



CBI Product Factsheet: Groundnuts (peanuts) in the Netherlands

'Practical market insights for your product'

The Netherlands is a large market for peanuts. The Netherlands imported 364 thousand tonnes of peanuts in 2013. The year before, 62 thousand tonnes of peanuts were processed into prepared or preserved peanuts. This Product Fact Sheet provides information on product specifications, statistics, trends, market channels and segments, and competitiveness in relation to peanuts in the Dutch edible nuts market.

Product description

Product Definition (mandatory)

The groundnut, or peanut, is a species of the legume or "bean" family (Fabaceae). The most popular cultivar groups are 'Spanish', 'Runner', 'Virginia', and 'Valencia'. The 'Runner' is more convenient for processing. Most of the international trade is in shelled peanuts. Peanut butter consists of peanuts mashed into a paste. Sometimes, peanut butter includes vegetable oil to improve spread-ability. Examples of products that are considered are provided in the table below:

Product
Groundnuts in shell
Groundnut seed, for sowing
Shelled groundnuts, whether broken or not
Groundnuts, prepared or preserved
Groundnuts, roasted,
Peanut butter

Please see the Annex for the full table with the products (and their product codes).

Product Specification

Quality: Peanuts contain valuable sources of energy, protein, oil, minerals and vitamins that are very suitable for human consumption. Good quality is of prime importance. Proper handling, especially during harvesting and immediate post-harvesting operations improves quality. See also the information on quality requirements for peanuts in the [Codex Alimentarius](#) ('Food code' of WHO and

FAO): standard for peanuts (CODEX STAN 200-1995). Aflatoxins can occur in peanuts, as a result of fungal contamination before and after harvest. Currently, there is harmonised [EC legislation](#) on aflatoxin.

Labelling: general labelling standards are compulsory for peanuts. Consumer labelling must be in accordance with the rules and regulations that apply to the EU market. Labels cannot contain any toxic ink or glue. See the [EU Directive 2000/13/EC](#), which lays down the general rules on labelling of pre-packaged food sold on the EU market. This regulation will be replaced by [Regulation \(EU\) No 1169/2011](#) on the provision of food information to consumers, as from 13 December 2014. The information should appear in a language that is easily understood by consumers in the EU Member States in which the products are traded. In the Netherlands, the labelling requirements above may appear in one or more official languages of the EU, with the exception of allergen information, which must appear in Dutch.

For bulk products, some of the mandatory information is allowed to be included in the accompanying commercial documents instead of on the external packaging. However, a minimum set of information should always appear on the external packaging:

- o name of the product;
- o lot identification;
- o name and address of the manufacturer, packer, distributor or importer;
- o date of minimum durability or 'use by' date and
- o storage instructions.

Lot identification, and the name and address of the manufacturer, packer, distributor or importer may be replaced by an identification mark, provided such a mark is clearly identifiable within the accompanying documents. Other mandatory food information should be noted in the commercial documents:

- o List of ingredients (in descending order of weight);
- o Net quantity (in metric);
- o The place of origin or provenance if failure to give such particulars might mislead the consumer;
- o Instructions for use should be included to enable appropriate use of the foodstuff;
- o A nutrition declaration
- o Peanuts are liable to cause allergies or intolerances; a clear indication should be given on the label with the words "contains peanuts".

Packaging: Marketing requirements for packaging differ widely among customers and market segments. Therefore, it is crucial that you discuss preferred packaging requirements with your customers their. Some general characteristics are:



Source: Innova Database.



Source: Shutterstock.



Source: Innova Database.

- Size. Large size for the catering market, small and one-portion-size for the consumer market.
- Material for bulk: jute bag (unshelled); plastic bag (shelled). Material for retail: plastic bag or plastic container or foil bag or foil pouch. In the case of peanut butter, glass jars are common. Sometimes plastic containers are used. The opportunity to visually examine the products if they are packed in glass increases the value of these products.
- Innovation: innovative packaging such as one-portion, easy-to-open and new attractive, colourful designs stimulate new demand.

Processing: After harvesting, peanuts are washed and dried (traditionally by the sun, nowadays increasingly by mechanical means). Subsequently, some nuts intended for marketing in-shell may have their appearance enhanced by bleaching to remove stains. Other nuts, which are intended to be sold, prepared and shelled, need to be shelled or cracked. Roasting crisps the nuts and brings out their flavour. There are 2 primary methods for roasting peanuts: dry roasting and oil roasting. Dry roasting takes place at an oven temperature of approximately 430°C. Peanut (skinless) temperature is raised to approximately 160°C for 40 to 60 minutes. For oil roasting, peanuts are put in oil heated to 138 to 143°C. Roasting times vary from 3 to 10 minutes depending on desired characteristics.

For peanut butter, roasted, shelled peanuts are processed in a blender and other ingredients such as vegetable oils, salt and additives may be added until the desired consistency is obtained. There is increasing attention in peanut manufacturing to a healthy composition of fatty acids.

Legislative requirements

Buyer requirements can be divided into (1) *must* requirements, i.e. those you must meet in order to enter the market, such as legal requirements, (2) *common* requirements, those that most of your competitors have already implemented, i.e. you need to comply with these in order to keep up with the market, and (3) *niche market* requirements for specific segments.



Legal requirements are a must – food safety and informing consumers correctly

Here you can find requirements you must meet when marketing your products in the Netherlands. Pay attention to the indications of which materials / products are concerned per requirement described.

The following 'musts' apply to groundnuts (peanuts) and uses listed here:

- **Food safety and health control**
- **Contamination**
- **Composition**
- **Labelling**
- **Food contact materials**

Food safety: Traceability, hygiene and control

Food safety is a key issue in EU food legislation, which applies in Germany. The [General Food Law](#) is the legislative framework regulation for food safety in the EU. To guarantee food safety and allow appropriate action in cases of unsafe food, food products must be traceable throughout the entire supply chain and risks of contamination must be limited. An important aspect for controlling food safety hazards is defining critical control points ([HACCP](#)) by implementing food management principles. Another important aspect is subjecting food products to official controls. Products that are not considered safe will be denied access to the EU.

Control of food imported to the Netherlands

In the event of repeated non-compliance, specific products originating from particular countries can only be imported under [stricter conditions](#), e.g. accompanied by a health certificate and analytical test report. Products from countries that have shown repeated non-compliance are put on a list included in the Annex of [Regulation \(EC\) 669/2009](#). At the moment, groundnuts (aflatoxin) from different countries (e.g. Brazil, India, Ghana, Thailand) are on the list.

Avoid contamination to ensure food safety

Contaminants are substances that may be present as a result of the various stages of growing, processing, packaging, transport or storage. The different forms of contamination of groundnuts (peanuts) are:

- a) Aflatoxin: limits have been set for aflatoxins B1, B2, G1 and G2 in groundnuts (see section 2 of Annex of Regulation (EC) No 1881/2006)
- b) Pesticides: the EU has set maximum residue levels (MRLs) for pesticides in and on food products. Products containing more pesticides than allowed will be withdrawn from the EU market.
- c) Foreign matter: contamination by foreign matter like plastic and insects are a threat when food safety procedures are not

Considerations for action

- Search in the [EU's Rapid Alert System for Food and Feed \(RASFF\) database](#) to see examples of withdrawals from the market and the reasons behind these withdrawals.
- EU buyers will often ask buyers to implement a food (safety) management system based on HACCP-principles (see under *Common requirements*).
- Read more about HACCP and health control in the [EU Export Helpdesk](#)

- To help you answer key questions about health control refer to the [guidance document](#) of the EU.
- Check if there are any increased levels of controls for your product and country. Read more about [health control](#) on the EU Export Helpdesk website.

- Improve your understand of growing, drying, processing and storage practices and discuss them with your suppliers. For an example refer to the [good manufacturing practices for Tree Nuts and Dried Fruit Processing Plants in Afghanistan](#).
- For information on safe storage and transport of processed fruit and vegetables and edible nuts go to the [website](#) of the Transport Information Service.
- Check the European Commission's factsheet on food contaminants "[Managing food contaminants: how the EU ensures that our food is safe](#)"
- Read more about [contaminants in the EU Export Helpdesk](#)
- Irradiation is a way to combat microbiological contamination but this is not allowed by [EU legislation](#) for groundnuts

carefully followed.

Product composition

Product can be rejected by buyers and EU customs authorities if they have undeclared, unauthorised or excessive levels of extraneous materials. There is specific legislation for [additives](#) (e.g. colours, thickeners) and [flavourings](#) that lists which E-numbers and substances are permitted. If you want to add vitamins you will have to know which [vitamins](#) (see Annex I) and sources, vitamin formulations and mineral substances are allowed (see Annex II).

Labelling

If you are supplying consumer labelled product (in for example cans, jars or boxes) you will have to take labelling requirements laid down in Directive 2000/13/EC into account. Labels should inform consumers about composition, manufacturer, storage methods and preparation.

Nutrition and health claims

Nutrition and health claims suggest or indicate that a food has a beneficial characteristic. They cannot be misleading. Therefore, only EU approved nutrition and health claims can be made. If new nutrition or health claims are made these have to be approved in advance by the [European Food Safety Agency](#) (EFSA).

Allergens

Pre-packed products that contain allergens such as groundnuts (peanuts) have to be labelled in such a way that it is clear to consumers that they contain allergens.

Food contact materials

Specific [health control provisions](#) apply to consumer packaging materials that come into contact with food (e.g. cans, jars). Food contact materials must be manufactured so that they do not transfer their constituents to food in quantities that could endanger human health, change the composition of the food in an unacceptable way or impact upon the taste and odour of foodstuffs. Tin present in cans has been known to leach into the food. This has been particularly shown to occur in the case of acidic foodstuffs.

Full overview of requirements for groundnuts (peanuts) :

For a list of requirements consult the [EU Export Helpdesk](#) where you can select your specific product code under chapter 1202 and 2008 (see also annex).

(peanuts).

- To find out the MRLs that are relevant for your products, you can use the EU [MRLdatabase](#) in which all harmonised MRLs can be found. You can search for your product or pesticide used and the database shows the list of the MRLs associated with your product or pesticide. Read more about [MRLs](#) in the EU Export Helpdesk.
- A good way to reduce the amount of pesticides, is applying integrated pest management (IPM) which is an agricultural pest control system that uses complementary strategies including growing practices and chemical management.
- Refer to the Buyer Requirement module on natural colour, thickeners and flavours for more information.
- E-numbers indicate approval by the EU. To obtain an E-number the additive must have been fully evaluated for safety by the competent food safety authorities in the EU (EFCH).
- Read more about [legislation on authorised food additives and flavourings](#) under general conditions of preparation of foodstuffs
- In December 2014 [EU Regulation 1169/2011](#) will come into effect. This new labelling legislation will considerably change current legislation. For example, allergens will have to be highlighted in the list of ingredients and requirements on allergen information will also cover non pre-packed foods including those sold in restaurants and cafés. Find out more about the new labelling legislation requirements on the EU [website](#).
- Read more about [food labelling](#) in the EU Export Helpdesk.
- For more information about [nutrition and health claims](#) refer to the website of the EU. See [EU Regulation 1169/2011](#) for information about allergen labelling requirements.
- The EU legislation on food contact materials is quite extensive and it is not easy to prove to your EU importer that your product complies with all requirements. EU importers of food products will require documentation on toxicology and risk assessment of chemical migration from food contact materials and/or declarations of compliance.

Common requirements: food safety management is crucial, addressing sustainability is gaining ground

Food Safety Certification as a guarantee

As food safety is a top priority in all EU food sectors, including the Netherlands, you can expect many players to request extra guarantees from you in the form of certification. Many Dutch and EU buyers (e.g. traders, food processors, retailers) require the implementation of a (HACCP-based) food safety management system. The most important food safety management systems in the Netherlands are [BRC](#), [IFS](#), [FSSC22000](#) and [SQE](#). All the aforementioned management systems are recognised by the [Global Food Safety Initiative \(GFSI\)](#), which means that they should be accepted by major retailers. However, in practice some buyers still have preferences for one specific management system.

Corporate responsibility

Dutch buyers (especially large ones in western and northern EU countries) are paying increasing attention to their corporate responsibilities regarding the social and environmental impact of their business. This also affects you as a supplier. Common requirements include the signing of a suppliers' code of conduct which states that you conduct business in a responsible way, i.e. you (and your suppliers) respect local environmental and labour laws, avoid corruption etc. Furthermore, importers may also participate in initiatives such as the [Ethical Trading Initiative](#) or the [Business Social Compliance Initiative](#). These initiatives focus on improving social conditions in their members' supply chains. This implies that you, as a supplier, are also required to act in line with these principles.

Considerations for action

- Dutch market entry preparation is likely to include implementing a food safety management system and it is therefore important to familiarise yourself with them.
- If you plan to target one or more markets, check which specific food safety management systems are most commonly requested. In any case choose a management system that is GFSI approved. Read more on the different Food Safety Management Systems in the [Standards Map](#).
- If you are targeting the UK market, familiarise yourself with the [ETI base code](#) to check what [ETI members](#) require from their suppliers.
- When targeting other EU markets it might be interesting to assess your company's current performance by conducting a self-assessment, which you can find on the [BSCI website](#).
- Be aware that many of the environmental and social sustainability issues take place at farm level. To test to what extent your farmers are sustainable you could ask them to fill in the [Farmer Self Assessment](#) by the Sustainable Agriculture Initiative.
- Consider defining and implementing your own code of conduct. This is not required by buyers, but may be a good way to show potential buyers your views on corporate responsibility.
- Implementing a management system such as [ISO14000](#) (environmental aspects), OHSAS 18001 (occupational health and safety) or [SA 8000](#) (social conditions) is a way to address sustainability and possibly gain a competitive advantage. Research with your buyer whether this will be appreciated.

Niche requirements: a growing market for certified products

Fairtrade Certification

Fairtrade products are produced with extra focus on the social conditions in the producing areas. [Fair Trade](#) groundnuts (peanuts) are available. Having your products certified is the most far-reaching way to prove your business performance for social conditions in your supply chain. After certification by an independent

Considerations for action

- Check the Fair Trade Standards for [small producer organisations](#).
- Consult the [Standards Map](#) for more information on the Fair Trade label.

third party, you may put the Fair Trade logo on your product. In general, premium prices are paid for fair trade products. Although growing, the market for Fair Trade certified processed fruit and vegetables and edible nuts is still a niche market.

Organic, niche market

- Organic groundnuts (peanuts) are produced and processed by natural techniques (e.g. crop rotation, biological crop protection, green manure, compost). Although growing, the market is still relatively small. To market processed fruit and vegetables and edible nuts in the Netherlands as organic, they must be grown using organic production methods which are laid down in [EU legislation](#), and growing and processing facilities must be audited by an accredited certifier. Only then may you put the EU organic logo on your products. Although there is an EU-wide system for the regulation of organic farming, well-established national and private logos can continue to be used on product labels. For example, companies and operators located outside the Netherlands who wish to market organic products in the Netherlands may use the [EKO Quality Mark](#).

Rainforest Alliance

The Rainforest Alliance (RA) standard is a mainstream sustainability scheme which focuses on environmental issues. Rainforest Alliance only certifies tropical products such as groundnuts (peanuts). RA is not yet very substantial in the market for groundnuts.

- Implementing organic production and becoming certified can be expensive. In the current market the return on investment may not be high. On the other hand it can increase yields and improve quality.
- Check the Soil Association standard for [Food and drink](#) to get an idea of the requirements of organic production.
- Consult the [Standards Map](#) for the different organic labels and standards.

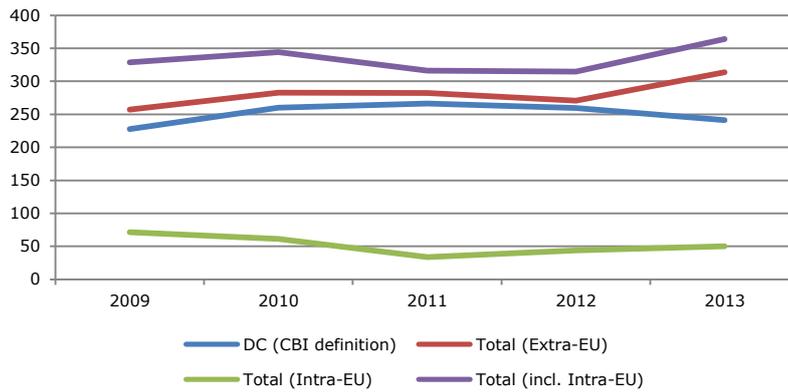
- Consult the [Standards Map](#) for more information on the RA standard.

Trade and Macro-Economic Statistics

General information and figures about production and trade developments in the EU and in the Dutch market are provided in the [CBI Trade Watch](#). This section provides more detailed statistics for peanut production, trade and consumption in the Netherlands.

Trade: imports and exports

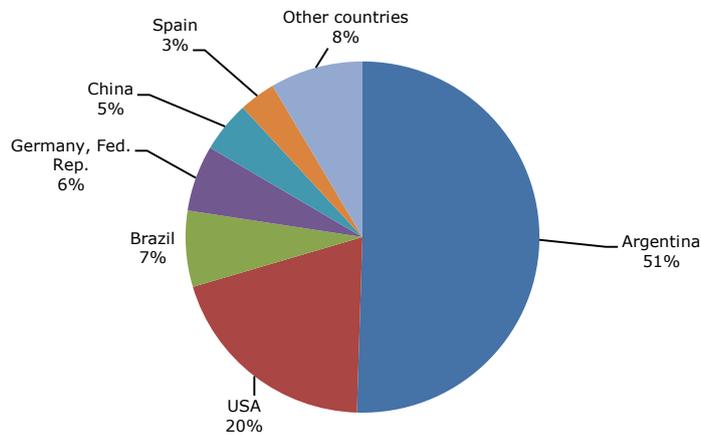
Figure 1: Dutch import of ground nuts, 2009-2013, in tonnes*



*Includes all products mentioned in Table 1 above.

Data source: Eurostat Comext. Calculations: LEI Wageningen UR

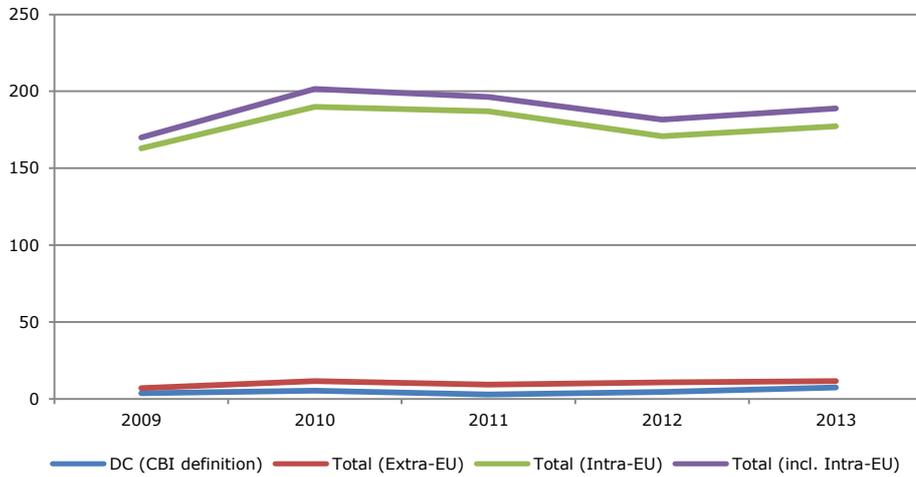
Figure 2: Division of Dutch peanuts import volume, by country of origin in 2013*



*Includes all products mentioned in Table 1 above.

Data source: Eurostat Comext. Calculations: LEI Wageningen UR

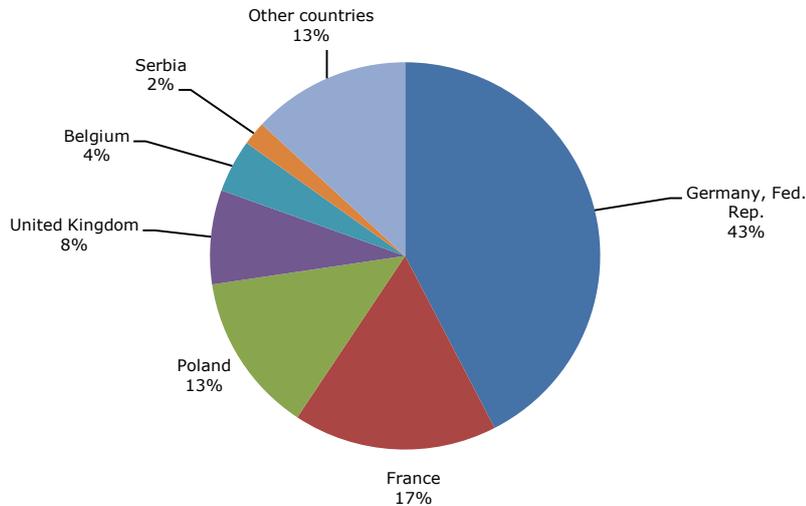
Figure 3: Dutch export of peanuts, 2008-2013, in tonnes*



*Includes all products mentioned in Table 1 above.

Data source: Eurostat Comext. Calculations: LEI Wageningen UR

Figure 4: Division of Dutch peanuts export volume in tonnes, in 2013*



*Includes all products mentioned in Table 1 above.

Data source: Eurostat Comext. Calculations: LEI Wageningen UR

Analysis and interpretation

- The total import value of peanuts in the Netherlands was €466 million in 2013. The total volume was 364 thousand tonnes (Source: Eurostat Comext). Shelled unprocessed peanuts comprised 97% of import volume in 2013. In 2013, imports from the DCs declined at the expense of imports from other extra-EU trade (mainly the USA) and intra-EU trade.
- Four major cultivar groups dominate

Considerations for action

- Consider exporting to the Netherlands, as the Netherlands is one of the largest European trade hubs for edible nuts in Europe. Find your importer there and supply Europe with one partner.
- The U.S. reputation for high-quality peanuts has facilitated exports to countries in the European Union. Competing on quality must be the prime concern of any DC exporter.
- Find a reliable intermediary or importer who

production worldwide: Spanish, Runner, Virginia, and Valencia. The "Runner" type is by far the most traded type in the EU, including the Netherlands.

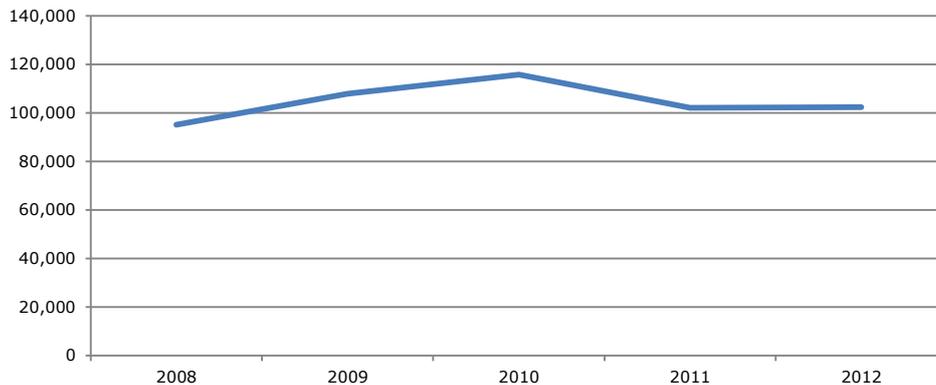
- With a total volume of 364 thousand tonnes, the Netherlands is the largest importer of peanuts in the EU. Germany is the second largest with 149 thousand tonnes (Source: Eurostat Comext).
- Argentina (51%, 184 thousand tonnes), USA (20%, 72 thousand tonnes) and Brazil (7%, 26 thousand tonnes) are the largest exporters to the Netherlands in terms of total volume (Source: Eurostat Comext).
- The imports from other EU countries decreased from 72 thousand tonnes to 50 thousand tonnes between 2008 and 2013. The top 3 EU import partners are Germany (22 thousand tonnes), Spain (12 thousand tonnes) and the UK (5 thousand tonnes) (Source: Eurostat Comext).
- Imports from countries outside the EU increased from 257 thousand tonnes to 314 thousand tonnes between 2008 and 2013 (Source: Eurostat Comext).
- Imports from other EU countries (their re-exports) continue to substitute for extra- EU imports (Source: Eurostat Comext).
- Total exports of peanuts from the Netherlands amounted to 189 tonnes, of which 73% tonnes were shelled unprocessed peanuts and 26% processed peanuts including peanut butter.
- A large percentage of its imports of unshelled ground nuts is exported again after shelling. In 2013, Germany was the main exporting partner (43%).
- Dutch net imports (imports minus exports) of unprocessed peanuts were 217 thousand tonnes in 2013. It means that this volume was available for direct consumption and for processing in that year.

can sell your products to the larger industries at a good price. In this context, it is worth exploring the possibilities of long term contracts to secure your sales.

- To make business contacts you could visit important trade fairs, such as [Fruit Logistica](#), which is known as the world's leading international trade fair for fresh fruits and vegetables, dried fruits, and tree nuts.
- When approaching a European, or a Dutch partner, try to gain knowledge about entrepreneurship in a European context. Professional appearance and commercial insights are important, both for niche and mainstream markets.
- The Netherlands re-exports half of the volume of its imports. Consider the Netherlands as an entry port for imports that are re-exported to other countries in the EU, especially Germany. You can look for a wholesale partner in the Netherlands to carry out re-exporting.

Production

Figure 5: Production of prepared or preserved groundnuts (including peanut butter; excluding with vinegar or acetic acid, frozen, purees and pastes) in the Netherlands, 2009-2012, in tonnes



COM. Calculated by LEI Wageningen UR using PRODCOM data for 10392330 Prepared or preserved (including peanut butter; excluding with vinegar or acetic acid, frozen, purees and pastes).

Analysis and interpretation

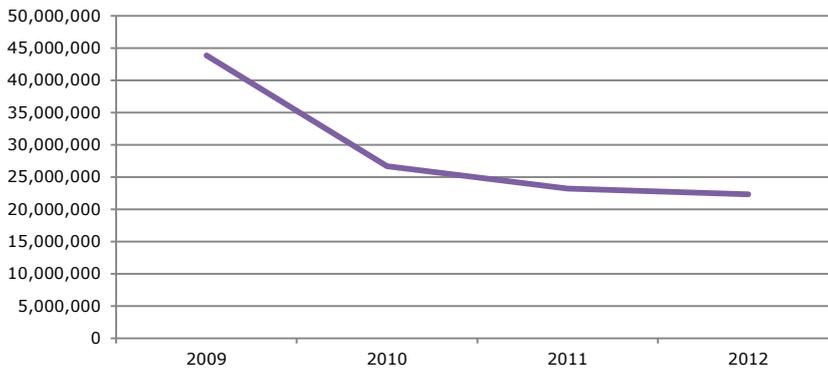
- Peanuts are often preserved and processed in the Netherlands or in another EU country.
- Peanuts are often processed into other food products by the Dutch or European food industry.
- Due to climate conditions, raw peanuts cannot be produced in the Netherlands and, therefore, have to be imported. The Netherlands relies fully on the imports of peanuts for its processing and domestic consumption.
- Four major cultivar groups dominate the production worldwide: Spanish, Runner, Virginia, and Valencia. The "Runner" type is by far the most traded type in the EU.
- The Netherlands is the second largest exporter of agro-food products after the US. The Netherlands has over 7 thousand processors of food, feed, beverages and tobacco. More than half of them are manufacturers of bakery and farinaceous products. Most food manufacturers (98%) are small and medium sized firms. [Unilever](#), an Anglo-Dutch multinational consumer goods company based in Rotterdam, the Netherlands, is the world's third-largest consumer goods company measured by 2011 revenues. The company owns the 'local star' brand [Calve](#) (popular among consumers), under which peanut snacks and peanut butter, are sold.

Considerations for action

- Differentiate between food processing and consumer (niche) markets. When focussing on the processing market, unshelled peanuts are in greatest demand.
- The European processing industry is very efficient. Still, the costs of production in Europe are rising. When trying to compete on already processed products in order to deliver directly to the consumer sales channels, consider whether you are able to produce in accordance with European quality standards and requirements and at lower costs.
- Try to partner with Dutch importers in order to have the right equipment for processing and meet the different requirements of the Dutch and European buyers.

Consumption

Figure 6: Apparent consumption^{a)} of prepared or preserved groundnuts (including peanut butter; excluding with vinegar or acetic acid, frozen, purees and pastes) in the Netherlands, 2009-2012, in tonnes



^{a)} Apparent consumption is the sum of imports and production minus exports. Variations in stock are not taken into account. Domestic supply reflects direct usage by consumers and the industry. Calculated using PRODCOM data for 10392330 Prepared or preserved groundnuts (including peanut butter; excluding with vinegar or acetic acid, frozen, purees and pastes)

Analysis and interpretation

- Net imports (imports minus exports) of unprocessed peanuts were 159 thousand tonnes in 2012¹. The production of processed peanuts was 62 thousand tonnes in that year. That leaves 97 thousand tonnes of unprocessed peanuts for consumption and for use as an ingredient in (food) industries. This number also includes losses during processing.
- Apparent consumption of prepared or preserved groundnuts (including peanut butter; excluding with vinegar or acetic acid, frozen, purees and pastes) declined from 44 thousand tonnes in 2009 to 27 thousand tonnes in 2010 and to 22 thousand tonnes in 2012. It can be assumed that the actual consumption of nuts stayed about the same in that period. The declining trend in apparent consumption is occurring due to trade. In this product group, exports decreased but imports decreased faster.
- Nuts in general and peanuts in particular are good candidates for marketing as "added value products". They have an excellent potential in Europe, including the Netherlands, for the health food market. Peanuts are the most consumed nuts in the Netherlands. The majority of the Dutch population consumes nuts as a (healthy) snack or as a protein component within a vegan meal. Peanut butter is very popular in the Netherlands as a sandwich spread.
- The Netherlands has a substantial ethnic

Considerations for action

- Nuts in general and peanuts in particular are good candidates for marketing as "added value products". They have excellent potential in Europe, including the Netherlands, for the health food market.
- Differentiate your products based on processing methods, like roasting, salting, etc.
- Introduce new, innovative products, new flavours or new combinations of flavours. As mentioned previously, to make business contacts and see the latest trends, you could

¹ Latest data available

minority that is familiar with peanuts as an ingredient for cooking. For example, Chinese, Indonesian and Thai.

- Dutch eating habits are influenced by the colonial past and immigration. An example is peanut sauce, which was originally used in the cuisines of Indonesia, Malaysia, Thailand, Vietnam, China and Africa.
- Since peanuts (or peanut flour) are not only a visible ingredient for snacks and meals, but are also widely used as an additive in the food processing industry, they are often consumed as a “hidden” ingredient in other food products, such as bread and pastry, prefabricated sauces, soups, ice-cream and ready-to-eat meals.
- The Dutch public is demanding a more sustainable approach to production and handling of consumer goods including food. Environmental and social issues are becoming more and more important for consumers and retailers.
- Three of the major supermarkets chains in the Netherlands are [Albert Heijn](#), [Jumbo](#) (which acquired C1000 supermarkets in 2011), and the hard discounter Aldi with a (collective) market share of 58% of sales in 2011.

visit important trade fairs, such as [Fruit Logistica](#), which is known as the world’s leading international trade fair for fresh fruits and vegetables, dried fruits, and tree nuts. Read about global market developments in the report from [World Nut & Dried Fruit Congress](#).

- Focus on target groups such as ethnic minorities.
- Try to find matching market niches for your products.
- Consider producing and delivering in accordance with certification schemes, e.g. Organic, Fair Trade.

Market trends

[CBI Trend Mapping](#) provides general trends in the European market for processed fruits and vegetables and edible nuts. This section provides more details about specific trends in the market for peanuts.

Analysis and interpretation

- In Europe, including the Netherlands, the increasing pressure of time, the fast pace of life, and the need for convenience because of smaller households have driven consumer demand for snack products that are wholesome and deliver sustainable energy.
- In addition, increasing health consciousness leads consumers to trade their sweets and biscuits for healthier snack products. Nuts in general and peanuts in particular are in an excellent market position to fulfil these needs.
- On the other hand, the number of consumers with food allergies or intolerances is also growing, leaving nuts in a less favourable position.

Environmental market drivers:

- More consumers are becoming aware of environmental issues, i.e. they require

Considerations for action

- Obtain information from your contact person in the Netherlands about the cutting and packaging requirements of sales channels to consumers. [The Dutch Association for Trade in Dried Sweet Fruits, Spices and related items \(NZV\)](#) is a trade association for Dutch traders and publishes information (in Dutch) about developments in the nuts market.
- Take the consumer health trend into account in your marketing efforts. Nuts, including peanuts, contain a lot of fibre, minerals, unsaturated fatty acids and antioxidants. In addition, there is scientific evidence supporting the beneficial effects of nuts on cardiovascular and other health issues. Link your product to these effects.
- Pay attention to the increasing number of food allergies by introducing allergy-friendly products or clear product labelling.
- Consider certification and labelling of your products as Organic. See the background,

organic, pesticide free, or ecologically responsible products.

- Sustainability is becoming very important for the processors of peanuts as well. Unilever, for example, wants all products to be sustainable by 2020.

Economic and technological market drivers

- The Netherlands is the main peanut importer in the EU with many key importers in operation.
- Traditionally, China has been a net exporter of peanuts to the Netherlands for quite some time. Nowadays, however, this role is diminishing. China is the largest producer, but most of its production is consumed domestically as peanut oil. An increase in domestic consumption has had a significant effect on China’s peanuts exports.
- Issues with aflatoxin contamination make it practically impossible at present to import from major producing countries and regions such as India and, in fact, the whole of Africa except South Africa.
- The constant quality of supply requirement (fat/acid composition, size, and flavour) has become important.
- Innovation will continue to be crucial for manufacturers in order to stay ahead of the competition. The industry is innovating with new flavours, new textures and new packages.
- There is an increased concentration of retailers. Supermarkets exert their bargaining power by paying late. Source: [FAO, 2009](#)). Other strategies such as re-negotiations, discount enforcement, buy-back arrangements, promotion co-financing and tender systems might also be employed.
- Supermarkets demand good quality, and the presence of a food-safety system, preferably certified, and have strict delivery schedules as they want their shelves to be filled throughout the year. Supermarket chains use their own name on packaging as a brand for middle market segments (private labelling).

assessment and interpretation document for [Regulation \(EC\) No 834/2007 for Organic Food and Farming](#) for more information about requirements. Check the [International Trade Center Standards Map](#) for a comparative analysis and review of voluntary standards like Fair Trade and Forreest Alliance.

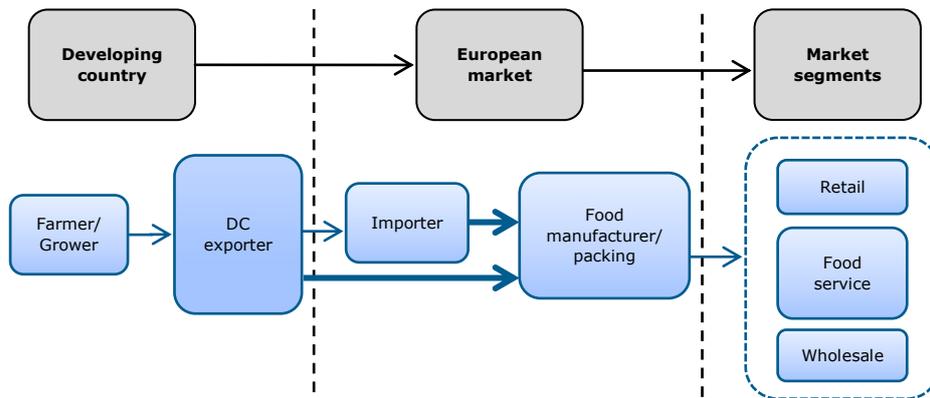
- Consider whether you are able to comply with the harmonised [EC legislation](#) on aflatoxin.
- Consider whether you are able to supply peanuts continuously while maintaining consistent quality.
- Tell the story behind the product and explain its added value through promotion and labelling. Cooperate with the food industry and retail.
- Use the health trend in product innovation, like reducing the amount of salt in your products.
- Furthermore, focus your innovation efforts on introducing new flavours or new snack products that target different consumer groups or consumption occasions.
- Obtain information from your contact person in the Netherlands about quality standards, delivery schedules and logistics requirements. [The Dutch Association for Trade in Dried Sweet Fruits, Spices and related items \(NZV\)](#) is a trade association for Dutch traders and publishes information (in Dutch) about developments in the nuts market.
- Evaluate whether working capital, processing technology, logistics and the skill levels of your company employees are able to keep up with these requirements

Market Channels and Segments

An extensive study about market channels and segments in the EU market with respect to Edible Nuts and Dried Fruits is already available. See the [CBI Market Channels and Segments for Edible Nuts and Dried Fruits](#).

This section provides some additional information about the channels through which peanuts are marketed in the EU, including the Netherlands.

Figure 7: Market channels Dutch market for peanuts



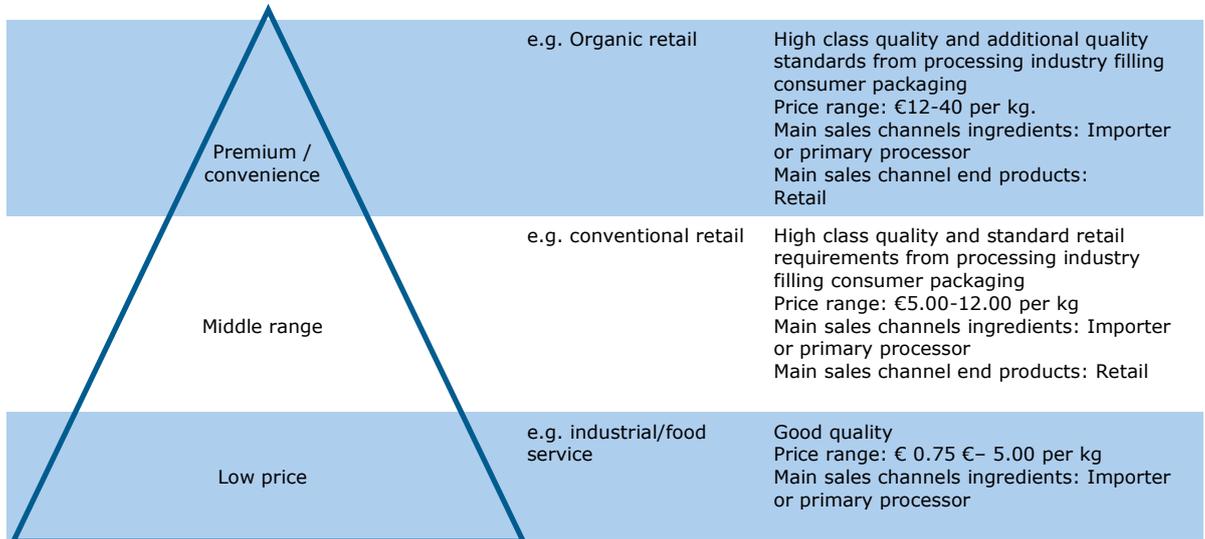
Analysis and interpretation

- In the peanuts supply chain, the importer and the processor sell products to the various retail and foodservice channels. Sales to multiple retailers are generally direct, whereas sales to specialised retailers are often conducted through wholesalers.
- Retail power is increasing in the area of private labels as the private label is no longer related to 'lower quality'. In 2009, the percentage of private labels varied per country between 17% (Italy) and 48% (UK); in the Netherlands this percentage was 25% (Source: [Bunte et al. 2011](#)).

Considerations for action

- Gain greater market power within the chain by building long term relationships (and signing contracts) with large well-known buyers in the Dutch market.
- Keep an eye on the dynamics between the brands and private labels in order to identify potential growth markets. Read published reports on private labels for general insights. Visit your intended export market; conduct additional market research on the Netherlands for more information about private labelling in relation to specific products.

Figure 8: Indication of retail price ranges and market segments in consumer products



Analysis and interpretation

- Shelled peanuts are the most frequently traded peanuts. Shelled peanuts are mostly used in the industrial market for further processing in the EU.
- Adequate supply and continuation of the quality of supply are important for staying competitive and gaining higher margins. Importers and the industry prefer uniform quality in size, taste and texture (crunchiness), and having aflatoxin and toxic residual levels that are far below the EU minimum.
- Four major cultivar groups dominate production worldwide: Spanish, Runner, Virginia, and Valencia. The "Runner" type is by far the most traded type in the EU, since this type is the most convenient for processing.
- Peanuts that are used for coating by processors tend to be small and round. Processors prefer this type of peanut for coating since they allow the coating process to operate more efficiently.
- Peanuts that are used as an ingredient in composite meals are not necessarily sorted by size and shape.
- Offering peanuts of the highest quality, which are uniform in size, and have additional, non-conventional characteristics, such as certification for organic, Fair Trade, and CSR schemes, will lead to the opportunity to achieve higher margins.

Considerations for action

- Consider whether you can supply adequate quantities at the quality standards required by the importer for sales to the retail or processing industries, i.e. having the means to be able to deliver the right sorting, the lowest aflatoxin and toxic residual levels and certifications.
- The quality of peanuts is easier to maintain in unshelled peanuts. Shell them as late as practical.
- Good post-harvest management is very important for preservation of quality. Prevent over-drying or drying too rapidly; use extra care in shelling and additional care in handling peanut seed to keep damage to a minimum. Store the peanuts at safe moisture levels. Apply seed treatments for fungal contamination (aflatoxin) before bagging. After bagging do not allow peanuts to be dropped or exposed to heat or high moisture. Store them in a cool and dry location.

Market competitiveness

With respect to Edible Nuts and Dried Fruits, an extensive study about market competitiveness in the EU market is already available. See the [CBI Market Competitiveness for Edible Nuts and Dried Fruits](#).

Useful Sources

Export and market entry support:

<http://www.cbi.eu/>
http://www.cbi.eu/marketintel_platform/Processed-Fruit-and-Vegetables-and-Edible-Nuts/177430

Certification schemes:

<http://www.sa-intl.org/>
<http://www.iso.org/iso/home.htm>
<http://www.standardsmap.org/identify.aspx>
<http://www.fairtrade.net/>

Marketing and trade standards:

<http://www.unece.org/tradewelcome/trade-home.html>
<http://www.codexalimentarius.org/codex-home/en/>

Statistics and sector information:

<http://faostat.fao.org/>
http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/http://exporthelp.europa.eu/thdapp/index_en.html
<http://comtrade.un.org/>

This survey was compiled for CBI by LEI Wageningen UR
in collaboration with CBI sector export Freek Jan Koekoek

Disclaimer CBI market information tools: <http://www.cbi.eu/disclaimer>

Annex: groundnuts (peanuts)

The product tree for the products which are of interest for developing country producers has been developed by CBI using the [Combined Nomenclature](#) (Eurostat, 8 digits) for classifying traded products. This product factsheet covers a product within the edible nuts group of the product tree: peanuts. The corresponding HS codes for peanuts are shown in the table below.

Table1: CN commodity codes for peanuts (groundnuts)

Number	Product
12021010 (until 2012)	Groundnuts in shell for sowing
12021090 (until 2012)	Groundnuts in shell (excl. roasted or cooked in another way and for sowing)
12022000 (until 2012)	Shelled groundnuts, whether broken or not (excl. roasted or cooked in another way)
12023000 (from 2012)	Groundnut seed, for sowing
12024100 (from 2012)	Groundnuts, in shell (excl. seed for sowing, roasted or cooked in another way)
12024200 (from 2012)	Groundnuts, shelled, whether broken or not (excl. seed for sowing, roasted or cooked in another way)
20081110	Peanut butter
20081191	Groundnuts, prepared or preserved, in packages of > 1 kg (excl. peanut butter)
20081191	Groundnuts, prepared or preserved, in individual packages with a net content of > 1 kg
20081192	Groundnuts, roasted, in packages with a net content of > 1 kg
20081194	Groundnuts, prepared or preserved, in immediate packages with a net content of > 1 kg, n.e.s.
20081196	Groundnuts, prepared or preserved, in immediate packages with a net content not exceeding 1 kg
20081198	Groundnuts, prepared or preserved, in immediate packages with a net content exceeding 1 kg
20081199	Groundnuts, prepared or preserved, in packages =< 1 kg (excl. peanut butter)