

# Entering the European market for aloe vera

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To enter the European market for aloe vera, you must meet mandatory requirements set by the European Union (EU). In addition, consider meeting common additional requirements that European buyers and niche markets have because this will help you enter the European natural health products market. The European market for aloe vera can be divided into three segments, with the health product segment offering you several opportunities to take advantage of. Each segment has different channels you can enter through. You face competition from suppliers from both developing countries and European countries when entering the European market. However, there are good opportunities since the European supply of aloe vera cannot meet demand.

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## 1. What requirements must aloe vera for natural health products comply with to be allowed on the European market?

### What are mandatory requirements?

#### Specific requirements for herbal medicinal products

In Europe only the dried, concentrated leaf juice (the latex) of aloe vera is permitted for use in herbal medicinal products. Aloe vera can be used in products for occasional constipation. As such, if you decide to target the European herbal medicinal products market you must only do so with the dried, concentrated aloe vera leaf juice (latex).

If you target the European market for herbal medicinal products, you must comply with the mandatory legal requirements for the sector:

- [EU legislation Directive 2004/24/EC](#) outlines simplified harmonised rules for traditional herbal medicinal products and
- [The rules governing medicinal products in the EU](#) state which [marketing claims](#) medicinal products are permitted to make.
- [EU legislation on pharmaceutical products for human use](#) is a legal framework that applies to traditional herbal medicinal products.
- [Aloe vera's EU herbal monograph](#) outlines claims that can be made.
- [Aloe dry extract monograph](#) and its synonym (a word accepted as another name for something) [Aloe barbadensis monograph](#) outline official legal mandatory standards you must comply with.

## Tips:

New natural ingredients for the European market must be [registered for use](#) as traditional herbal medicinal product (THMP). If your species of aloe vera is not listed then you must comply with this procedure; if you do not comply, you will be unable to enter the European market. Find out if your species of aloe vera is listed by searching for it on [the European Medicines Agency \(EMA\) database](#).

Visit the [European Pharmacopoeia \(Ph. Eur.\)](#) website which is a reference for the quality control of medicines. It contains the official legally mandatory standards you must comply with to enter the European market. The European Pharmacopoeia monographs outline how different species may be used in medicine, and you must comply with it.

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

## Specific requirements for food supplements

If you are looking to supply aloe vera for use in food supplements, you must comply with:

- [EU food supplement legislation](#)
- [European General Food Law](#)
- [maximum Residue Levels \(MRLs\)](#), [contaminants in food](#) and [microbiological contamination of food](#), [food hygiene](#) as outlined in the [EU's Hazard Analysis and Critical Control Points](#),

You must also comply with [Good Agricultural and Collection Practices \(GACP\) for raw plant materials](#) along with [Good Manufacturing Practices \(GMP\) for extracts or active substances used as starting materials](#).

The use of aloe gels, extracts and latex is permitted in food supplements in Europe. However, the use of aloe vera's latex is only permitted with the following exceptions:

- Italy permits the use of aloe latex for all species of aloe, they are: *Aloe Africana* Mill.; *Aloe arborescens* Mill.; *Aloe ferox* Mill.; *Aloe perryi* Baker; *Aloe plicatilis* (L.) Mill.; and *Aloe vera* (L. ) *A. barbadensis* Mill., *A. chinensis* and [other](#) synonyms.
- Aloe vera extracts and gels are only permitted in Germany, with their latex not being permitted. In addition, the use of other aloe species is not permitted in Germany.

Individual European countries such as Germany or groups of countries, such as Belgium, France and Italy under the BELFRIT project, have created positive lists of species permitted for use in food supplements. The [BELFRIT positive list](#) outlines six aloe species and their respective forms that are acceptable for use, as well as requirements you must meet, including requirements about the claims that you make. The six aloe species are: *Aloe africana* Mill; *Aloe arborescens* Mill; *Aloe ferox* Mill.; *Aloe perryi* Baker; *Aloe plicatilis* (L.) Mill.; and *Aloe vera* (L. ) *Burm. f.l.*

The BELFRIT positive list do not outline the maximum levels of aloin permitted for use in food supplements. However, food safety authorities in each EU Member State can set levels for aloin use. Thus, European supplement manufacturers frequently use aloes with minimal aloin content.

## Tips:

See the CBI study [With which requirements must natural ingredients for health products comply to be allowed on the European market?](#) This study provides further guidance on mandatory requirements as

well as broader requirements to enter the European market for this sector.

Visit the [EPing website](#) and use its [search function](#) for an overview of country-specific measures that could affect the trade of natural ingredients for health products, and which differ from the international standards. It also has a [list of contact persons per country](#) appointed by the World Trade Organisation (WTO).

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

## Protection of Species and Biodiversity

To export aloe vera to the European market you must comply with the requirements on using plant resources agreed under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). This is particularly important for aloe vera collected from the wild. CITES is a part of EU law under [Regulation No 338/97](#), and your own country is likely to be a signatory, meaning you need to comply with it.

The Nagoya Protocol's Access and Benefit-Sharing (ABS) scheme provides guidelines for accessing and utilising genetic resources and traditional knowledge and the fair sharing of benefits. European companies need to comply with Access and Benefit-Sharing (ABS) legislation. As such, as an aloe vera exporter you must comply with the ABS as outlined under [EU ABS Regulation](#).

### Tips:

Visit the [CITES](#) website and review the information it provides because certain aloe species require permits for trade as they are threatened by extinction. It will give you a better understanding of mandatory requirements you must comply with to enter the European market.

Check if your aloe species is registered under Annex A and B of EU Regulation (EC) NO 338/97. If it is registered there, you must obtain an export permit form your country's CITES authority to trade it on the European market.

Use the CITES websites [National CITES Authorities tool](#) to find contact points in your country who you can contact.

Visit the [Species+](#) website which is designed to help implement CITES and use its features. Doing so will help you comply with a mandatory requirement you must comply with to enter the European market.

## What additional requirements do buyers often have?

### Quality requirements

European buyers demand consistently high-quality aloe vera which is delivered to them in any order volume or batch size. For European buyers, good-quality aloe vera will have a specific composition and chemical profile. Other common buyer requirements concerning quality include the active ingredient, moisture content, contaminants and residues of your aloe vera.

[The International Aloe Science Council](#) (IASC) has developed the [ISAC Aloe Vera Quality Standard](#) that is

applicable to raw materials for use in products. Consider meeting its standard as it is a sign of quality to European buyers. In Europe only the dried, concentrated leaf juice (the latex) of aloe vera is permitted for use in herbal medicinal products. Quality requirements you must meet to enter the European market are outlined in [aloe vera's EU herbal monograph](#).

As an exporter of aloe vera for natural health products, consider meeting additional buyer requirements that demonstrate good quality. These 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. Doing so is likely to increase your chances of entering the European market.

### Tips:

Only agree to meet a European buyer's specific requirements if you can actually meet them. This is because failure to do so can end your business relationship with them.

See the CBI study on [how to prepare a technical dossier](#), including Technical Data Sheets for natural ingredients.

Consider joining ISAC, review its [certification program](#) and consider meeting its requirements for the ISAC Aloe Vera Quality Standard. Doing so is likely to increase your chances of entering the European market because it shows you have met some quality standards.

See the [CBI study](#) on buyer requirements for natural health products. This provides guidance on quality requirements for natural health products.

## Labelling requirements

To export aloe vera to the European market for herbal medicinal products and food supplements, 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

If you export organic aloe vera you must also list 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.

## Packaging requirements

European buyers want high-quality aloe vera. You should therefore preserve the quality of your aloe vera by using appropriate packaging materials, as well as following general packaging requirements which include:

- Using containers made out of materials that do not react with components of your aloe vera, such as aluminium, lined or lacquered steel and stainless steel. Using packaging material that reacts to aloe vera will affect the quality.
- Using clean packaging material at all times. Using packaging materials that are contaminated, with bacteria for example, will hurt the quality of your aloe vera, as it is likely to become contaminated.
- Ensuring certified organic aloe vera and conventional aloe vera are physically separated to prevent contamination.

Be aware that packaging requirements often differ from one European buyer to another. So speak to European buyers and find out what their specific packaging requirements are, and consider meeting them.

### Tips:

Consider recycling or re-using packaging materials. Environmental sustainability is becoming increasingly important for European buyers.

Only agree to meet specific packaging requirements European buyers have if you can meet them. Failure to do so could end your business relationship with them.

## Payment terms

Payment is central to all trade and presents risks to everyone involved. Before starting a trading relationship with European buyers, do risk assessments of the available payment terms. As an exporter of aloe vera, try and minimise your risks while at the same time 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 to be 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 to be the safest, with it being frequently used in international trade because it provides security to both importers and exporters who have little trading experience with one another. Other payment terms include cash in advance, documentary collections and open account.

### Tip:

See the CBI study on [organising your export of natural ingredients for health products to Europe](#) for more information about the available payment terms in the sector.

## Delivery terms

You must carefully consider the three important factors of delivery time, volume and cost when agreeing delivery terms with European buyers. Failure to meet agreed delivery terms could end your trading relationship with European buyers.

1. Delivery time - European buyers prefer shorter delivery times. Air cargo is usually faster than sea freight and is more reliable in terms of time delivery.
2. Delivery volume/ quantity of order - The volume of an order is an important factor to take into account when choosing a mode of transport. Larger quantities are often cheaper to ship by sea. Air freight can be less expensive for lower volumes, 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:

Bear 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 that there will be tensions and trade-offs, particularly when you are doing business with a European buyer for the first time.

Use the [Freightos freight calculator](#) to get instant international freight rate price information for shipping by sea and air. Doing so will allow you to make a more informed decision before agreeing delivery terms with buyers.

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

## What are the requirements for niche markets?

### Organic and fair trade

There is growing consumer demand for organic products across Europe, a trend likely to continue. As such, European buyers are demanding organic ingredients for their natural health products. As an exporter of aloe vera, you should consider getting organic certification. 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.

Fair trade is also becoming popular among European health product companies. It pertains to various environmental and social attributes of sustainability such as respect for human rights and fair working conditions during the production of natural ingredients. Examples of various fair trade standards include:

- [Fairtrade International](#)
- [Ecocert Fair Trade](#) and [Fair for Life](#)
- [FairWild](#)

### Tips:

If you have organic aloe vera, make sure you have a Certification of Inspection (COI) which proves your aloe vera is organic. This gives you an advantage when entering the European market. Inform your prospective buyers if you already have a COI. Make sure you have a COI that is up-to-date to with the [latest changes made by the EU](#), which came into force on 3 February 2020. This is a mandatory EU requirement if you want to trade organic aloe vera on the European market.

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

## 2. Through what channels can you get aloe vera on the European market?

On the European market, aloe vera is used in the food industry, natural health products industry, and cosmetics industry.

### How is the end-market segmented?

The European market for aloe vera can be segmented by end-user industry: food, health products and cosmetics. Figure 1 gives examples of aloe vera products on the European market according to industry segmentation.

Figure 1: Example of aloe vera products on the European market



Source: Various

### Food industry

In recent years, the food and drinks industry has been [using aloe vera in many types of beverages](#) on a large scale because of its active properties such as vitamins and minerals that are beneficial for human health. The demand for aloe vera-based drinks is growing in Europe because European consumers are increasingly health-conscious. In addition, aloe vera gel is used as a [flavouring and preservative](#) by the food industry.

### Health products industry

Aloe vera gel, extract and latex form (generally of pharmaceutical grade) are used in food supplements and pharmaceutical products because of their active components, which have a number of beneficial properties. [Aloe vera contains 75 potentially active constituents](#): vitamins, enzymes, minerals, sugars, lignin, saponins, salicylic acids and amino acids.

[Beneficial properties of aloe vera's active constituents include](#) healing, anti-inflammatory, anti-viral and anti-tumour properties, along with having effects on the immune system and skin exposure to UV and gamma radiation. Aloe vera also has laxative, antiseptic, moisturising and anti-ageing effects.

Aloe vera is also used in some other types of complementary and alternative medicine. For example, in Ayurveda, aloe vera is said to have [medicinal properties such as](#) reducing cholesterol levels, improving heart function, strengthening the immune system, as well as hydrating and strengthening hair and scalp among others.

### Cosmetics industry

Aloe vera is [commonly used by the cosmetics industry](#) in products such as facial, hair, body care and after-sun products. This is because of aloe vera's active components and flexibility, as well it being very skin-friendly, having a low risk of causing allergies, sensitivity or skin reactions.

This study focuses on aloe vera's use in the health products sector, including food supplements.

## Tips:

See the CBI study [Which trends offer opportunities of pose threats on the European natural ingredients for health product markets](#) for useful information about the European health product segment.

Visit trade fairs to test if the industry is open to your product, get market information and find potential buyers. They 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 [7 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 aloe vera end up on the end-market?

Figure 2 shows the export value chain for aloe vera on its journey to the European market.

Figure 2: Export Value Chain for Aloe Vera



Source: Ecovia Intelligence

### Importer / Distributor

As a processor/exporter of aloe vera, importers/distributors are the main entry points to the European aloe vera market. European importers/distributors usually deal in a wide range of natural ingredients. Their expertise is in the global sourcing of natural ingredients, ensuring the quality and documentary and regulatory compliance, along with selling to processors and natural health product manufacturers.

The French company [Nexira](#) is a leading importer/distributor of aloe vera in Europe. Other importers/distributors of aloe vera on the European market include [Dr.Behr](#) and [Forward Farma BV](#). Some importers/distributors specialise in trading and supplying organic aloe vera to European natural health product companies; [BioImport](#) is one example.

### Agents

An [export agent](#) is a firm or an individual that handles most of the exporting activities on behalf of an exporter, usually for a commission. Agents are in developing countries and Europe; however, it is uncommon for companies to use agents on the European market. As an exporter from a developing country you could work with agents who represent and act on your behalf on the European market.

### Other channels

The processing and exporting of aloe vera as an ingredient can be combined and undertaken by the same company; [Natural & Organic Farms Mexico](#) is an established Mexican company doing this. Aloe vera can end up on the European market as a finished natural health product. For example, [Shivalik Herbals](#) is an Indian company that exports aloe vera capsules as finished products to the European market.



## Tips:

Consider expanding your aloe vera product range. For example, consider including organic aloe vera as this is likely to increase your chances of entering the European market as some importer/distributors only import organic products.

Be prepared to send high-quality samples to prospective buyers, who will test them to assess whether you are a credible exporter of aloe vera. It is standard procedure to request samples in the natural health product sector. Being prepared to do so gives you an advantage when you are looking to enter the European market.

Be prepared to meet prospective buyers who are interested in directly sourcing aloe vera from you if you are able to supply large volumes.

## What is the most interesting channel for you?

As an exporter of aloe vera from a developing country, importers/distributors are the most interesting channel for you. This is because importers/distributors have expertise importing and distributing aloe vera on the European market, a good understanding of the European health products market and a wide range of customers. European importers/distributors also have storage facilities and an established logistics network. This can be very helpful to you as a small and medium-sized exporter of aloe vera from a developing country.

## Tip:

See the CBI study [7 tips for finding buyers in the natural ingredients for health products sector](#) for useful information and guidance on finding buyers in channels that allow you to enter the European market. Focus on importers/distributors, as they are your main entry point onto the European market.

## 3. What competition do you face on the European aloe vera market?

### Which countries are you competing with?

#### China

Eurostat data showed that China was the largest exporter of vegetable saps and extracts with an HS Code 130219, under which aloe vera is traded to Europe in terms of volume. China has an [ideal environment for large-scale aloe vera planting](#). China's [good infrastructure](#) and its [government's extensive support](#) of the country's agricultural industry are some of China's key strengths.

However, [challenges that China's industry](#) faces include the declining size of arable farmland, as well as land pollution and soil pollution. Other challenges China faces include an ageing population and higher labour costs. Recent research shows most Europeans see China's 'aggressive practices' as a threat to their economic interests. However, China's provision of aid to a number of European countries during the global COVID-19 pandemic is likely to have a positive effect on how Europeans perceive China.

## Mexico

2019 Eurostat data showed Mexico was the second largest exporter of vegetable saps and extracts with an HS Code 130219 to Europe in terms of volume. Mexico's [aloe vera industry continues to expand](#), as the country's climatic conditions enable aloe vera to be cultivated all year round. This gives Mexico an advantage over countries where aloe vera cultivation is not possible all year around.

The country has an [extensive agricultural support program](#) which subsidises production, post-harvest management, marketing, and other activities throughout the aloe vera supply chain. Challenges that Mexico's aloe vera industry faces include its complex regulatory framework and climate change.

Aloe vera from Mexico is usually exported in the form of liquid concentrates and powders. Mexico is seen as a large-scale producer of aloe vera. Suppliers are capable of exporting larger volumes.

## Dominican Republic

2019 Eurostat data shows the Dominican Republic was the third largest exporter of vegetable saps and extracts with an HS Code 130219 to Europe in terms of volume. The Dominican Republic's aloe vera industry is supported by its government through various subsidies and [programmes](#).

The [International Fund for Agricultural Development \(IFAD\)](#) has also been [supporting and developing](#) the Dominican Republic's agricultural industry. The [Dominican Republic has an Economic Partnership Agreement \(EPA\) with the EU](#) which helps it in the aloe vera trade as it ensures duty-free and quota-free market access into the EU for all products, for example. Note that several other countries also have EPA's with the EU.

## India

Eurostat data shows India was the fourth largest exporter of vegetable saps and extracts with an HS Code 130219 to Europe. India is one of few countries with unique geographical features and ideal climatic conditions required for aloe vera cultivation. India's [government supports the country's aloe vera industry](#), for example by running educational programs and providing seeds, saplings and subsidies to farmers. This is another of India's key strengths.

However, the Indian aloe vera industry faces challenges, including a lack of farming knowledge and poor farming practices. Europeans generally have a positive view of India. Indian companies also speak English for business, which makes business easier for European buyers.

## Brazil

2019 Eurostat data showed Brazil was the fifth largest exporter of vegetable saps and extracts with an HS Code 130219 to Europe in terms of volume. Brazil's [aloe vera sector](#) is growing, with this being one of its key strengths. Parts of Brazil, specifically its north-eastern part, have ideal climatic conditions for aloe vera production; another of Brazil's key strengths. Brazil is [ranked highly](#) among both the world's largest agricultural producers and most productive countries, with this being another of Brazil's key strengths.

However, a lack of organisation, particularly of rural farms where a large amount of Brazilian aloe vera is produced is a challenge facing the Brazilian aloe vera industry. The [EU is Brazil's largest trading partner](#), with Brazil being the single biggest exporter of agricultural products to the EU globally. Speedy delivery along with language can often be a barrier to greater trade.

## Vietnam

Eurostat data shows Vietnam was the sixth largest exporter of vegetable saps and extracts with an HS Code 130219 to Europe by volume in 2019. Vietnam's [government supports the country's aloe vera industry](#) and is actively working to develop it. This is one of Vietnam's key strengths. For example, Vietnam's Department of

Agriculture and Rural Development is working to expand production, improve farming techniques and strengthen cooperation between companies and farmers to develop chains for sustainable planting.

However, challenges Vietnam's agricultural industry and therefore its aloe vera industry faces include [climate change and the global coronavirus pandemic](#). At first, the perception of Vietnam on the European business community decreased during the global COVID-19 pandemic. However, the perception is since believed to have improved, as the country reported not a single death from the coronavirus until June.

Argentina is also a significant importer of other vegetable extracts and saps (HS 130219) to the European Union in 2019. However there were no imports recorded in previous years, which is why it was not mentioned in the top 6 exporters of other vegetable extracts and saps to Europe.

### **Tips:**

Find out if your country has programmes helping exporters harvest, cultivate, process and/or export aloe vera. You can do this by contacting government ministries of trade in your country. They sometimes provide assistance to help you export aloe vera.

Consider joining the [International Aloe Science Council](#) (IASC) because they offer a range of assistance to exporters of aloe vera from developing countries like you.

Position yourself against competing countries. For example, producers from parts of Mexico with ideal climatic conditions for aloe vera cultivation all year round should notify European buyers of this. This is because they are in a position to supply aloe vera all year round, thus making them a more reliable exporter compared to countries that cannot.

## **What companies are you competing with?**

Several established companies export aloe vera to the European market. One thing they all share, is that they have a professional website with well-prepared content. Their websites will include sections informing prospective buyers about the companies themselves, how they source and process their aloe vera along with technical details and the certifications they hold, accompanied by professionally taken photographs.

### **Indian companies**

One of [Aryan International](#)'s key strengths is its commitment to exporting high-quality natural and organic aloe vera that has been cultivated and processed in socially responsible and environmentally sustainable conditions. Importantly, Aryan International is able to prove this, as it holds [ISO 2200:2018](#) (Food safety management systems), [British Retail Consortium Global Standard for Food Safety](#) and [EU Organic](#) certification along with being a [FLO Fairtrade](#) product supplier.

### **Mexican companies**

[Natural & Organic Farms Mexico](#) is a Mexican company exporting both [EU Organic](#) and [Ecocert](#) certified, as well as conventional aloe vera to the European market. This is one of the company's key strengths. The company is a member of the [International Aloe Science Council](#) (IASC) and its manufacturing facility has been certified and approved by the Council. As such, the company can manufacture certified products that have met ISAC's standards and comply with the requirements set forth by the Council. This is another of the company's key strengths.

## Tips:

Consider obtaining certification like [International Aloe Science Council](#), [ISO 2200:2018](#), [Good Manufacturing Practice](#), or [British Retail Consortium Global Standard for Food Safety](#) certification, which proves the high quality of your aloe vera. Furthermore, you should also consider following [HACCP](#) guidelines.

Consider acquiring certification that proves you meet and uphold organic, social and environmental standards. Examples include [European Union \(EU\) Organic](#), [Ecocert Organic](#), [Ecocert Fair Trade](#), [Fairtrade](#), [Fair for Life](#) and [Fair Wild](#) certification. Doing so will give you an advantage when you are looking to enter the European market.

Ensure you have an online presence and your website is up-to-date. This is because prospective European buyers frequently use the internet to find and assess prospective companies before doing business with them.

## What products are you competing with?

Aloe vera has a wide range of applications in the health products sector. It is a source of vitamins, minerals and amino acids. It has a wide range of properties, including antiviral and antibacterial properties. It is used for the treatment of certain skin conditions and for products that boost digestive health and overall wellbeing. Fractions from the aloe plant have also been demonstrated to stop the growth of tumour cells. Furthermore, it can be used to lower the blood sugar level and for relief from joint pains, especially in rheumatoid arthritis and osteoarthritis.

## Ginger

Ginger has been identified as a product competing with aloe vera. Ginger is widely cultivated in parts of the world which have ideal conditions for its growth, specifically tropical and semi-tropical conditions. India accounts for most of the [global production of ginger](#). Importers of ginger have concerns about the [quality and cleanliness](#) of India's ginger, particularly its adulteration, which is a key weakness. However, ginger is widely cultivated in other countries such as Nigeria, China, Indonesia and Nepal, and this is a major strength.

Ginger is used in food supplements because of its wide range of health benefits – some of which are shared by aloe vera – such as its ability to lower blood sugar levels. [Health benefits of ginger include](#) improving digestion, blood sugar levels, and reducing harmful cholesterol levels, inflammation, nausea and menstrual pain. The [European ginger market is expected to increase](#). Reasons for increasing demand include growing consumer awareness of its health benefits, particular in light of the global COVID-19 pandemic and its growing use in the healthcare industry. As such, ginger poses a threat to aloe vera.

Figure 4: Ginger



## Ginseng

Ginseng has been identified as a product that competes with aloe vera. China, South Korea, the United States and Canada are [the largest producers](#). There are several species of ginseng cultivated globally, and [each has its own benefits](#). Some of these benefits are shared by aloe vera, meaning ginseng can be a substitute for aloe vera. For example, [Korean ginseng](#) has anti-bacterial properties and can therefore be used as a substitute for aloe vera. This is one of ginseng's key strengths. Diversity of ginseng species gives formulators choice, another of ginseng's key strengths.

A weakness of ginseng is that it is a niche product because of low consumer awareness, though ginseng does have a significant presence in Asia because of its traditional uses. However, given the global expansion of the health product market, ginseng could pose a threat to aloe vera in the future as it has the [potential for market expansion](#).

Figure 5: Ginseng



Source: photo by Bosmin Kang via Pixabay

## Turmeric

Turmeric is a product that competes with aloe vera, as it is used in food supplements and pharmaceuticals because of active substance which have several beneficial properties. Beneficial properties of turmeric include anti-bacterial, anti-viral, anti-inflammatory, anti-tumour, antioxidant, antiseptic, cardio-protective, hepato-protective, nephron-protective and radio-protective properties. This is one of turmeric's key strengths. Turmeric is gaining popularity on the European market with researchers stating it is [a superfood to watch](#), which is another of its key strengths.

Eurostat data from 2018 showed that India was the largest exporter of turmeric to Europe in terms of volume. However, industry sources suggest [adulteration is a key food safety issues for turmeric from India](#), particularly when its supply is low. This is a major weakness. On the other hand, turmeric is widely cultivated in other countries such as Peru, Madagascar, Thailand, Costa Rica and Vietnam. This is a key strength. As such, turmeric poses a threat to aloe vera.

Figure 6: Turmeric



Source: Natthapol Siridech / Shutterstock.com

### Tips:

Familiarise yourself with products competing with aloe vera that are available on the European market. Learn about their strengths and weaknesses. You can do this by reading the CBI study on Turmeric.

Position yourself against competing products by highlighting your company and aloe vera's strengths. For example, highlight its high quality - which you can prove through certification. You can find various [studies](#) comparing properties of aloe and other alternative products.

Build a marketing story for your aloe vera which places emphasis on its key strengths. [Natural & Organic Farms Mexico](#) is a Mexican company that does this well, clearly informing prospective buyers about its aloe vera strengths.

## 4. What are the prices for aloe vera on the European market?

There are various factors that influence the price of aloe vera. In general, the prices of aloe have been

fluctuating in the last couple of years. The reasons behind this development include climate change, oil prices and quality differences as they affect the supply and demand for aloe vera. For example, rising oil prices are increasing production costs, thus increasing the price of aloe vera as its costs more to produce and distribute.

The price of aloe vera gel extract price ranges between USD 0.8-1.9 per kg (FOB). Price of Chinese aloe vera gel extract is usually slightly lower. Prices of aloe vera oil range between USD 7-8 per kg (FOB). Conventional aloe powder extract is priced at around USD 23-25 per kg (FOB), while organic aloe powder extract is priced at 30-35 per kg (FOB).

The COVID-19 pandemic is pushing the price of aloe upwards, as it is used in the production of hand sanitisers and supplements. Potential subsequent waves of COVID-19 pandemic could increase the price of aloe and aloe extract even further.

Figure 7: Estimated price breakdown of aloe vera on the European market



### **Tips:**

Be open to offering discounts to buyers who order your aloe vera. European buyers are used to receiving discounts when placing larger orders. To avoid losses, make sure you include discounts offered in your original calculations so that you do not sell at a lower price than your costs.

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

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

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