United States Department of Agriculture
Foreign Agricultural Service

GAIN
Global Agricultural Information Network

Voluntary Report – Voluntary - Public Distribution **Date:** October 19, 2022

Report Number: SG2022-0010

Report Name: Senegal Oilseed Report - Peanuts

Country: Senegal

Post: Dakar

Report Category: Oilseeds and Products, Agriculture in the News

Prepared By: Fana Sylla

Approved By: Barrett Bumpas

Report Highlights:

Senegal Marketing Year (MY) 2022/23 area and production levels are forecast to increase 1.6 percent and 7 percent at 1.23 million hectares (Mha) and 1.8 million tons (Mt), respectively, on expectations of a good farm gate price, typical weather conditions, and appropriate use of fertilizer. Post forecasts MY 2022/23 exports at 460,000 tons, increasing 15 percent compared to the previous year based on available supply and higher demand. The Government of Senegal (GOS) estimates 2021/22 area harvested at 1.21 Mha, a 1.2 percent decrease compared to the previous year due to the loss of seedlings caused by several interruptions of rain at the beginning of the campaign which discouraged farmers to plant more. The GOS estimates 2021/22 production to decrease 6.5 percent at 1.68 million tons due to a lack of rain during the growing stage. The rain started late and there were recurrent dry spells, especially in the departments of Tambacounda and Koumpentoum.

Table of Contents

Executive Summary **3**

I. Production **3**

II. Consumption **4**

III. Trade **5**

IV. Policy **5**

Table1: Peanut Production, Supply and Distribution **6**

Figure 1. Senegal: MY 2021/22 Peanut Production per region in MT **4**

Photo 1. Senegal: Peanut harvesting by women **5**

Executive Summary

Senegal Marketing Year (MY) 2022/23 area and production levels are forecast to increase 1.6 percent and 7 percent at 1.23 million hectares (Mha) and 1.8 million tons (Mt), respectively, on expectations of a good farm gate price, typical weather conditions, and appropriate use of fertilizer. Post forecast MY 2022/23 exports at 460,000 tons, increasing 15 percent compared to the previous year based on available supply and higher demand. The Government of Senegal (GOS) estimates 2021/22 area harvested at 1.21 Mha, a 1.2 percent decrease compared to the previous year due to the loss of seedlings caused by several interruptions of rain at the beginning of the campaign which discouraged farmers to plant more. The GOS estimates 2021/22 production to decrease 6.5 percent at 1.68 million tons due to a lack of rain during the growing stage. The rains started late and there were recurrent dry spells, especially in the departments of Tambacounda and Koumpentoum.

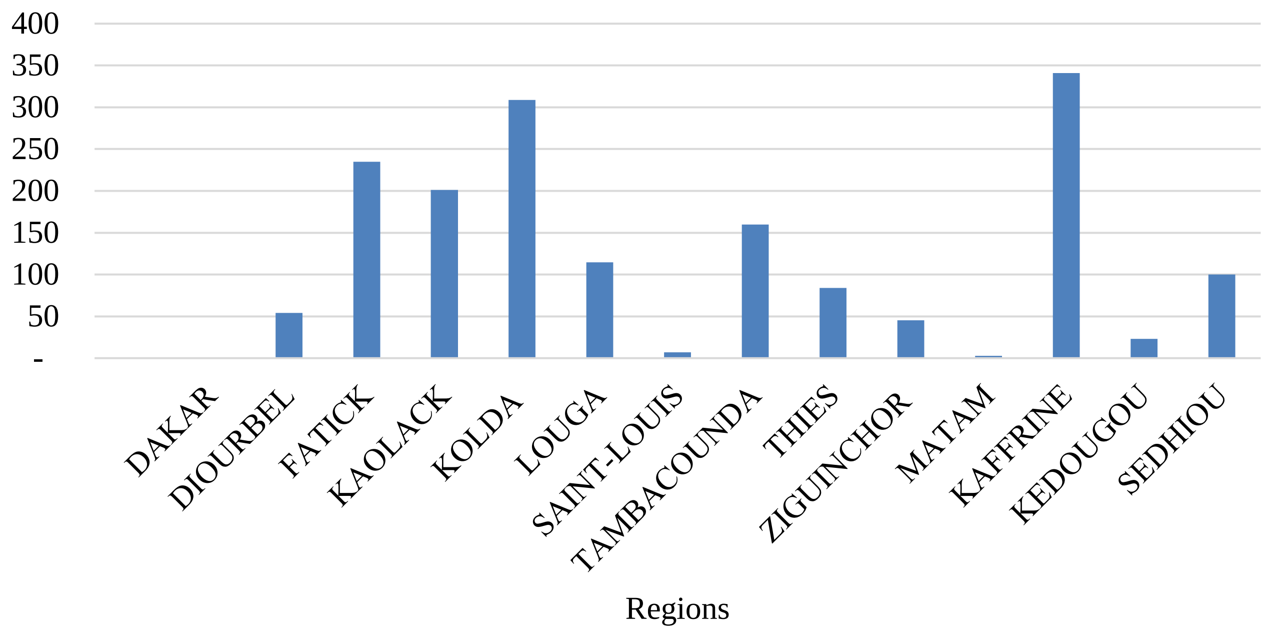
Senegal 2021/22 exports are estimated at 400,000 tons, a 20 percent decrease compared to the previous year due to available supply. The local peanut crush in 2021/22 increased 65 percent at 165,000 tons due to improved production capacity of the main government-owned company, Societe Nationale de Commercialisation des Produits Oleagineux du Senegal (SONACOS) and the GOS instituted export tax of 30 CFA francs per KG, making local processors more competitive vis-à-vis peanut exporters.

I. Production

The Senegalese MY 2022/23 area harvested is forecast at 1.23 million HA, a 1.6 percent increase compared to the previous year on expectations of strong market price and available inputs that may motivate farmers to plant more. International fertilizer prices have increased significantly over the past year given the COVID19 pandemic that disrupted the logistic chain and the Ukraine/Russia war. GOS was able to purchase enough quantity of fertilizers and provide subsidy to farmers. Despite this subvention, fertilizers 'prices increased 63 percent to 83 percent for Nitrogen, Phosphorus, and Potassium (NPK) and Di-ammonium Phosphate (DAP) compared to the previous year. It is possible that farmers who cannot afford to buy it would prefer to grow other crops that require less use of fertilizers. In 2022/23, SODEFITEX, the only Senegalese cotton processing company, subsidized cotton fertilizers' prices to maintain them at the same level than the previous year. The 2022/23 peanut production is forecast to increase 7 percent at 1.8 million tons on expectation of a good rainfall and less pest pressure during the entire season.

The 2021/22 area harvested is estimated at 1.21 million hectares based on the Government of Senegal's official data. This represents a 1.2 percent increase from the previous year. However, the 2021/22 production is estimated to decrease 7 percent to 1.68 million tons due to a long pause in the rainy season - especially in the region of Tambacounda and Koumpentou which reduced yields. Kaffrine, Kolda, Fatick, and Kaolack are the top peanut producing regions representing 65 percent of total production. (See Figure 1).

Figure 1. Senegal: MY 2021/22 Peanut Production Per Region in Thousand Metric Tons



Source: Department of Analysis, Forecasting and Statistics, Ministry of Agriculture and Rural Equipment (DAPSA/MAER)

II. Consumption

Post projects MY 2022/23 domestic consumption at 1.35 MMT, up 4.6 percent from the previous year on expectations of higher available supplies. Local processors will likely continue to purchase peanuts for crushing if they can outbid international buyers (see Trade section). Based on the number of processing companies that collected peanut this year, Senegal total capacity for crushing is about 350,000 MT. The quantity processed into oil depends on the quantity collected from the farmers based on the market price. More often exporters offer a better price than processors to the farmers.

According to official sources, three local peanut processors bought local peanuts for crushing during MY 2021/22: SONACOS (79 percent), Senegal's main, state-owned peanut processing company, COPEOL (15 percent), and Sine Saloum International Industries (SSII), an Indian-owned company (6 percent). A total of 162,000 MT was collected for crushing. Peanut is also consumed as boiled, grilled, peanut butter, and flour.

MY 2021/22 consumption is estimated at 1.29 MMT, up 7.5 percent from the previous year on higher supplies and production.

Photo 1. Senegal: Peanut Harvesting by Women

Source:https://www.google.com/search?q=peanut+senegal&rlz=1C1GCEA_enUS958US958&source=lnms&tbm=isch&sa=X&ved=2ahUKEwjywPHdk4r4AhWbZDABHXfTCnwQ_AUoAXoECAEQAw&biw=1920&bih=937&dpr=1#imgrc=X5PdyyuoX0T3tM

III. Trade

Post forecasts that exports in MY 22/23 will reach 460,000 tons, up 15 percent on expectations of higher available exportable supplies and strong international demand. MY 2021/22 exports are estimated at 400,000 tons, a 20 percent decrease compared to the previous year due to less available supply.

The 2021/22 marketing campaign was launched on November 25, 2021, and all sales should be done at official collection points managed by the National Inter-Professional Peanut Committee (CNIA) in collaboration with the Ministry of Agriculture. At the same date, the minimum farm gate price was announced at 250 F CFA ($ 0.43), the same price as the previous year. On January 2022, the GOS suspended the export tax previously fixed at 30 F CFA ($0.05) per KG. This exemption is expected to facilitate trade due to the low density of the peanut grains in certain areas. On April 15, 2022, 19 exporters collected about 151,000 MT with the regions of Kaolack, and Dioubel providing 85 percent of the total locally produced quantity. On April 15, 2022, about 533,000 MT of the global peanut production were collected: 258,000 MT for export to all destinations including China, 114,000 MT for seeds and 162,000 MT to be crushed into oil by local processing companies.

IV. Policy

In MY 2020/21, the GOS implemented a peanut export tax of 30 CFA francs. This tax was suspended in January 2022 due to the low density of the peanut grain. This tax suspension could be an incentive to motivate exporters to buy more peanut despite the low quality.

The GOS continue to support the peanut sector. Despite the high fertilizer international market price, GOS was able to subsidize it, but farmers prices remain high with 63 percent increase for NPK and 83 percent for Diammonium phosphate (DAP) as compared to the previous year.

1$= 585 F CFA

Table 1: Peanut Production, Supply and Distribution (1,000 HA and 1,000 MT)

Oilseed, Peanut	2020/2021		2021/2022		2022/2023	
Market Year Begins	Nov 2020		Nov 2021		Nov 2022	
Senegal	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	1225	1225	1220	1210	1220	1230
Area Harvested (1000 HA)	1225	1225	1214	1210	1200	1230
Beginning Stocks (1000 MT)	485	485	584	584	602	574
Production (1000 MT)	1797	1797	1678	1680	1700	1800
MY Imports (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	2282	2282	2262	2264	2302	2374
MY Exports (1000 MT)	498	498	400	400	475	460
Crush (1000 MT)	100	100	100	165	110	200
Food Use Dom. Cons. (1000 MT)	400	400	410	410	420	420
Feed Waste Dom. Cons. (1000 MT)	700	700	750	715	800	730
Total Dom. Cons. (1000 MT)	1200	1200	1260	1290	1330	1350
Ending Stocks (1000 MT)	584	584	602	574	497	564
Total Distribution (1000 MT)	2282	2282	2262	2264	2302	2374
Yield (MT/HA)	1.4669	1.4669	1.3822	1.3884	1.4167	1.4634

Attachments:

No Attachments.