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 | 10.b- How to promote territorial marketing of edible NWFP and their derivatives? |
|   | Marketing  |
|   | Research  |
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|   | **NWFP** |
| **Essential oils value chain in Tunisian forests: Conflicts between inclusiveness and marketing performance** | Aromatic and medicinal plants |
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|  | **Keywords** |
|  | Essential oils, export, Marketing, performance, strategy, Tunisia. |
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|   | **Scale** |
|   | local  |
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| **Objective** |   |
| Identify drivers and barriers for developing Tunisian Essentiel Oil (EO) market and new growth strategies to promote the sector and become more competitive in the international market. |
| **Context** |   |
| Tunisia is endowed with vast resources of aromatic plants, particularly rosemary and myrtle in forest areas. Apart from the traditional ways of using these plants, many are exported as EO to industrialized countries. These products represent significant export opportunities, however many constraints have limited Tunisian exports, largely related to the weakness of the value chain and supply. Indeed different sizes of firms are operating in EO sector but with varying profitability indicators (small firms are facing various difficulties compared with larged firms).  |
| **Results** |   |
| PESTLE analysis was employed to describe the external business environment of exporting firms of EO in Tunisia. Results therefore show that controlling production costs still complex and difficult especially for small sized firms. there are various problems regarding the quality control and represent an important barrier to enter into the Eurpean markerts. In addition, distribution channels are not organized with the presence of too many intermediaries. Besides, large firms are facing serious difficulties due to the lack of workforce. Moreover, the lack of advanced and specialized technology would reduce the competitiveness of firms. There is another important point regarding the legal framework : regulations are not rigorous enough to enhance the development of AMP sector and represent an important barrier to all stakeholder along the whole value chain. Lastly, forest fire risk and bad practices in collecting plants present the major threats for the EO production and biodiversity conservation. It has been shown that specific firm characteristics influence also export marketing performance. Indeed, the larger the size of the enterprise the more likely it is to access to the export market. |
| **Recommendations** |   |
| National firms and large processing units should start grouping the small national and local production units. Firms could achieve better marketing performance by offering differentiated EO with high capacities to ensure requested quantities in time.Micro firms can benefit from strategic alliances by establishing direct contact with key distributors.SMEs can build long-term supply relationships and strategic alliances with specialized stores.Small producers of EO can get into the market by prospecting small industries such as aromatherapy and massage centers. |
| **Impacts and weaknesses** |   |
| recommendations : Small companies should focus on local market and comercialise their products using small packaging size in massage centers and specialized outlets. Small firms will not be competitive at the international market without providing a contrinous production with an stable quality .  |
| **Future developments** |   |
| action is needed to reinforce the EO industry in Tunisia which deserves to gain a bigger political support especially in the case of small firms and startup companies. Besides micro firms sould focus on the local market instead of the international market by improving their performance and reinforcing their presence on the Tunisia market. |
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