

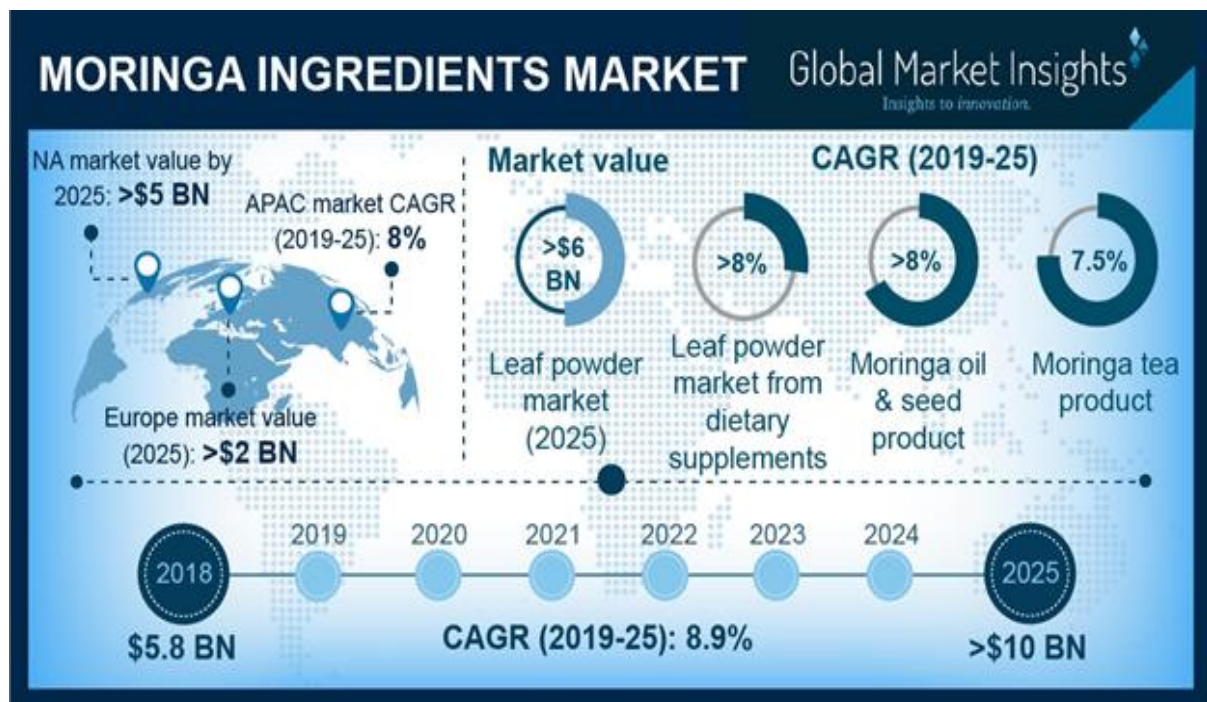


Market Intelligence Report: Moringa

THE MARKET FOR MORINGA PRODUCTS

MORINGA INGREDIENTS MARKET INDUSTRY TRENDS

✚ Market Size in 2018	:	5.5 Billion (USD).
✚ Forecast Period 2019 to 2025	:	CAGR 8.9%.
✚ 2025 Value Projection	:	10 Billion (USD).



Increasing demand for food supplements owing to rising awareness about:

- Nutrition
- growing geriatric population,
- hectic lifestyle,
- and rising disposable income

Shall foster the moringa ingredients market growth.

Growing awareness regarding the medicinal benefits of moringa-based products is projected to propel industry growth.

Moringa flowers, seeds, pods, leaves, gum, and bark have properties to relieve vitamin and mineral deficiencies, promote normal blood glucose levels, provide support for a healthy cardiovascular system, body's anti-inflammatory mechanisms, immune system, neutralize free radicals, and

enrich anaemic blood. They have potential benefits to overcome malnutrition, lactating mothers, general weakness, depression, menopause, osteoporosis, and arthritis.

Growing incidence of obesity and increasing preference of individuals towards fast food products are the key factors augmenting the dietary supplements market demand. Global dietary supplements market surpassed **USD 125 billion in 2018**.

In dietary supplements, moringa is used as an ingredient due to presence of a large number of essential nutrients that help in improving health. Rising consumer awareness and dietary supplements consumption in the U.S., Canada, India, China, UK, Germany, and Australia are the key contributing factors towards market growth.

Global cosmetics market size may grow significantly at around 5.5% during the forecast timeframe owing to growing consumer demand for hair and skin potions. Shift in consumers preference towards herbal cosmetic products which in turn may accelerate the overall market demand.

Increasing demand for wheat-based products is projected to hamper moringa ingredients market profitability. Also, stringent government regulations regarding the export of moringa may hinder the market growth. Organic certification is important before using it for nutritional supplement purpose, which may drive the market share.

GROWTH DRIVERS

North America: Increasing demand for dietary supplements

Europe: Growing demand for Health / organic products

Asia Pacific: Growing demand for plant-based cosmetic products

Moringa tea market size from online distribution channel may register gains close to 7.5% during the forecast time period. Growing per-capita disposable income along with increasing penetration of online purchase in the U.S, India, China, Germany, and UK may contribute towards segment growth.

REGIONAL INSIGHTS



North America, driven by Canada, Mexico, and the U.S. Moringa ingredients market demand should surpass **USD 5 billion by 2025** due to the growing demand for plant-based supplements. Increasing demand for natural cosmetic products in the U.S. and Canada may augment regional growth. Increasing demand for organic health supplements as they are used to reduce weight and calorie reduction may support regional growth.



Europe Moringa ingredients market demand driven by Germany, France, UK, and Italy may exceed **USD 2 billion up to 2025**. Increasing demand for food supplements to prevent diseases may support regional industry growth. Growing demand for Moringa tea in the region as it promotes weight loss, provides nourishment, help in food digestion, and improves skin health may boost industry demand.



Asia Pacific, led by India, Japan and China market size may grow significantly at around **8%** during the forecast time period. Rising awareness among individuals regarding nutritional enrichment may accelerate regional growth demand. Increasing number of brand campaigns on electronic media to create product awareness among individuals by major manufacturers should favour market growth.

The second edition of the China International Import Expo in Shanghai quotes that:

“Indian Moringa (drumstick) powder, henna powder, chillies, value-added tea have caught the fancy of the country’s second largest trading partner China and the Asian giant is keen to import these agricultural products from India.”

China and Kenya

China aided Moringa project has boosted the fortunes of Kenyan small-holders. Collaborative research involving Chinese and Kenyan scientists has revived cultivation of Moringa and other indigenous plants. China Moringa leaf powder market demand for food application exceeded USD 30 million in 2018. Increasing demand for natural food ingredients owing to rising health awareness should stimulate the regional market.

Philippines

Moringa is one of the world's most useful trees and in the Philippines almost all parts of the plant are used for food and traditional medicine. More new moringa-based products are being developed by more than 20 food and cosmetic industries in the Philippines. In spite of the growing moringa industry there is a shortage of good quality fresh and dry moringa raw materials. The supply of moringa powder is inadequate and unstable and can be attributed to a scarcity of seed and planting materials. There is no stable and commercial moringa oil industry due to limited seed supply.

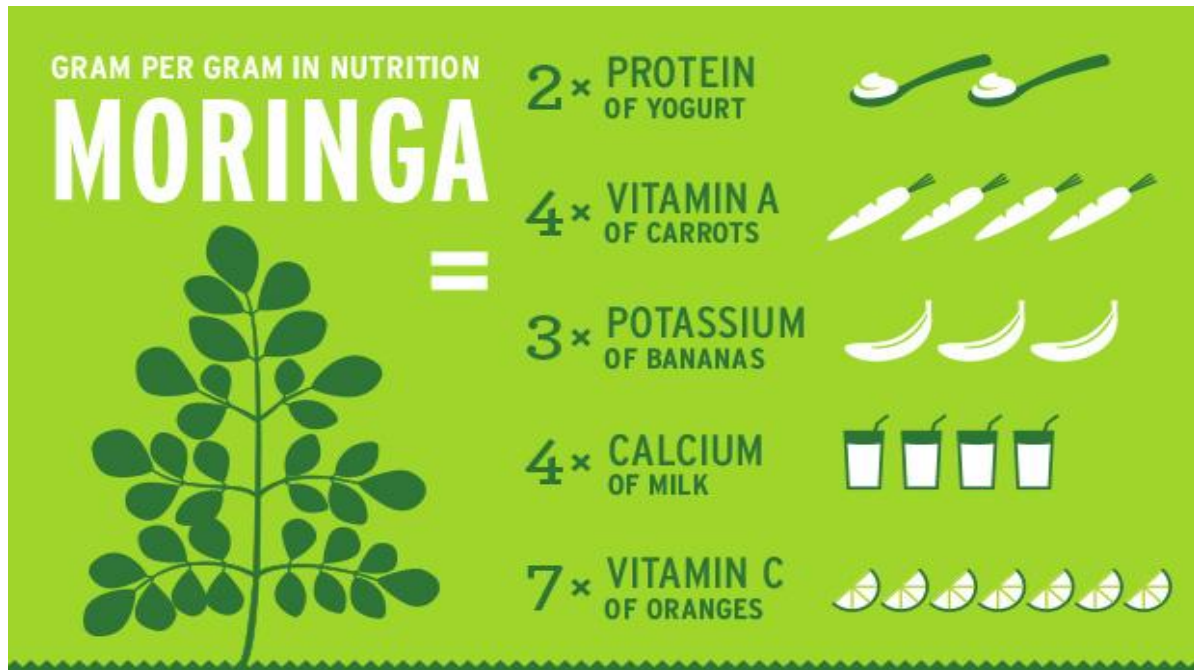
Emerging New Entrants with their marketing story

- African companies have entered the market for moringa market. For example, from: South Africa (e.g. *Botanica Natural Products*) ; Ghana (e.g. *Moringa Connect*) ; Mozambique (e.g. *MoSagri*) ; Kenya; Malawi (e.g. *Moringa Malawi*) ;Zambia.
- *Organic certified moringa* is also being produced in the island of Tenerife, which is part of the European Union. The producers use European location as their USP. Other upcoming producers are located in the Americas, such as El Salvador, Nicaragua and the *United States*.

VALUE ADDED PRODUCTS OF MORINGA

- Moringa Leaf Powder
- Moringa Leaf Tablets
- Moringa Capsules
- Moringa Oil
- Moringa Tea
- Moringa Energy Bars
- Moringa Gum Powder
- Moringa Drops
- Moringa Oil Cake

Moringa A "SUPER FOOD"



The by-products of drumstick tree like fresh pods, fresh greens and flowers are packed with anti-oxidants , anti-inflammatory, vitamins, nutrients, and minerals are fully packed in a recommended dietary allowance (RDA). The drumstick is rich in A, C, D, and E vitamins. They are rich in minerals such as calcium, phosphorus, potassium, copper, iron, magnesium, silica. Drumstick also contains alpha-linolenic acid, amino acids, plant-based omega-3, carotenoids along with nutraceutical properties.

Over the past years , consumers have become more aware about the products they consume and have shown interest in products like 'natural', 'sustainable' and 'ethical' or a combination of all of those.



DIETARY SUPPLEMENTS AND COSMETICS DERIVED FROM NATURAL SOURCES

Increased opportunities exist in expanding niche markets and for exporters offering exotic varieties.



NATURAL COSMECEUTICALS AND/OR DIETARY SUPPLEMENTS WITH ACTIVE INGREDIENTS/ FUNCTIONALITIES. COSMETICS, AND/OR DIETARY SUPPLEMENTS WITH ACTIVE INTERESTING

Consumer interest in products promising anti-ageing, low/no preservatives, omega-3 products.



ETHICALLY SOURCED & ENVIRONMENT FRIENDLY PRODUCTS.

There is an increasing consumer demand for ethically sourced cosmetics and food (supplements). EU and US companies are moving towards being environmentally and socially responsible.



CERTIFICATIONS SUCH AS FAIRTRADE, ORGANIC AND GLOBALG.A.P., ARE AN AREA OF HIGH MARKET GROWTH, BOTH IN THE US AND THE EU.

This provides opportunities for producers and guarantees of higher prices or premiums in the market, along with good working conditions for farmers or farm workers in the supply chain.



Moringa leaf powder

Moringa leaf powder is used as a dietary supplement and falls under the market category of Herbs and Botanicals like green superfoods such as spirulina, wheatgrass, barley grass, etc. The market for nutraceutical supplements has rapidly increased over the past decade.

The main markets for dietary supplements are the US, followed by **Western Europe** and **Japan**, all with an affluent middle class willing to invest in alternative health and food products. US dominate the overall market in nutritional supplements, Europe accounts for the largest share of the world market in herbal/botanical supplements and remedies. Asia-Pacific and Japan make up the other important market for botanicals, with the Asia-Pacific market (led largely by China and India) set to pave the way with the highest growth rate (10.5%) through 2017 (Global Industry Analysts, Inc, 2013).

Judging by the increasing number of products available on the international market it seems safe to say that demand for moringa leaf powder products is growing.

In the US, moringa is increasingly becoming available in health shops, both online and offline. While the leaf powder has been sold for a few

years already and products like health bars, and dietary supplement used in teas or energy drinks. They are marketed as caffeine free energy boosters and as a superfood, with a composition comparable to spirulina.

Under EU regulation, only the whole or powdered leaves of moringa are allowed to be imported as food. **India dominates the current global market and meets more than 80% of global demand.** That such a large percentage of global moringa production is taking place in India is largely due to the long tradition of including moringa in its food consumption. As a result, Indian moringa is grown on large plantations, making it possible for Indian wholesalers to sell moringa leaf powder at a comparatively low price (and most of the time online). Many companies are coming up with claims that their moringa leaf powder is, as a result, of a higher quality, while also providing a story that Western consumers consider important.

Moringa leaves need to be dried immediately upon harvesting and the cost of transporting loose dried leaves is high which means EU buyers are dependent on countries that produce moringa in powdered form in order to meet their demands.

Indian wholesalers offer moringa leaf powder at a comparatively low price.

Pricing of Moringa Leaf Powder on the International Market depend on quantity, quality, and end use of the product.

Wholesale prices for Indian moringa leaf powder (the product sold on the largest scale) range from US\$ 2.26 - 7.90/lb, with an average price of US\$ 2.97/lb. (source: ZAUBA.com).

Moringa Oil

Exotic plant-based oils like moringa often have specific active and functional properties, making them particularly valuable for use in cosmetic products. Following health and wellness trends, Western consumers increasingly prefer cosmetics with ingredients derived from plants, rather than mineral oil. This trend—to consume 'truly natural' cosmetic products—is in line with other patterns in eastern society, where consumers increasingly adopt green values and seek out companies that accept responsibility for social issues and the environment. In response to these trends, the cosmetic industry has begun to differentiate its products by using more exotic vegetable oils, in turn triggering a growing international demand (and thus higher prices) for oils derived from sources like moringa.

Global trade statistics are only available in an aggregated form for exotic vegetable oils. Besides moringa oil, which constitutes a minor proportion, this product group also includes apricot kernel oil, cupuacu

butter, argan oil, baobab, papaya seed oil, sheabutter and others. Moreover, the data does not allow for distinguishing between fully natural products and chemically refined products (CBI, 2009). It deals with analyzing the general market trends for exotic vegetable oils, which includes moringa oil.

The volume of global imports of exotic vegetable oils was at a high level in 2007 (approximately 700,000 tons) and maintained a quite constant level during 2010 and 2011 (approximately 600,000 tons). The single most important importer was the EU, which imported around half of the volume from Developing Countries (DCs). The value of global imports of exotic vegetable oils increased from around US\$ 1.05 billion in 2009 to almost US\$ 1.4 billion in 2011. This shows that exotic vegetable oils are an increasingly attractive high value-added commodity.

According to the trade statistics website Zaubacom, wholesale prices for moringa oil exported from India ranged from US\$4.05 - 16.70/lb over the period 2012 - 2014, with an average price of US\$10.31/lb. In litres, this translated to an average price of US \$32.13/L (minimum US\$18.5/L, maximum US \$79.64/L). Producers of moringa oil in various other DCs reported they were able to get around US \$15.45/lb for their moringa oil (sourced from local smallholder farmers) on the international market (source: Moringa Connect).

MORINGA PRODUCTION

India is the prime producer of Moringa (Drumstick) with an annual production of **2.2 million tonnes** of tender fruits from an area of 43,600 ha leading to the productivity of around 51 tonnes per ha.

Among the different states, Andhra Pradesh leads in both area and production (15,665 ha) followed by Tamil Nadu (13,042 ha) and Karnataka (10,280 ha). In other states, it occupies an area of 4,613 ha.

INDIA – MAJOR SUPPLIER OF MORINGA

India is the main supplier of moringa worldwide, accounting for around 80% of global demand. In India, most moringa is produced on large plantations as a conventional ingredient. This makes it possible to sell the product at low prices.

Unique Selling Point of India (USP)

- For smaller suppliers it will be very difficult to compete on price with Indian companies.
- The standardisation of moringa leaf powder, such as the protein content or the omega-9 and vitamin E content. Indian companies also compete at this level of processing. Some even produce ingredients registered as intellectual property. For example, the company Sabinsa developed *a standardised ingredient from dried Moringa oleifera leaves* with a standardised minimum level of antioxidant activity. Indian companies also produce final products based on moringa, such as the company *Grenera*.