



Advancements and collaborations: Insights from the global groundnut industry

By Adri Botha, Oilseeds Advisory Committee

The inaugural World Peanut Meeting (WPM) convened in Córdoba, Argentina, in March this year, drawing over 350 attendees from more than 30 nations. This landmark event, hosted by the Argentine Peanut Chamber (CAM), illuminated crucial facets of the global groundnut industry with discussions and insights shedding light on key developments, challenges, and opportunities within this industry, spanning various regions worldwide.

Delegates and speakers from diverse backgrounds converged to explore market dynamics, consumer trends and sustainability imperatives, positioning the event as a pivotal platform for industry stakeholders.

Global groundnut landscape

Representatives from major groundnut-producing nations such as China, the United States (US), India, and host Argentina shared valuable insights, underscoring the resilience and potential of the commodity worldwide.

Discussions spanned fluctuating supply-demand dynamics, climate vulnerabilities, the burgeoning popularity of peanut butter consumption, and a growing snack and edible market in regions previously not considered high snack consumers. Notably, Argentina emerged as a beacon of sustainable groundnut production, with a steadfast commitment to quality and innovation.

Argentina's groundnut evolution

Diego Yabes, president of CAM, emphasised Argentina's pivotal position in the global groundnut market, particularly in the

realm of sustainable production and premium quality products. Despite challenges such as inflation and logistical hurdles, Argentina's proactive approach and dedication to sustainability set a benchmark for the industry.

Expanding beyond traditional boundaries, groundnut cultivation has flourished, fuelled by profitability and technological advancements. Yabes highlighted the industry's resilience amid challenges such as tax burdens and competition from neighbouring countries, stressing the need for governmental support and regulatory clarity.

Collaborative efforts

Insights extended to sustainable cultivation practices, emphasising minimal soil disturbance, diverse crop rotations, and disease management strategies. Initiatives such as carbon footprint measurement and promotion of good agricultural practices underscore a commitment to long-term sustainability and environmental stewardship.

Collaboration among industry stakeholders is instrumental in driving advancements in groundnut production and trade worldwide. In Argentina, for instance, collaborative initiatives spearheaded by organisations such as the Peanut Scientific and Technological Network and the Argentina Peanut Institute have fostered innovation, knowledge sharing, and research endeavours aimed at enhancing the competitiveness and sustainability of the sector.

Innovative production practices

Advancements in groundnut production techniques have led to improved

crop yields, quality, and sustainability. Across different regions, producers have embraced precision agriculture technologies, disease-resistant varieties, and sustainable farming practices such as conservation tillage and cover cropping.

These innovations have not only boosted productivity, but also minimised environmental impact and resource use, with producers prioritising traceability and adherence to food safety standards. From cultivar and seed selection to processing, rigorous quality control measures ensure that groundnuts meet global quality requirements, bolstering consumer confidence and market reputation.

Argentina has thus emerged as a leading exporter of high-quality, and mostly high-oleic, groundnuts thanks to its focus on meeting stringent quality standards and establishing strong relationships with importers. The country's groundnut exports have grown significantly, driven by efforts to ensure consistency, flavour, and nutritional quality in its products. Argentina's success underscores the importance of quality assurance and market acceptance in driving international trade.

Global growth opportunities

Groundnuts offer numerous opportunities for product development, nutritional enhancement, and market expansion. With a low carbon footprint, high nutritional value, and versatility in product applications, groundnuts are poised to meet the evolving demands of consumers worldwide. Collaborative efforts within the industry, coupled with advancements in research and development, will be key to

unlocking these opportunities and driving future growth.

Demand Panel insights

From Europe to Asia and beyond, experts provided valuable insights, highlighting opportunities for collaboration, innovation, and growth in the global groundnut industry. The Demand Panel provided a comprehensive overview of groundnut consumption trends, challenges, and opportunities across different markets.

European savoury snack market

Marcos Lafuente, representing Intersnack Procurement, offered valuable insights into the European groundnut market. Lafuente highlighted Argentina's significant role in meeting European demand, discussing global production figures and consumption patterns.

Lafuente dissected evolving consumer behaviours, noting a shift towards private-label products and discount supermarkets. Despite challenges such as inflation, the European savoury snack market continues to show promising growth, especially also in emerging segments such as peanut butter consumption.

Addressing challenges head-on, Lafuente emphasised the importance of adapting to evolving regulations and outlined Intersnack's commitment to sustainability initiatives to ensure a resilient future for groundnut businesses in Europe.

China's growing influence

He Miao, senior director at China Metaintl Corporation, provided a comprehensive overview of China's role in the global groundnut market, highlighting its transition from a major producer to a significant importer. Insights into export trends and consumption patterns shed light on China's evolving position in the industry.

Despite steady growth in demand for groundnut products in China, challenges such as supply chain disruptions and geopolitical tensions pose risks to future demand dynamics, requiring careful navigation by industry stakeholders.

South Africa's market landscape

Andreas Snyman, head of GWK International, discussed the challenges and opportunities facing South Africa's groundnut industry, including factors

such as drought, fluctuating yields, and exasperating challenges such as inflation and limited government support. "Despite hurdles, South Africans are resilient by nature, and we remain a key player in the global groundnut market, with potential for further growth and hope to once again in future be invited to participate on the Supply Panel," he said.

Snyman emphasised the importance of diversifying import sources to mitigate risks and addressed recent aflatoxin contamination issues, highlighting the need for stringent quality control measures by all role-players, regardless of size and market.

Russia's import trends

Sergey Khaesh, founder and general manager of AGROIMPEX, shed light on Russia's emergence as a major importer of groundnuts, discussing import trends and market structure.

He emphasised Russia's stringent quality standards and import regulations, underlining the importance of adherence to quality specifications, dispelling misconceptions regarding the Russian market, and stressing the significance of adhering to quality standards to facilitate smooth customs screenings and trade operations – which can prove to be challenging and complex.

US market overview

Anne-Marie DeLorenzo, senior strategic sourcing manager for peanuts at Mars Wrigley, provided insights into the US groundnut market, highlighting the dominance of peanut butter consumption and innovative marketing strategies driving consumer interest.

Despite trade disputes and challenges, DeLorenzo expressed optimism regarding the outlook for the peanut butter market, underscoring opportunities for growth and innovation in the sector. According to her, this can be done by utilising the love of peanut butter and sentiment to reach consumers on different socio-economical levels.

Supply Panel insights

Representatives from prominent groundnut-producing countries presented their perspectives on aspects of groundnut production, export markets, and sustainability initiatives.

Groundnut production in Brazil

Pablo Rivera, CEO of Beatrice Peanuts, took the stage to shed light on Brazil's significant role in the global groundnut market. Despite challenges such as rising production costs and environmental concerns, Brazil has witnessed remarkable growth in groundnut cultivation over the past decade. However, Rivera underscored the need for collaborative efforts to overcome obstacles and sustain this growth trajectory, especially in addressing issues such as food safety and market diversification.

Nicaragua's dedication to quality

Joaquin Zavala, general manager of Comasa, provided insights into Nicaragua's groundnut industry, emphasising its dedication to producing high-quality groundnuts for demanding markets. Despite facing challenges such as climate variability, Nicaraguan producers remain committed to maintaining production standards and supplying international markets. Zavala joined other speakers in highlighting the importance of sustainability initiatives and collaboration to ensure the long-term viability of the industry.

Perspectives from China

Zhang Peng, senior consultant at the China Chamber of Commerce, offered unique perspectives on the Chinese groundnut industry, focussing on data discrepancies and consumption trends. Highlighting the complexity of data collection and the impact of changing consumer preferences, Peng emphasised the need for innovation and adaptation to market dynamics.



During the field visits, the World Peanut Meeting group benefitted from presentations on post- and pre-emergence application and management.

India's advantages and challenges

Tushar Thumar, director at Khedut Feeds and Foods, provided an overview of groundnut production in India, emphasising its competitive advantages and challenges. With India being a leading producer and exporter, Thumar discussed government initiatives and policies supporting the industry while addressing challenges such as export restrictions, perception, and logistical issues.

Insights from the US

Ryan Lepicier, president and CEO of the National Peanut Board, shared insights into groundnut production in the US, discussing challenges and outlook for the industry. With a focus on enhancing groundnut demand and consumption, Lepicier highlighted the importance of weather conditions and upcoming United States Department of Agriculture reports in shaping the industry's future.

Argentina's commitment

Yabes concluded the panel discussions by emphasising Argentina's commitment to quality and sustainability in groundnut production. From groundnut growing areas to export statistics and market insights, Yabes provided a comprehensive overview of Argentina's role in the global groundnut market, reaffirming the country's dedication to innovation and excellence since 1975.

In conclusion, the Supply Panel discussions at the WPM showcased the diversity of perspectives and strategies employed by key groundnut-producing countries to address challenges and capitalise on opportunities in the ever-evolving groundnut industry. Through collaboration, innovation, and a shared commitment to quality and sustainability, these stakeholders are committed to the continued success and growth of the global groundnut industry.

Exploring the field

The tenth edition of the Peanut Circuit (tour) drew over 1 800 participants to General Dehaze in Córdoba in March. The event was organised by the Centre of Agricultural Engineers of General Cabrera and Zone and the INTA General Cabrera. Mariela Monetti, head of INTA General Cabrera, described the circuit as a reflection on groundnut cultivar growth,

showcasing research, development, and productivity-improving technology.

The circuit provided a platform to demonstrate progress in genetic improvement to combat issues such as *Sclerotinia* and peanut smut disease. Various materials were tested in trials under different environmental conditions, highlighting the ongoing efforts to enhance groundnut cultivation techniques. The success of the Argentinian groundnut industry in the past two decades owes much to the Peanut Scientific and Technological Network, which fosters collaboration between academic, scientific, and productive sectors to drive innovation and development processes.

During the field visits, the WPM group benefitted from presentations on post and pre-emergence application and management. Discussions delved into cultivar development, local planting conditions, crop rotation management, advancements in combating peanut smut, and the dominance of high oleic cultivars.

The need for increased direct participation by all sectors within the groundnut industry was once again stressed and emphasised the importance of showcasing the entire cultivation process, from planting to processing. Unfortunately, the WPM schedule only allowed for an afternoon visit to the field trials, omitting the highly anticipated visits to selection and production sectors.

Reflections on the WPM

The WPM has provided a platform for meaningful discussions and knowledge sharing among industry stakeholders, highlighting the importance of collaboration, innovation, and sustainability in the groundnut sector. By addressing challenges and leveraging opportunities, the global groundnut industry is poised for continued growth and success, with Argentina's collaborative initiatives serving as a model for industry advancement.

As the local industry looks ahead, further development and collaboration opportunities abound. By embracing innovation, sustainability, and market-driven strategies, stakeholders can navigate challenges and capitalise on emerging trends to ensure a vibrant and resilient groundnut industry for years to come.

For South Africa, participation in such international events raises questions regarding our relevance and potential learning. Despite only being the 34th largest groundnut-producing country globally, with exports below 1% of world exports, our recognition as a leading Spanish-type origin, consistently supplying high-quality groundnuts, holds significance. While our crop volumes face pressure, our focus on high-quality output positions us uniquely, catering to markets with stringent quality requirements for direct human consumption.

The question arises: What can we learn from these international exposures? Recognition on an international stage alongside major players such as the US, Argentina, and China is invaluable. Neglecting such opportunities risks relegating us to insignificance, hindering efforts to re-establish South Africa as a significant origin.

These events also foster personal and meaningful exchanges with counterparts from other countries. Interactions with organisations such as the US Peanut Board and the Argentinean Peanut Foundation open collaboration and knowledge exchange avenues. South Africa's potential participation in an international groundnut forum signifies a step towards broader industry engagement, with opportunities to address pressing issues such as international trade barriers, tariff matters, and the generic advancement of groundnut production and consumer development.

Looking ahead, key areas for development and marketing include groundnuts' low carbon footprint, water-conscious farming practices, and the crop's versatility in respect of product development and nutritional benefits. Exploring markets not traditionally associated with groundnut snacks, lifestyle products, and peanut butter consumption presents untapped growth opportunities.

International developments

In recent years, the global groundnut industry has witnessed significant developments in both production techniques and product innovation. Across various regions, stakeholders have been actively engaged in enhancing groundnut cultivation practices to meet growing

demands for quality, sustainability, and nutritional value.

Production advancements

Sustainable farming practices: Many countries have embraced sustainable farming practices to minimise environmental impact and enhance resource efficiency. Techniques such as conservation tillage, crop rotation, and integrated pest management are being increasingly adopted to promote soil health and biodiversity.

Technology integration: The integration of technology, including precision agriculture, satellite imagery, and digital farming tools, has revolutionised groundnut cultivation. These advancements enable producers to optimise inputs, monitor crop health, and improve yields while reducing resource usage.

Climate-resilient varieties: With changing climate conditions posing challenges to groundnut production, breeders have focussed on developing climate-resilient varieties. These varieties exhibit traits such as drought tolerance, disease resistance,

and adaptability to varying environmental conditions, ensuring more consistent yields and quality.

Product innovation and growth

Groundnuts are recognised for their nutritional richness, containing essential nutrients such as protein, healthy fats, fibre, vitamins, and minerals. As consumer awareness of health and wellness grows, groundnuts have gained popularity as a nutritious and versatile, yet affordable food ingredient.

Compared to many other crops, groundnuts have a relatively low carbon footprint, requiring less water and fewer fertiliser inputs per unit of yield. Sustainable farming practices reduce greenhouse gas emissions, making groundnuts an environmentally friendly crop choice.

Groundnuts are considered a low-waste commodity, as almost the entire plant can be utilised. Beyond the edible kernels, groundnut shells can be used for animal feed, biomass energy production, or as a source of biochar for soil improvement. Additionally, groundnut oil extraction generates by-products such as

meal and cake, which find applications in various industries.

Peanut butter and peanut-based snacks have witnessed significant growth in global markets, driven by changing dietary preferences, increased snacking habits, and the versatility of groundnuts as a culinary ingredient. Health-conscious consumers are turning to peanut butter as a protein-rich spread or snack option, while innovative snack products such as roasted peanuts, trail mixes, and energy bars offer convenient, on-the-go nutrition.

Overall, the international groundnut industry continues to evolve, driven by technological advancements, market demands and sustainability imperatives. As stakeholders collaborate to address challenges and capitalise on opportunities, groundnuts are poised to play a crucial role in meeting global food and nutrition needs while promoting sustainable agricultural practices. 🌱

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