

Market Point

Sauces and Condiments to United Kingdom

February/2014



Sauces and Condiments



It seems no meal is complete nowadays without a companion. A condiment or sauce is usually that companion which enhances its flavour or in some cultures, complements the dish. Ketchup, mayonnaise, mustard, dipping sauces and the list can go on and on.

Many condiments are available packaged in single-serving sachets (packets), like mustard or ketchup, particularly when supplied with take-out or fast-food meals. Condiments are usually applied by the diner. Condiments are sometimes added prior to serving, for example a sandwich made with ketchup or mustard. Some condiments are used during cooking to add flavor or texture to the food; barbecue sauce, teriyaki sauce, soy sauce, marmite are examples.

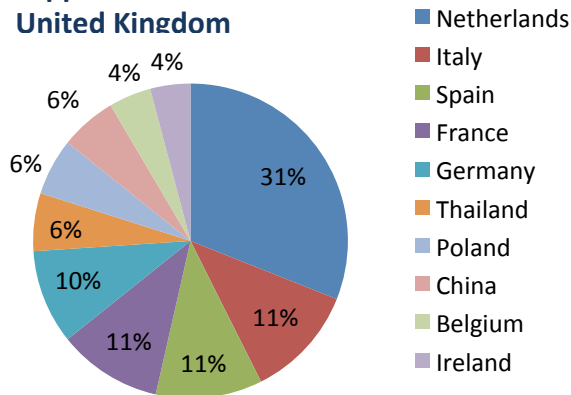
Total national exports:	262 ton (2012)
Total national exports:	US\$ 620,000 (2012)
	14,599 tons (2012)
Average Tons value:	US\$ 2,374.00/tons (2012)
HS Code:	2103.90
National tariff line:	2103.90.10.00
Tariff line in United Kingdom:	2103.90.10.90

United Kingdom



Population (2012):	63.7 millions	0.8	%
GDP per Cap (2012):	US\$ 36.901	-0.5	%
Capital:	London		
Major cities:	London, Birmingham, Glasgow, Liverpool, Edimburgo.		
Currency:	Pound sterling (£)		
Languages:	English		
Religions:	Christianity, Islam, Hinduism, Judaism, Buddhism.		

Market Share of main suppliers of Condiments to United Kingdom



The above figure depicts the “Market Shares of main suppliers of Condiments to the United Kingdom” in the year 2012.

Netherlands is by far the leading market for Condiments to the United Kingdom representing a 31% of total apparent consumption, Italy, Spain and France are tied for the second largest market representing 11% each, continued by Germany with 10%.

Notably the top 5 suppliers of condiments were from Europe.

Market Access

The Target Market is a member of the WTO and also the European Union (EU). Saint Lucia benefits from Preferential Treatment under the Economic Partnership Agreement (EPA). With respect to WTO (multilateral) safeguard measures which are normally applied to imports from all countries, the EU has granted blanket exclusion to the CARIFORUM States from the scope of any WTO safeguard measure taken by the EU – for a period of 5 years (renewable). This is a strong – and unprecedented – preferential treatment granted to CARIFORUM and other ACP countries.

General applied tariff:	7.70%
Tariff applied to Saint Lucia:	0%
Tariff applied to main competitors:	For GSP countries 4.2%
Other import duties to be paid:	N/A

Certification:

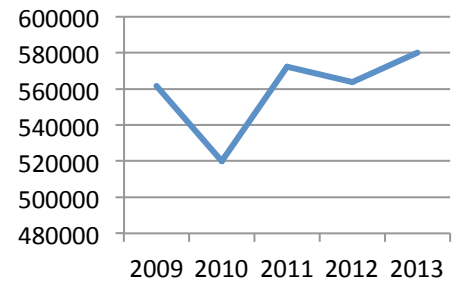
How is Origin Determined?

- Wholly obtained- from the ground, from the sea, from animals.
- Substantially transformed-Change of tariff heading, value added rule, special technical requirement

Features of a certificate of origin:

- Exporter
- Consignee
- Country of Issue
- Country of Origin
- Country of Destination

Imports of condiments in the UK for



The condiments market (import value) in the United Kingdom has fluctuated in the last 5 years but seems to have recovered from a major drop in 2010 and has stabilized

This data is from ITC TradeMap. All of the data is in compatible unit’s current (000) US dollars.

Total imports of Condiments: US\$ 580,107.00 (2012)

Imports of Condiments from Saint Lucia : US\$ 196.00 (2012)

Average import tons value: US\$2,055 (2012)

- Particulars of Goods
- The shipping documents contains a lot of information that can be used to collaborate the information on the invoice and the certificate of origin

To qualify for preferential duty rates, products originating in EPA countries must be accompanied by a proof of origin. This can be either:

- A Movement Certificate EUR.1 - issued by the customs authorities of the exporting country. The exporter (or authorized representative) applying for a certificate must be prepared to submit documents proving the originating status of the products concerned on request, and fulfill the other requirements of the Rules of Origin Protocol.¹
- An invoice declaration – issued by any exporter, for consignments valued €6 000 or less, or by **approved exporters**, for consignments of any value.²

Requirements for obtaining a Certificate of Origin or any other mandatory certification to benefit from tariff preferences, if needed.

Other regulatory requirements to comply with:

- [Control of contaminants in foodstuffs](#)
- [Control of residues of veterinary medicines in animals and animal products for human consumption \(Only required for products of animal origin for human consumption\)](#)
- [Health control of foodstuffs of non-animal origin \(Only required for foodstuffs of non animal origin\)](#)
- [Labelling for foodstuffs](#)
- [Traceability, compliance and responsibility in food and feed](#)
- [Voluntary - Products from organic production](#)

Packaging requirements:

This Regulation covers all materials and articles that are intended to come into contact with food including all types of packaging, bottles (plastic and glass), cutlery, and even adhesives and inks for printing labels.

The Regulation also introduces specific provisions concerning “active” and “intelligent” packaging which extends the shelf-life of food or which reacts when food has gone off (packaging which changes colour, for example).

The Regulation does not cover:

- materials and articles which are supplied as antiques;
- covering or coating materials, such as materials which cover cheese rinds, prepared meat products or fruit;
- fixed water supply equipment

Labelling requirements:



Products marketed in the EU must comply with EU labelling requirements, intended to: protect consumers' health, safety and interests provide product information - content, composition, safe use and special precautions, etc.

The contents of the labelling must be at least in English. In line with the EU legislation, there are specific provisions for the different types of products. The mandatory particulars must be easy to understand and visible, clearly legible and, where appropriate, indelible. The height of «x» the characters must be at least 1.2mm (except for small-

¹Export Help Desk, 2013

²Export Help Desk, 2013

sized packaging or containers).

Materials and articles which come into contact with food shall be produced in line with good manufacturing practice. They must under no circumstances transfer substances to the food with which they are in contact in quantities likely to:

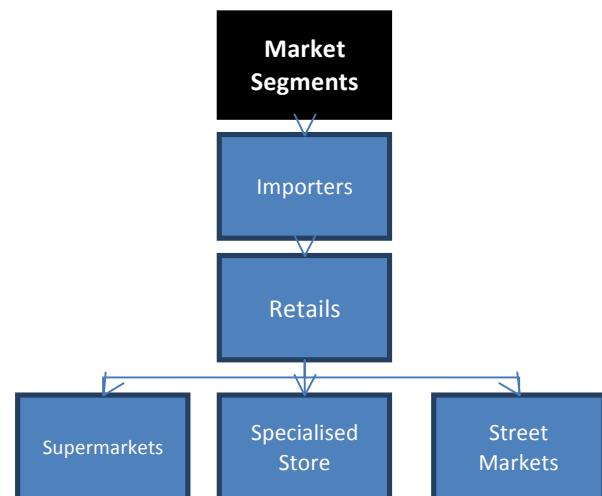
- endanger human health;
- bring about an unacceptable change in the composition of the food;
- bring about a deterioration in the organoleptic characteristics thereof.

If “active” materials and articles change the composition or organoleptic characteristics of food, they must comply with Directive 89/107/EEC on additives and/or any national rules.

The labelling, advertising and presentation of a material or article shall not mislead consumers under any circumstances.

Distribution channels:

In general, three different distribution channels can be distinguished:



Source: CBI

Prices and pricing aspects in major distribution channels:

According with CBI (Centre for the Promotion of Imports from developing countries), most of products from developing countries is traded via importing wholesalers and there are more than 40 thousand companies in the EU. The wholesalers supply to Hyper and supermarkets and specialist stores.

In order to position the product in a high segment of the market, you should establish voluntary certification in the UK market, which will allow for higher prices and higher profit margins.

Voluntary standards:

1. **Voluntary - Products from organic production:** Organic products from third countries may only be placed on the EU market when they are labelled as products with indications referring to organic production, if they have been produced in accordance with production rules and subject to inspection arrangements that are in compliance with, or equivalent to Community legislation.
2. **HACCP:** In the UK, requirements for the hygiene of food is laid down in the following regulation: [Regulation \(EC\) 852/2004](#): General hygiene procedures for food at all stages of the production process, from primary production to sale to the EU consumer (so-called “from-farm-to-fork approach”).
3. **Global G.A.P:** Is the worldwide standard that assures the Good Agricultural Practice. Covers all stages of production, from pre-harvest activities such as soil management and plant protection product application to post-harvest produce handling, packing and storing.
4. **Organic:** Imports organic products from thirds countries: [Commission Regulation \(EC\) No. 1235/2008 of 8 December 2008 with detailed rules concerning import of organic products from third countries](#)
5. **Fairtrade** certification system ensures that relevant social and environmental standards are met and that producers receive the Fairtrade Minimum Price and Premium.