



Indian exporters dispute Indonesia’s suspension of groundnut imports 3 months after shipments landed at its ports

New Delhi’s groundnut exports to Jakarta remain stranded, as Indonesia takes time to respond to Indian response

Indian exporters are disputing Indonesia’s delayed process in notifying the presence of aflatoxins in their groundnut shipments, even as Jakarta’s suspension of the oilseed imports continues for the third week. Though the Agricultural and Processed Food Export Development Authority (APEDA) has reached out to the Indonesian Quarantine Authority (IQA) over the suspension of groundnut imports, Jakarta is yet to respond, trade sources said. Indonesia suspended the import of groundnuts from India, effective September 3, following a notification issued on August 27. “APEDA held a meeting of exporters on responding to the Indonesian notice. It reached out to Jakarta, but there has been no progress yet,” said a trader who spoke on condition of anonymity.

2 problems

However, exporters said there are at least a couple of issues with Indonesia’s handling of the groundnut import issue from India. One, the IQA reported problems of aflatoxin in consignments three months after they landed from India. “No one is sure how the groundnut was stored for three months, and the facilities available in the warehouses. We are unable to accept a decision taken three months after consignments land at the ports,” said a New Delhi-based analyst. The second issue is that exporters say Indonesia’s testing standards do not conform to standards defined by the World Trade Organisation (WTO). For example, IQA tests a sample by taking one kg of groundnuts from the consignment, whereas APEDA takes 20 kg for testing. APEDA officials did not respond to business-line’s queries sent a week ago on these issues.

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New crop due in a month

“The Commerce Ministry and APEDA have to act fast as the new groundnut crop will begin arriving in a month. Any failure to solve the issue could affect traders, exporters and farmers,” said the exporter. During the current kharif season, groundnut has been planted on about 48 lakh hectares (lh) compared with 47.65 lh a year ago. In Gujarat, the state expects a record high production of 66 lakh tonnes. Prices of the oilseed, however, are currently ruling lower at ₹5,682 a quintal compared with the minimum support price of ₹7,263 fixed by the Centre for the current crop year to June 2026. Indonesia imports a third of India’s groundnut exports. Last fiscal, it imported 2.77 lakh tonnes valued at \$280 million of the total 7.46 lakh tonnes valued at \$795 million shipped out by India. Indonesia’s suspension of Indian groundnut imports has come within five months of APEDA issuing an advisory asking testing laboratories to strictly follow the procedures for the export of peanuts and peanut products. It asked them to focus on the requirements and procedure to be followed for sampling, analysis and shipment stuffing.

Aflatoxin threat

The advisory was issued after IQA said it was stepping up monitoring of high aflatoxin levels in peanuts and wheat imported from India. The authority registered 17 food testing labs in mid-April to conduct testing on agri-products exported from India. In 2022, Indonesia suspended imports of agricultural products from India for failing to register its testing laboratories and for a higher level of aflatoxin in groundnuts. Aflatoxins, which can be seen as molds in grains and oilseeds, are considered poisonous compounds that are produced by the *Aspergillus flavus* and *Aspergillus parasiticus* fungi, which contaminate groundnuts in warm, humid conditions. These toxins are reported to be genotoxic, carcinogenic, and pose risks to human and animal health, with Aflatoxin B1 being a potent liver carcinogen.