

# CYPRUS

## Europe's herb garden



**K**nown as 'the garden of the Mediterranean', Cyprus has a long history of exporting salad products and vegetables such as rocket, cucumbers, spinach, aubergines, marrows, courgettes and peppers – as well as herbs coriander, parsley and mint – and last year exported more than eight million kilos of such products to countries in Europe and beyond.

The small but agriculturally rich island has discovered that, after 10 years of trials and research, it can apply its expertise and knowledge to further its herb production. With good trade routes throughout the world, it is fast becoming an important source of a full range of fresh herbs for suppliers throughout Europe and the Gulf countries. With herbs becoming increasingly popular in both the foodservice and retail sectors, herb production has become paramount in Cyprus and one of its most important exports over the last decade.

The country is great source of fresh herbs to rival competitors Israel, Egypt and Morocco during the winter period. And the Cyprus High Commission Trade Centre in London has an interesting story to share. With warm temperatures and light rainfall during the winter months, Cyprus is the perfect place to cultivate a wide range of herbs, including the world's favourite, coriander, as well as dill, rosemary, thyme, marjoram, sage, mint, oregano and parsley – in addition, more specialist types such as chervil, lovage and lemongrass. Leafy salads such as spinach, white chard, watercress and rocket are also excelling under the island's beautiful climate and the producers' experienced hands. Herbs are indigenous to the island and once grew wild in the fields. As a result, the fresh herbs coming out of the country are now known for their freshness and strong aroma – one sprig of a herb from Cyprus is worth two or three of the same herb grown elsewhere. The country's sandy soils and suitable climate, along with growers' constant attention and care, mean that many herbs can be grown in open fields all year round. Due to cooler temperatures at night, some types of herbs are grown under polythene or in glasshouses, but only basil cultivation requires artificial heat – giving Cypriot herb producers a positive environmental story.

In fact, the climate in Cyprus means that pesticides can be kept to a minimum, with most producers following organic means of production when possible. As a result, Cypriot herbs are making an impact on the global market and the country exported more than three million kilos of coriander to suppliers, wholesalers and retailers in Europe last year. The product is second to none; fresh herbs generally go from harvest to stores in 24 hours, ensuring freshness and extended shelf life for the end user.

The Cypriot growers' good reputation precedes them and customers around the world appreciate the high-quality product and attentive customer service they receive when they buy Cypriot vegetables. Providing a reliable and dependable service is key – just one

order by phone in the morning to a herb producer in Cyprus can mean that fresh herbs will be making their way to you via chartered planes by the afternoon.

It is clear to see that Cyprus is establishing itself as Europe's very own herb garden. Let's take a look at what just a few of the country's many herb growers and exporters have to offer.

### Building on reputation

Family firm Elsaro Aromatics Ltd – [elsaro@cytanet.com.cy](mailto:elsaro@cytanet.com.cy) – grows more than 15 types of fresh herbs on 40 hectares in Potamia, which is located on the outskirts of Cyprus's capital city, Nicosia. With assistance from other Cypriot growers in the area, the company supplies a full range of herbs, alongside wild rocket, for wholesale markets, caterers and indirectly to supermarkets through packers, mainly to Germany, Switzerland, Greece, Poland, Hungary and Italy.

It has been a long and eventful journey for the company's managing director Leontios Sakkalos, who is the third generation of his family to run the farm,

as the company made the switch to cultivating herbs rather than the onions, carrots and artichokes that it had originally grown.

"We started to grow herbs 10 years ago as a market for the product began to materialise in mainland Europe," explains Sakkalos. "We found out about the potential of the fresh herb market and it made sense to gradually switch over to herb production solely because we have a lack of water and most herbs do not need a lot of irrigation. Year after year, we left other products out of our range and introduced more herbs, and after two years of full production we started to export to other countries after

introducing our crops at Germany's Green Week."

And since then, Elsaro Aromatics has gone from strength to strength. Sakkalos believes that, as well as Cyprus's favourable climate, his farm has the added protection of the mountains that surround it, which means that his crops never suffer hail damage during the winter months.

The company grows basil, sage, dill, mint and thyme under polythene and rosemary in open fields. Sakkalos maintains that, apart from rosemary – which takes up 25 per cent of the farm's land – the herbs need some added protection from low temperatures at

night and, with the aid of cover, the herbs stay between 4°C and 5°C. Only the basil needs to be heated and watered regularly, as it is a more sensitive plant to handle. The basil crop is carefully maintained, as if it drops to a temperature below 10°C it will be lost. Elsaro Aromatics irrigates basil through a droplet system to the roots, which are grown in plastic bags to prevent weeds and disease. Showing that the environment is key to its business, the company then sends the bags to be recycled after use.

The company does have some weed problems, especially with its wild rocket crop, but Sakkalos maintains that, although he is a conventional grower, the farm is as near to the organic way of life as it can be, and use of pesticides is kept to a minimum.

Scarcity of water has become more of a problem in the country in the last five years and, as the effects of this have become visible, Elsaro Aromatics has moved its production of herbs that need a good deal of water, such as coriander, nearer the coastline.

The company provides a steady production that fulfils its customers' requirements, making programmes with those customers and airfreighting on chartered flights to ensure a reliable and consistent supply of washed and packed herbs from November to the beginning of May.



## Perfect in many ways

It is not just the ideal climate in Cyprus that makes herbs the perfect crop for the island's growers and exporters; it also makes perfect sense in terms of cost and logistics. Fruit and vegetable exporter Andreas Malliotis Co Ltd – malioti@spidernet.com.cy – has always included herbs and leafy salads such as coriander and spinach in its offer, but started off by exporting mainly mini cucumbers and tomatoes to UK supermarkets Tesco and Sainsbury's.

However, over time, fixed prices coupled with higher transportation costs for airfreighted goods have brought the company round to the perfect solution – airfreighting a lighter product such as herbs which, because of their quality, can demand a premium.

"It seems that the experience created over the years growing herbs has helped us command a premium price and the quality we provide is something our customers regularly comment on," says Savvas Malliotis, managing director of the company, which sources herbs from growers that it has built

## Gearing up for demand

The growing herb industry has been the key to many growers and exporters expanding their companies in Cyprus and farmer, packer and exporter Alion Fruit & Vegetables Exporters Co Ltd – www.alionveg.com – has been no exception. Marketing manager Philip Philippou is gearing up for future demand from customers in 24 different countries around the world and, as a result, Alion has gone through some radical changes in order to cope efficiently with any kind of customer request for fresh herbs.

"We started to grow and export leafy salads such as spinach, as well as coriander in the winter months and okra in the summer, when we established the company in 1990," explains Philippou. "But in the last five years – since we took on a full range of herbs – market demand has really increased and we saw this as a way to push our business forward. We have seen an annual increase in demand of 10-15 per cent for fresh herbs from the UK alone.

"Everyone seems to be interested in herbs and customers want to know more, so we started to trial basil, thyme, sage and rosemary and the market really took off for us. For 30 years, Israel has dominated the UK herb market in the winter, but the UK market is one of our main targets and, with time, confidence in Cyprus as a quality source for herbs will grow further.

"We are seeing a herb use revolution in Europe and especially the UK and it is part of the whole healthy eating trend that restaurants and consumers have started to follow. The restaurants want to give their customers something different, whether it is a garnish on the plate or adding taste or aroma to the food."

In the past year, Alion has increased its premises and packhouse from a 1,000sqm facility to a new state-of-the-art packhouse in Pera Chorio Nisou, which is 15km from Nicosia and only 20km from the export hub at Larnaca airport. The new facility is a temperature-controlled environment with pre-cooling rooms and new packing technology designed especially for herbs. The company is also ISO9001:2000 and ISO 22000 certified. "The expansion was a big leap from where we were," says Philippou. "But we have faith in the Cypriot herb industry in a big way." And that faith has paid off, with the company now exporting more than 3,500 tonnes of herbs and vegetables, such as marrows, chillies, aubergines and beans, in 2008.

Alion's main market lies in the UK, with customers ranging from packers that supply Tesco, to wholesalers and caterers. But the

company is also on the look-out for new markets to expand to and have been involved in many trade events this year, namely Germany's Fruit Logistica and the Gulf Food exhibition in Dubai, both in February, as well as a trade show in Moscow in October. Alion is also considering Finland and Canada as future target markets.

"Along with the hard work we put into keeping abreast with current market trends, if it was not for the Ministry of Commerce helping us take part in exhibitions by subsidising our stands and creating contacts, we would not be as successful as we are now," believes Philippou. "There are different variations of markets that we are now involved in abroad and if a customer is interested in importing a particular herb or herb variety, we will trial it at our facility and see if it is commercially viable."

Alion now exports more than 20 different types of fresh herbs, as well as salad products such as spinach, watercress, endives, Poi Soy, cucumbers and aubergines during the winter. It also exports marrows, okra, beans and chillies during the summer months, when the herb market slows down due to domestic production of the product within many European countries. "We can grow herbs all year round," says Philippou. "But our winter production offers excellent quality and plants grown in Cyprus are generally more durable and have a longer shelf life than other sources. Its sun, soil and breeze make Cyprus a perfect place for herb production – especially coriander and mint, which are indigenous to the island."

Dill is also very suited to the climate of Cyprus and takes up a substantial area on both its 20ha site in Kornos, just outside Nicosia, and an additional 40ha of its production surrounding Kornos river. An open-field product, dill thrives in warm temperatures and can survive any lower temperatures that the night may bring. "We get a lot of demand for dill and supply about 2t a day in the winter," says Philippou. "It is one of the strong items and we are ready to export more if needed. We have always grown dill and mostly sent it to both the UK and Germany, but demand has really increased in the last five years."

Philippou's faith in Cyprus's herb production is evident. "We move with the times," he says, "and believe that herbs and leafy salads will be the island's main export market in years to come. We offer quality and service that cannot be matched, and as soon as the market recognises that and is ready to say 'yes' to our produce, we will be ready to say 'yes' to it."

up long-term and reliable relationships with over the last 30 years.

"We have a strong hold with ethnic communities throughout the UK and have a strong relationship with wholesalers and suppliers there. The sunny weather here, coupled with the mild climate, makes the herb plants stronger – you can see that the roots of coriander grown in Cyprus are very different from that grown in any other country in mainland Europe."

Malliotis maintains that post-harvest handling and growing practises shine through in Cyprus herbs. The company works with only 10 growers in order to monitor quality and plan effectively. "Quality control procedures are carried out at our premises when it arrives from the growers," explains Malliotis. "We carry out visits to growers, of which most are GlobalGAP-certified, but major quality-control processes take place in the

packhouse. We take great care in checking that the product has been washed properly, that the weight of bunches are correct and check for any signs of disease or rotting. "We receive confirmation from growers on their pesticide use regularly and check residue levels. The product goes through a pre-cooling process in our 1,500sqm facility when it arrives. This takes the temperature of the items down to 4°C before they are packed. We run a temperature-controlled journey from the packhouse to the airport and keep produce to a temperature of 4°C to 5°C at all times."

Andreas Malliotis Co exports roughly 7t a day of fresh herbs during the winter months and also exports an average of 15t a week of okra, mainly to France, from June until August. "Herbs are 30 per cent more expensive than last year because of the exchange rate, but the volumes we are moving have not changed, despite the recession in the UK," says Malliotis. "Cypriot growers and exporters have to be patient as there are still very good things to come. The important thing is that, even though our prices have had to rise, the customer is still willing to pay more for top quality, and we can certainly produce high-quality herbs."

## Reliable to the core

Over the years, as the Cypriot industry has become more focused on leafy salads and herbs, importer and exporter Vepro Co Ltd – [www.veproco.com.cy](http://www.veproco.com.cy) – has moved with the times and concentrated on its offer of coriander, methi, flat leaf parsley and mint, along with newcomers to the island, basil, oregano, rosemary and thyme.

Business is booming and all products are airfreighted to customers on a daily basis, with the country exporting more than 500,000kg of parsley and 1.5m kg of spinach last year.

Nicosia-based Vepro exports around 400,000 cartons of herbs and leafy salads in the winter season, mainly to wholesalers and pre-packers in the UK and mainland Europe. "It is a fast-moving trade, so you cannot order that much in advance, like you can with longer-lasting products like apples and pears," explains director Thanassis Stavri. "We supply on a daily basis so everything depends on day-to-day sales. It changes all the time – one minute a customer says that sales are slow, the next they are asking for more stuff – so you have to act quickly and know the market."

"Changes are constant and the best thing we can do is plan ahead. I have a good idea of what customers may need and my experience means that I am right 80-90 per cent of the time, so we do not go short of stock and offer daily, reliable deliveries."

Reliability is at the core of Vepro and all of its growers have HACCP, ISO certification and GlobalGAP. Some of the packhouse staff have been with the company for more than 20 years. "There is enough experience in the packhouse for staff to carry out some quality control while they pack," says Stavri. "We have a clear structure of responsibility throughout the company and stop insufficient quality making it through to exports immediately." In the interest of quality, Vepro reassessed the way it packs its herbs and leafy salads 10 years ago and invested in a high

humidity cooler. Now product is cooled throughout the night and then packed in the morning. "Before we were packing the herbs straight away and then shipping them out, so there was an immense pressure on people to control the temperature and get it to the refrigerated vans in time," says Stavri. "By keeping the goods overnight and people packing the produce in the morning, there is less pressure and now



temperature, size and weight can all be easily monitored and all aspects of quality control are better. "We have seen an increase in our volumes in the last three to four years, which I believe is down to offering better quality." One dark spot on Cyprus's otherwise crystal-clear horizon is the drought that the country has suffered for the past five summers. Dams have been built and utilised since the problem arose and now the Cyprus government is looking into using desalination – a process in which seawater is made safe to drink and use – to solve the problem. Even though herb cultivation uses less water than most products, the problem is still affecting the industry; but producers and exporters are determined that this will not stand in the way of producing top-quality herbs and leafy salads.

"It is not easy, but growers are constantly drilling deeper to find water to irrigate," says Stavri. "As time goes by, things will improve because of the new desalination plants, but this is a critical year as it is the fifth winter in a row where there has been practically no rain. But Cyprus herbs do well because of our consistency, reliability and the quality of the product, and that will

not change. The industry will survive the drought, but it is very difficult to introduce new lines because a lot of growers are reluctant to grow new crops at this time." Nevertheless, Vepro is on the look-out for new markets and will turn its attention to Eastern Europe this year by taking part in exhibitions in Poland and Moscow. "We have good growers who are willing to expand for next season, and we are going to explore these new markets and take it from there," says Stavri. "More and more people are learning about herbs and leafy salads, and we are not just getting interest from Asian communities – which was once the case. There has been growth in the foodservice sector and this gives us better prospects, especially in the UK. "Consumers in Europe, and more particularly the UK, are basically new to the use of herbs in their diets and are learning how to integrate herbs into their daily diet. Herbs and leafy salads like spinach and rocket are so versatile. We grow the Turkish variety of rocket, which is more robust and flavoursome than wild rocket, and our spinach is very different to the one grown in the UK and has a white root, longer stalks and smaller leaves. It is named Palak in Tesco so people can differentiate between the two. Herbs and leafy salads will become even more popular with consumers in the future."

## Ready for anything

With nearly 100 years of working experience under its belt, Kourtellaris Imports - Exports Ltd – [www.kourtellaris.com](http://www.kourtellaris.com) – was originally a grower, but the family firm eventually turned its hand to exporting its products in 1990.

The company mainly grows coriander, spinach, methi, parsley, okra, white marrows, chillies and black eyed beans on more than 500ha in Ergates and sends to wholesalers, retailers and supermarkets throughout the UK and mainland Europe.

"We decided to cut out the middleman by sending directly to our customers," says director and second generation to run the business, Georgios Kourtellaris. "We get better prices and are now more in control of the service we offer to our customers."

Like all Cypriot producers, the company sets out to produce high-quality herbs and vegetables and, through its state-of-the-art packhouse, works to high standards of hygiene and safety according to ISO 9001 and HACCP.

"Demand for our herbs increases every year," reveals Kourtellaris. "Quality is most important and the herbs are as fresh as possible. The herbs are cut and taken to the packhouse very quickly to provide fresh daily deliveries to our customers. We harvest in the field and seven hours later, they can be in the UK."

Kourtellaris Imports - Exports packs in all sort of different formats and sizes, depending on the individual customer, in its 2,000sqft packhouse. On top of this it offers full traceability back to the field its products are grown in.

Coriander takes up half of the company's farmland and grows throughout the year, although the strong export season is from November to May. "It depends on the weather in the UK," explains Kourtellaris. "If the UK has good weather we stop earlier, as domestic production starts and if it is bad, we continue the season."

Apart from having to irrigate his land, Kourtellaris finds that Cyprus's climate is very suited to coriander and does not suffer any frosts that would kill the delicate crop.

"We grow more coriander than anything else because of customer demand," he says. "But if our customers wanted more mint, which we grow in glasshouses, that would not be a problem either. We are always ready to react to market demands."

## Hard work pays off

Family business C Malathouras & Son Ltd – [www.cypria-teacher.com](http://www.cypria-teacher.com) – is a producer, packer and exporter of fresh fruits and vegetables. The firm was established in 1952 and mainly produced and exported potatoes and dairy products, but in the late 1970s it made the change to bunched herbs such as coriander, methi, parsley, dill and mint, along with spinach and rocket.

"In recent years, a major expansion in out-of-season salads and vegetables has been apparent, with particular success being achieved in specialist items such as fresh herbs, coriander and okra," says second-generation director of the company, Andros Malathouras. "Our biggest export is coriander and we moved over to herbs because there was such a demand, especially from the UK."

The business now provides 150 Cypriot shops in London, as well as wholesalers, and mostly sources from its own production area of 300ha in the Kivisili area, near Larnaca, where it grows mainly herbs, spinach, watercress, black eyed beans, chillies and olives. Producing approximately 500t of herbs a year, C Malathouras & Son also sources from seven growers in the red soil areas that surround Larnaca, and have invested a good deal into the business over the years. New harvesting and planting machinery, along with new irrigation systems were implemented at field level two years ago, and the packhouse has been refurbished with the addition of three new refrigeration coldstores.

The business enjoys a good relationship with its customers, but is also looking further a field for new opportunities. "We supply shops directly in London, as I used to own a fruit and vegetable shop when I lived in London and know the business very well," says Malathouras. "But we are looking to break into other markets. It is a different ball game to supply supermarkets, but if it is possible, why not? We will not refuse any opportunity and we are thinking about attending some trade shows in the coming years."

Most of the herbs that C Malathouras & Son grow take 45 days to mature from seed planting and each crop is harvested two to three times from when it is ready until August. The product is then washed in trucks on the field and transported to the packhouse, where it is pre-cooled to 3°C normally overnight. The product is then transported to the airport in refrigerated lorries.

"The availability we provide our customers is second to none because we stick to a steady planting system," reveals Malathouras. "And we believe that we produce perfect-quality herbs and leafy salads. We work very hard because the fast-paced nature of the business can be challenging and competition is fierce. But I believe that Cyprus's main export will be herbs in the future – no other product suits us better."



## New horizons

Many growers and exporters are concerned with the amount of space that airlines are going to offer during the winter in the future, in the wake of the credit crunch. They are putting plans in place in case problems emerge.

Spyros Petrou, managing director of Nicosia-based Farm Vegfruit Marketing Co Ltd – [www.farmvegfruit.com](http://www.farmvegfruit.com) – is determined that his company will not be put in jeopardy. "We are investigating using other airports and routes, while retaining a service that is reliable and economical," he reveals. "We are thinking of redirecting flights to the Gulf to get to some places in Europe. Business is very high in the winter and we have the production in this country to send more, so we have got to look at our options if direct airlines start to cut down on their passenger flights."

Farm Vegfruit exports coriander, parsley, spinach, white chard, mint, dill, rocket, thyme, rosemary and sage during the winter, mostly to the UK and Denmark. The company sells directly to distributors in those country and works on a fixed price.

Petrou rejoices in the fact that Cyprus has found a new speciality in herbs and leafy vegetables and now sources from 20-25 growers around the country, which means that he never has any problems meeting demand. "The producers plant for the company and we usually take our daily coriander orders from around 10 different growers," says Petrou. "This offers security to our customers and any changes in weather, or hail that comes, is not such a big issue as the growers are spaced out around the island."

"Cyprus has been working towards this for half a century and we do not only offer good-quality products, but also a good service, with punctual shipments, up-to-date paperwork and good connections within the industry. We are very strict with ourselves and always send a good-quality bunch of the right size and a reasonable rate."

Cyprus has the edge when it comes to herb and leafy salad cultivation, says Petrou, because it cannot be grown to the same standard elsewhere in the winter. After 100 years' experience of growing coriander and spinach in particular, once a customer sources from Cyprus, they always come back. "English parsley is sometimes a fifth of the price of our product, but people who know about taste and aroma still go for the more expensive parsley," he reveals. "It is the climate that makes a difference and the freshness that comes out of the country."

## To the future

In the last 10 years herb grower and exporter Hadson Co Ltd – [hadson@cytanet.com.cy](mailto:hadson@cytanet.com.cy) – has been widening its horizons and looking to other markets, other than its mainstay the UK. Owner Rodis Hadjiandreou has had a good deal of success in sending herbs, especially basil and rosemary to markets in France, Greece, Germany, Norway and Sweden.

The company began by exporting coriander, parsley and leafy salads in 1963 and like other herb businesses in Cyprus, took on other herbs about 10 years ago. After a modernisation of its packhouse, Hadson has been supplying vacuum-packed herbs indirectly to supermarkets, through suppliers, and is working on a new packing venture, where herbs and leafy salads will become available together in a mixed, ready-to-use salad bowl or bag.

"It is very early days, but we have specialist chefs working on the concept now," says Hadjiandreou. "First, we will sell the product to the local area and then we will look to export it further afield."

A company with its finger on the pulse, Hadson is participating in several trade shows this year, including Fruit Logistica, Gulfood 2009 in Dubai and a food and drink exhibition in Greece. Even though Hadson is looking for new markets, he maintains that the trading situation has to be right and he will not forsake the quality of the herbs. "We are GlobalGAP-accredited and have HACCP under our belt, and we will only take clients that have clear distribution routes to them," says Hadjiandreou. "The herbs have to be respected, so we are not going to abandon our levels of quality on arrival to the customer, just for more business."

Hadjiandreou believes that consumer tastes are changing and that the future market for Cypriot herbs is bright. "There has been a change in the average European consumer and they are more willing to explore different tastes than before," says Hadjiandreou. "Eating habits in the Mediterranean are well known and people use a lot of herbs – fresh and dry – and that kind of cooking is becoming more popular. Rosemary and basil are very popular with the catering trade and consumers want to recreate that holiday feeling at home. "My company has pushed herbs forward in the last 10 years, but it is still only the beginning."