



# NEWSLETTER

## MARCH 2026

### ESSENTIAL OIL & AROMA CHEMICAL SUPPLY ROCKED...

The International Energy Agency (IEA) states the war in the Middle East is creating the largest supply disruption in the history of the global oil market.

With airspace closures, many major airline carriers are unable to operate on their usual routes. This is significantly impacting air freight capacity and pricing. We're already seeing quotes increase by around USD \$10 per kg.

At the same time, increase in fuel prices is:

- Affecting sea freight: shipping lines are slowing vessels and rerouting to safer corridors. Already, prices are increasing by \$1-2 per kg.
- Impacting steam distillation costs, which are increasing by 40%.



Feed stock for chemicals have become scarce and prices have already risen by 25-40%. We expect companies to declare force majeure if the conflict is not resolved soon; customers should be prepared for higher prices and limited availability.

Despite this, demand doesn't stop, the industry still needs ingredients! Local stocking is paramount in times of uncertainty across global supply chains, we have limited stocks in our UK, Netherlands and custom bonded warehouses. However, our team is working closely with our partners to secure materials as quickly as possible at the most cost-effective rate. Even if the conflict ends in the next 4-6 weeks, we do not expect the market to normalise in 2026.



# BEOA SYMPOSIUM

"It was wonderful to see both new and familiar faces. I found the talks on Patchouli and organic oils particularly insightful. I learned that Patchouli naturally migrates over time, as the plant releases a chemical when over-harvested that degrades the soil, requiring cultivation in new soil every five years.

Amanda, the founder of Made for Life Organics, also shared valuable insights on how consumers are increasingly seeking function-led products rather than purely fragrance-based ones. She emphasised the importance of sharing our sustainability stories — great news for us, as we're already doing this effectively through our social media channels. Overall, it was an inspiring and informative day."

Abby (Commercial team)



Hector (Technical team) enjoyed the more environmental and chemistry focussed presentations:

"The talk *Back to Basics: Explaining the observed characteristics and analysis of Essential Oils* explored the chemistry behind common physical tests used to verify essential oils. It explained the principles behind each one: how refractive index measures light bending through an oil, specific gravity compares an oil's density to water, and optical rotation examines how an oil interacts with polarised light. Overall, highlighting why these tests are important for confirming an oil's identity and authenticity."

"Climate change poses a growing threat to the essential oils industry because oil quality depends heavily on the environmental conditions in which plants are grown. Factors such as temperature, humidity, sunlight, and soil influence a plant's chemical profile, meaning even small climate shifts can affect oil composition, yield, and quality. The talk *Climate Change and the Security of Essential Oil Supply Chains* explored how increasingly unpredictable climate patterns are already impacting crops and could threaten the viability of certain growing regions. It also highlighted the importance of sustainability and industry adaptation to maintain the future supply and quality of essential oils."

# ITALIAN SOURCING TRIP



Pramod and Maille spent a week sourcing in sunny Sicily and hopped on a short ferry to the mainland to spend a few days with Khush's long term partner, Diego Visalli, in Calabria to learn the savoir faire behind organic bergamot production. Despite the Sicilian's efforts, bergamot trees will not fruit if they are not grown in Calabria, due to the perfect microclimate of ideal soil, temperature, humidity and protection that allows the trees to thrive. The highest grade, freshest, cold-pressed organic material is perfect for tea production, whereas the skilled process of reducing the furocoumarins is required for fragrances and cosmetics.

They visited several new producers in Sicily and explored exciting products to offer to our customers including organic white grapefruit, organic green & red mandarin and organic blood orange oils. We were particularly interested in adding a Sicilian lemon oil to our portfolio as an addition to our current Italian oil. Although more expensive, Sicilian lemon oil is generally preferred by perfumers and flavourists due to the high geranial content, which gives it a fresher and zestier aroma compared with oils from other Italian regions such as Calabria, which can be slightly sweeter. Authentic Italian lemon essential oil that is cold-pressed and carefully processed is widely regarded as the highest quality standard.

Italian production generally benefits from orchards located away from major food-growing areas and from producers often owning their own orchards, allowing better control over cultivation and resulting in low pesticide residues even in non-organic oils. Spanish lemon oil offers a good balance of price and quality, although Spanish orchards are more often independent from oil producers and located closer to food agriculture, which can lead to higher levels of residual pesticides.

All round a fascinating trip filled with great discussions and unforgettable hospitality from our hosts!

To #seewhatwesees on our sourcing trips, check out our Instagram and TikTok @khushingredients

# ORGANIC FRESH GINGER



Khush Ingredients Netherlands now stocks organic fresh ginger oil, from our partner in Sri Lanka. This beautifully aromatic, lighter ginger oil is produced by processing fresh ginger rhizomes (roots) rather than using the traditional method of drying the rhizomes before extraction. This results in slightly lower levels of zingiberene and a lighter colour in the oil. However, key components such as citral and camphene are present in higher amounts, as these volatile monoterpenes are typically lost during the drying process.

Organic means no harmful chemicals are used in the cultivation, allowing our customers' formulations to confidently claim a genuinely natural product with all the amazing flavour, fragrance and therapeutic properties that ginger offers.

Experience it for yourself by requesting samples of both oils, or visit us at SIMPPAR Grasse, where our organic fresh ginger oil will be showcased in our *nouveau* cabinet.