ssnup
Smallholder SustaiNability
Upscaling Programme

Afrikamart in the groundnut value chain

SENEGAL

The key role of diversified services to smallholder farmers in the economic models of agricultural SMEs

Snapshot

... seeds of agri-SMEs

July 2026

snapshot

Afrikamart in the groundnut value chain

in Senegal

afrikamart.

Afrikamart

Since 2019
M'bour, Senegal

IMPACT INVESTOR

BAMBOO CAPITAL PARTNERS

SCALE & REACH

6

employees (in 2025)

20,000

smallholder farmers suppliers (in 2025)

GROWTH HIGHLIGHTS

Reached break-even point in 2025

PRODUCTION CROP

Groundnut
(nuts, oilseeds and pulses)

ROLE IN THE VALUE CHAIN

Distributor / trader

TARGET MARKET

International market

PROJECT RESULTS

Context

Groundnut is Senegal's leading cash crop, cultivated on roughly 1,25 million hectares (about 40% of the country's total cultivated area), mostly by smallholder farmers, for whom it is a primary source of income. Despite its scale, the groundnut value chain in Senegal remains poorly structured, with yields generally low relative to potential, held back by uneven seed quality, limited input access, and recurring aflatoxin contamination that affects both food safety and export eligibility.

Smallholder farmers frequently treat groundnut as a form of financial security, preferring to sell their harvest quickly to whichever buyer offers the best immediate price, rather than committing to advance sales agreements. Fragmented producer organisations further limits farmers' ability to negotiate collectively or sustain reliable, long-term relationships with a single buyer, while weak storage and post-harvest handling infrastructure compound losses and undermine the overall quality and consistency of the groundnuts brought to market.

The position of Afrikamart in the groundnut value chain

Afrikamart is an agri-tech aggregator and trading platform, structuring supply chains for a range of crops sourced from smallholder farmers across Senegal and neighbouring countries, and connecting local production with regional and international buyers. As a digital actor operating across Senegal's largely informal agricultural sector, Afrikamart occupies a coordinating role in the chains it operates in, acting as an anchor buyer between dispersed smallholder producers and downstream industrial, retail, and export demand. Within groundnuts specifically, Afrikamart sources unshelled products directly from smallholder farmers and exports processed groundnuts abroad.

SSNUP project with Afrikamart

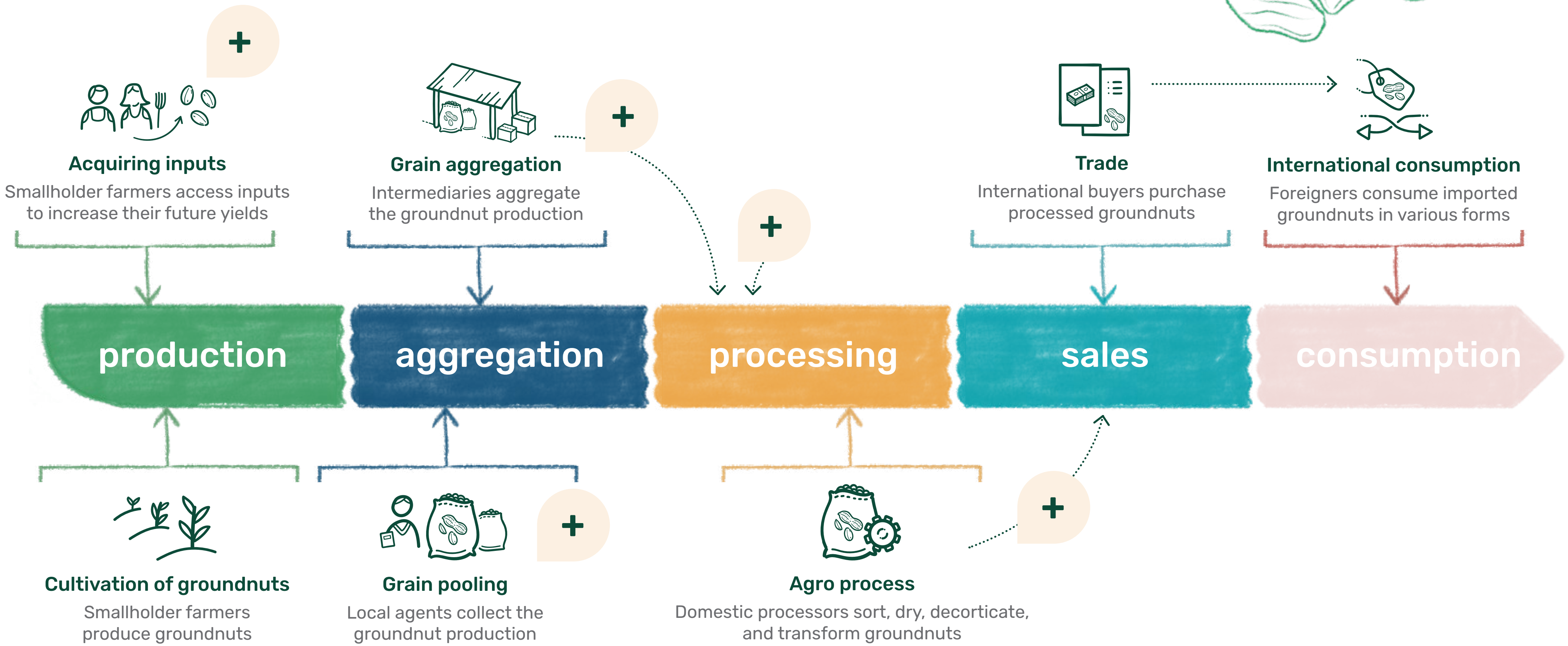
*From December 2022 to May 2024, **Afrikamart benefitted from a technical assistance project co-financed by the SSNUP programme,** aiming to strengthen its digital platform for smallholder fruit and vegetable producers (management systems improvement), expand its market linkages with suppliers and retailers (facilitation of transactions for market access), and improve its data, pricing, and dispatching processes (Enterprise Resource Planning or ERP integration and automated systems for operational efficiency).*

***The project connected 9,800 smallholder farmers to the platform as supplier members,** nearly tripling registered farmers, and **facilitated transactions for 4,050 retailer buyer members,** generating around EUR 1,5 million in disbursed income to smallholder suppliers and more than EUR 2 million in sales to final clients.*

*Afrikamart's positioning in the fresh produce value chain proved financially unsustainable due to persistent delivery execution challenges. **In late 2023, the company** therefore discontinued its resale model to individual retailers and **reoriented its activities toward commodities, including groundnuts, where it is now piloting a farmer engagement model** with a public processor. The management improvements introduced through the project, particularly the ERP integration, have supported this transition by providing greater visibility into operations and enabling Afrikamart to reassess and adapt its business model based on market experience.*

Afrikamart in the groundnut value chain

The role of Afrikamart in the groundnut value chain



Afrikamart's business model is built around two pillars: *a supply model based on aggregating groundnuts from smallholder producers via a network of local agents; and a sales model built on domestic processing partnerships, through direct sales or export-oriented processing. A pilot lending model is also being tested to boost farmer productivity and secure supply. Each pillar contributes directly to* ***the company's ability to scale and respond to market demand. Click on the buttons + to get a closer look at each model.***

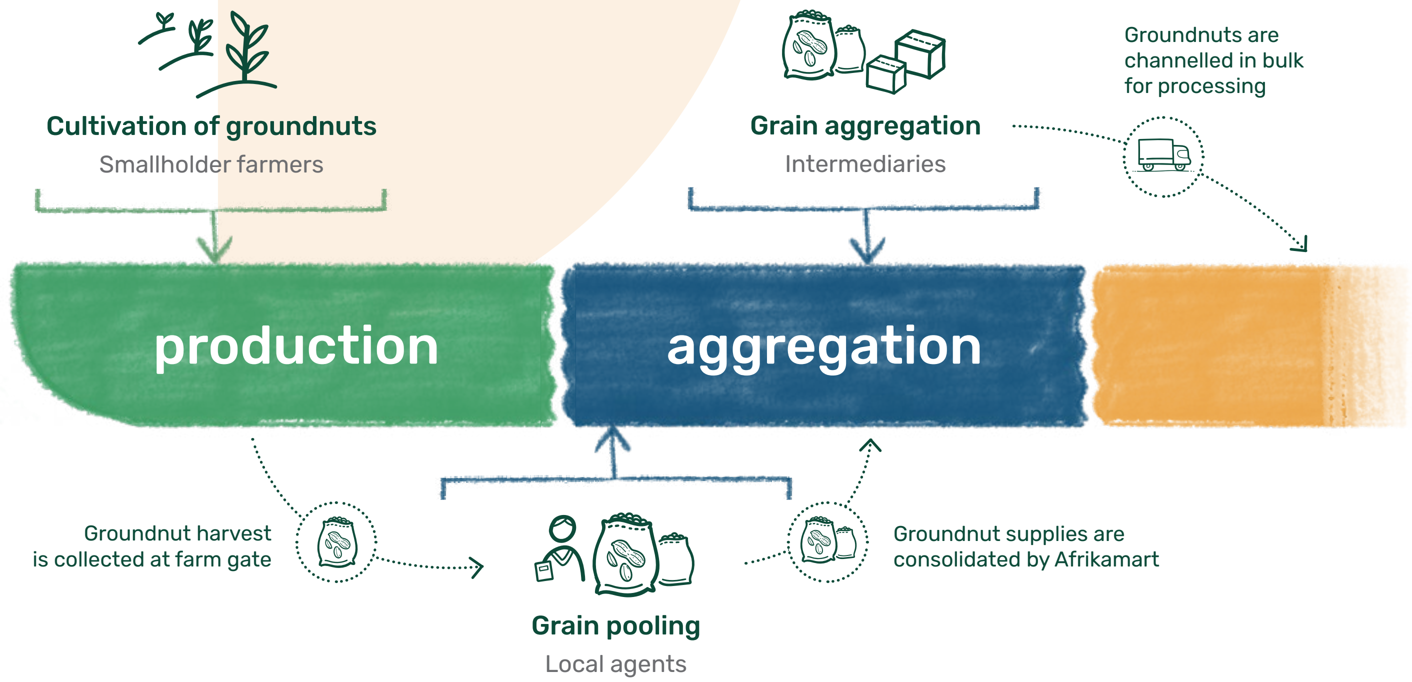
Supply model

Lending model

Sales model

Snapshot

Afrikamart Supply model



Afrikamart's role

Afrikamart operates as an aggregator in the groundnut value chain, sourcing from smallholder producers. It relies on a **network of selected local agents embedded in producing communities,** who handle the collection on the ground – identifying farmers, negotiating volumes, and consolidating output before it moves further up the chain. This agent-based model allows Afrikamart to extend its reach, effectively outsourcing the last mile of aggregation to people who already have standing and trust within the communities.

Challenges

Afrikamart plays the role of an intermediary in a **highly contested aggregation space.** It competes with *bana-bana* (small-scale itinerant traders) and other middlemen, semi-wholesalers and wholesalers, a dense layer of bulk intermediaries who seek to supply processing plants. Afrikamart also faces **pressure from foreign actors** who have vertically integrated the chain within Senegal, controlling sourcing, logistics, and processing end-to-end. These players can absorb costs and offer more competitive terms at the farm gate, squeezing both the margins available to Senegalese aggregators and the volumes left for them to secure.

Afrikamart's self-initiated actions

*To differentiate itself and secure reliable supply in this competitive environment, Afrikamart formalises its relationship with **local agents** through **direct contracts** and backs them with **concrete logistical support:** a dedicated truck fleet to solve transport bottlenecks and working capital to fund purchases in the field, giving agents the means to buy at scale and on time, rather than being constrained by their limited cash reserves.*

Afrikamart's actions with SSNUP

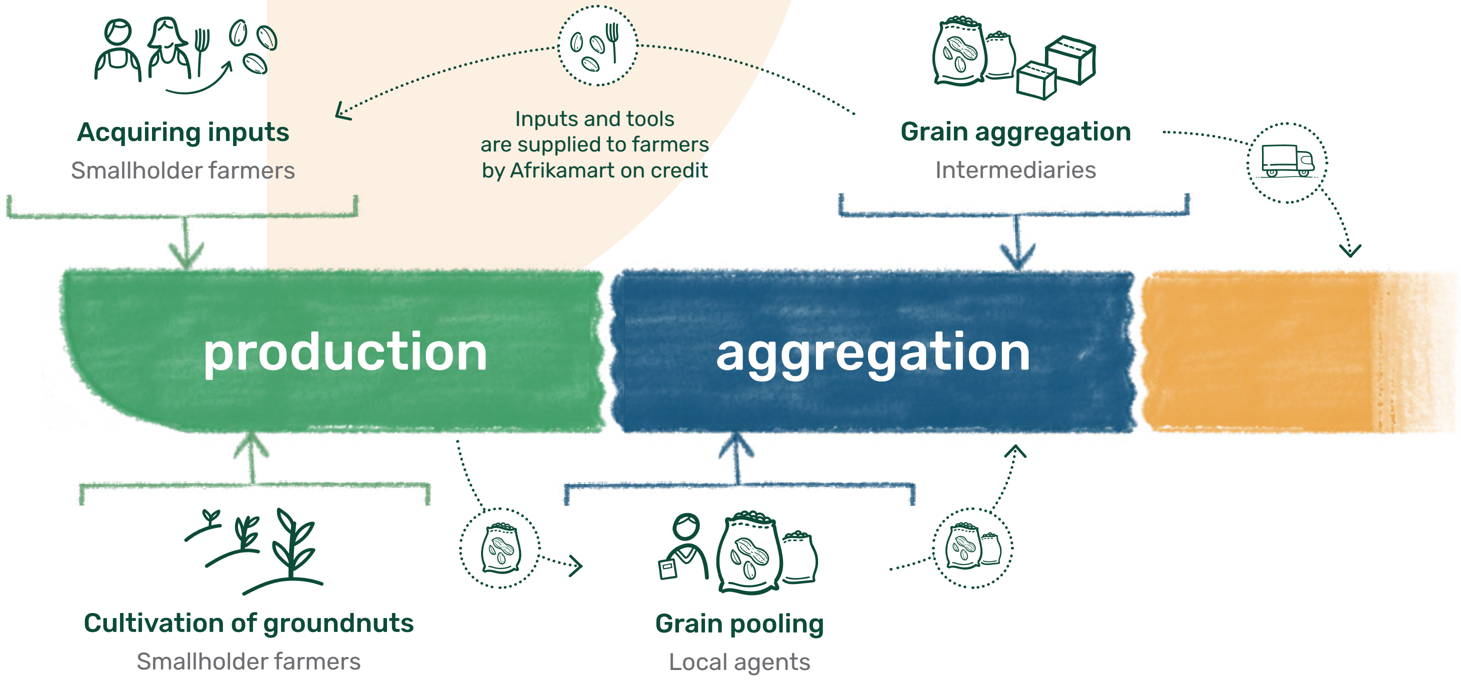
*Though not designed for this project specifically, earlier technical support helped Afrikamart strengthen its internal management and data systems, including **ERP integration.** This capacity now allows the company to **keep track of its field partners, coordinate collection** across scattered producer groups, and **monitor volumes** moving through its supplying network.*

Global view

Lending model

Snapshot

Afrikamart Lending model



Afrikamart's role

Through its consolidated database, Afrikamart profiles and polygon-maps the farmers the company works with, building a **georeferenced record of each producer**'s plot boundaries, land size, and production history. By capturing the exact contours and surface area of each farmer's land, Afrikamart can **estimate potential yield and expected harvest volumes** ahead of the season to plan its transactions.

Challenges

Smallholder farmers often cannot cultivate the totality of their farm surface or cannot farm it as productively as its size would suggest, simply because they **lack the resources or labour** to do so. Even where inputs are subsidised by the state, availability is inconsistent and often limited. The result is a persistent **gap between land potential and realised output,** directly limiting the volumes Afrikamart can trade.

Afrikamart's self-initiated actions

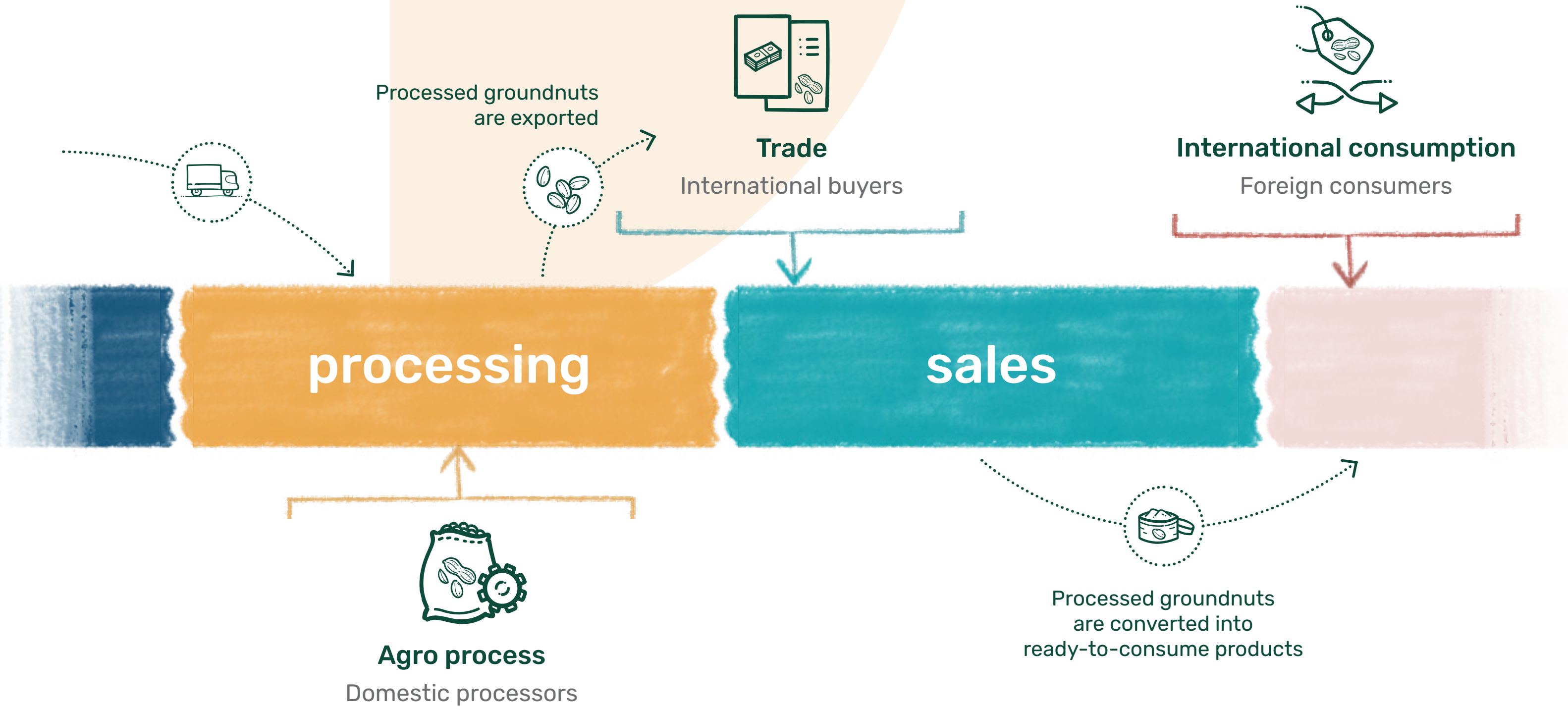
*To close this gap, Afrikamart launched a **pilot credit project supporting 200 selected farmers** to improve their productivity, currently active across four regions: Foundiougne, Gandiaye, Kaffrine, and Médina Yoro Foula. The initiative is designed to **finance farmers' access to key production inputs** (seeds, fertilisers and other inputs, seeders, or draft animals used for traction). In return, farmers repay this support through the sale of their production, giving them the means to either **cultivate a larger share of their land, boost productivity in the area** they already farm, or both, under manageable financing terms, while allowing Afrikamart to convert this untapped potential into more reliable, higher-volume supply over time.*

Afrikamart's actions with SSNUP

*Though not designed for this project specifically, earlier technical support helped Afrikamart strengthen its internal management and data systems, including **ERP integration**. The company now uses that tool to **maintain borrower records, flag repayment issues early, and manage credit risk** across its supplier base.*

Global view
Supply model
Sales model

Afrikamart Sales model



Afrikamart's role

Afrikamart partners with public processor SONACOS (*Société Nationale de Commercialisation des Oléagineux du Sénégal*) to transform the groundnuts collected through its network before bringing them to market. Drawing on its long-standing import-export experience, Afrikamart supplies **groundnuts for snack food, peanut butter, and oil production to foreign markets** across Europe, Asia, Southern Africa, and the Middle East and North Africa (MENA), while also targeting opportunities in the United States. Additionally, Afrikamart sells groundnuts to other domestic processors, which also export processed products to international markets.

Challenges

Afrikamart faces stiff **competition from established international exporters,** including Chinese trading operators, who have become major buyers of Senegalese groundnuts in recent years. These operators are often able to **offer higher farm-gate prices than domestic buyers,** sometimes well above official reference prices, drawing volumes away from Senegalese aggregators and processors alike and **creating recurring sourcing difficulties** across the sector.

Afrikamart's self-initiated actions

*Afrikamart's **credit pilot functions as a supply-securing mechanism,** allowing the company to honor its supply contracts, meet buyer specifications, and secure the large volumes required at the necessary quality and scale. By financing farmers' inputs against the coming season's crop, the arrangement helps secure supply for Afrikamart ahead of time. This creates **a win-win dynamic with smallholder producers,** who gain guaranteed access to the inputs needed to farm their land, while Afrikamart secures more predictable volumes in advance rather than competing for supply on the open market. In turn, this should allow Afrikamart to **reduce its sourcing costs, improve its margins, and better position itself against foreign buyers** who can outbid on price but offer farmers no equivalent pre-season support.*

Global view
Lending model
Perspectives

Perspectives

from groundnut value chain actors

Smallholder farmer

"The rain started, so the sowing had to happen today – there is no waiting when the sky decides for you. With the modern seeder, I moved much faster than I would have with other tools. It opens the hole and drops the seed in one pass, pulled by my horse, so with my farm labour I am able to cover the whole surface of my farm – around two hectares – in a single day. The seed I sowed today came from my own last harvest; we keep some aside every season for this. We also plant bissap between the groundnut rows, so my wife can make juice from it and sell it at the market. I am told it's good for the soil too."

Exchange with a groundnut farmer benefitting from the credit pilot project, 11/07/2025

We're still waiting on the state fertiliser; it's supposed to come, but it's always late. By the time it arrives, half the season is already gone.

Local agent

"I farm here myself, and on top of that I work as a local agent, collecting from other producers around me. This is not something I do only for Afrikamart, I usually work with several wholesalers, because that's how you make ends meet. This is my first season working with Afrikamart specifically, so I cannot tell you yet how it will turn out over time. What I can say is that they have brought something the others have not: an actual contract, real logistical backing and working capital so I can pay producers on the spot instead of asking them to wait. That matters a lot here, because farmers need cash quickly."

Interview with a local agent, Foundiougne, 11/07/2025

That said, most of what leaves this zone still goes to the Guineans and the Chinese. They buy in bulk, they pay more than most local buyers can afford to, and from what we understand, they take it away to process back in their own countries. So, the real transformation, the value that comes from it, we don't see much of that happening here.

Aggregator

"Through our platform, we are building a profile of every farmer we work with – where their plot is, how big it is, what they have produced before. Based on specific scorings we developed, we can identify our most promising partners, both farmers and agents, to focus our efforts and optimise the volumes we are able to trade. It means we can plan the season instead of just reacting to whatever shows up at collection time. The credit pilot is still young, but we are convinced the model is promising – which is why we chose to self-finance it rather than bring in a credit institution as a partner."

Interviews with Albert Diouf and Mignane Diouf, co-founders, COO and CEO of Afrikamart, Dakar, 07/07/2025

Building stronger agricultural value chains is not only about increasing production. Our experience at Afrikamart has shown us that the real challenge is building the financing, aggregation, logistics and market-access mechanisms that turn fragmented production into reliable, competitive and economically viable supply chains. This requires looking beyond individual interventions and addressing the entire system around the farmer.

Investor

"The technical assistance project was designed with real impact in mind, and it delivered: better prices and market access for producers. But perishability is a structural problem fresh produce cannot fully engineer around – losses accumulate fast enough to undermine the model's economics. That is why we see Afrikamart's shift toward commodities like groundnuts as sound: they can bring stability and margin fresh produce structurally lacks, and that stability is what enables the company to continue supporting smallholder farmers."

Interview with investment officer, Bamboo Capital Partners, 03/07/2025

Senegal also remains, by most risk metrics, a higher-risk investment environment, so a financially sustainable model matters as much as the impact thesis does.

Global view

about
the SSNUP Snapshot series

The SSNUP Snapshot series is a collection of knowledge products designed to examine the role of SSNUP-supported organisations, namely small and medium-sized enterprises (SMEs), financial intermediaries, and cooperatives, across the value chains in which they operate. It focuses on the challenges and opportunities embedded within these value chains, analysing how organisations position themselves and tailor their business and engagement models across different segments. By examining how these organisations engage with and support smallholder farmers, the series seeks to inform actors supporting agri-food systems by shedding light on the range of possible levers for action within diverse value chain contexts.

about
the SSNUP programme

The Smallholder SustaiNability Upscaling Programme (SSNUP) is a 10-year programme launched in 2020 that aims to improve the resilience of smallholder households through technical assistance and investment in agricultural value chains, ultimately enhancing the well-being of low-income populations. Funded by the Swiss Agency for Development and Cooperation, the Liechtenstein Development Service, and the Luxembourg Directorate for Development Cooperation and Humanitarian Affairs, SSNUP works as a facility to co-finance technical assistance projects led by impact investors active in the field. ADA is responsible for coordinating the programme and managing its knowledge management component.

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