS Food Safety](#), International Featured Standards ([IFS Food](#)), and the Safe Quality Food programme ([SQF](#)). These standards are all part of the Global Food Safety Initiative ([GFSI](#)).

Implementation and certification of these standards usually costs thousands of euros and is only recommended for large-scale processors targeting major European retail chains. For those processors, such a certificate shows professionalism. Smaller buyers in niche markets for cardamom are likely to have more relaxed food safety requirements as they prioritise other aspects such as authenticity.

Labelling

Clear labelling of the cardamom you are exporting to Europe is very important. For bulk cardamom, your product label must include:

- Product name
- Details of the manufacturer (name and address)
- Batch number
- Date of manufacture
- Expiry date
- Weight of contents
- Other information that the exporting and importing countries require; for example, producer and/or packer code, as well as all extra information that can be used to trace the product back to its origin.
- If your product is organic and/or Fairtrade-certified, the label should contain the name/code of the inspection body and the certification number.

You also have to mention the colour group on the label to indicate the grade of the cardamom, when 95% of the cardamom corresponds with one colour (deep green, green, light green, pale brownish). If your cardamom does not have one uniform colour, you do not have to indicate the colour on the label. Buyers are often interested in buying one specific colour or grade.

Packaging requirements

[The packaging must not be a source of contamination or migration, should be food grade, and must protect the product quality during transportation and storage.](#) Cardamom should be packaged in:

- Double-layered jute bags (42-50 kg)
- Single-ply fabric bags lined with polythene (42-50 kg)

Premium-grade cardamom is often packed in vacuum-sealed bags and shipped in 5-kg cartons.

Consult with your buyer for any packaging specifications.

Sustainability

Companies have different requirements for sustainability, which may include signing their code of conduct or following common standards such as the [Farm Sustainability Assessment / SAI Platform](#), [SMETA / Supplier Ethical Data Exchange \(SEDEX\)](#), [Ethical Trading Initiative \(ETI\)](#) or [Business Social Compliance Initiative \(BSCI\)](#).

The [Sustainable Spices Initiative \(SSI\)](#), which includes some of the main spice companies worldwide, does not have its own standard for spices and herbs, but has developed an [SSI basket of standards](#) to broaden the possibilities for certification and verification on sustainable spices by member companies. The standards in this basket are recognised by SSI members to cover the main issues and therefore considered sufficient to certify or verify sustainable production of spices.

The main certification scheme applicable to the mainstream market is [Rainforest Alliance](#). The main European markets for products certified by the Rainforest Alliance are the United Kingdom, the Netherlands and Germany. There are no specific data available for cardamom. On the supply side, [there are five Indian cardamom companies certified by the Rainforest Alliance, producing a total of 29 tonnes in 2019](#).

Tips:

Choose a food safety management system that is approved by the Global Food Safety Initiative ([GFSI](#)).

Refer to the [Sustainable Spice Initiative's Basket of Standards](#) and the [ITC Standards Map](#) for an explanation and comparison of sustainability standards.

Learn more about maintaining the quality of your cardamom supplies during transportation on the website of the [Transportation Information Service: Cardamom](#).

Check ESA's [Quality Minima Document](#) (in English and Spanish) for more information on the chemical and physical parameters that your cardamom needs to comply with when sold in Europe.

Learn more about good practices for spices, including cleanliness and adulteration prevention, by reading the different [Best Practices and Guidance](#) documents offered by the American Spice Trade Association (ASTA).

What are the requirements for niche markets?

Certification

European buyers are increasingly paying attention to their social and environmental impact. Important issues at origin typically include restricted use of pesticides, fair payment, and healthy and safe working conditions.

European buyers have different definitions and priorities regarding sustainable sourcing, depending on their business strategies and end markets. Although there is no universal way to address these matters, many buyers will require transparency on sustainability issues. Some buyers will simply ask you questions about the sustainability of your business, others may require you to fill out forms to conduct a self-audit.

Certification of sustainability in cardamom is gradually moving from niche to mainstream. The main certification systems in niche markets are Organic and Fairtrade. Each certification scheme addresses different issues (social, environmental, economic) and serves different niches.

Organic certification

In order to market your cardamom as organic in the European market, it must comply with [the regulations of the European Union for organic production and labelling](#). Obtaining the [EU organic](#) certificate is the minimum legislative requirement for marketing organic cardamom in the European Union.

Note that all organic products imported into the EU must have the appropriate electronic [Certificate of Inspection](#) (COI). These COIs must be issued by control authorities prior to the departure of a shipment. If this is not done, your product cannot be sold as organic in the European Union and will be sold as a conventional

product. COIs can be completed by using the European Commission's electronic [Trade Control and Expert System](#) (TRACES).

Refer to [this list of recognised control bodies and control authorities](#) issued by the EU to ensure that you always work with an accredited certifier. To become organic-certified, you can expect a yearly inspection and audit, which aims to ensure that you comply with the rules on organic production.

If you want to export to countries outside of the European Union (EU), check the required legislations of that country. For instance, Switzerland has its own [Swiss Organic Law](#) and the [Organic Products Regulations 2009](#) apply in the United Kingdom.

In addition to the EU organic standard, most European countries also have their own voluntary organic standards. Examples are [Bio-Siegel](#) (Germany), [AB mark](#) (France) and the [Ø logo](#) (Denmark). Some countries have private standards or labels, for instance [Naturland](#) (Germany), [Soil Association](#) (United Kingdom), [Bio Suisse](#) (Switzerland) and [KRAV](#) (Sweden). But note that having the EU organic standard is usually sufficient for most buyers.

Fair trade certification

[Fairtrade International \(FLO\)](#) is the leading standard-setting organisation for fair trade certification. Fairtrade international has developed a specific standard for herbs, herbal teas and spices for small-scale producer organisations. [FLOCERT](#) is the accredited certifier for Fairtrade.

FLO has established a [minimum price for cardamom \(*Elettaria and Amonum sp.*\)](#) from different countries: India, Sri Lanka and other (worldwide). For conventional cardamom, a Fairtrade premium of 15% is offered on top of the commercial prices for all origins. For organic cardamom, a minimum price of €5.53/kg plus a Fairtrade premium of €0.99/kg (ex-works) is offered for cardamom from India and Sri Lanka. For other origins, a Fairtrade premium of 15% is offered on top of the commercial price.

There is a growing demand for Fairtrade-certified spices in Europe, and cardamom is an important spice in this niche market due to its high value. From over 50 Fairtrade-certified suppliers around the world, most are located in India and Sri Lanka; two suppliers are located in Guatemala. Fairtrade finds its largest end market in the United Kingdom, but the main buyers operating in Fairtrade-certified cardamom are also located in Germany, the Netherlands, Switzerland and France.

[Fair for Life](#) (by IMO/Ecocert) and [Fair Choice](#) (by Control Union) are other fair trade certifications available to producers and other operators. Although less recognised in the European market, Fair for Life and Fair Choice have the advantage that the control bodies [Ecocert](#) and [Control Union](#) can combine the Fairtrade audit with, for instance, organic or Rainforest Alliance audits. Regardless, you should always check demand and interest for a specific certification with your (potential) buyer.

Tips:

If you have more than one certification, try to combine audits to save time and money. Also investigate the possibilities for group certification with other producers and exporters in your region.

Refer to this [full guidance to learn more on how to become a Fairtrade producer](#).

Use this [cost calculator](#) to estimate what costs will be involved for your organisation to get Fairtrade-certified.

Search the [database of FLO-Cert](#) to find specific Fairtrade-certified suppliers around the world, and international/European buyers sourcing Fairtrade-certified cardamom.

Familiarise yourself with the range of organisations and initiatives that offer technical support to help

you convert to organic farming. Start your search at the organic movement in your own country and ask if they have their own support programmes or know about existing initiatives. Refer to the [database of affiliates of IFOAM Organics](#) to search for organic organisations in your country.

If you supply or are planning to supply organic cardamom, try to visit trade fairs for organic products, like [Biofach](#) in Germany. Check out their website for a list of exhibitors, seminars and other events at this trade fair. Here you will also find booths of the organic certification bodies.

2. Through what channels can you get cardamom on the European market?




How is the end market segmented?

The market segmentation of cardamom follows [a similar structure as other spices in Europe](#). The largest segment is the food and beverage industry (55%-60% of the total market), followed by the retail sector (35%-40%) and the catering sector (10%-15%). In most markets the industrial sector has been expanding, a reflection of the growing popularity of ready-to-use spices and seasoning mixtures.

Low-end: The low-end segment comprises lower-valued cardamom of a quality that just meets minimum requirements. These low-end retail products are often not certified and are packed in cheap materials, such as plastic or glass, to lower the retail price - which is still quite high compared to other spices.

The lower-end cardamom products are mainly found in supermarkets. These are usually mass-market products by big brands and lower-quality private label products from retailers themselves.



Product and price examples in the low-end segment for 2022 include:

	Product	Picture	Retail price (€/kg)
Low end	Verstegen , Ground cardamom 32 grams		68.44
	Verstegen , Whole cardamom pods 30 grams		79.67
	Ducros , Ground cardamom 35 grams		78.86

Mid-range: The mid-range segment includes cardamom of good quality, which is commonly sustainably certified. Especially organic certification is growing in this segment. Packaging can vary, but more (recyclable) paper, for example, is increasingly seen in these mid-range products.

Mid-range cardamom is mainly sold through supermarkets, and these are usually the high-quality category of retailers. Supermarkets increasingly offer their own premium private label cardamom, among other spices. These products offer similar quality and characteristics as branded products but usually at more competitive prices.

Product and price examples in the mid-range segment for 2022 include:

	Product	Picture	Retail price (€/kg)
Mid-range	Sonnentor , Ground cardamom, organic 50 grams		125.80
	Waitrose Cooks' Ingredients , Whole cardamom, organic 25 grams		89

High-end segment: Smaller, more specialised spice companies offer high-end cardamom and other spices. Single-origin spices are growing in this segment, both for the flavour and for the uniqueness and traceability of the product. Products are offered in more sophisticated packaging, such as metal tins.

High-end cardamom is mainly sold at specialty shops and online specialty shops in Europe, such as [Good Food Shop](#) (Belgium), [Piccantino](#) (Germany), [The Artisan Food Company](#) and [The Spice Shop](#) (UK).

Product and price examples in the high-end segment for 2022 include:

	Product	Picture	Retail price (€/kg)
High-end	Mill & Mortar , Green cardamom, Ground, Forest Garden Harvest, Organic, Fair Trade – Sri Lanka 30 grams		300
	Mill & Mortar , Green cardamom, Whole, Forest Garden Harvest, Organic, Fair Trade – Sri Lanka 25 grams		360
	Herbaria , Whole cardamom, hand-harvested, organic – Guatemala 20 grams		350
	Soul Spice , Cardamom, Ground, Organic and Fair – Kerala 25 grams		196
	Soul Spice , Cardamom, Whole pods, Organic and Fair – Kerala 40 grams		185

Through which channels does cardamom land on the end market?

As an exporter, you can use different channels to bring your cardamom to the European market. Accessing the market will vary depending on the quality of your cardamom, the level of processing you can implement (whole or crushed/ground) and your supply capacities. There are a few market players that can be interesting to you.

Figure 1: European market channels for cardamom



Importers/wholesalers

Importers of spices normally handle large quantities and have direct contact with exporters in producing countries, which provides them access to all the different segments in Europe. These can be spice companies, or the food and beverage industry. Importers either sell the spices to other local companies, or export the product elsewhere in Europe. They can source whole or crushed/ground cardamom.

In most cases, importers have long-standing relationships with their suppliers. They are responsible for a wide range of services in the spices/cardamom value chain. These include logistics, customs clearance and documentation, risk management (sourcing from origin, price, exchange rate), quality control, etc.

At the same time, they have a large network of suppliers from all over the world and can switch relatively easily to other suppliers, which gives them a lot of negotiating power. They are up-to-date on current price levels in the global market and provide little room for margins, unless you can prove that your product is unique and is worth a price premium.

Importers are wholesalers that handle the product in bulk, and do not have direct contact with, or finished products for, the consumer/retail market.

Examples of large spice importers handling cardamom in the European market are [Catz International](#), [Nedspice](#) (Netherlands), [Worlée](#) (Germany), [Bodén & Lindeberg](#) (Sweden).

Specialised importers are usually active in specific segments for high-quality and/or organic/fair trade-certified cardamom, usually dealing with smaller quantities compared to the large-scale importers mentioned above. They often work directly with producers and producer cooperatives. [Organic Herb Trading](#) (UK) and [Comptoir des Épices](#) (France) are among the specialised importers in the European market.

Spice processors

Large spice processors source their cardamom and other spices directly from producing countries. Since these companies often have large portfolios and work with several spice origins, they tend to have designated departments for sourcing. In most cases they will have more than one supplier per spice, so as to spread their risks in terms of product consistency, quality and availability. These companies process spices by cleaning, sterilisation, grinding, blending and packaging.

Spice processors may supply cardamom both as an ingredient or as a finished product (as a single spice or in mixes like Garam Masala), under their own brand or under a private label. Some large-scale processors in Europe are: [Euroma](#) (Netherlands), which opened its new factory in 2019; [Fuchs](#) (Germany), which has a product line for retail and another one focusing on the industrial sector; [Ducros](#) (France); and [Verstegen](#) (Netherlands).

Small-scale spice companies

Smaller-scale spice companies will not always have their own processing facilities. They sometimes source cardamom and other spices from processors in producing countries, but will mainly source from European

processors or importers. These companies may also outsource processing to another (European) company with its own processing facilities, such as those mentioned above.

Food industry

Large industrial users mostly source their spices, including cardamom, directly from exporters in producing countries. They may also use a hybrid model, sourcing part of their spices directly from producing countries and partly from European traders or European processors. Companies like [Unilever](#), known for many brands like [Knorr](#), and [Nestlé](#), known for brands like [Maggi](#), usually purchase processed spices from exporters in producing countries that are suitable for their products.

Smaller industrial users with smaller volume needs often make use of importing wholesalers in Europe or from European spice processors, as the import of small amounts of cardamom is relatively expensive and adds a lot of cost to the final product for consumers. Also, their core business lies in activities like product development, marketing, sales, etc. and not on sourcing.

Agents

In the food industry, agents act as intermediaries between you, spice importers and spice processors or buyers. They are actors with vast market knowledge and can help you assess and select interesting buyers. Some agents are independent, while others are hired to make purchases on behalf of a company.

What is the most interesting channel for you?

As mentioned above, the selection of the most interesting market channel for you will depend highly on your capacities as an exporter of cardamom, in terms of quality and quantity, consistency, volume availability and processing capabilities.

Importing wholesalers are the most interesting channel for cardamom exporters that have a large product range and available volumes. Importers are also suitable when you have less processed products and limited experience on the European market. If you are a processor offering crushed/ground cardamom, there will also be importers interested in sourcing your product, often both whole and processed.

Importing wholesalers source large amounts of cardamom, often from different origins, and break these bulk imports into smaller amounts for the smaller end users, including spice companies and other food industry players. Although many exporters from developing countries generally aim to supply European smaller industrial users directly to obtain higher margins, this bulk-breaking function can contribute to an increase in trade volumes and eventually higher profits.

If you export higher-quality cardamom, specialised importers focusing on higher-end markets will be more suitable. This is also the case if you supply organic and fair trade-certified products; there are importers specialised in this market segment.

Exporting directly to spice processors will require high quality consistency and volume availability, usually starting at a few containers per year. Spice processors usually focus on whole cardamom, since their core business is to process these spices further and to offer value-added products to the retail and food industry.

Establishing contact with smaller spice companies that do not have processing facilities might be interesting for some exporting processors, especially if you are focusing on cardamom at smaller volumes and higher quality. Food safety will be an important aspect here, and some buyers may require extra certification such as FSSC 2000, BRCGS and/or IFS.

Last, large food industry users are interesting to exporters focusing on processed cardamom. High volume and consistent availability, high quality consistency and high food safety will be very important here. Industrial

buyers are expected to be very strict in the implementation of food safety certifications like FSSC 2000, BRCGS and IFS.

If you have limited experience exporting to European countries, agents can play a very important facilitating role. Agents can evaluate and facilitate connections with buyers and finance institutions. Working with an agent is also useful if you need a trusted and reputable partner within the spice sector. Be prepared to pay an extra commission for their work, usually ranging between 3 and 10%.

Tips:

Benefit from the experience, knowledge and bulk-breaking function of specialised European importers instead of approaching smaller industrial users directly.

Search for importing wholesalers in the member lists of the national spice associations in Europe. Go to [the member section of the European Spice Association \(ESA\)](#) for an overview of associations.

Agents who look for buyers on your behalf are particularly interesting if you lack capacity in sales. However, once you have established a trade relationship through an agent, you cannot pursue a direct relationship with the buyer anymore. The sales network of the agent is protected by law.

Consider working with an agent or representative with a good reputation. You can look for commercial agents on the website of [Internationally United Commercial Agents and Brokers \(IUCAB\)](#). This website lists all their national member organisations; you can use the services of these organisations to find an agent or representative in a specific country.

3. What competition do you face on the European cardamom market?

The cardamom market is consolidated around two main supplying countries, Guatemala and India. It is difficult for small and medium-sized companies, for example those exporting a few containers per year, to compete in this market. This is also the case because Guatemala has established itself as a price-competitive supplier of high volumes – an aspect that also affects suppliers from India, the original source of cardamom. See Figure 2 to understand the map of main suppliers of cardamom to Europe, including developing countries and intra-European suppliers.

Figure 2: Main suppliers of cardamom to Europe, in % of total European imports, in value, 2021



*NES: Not elsewhere specified

Smaller exporters will generally find more opportunities in the niche markets where volumes are smaller, such as in high-quality and/or organic and fair trade spices. In these niches, the focus lies more on unique flavour aspects, story-telling and sustainability.

New entrants to the market will face competition from already-successful cardamom exporters from one of the two main supplying countries. Also, established suppliers will already have long-term relationships with buyers. Entering the market as a newcomer requires you to have extensive knowledge of your product assortment, stable quality and volumes, and good communication skills to start building your own new relationships with

buyers.

At the same time, many European companies aim to diversify their sources in order to mitigate risks of supply problems in one production country. This can open up opportunities for suppliers from other origins.

Which countries are you competing with?

Guatemala: main producer and exporter

Guatemala is [the main global producer of cardamom](#), at around [35,000 tonnes in 2021](#). Due to specific climate conditions, cardamom is produced year-round in Guatemala, which gives it a comparative advantage in the international market. Guatemala is also the main supplier to the European market.

In 2021, more than 60% of total European imports were sourced in Guatemala. The product is very important to the Guatemalan economy; cardamom is responsible for nearly 1.0% of Guatemala's GDP. This is why it also receives strong institutional support, which makes it a competitive supplier in the global market.

Guatemala's export-promotion agency, [Agexport](#), has a special committee for cardamom. The Cardamom Exporters' Association (ADECAR) represents cardamom exporters, and the Cardamom Producers Association of Guatemala (CARDEGUA) is involved in strategies to improve the quality of cardamom and the economic condition of the farmers involved in the production ([see a special report on Guatemala cardamom](#)).

The cardamom sector in Guatemala at large is also making important progress in the field of sustainability. [The Guatemalan government has partnered with The Livelihoods Funds](#), an impact investment fund designed to support cardamom farmers in the mountain range of Cerro San Gil. The project will convert local farms to agroforestry systems.

Initiatives are also led by the private sector. For example, UK tea company [Twinings partnered up with the NGO Mercy Corps](#) to enhance the livelihoods of cardamom growers by supporting them to improve their productivity, add value to their current products, and introduce agroforestry crops such as cloves and black pepper, which provide additional income.

Being the largest cardamom producer worldwide, Guatemala and its cardamom industry are deeply affected by international price fluctuations, [as prices are not regulated](#).

India: birthplace of cardamom and traditional supplier

Cardamom [is native to the hills of India](#). The country is the second-largest cardamom producer in the world, [at around 25,000 tonnes in 2021/22](#), up from 22,520 tonnes in the previous year. India has a very large domestic consumption that dictates its export volumes and prices. Only around 35% of India's cardamom production is exported. Indian cardamom accounted for 8.3% of total European imports in 2021. But Europe is not its main export market: half of India's exports in 2021 was destined to the United Arab Emirates and Saudi Arabia, as per ITC Trademap data.

There is currently a [shortage of high-quality Indian cardamom on the international market](#), which has led to the dominance of Guatemala as a global supplier. India faces additional problems, [such as low yields and decreasing volatile oil content, pesticide residues and the lack of an exportable surplus](#).

But India is still a very competitive global supplier, [as the largest exporter of spices globally](#). Small cardamom is among its main exported spices, [at around 4.0% of total exports in 2020/21](#). The support of [Spices Boards India](#) is an important contribution to the development and global promotion of Indian spices. The organisation acts as a link between Indian exporters and importers abroad.

India also has a strong presence in niche markets for certified cardamom. [A study from the Sustainable Trade](#)

[Initiative](#) reveals a list of nearly 50 companies in India exporting organic-certified spices, many of which also handle cardamom. In addition, [the list of operators of FLO-Cert](#) reveals that 19 producers' groups and traders in India are Fairtrade-certified or licensed. By comparison, there are only two Fairtrade-certified producer groups in Guatemala. In addition, there are [five Indian cardamom companies certified by the Rainforest Alliance](#), producing a total of 29 tonnes in 2019.

Tanzania: a supplier with strong potential

Tanzania has excellent agro-climatic conditions for cardamom cultivation, offering a hot, humid and tropical climate. It accounted for around 3.0% of total European imports in 2021. The country is an important supplier to some European countries like Germany, where companies like [AKO The Spice Company](#) offer Tanzanian cardamom. The company [Green Leader Spices](#) is Tanzania's main cardamom supplier, offering a range of organic and conventional cardamom, in addition to cloves. Green Leader Spices sources from small-scale African farmers, but has operations in Dubai (United Arab Emirates).

Honduras: an emerging cardamom supplier

Honduras accounts for a very small share of European imports, at 0.3% in 2021. As such, the country does not play a significant role in supplies but it is an interesting emerging supplier. The main company in Honduras supplying cardamom is [Inversiones Corporativas Oro Verde](#). Cardamom has been [promoted by the Honduran government](#) as an extra source of income for farmers involved in coffee production in some regions of the country.

Indonesia: important producer with large local market

Indonesia also accounted for a 0.3% share of total European cardamom imports in 2021. The country is a producer of important quantities of [two kinds of cardamom](#), Javanese cardamom (*Amomum compactum*) and small/Indian cardamom (*Elettaria cardamomum*). And yet Indonesia remains a small exporter due to the local consumption of the spice. Some of the existing exporters are companies involved in the trade of spices, like [Agro Muda Berkarya](#), [Subur Anugerah](#), [Injama](#) and [Ramnu](#).

Sri Lanka: a supplier with presence in niche markets

Sri Lanka has a very small share in total European imports of cardamom, and in general a small share of world supplies. It is estimated that the country serves 0.1% of global demand, [at a production of 4,000 to 5,000 tonnes per year](#). It accounts for around 0.2% of total European imports. But Sri Lankan cardamom, or Ceylon cardamom, plays an important role in niche markets for high-quality products. This is because a green, larger and triangular type of cardamom pods, indigenous to Sri Lanka, has been [categorised as the Ceylon cardamom type in the global spice market](#). Sri Lankan cardamom is [part of the product assortment of Royal Spices](#) (UK), alongside the traditional origins Guatemala and India.

Another aspect that makes Sri Lanka a competitive supplying country for cardamom is its environmental profile. The spice is cultivated by small-sized farmers under forest cover or as the secondary crop in mix cultivation. This makes the spice attractive to fine spices companies like Danish [Mill & Mortar](#), which has a strong focus on the origin and impact of its products.

Sri Lanka has strong potential in niche markets for sustainably certified products. The [list of operators of FLO-Cert](#) reveals that 59 producers' groups and traders handling cardamom in Sri Lanka are Fairtrade-certified or licensed.

Which companies are you competing with?

Together, Guatemala and India are responsible for nearly 70% of European suppliers of cardamom. This includes re-exports from intra-European suppliers. As such, Guatemalan and Indian companies are most consolidated in the European market, and offer most competition to new suppliers.

Guatemalan companies

Guatemala has the world's strongest cardamom sector, and its exporters are able to supply large volumes at competitive prices. Most exporters can supply both whole and ground cardamom, so they have solid processing capacity. Guatemalan exporters have a strong position in the conventional market, but some players have also accessed niche markets successfully, maintaining an especially strong position in the organic market.

Some of the main exporters of conventional cardamom in Guatemala are [CARDEX](#), [Del Trópico](#) and [Agroproducts Dinámica](#). The [Guatemalan Federation of Cooperatives of the Verapaces \(FEDECOVERA\)](#) is the first producer and exporter of organic cardamom in the world. It also exports cardamom essential oil. The federation comprises 36 cooperatives with 60,000 small producers who depend directly on this spice. In addition to organic, Fairtrade and Kosher certification, FEDECOVERA's model integrates small producers into a system of agroforestry production chains that is environmentally and socially sustainable.

Indian companies

There are many companies in India that export spices, with cardamom as one of the most common products in exporters' portfolios. India has large-scale and pioneering exporters like [MAS Enterprises](#), which also has its own spice plantations in the country, as well as small and medium-sized local companies that include [Royal Spices](#), [Adrianna Springs](#) and [Maithili & Swara Enterprises](#). Indian exporters compete on quality and enjoy a good reputation on the European and other international markets.

Indian exporters have also gained a strong position in certified cardamom, where many Indian companies offer organic, fair trade and Rainforest Alliance-certified cardamom. This gives Indian suppliers an advantage in niche markets. Some of the companies exporting certified cardamom are [Suminter India Organics](#), [PDS Organic Spices](#) and [Sarwam Organics](#).

Which products are you competing with?

Cardamom has a typical flavour and taste, and very particular applications. Real product substitution is not possible. However, cardamom does get replaced with lower-valued ingredients like ginger (it is in the same botanical spice group as cardamom), nutmeg and cinnamon in some product applications and recipes.

Tips:

Develop and express your unique selling points as a supplier of cardamom. Think about factors that set you apart from your competitors, and create your marketing story around these factors. They can be related to the origin of your cardamom, the agro-climatic characteristics of the producing region, the profile of producing communities, the unique quality of your product, your post-harvest techniques, or a combination of these aspects.

Get inspired by examples like [FEDECOVERA](#) in Guatemala (described above). Another interesting example is the Sri Lanka-based [Small Organic Farmers' Association \(SOFA\)](#), which practices a mixed cropping system with cash crops, shade trees, repellent crops, and medicinal herbs to maintain the local biodiversity and support local farmers.

Develop long-term partnerships with your buyer. This implies always complying with buyer requirements and keeping your promises. This will provide you with a competitive advantage, more knowledge, and stability on the European market.

Actively promote your company on your website and at trade fairs. See, for example, [how India's Suminter India Organics highlights its work to protect the local ecosystem](#) by working closely with farmers to find sustainable ways to grow, harvest and processing organic goods. [Suminter India clearly describes its sustainability-related certifications](#), as well as its strict foodsafety standards, supported by BRCGS certification.

4. What are the prices for cardamom?

Although there are a handful of countries producing cardamom, only Guatemalan and Indian production influence international prices significantly. Indian cardamom is generally higher-priced than Guatemalan cardamom. In 2022, [Guatemala is selling cardamom at US\\$12-13 per kg \(FOB\), compared to India's US\\$15 per kg \(FOB\)](#). But prices can fluctuate widely from one harvest to another: Guatemalan cardamom was traded at US\$12.6/kg in 2018, subsequently experiencing a strong increase to US\$20.5/kg in 2019 and US\$25/kg in 2020, but [prices plummeted again in 2021, down to US\\$13/kg](#). Due to COVID-19, India's large domestic market did not consume as much cardamom as normally, and the surplus in international markets affected prices.

It is also important to realise that trade prices and retail prices for cardamom are not directly linked. The margins you can receive as an exporter may differ. They are influenced by factors such as:

- Country of origin
- Current and expected future harvest situation
- Quality of the raw material
- Level of processing
- Level of domestic demand
- Level of international demand
- Trends in prices

Despite being a higher-value spice, the price of cardamom that consumers buy in the supermarket has a similar structure as other spices:

- Raw materials: 5-15%
- Processing: 5-15%
- Transport costs: 2-5%
- Import and processing in Europe: 15-30%
- Retail margin: 30-60%

Margins and profits can be higher for you as an exporter if you are able to add value locally. For example, by further processing (e.g. crushing, grinding) or through certification (e.g. organic, Fairtrade), you can create a competitive edge and benefit more.

Tip:

Evolving market dynamics' strong fluctuations in the price of cardamom lead to rapid changes in marketing opportunities. Keep up to date on the global supply situation and prices. [Mundus Agri](#), the [Indian Spice Board](#) and the [International Trade Centre: Market Price Information](#) regularly publish useful crop and price reports.

This study was carried out on behalf of CBI by [Gustavo Ferro](#).

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