

Entering the European market for baobab

To enter the European market for baobab you must meet the mandatory requirements set by the European Union. At the same time, you should also consider meeting the additional requirements that European buyers and niche markets have, as they will help you enter the European market. The European market for baobab is divided into three segments, with each having different channels you can enter through. You will face competition from other baobab suppliers, as well as competing products when entering the European market. Prices of baobab have increased recently because of lack of supply and unfavourable weather conditions.

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1. What requirements must baobab products comply with to be allowed on the European market?

What are mandatory requirements?

As an exporter of baobab from a developing country, your baobab can only be exported for the European natural health product market if you comply with the European Union's (EU) mandatory legal requirements for natural ingredients for health products. Non-compliance can prevent your baobab from entering the European market.

If your baobab is used in food supplements, you must comply with [EU food supplement legislation](#) and the [European General Food Law](#).

Baobab dried fruit pulp is an [established ingredient listed](#) on the [European Union's Novel Food Catalogue](#); you must therefore comply with the [new Novel Food Regulation](#). If you export baobab seed oil to the European market for food supplements, you must comply with [Novel Food Regulation 2015/2283](#). You must also provide toxicological, microbiological and allergenic property data.

For baobab dried fruit pulp the specification requirements according to the Novel Food Regulation include:

Table1: Specifications of baobab fruit pulp

Authorised Novel Food	Specifications
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<p>Baobab (Adansonia digitata) dried fruit pulp</p>	<p><i>Description/Definition:</i> Baobab (Adansonia digitata) fruits are harvested from trees. The hard shells are cracked open and the pulp is separated from the seeds and the shell. This is milled, separated into coarse and fine lots (particle size 3 to 600 µ) and then packaged.</p> <p><i>Typical nutritional components:</i> Moisture (loss on drying) (g/100 g): 4.5-13.7 Protein (g/100 g): 1.8-9.3 Fat (g/100 g): 0-1.6 Total carbohydrate (g/100 g): 76.3-89.5 Total sugars (as glucose): 15.2-36.5 Sodium (mg/100 g): 0.1-25.2</p> <p><i>Analytical specifications:</i> Foreign matter: Not more than 0.2% Moisture (loss on drying) (g/100 g): 4.5-13.7 Ash (g/100 g): 3.8-6.6</p>
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Source: eur-lex.europa.eu

Tip:

Approach [Open Trade Gate Sweden](#) if you have specific questions regarding rules and requirements in Sweden and the European Union.

Contamination

You must also comply with the EU's food safety requirements which specifically cover topics such as [Maximum Residue Levels](#) (MRLs) for pesticides and [polycyclic aromatic hydrocarbons](#) (PAH); [contaminants in food](#) and [microbiological contamination of food, food hygiene](#) as outlined in the [EU's Hazard Analysis and Critical Control Points](#), [extraction solvents](#) concerning the safe processing of food; [food irradiation](#) and [traceability](#) as outlined in the European General Food Law.

Baobab is usually tested for heavy metals such as Lead, Mercury, Cadmium and Lead. The maximum levels are set by Regulation [\(EC\) No 466/2001](#) (amended by EC/78/2005). The maximum levels of Cadmium and Mercury are set at 0.05 mg/kg and for Mercury 0.5mg/kg wet weight. The maximum level of Lead and the standard for Lead is set at 0.1 mg/kg wet weight.

Tip:

Ensure you always send European buyers uncontaminated baobab or baobab that has heavy metals within the set maximum levels, as they test baobab regularly. Failing to do so may end your business relationship with them because buyers expect high quality.

Convention on Biological Diversity (CBD) / Access and Benefit-Sharing (ABS)

For baobab to enter the European market, you must comply with the requirements on using plant resources agreed under international treaties and protocols within the Convention on Biological Diversity (CBD). This is because CBD is a part of EU law, and your own country is likely to be a signatory, meaning you need to comply in order to meet your own country's laws as well.

The Nagoya Protocol's Access and Benefit-Sharing (ABS) provides guidelines for accessing and utilising genetic resources and traditional knowledge and the fair and equitable sharing of the benefits. Similar to the CBD, European companies need to comply with ABS legislation. ABS is also likely to be a part of your country's regulations. As an exporter of baobab to the natural health product sector, make sure you abide by ABS.

In recent years, there is growing consumer awareness and demand for more environmentally-friendly products, and this trend is set to continue. This is leading European buyers to seek ethically sourced ingredients, something which is likely to become more important in the future.

Tip:

Visit the [CBD website](#) as it provides a range of useful information on CBD and ABS, for example, country profiles.

What additional requirements do buyers often have?

Quality requirements

As an exporter of baobab for natural health products, other popular additional buyer requirements demonstrating good quality include:

- Compliance with [Hazard Analysis and Critical Control Points](#) (HACCP)
- Having certification of a food management system based on HACCP
- Having Food Safety System ([FSSC 22000](#)), International Organization for Standardization (ISO) [22000](#) and [ISO 9001:2015](#), [British Retail Consortium Global Standard for Food Safety](#) (BRCGS) and International Food Safety ([IFS](#)) certification respectively.

Consider meeting these additional buyer requirements as it demonstrates the good quality of your baobab, and give you an advantage in your journey to enter the European market.

The quality standards of raw materials such as baobab are set by the WHO Guidelines on Good Agriculture and Collection Practices (GACP) for Medical Plants. Good Manufacturing Practices set further standards for processed ingredients, including pharmaceuticals and health products. These requirements are harmonised with [EU Directive 2003/94/EC](#).

European buyers will look at additional parameters such as baobab colour, mesh, moisture content, nutritional profile and microbiological composition. They also expect it to be unadulterated with other substances. This is because buyers use these parameters to determine the quality of baobab. Unadulterated and microbiological contaminant free baobab will be of higher quality than adulterated and contaminated baobab.

To show buyers you meet their specifications, you should develop well-structured company and product information which should contain detailed Technical Data Sheets, Certificates of Analysis, process and product certifications. Doing so will give you an advantage when seeking to enter the European market because European buyers will have proof your baobab meets their specifications and is of high quality. For example, a quality analysis contained within a Technical Data Sheets can prove your baobab's high quality.

Tips:

Show willingness to meet additional buyer requirements that European buyers of baobab have.

Consider complying with HACCP, which is an important additional buyer requirement if you wish to enter and establish yourself on the European food supplements market. This helps to ensure your baobab is of good quality.

Consider obtaining FSSC 22000 certification because it is widely used and proves your baobab is of good quality. Doing so will give you an advantage and help you to establish trade with European buyers.

Determine if there is a business case for your baobab to meet BRC and IFS standards. Note that doing so will help you in an increasingly competitive market driven by higher buyer demands.

See the [CBI study](#) What requirements must natural ingredients for health products comply to be allowed on the European market?. This provides guidance on quality requirements for natural health products, as well other popular buyer requirements and broader requirements for this sector.

Documentation

European buyers of baobab request exporters to provide them with well-structured and organised product and company documentation. Such documentation helps you prove that you meet their requirements, such as specific quality specifications. So consider doing this, as it gives you an advantage when trying to establish yourself on the European market. From there on, you can develop long-lasting trading relationships with European buyers. Additionally, it makes you look organised and well prepared to do business with European buyers.

European buyers of baobab for health products usually want exporters to provide them with Safety Data Sheets (SDS).

Safety Data Sheets contain a:

- product description;
- classification;
- hazard identification; and
- information on safety measures.

Secondly, European buyers want to be provided with Technical Data Sheets (TDS) which contain:

- a product description;
- product classification;
- quality analysis;
- information on applications; and
- certificates.

European buyers also request a Certification of Analysis (CoA) which contains analytical data from the product delivered.

- The Certification of Analysis matches:
- data mentioned in the TDS;
- the pre-shipment sample that was approved by the buyer; and
- contractual agreements with the buyer.

Make sure you have well-prepared SDS, TDS and CoA respectively for your baobab and have them ready for European buyers. Additionally, if you already have documentation, then inform European buyers when you approach them.

Tips:

Ensure your documentation is up to date.

Review examples of technical documentation for baobab, for example [Safety Data Sheet](#) (SDS) for organic baobab powder, [Technical Data Sheet](#) (TDS) for organic baobab powder, [Certificate of Analysis](#) (CoA) for organic baobab powder.

Labelling and packaging requirements

In order to export your baobab to the European market you must comply with the following labelling requirements:

- The name, address and telephone number of supplier
- Product name
- Batch code
- Country of origin or place of provenance
- Date of manufacture
- Best-before date
- Weight
- Storage conditions or conditions of use

In the case of organic baobab, you have to include the name and/or code of the inspection body and the certification number.

Tip:

See the labelling of foodstuffs section under the labelling and packaging guidelines section on the [EU Trade Helpdesk](#) for an overview of labelling and packaging requirements that you need to abide by.

Payment terms and delivery terms

Payment is central to all trade and it presents risks to everyone involved. Before trading with European buyers, do risk assessments of the available payment terms. As an exporter of baobab, try and minimise your risks while working to meet the needs of European buyers.

There are [several methods of payment](#). However, for both importers and exporters, [Letters of Credit](#) (LC) are considered the safest payment term. This is because an LC lets both parties contact a neutral arbitrator, usually a bank, to resolve any issues. For the exporter, the chosen bank is a guarantor of full payment as long as goods have been dispatched. In such instances, to avoid further losses, exporters should find new buyers and pay for the return of dispatched goods.

Based upon their needs, importers and exporters can choose from [several LC payment terms](#). These include standby, revocable, irrevocable, revolving, transferable, un-transferable, back to back, red clause, green clause and export/import. For exporters, standby LC is considered the safest, with it being frequently used in

international trade. This is because it provides security to both importers and exporters who have little trading experience with each another. Other payment terms include cash in advance, documentary collections and open account.

When agreeing delivery terms with European buyers you must carefully consider three important factors: delivery time, volume and cost. This is because failure to meet agreed delivery terms could result to the end of your trading relationship with European buyers.

1. Delivery time - As an exporter, you should understand that European buyers prefer shorter delivery times. Air cargo is usually faster than sea freight. Air freight is also more reliable in terms of time delivery.
2. Delivery volume/ quantity of order - The volume of your order is an important factor to take into consideration when choosing a mode of transport. Larger quantities are often cheaper to ship by sea. With lower volumes, air freight can be less expensive, as margins get smaller.
3. Cost of delivery method - It is estimated that [sea freight](#) is usually 4-6 times cheaper than air freight. This applies to larger volumes. It is not likely that price of your cargo will increase substantially if you increase the volume.

Tips:

Keep in mind the three important factors of delivery time, volume and cost when determining which delivery terms are the most suitable for your business. Remember there will be tensions and trade-offs, particularly when you are doing business for the first time with a European buyer.

See the CBI study on [organising your export of natural ingredients for health products to Europe](#). This will provide guidance on available payment terms used by this sector.

What are the requirements for niche markets?

Organic ingredients

Certified organic ingredients are produced and processed using organic farming techniques. This includes crop rotation, the biological protection of crops, and the use of green manure and compost. In order to market your natural ingredients as organic on the European market, you must meet European Union regulations. You can find information on the [EU organic certification](#) on the IFOAM website.

Several certification agencies can help you with the conversion process to organic production. Once certified, many buyers will request a [Certification of Inspection](#) (COI). The absence of a COI prevents you from trading your baobab as organic.

Demand for certified ingredients for health products on the European market is expected to continue growing in the future. As an exporter of baobab from a developing country, you should consider organic certification when targeting the European market. European buyers will increasingly demand high-quality ingredients.

Tips:

Consider converting to organic production methods and getting certification because of growing demand for organic health products.

Ensure you have a Certification of Inspection (COI) that is up-to-date with the [latest changes made by the EU](#), which came into force on 3 February 2020. This is because it is a mandatory requirement if you want to trade organic baobab on the European market.

For a full overview of certification schemes in the sector consult [ITC Sustainability Map](#).

Meeting environmental and social standards

European consumers and retailers are increasingly putting pressure on companies to ensure that their products are made according to environmental and social standards. European buyers of baobab are therefore requesting suppliers meet environmental and social standards.

As an exporter, one way you can do this is by gaining verification and certifications that prove you meet environmental and social standards. With regard to environmental sustainability, consider meeting [UNCTAD BioTrade Initiative](#) and implement the BioTrade Principles, alongside [FairWild](#) Standards. To prove you meet social standards, acquire [FLO Fairtrade](#) certification or meet [FairForLife](#) standards.

Tips:

Acquire verification and certifications that prove your baobab for health products meets environmental and social standards. Doing so will help you find opportunities in the European market.

See the [CBI study on buyer requirements for natural health products](#) because it gives useful information about other popular buyer requirements as well as broader requirements for this sector.

Consider if there is a business case for your baobab to meet environmental and social standards, particularly when demand for natural ingredients is [predicted to increase](#) over the coming years.

2. Through what channels can you get baobab on the European market?

The commercial production of baobab is concentrated to African countries, including Senegal, Zimbabwe, South Africa, Benin, Sudan and Kenya. On the European market, baobab is used in the health products industry, food industry and cosmetic industry.

How is the end-market segmented?

The European market for baobab can be segmented by end-user markets: health products, foods, and personal care products. Figure 1 gives examples of baobab products in the European market by end-user segments.

Figure 1: End Market Segmentation for Baobab Products

End Market Segments for Baobab Products



Source: Various

Health products industry

Baobab in powdered form is used in food supplements because of its nutritional qualities. Baobab has high levels of vitamin C, phosphorus, calcium, fibre, carbohydrates, protein, potassium and lipids. Baobab also has a range of active properties, including anti-malarial, anti-inflammatory, antioxidant and anti-microbial properties. [Aduna](#) is a European company selling baobab powder because of its nutritional benefits.

Baobab is mostly used as a powder in the health products segment. It is estimated this segment accounts for around 40 percent of the baobab market in Europe. This segment is expected to increase at a steady growth rate. In the European health products market, organic baobab is becoming increasingly popular.

Food industry

Baobab powder is used by the food industry because of its [nutritional qualities and flavour](#). It is added to a wide range of products, ranging from candy bars to smoothies. Baobab is usually used in powdered or pulp forms in the food sector.

Personal care industry

Baobab oil is used by the [cosmetics industry](#) because of its antioxidant content and high levels of Omega 6-9 acids, as well as its high vitamin, sterol, and mineral contents, which are important to maintaining healthy skin. Baobab leaves are used in [sun care products](#) because they are a rich source of anti-free radical flavonoids which help to protect the skin from sun damage. The personal care industry mainly uses baobab oil as an ingredient.

This study deals with baobab used in the natural health products sector.

Tips:

See the CBI Study [Which trends offer opportunities](#) or pose threats in the European natural ingredients

for health product markets. Doing so will give you useful information about the European health product segment, which is likely to increase your chances of market access.

Visit trade fairs to see if the industry is receptive to your product, get market information, and find potential buyers. Trade fairs will also give you the chance to speak to end-users and distributors, and to gauge your competition, especially the way they are marketing their products. See the CBI Study [Tips for finding buyers](#) in the natural ingredients for health products sector for an overview of trade fairs in this sector.

Through what channels does baobab end up on the end-market?

Figure 2 shows the export value chain for baobab on its journey to reach the European market. Baobab enters the European market in a dried and liquid form. The processing and exporting of baobab is often combined and done by the same company in countries producing baobab. [EcoProducts](#) is a well-established South African company doing this.

Processors

European processors often source baobab directly from developing countries, as it provides them with greater transparency and control over product quality. Processors such as Yeo Valley and Alara source their baobab from importers.

Importer/Distributor

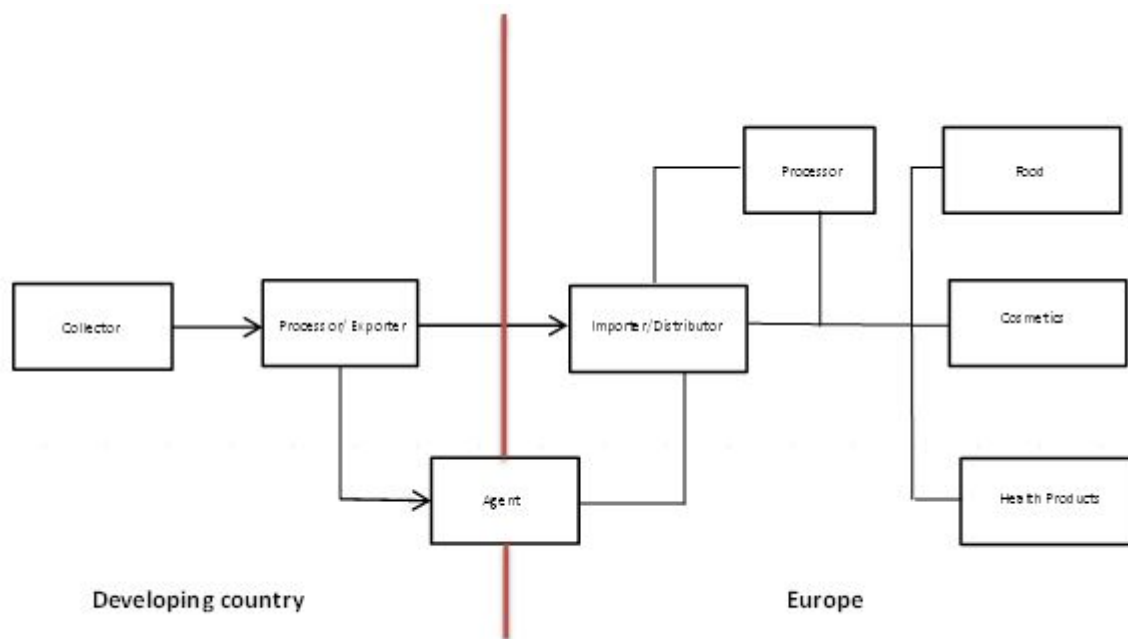
Majority of baobab is imported in the European market through importers. European importers/distributors often travel to developing countries to personally meet their suppliers of baobab when assessing their credibility as potential trading partners. Import volumes in this channel range from tens of kilogram to hundreds of tonnes.

French company [Nexira](#) is an important importer/distributor of baobab in Europe. It deals with organic baobab powder. Other importers/distributors of baobab in the European market include [Tradin Organic](#), [Green Origins](#) and [Organic Herb Trading Company](#).

Agent

An [export agent](#) is a firm or an individual that undertakes most of the exporting activities on behalf of an exporter, usually for a commission. Agents can be found in developing countries as well as in Europe; however it is not that common for companies to use agents in the European market. As an exporter from a developing country, you can work with agents who represent and act on your behalf on the European market.

Figure 2: Export Value Chain of Baobab



Source: Ecovia Intelligence

Tips:

Consider expanding your baobab product range by including organic baobab powder, for example, as this will help you find a wider range of customers. Other benefits of having a wider product range include it giving you [more attention on the market](#), thus making you stand out from your competition.

Be prepared to meet prospective buyers who are interested in directly sourcing baobab from you if you are able to supply larger tonne volumes.

What is the most interesting channel for you?

As an exporter of baobab to the natural health products, importers/distributors are the most interesting channel for you. This is because importers/distributors have expertise importing and distributing baobab in the European market. They also have a good understanding of the European health products market and a wide range of customers. Importers of baobab in Europe also have storage facilities and an established logistics network. This can be very helpful to small and medium-sized exporters of baobab in developing countries who are just starting to export to Europe.

Another interesting channel for you is European manufactures who directly source and import baobab powder from developing countries. There are many advantages of working directly with European manufactures. By exporting baobab powder directly to them, you are more likely to receive a higher price for you baobab. You could also be a part of their wider Corporate Social Responsibility policy. However, you may be required to supply larger volumes, something which may be difficult if you are a small to medium sized enterprise.

Tips:

See CBI Study [Tips for finding buyers](#) in the natural ingredients for health product sector. This is because it provides guidance on how you can find buyers for the channel you are targeting.

Visit trade shows to in order to connect with European buyers. You can use this opportunity to get

contact details and network with buyers that source baobab. Examples include [Vitafoods](#), [Nutraceuticals Europe](#), and [Health Ingredients Europe](#).

3. What competition do you face on the European baobab market?

What countries are you competing with?

The Adisona digitate tree is native to Senegal, Zimbabwe, South Africa, Ghana, Benin and Sudan, with this being a common strength across all of these countries. Senegal, Zimbabwe, South Africa, Benin, Sudan and Kenya have ideal conditions for baobab to grow, which is a second common strength across all of these countries.

Zimbabwe

Zimbabwe is the leading producer of baobab in the world. The country has an established commercial baobab production industry with several companies operating there, which is one of its key strengths. It could therefore become easier for Zimbabwean producers to export baobab to the European market. However, Zimbabwe's baobab industry also faces key challenges such as climate change and a lack of rainfall. Other [challenges Zimbabwe faces](#) include a fragile economy and underinvestment in infrastructure, as well as [political instability and corruption](#).

South Africa

South Africa is the second leading producer of baobab. It is a continental economic and political powerhouse and the country has sophisticated infrastructure and business capabilities. However, the South African baobab industry faces challenges such as [climate change](#) and [negative consequences of human development](#). Other challenges South Africa faces includes ageing infrastructure, poverty and inequalities.

Ghana

Ghana is the third largest producer of baobab, and has several companies harvesting and processing baobab. For example, British company [Aduna](#) works with 900 producers in Upper East Ghana to harvest their baobab fruits, with a further 200 women being employed at their processing centre. Ghana's baobab industry is also developing, for example through schemes such as the [planting of new baobab trees](#) along with support from [non-governmental organisations to develop the industry](#).

Ghana's other strengths include an [attractive business environment](#) as well as its [government supporting and developing](#) the country's agricultural industry. As such, it may become easier for Ghanaian exporters to export baobab to the European market. However, the Ghanaian baobab industry does face certain challenges, including land degradation due to deforestation, pests damaging and eventually destroying baobab trees, and infrastructure gaps in energy and transport.

Senegal

Senegal is the fourth largest producer of baobab. The country has an established commercial baobab production industry with several companies operating there. [Senegal's other strengths](#) include implementation of major investment projects, progress on business climate and governance and a strong track record of political stability. As such, it could become easier for Senegalese producers to export baobab to the European market.

However, [Senegal's baobab industry](#) also faces key challenges such as climate change, urbanisation and population growth along with [deforestation of baobab forests](#) to make way for the mining industry. Other [challenges Senegal faces](#) include inadequate energy and transport infrastructure.

Benin

An established commercial baobab production industry with several companies operating is one of Benin's key strengths. Benin's other strength is its governments commitment to [improving its infrastructure](#) in the next few years.

It could become easier for Beninese producers to export baobab to the European market. However, a [University thesis from 2011](#) indicates Benin's baobab industry faces key challenges which include dangerous harvesting techniques, time-consuming processing practices, an unfair supply chain that puts growers at a disadvantage and a lack of market information along with [climate change](#). Other [challenges Benin faces](#) include poor infrastructure and corruption.

Sudan

One of Sudan's key strengths is its [large production of baobab](#), meaning it may become easier for Sudanese producers to export baobab to Europe. However, [Sudan's baobab industry also faces key challenges](#) such as the limited availability of planting material, a lack of knowledge of management techniques, poor fruit processing technologies and a lack of well-organized supply chains which have little knowledge about exporting. Other [challenges Sudan faces](#) include a lack of investment in infrastructure, a poor business environment, governance issues and climate change.

Tips:

Find out if your country has programmes helping exporters like you harvest, cultivate and/or export your baobab. You can do this by contacting governmental ministries of trade in your country because they are likely to have information about this and can help you export your baobab.

Consider joining the [African Baobab Alliance](#) because they offer a range of assistance to exporters of baobab from developing countries like you.

Find out how you can benefit if your country is starting to improve its infrastructure. Doing so could make it easier for you to export your baobab. You can do this by contacting local or central governmental institutions.

What companies are you competing with?

Zimbabwean companies

[B'Ayoba](#) is an established Zimbabwean company exporting baobab to the European market. B'Ayoba's key strengths include:

- Commitment to exporting high-quality baobab products, which it ensures through its in-house microbiology lab where quality is constantly monitored.
- Auditing its baobab producers every year, thus ensuring product quality.
- The certified organic production of its baobab. Commitment to producing ethically and sustainably harvested baobab products in partnership with rural producer communities around Zimbabwe.
- Professional website with professional and well-prepared content telling buyers about the company itself, where it sources and how it processes its baobab, the company's social impact and the products it offers, accompanied by professionally taken photographs.

South African companies

[EcoProducts](#) is a well-established South African company exporting baobab products to the European market. EcoProducts's key strengths include:

- Commitment to exporting high quality baobab products through its strict quality management system. For example, EcoProducts's production facilities are [FSSC 22 000](#) certified.
- Ability to export [European Union \(EU\) Organic certified](#) baobab products.
- Commitment to producing socially responsible baobab products that come directly from communities living in the poorest and most underdeveloped parts of southern Africa.
- Its baobab products having [Fair Wild](#) and ABS certification which demonstrates their commitment to upholding environmental standards.
- A professional website with professional and well-prepared content that informs buyers about its key strengths.

Senegalese companies

Many established companies export baobab to the European market. [Baobab Fruit Company Senegal](#) is one such Senegalese company. Baobab Fruit Company Senegal's key strengths include:

- Commitment to exporting quality, safe, traceable and socially responsible baobab to the food industries which it achieves through operating under strict international procedures.
- Ability to export high-quality [European Union \(EU\) Organic certified](#) baobab which is also [HACCP](#) certified.
- A website with professional and well-prepared content that tells prospective buyers about the company itself, how it sources and processes its baobab and the products it offers, accompanied by professionally taken photographs.
- Ability to provide detailed information about its baobab products on its website, specifically technical details.

Other companies exporting baobab from Senegal include [BAOBAB des Saveurs](#) and [Baonane SARL](#).

Other companies

Other companies also export baobab from other developing countries. [Superfruit Baobab](#) and [Atacora](#) are two Beninese companies doing so. Another is the Kenyan company [Bam Fruit](#).

Tips:

Ensure you provide European buyers of baobab for natural health products with the finest quality products because this is something they expect.

Consider acquiring certification that proves the high quality of your baobab products. For example [FSSC 22 000](#) and [HACCP](#) certification.

Consider acquiring certification that proves you meet and uphold social and environmental standards. For example, [Ecocert Fair Trade](#), [Fair for Life](#), [Fair Wild](#) and [ABS certification](#).

Consider acquiring organic certification for your baobab products, for example [European Union \(EU\) Organic](#) certification. Especially since organic is becoming increasingly popular on the European market.

Ensure you have a professional website with well-prepared content that clearly informs prospective buyers of your key strengths. For example, the certification you hold showing the quality of your products along with your commitment to upholding social and environmental standards.

What products are you competing with?

Moringa

Moringa is product that has been identified as a competing product to baobab. The moringa plant is native to regions of northern India and Pakistan. India is the world's largest supplier of moringa. However European

importers have [strong quality concerns](#) about Indian supplies, which is a major weakness. However, one of the moringa plant's strengths is that it is now found across tropical zones in Africa, Asia, islands in the Pacific and the Caribbean, and South America, and it is cultivated in many areas of the world too.

Moringa is becoming [increasingly popular](#) on the European market for food supplements because of its wide range of health benefits, which is a key strength. Health benefits of moringa [include](#) it being an excellent source of vitamins and minerals and rich in antioxidants. The European market for moringa remains [underdeveloped](#), however the [European food supplement market](#) and [global moringa products market](#) are both expected to increase respectively in the next few years. Moringa could therefore potentially be a greater threat to baobab in the future.

Figure 3: Moringa



Source: Rostovtsevayu / Shutterstock.com

Spirulina and chlorella

Edible seaweed such as spirulina and chlorella is a growing niche market that is predicted to grow as European consumers become more aware of the nutritional benefits of seaweed. Edible seaweed is divided into several categories such as red, green and brown algae. In recent years, there has been increasing demand for green algae spirulina and blue-green algae chlorella because of their health benefits. Spirulina and chlorella are therefore competing products to baobab.

[Health benefits](#) of spirulina include a high amount of omega-3 fatty acids, riboflavin, thiamine, iron, and copper. Health benefits of chlorella include a high amount of riboflavin, thiamine, iron, and copper. Spirulina and chlorella therefore pose a threat to baobab.

Figure 4: Chlorella tablets and powder



Source: Jiri Hera / Shutterstock.com

Acerola cherry

Acerola cherry powder is another product that is competing to baobab. Acerola cherry is native to tropical regions of the Western Hemisphere in countries such as Mexico, Puerto Rico, Dominican Republic, Haiti and Brazil. Acerola is most well-known for being extremely rich in vitamin C. This is a key reason why it is used in health products. Other [benefits of acerola cherry](#) powder include the fact that it is a good source of vitamins and minerals and rich in antioxidants. Currently acerola cherry powder is a niche product. It therefore does not pose a major threat to baobab.

Figure 5: Acerola cherry



Source: Photoography / Shutterstock.com

Tips:

Familiarise yourself with products competing with baobab that are available on the European market. Learn about their strengths and weaknesses.

Use your baobab strengths as an opportunity to persuade European buyers to purchase it from you.

Build a marketing story for your baobab which places emphasis on its key strengths. [B' Ayoba](#) is a Zimbabwean company that does this, as it clearly informs prospective buyers about its baobab products strengths for the health market.

4. What are the prices for baobab on the European market?

The prices of baobab decreased slightly in 2014 and 2015 because of increased production. In 2018 the prices increased slightly because of lack of supply and unfavourable weather conditions. The FOB market price of baobab powder is currently USD 12-13 per kilogramme. Baobab seed oil is priced at around (FOB) USD 30-60 per kilogramme. Organic baobab oil is usually priced higher at about (FOB) USD 80-100 per kilogramme. In the future, the price of baobab will be affected by climate change, weather conditions and level of production.

Figure 6: Estimated price breakdown of baobab products in the European market



Source: Ecovia Intelligence

Tips:


Be open to offering discounts to buyers who order your baobab in bulk. European buyers are used to discounts in case of larger orders.

Certification schemes can enable you to charge a premium for your baobab. Make sure you can justify your price with relevant certifications.


This study has been carried out on behalf of CBI by [Ecovia Intelligence](#).

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