

# Quantitative Export Factsheet

Sesamum seeds to India

September 2021



## Introduction

This Quantitative Export Factsheet provides strategic information about exporting **Sesamum seeds**, whether or not broken, **HS Code 120740** from **Tanzania to India**. It provides reliable market intelligence from ITC and other sources about important variables including the market size and growth, competition, trends in prices, import tariffs and market regulations.

## The Product



Total exports of Sesamum seeds from Tanzania in 2020 to the world

USD 187,821,000

## Opportunity Summary

India is a high potential export market for Tanzanian sesame seeds. India is the fourth largest importer of sesame seeds in the world. Its share of world imports is increasing. Tanzania exports of sesame seeds to India have outperformed the market overall, growing by 67% annually over the last five years and 463% in 2019-20. Tanzania is a similar distance from India as the top supplier Sudan and sells at a competitive unit value. While Tanzania does not benefit from tariff preferences, it is not disadvantaged compared with seven other leading suppliers.

## Target Market - India



Rank in World for Imports of this Product

4th

Capital City

New Delhi

Population

1.354 billion

GDP per capita

USD 1,901

Currency

Indian Rupee

Languages

22 languages of which most widely used are Hindi and English

Country profile

<https://www.india.gov.in/india-glance/profile>

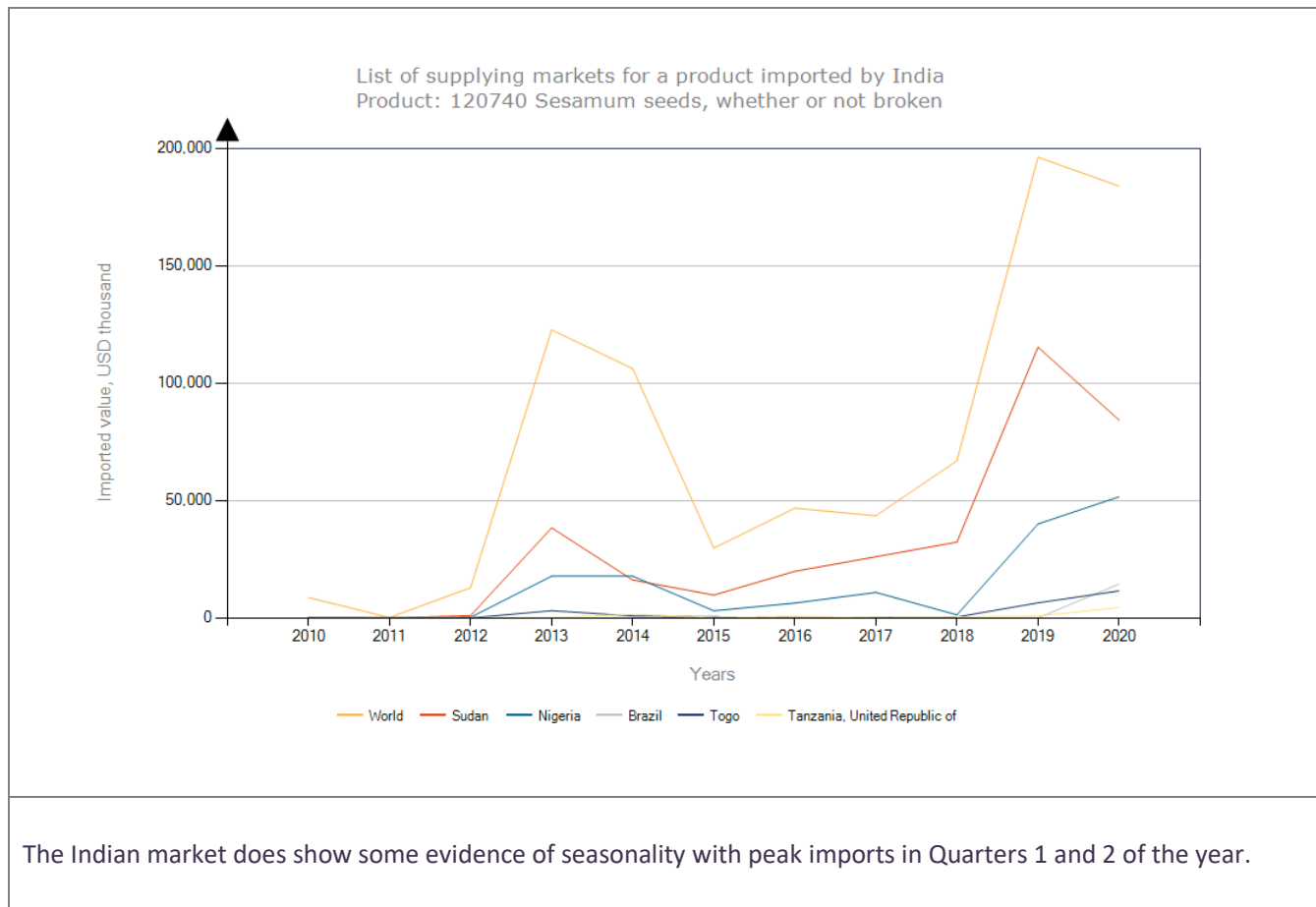
## Size of the Market

In 2020 India imported USD 183,904,000 of sesame seeds from the world, which represented 5.1% of world imports of the product. In the same year, India imported USD 4,428,000 of the product from Tanzania, which means Tanzania has a 2.4 % share of India's imports.

## Growth of the Market

Over the last five years, the value of India's imports from the world of sesamum seeds grew by 53 % per annum. This market performance was better than the world's growth in imports of sesamum seeds which grew by 13%. So, India's share in world imports of sesamum seeds has been increasing. It should be noted that in the most recent year 2019-20 this growth rate was not sustained with the market contracting by -6 %.

The value of India's imports from Tanzania grew by 67% per annum over the last five years, which compared with the overall market growth, means Tanzania gained market share.



## Unit Value\*

The average unit value of India's imports of sesamum seeds in 2020 was 1,233 USD / ton. This was less than the world unit value for the product of 1,448 USD/ ton.

Over the last five years, India's unit value has been appreciating. This should be seen in the context of the world unit value for sesamum seeds, which was also appreciating.

The unit value paid by India to Tanzania was 1,045 USD/ton, meaning Tanzania commanded a lower than average unit value in the market. Tanzania's unit value has appreciated over the last five years in this market.

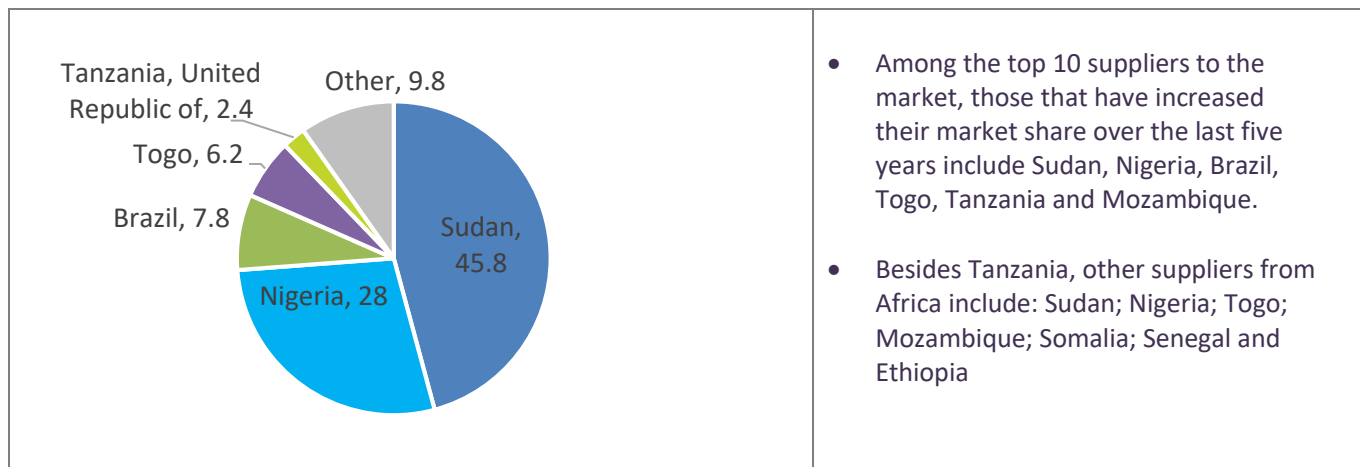
Among the top five suppliers to the market, those countries whose unit value appreciated over the last five years include Sudan, Nigeria, and Togo.

With respect to the top ten suppliers, considering the narrow range between the highest unit value of 1,551 USD/ ton paid to Republic of Korea and the lowest unit value of 1,010 USD/ ton paid to Brazil, we can surmise that the sesamum market in India is somewhat homogeneous.

\*The unit value in a market is calculated by dividing the value of imports by the quantity of imports. It can be a useful proxy for the average price of the product in a market.

## Competition

Supply to India's market for sesame seed is concentrated, with the top three exporters Sudan, Nigeria and Brazil, having market shares of 45.8%, 28% and 7.8%, respectively.



## Market Access

Tanzania does not benefit from preferential market access in India for sesame seeds.

The following table shows the national tariff line product codes used by India to describe sesame seeds. It also shows the minimum tariff applied to Tanzania compared with the tariff applied to the top 3 competitors.

National tariff line code in <b>India</b>	Product Description	MFN or general tariff	Lowest tariff faced by <b>Tanzania</b>	Lowest tariff faced by <b>Sudan</b>	Lowest tariff faced by <b>Nigeria</b>	Lowest tariff faced by <b>Brazil</b>
12.07.40.10	Sesamum seeds, whether or not broken: Of seed quality	30%	30%	30%	30%	30%
12.07.40.90	Sesamum seeds, whether or not broken: Other	30%	30%	30%	30%	30%

- Tanzania does not have a preferential tariff advantage over key competitors in India for sesame seeds.
- None of the top eight suppliers has preferential market access.

To export sesame seeds to India, exporters from Tanzania need to comply with **mandatory market access requirements (non-tariff measures)**. Details of these are available at ITC's [Market Access Map](#) and are summarised as follows:

- Special authorization requirement for SPS reasons – 5 measures
- Registration requirements for importers – 2 measures
- Tolerance limits for residues of or contamination by certain (non-microbiological) substances – 6 measures
- Restricted use of certain substances in foods and feeds and their contact materials – 4 measures
- Labelling requirements – 4 measures
- Packaging requirements – 4 measures
- Microbiological criteria of the final product – 2 measures
- Irradiation – 1 measure
- Storage and transport conditions – 2 measures
- Other requirements on production or post-production processes, not elsewhere specified – 1 measure
- Testing requirement – 2 measures
- Certification requirement – 4 measures
- Inspection requirement – 3 measures

- Distribution and location of products after delivery – 1 measure
- Traceability requirements, not elsewhere specified – 1 measure
- Authorization requirement for TBT reasons – 1 measure
- Labelling requirements - 5 measures
- Marking requirements – 1 measure
- Packaging requirements – 3 measures
- Product identify requirement – 1 measure
- Product quality or performance requirement – 2 measures
- Traceability requirements, not elsewhere specified – 2 measures
- Requirement to pass through specified port of customs – 2 measures

Key Indian legislation includes: Food Safety and Standards Regulations available at <https://www.fssai.gov.in/>

Potential new non-tariff measures:

While there were no notifications pertaining to sesame seeds at the time of preparing this Export Opportunity Insight, exporters are advised to regularly check <https://epingalert.org> to identify possible new sanitary or phytosanitary measures (SPS) and technical barriers to trade (TBT) notified by India to the WTO.

## Potential Business Partners

ITC's Trade Map provides information on the contact details of companies that import sesame seeds in India. Some examples are provided in the table below. Visit [www.trademap.org](http://www.trademap.org) for details of additional companies.

Company Name	City	Website
Bheda Brothers	Mumbai	<a href="http://www.bheda.co.in/">http://www.bheda.co.in/</a>
Talakshi Lalji & Co	Mumbai	<a href="https://www.tilakagro.com/">https://www.tilakagro.com/</a>
UE Trade Corporation (India) Pte Ltd.	New Delhi	<a href="http://www.uetcindia.com/">http://www.uetcindia.com/</a>

## Other promising markets by 2025

### In the region - Africa:

**Egypt:** is a net importer of sesamum seeds and is the 8<sup>th</sup> largest in the world. Egypt's imports grew faster than the world average over the last five years at 29% per annum although growth contracted by -3% in 2019-20. Egypt's unit value is above the world average and is appreciating. Egypt applies a MFN tariff of 0% and the market is relatively close to Tanzania. Tanzania is not currently exporting to this market.

**Morocco:** is a net importer of sesamum seeds and is the 21<sup>st</sup> largest in the world. Morocco's imports grew faster than the world average over the last five years at 24% per annum, and in 2019-20 imports grew by 45% while world imports stagnated at 0%. Morocco's unit value is above the world average and is appreciating. While Tanzania does not benefit from a preference in the market, Morocco applies a low MFN tariff of 2.5%. Tanzania is not currently exporting to this market.

### In the world:

**China:** is a net importer of sesamum seeds and is the world's largest market accounting for 35.6% of world imports. China's imports grew slower than the world average over the last five years at 11% per annum, but in the most recent year, 2019-20, they outperformed the world average. China's unit value is below the world average and is appreciating, as is the world unit value. The market is not concentrated in terms of supply and Tanzania already has a significant 12% share of the Chinese market and has gained share over the last five years. Tanzania has preferential access to the Chinese market, facing an applied tariff of 0% compared with the MFN rate of 5%. However, other major suppliers from Africa including Niger, Ethiopia, Togo and Mozambique, also face the same preferential market access as Tanzania.

**Japan:** is a net importer of sesamum seeds and is the world's second largest market accounting for 9% of world imports. Japan's imports grew faster than the world average over the last five years at 15% per annum and in the most recent year 2019-20 they also outperformed the world average. Japan's unit value is above the world average and is appreciating, as is the world unit value. The market is moderately concentrated in terms of supply with the major supplier Nigeria, commanding 33.8% of the market. Tanzania also has a significant 7% share of the Japanese market and while its exports to Japan declined by -3% per annum over the last five years, in the most recent year 2019-20 they grew strongly by 37%. Japan applies a 0% MFN tariff to imports of sesamum seeds.

**United Arab Emirates:** is a net importer of sesamum seeds and is the world's sixth largest market accounting for 3.4% of world imports. UAE's imports grew faster than the world average over the last five years at 69% per annum and in the most recent year 2019-20 they also outperformed the world average, growing by 80%. UAE's unit value is on a par with the world average and is appreciating, as is the world unit value. The market is highly concentrated in terms of supply with the major supplier Ethiopia, commanding 84% of the market. Tanzania is not currently exporting to the UAE. UAE applies a 5% MFN tariff to imports of sesamum seeds. No major suppliers face preferential access.

## Key insights

India is a strong and promising market for Tanzanian exports of sesamum seeds, whether or not broken, with untapped export potential\* estimated at over USD 8 million over the next five years. While India also produces and exports sesamum seeds itself, it is also a significant importer, being the 4<sup>th</sup> largest in the world, accounting for 5% of world imports.

Tanzania's exported USD 4.4 million worth of sesamum seeds to India in 2020 and exports grew by 463% over the period 2019-20, meaning Tanzania gained share in the market.

Tanzania's geographical proximity to the market is about the same as the top supplier Sudan and is closer than other major competitors including Nigeria, Togo and Brazil.

The market has a high MFN tariff of 30% however the top seven major suppliers face the same tariff. The market has a concentrated supply structure with Sudan having 45.8% share in the market.

English is widely spoken in the market and information about market regulations is readily available in English.

\*For more information about the calculation of untapped export potential visit ITC's [Export Potential Map](#)

## Data sources

GDP India – World Bank <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=IN>


Population India – OECD <https://data.oecd.org/india.htm>

Currency of India – Reserve Bank of India <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=home>

Languages of India – National Portal of India <https://www.india.gov.in/india-glance/profile>

Food Safety and Standards Regulations of India - <https://www.fssai.gov.in/>

For more information, please contact us.

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