



AGRILAND

CAMPAIGN REPORT

2025





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I. INTRODUCTION



I.1 GENERAL CONTEXT OF THE WILD ROSEMARY SECTOR IN TUNISIA

Wild rosemary (*Rosmarinus officinalis*) has been a strategic natural resource for Tunisia for several decades. Its harvesting and distillation are not only an important economic activity for inland and mountainous regions but also a cornerstone of the essential oils industry dedicated to export.

Over the years, Tunisia has established itself as one of the leading producers and exporters of rosemary essential oil in the Mediterranean, thanks to the richness of its natural stands and the recognized olfactory quality of its product, considered **a regional benchmark**.

This sector relies on close collaboration between the forest administration, which regulates the exploitation of natural areas through a tendering system, and private operators specialized in the distillation and trade of essential oils.

However, the sector remains sensitive to several external factors: variable climatic conditions, fluctuations in international prices, stock availability, and competition from neighboring countries, particularly Morocco, which shares similar ecological characteristics.



I.2 CAMPAIGN REPORT OBJECTIVES 2025

This report aims to provide **an analytical and technical assessment of the wild rosemary exploitation campaign in Tunisia for the year 2025.**

Its main objectives are to:

- Describe the campaign's progress, from its launch to the completion of distillation operations;
- Analyze the factors that influenced production, quality, and costs;
- Compare the performance of the 2025 season with that of previous campaigns, particularly over the past decade;
- Assess the national and international market situation, as well as Tunisia's competitive position;
- Formulate strategic recommendations to optimize future campaigns and strengthen the sector's sustainability.



I.3 OVERVIEW OF THE 2025 SEASON'S CLIMATIC, ECONOMIC, AND SOCIAL ASPECTS

The 2025 campaign took place in a particular context, **marked by a significant shift in the exploitation calendar**. Indeed, the holy month of Ramadan and the Eid celebrations, which occurred in April, delayed the start of harvesting operations until mid-May. This postponement reduced the effective exploitation period to nearly half of the usual duration, thus impacting the volumes distilled.

From an economic perspective, the season was characterized by **a significant increase in production costs and the acquisition of forest plots**, a direct consequence of strong demand against limited supply and the absence of residual stocks from the previous year. Operators, anticipating a promising campaign, engaged in heightened competition during the tendering process, resulting in a surge in prices.

Socially, the campaign mobilized a substantial local workforce across several regions; however, the short exploitation period limited employment and income opportunities for seasonal collectors and distillers.



II. CAMPAIGN PROGRESS



II.1 CONTEXT AND COMPETITIVE ENVIRONMENT

The year 2025 unfolded in a **context of regional contrasts**. While Tunisia benefited from relatively favorable climatic conditions for the regeneration of rosemary stands, Morocco, its main competitor in the essential oils market, has experienced **persistent drought over the past three consecutive years**. This situation led to a significant decline in Moroccan production, which fell to **around 30 tons of essential oil compared to 70 tons in 2022**.

In Tunisia, despite better biomass availability and initially optimistic prospects, national production did not exceed **130 tons** of essential oil, compared to **180 tons in 2022**. This decline is mainly due **to the delayed start of the campaign, the shortened distillation period, and logistical constraints** associated with the late harvesting of fresh rosemary.

Moreover, **attempts at controlled cultivation of rosemary** in certain regions of Morocco have not been able to offset the shortfall in natural production. The cultivation trials produced oil of **lower olfactory quality**, with an aromatic **profile noticeably different** from that of Tunisian rosemary, reinforcing Tunisia's position as the **regional quality benchmark**.

These factors suggested **a favorable campaign for Tunisia**, both in terms of commercial positioning and export demand. However, the combination of **a shortened exploitation period** and **rising costs** limited the expected benefits, despite a theoretically advantageous external context.



II.2 WEATHER CONDITIONS AND STATE OF ROSEMARY BUSHES

RAINFALL, TEMPERATURES, AND BIOMASS AVAILABILITY

According to initial weather forecasts, 2025 was expected to be a favorable year for the regeneration of natural rosemary stands. Rainfall conditions recorded during the fall and winter of 2024 gave hope for good plant density and significant exploitable biomass.

However, field observations revealed that these forecasts had been overestimated. In several areas traditionally rich in rosemary, particularly in the governorates of Kasserine, Kairouan, and Siliana, the actual state of the stands fell short of expectations, with average to low plant density depending on the site.

This discrepancy between forecast and reality can be explained, on the one hand, by irregular rainfall distribution, concentrated over short periods, and on the other hand by high spring temperatures, which accelerated the vegetative cycle of rosemary. These factors limited biomass growth and affected essential oil concentration.



EFFECTS ON QUALITY AND YIELD

The delay in the start of the campaign, which occurred in mid-May due to the religious calendar (Ramadan and Eid), had a direct impact on the quality of the raw material. Rosemary harvested late, from the end of May and especially in June, has a lower density and a lower essential oil content, thus reducing its profitability for farmers and distillers

.In areas historically known for the aromatic richness of their rosemary, such as Kasserine and Kairouan, the essential oil yield was particularly low at the start of the season. Although a slight improvement in yield was observed from June onwards, this was quickly compromised by an early and marked rise in temperatures, leading to accelerated drying of the plants.

This situation prompted many collectors to switch to harvesting dry matter, which is considered more stable and offers more attractive margins in the current market context. However, this change in strategy altered the usual dynamics of the season and reduced the volumes destined for fresh biomass distillation.

In summary, the 2025 season was marked by average **to low raw material quality, uneven yields across different areas, and a shortened operating period** due to unfavorable weather conditions in late spring.



II.3 ORGANIZATION OF OPERATIONS

GEOGRAPHICAL DISTRIBUTION OF EXPLOITED AREAS

In 2025, wild rosemary harvesting was concentrated in traditional producing regions, particularly **the governorates of Kasserine, Kairouan, Kef, and Siliana**. These areas are home to the main natural reserves, which are exploited under the supervision of the General Forestry Administration through a public auction system.

However, **the reduction in the harvesting period** and **logistical constraints linked to the late start** led to the **under-use of certain reserves**, particularly in remote areas where access and transport conditions remain difficult. Some areas were therefore only partially harvested, or not at all, due to lack of time and estimated profitability.



HUMAN AND LOGISTICAL RESOURCES

The 2025 campaign mobilized a **large workforce**, consisting mainly of seasonal collectors, small farmers, transporters, and distillers. Local teams were reinforced in mid-May, but the short duration of the season limited the total mobilization of the available labor force.

In terms of logistics, operators had to contend with **increased transport costs** (due to fuel prices and the distance to active fields) and **storage constraints** for fresh biomass. Several distilleries operated at an irregular pace, alternating between periods of high activity and temporary shutdowns due to a shortage of usable fresh material.



TECHNICAL CONSTRAINTS

Several technical difficulties marked the campaign:

- **A shift in the exploitation calendar**, reducing the optimal period for harvesting and distillation;
- **Low essential oil content** at the beginning of the campaign, making certain areas less profitable;
- **Rapid temperature rise** from June onwards, accelerating the drying of rosemary and limiting the distillation of fresh biomass;
- **Forced transition to dried material**, requiring rapid logistical and technical adaptation;
- **Pressure on distillation equipment** due to the concentration of operations over a short period.

Overall, these constraints contributed **to reducing the campaign's overall productivity**, while increasing production costs and the organizational complexity of operations.



III. ECONOMIC AND MARKET ANALYSIS



III.1 AUCTIONS AND MARKET DYNAMICS

AUCTION MECHANISMS AND CHANGES IN PURCHASE PRICES

The 2025 campaign was marked by a profound reconfiguration of competitive dynamics in both the auction system and the raw material market. Traditionally, the tendering system organized by the General Directorate of Forests allowed a relatively balanced allocation of exploitation areas among the various operators. However, this year, the situation was significantly altered due to the strategic shift of a major sector player, Agriland.

Indeed, Agriland changed its positioning: from a local supplier, it became a direct exporting actor focused on international markets. This shift resulted in reduced volumes available to other national operators, thereby altering the historical balance of resource allocation and intensifying competition.

This strategic reorientation was accompanied by a strengthening of Agriland's territorial presence, with the establishment of two distillation units close to the collection areas, providing a significant logistical and proximity advantage. In response, several competitors adopted a defensive strategy, overpaying for certain zones adjacent to Agriland's sites and its partner cooperatives, aiming to disrupt the traditional supply channels.

This bidding escalation, sometimes disconnected from economic fundamentals, led to an unjustified increase in auction prices, disrupting the traditional market equilibrium.



OPERATORS' BEHAVIOR AND COMPETITIVE DYNAMICS

Competition among operators reached an unprecedented level of intensity. On the ground, collectors and forest managers, responsible for aggregating biomass and monitoring collection points, engaged in a veritable “supply war.”

In some cases, **raw material prices fluctuated daily by between +15% and +30%**, in a context of tension over available volumes and intense local speculation.

Despite several **attempts at coordination** among major operators, notably through consultation meetings aimed at stabilizing the market, no sustainable regulation could be established. The market remained dominated by a sense of urgency and reaction, where the priority was to secure supply at any cost.



III.2 COSTS AND PROFITABILITY

CHANGES IN PRODUCTION COSTS AND THE COST OF FOREST RAW MATERIALS

The year 2025 saw an exceptional increase in production costs, breaking with the trend observed over the past decade. Between 2015 and 2021, production costs evolved moderately, with average annual increases of 5 to 7%.

However, over the past three years, this increase has intensified significantly, reaching levels of between +30% and +40%, depending on the operator.

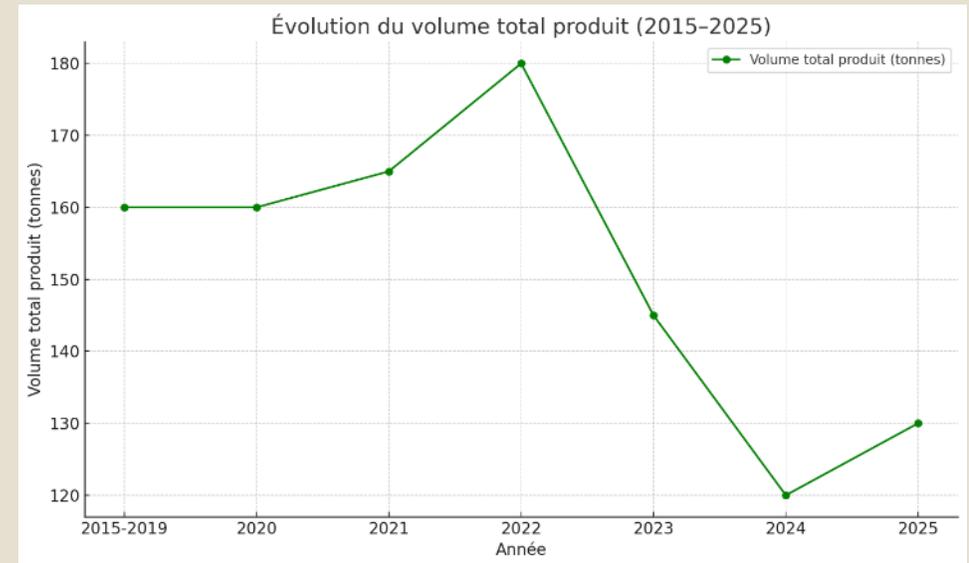
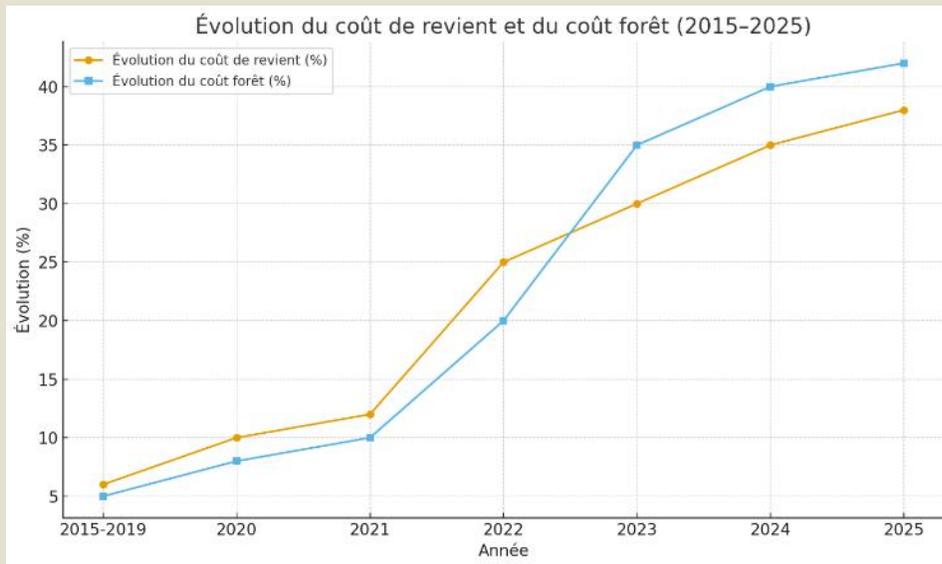
The main explanatory factors are:

- Increase in the cost of forest raw materials due to intense competition in the auctions;
- Rise in rural labor costs, particularly the wages of female collectors, driven by higher demand and a compressed exploitation schedule;
- Increased margins for forest managers, who benefited from the tension on raw materials;
- General inflation in logistical expenses (fuel, transport, energy).

Despite this overall rise in costs, the margins of processing and exporting operators remained generally stable, constrained by the simultaneous increase in expenses and the decline in distilled volumes.



COMPARISON OVER THE LAST TEN YEARS



COMPARISON OVER THE LAST TEN YEARS

Years	Average change in cost price (%)	Change in forest cost (%)	Total volume produced (tons)	Key observations
2015-19	+5 à +7	+5	150–170	Stable market, balance between supply and demand
2020	+10	+8	160	Slight strain on resources
2021	+12	+10	165	Moderate increase
2022	+25	+20	180	Good production, relative stability
2023	+30	+35	145	Significant increase in costs
2024	+35	+40	120	Declining volumes and increased tension
2025	+38	+42	130	Record increase, competitive imbalance



ANALYSIS OF MARGINS AND OVERALL PROFITABILITY

Despite a significant increase in the international price of rosemary essential oil, the overall profitability of Tunisian operators has not improved.

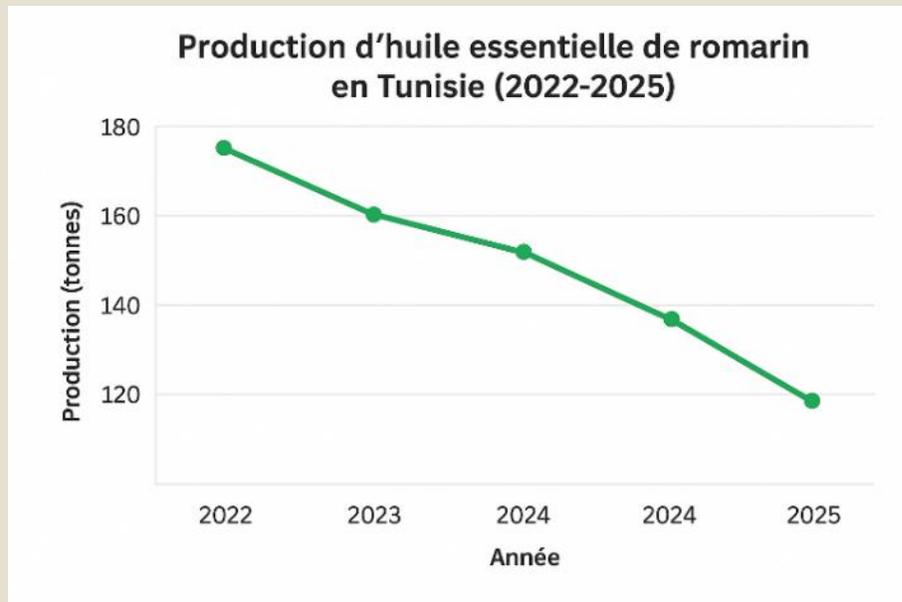
The simultaneous rise in production costs, forest raw materials, and logistics costs has absorbed potential gains.

The profit margins of distillers and exporters have remained virtually stable, or even declined slightly for some players, due to reduced production volumes and difficulties in fully passing on cost increases to selling prices.



III.3 VOLUMES EXPLOITED AND DISTILLED

PRODUCTION AND PROCESSING DATA



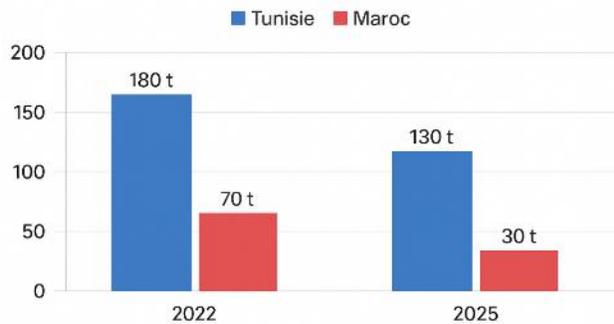
In 2025, Tunisia produced approximately 130 tons of rosemary essential oil, compared to 180 tons in 2022.

The 28% decline over three years is mainly due to the shortening of the harvesting period, lower essential oil yields, and logistical constraints related to late harvesting.

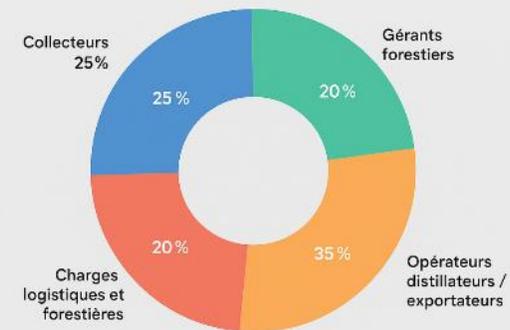


RETURN RATES AND REASONS FOR THE DECLINE IN VOLUMES

Graphique 2 - Évolution du volume de production (Tunisie vs Maroc)



Répartition de la marge économique par acteur (2025)



National average yield: 0.8% essential oil relative to fresh biomass, compared to 1.1% in 2022

Main factors contributing to the decline:

- Late harvest (rosemary less rich in volatile oil);
- Early rise in temperatures leading to rapid drying;
- Reduction in distillation time and saturation of units;
- Prioritization of dry matter, which is more profitable in the short term

La conséquence directe a été une sous-utilisation des capacités industrielles, une perte de productivité, et une pression accrue sur les marges.



IV. 2025 CAMPAIGN REVIEW



IV.1 ECONOMIC, ENVIRONMENTAL, AND SOCIAL RESULTS

The 2025 campaign took place in a complex economic context, marked by an imbalance between rising costs, heightened competition, and declining production volumes.

- The total volume of essential oil produced was around 130 tons, down nearly 28% compared to 2022.
- The average cost price rose by more than 35%, while the cost of forest material increased by more than 40%.
- Operating margins remained stable overall but were under pressure due to lower yields and distillation volumes.

From an **environmental** perspective, the campaign did not cause any significant damage to rosemary ecosystems, thanks to the regulation of harvesting by the forestry administration and the shortening of the harvesting period and method. However, localized overexploitation of certain areas was observed in a few high-potential zones, calling for better spatial planning in the future.

Socially, the campaign mobilized a significant rural workforce, but for a shorter period than expected. The collectors, mostly women, benefited from an improvement in their daily wages, but this increase did not compensate for the decrease in the number of working days due to the delayed start.

In summary, the combined effects of the delayed schedule, increased costs, and competitive pressure led to an economically difficult campaign, although it was socially dynamic and ecologically controlled.



IV.2 ANALYSIS OF DIFFERENCES BETWEEN FORECASTS AND ACTUAL RESULTS

Initial forecasts predicted a generous harvest due to favorable rainfall conditions and a regional context in which Moroccan production was in sharp decline. However, actual results fell well short of expectations.

The main discrepancies observed are:

- Actual production lower than estimates (130 tons compared to a forecast of 170–180 tons);
- Cost price more than 30% higher than initial projections;
- Actual operating time reduced by half compared to the historical average;
- Uneven olfactory quality, linked to late harvesting and rapid drying of the layers;
- Increased and unbalanced competition, fueled by speculative behavior during auctions.

These discrepancies reveal a lack of structural flexibility in the sector and insufficient coordination between the various players, particularly in the face of unforeseen calendar and climatic hazards.

IV.3 LESSONS LEARNED FROM THE CAMPAIGN

Several key lessons can be drawn from the 2025 campaign:

- The time factor is crucial: any delay in the operating schedule has a direct impact on the quality, yield, and profitability of the sector.
- Internal competition must be regulated: a lack of coordination between operators creates price distortions and jeopardizes market stability.
- The proximity of distillation units is a major competitive advantage, reducing losses and logistics costs.
- The valorization of dry matter can be an additional economic lever, provided it is integrated into a planned strategy.
- Finally, maintaining environmental balance remains essential to preserve the natural capital of rosemary fields in the long term.



V. OUTLOOK AND RECOMMENDATIONS



V.1 MEASURES TO CONSIDER IN ORDER TO OPTIMIZE THE NEXT CAMPAIGN

In order to improve future performance, several measures can be considered :

- Revise the operating schedule in coordination with the forestry administration to ensure that harvesting begins as close as possible to the peak flowering period (late March-April).
- Establish a consultation mechanism between operators (sectoral platform or interprofessional committee) to stabilize prices and prevent speculative behavior.
- Optimize regional planning of tenders, ensuring a balanced distribution of areas between operators and local cooperatives.
- Encourage the modernization of distillation units, favoring facilities close to collection areas to reduce yield losses.
- Strengthen traceability and quality certification in order to preserve the reputation of Tunisian rosemary on the international market.

V.2 CALENDAR AND LOGISTICS MANAGEMENT STRATEGIES

- **Anticipate religious and social periods** (Ramadan, Eid) when planning tenders and operating permits to avoid critical overlaps.
- **Improve collection and transport logistics** by facilitating access to remote areas, in particular by maintaining forest tracks and providing suitable means of transport.
- **Develop temporary storage systems for fresh** or semi-dry biomass, allowing the distillation period to be extended without compromising product quality.
- **Train forest managers and collectors** in best practices for cutting, drying, and handling to preserve essential oil yield.



VIII.3 PROPOSALS FOR IMPROVING THE ECONOMIC RESILIENCE OF THE SECTOR

- **Diversify rosemary derivatives** by promoting dry matter, water-soluble extracts, and post-distillation residues.
- **Encourage agronomic research** on controlled rosemary cultivation without compromising the specific olfactory profile of Tunisian rosemary.
- **Create a sector stabilization fund**, financed by operators and supported by forestry authorities, to absorb price shocks and support small collectors in years of low yield.
- **Strengthen regional cooperation (Tunisia-Morocco)** in a framework of technical and commercial exchange, in order to avoid destructive competitive tensions.



VI. CONCLUSION



VI.1 GENERAL SUMMARY OF OBSERVATIONS

The 2025 wild rosemary campaign in Tunisia highlighted the structural weaknesses and competitive advantages of the sector. While Tunisia remains an undisputed benchmark for quality on the international stage, the past season has shown the vulnerability of the system to climatic hazards, scheduling delays, and heightened internal competition.

Although the economic results were generally positive in terms of the value of the finished product, they fell short of the sector's true potential due to reduced profitability and the partial under-exploitation of aquifers.



VI.2 PROSPECTIVE VISION FOR THE SUSTAINABILITY OF WILD ROSEMARY IN TUNISIA

The future of the wild rosemary industry rests on three essential pillars:

- **Cooperative governance** between the government, private operators, and local cooperatives, ensuring equitable sharing of resources and effective market regulation;
- **Proactive adaptation to climate change**, through better anticipation of schedules and the development of appropriate storage and distillation technologies;
- **A sustainable value creation strategy** based on quality, traceability, and diversification of international markets.

By capitalizing on its natural assets, historical expertise, and the growing skills of its stakeholders, Tunisia has everything it needs to consolidate its Mediterranean leadership in the production of rosemary essential oil, while ensuring the ecological and socioeconomic sustainability of this iconic resource.





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