

THIS REPORT CONTAINS ASSESSMENTS OF
COMMODITY AND TRADE ISSUES MADE BY USDA
STAFF AND NOT NECESSARILY STATEMENTS OF
OFFICIAL U.S. GOVERNMENT POLICY

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New Senegalese Peanut Export Policy

Report Categories:

Oilseeds and Products

Trade Policy Monitoring

Agricultural Situation

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Report Highlights:

Senegal peanut exports have always been restricted by the Government of Senegal (GOS) to support local processing. In the 1990s, this policy was liberalized to permit snack peanuts exports (raw, shelled/unshelled). Due to a huge peanut in crop year 2009/10 of 625,000 tons - about a 39% increase compared to 2008/09 - the GOS issued Decree 2010-15 in January 13, 2010 to permit the export of all varieties of peanuts except seed peanuts. This measure is intended to reduce the peanut surplus as only 300,000 MT of peanuts are expected to be processed.

General Information:

The Government of Senegal, (GOS) with its strategy to protect certain products in the agricultural sector, maintained export restrictions for products judged sensitive, such as peanuts, for many years. In the 1990's Senegal liberalized snack peanut exports (raw, shelled/unshelled). However, oilseeds and seed peanut exports remained controlled and subject to authorization. The aim of this measure was to boost exports and reduce Senegal's huge trade deficit at the time.

Under the current Great Agricultural Offensive for Food and Abundance (GOANA) program launched in 2008, Senegal has been encouraging farmers to produce more peanuts with an aim to achieve a target of 1 million MT of oilseed peanuts per year. In CY 09/10, Senegal oilseed peanut production is estimated at 625,000 MT; a 39% increase over the previous crop year. This marked increase in output has surpassed the current processing capacity of the three primary Senegalese oil companies which have a target of processing 300,000 MT of oilseed peanuts for this year. Given the huge surplus in production, Senegal issued Decree 2010-15 in January 13, 2010 to permit the export of all varieties of peanuts except seed peanuts, which still require approval from the Ministry of Trade upon recommendation from the Ministry of Agriculture.

Trade`

Suneor, the main oil process company launched a new peanut oil brand called "Arador" for the local market in January 2010. This product is expected to be 10 to 15% cheaper than the refined soybean oil sold in the local market. If the company produces a large quantity of refined peanut oil in 2010 for the local market, it is likely that imports of crude soybean oil will decrease slightly this year. Post remains somewhat baffled that Senegal is not targeting peanut oil exports, as peanut oil has a higher value than soybean oil on the international market.

Senegal oil and snack peanut exports totaled 3,798 MT from 2006 to 2009 with a peak of 2,236 MT in 2007 (See Table 1). In 2009, exports decreased to 71% (from 485 MT to 141 MT) compared to the previous year.

From 2006 to 2009, United Kingdom was the main importer of snack and oil peanuts (shelled/unshelled) with 42% of the market share followed by Netherlands (33%) and Mauritania (16%). However in 2009, we see a drop in the market share for United Kingdom.

Almost of the exported peanut went to Mauritania. Post estimates an increase in peanut export in 2010 with the release of the new decree and if traders have the financial capacity for export.

Table 1: Senegal's Peanut Exports by Destination (MT), 2006-2009

DESTINATION	2006	2007	2008	2009	MARKET SHARE
UNITED KINGDOM	396	899	288	18	42%
NETHERLANDS	90	1,170	0	0	33%
MAURITANIA	228	161	100	120	16%
MOROCCO	180	0	0	0	5%
MALI	0	1	92	0	2%
ANGOLA	29	0	0	0	1%
ITALY	0	5	5	2	0%
CAPE VERDE	4	0	0	0	0%
PORTUGAL	1	0	0	0	0%
GUINEA		0	0	0	0%
FRANCE	1	0	0	0	0%
SPAIN	7	1	0	0	0%
CANADA	0	0	0	1	0%
OTHERS	0	0	0	0	0%
WORLD	935	2,236	485	141	100%

Source: Senegalese national Statistics Agency (ANSD)