Overview of Groundnut Production, Constraints of Aflatoxin and Solution in Senegal

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Groundnuts production areas in Senegal
For years after independence 1960s, the dominant crop in Senegal was groundnuts.

It represented over 80 % of the country’s exports, covered half the cultivated area, and employed 87 percent of the active population (Caswell, 1985).
Between 1960 and 1965, Groundnuts sector was nationalized with price subsidization by the government and easy access to credit and marketing.

In 1979 due to the widespread credit default and an institutional crisis on groundnuts sector, the government embraced a World Bank/IMF Structural Adjustment Program.

This was to replace many years of heavy government intervention in the groundnut market by reform on the marketing
In 1997, the partial reforms adopted by the government of Senegal included the following:

- Maintain the control of Groundnut processing

- Continue to provide unshelled groundnuts through farmers’ cooperatives and marketing through licensed traders;

- Fixing of producers’ price of groundnuts;

- Liberalization of labor legislation, prices and external trade
- Agricultural reforms and the stimulation of market mechanisms;
- Restructuration of the public sector, including a series of privatizations
Trend of Groundnuts Production and Export

- Quantity of output (Mt)
- Quantity of export (Mt)

(Yiadom, 2003)
Since 1840, when Senegal’s groundnut was first exported to France, farmers have been incorporated into a markets’ economy.

Groundnuts was developed into a major foreign exchange. Marketing of groundnuts became established as a single-crop policy after independence.

In Senegal, groundnuts are sold through two main channels: formal and informal.
Formal channel Carry out by

- SONACOS, the state-owned agro-industrial group
- NOVASEN, a privatized subsidiary of SONACOS that deals mainly with confectionery groundnuts.
- SONAGRAINES, a public seed distribution company
- (OPS), i.e., private sector agents,
- farmers’ cooperatives
The formal marketing companies only accept unshelled groundnuts 5 months (December - April), while the informal market is active all year round.

91% of the unshelled groundnuts is sold on the informal market and then transformed into paste or oil.

There are three types of groundnuts in Senegal: oil groundnuts, confectionery groundnuts, and seed groundnuts.

Oil groundnuts are for oil extraction industry, part of confectionery groundnuts is exported and another part is processed into edible groundnut products for the local market.
Senegal can hardly influence the world market price of confectionery groundnuts, however there is a significant potential for it to assume a prominent position in Senegal’s groundnut sector

The only way out is for the country to deal effectively with the export restriction due to Aflatoxin contamination of confectionery groundnuts and other products
Prevalence of Aflatoxin in Senegal

Previous situation