

## Macadamia Round Table: A global snapshot of production, trade and demand from the 42<sup>nd</sup> International Nut and Dried Fruit Congress

The 42nd International Nut and Dried Fruit Congress took place in early May in Mallorca, Spain, bringing together over 1,520 professionals from 73 countries. Among the program highlights was the Macadamia Round Table, where representatives from key growing regions provided a global snapshot of production, trade and demand.

Richard Sampson-Genest (CEO and Managing Director, Stahmann Webster) represented the Australian industry and also chaired the session. He was joined on stage by macadamia industry representatives from South Africa, China, Kenya, Brazil and Guatemala.



**L to R:** PJ Venter (CEO, Mayo Macs, South Africa), Yuxiu Chen (CEO, Yunnan Macadamia Industry Development Group, China), Mbugua Ngugi (Managing Director, Kenya Nut Company, Kenya), Thomas Nottebohm (Managing Director, Mayan Gold Macadamias, Guatemala), Jose E. Camargo (Director, QueenNut Macadamia, Brazil), Richard Sampson-Genest (CEO and Managing Director, Stahmann Webster, Australia). Image via INC.

### Steady growth ahead for global crop

A global macadamia crop of 343,310 tonnes (in-shell at 3.5% moisture) is forecast for 2025, up from 324,550 tonnes in 2024 – an increase of around 5.8%.

| Origin       | 2024   | 2025 (f) | Increase / decrease |
|--------------|--------|----------|---------------------|
| South Africa | 89,200 | 95,500   | +7.1%               |
| China        | 69,500 | 74,500   | +7.2%               |
| Australia    | 53,950 | 55,960   | +3.7%               |
| Kenya        | 44,000 | 47,500   | +8%                 |
| USA          | 15,000 | 15,500   | +3.3%               |
| Malawi       | 10,200 | 11,000   | +7.8%               |

|             |         |         |        |
|-------------|---------|---------|--------|
| Guatemala   | 10,000  | 12,000  | +20%   |
| Vietnam     | 8,000   | 8,000   | -      |
| Brazil      | 6,500   | 5,000   | -23.1% |
| Colombia    | 1,100   | 1,150   | +4.6%  |
| Others      | 17,100  | 17,200  | +0.6%  |
| World total | 324,550 | 343,310 | +5.8%  |

**Table 1: World macadamia production 2024 versus 2025 forecast (in-shell, metric tonnes)**

Sources: Macadamias South Africa, China Chamber of Commerce for Import and Export of Foodstuffs, Australian Macadamia Society, Brazilian Macadamia Association, and other INC sources. Reported at 3.5% nut-in-shell moisture content. Macadamias South Africa reports at 1.5% NIS m.c., the 3.5% figure is based on INC calculations

Australia is on track to deliver a modest increase in 2025. As Richard Sampson-Genest explained, young trees in northern Queensland growing regions are coming into bearing, offsetting a slight regression in productivity in some of New South Wales' older orchards. Weather challenges have persisted this season, with wet conditions making for a disrupted start to harvest, however this is not expected to impact overall supply.

South Africa, represented by PJ Venter, Mayo Macs, expects continued year-on-year growth, albeit at a slower pace, shifting from double-digit to high single-digit growth. South Africa has also expanded its processing capacity with the construction of several large facilities in recent years.

China, represented by Yuxiu Chen, Yunnan Macadamia Industry Development Group, anticipates production exceeding 100,000 tonnes in 2025, though due to differing forecast methodology, the INC estimate is lower at 74,500 tonnes. A key focus for the Chinese industry is improving quality through grower training.

Kenya, represented by Mbugua Ngugi, Kenya Nut Company, expects stronger growth in the next 3-5 years as pre-Covid plantings come into production. Smallholder-dominated production and liquidity challenges have affected throughput, and high interest rates remain a barrier to investment.

Brazil's Jose Camargo from QueenNut Macadamia said a gradual recovery is expected following recent drought and weak prices.

Guatemala, represented by Thomas Nottebohm from Mayan Gold Macadamia, has seen production dip from a high of 16,000 tonnes a few years back, with labour shortages, migration, and pricing pressure seeing many growers abandon their farms. Improved weather and renewed farming activity are expected to lift this year's output by around 20%, up from 10,000 tonnes in 2024 to 12,000 tonnes, as the industry moves towards a long term recovery.

Hawaii, where trees are older and costs are high, is expected to maintain stable output.

### Emerging origins on the radar

Neighbouring Colombia and Paraguay are gradually increasing their presence on the global market, with around 1,150 tonnes and 150–200 tonnes produced respectively. Ecuador also produces around 100 tonnes and there is some limited production in Costa Rica and Mexico.

In East Africa, Uganda and Tanzania are gaining attention, with macadamias often planted alongside avocados. In Uganda, the government is trying to encourage macadamia production by providing free seedlings to farmers.

In Southern Africa, Malawi, Zimbabwe and Mozambique continue to grow macadamias, though infrastructure constraints limit processing in some regions. Zambia is emerging quickly, with 4,000+ hectares planted in the past six years and a projected 2,500-tonne crop in 2025. Although a newer player, Zambia has already established its own industry association, unlike its neighbouring producers whose macadamia industries remain fragmented.

### **Economic and social realities shaping supply**

Grower profitability, migration, access to finance and competition from alternative crops continue to shape macadamia production for many origins.

In Guatemala, rising levels of migration to the United States have led to a significant increase in income sent home by family members working abroad. These income flows now exceed revenue from many agricultural exports and, in some cases, have reduced the incentive for local labour to participate in farming. As a result, some macadamia growers are exiting the industry, selling land for residential use or switching to more profitable or less labour-intensive crops such as coffee or cocoa. However improved weather and stabilising prices have seen some growers refocus on their macadamia crops.

In Kenya, access to capital is a challenge, with high interest rates stretching return cycles for processors.

Several regions touched on the challenges associated with the rising cost of labour and inputs and developing and maintaining infrastructure.

### **Kernel versus nut-in-shell trends**

China remains the world's largest in-shell market, particularly for South African product. In 2023, 60% of South Africa's crop went to China as in-shell, falling to around 50% in 2024.

More than 80% of macadamia consumption in China is still in-shell, but demand for kernel is growing, especially among younger consumers. Convenient, flavoured formats are gaining popularity. In-shell exports from Kenya were introduced in 2023–24 to alleviate a post-Covid liquidity squeeze for that origin but have since been restricted again, with the country returning its focus to kernel processing.

Kernel imports into China have remained strong, with Australia, South Africa and Kenya the largest suppliers. Australia's free trade agreement continues to support our position in this market.

### **Europe: a stable market with potential**

Kernel demand in Europe is stable with signs of growth potential, particularly as macadamia prices have become more attractive. South Africa, Australia, Kenya, Malawi and Guatemala are key suppliers. European markets are very familiar with nuts, and while snacking remains the primary use, the potential for macadamia use as an ingredient in manufactured food products is growing.

However, product development requires confidence in long-term supply and pricing. Several speakers noted the 3-5 year development cycles for new products and the need for supply surety and pricing stability to support investment.

It was highlighted that there is now a substantial production base of macadamia trees across multiple origins, and while each origin faces individual challenges, with the steady crop increases predicted, there should be a sustainable growth in supply to instil confidence in the ingredient sector in Europe and beyond.

### Promotional efforts supporting demand

Consumer-facing marketing continues to support demand growth. In China, flavoured kernel products are gaining popularity, and one recently became a top seller on TikTok.

The World Macadamia Organisation is active in China, the US and India, and Australian marketing campaigns are running in China, Japan, South Korea, Taiwan and India.



The Macadamia Round Table in progress. Image via INC.

### Outlook: steady growth with strong fundamentals

The consensus view is that supply will continue to grow steadily as new plantings come into production, notwithstanding some social, economic and environmental constraints.

In closing the session, Chair Richard Sampson-Genest observed that while the road ahead is not without challenges, the outlook for macadamias remains positive, underpinned by an expanding global footprint, evolving product formats and a consumer who is increasingly ready to embrace the unique experience macadamias deliver.