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The ACi News Bulletin 4th Edition on

“Cashew is a learning journey - Research and Innovation”



For a shared understanding of the cashew sector!

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Implementing Partners





Preface by Rita Weidinger



Dear Readers,

Welcome to the fourth edition of the ACi News Bulletin.

This year's cashew season has been challenging for most local processors in West-Africa. They had to compete with international traders and exporters for the already inadequate supply of raw cashew nuts; depending on funding and management abilities, some processors found solutions for part supply in RCN while others have been left with no choice but to close down operations temporarily. Whilst processors met stiff competition, producers benefited of high prices. It is definitely time for stocktaking. We need to evaluate and plan for a flourishing cashew sector – one key topic for the upcoming Steering committee and Core Partner meetings on 18th and 19th September in Maputo, ahead of the ACA World Cashew conference.

From June 21st to July 3rd 2015, the project evaluation of ACi Phase 2 took place in Côte d'Ivoire and Ghana. Basis for the evaluation are five OECD-DAC criteria: relevance, effectiveness, impact, efficiency and sustainability of the project. The ACi was rated very successful with a total of 15 out of 16 points. We are grateful to all our partners for the excellent collaboration and trust that is placed in the project and the ACi team. We are also happy to welcome Walmart which just joined the group of core partners.

Increasing the productivity of cashew farms is essential in developing a sustainable local cashew processing industry. One sure way to achieve this is to promote the use of improved planting materials for high yielding trees and better quality nuts. With the current rising demand for the cashew nuts and Africa's potential to meet this demand, improved materials should be readily available for farmers. It is therefore important to reinforce the role of research in the sector and to support science and research institutions in developing high yielding planting materials.

The recently ended second session of the second edition of the Master Training Program, held in Ghana focused on topics such as Improved planting material development, the Importance of Good Agricultural Practices, Cashew Sector Organization and its implication on the Competitiveness of the Cashew sector. Knowledge exchange between participants from 9 countries, national institutions, trainers and researchers will go a long way in advancing the cashew sector and encouraging a spill-over effect of knowledge in this domain benefitting all cashew actors in the region.

We appreciate the efforts of all contributors of this fourth Edition: Seth Osei-Akoto - Ministry of Food and Agriculture (MoFA), Abu Dadzie - Cocoa Research institute Ghana (CRIG), Dr. Ernest Felix Appiah - Cocoa Research Institute of Ghana (CRIG), Atchulo Azara - Ministry of Food and Agriculture (MOFA), Kouazoude Benjamin K .A - FENAPAB - Fédération Nationale des Producteurs d'Anacarde du Bénin, Olivier Kabre – ACA, Pricilla Addison – ACA, Else-Marie Fogtmann - Emalink Mozambique, Ardiata Traore – Gebana Afrique, David Heubi - Gebana Afrique, Liva Haensel & Edinam Afatchao – ProDRA, Abou Karim Berthé – Le Conseil du Coton et de l'Anacarde (CCA), Carsten Friedland – SAP, Arie Endendijk - Intersnack Group GmbH & Co. KG, Jim Fitzpatrick - Cashew Club

Let's continue to share our knowledge and information to build a better and shared understanding of the cashew sector!



Thank you very much and enjoy your reading!

Rita Weidinger, Executive Director (ACi)

In cooperation with:



Walmart joined the ACi Core Partner Group – a word from the company:

Walmart is well-known for offering its customers the items they want and need, at very low prices, which is core to our business model. As a company, we not only strive to sell products at the lowest cost to our customers, but we are committed to sustainable practices to achieve the lowest “true” cost to society to both produce and deliver those products to over 11,000 stores we operate around the world.

In an effort to provide the highest quality product to our customers at the lowest prices, Walmart is working to build the long-term foundation to improve cashew processing capabilities in Africa. We believe that that there is potential to reduce key financial and environmental costs within the cashew supply chain, by making strategic investments to increase the shelling capacity of cashew processors on the African continent, which would serve to reduce food miles and food waste in our supply chain. We are currently buying cashews directly from strategically selected processors in Africa who demonstrate a commitment to invest in labor training, worker insurance, and facility daycare. We see this as a long term investment in cashew processing capacity building in Africa, with the hope that that we can source processed cashews directly from the prime producing regions in Africa, eliminating additional costs associated with buying cashews which have been exported to East Asia for processing.

Through our involvement in African Cashew Initiative, we hope that we can continue to lead in the dialogue and support sustainable business models related to sourcing cashews. We are excited to be a part of the ACi and contribute to the growth of the sector!



Author: Garrett Small, Walmart



ACi scores high in Project Evaluation

From June 21st to July 3rd 2015, the project evaluation (PEV) of the ACi project took place in Côte d'Ivoire and Ghana. Team consisted of PEV Mission Lead Dr. Dieter Nill (GIZ/FMB), Julia Reimers (Consultant), Yao Adingra (Associated Expert, African Caribbean Pacific Secretariat, EU), Ariane Kresse (GIZ/KAMCO) and Lena Kampe (GIZ/Corporate Communication). The aim of the PEV mission was to evaluate ACi Phase 2, with focus on lessons learnt as well as to examine key elements for a third project phase. After a week of partner interviews, the two project missions in Ghana and Côte d'Ivoire met with ACi component managers and implementers for a strategic review in Bouake, Côte d'Ivoire. Discussions evolved around the specific roles and responsibilities of the various ACi partners, cashew policy development and specific country strategies, cross-cutting issues such as gender, climate change, employment, poverty reduction, partner communication and knowledge management, extending cooperation with bilateral BMZ/GIZ projects, linkages to potential co-funders and the formation of priorities and management requirements in line with African Caribbean Pacific Secretariat, EU DEVCO for a third project phase. In a next step, a stakeholder workshop was held in Abidjan with ACi private and public sector partners as well as GIZ bilateral program PROFIAB to present the evaluation results and recommendation for a third project phase. About 30 project partners engaged in active discussion about results and future focus of ACi.

Basis for the project evaluation are five OECD-DAC criteria: relevance, effectiveness, impact, efficiency and sustainability of the project. The ACi was rated very successful with a total of 15 out of 16 points.

Author: Ann-Christin Berger, Communication Manager, (ACi)

Second Session: Master Training Program II

From 10th to 14th August 2015, the African Cashew initiative (ACi) together with the African Cashew Alliance (ACA), supported by the Ministry of Food and Agriculture (MOFA) and the Cocoa Research Institute of Ghana (CRIG) with funding from CORAF/WECARD/World bank (through the Conseil Coton et Anacarde, CCA) held the second session of the second Master Training Programme for cashew value chain promotion. This time around, 62 participants from Benin, Burkina Faso, Côte d'Ivoire, Gambia, Ghana, Mali, Senegal, Sierra Leone and Togo met at Sunyani in the Brong Ahafo Region - the main cashew growing region in Ghana. Working along the cashew value chain and in supporting institutions, half of the participants is employed in the public sector as trainers, policy advisors, lecturers and researchers, one third works in the private sector as farmers, processors, service providers, traders and exporters, and another third is representing NGOs or work as consultants.

Seven months. Three sessions. Three locations

The Master Training Programme creates a pool of experts in West Africa with in-depth knowledge on the cashew value chain. It is a unique and comprehensive training program linking theoretical knowledge with live demonstrations through presentations and peer learning exercises. The Master Trainers have become the nucleus for country and regional networking. Rolled out in seven months, the Master Training Program is divided in three successive one week sessions to be held in Burkina Faso, Ghana and Côte d'Ivoire. In so called "inter-sessions", the participants return to their host organizations to conduct field work, either individually or in groups to deepen their knowledge on a selected topic. After completion of the program, the participants become acknowledged cashew



experts. They either train farmers, provide assistance to processors, or advice companies, organizations and institutions in their home countries. The Master Training Program has become a quality brand for training on cashew in the West African Cashew Sector.

Two sessions successfully completed - one more to go!

The first session was held in May in Bobo Dioulasso, Burkina Faso and introduced the trainees to the cashew value chain concept, cashew market dynamics and training material development for cashew farming. The second session reunited all to learn and exchange on topics such as the improved planting material development, pest and disease management as well as the importance of Good Agricultural Practices. As part of the participants learning journey, MOFA and CRIG experts (Mr. Akoto, Dr. Appiah, Mr. Dadzie, Mr. Yeboah) organized a field trip to the Cashew Research Station in Wenchi and to visit Ghana's leading cashew farmers to showcase the positive effects of applying Good Agricultural Practices (GAPs).

Seth Osei-Akoto, Deputy Director Cashew Desk, MOFA states: *"We, in Ghana, are amongst the first in West-Africa to develop and distribute improved planting materials on a carefully planned and sustainable manner. In collaboration with CRIG, we have so far supplied at least 400,000 improved cashew grafts to farmers in the Northern, Volta and Brong Ahafo regions and we have planted 4,000 hectares of new cashew plantations."* In the sub-region, Ghana serves as a role model in cashew research and the development of improved planting materials. *"Through the use of improved cashew grafts, and the adoption of other Good Agricultural Practices, Ghana has increased cashew productivity significantly. Ghanaian farmers currently reach average yields of 730 kg/ha, on a good way in*

closing the yield gap with Asia where cashew production reaches up to 1,200kg/ha", states Eric Bentsil Quaye, Advisor on Agricultural Standards and Planting Material, MOFA/PPRSD.

At the heart of the Master Training Program are facilitators and technical experts who teach, evaluate and potentially re-design each training session according to participants' needs. All sessions include cross-cutting issues such as climate changes, policy development and sector regulations. On the agenda are also self-reflection and perception management trainings to sensitize participants on behaviors, values and communication skills that affect learning and teaching abilities. The training contents are developed with great support and commitment from various ACi partners. They use stimulating presentations, interactive role plays and lively discussions to deliver trainings. *"I believe that our success is creativity and flexibility in adapting the program to participants' learning needs"*, says Andre M. Tandjiékpon, Manager of the Master Training Program, ACi.



Source: ACi Cashew Nursery and Grafting

Author: Ann-Christin Berger, Communication Manager, (ACi)



Speakers Corner:

Name: Seth Osei-Akoto

Position: Deputy Director Cashew Desk

Institution: Ministry of Food and Agriculture (MoFA)



What do you consider the main challenge in Ghana's Cashew Sector?

At the moment, Ghana's production volume is about 70,000 metric tons and this volume is insufficient to meet the demands of local processors, traders and exporters. This major challenge has led to the present shortage of raw cashew nuts for local processing.

Where do you see the opportunities and potentials?

Despite the current challenges, the cashew sector in Ghana presents various opportunities and potentials. First of all, Ghana is located fairly close to the main consumption markets, USA and Europe, and is relatively easily accessible through the Tema harbor. Secondly cashew production and processing provide jobs for the rural population, especially for women. The current support of research and extension to the cashew industry has increased the prospects for higher yields and better quality nuts for the sector. Regarding climate change mitigation, cashew trees contribute to control of desertification and increase resistance against drought.

How are CRIG and MOFA linked? What is the mode of collaboration?

The Cocoa Research Institute of Ghana (CRIG) is mandated to carry out cashew research. Similarly, the Directorate of Crop Services (Cashew Desk), under the auspices of the Ministry of Food and Agriculture (MoFA) facilitates the promotion and development of cashew activities. CRIG and MoFA are collaborating institutions in designing researchable challenges and formulating recommendations for the use of the various actors along the cashew value chain.

You held a training session on top-working as part of the MTP 2, in Sunyani. What is the top-working technique?

The top-working technique involves the replacement of the crown of poor yielding trees by grafting scions obtained from elite mother trees with desirable characteristics, such as high yields and good quality nuts, unto the tree. By taking advantage of the already well developed root system, the productivity of that tree is improved. The technique has been found to increase the productivity of old unproductive matured cashew trees.

Why is top-working applied on cashew trees?

Top-working is applied to upgrade low yielding trees into productive superior ones, for quick returns to productivity and quick production of scions materials to produce cashew grafts.

Farmers do not adopt the top-working technique very often. What are the challenges farmers are facing?

Planning starts during harvesting. Trees with low yields or little quality nuts are tagged for top working. For successful top-working, farmers must follow the seven stages: selection of unproductive trees, stumping of the trees and provision of heavy shade, selection of scions, preparation of scions, selection of shoots on the stumped tree, grafting as well as after care of top-worked tree. Farmers find those stages very challenging as they often don't have access to the proper tools for handling the technique and they have little knowledge in handling scions for grafting and thus often lead to poor handle of the top worked trees.



How is top-working offering a business opportunity for services providers?

Service providers have a crucial role to play in encouraging the adoption of top-working. Their services include stumping of trees and selling of stumping tools for a certain fees from the cashew farmers.

How did MOFA support the service providers in setting up their business?

MoFA provides training on how to handle the different tools, and provides recommendations to guide stumping of the trees to service providers.

Currently, how much does it cost to do top-working per tree in Ghana when employing a service provider?

In total the cost may range from GHC 35 – GHC 45 (USD 8.75 – USD 11.75) to stump a tree. GHC 20 (USD 4.00) for the stumping and GHC 15 – GHC 25 (USD 3.75 or USD 6.25) for the fuel of the chain saw.

What is your main personal learning from being a trainer at the MTP 2

The MTP is offering me the opportunity to learn what is happening in other West African countries and to share our success as a country with the participants to promote cashew as an important trade commodity in Africa and the world.

Interviewed by: Alida Toe, Intern (ACi)

Speakers Corner:

Name: Abu Dadzie

Position: Plant Breeding Division-Research Scientist

Company: Cocoa Research institute Ghana (CRIG)



Why is cashew breeding important in Africa?

Cashew has become one of the major cash crops in Africa. Farmers need to have access to improved planting materials which are high yielding, coupled with high percentage outturn and also resistant to pests and diseases to ensure substantial increase in yield and income. To achieve this, cashew breeding is necessary.

Why is the Cocoa Research Institute (CRIG) doing cashew breeding?

Cashew is one of the mandate crops of the Cocoa Research Institute of Ghana (CRIG). CRIG has the mandate to conduct research along the cashew value chain from improved planting material development to cashew processing all the way to the end products. In addition there are others specialists such as pathologist, entomologists, biochemists, agronomist, soil scientist and physiologist who work hand in hand with the breeders to develop improved planting materials and products for farmers and consumers.

What are the main steps in the selection and development of good planting material?

In every breeding work, the key step is the availability of genetic variation existing among the germplasm materials to be used. This variability includes yields, nut quality, and fruiting period, reaction to pests and diseases and tree architecture. Evaluation of germplasm materials are carried out to identify best performing genotypes (individuals) which are selected for further evaluation, either through direct clonal trials in multi-location or through hybridization and progeny evaluation in multi-location.



Who is involved in this process of planting material development?

Usually, it is a joint effort of researchers, funding agencies, private companies, NGOs, farmers, extension agencies and so on. The work is resource and capital intensive which requires a lot of commitment from all actors.

How is cashew breeding financed in Ghana?

CRIG funds its research activities through the help of Ghana Cocoa Board. We are also a Matching Fund Partner of the ACi and of CORAF/CCA. Together, we work on different research activities pertaining to cashew. For any additional activities, there will be the need for extra funding.

What are the main successes in cashew breeding that you have witnessed in Ghana so far?

Previously, cashew yields in Ghana were as low as 1-3 kg per tree/year. Now, due to research conducted by CRIG, average cashew yields recorded in most farms are above 8kg per tree/year. Such high yields resulted from elite clones that were identified and supplied to farmers in Ghana. Any farmer in Ghana who received these improved materials will attest to the positive results.

What are the next steps to further advance cashew productivity in Ghana?

We have set up several experimental trials to further evaluate our germplasm collections to supply improved materials to farmers and also render technical support as and when necessary to farmers. There is also the need to educate the youth on cashew farming as a lucrative business.

What is your main personal learning from being a trainer at the MTP 2?

It's been an incredible experience. I realized that certain terminologies were interpreted differently, for example the word *clone*. In my presentation, I meant a grafted plant, but for some participants *clone* meant gene excision from one plant into the other. I have also learnt about new innovations in cashew and the state of cashew research in the respective participants' countries.

Interviewed by: Lisa Hartmann, Intern (ACi)

Speakers Corner:

Name: Dr. Ernest Felix Appiah

Position: Research Entomologist

Institution: Cocoa Research Institute of Ghana (CRIG)



What are the main pests and diseases in cashew farms in Ghana?

The major cashew insect pests in Ghana are the sap sucking bugs, the cashew stem borer, the cashew leaf miner, and the cashew branch girdler. The most significant diseases are Anthracnose, and the cashew leaf and nut blight.

What are proven methods to fight these pests and diseases?

No single method is effective for the management of cashew insect pests and diseases. A combination of control methods such as orchard sanitation, removal and destruction of affected plant parts, planting of tolerant



varieties, improvement in soil fertility and application of insecticides remains the most effective way of managing cashew insect pests and diseases.

In how far are intercropping and pests and diseases related?

Intercropping is a very important practice in cashew cultivation. However, the choice of the crop and the manner in which farmers undertake intercropping can lead to an increase in populations of insect pests. Intercrops that are alternative hosts of cashew insect pests and non-adherence to planting distances between intercrops and cashew trees could result in increased pest attacks.

What do farmers need to keep in mind when intercropping with cashew to prevent pests and diseases?

The intercrop should not be a known alternative host to cashew pests and farmers should adhere to recommended guidelines for intercropping cashew with other crops and lastly, farmers should ensure that their farms are weeded regularly. Weedy intercropped farms may create a microclimate conducive for cashew pests.

Please explain what you understand under integrated pest management?

Integrated Pest Management (IPM) is a broad-based approach that integrates a number of practices for the successful management of pests. An Integrated Pest Management strategy may integrate cultural methods, host plant resistance, biological control agents, improved soil fertility and conventional Insecticides for the successful management of a particular pest. IPM acknowledges the fact that no single control method is effective for the management of pests and diseases.

Can cashew apples still be consumed after spraying cashew trees?

It is not advisable for farmers to spray insecticides on their farms when apples and nuts are fully matured. Most of the damage done to apples and nuts, particularly by insect pests, occurs at the immature stage. However, if for some very important reason a cashew farm is sprayed when apples and nuts are fully matured, consuming apples immediately may result in poisoning. Farmers and their dependents should therefore be educated on the potential risks of consuming apples that have been sprayed with chemicals.

We would appreciate an advice to cashew farmers on how to prevent pests and diseases.

Farmers should adopt and implement practices to ensure healthy and vigorous cashew plants. A well maintained farm has less insect pest and disease problems. Also, a healthy and vigorous crop stands a higher chance of recovering from pest damage compared to an unhealthy and struggling crop. They should therefore practice orchard sanitation, proper pruning, adhere to the guidelines for practicing intercropping, as well as plant recommended improved materials, and on fertile soils.

What is your main personal learning from being a trainer at the MTP 2?

It was a very insightful and interactive training workshop. I was privileged to learn of the pest problems faced by cashew farmers in other countries in the sub-region. Participants also reported very interesting findings with respect to the management of cashew insect pests and diseases in their respective countries. The information gathered from participants has deepened my personal knowledge in the subject area, and I look forward to developing new research proposals in the field of cashew entomology based on the experiences shared by colleagues from the sub-region.

Interviewed by: Sylvia Pobee, Communication Officer (ACi)



Speakers Corner:



Name: Atchulo Azara

Position: Agricultural Extension Agent

Company: Ministry of Food and Agriculture (MOFA) Ghana

How many years of professional experiences do you have in the cashew sector?

I joined MOFA in 2006. I also worked with the Cashew Development Project/MOFA/AfDB for three years.

What are your responsibilities in your current job?

As an agricultural extension agent, I do home and farm visits. I train farmers, conduct the monitoring and evaluation of implemented farming practices and try to link individual farmers to cooperatives. I also guide them to get access to loans. I am the liaison officer between the MOFA office and the farmers. I collect data from the field and analyze the information for policy implementations.

Which skills and knowledge do you aspire to gain from participating in the Master Training Program?

I want to be able to define goals for my work and to develop and implement a work plan to achieve these goals. I train farmers, but I want to know more to offer better trainings. Gender is a big issue in my sessions. I observed that in mixed groups, female farmers are often uncomfortable. They don't talk. How can I prepare my trainings to encourage their participation?

What are your personal learnings from the intersession?

I used to be shy. I used to be one of those women who don't feel comfortable talking in groups. Today, I can talk more easily in public. I want to contribute my best, wherever I find myself.

The Master Training Program is a mutual learning platform. Which skills do you contribute to the meeting?

I showed the other participants how to prepare scions. I have received training on harvesting, preparing and grafting scions. From A to Z, I know the techniques. I was able to teach the others.

What was your personal highlight of the second session?

I liked almost everything. What attracted my attention was the climate change presentation because it is a big challenge for us. We are growing different crops next to cashew. Maize, for example, needs rain but it is not raining much anymore. It is a challenge for us. I asked many questions on climate change.

What is your learning goal for the next session in Bouake?

My main learning goal is to improve my training techniques, so that I can train any group besides farmers.

Interviewed by: Ann-Christin Berger, Communications Manager (ACi)



Speakers Corner:



Name: Kouazoude Benjamin K .A

Position: Technical coordinator at the national level

Company: FENAPAB - Fédération Nationale des Producteurs d'Anacarde du Bénin

How many years of professional experiences do you have in the cashew sector?

I have been working in the cashew sector for 2 years and in the agriculture industry for 10 years.

What are your responsibilities in your current job?

My responsibilities include steering the policy of the organization and ensuring the implementation of this policy. In addition I supervise the farmers within the framework of extension, agricultural prices and strategic questions to find solutions to the problems in the sector.

Which topic was new to you and why?

Climate change and the economics of cashew processing. I have never read on the subject before. Climate change could be favorable for cashew – It offers good prospects for the sector. The economics of cashew processing was also a new topic for me as there is not enough information to reconcile production and processing. However, the programme has contributed in increasing knowledge on this topic. As my main focus is on production, it is important for me to understand the other steps of the value chain. We cannot work towards a sustainable sector if we do not know the other aspects of the value chain. That is sustainability! That is enrichment!

What was your personal highlight of the second session?

With ACi's meticulous organization skills, professionalism, detail driven approach and a highly motivated team, we are inspired to put in the same measures and level of work elsewhere in order to carry on the initiative and the objective. The programme has also helped me with updates of certain information.

What is your main learning objective for the next session?

We will work on the economics of processing; for me the challenge resides in how to set up a large nursery that can also serve as a training center at the same time and how to sensitize stakeholders in production for those topics. My main goal is to better master the different notions and concepts surrounding production and set up a team in Benin that will work on production costs (which is a topic that is not well mastered yet).

You are part of a group of cashew experts in West Africa. How will you use and enjoy this great network in the future?

In Benin, I am involved in major issues around orientation. I plan to share all information with my peers in Benin; continue the reflections with the large network that has been created and share preoccupations with them. We have the same challenges to tackle. For instance, there is the question of supply chain linkage; how do we organize intelligent reflections at this level. There's also the reform in Côte d'Ivoire; we should establish a similar path in Benin too and also wherever we are as it is already paying off at this point. The main challenges are encountered in each country as well.

Interviewed by: Ann-Christin Berger, Communications Manager (ACi)



Cashew Expert Database to Launch Next Year!

The African Cashew Alliance (ACA) and the African Cashew Initiative (ACi) have partnered to launch a Cashew Expert Database by 2016. The idea for this project arose from the Master Training Program (MTP) to promote the African cashew value chain— a joint effort by both organizations, which aims to develop and intellectually enrich a cohort of cashew certified experts in West Africa. The overall objective of the Cashew Expert Database is to create a platform for the MTP participants who stem from a diverse array of professional backgrounds: policy advisors, researchers, lecturers, exporters, traders, processors, non-governmental organizations (NGOs) and many more. Furthermore, this online platform was created with the intention to provide assistance to cashew value chain stakeholders, but as well as facilitate access to the existing cashew knowledge and expertise existing in the industry. ACA's Market Information and Partnership Development Officer, Mr. Olivier Kabré is most certain that this database will be of great significance to the industry. Kabré remarks, "The cashew value chain is an emerging industry in Africa, with very few experts within this sector. Many actors along the value chain, from producers to processors encounter various challenges in accessing technical support. This database will help improve their access to highly qualified service providers in the African cashew sector." This cashew specific online platform will be available to the general public on ACA's website and is set to launch by the middle of 2016. For more information on the Cashew Expert Database, please contact Marketing Information and Partnership Development Officer Olivier Kabré at okabre@africancashewalliance.com

Author: Olivier Kabré, MIS Officer, ACA

ACA World Cashew Festival & Expo

The annual ACA World Cashew Festival & Expo takes place from 21-24 September 2015, in Maputo, Mozambique at the Joachim Chissano International Conference Centre (JCICC). The ACA World Cashew Festival & Expo 2015 is held in partnership with the national governmental body overseeing cashew-related policies in Mozambique (INCAJU), as well as the Mozambican cashew processing association (AICAJU). This annual conference serves as a unique platform which connects a wide range of cashew industry stakeholders in Africa and overseas, such as processors, farmers, national associations, international buyers, service providers, and government officials. The conference will feature plenary and thematic sessions on overcoming the challenges of access to finance, market trends, and discussions on farming, as well as the challenges of policymaking in African cashew countries. Thus far, guest speakers from the following organizations are confirmed: Intersnack, The Richard Franco Agency Incorporation, Condor Nuts, responsAbility Investments AG, Technoserve, and several others.

To promote the industry's growth, the conference offers tailored business-to-business meetings to help stakeholders network and establish new business relationships. In conjunction with the conference, an exhibition – also known as the World Cashew Expo - is held over a series of three days, allowing service providers and manufacturers to showcase their latest products to numerous stakeholders worldwide! Finally, as part of the four-day conference, one day is reserved for a learning trip, where participants will visit a processing site and cashew nursery in Mozambique's northern province of Nampula.

Author: Priscilla Addison, Communications Officer, ACA



Leading the cashew way - Eusébio the Mozambican lead farmer

Eusébio Bolacha is a cashew farmer in Mozambique. He has two wives, Herminia and Cecilia. Together they have 10 children.



Eusébio inherited five 'machambas' (farms) on which he planted 375 cashew trees. Most trees are 20 - 25 years old, 75 trees were newly planted in 2013. Beans, ground nuts, maize, millet, sesame seeds, sweet

potato, rice and vegetables are intercropped on all farms. He is also the representative of Group 29 farmers' association of Marco and a member of the Board of the Cashew Association in Namige.

Eusébio Bolacha is a lead farmer and beneficiary of the ACi project. Through the Cashew Matching Fund interventions with INCAJU, ADPP and Emalink, he received training on topics such as Good Agricultural Practices, harvest and post-harvest handlings. *"I clean under my trees, while many leave the weeds until the harvest. I have also started to cut the dead branches when I got a good axe from Emalink. All recommended practices I show the other farmers. I think they can learn to do the same as I do in my fields"*

As Eusébio practices what he has learnt, he also reaps a lot of benefits. Thanks to the training efforts and support through ACi partners INCAJU, ADPP and Emalink, Eusébio and his family have a higher income from cashew every year. In 2013, he harvested and sold 1,973 kg of cashew nuts for 0.47 USD/kg. In 2014, he already harvested

2,392 kg and sold 2,108 kg to OLAM for an improved price of 0.79 USD/kg for higher quality nuts. *"Many farmers had a bad harvest this year, but because I know how to take care of my trees, I had a good harvest. That is also why I am a promoter for ACi in our village. See the sign on my shirt!"* Proudly, Eusébio points his finger to the ACi Sticker on his shirt.

As a member of the association, Eusébio benefits from the group selling. *"We organized the sale of the cashew nuts in our Association and because we also are members of Cashew Producers Association in Namige, we negotiated the price well with OLAM before we sell. They bought the cashew nuts from many villages that are members of the association."*

Eusébio Bolacha is a role model to other farmers in his community. They look up to him because he has higher yields and better quality nuts on his farm. Eusébio has a mission to pass on his knowledge to other farmers. *"I have books with drawings that I show, when I give lessons, and I can cut the nuts and calculate the kernel outturn ratio (KOR). I cut the nuts to show that when the kernel fills the shell, is white and spotless, it is a good nut."*

Author: Else-Marie Fogtmann, Emalink Mozambique



Speakers Corner:



Name: Ardiata Traore

Position: Factory Manager

Company: Gebana Afrique

Why did you decide to apply to the Master Training Programme?

We only improve through learning. Following this principle I decided to enhance my skills. I knew that by attending this training, I will learn and acquire new knowledge.

How did you experience the Master Training Programme?

I found the programme to be very interesting and it for this reason that when we were given an evaluation form I commented that it will be equally good for us to participate in the programme again if possible. It was obvious that such a programme was organized by professionals and this is my first time participating in a training programme of this sort.

What was the most insightful learning for you during the Master Training Programme?

The sessions in Bouaké and Sunyani were most insightful because I learnt a lot. For example, it was my first time of participating in a training session for maintenance of plantation. Also, trainers use simple words that are not too technical in their presentation making it easy to understand.

What was your personal highlight?

I networked a lot during the program with many professionals; participants holding Masters or Engineering Degrees. Compared to them, I felt that with my BTS I was at the lowest level. It motivated me to enroll in a tertiary institute to further my studies. I would like to become a leader. The network continues.

What was new for you?

The sessions on adult learning principles and perception management presented by Mr. Atta, as well as the processing economics presented by Mr. Sunil strongly caught my attention. Though I cannot currently implement these methods I have an idea on the subject and when my unit becomes automated, I will be ahead of my colleagues and can apply what I have learnt.

Which feedback are you getting from your family, friends, and/or colleagues since you have completed the Master Training Programme?

My colleagues told me that I react differently and that I am more professional than before. Instead of being aggressive, I react in a responsible way. It's the story of David and Maria that made me think, because instead of accusing others, you must first check if you are not the cause of the problem. Also, I strengthened my professional relationships by better organizing meetings with people who are under my direction. During meetings, I ask everyone to express himself and between workers and employers there is no barrier anymore. I approach them and I'm interested in what they do and ask their views on certain decisions. People who come to my office are impressed when they see the diploma on the wall. This makes me more confident. When there is a question about the monitoring of producers on the ground, my colleagues suggest me because of my recognized competency in this field.



Speakers Corner:

Name: David Heubi
Position: Director General
Company: Gebana Afrique



In Gebana you process cashew and mango. How do you integrate effectively two different supply chains under a single management (because these are two separate units)?

These two supply chains are indeed different because of the separate accounts. However suppliers, as well as the market opportunities are the same. In our supply system in addition to fresh mango and raw cashew nuts, we also receive dried products in our stores.

The cashew processing is done by us and the drying of mangoes is also done here but on the basis of a partnership with many private drying units.

How you acquire cashew apples?

Small units in villages directly dry the apples before sending them to Gebana. The production is low because the market is very small.

How do you process cashew apples?

The drying system of cashew apples is the same as for mangoes. Both ends of the fruit are cut and only the flesh from the middle is dried. In addition to dried apples, we have, currently, made some apple juice production tests. But the tests are still ongoing.

What is the marketplace for these products?

The juice market is not flourishing because of misconceptions about the apple juice. For dried apples, the taste is pretty special and it's not very common for it to be sold on a large scale. Marketing is done through the internet with specific customers who want to enjoy exotic products and try new products. Currently only dried apples are marketed.

How do you process the shells?

One part is used to heat our boiler which is equivalent to 20% of the daily production of the shells. The rest of the shell produced is experimented as a source of heat in the drying of mangoes as part of a project to be implemented. To this end two systems can be used: either the air circuit is heated, taking care that the smoke reaches mangoes; or the water circuit is heated by burning the shells. For the time being, we are conducting tests on two prototypes and we cannot say what's best.

What is the market for these products?

Tests are still ongoing because experimentation has not produced results to our satisfaction. Upon finalization of the technology, it will be used for drying mangoes and help reduce gas expenses. It will then be sold to be useful for partner units.

What is the market for broken kernels?

Broken kernels are exported to our customers who are members of the network "Dried Fruits and Nuts". Most of our customers prefer whole kernels. They are also practically the same clients requesting the broken kernels.



How do you manage waste from the processing of cashew nuts?

We have already talked about the shell. The other wastes such as skin are mixed into the compost for fertilizing the fields. For oily nuts, oil is collected for workers of the shelling section to protect their hands. The rest is sold as animal feed.

What is the effect of producer organizations when treating two different cultures? Please provide details on the advantages, disadvantages, successes, challenges, and opportunities?

The sector is quite young and we are coming together and formalizing all these exchanges to better defend the interests of processors to governments, seek various types of supports from both government and other partners. Regarding cashew, the influx of international buyers influences prices and demand. These supply difficulties encountered, encourage actors to better consolidate and develop strategies to ensure access to the raw material for our units. For mango, associations are also in place with the same objectives but at this level the pressure is not as strong as in the cashew sector. The biggest challenge is to secure stocks as we had great defaults this year. Supply difficulties will increase in the coming years.

What do you do concerning organic and fair trade certification of cashew and mango? Is there a local market for these products?

Bio is about products without chemical input, which requires the establishment of a traceability monitoring system to prove that at all stages, bio requirements were respected. It is at the plantations level that tracking is done as producers increasingly have easy access to cheap herbicides. This is a big risk for the organic market. In speaking of Bio product, these are mainly destined for the international market. Bio products presenting color defects are for example sold in the local market without certification with Gebana label.

What message do you have for other actors in the value chain of cashew in Burkina Faso?

Always act to improve product quality at all stages to create a real added value here in Burkina while creating many jobs. The soaring prices this year have been a serious threat to our business. We hope to improve the situation so that our small units can survive because they cannot be relocated. To traders, I will ask to prioritize local demand in order to allow everyone to work with what is produced here. There are enough nuts for everyone; local processing creates a profitable system for the entire population.

To my processor colleagues, I strongly ask to strengthen ANTA, our association, to ensure cooperation and solidarity among us to meet the challenges of supply and acquisition of new technologies, and unions being strengthened.

Farmer Business School in Togo

The agricultural entrepreneur at the heart of decision making: Through GIZ's "Farmer Business School", ALIKA Awussimé, a trainer, transfers indispensable knowledge to smallholders in five days.

"I can really make things happen here in Tchamba thanks to the training given to the producers," states ALIKA Gnétéa Awussimé, all happy, throwing a glance around her in the classroom. She is surrounded by 38 participants six of whom are women with their young children on their knees. Covering the table are enormous cardboard posters on which one of the participants has recorded the months from January to December on the first row. In the first column on the left, there is a list of every crop cultivated by a Togolese producer. The poster also records all expenditures, such as school fees, repair costs, fertilizer, food and others, spread over different months. Today, the calculation of expenditure and profits of the module 8 of "Farmer Business School" is on the program.



Photo: Liva Haensel, ALIKA Awussimé at the end of a training session

Here, everyone grows corn, soybeans and cashew. *"All those involved in my five-day workshop, leave with completely new knowledge,"* says ALIKA Awussimé. Very often ignored by producers, the planning of activities

and costs is necessary for successful agricultural cultivation.

The GIZ training programme, "Farmer Business School" (FBS), is an approach aiming at combining technical know-how with the acquisition of managerial knowledge through learning and mastery of the key tools of farm management. This allows effective decision making to optimize the operations of the enterprise. Professionalizing farmers is a key challenge for Togo, a country largely driven by agriculture with livelihood of over 65% directly from agriculture. Following the encouraging results from the evaluation of the effectiveness of the approach, developed by a sub-regional project of the GIZ "Sustainable Cocoa Business" in Ghana, Côte d'Ivoire, Benin and Cameroon, the FBS (Farmer Business School) approach has been adopted by the Programme for Rural Development and Agriculture (ProDRA) of the GIZ at the request of the authorities of the Ministry of Agriculture, Livestock and Fisheries (MAEP). The first training was aimed at cocoa and coffee farmers of the high plateau area of Togo. This training has then been extended to other sectors such as cotton and cashew. Now the number of people reached by FBS modules is estimated at 3,000 producers.

For the effective implementation and at the level of the FBS approach, the program ProDRA supports MAEP and in particular the extension agency, the Council and Technical Support Institute (ICAT) in rural areas, as well as different Farmer Organizations (FUPROCAT, MAPTO and UROPC). In Tchamba, near the city of Sokode, ALIKA Awussimé, Specialized Technician of ICAT, was selected as part of the first 12 of 72 trainers to be trained in the FBS approach and now works as a trainer. *"I have myself a piece of land where I grow cashews,"* she tells us. Thus, she understands the difficulties faced by producers



and especially female producers. In Togo, women do not always have access to land, especially when it comes to perennial crops. Only 18% of women of agricultural households are heads of their households. There are currently no figures for cashew. In this regard, Paul Mathias BRAUN, Programme Manager says: *"We are working to bring meaningful change. Increasing the rate of women in decision-making positions in agriculture is our goal."* Numerous requests to participate in the Farmer Business School have been received in Togo. There has never been a problem of filling a classroom. *"Yet, we are forced to limit the number of participants to 30; otherwise the training will not be effective,"* explains Dr. Braun.

Alika Awussimé is appreciated because she disseminates dynamism. Participants cling to her words and voluntarily give up their 10-minute breaks. *"How do you calculate these sums? What is the cost of your labor?"* She asks participants. Farmers listen carefully and participate actively. Hours pass like lightning.

At the end of the training, all meet for the group photo. The producers thank and say goodbye to ALIKA, the trainer, and go about their business.

ALIKA Awussimé, the producer and trainer, holds her little daughter in her arms, while reflecting on the results of the training. What profit does she personally take from this training? *"Producers share their realities with me and we reenact them in role plays. Through FBS modules, producers are better prepared to perform and to negotiate with microfinance clients and employees to make sustainable business decisions, increasing productivity and incomes. I see how the producers change their mindset and succeed. For me as a trainer, this is the best reward. "*



Photo: Liva Haensel, FBS training session

Author: Liva Haensel, revised by Edinam Afatchao, (ProDRA)



Speakers Corner:



Name: Abou Karim Berthé

Position: General Coordinator in charge of industrial development

Institution: Le Conseil du Coton et de l'Anacarde (CCA)

Why did CCA set up a cashew processing technology center in Yamoussoukro?

The Ivorian cashew sector is gradually growing and improving, however there is the need to strengthen the processing industry in the country. The cashew processing technology center, which is a center of excellence will support and enhance the processing industry by supporting present and future processors in designing factories, choice of equipment and training of factory equipment operators.

Whom is CCA partnering with in setting up the technology center?

CCA is currently undertaking this project on its own. However, the Polytechnic University of Ho Chi Minh City in Vietnam is our technical partner as well as Institut National Polytechnique Houphouët Boigny (INP-HB) of Yamoussoukro.

Which subjects will be taught?

The center's curriculum will cover a broad range of subjects such as the processes involved in processing, different processing techniques, management of processing equipment, quality control systems, maintenance of processing equipment and much more. Teachers will use practical hands-on training, demonstration and simulation exercises on equipment.

How would the Technology Center support the growth of the Ivorian Cashew Industry?

The center will contribute to the growth of the sector. Entrepreneurs interested in the sector will have direct access to technical staff that they can approach on topics such as factory management, development and choice of equipment and all other kinds of on-site technical assistance required.

How do you think the establishment of this school would affect the cashew processing industry in West Africa?

With such a center, entrepreneurs won't have to go to Asia for efficient equipment anymore. We enable them to take good decisions quickly. In addition they are assured of on-site technical support.

In the long run, do you intend to include planting material research in the curriculum?

Yes, especially with regards to planting material development and trials on apple and by-products processing.

How will this impact the production of raw cashew nut in Côte d'Ivoire?

Mainly the center will promote the development of a cashew processing industry in Côte d'Ivoire. Subjects on cashew research and innovation will sustainably not only benefit farmers, but the entire cashew industry.

Who can enroll in the technology center?

Anyone, from any country, can enroll or send their personnel to be trained.

Interviewed by: Mary Adzanyo, Director Private Sector Development (ACi)



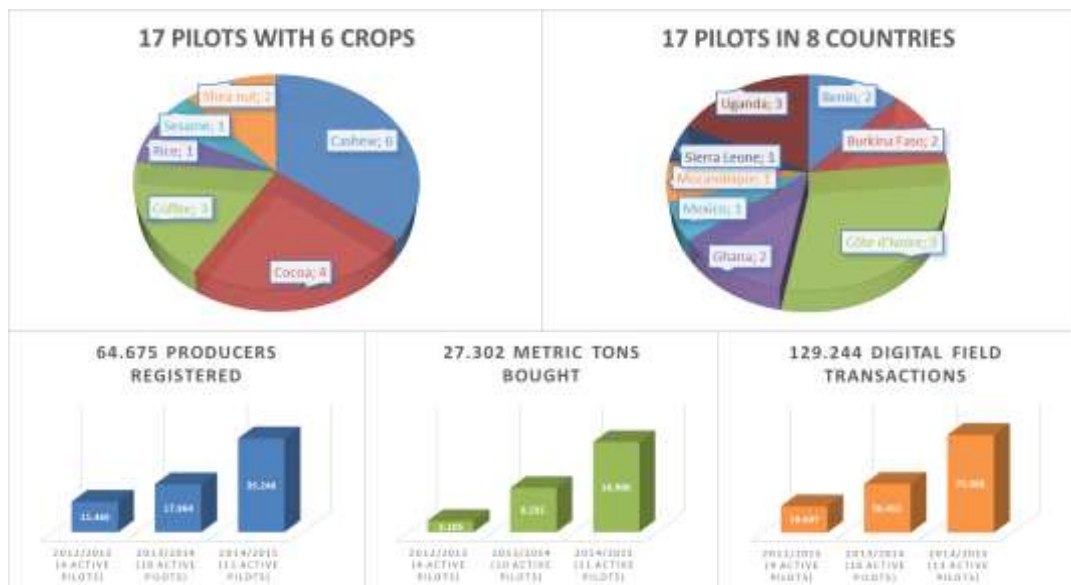
SAP / ACi Partnership coming to a successful end

July 2015 marked the end of the second phase of SAP's partnership with the African Cashew initiative. After an initial phase between 2010 and 2011 (seeing the development and field tests of a first software prototype in collaboration with a Cashew Cooperative in Ghana), the second phase was fully geared towards up-scaling field usage and developing a fully matured software system catering for the needs of smallholder farmers and their value chain partners in various crops and countries. Now, three years later, the system's impressive adoption in the field clearly demonstrates the remarkable success of this partnership.

In close cooperation with a multitude of partners in the field, SAP has developed innovative mobile applications for the digital inclusion of small-scale producers. High-volume transactions like farmer registration, prepayment, input supply, grading, purchase, logistics and payments are recorded and synchronized in the field in real time via smartphone. Further applications support data analysis and facilitate operational field support and ensure traceability.

Through this system producers, producer groups and buyers are enabled to run their field activities in more effective and efficient way. Essentially producers get access to

profitable markets that allow increasing their income. Established players like local processors, buyers and multinationals profit from enhanced transparency and reliability when doing business with small-scale producers. Such enterprises also include existing SAP customers. They are enabled to plan and forecast accurately. Ultimately already existing economic activities with farmer groups are sustained. This not only boosts local economic activity but could in a very direct way also improve the socio-economic situation for a vast number of under-served rural inhabitants. Since 2012 more than 50,000 small-scale producers and agents have been registered in numerous field pilots in Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mexico, Mozambique and Uganda in the commodities cashew, cocoa, coffee, rice, sesame and shea nut. Since then, more than 110,000 transactions (buying, loading, off-loading and payments) have been recorded digitally in the field. Further two pilots are running outside the ACi mandate in Uganda (coffee) and Sierra Leone (cocoa and coffee), adding an additional 14,300 producers and more than 19,000 field transactions. Thus, total system usage adds up to close to 65,000 producers and 130,000 field transactions.





Strong Perspectives for the Future:

Right from the outset, SAP and ACi placed a strong emphasis on achieving an economically sustainable availability of the software system after the termination of the project. A tailor-made business case was developed to ensure that the future costs for hosting, maintaining and running the system are met by end-users willing to invest in such a commercial solution.

Under the name “SAP Rural Sourcing Management” this commercialization effort is currently making good progress. A transaction based usage fee aims to make the software affordable to a vast range of different customer segments. SAP is currently implementing the solution for a first large commercial customer and negotiations with further customers are ongoing. Furthermore, SAP is currently investigating the option to invest in a generally available version which would be added to its current portfolio of standard business software. Watch the ACi-Website for updates on the commercial availability of SAP Rural Sourcing Management.

Author: Carsten Friedland, SAP



Source: SAP, Utilization of SAP Rural Sourcing Management in Côte d'Ivoire (cocoa) and Ghana (shea nut)



SAP field pilots between 2012-2015: Results in a nutshell

17 pilot partners*

6 crops: cashew, cocoa, coffee, rice, sesame, shea nut

8 countries: Benin, Burkina Faso, Côte'Ivoire, Ghana, Mexico, Mozambique, Uganda, Sierra Leone

129,244 field transactions: buying, loading, off-loading, payment

64,675 producers or agents: individuals registered

25,170 active producers or agents: with registered transactions**

222 active system users (proxy for number of mobile devices)

125 months of transactional data capture: accumulated over all partners

27,302 metric tons of produce (estimated 320.000 jute sacks)

15.4 million Euro worth of produce: farm gate price

* 2 partners outside ACi mandate

** Producers recording transactions over several years are counted once for each year



Speakers Corner:

Name: Arie Endendijk

Position: Managing Director Procurement

Company: Intersnack Group GmbH & Co. KG



Congratulations on your new position as the Chairman of the Global Cashew Council (GCC). What do you consider your main tasks in this new role?

First and foremost I will continue the road that was taken at the foundation of the council: to be the organization that unites the interests of all stakeholders in the cashew industry. This global collaboration is imperative for successfully facing the challenges of the cashew industry, and even more, taking advantage of the tailwind the nut business is having. I am proud the sector had the vision to establish this committee and especially to be granted the trust to chair it.

How does your role as the Chairman of the GCC affect the African Cashew Sector?

The engagement at the GCC as Intersnack and personally cannot be separated from our engagement in the African cashew sector. All origins are interdependent, given their trade flows. Hence, information sharing and more transparency benefit the entire supply chain. It creates a better alignment between producers, processors and consumers. As all eyes are focused on Africa for production growth, a healthy African cashew sector will benefit all, an important message I will (continue to) bring.

How can Africa be more engaged in the Global Cashew Council?

At this stage the African Cashew Alliance (ACA) is a member and many of their members, including myself, are present in the GCC. Nobody disputes that African stakeholders should have a strong voice and we would welcome this through the representation of the ACA or by participating as organization or person in the activities of the GCC.

How should Africa engage other non-African producers for the growth of the cashew sector?

This is a good point. In terms of yield and land under production there is much to gain in Africa, certain regions in particular. Mainly mechanized plants benefit from the linkage to the producer by getting better and more homogeneous raw material. Processing plants in Vietnam, India and Brazil have everything to gain by being involved in sourcing. These countries also have much to share, e.g. yields are significantly higher in Vietnam. On the other hand, investors should become aware that cashew business is good business. We see new companies from different backgrounds entering the market, but we need more. A supportive local government would spur this influx of investments - not per se with subsidies or tax breaks, but by being transparent and reliable in its policies to ensure a reliable investment plan. There, we see an important role for the ACA and ACi.

Of what importance is traceability to your company?

We source cashew kernels from most origins which, except Indonesia, mostly source its raw materials from Africa. Traceability, however, is not a target on its own but serves a greater purpose for increasing yields, fulfilling food safety standards which are often linked with legal requirements and for creating a reliable supply chain concerning social aspects. For yield purposes, traceability provides data that enable fact-based decisions in the processing plants that are for example linked to roasting parameters.



Legal requirements are important for instance on micro-toxins or microbiological contamination. Increasingly the social quality of the supply chain is under discussion. The cashew sector has had its share of bad publicity. Demonstrating a *clean* supply chain will increasingly be important for everyone.

Your company is currently a part of the Securing Sustainable Supply - 3S system. What benefits does this system provide?

First of all, optimizing the supply chain is only effective when looking at the whole, not only the part one controls directly oneself. Another starting point is that verification will replace certification: A transparent supply chain enables verification and renders certification, at least for social aspects, superfluous. The 3S system is a logical step, filling a gap that existed in the traceability of cashews - that of tracing RCN back to their origin. The 3S system links farmers with consumers, whereby individual actors in the supply chain will have access to data. The extent to which data will be accessible is a matter of agreement between actors. The 3S system enables powerful, fact-based decision-making on various aspects of the supply chain. The tool can contribute to higher margins of all parties. It also enables studies on factory efficiency linked to raw material quality, farmer practices, taste, farmer income and so on. It is a logical extension of our involvement with the ACi.

Would you encourage other retailers to join this system?

Absolutely! Intersnack is proud to be part of the coalition of founding fathers together with Olam, Ahold and TDG with the help of the Sustainable Trade initiative (IDH). The whole idea is that the system is open for everyone. We strongly encourage all parties to join. Do a trial and find out how powerful it is!

Intersnack is a Core Partner of the ACi: What do you find most rewarding of being a Core Partner?

There are a number of *rewards*. Personally, as Core Partner I have the feeling that participation matters and that, in the collaboration with others, I can make a difference tackling a challenge that is too big to handle alone. We learnt a lot from GIZ, in particular on what makes a Public Private Partnership tick. Our collaboration has resulted in a number of successful cooperation's in different parts of the world.

What do you find most challenging about your involvement in such a multi-stakeholder project?

The speed of decision-making is clearly slower than in the private sector and the so-called 'paper trail' is significant. However, we understand that procedures in the justification of spending public money are strict. A compliment to GIZ that they found a way that works for everyone involved.

In the future, what should ACi – together with you – focus on more than we have done so far?

Looking at the cashew supply chain, we are not short of challenges. ACi made verifiable progress on the farming and linkage side, but we will need more cashew nuts to satisfy future market demands. Next to continuing our efforts on the farming side, the linkage programs are particularly important. A coherent and socially responsible supply chain with adequate financing will increase the economic livelihood of all actors along the chain. Reducing transaction costs should be our priority. It also reduces price volatility which, though relatively low compared to other nuts, is a significant risk mitigation factor for investors and bankers.

Interviewed by: Ann-Christin Berger, Communications Manager (ACi)



Join SIETTA 2016 – Be part of the growing African cashew sector.

The 2nd International Cashew Processing Equipment & Technology Show 2016, SIETTA 2016 for short, will be held in November 2016 at the Palais des Sports in Treichville, in Abidjan, Côte d'Ivoire. SIETTA 2016 is a “Show, Sell & Buy” event, dedicated to promote cashew processing equipment and innovative technology in Africa and the world.

Why we want you – cashew processors, cashew equipment manufacturers, investors and business men?

As of today, only 10 % of the raw cashew nuts produced in Africa are processed locally. The remaining 90 % of raw nuts are exported for further processing, leaving a great economic potential for many African countries largely untapped. Therefore, the establishment of a sustainable and well-functioning cashew processing industry in Africa is essential to ensure that added value is captured locally. The use of suitable machineries, while adhering to international food safety and labor standards, attracts global food companies to source cashew kernels from Africa. Consequently, Africa has a real opportunity to supply the increasing global demand for high quality kernels.

What can you expect at SIETTA 2016?

“SIETTA 2016 offers a platform for cashew processors, equipment manufacturers, investors, business men and generally all actors along the cashew value chain to “Show, Sell & Buy” the newest innovations and cashew processing technologies from all over the world and to access the huge potential of the African cashew sector, with a special focus on Côte d'Ivoire”, states Malamine Sanogo, DG of the Cotton and Cashew Council (CCA).

In plenary sessions and B2B meetings with national and international cashew experts, participants can discuss and exchange ideas on cashew processing related topics such as finance and business planning, funding possibilities and smart investments, cashew market dynamics and success factors that make cashew processing a profitable business in Africa. In the exhibition area, equipment manufacturers from all over the world will demonstrate their cashew processing machines of all shapes and sizes suitable for high tech, large or small scale applications. As the consumption of the highly nutritious cashew nut is still very low Africa, SIETTA 2016 offers participants the opportunity to taste high quality cashew kernels, by-products and cashew dishes from all over the world.

SIETTA 2014 has already attracted more than 4,500 participants from 25 countries across the world.

The Conseil du Coton et Anacarde (CCA) is organizing SIETTA 2016 under the sponsorship of the President of the National Assembly of Côte d'Ivoire. The event is chaired by the Minister of Industry and Mines under the auspices of the Minister of Agriculture.



Source: ACi, Ivorian Premier Minister visits ACi booth during opening ceremony of SIETTA 2014

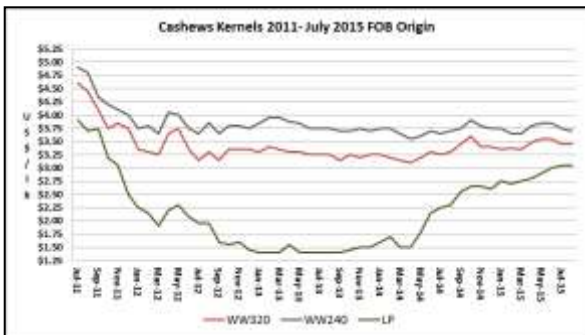
Author: Karim Berthé, Deputy Director, (CCA)



The Cashew Market Update

The cashew kernels market has been relatively stable in recent weeks. Some offers at lower prices from Vietnam were met with moderate buying interest from Europe and the USA with values FOB for WW320 circa \$3.45 and offers slightly higher.

Large nuts have maintained their prices, although WW240 premiums are softening and prices closing in on WW320. This closing of differentials between grades has been a feature of the market



with all grades from LWP to WW320 within a range of US\$0.40 per lb. This should be good news for processors who are no longer faced with the problem of low priced broken – provided that their breakage levels are not too high in the first place.

Less good news for processors is the fact that prices for RCN are maintaining high levels with inventories in strong hands. There will certainly be a need for more raw nuts for processing in Vietnam and India before the 2016 season. The only sources of supply between now and then will be Indonesia and Tanzania. Neither origin is likely to sell their high quality cashew nuts at any lower prices, especially with strong competition for supply from the two world processing *Superpowers*, India and Vietnam. The crops in the southern hemisphere, which account for between 20 % and 23 % of world production these days, are forecasted to be good although there must be some concern for Indonesia due to weather impact. In particular a better crop in

Brazil is expected as forecasted by the agricultural agency IBGE (Instituto Brasileiro de Geografia e Estatística). This will be especially welcomed by kernels buyers in the US for supply during their peak consumption season.

Despite the better crops forecast in the southern hemisphere producers, the supply/demand balance continues to look tight with strong demand in India, North America and Europe is expected to continue. In fact the only market showing a lack of growth in demand is China as hard economic times develop. China accounts for about 8 % of the world cashew kernel demand. It is difficult to forecast whether or not kernels prices will move upwards following raw cashews. So far, this year rising raw cashew prices have had the impact of pushing kernels to the higher end of the three year range, but every time it reaches the top of the range buyers pull back and prices settle down again. It seems quite possible that kernels will stay in the current narrow range until the end of the year, despite expected rises in raw cashew nuts.

August and September is the only time of year without new crops coming in. It gives us a chance to reflect on the developments in the season just past in West Africa. It is fair to say that it has been a season of missed opportunity for African processors. Raw material prices started at reasonable levels but some processors waited to cover in the hope that bumper crops would make prices fall further, or because their working capital was not in place in time. Competition between Indian and Vietnamese buyers soon put paid to low prices as the market rose during March and April. This caused some processors to fail to procure enough raw materials and unfortunately caused some to reduce capacity or close their processing. The opportunity to buy well in a season where prices rose was missed and inevitably this has reduced the volumes processed in West Africa in 2015, except perhaps in Cote d'Ivoire where new processing has come



on line. Processors may blame the export traders or the banks, even government policy but they might be well advised to look closely at their own market information systems and supply chain relationships with growers.

The 2015 season, more than anything else, showed how important good management is for the long-term development of cashew processing businesses.

The 2015 season has proved to be a tough one



for processors in West Africa but farmers will take encouragement from better prices. This should stimulate higher production in the coming years. Every kilo of which will be needed as demand seems set to continue to grow.

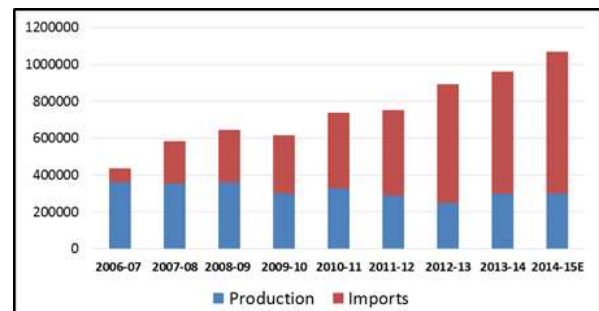
Looking forward, farmers' expectations are likely to be high when the next season kicks off. Processors may once again need to be fast off their marks to meet the competition from the export trade. Staying well informed and understanding the market is more important than ever. A good information collection and analysis system as well as keeping a close eye on the US\$ exchange rate are a must for processors in the lead up to the 2016 season.

At a global level 2015 so far has shown us again that there is room for increased demand in North America and Europe. Developments in consumption habits are benefitting all natural ingredients and edible nuts in particular. Cashew consumption continues to grow based on stable prices but without scientifically verified health claims. It is not so long ago that demand potential

in these markets was said to be limited in potential to slow growth or even decline. Markets in China, Australia and the Middle East are stable. Indian demand is still growing at percentage rates estimated in the teens – it is difficult to be precise in that huge and fast developing country.

Processing in the 2015 season has been the story of continued fast growth in Vietnam. This has stimulated further diversification with many nuts now processed in outlying plants and packed at larger central units. Vietnam's appetite for more and more raw nuts to meet the kernels export demand has been breath taking as it takes center stage in the world export of kernels. Consuming countries are now dependent on Vietnam for 70 % of their needs with all attendant risks.

Vietnam Imports and Production Raw Cashews



Over the past ten years the balance of production versus imports of raw material has reversed in Vietnam. With limited land suitable for new planting and yields already at high levels the Vietnamese sector may struggle to reverse this trend.

As always fortunes vary across the sector. Whether or not it was a good year for any stakeholder depends to some extent on where they live and what they do but it also depends on how they manage their opportunity in a growing market which can provide opportunities for the full range of stakeholders.

Author: Jim Fitzpatrick, Author of the Cashew Club



ACi Staff Profile:

Name: Mohamed Salifou Issaka

Position: Technical Advisor



What is your professional background?

Right after my university education (as an agro economist engineer), I worked in the field team of the Bilateral Program ProCGRN of the German Technical Cooperation (GTZ, now GIZ) between 2008 and 2009. In December 2009, I joined the ACi team in Benin as Technical Advisor responsible for managing the technical aspects of extension, training, monitoring and evaluation. At the start of ACi phase 2 (January 2013), I was selected as a country officer, coordinating the interventions of the project in Benin before joining the ACA secretariat in Ghana as a Project Specialist for USAID TIME project for one year.

What are your tasks as a technical advisor?

As Technical Advisor of Component 1 of the initiative, I am responsible for supporting the project's national partners for the development and dissemination of improved planting materials as part of the Matching Fund counterpart fund project, provide technical assistance on production and productivity of cashew plantations to all partners in the intervention countries and especially capitalize on all data and information related to component 1 of the project.

What is your vision for the cashew sector in Africa?

The potential contribution of the sector to economic and social development of cashew producing African countries is considerable. With developments in the sector the last decade and

particularly energy of the different actors in these countries, the sector is more promising. Policy makers must increasingly become aware and take advantage of this potential by paying more attention to the sector. Creating an environment that encourages and facilitates investment in the sector would help make the sector highly competitive in Africa.

How will you use your skills acquired from previous profession in your current position?

One of the constraints of the cashew sector in Africa is the low productivity of trees and poor economic management of plantations. However with the recent interventions in the sector, primary actors are beginning to take initiatives in the direction of improving this situation. By scaling up previously acquired experiences and skills, I can contribute fully to support and assist in achieving ACi objectives in the field.

You just moved to Burkina Faso. How do you feel about that?

I feel right at home in Burkina Faso especially since I arrived during a period in which the weather is mild and temperatures are bearable. Also I have acquaintances who live and work in Ouagadougou; this also accelerated my integration. Moreover, I have worked with many of the ACi colleagues previously before moving to Ouagadougou and they also helped make my integration easy. However, I am already psychologically prepared to face periods of high temperatures of the year not forgetting the harmattan with its dry winds. I like the traffic in the streets of Ouagadougou, where traffic rules are for the most time negotiable.

Interviewed by: Sylvia Pobee, Communication Officer (ACi)



Along the Cashew Value Chain

Production

ACi aims at training 430,000 farmers in the five project countries to increase cashew productivity. Until June 2015, 358,875 farmers have been trained fully meaning they received two trainings, 78,952 of them are women (22%). Another 70,000 farmers were trained on harvest and post-harvest handlings in 2015 with extra funding from BMZ and extra 56,177 farmers received training on only one topic. Trainings were also conducted for 95,000 farmers through Matching Fund projects. So far 64,708 farmers have undergone one training session through the Matching Fund. Matching Fund Partners have produced, distributed, and planted improved planting material covering 30,392ha of new plantations, surpassing ACi's target of 20,000ha. Mozambique contributed to 79.4 % of the overall achievement due to its high distribution rate of improved planting material and good infrastructure. In July 2015, Mohamed Salifou joined the ACi team as Technical Advisor for the production component. Mohamed has previously worked with ACi and the ACA for a year. He holds a Master of Science degree in Agriculture Economy.

Author: André M. Tandjiékpon, Production Manager, (ACi)

Monitoring & Evaluation:

Yield survey data for Ivory Coast and Burkina Faso has been verified, cleared and sent to NORC – the Evaluation institute at Chicago University - for external Endline Evaluation of project impact. Data collection in Benin has started. Data from Ghana has been collected and is currently being entered by MOFA.

The joint preparations of the yield survey data collection in Mozambique have started involving FMS, field partner EMALINK, INCAJU, and ACi. Field partner EMALINK works on the adaption of the questionnaire to Mozambican reality and has

received information on interviewer training sessions to be initiated in October 2015 so that data collection can begin in by the end of the same month.

Since the beginning of August the economic case study questionnaires have been collected from the field, under supervision of the M&E team data is being entered by a team of students from Ouagadougou with a strong focus on data quality and verification. The questionnaires from Ivory Coast and Burkina Faso are already entered and verification with Master Trainers has started; questionnaires from the remaining countries will be collected from the field by mid-September. Initial results are presented at the Steering Committee prereading. In-depth analysis will commence once all data has been compiled in the entry mask and is verified.

Author: Johannes Peters, M&E Officer, (ACi)

Processing

Raw Cashew Nuts Processing: Cashew kernel consumption continues to grow providing new opportunities and markets for the cashew processing sector globally. However, most West African processors could not benefit from this opportunity this year due to their inability to source enough stock for the year. Processing volumes in Africa would be lower than 2014. The trend of RCN demand and supply in 2015 provides new learning for the sector. Both ACi assisted units and others are taking stock of the events of the year and currently preparing for the 2016 season in various ways. For example, some facilities are being upgraded to meet international quality standards. **Sufficient and timely disbursement of working capital for the 2016 cashew harvesting season would be important to revive units** that are currently closed. In the medium to long term, national policies promoting local processing would be required.



Business Development Services (BDS): In July 2015, two additional consulting firms have been chosen to provide training on business development services for selected ACi-assisted cashew nut processing units in Benin and Cote d'Ivoire making the total beneficiary units 14. BDS training includes subjects such as:

- Banking Relationship & Credit Management
- Book keeping & Stock Control
- Working capital management
- Financial reporting
- Business Planning & Budgeting
- Market & Price Analysis
- Labour Management

The objective of the BDS is to enhance the business skills of the cashew processors and enable them to establish direct linkages with the financial sector for sustainable access to finance. It is expected that the beneficiary units have fitting financial systems and can use bankable business plans to acquire financing. The approach of using partnering institutions and consulting firms also ensures capacity building of institutions in cashew financing.

Author: Mary Adzanyo, Director Private Sector Development, (ACi)

Supply Chain Linkages

From 9th to 15th August, a field visit to Benin was undertaken to examine the Matching Fund instrument with an emphasis on GIZ/ACi partners engaged in a Matching Fund project. The in-depth analysis focused mainly on learnings for ACi and possible adjustments for a potential third phase for the project. In all, 5 partners were visited namely Tolaro, Afokantan, Benin Gold, URPA and INRAB.

The visit provided an extended perspective and valuable lessons on the Matching Fund

instrument; successes, challenges and the way forward. Some lessons worth mentioning include:

- Mandatory use of service providers is key to success and quality of implementation
- There is the need to build successful business models around the equipment rental industry to facilitate agricultural mechanization
- Vertical linkages must be created among actors in the value chain to complement the value chain e.g. linking processors to research institutions
- There should be a clear distinction between Monitoring and Evaluation services and Technical Assistance

The visit was successful and confirmed to a large extent, the Matching Fund tool as an effective tool.

Author: Ernest Mintah, Matching Fund Manager, (ACi)

Management

From June 21st to July 3rd 2015, the project evaluation (PEV) mission of the ACi project took place in Côte d'Ivoire and Ghana to evaluate ACi Phase 2, with focus on lessons learnt from Côte d'Ivoire and to examine key elements for a third project phase. Overall the project was rated successful with 15 out of 16 points.

A new phase with 8 million euro funding from BMZ and set to start from May, 2016 to December, 2020 has been agreed on. The PEV report shall be published on the GIZ website soon.

The upcoming Steering Committee and Core Partner Meeting are scheduled to take place on 18th and 19th September in Maputo, Mozambique. The new core partner Walmart will join for these meetings. Discussions evolve around a review ACi phase 2 as well as planning and management of ACi Phase 3 (May 2016 - December 2020). This includes options of expanding the committed funding and ACi



activities from BMZ with EU/ ACP Secretariat, as well as a new set of activities or / project on groundnut value chains with BMZ and BMGF. In most West-African countries, the processing industry in 2015 is struggling to reach international competitiveness. Companies had to source early in the season, or recur to re-selling/ trading, temporary closing of processing, toll processing and other management options to address the challenges of unfavorable dollar exchange rates, high RCN prices and/or delayed finance releases by finance institutions. ACi supports selected processing companies with Business Development Services, to address management related competitiveness factors. On a positive note, a promising interest by national governments to come up with incentive measures for the young industry has been observed. Policy analysis and advocacy discussions between processors, producers and national governments, and also involving media are testifying of this focus (e.g. Ghana developing an industry strategy, analyzing potential policy interventions to “protect” the young industry.) The second session of the second edition of the Master Training Program was held in Sunyani from 9th to 14th August. About 60 experts from along the cashew value chain from 9 West-African countries took part. The program received media coverage from major media houses: Ghana Television and Radio (GTV and GBC), United Television (UTV), Graphic, etc.

Author: Rita Weidinger, Executive Director, (ACi)

Cashew Pinboard:

ACi Website

[ACi Factsheet: Integration of beekeeping on cashew farms in Ghana and Benin](#)

[ACi Success Story Beekeeping](#)

[Activity Timeline for Nurseries in ACi Partner Countries \(West Africa\)](#)

[Beekeeping study](#)

[Bonnes pratiques de recolte et de post-recolte des noix de cajou \(Flip chart\)](#)

[Bonnes pratiques de création nouveau verger d'anacardiers, Burkina Faso](#)

[Bonnes pratiques de recolte et post-recolte des noix cajou \(Poster\)](#)

[Bonnes pratiques d'entretien des vergers d'anacardiers](#)

[Comment creer un nouveau verger d'anacardiers?](#)

[Comment entretenir mon verger d'anacardiers?](#)

[Creation de nouvelles parcelles d'anacarde](#)

[Establishing a new cashew farm \(GAP\)](#)

[Estimating quality of raw cashew nuts](#)

[Factsheet Grafted cashew seedling production](#)

[Factsheet Improved Planting Material](#)

[Factsheet Matériel végétal amélioré](#)

[Grafted Seedlings + Top-working + Farm Maintenance + Bee keeping = increased Farm Productivity"](#)

[Nouveau verger de noix de cajou \(BPA\)](#)

[Produtores de castanha de caju, Mozambique](#)

[Reabilitacao do cajual](#)

[Recolte et de post-recolte des noix de cajou \(BPA\)](#)

[Sucess story- From laboratory to farm: Small-scale cashew farmers benefit from DNA marker technology](#)



[Success story - "Researchers and farmers link up!"](#)

[TECA: Good Agricultural Practices and Establishment of new cashew nuts](#)

News

[A Master Training Programme on Cashew: the second edition](#)

[Devenir un formateur des formateurs ; Le profil d'un formateur.](#)

[Impressions of a Cashew Master Trainer - A talk about personal and professional changes](#)

Media coverage

[Graphic online: Ghana lauded for increase in cashew production \(August, 2015\)](#)

[L'observateur: Programme de Formation pour Maîtrise de Promotion de Chaînes de Valeur Cajou africain \(Décembre, 2013\)](#)

[Sidwaya: A Master Training Program to promote the African Cashew Value Chain \(December 2013\)](#)

[Sidwaya: Un Programme de Formation pour Maîtrise de Promotion de Chaînes de Valeur Cajou africain \(December 2013\)](#)

Youtube

[Cashew and honey makes good money](#)

[Cashew Harvest / Post harvest Training Movie ACi](#)

[Farm management and Good Agricultural Practices \(GAP\)](#)

[Improved planting material - How to do cashew grafting](#)

[Les abeilles et l'anacarde](#)

Events & Meetings:

International Events

WorldFood

3rd – 6th September 2015

Istanbul, Turkey

www.worldfood-istanbul.com

9th ACA World Cashew Festival & Expo

21st – 24th September 2015

Maputo, Mozambique

www.africancashewalliance.com/en/world-cashew-festival

KAJU INDIA 2015; commemorating 60th Anniversary of CEPCI

29th September – 1st October 2015

Kochi, Kerala, India

www.cashewindia.org/kaju/index.php

ANUGA

10th – 14th October, 2015

Koelnmesse GmbH, Messeplatz 1, 50679 Cologne, Germany

www.anuga.com/anuga

Kenya Foodex 2015

29th – 31st October, 2015

Nairobi, Kenya;

<http://www.profexhibitions.com/kenyafoodex/>

ACi Events

Steering Committee Meeting

18th September 2015

Maputo, Mozambique

Core Partners Meeting

19th September 2015

Maputo, Mozambique

Master Training Programme II, Session 3

9th – 14th November 2015

Cotonu, Benin

Delicious & Nutritious









Cashew in Palava Sauce with Fish



Cashew in Palava Sauce with Fish





Photo: ACi

Ingredients for 2-3 servings









-  ¼ cup palm oil or vegetable oil
-  2 red chilies (optional)
-  1 bouillon cube (shrimp flavored preferably)
-  ½ pound fish (catfish or snapper)
-  ½ pound of frozen chopped spinach
-  ¼ cup chopped onions
-  1 large crushed tomato
-  150g cashews (finely broken)

Method

Fish preparation:

-  Cut fish into nuggets
-  Coat with flour
-  Deep fry, turn once until golden brown on both sides
-  Drain on absorbent paper

Kontomire (spinach) Stew preparation:

-  Heat the oil in a medium pan and fry the onions until golden
-  Add crushed tomatoes, chilies, and season with bouillon cube
-  Cook for 10 - 15 minutes on low heat, stirring regularly but not continuously
-  Add the prepared fish. Simmer on very low heat, stirring regularly to prevent burning
-  Drain any water from defrosted spinach and add the spinach to mixture
-  Add the broken cashew kernels and stir
-  Cover and simmer on low heat for 10 - 15 minutes, or until the spinach is soft and cooked
-  Stir regularly, taking care not to break up the fish too much.

Serving tip: Serve with rice, yam, plantain or alloco. Fish can be replaced with chicken or with boiled beans for a healthy vegetarian option. Slightly cooked vegetables like carrots and bell peppers can also be added to palava sauce for more color and taste

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The fifth edition will appear in December 2015. If you are interested in contributing, would like to send your comments, please send a mail to ann-christin.berger@giz.de