

## **Eucalyptus Citriodora Essential Oil Market Report (2025–26):**

Eucalyptus citriodora, also known as lemon-scented gum, yields a highly aromatic essential oil through steam distillation of its leaves. The oil is characterized by its dominant component, citronellal (65–90%), giving it a sweet, lemony fragrance. The primary production regions include India, Brazil, and China, with India contributing approximately 48% of global exports, followed by Brazil (20%) and China (12%). Key Indian cultivation zones are Tamil Nadu and Maharashtra, supported by favorable soil and climate conditions.

### **2025 Market Size and Forecast:**

The global eucalyptus citriodora oil market is valued at USD 14.73 billion in 2025, projected to reach USD 23.22 billion by 2032, reflecting a 7.88% CAGR. Other analyses estimate the broader eucalyptus oil segment (across species) to grow at 4.3–5% CAGR through 2033, achieving around USD 0.59 billion by value for citriodora-dominant grades alone. Growth is fueled by expanding applications in aromatherapy, cosmetics, pharmaceuticals, and natural insect repellents.

### **Key Demand Drivers:**

- **Natural and Organic Growth:** Rising consumer demand for naturally derived, chemical-free ingredients across wellness and personal care industries continues to elevate demand.
- **Aromatherapy and Fragrance Use:** Citriodora oil's stress-relieving and uplifting scent makes it a preferred material for essential oil blends and botanical perfumes.
- **Pharmaceutical and Functional Applications:** Recognized for anti-inflammatory, antiseptic, and insecticidal properties, the oil is used in topical formulations, respiratory aids, and natural repellents.
- **Sustainability Appeal:** Regenerative farming and low-carbon distillation are becoming distinguishing factors for exporters, particularly in India and Brazil.

### **Market Segmentation and End Use:**

Aromatherapy & Wellness – 35%  
Perfumes & Cosmetics – 30%  
Pharmaceuticals – 20%  
Household and Insect Repellents – 10%  
Food & Beverages – 5%

### **Regional Insights:**

Asia-Pacific dominates production, with India's citriodora exports heavily concentrated toward Vietnam, Australia, and France. Europe is a major consumption hub for perfumery and wellness, particularly France, Germany, and the UK. North America maintains consistent demand through natural household and aromatherapy sectors. Emerging regions such as the Middle East and Latin America show growth potential.

### **Supply and Price Trends:**

The first half of 2025 saw price weakness due to global oversupply, driven by expanding plantations in Brazil and China. However, reduced yields in India's Nilgiris region caused localized upward price movements, balancing global prices later in the year. Eucalyptol and citronellal derivatives maintained stable export demand for pharmaceutical-grade production.

### **Challenges and Constraints:**

- Climate Variability affecting yield and oil content.
- Synthetic Competition limits profit margins.
- Regulatory Hurdles under EU REACH and COSMOS standards.
- Fragmented Production challenges small-scale distillers.

### **Competitive Landscape:**

Leading producers include Ultra International B.V., Firmenich, Robertet, Givaudan, and Plant Therapy, with differentiation based on traceability, purity, and sustainable sourcing approaches. Collaboration between Indian distillers and global fragrance houses remains central to ensuring quality stability and certified supply.

### **Market Outlook 2026 and Beyond:**

The market outlook remains optimistic, supported by increasing consumer awareness of natural respiratory and insect-repellent properties, expansion of e-commerce channels, and research into climate-resilient eucalyptus cultivation. Growth will depend on integrating sustainability standards, direct-to-consumer brand positioning, and R&D in terpene-rich variants.