China's Core Position and Competitive Advantages in the Global Onion Extract Supply Chain

Preface

With flavonoids, sulfur compounds and quercetin as its core active ingredients, onion extract features anti-inflammatory and antioxidant effects, and is widely used in functional foods, dietary supplements, personal care, pharmaceuticals and other fields. It aligns with the global trend of health consumption and natural ingredient substitution.

Supported by high-quality planting resources, a full-industry-chain layout, stringent quality control and advanced production technologies, China has become a core pillar of the global onion extract industry, holding an irreplaceable leading position and uncopyable competitiveness, serving as a reliable partner for global buyers.

Part 1 China's Core Position in the Global Onion Extract Supply Chain

1. Absolute Dominance in Global Capacity and Supply – A Stabilizer for the Industry

China is the world's largest producer, exporter and raw material supplier of onion extract, accounting for **over 70% of global annual output** and **more than 65% of global trade volume**, acting as the core supplier that directly sustains stable industry operation.

As the world's top onion producer, China's key growing areas include Xinye (Henan), Hailun (Heilongjiang) and other regions, featuring large-scale cultivation and superior quality, with yields exceeding **22,000 jin per mu** in some bases. It is the **only country** capable of large-scale, year-round stable supply. Major global enterprises designate China as their core raw material base, and its supply volume and price trends determine the global industrial landscape.

2. Closed-Loop Full-Chain Layout – The Only Fully Self-Controllable Industrial Hub

China has built a closed-loop industrial chain:

Planting → Primary Processing → Refined Extraction → Quality Inspection → Global Distribution

with full-process autonomy and no supply disruptions.

- Upstream: Standardized planting bases across provinces ensure **100% raw material self-sufficiency**.
- Midstream: Ample GMP-certified capacity and complete processing technologies.

- Downstream: Global logistics and quality inspection systems enable efficient delivery.

Compared with fragmented planting and segmented processing overseas, China adopts an integrated **planting-processing-production** model, ensuring timely raw material supply, intact active ingredients and efficient by-product utilization. Its industrial integrity and risk resistance lead the world, making it the core hub of the global supply chain.

3. Leading Industry Standards – Master of Global Pricing and Rule-Making

China is a standard-setter for the industry, with a **three-level quality control system** whose key indicators are stricter than international standards. Domestic quality specifications have become entry criteria for high-end markets in Europe, the US, Japan and South Korea, and are adopted by leading global manufacturers.

The transaction and ex-factory prices of Chinese onion extract serve as the **global pricing benchmark**, breaking foreign monopolies, securing bargaining power and standard authority, escaping low-end competition and occupying the core of the global value chain.

4. Covering Global Markets – A Core Node in International Trade

Chinese onion extract covers **over 85% of major global markets**, with rising penetration in high-end markets (Europe, US, Japan, South Korea) and a market share of **over 75%** in emerging markets (Southeast Asia), maintaining dominance through high cost-performance.

Benefiting from RCEP, exports to member states keep growing. Coupled with booming domestic demand, a **dual-driven structure (export + domestic)** has been formed, serving as an irreplaceable link connecting raw materials, processing and end consumption.

5. Industrial Upgrading – Moving to the Mid-to-High End of the Global Value Chain

China's onion extract industry has completed quality upgrading. Exports of **high-purity and pharmaceutical-grade products** account for **over 55% of the global market**, breaking foreign monopolies in high-end segments and gaining wide recognition.

The industry extends downstream, with derivative products sold worldwide and added value improved. Low-end capacity is eliminated, and the sector is transforming toward **refinement, customization and high-end positioning**, rising to the mid-to-high end of the global value chain.

6. Strong Supply Chain Resilience – Superior Risk Resistance

Supported by full-chain autonomy and multi-region planting, China's supply chain effectively withstands external shocks. Independent planting and extraction technologies, flexible capacity and abundant raw material reserves enable leading enterprises to underpin overall supply.

With standardized supervision, a **dual-track quality monitoring mechanism** and full-process traceability, stable global supply is guaranteed even amid market fluctuations. Its supply chain resilience and security lead globally.

Part 2 Core Competitive Advantages of Chinese Onion Extract in the Global Market

1. Native High-Quality Resources – Concentrated Origins, Stable Supply

China owns the world's most concentrated and high-quality onion planting bases with superior growing conditions, high active ingredient content and consistent quality. Large-scale standardized cultivation eliminates supply risks.

Year-round stable bulk supply meets procurement needs of large, medium and small buyers. High and uncopyable resource barriers provide reliable support for partners.

2. Full-Chain Efficient Capacity – One-Stop Supply, Cost Reduction

Closed-loop full-industry-chain operation cuts intermediate links, enabling **direct base-to-customer supply** and lower procurement costs. It accepts orders of all specifications and provides one-stop solutions from raw materials to logistics.

Short production and delivery cycles, fast response, simplified customer supply chains and reduced costs improve operational efficiency and deliver a convenient cooperation experience.

3. Stringent Quality Control – Globally Compliant and Accessible

A three-level quality control system strictly controls active ingredients and harmful impurities. Professional testing ensures high batch stability. Products comply with regulations of major global markets and smoothly cross trade barriers.

A full-process traceability system is implemented, with every batch traceable and quality controllable, providing strong quality and compliance assurance for customers.

4. Extreme Cost Performance – High Quality at Competitive Prices

Supported by large-scale, intensive operation and optimized processes, **comprehensive production costs are 45% – 60% lower** than those in Europe, the US, Japan and South Korea. It offers better quality at the same price and better price at the same quality, leading globally in cost-performance.

High quality at competitive prices helps customers control costs and improve terminal product profits, making it the preferred source for global buyers.

5. High-End Technological Products – Flexible Customization for All Scenarios

The industry adopts various advanced extraction technologies, preserving complete active ingredients and achieving high impurity removal. Customization of active ingredient content and specifications is available to meet high-end demand.

Products cover multiple fields, supporting personalized R&D, customization and bulk supply. High-end supply and technical service capabilities lead globally, adapting to customers' differentiated needs.

6. Stable Supply Chain Guarantee – Long-Term Reliability, Worry-Free Cooperation

A well-developed industrial layout and multi-region planting reduce risks. Abundant raw material and capacity reserves ensure strong supply chain buffering and recovery capabilities, with globally leading supply stability.

Standardized industry and favorable policies promise a bright future. Choosing Chinese sources ensures long-term stable cooperation and win-win results.

Conclusion

China holds an absolutely dominant position in the global onion extract supply chain and has become the top choice for global buyers with six core advantages. Going forward, China will continue to upgrade the industry, strictly control quality, and join hands with global partners to build a **stable and sustainable global supply chain**.