

Côte d'Ivoire – Country Report March 2013

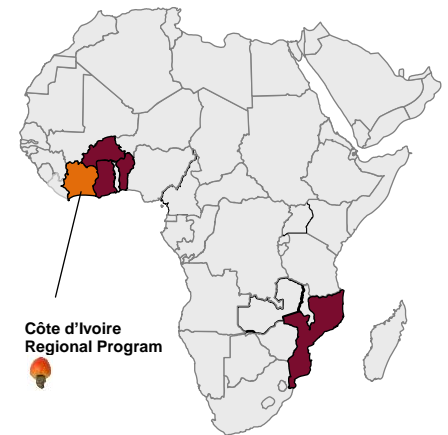
Promoting Competitiveness of African Cashew Farmers

ACi – The African Cashew initiative

Background

The African Cashew Initiative (ACi), funded by the German Federal Ministry for Economic Cooperation and Development (BMZ), the Bill & Melinda Gates Foundation as well as private companies and public partners, is aiming to increase incomes of 330,000 farmers by \$ 90 per year and thereby achieve a sustainable reduction in rural poverty.

With an annual production volume of more than 400,000 metric tons (MT) (2012) Côte d'Ivoire is by far the largest African cashew producer and the second largest worldwide after India. About 250,000 farmers in the Savannah region produce cashew nuts, with a business structure comparable to those in Benin and Ghana. Average farm sizes range from 2 – 3 ha with yields of less than 400 kg/ha. Cashew growing areas are found in the northern part of Côte d'Ivoire and cover the whole width of the country from the border with Guinea to the border with Ghana. Existing clones in Côte d'Ivoire are highly diversified. The reason is that cashew cultivation was introduced in many areas as a measure to control erosion and for the reforestation of savannah woodlands. The state lacked the necessary care in selecting the most productive clones.

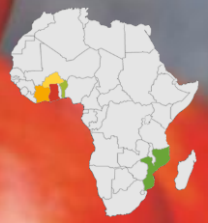


Since 2013, ACi supports eight investors that plan to build up processing plants with a capacity of up to 5,000 MT each. OLAM plans further expansion of its processing capacity by constructing two additional plants with 30,000 MT each. Côte d'Ivoire as a traditional export country of agricultural products (most of which are hardly processed) generates a large share of its revenues from export tax which amount to \$ 40 per ton of cashew. This accounted for tax revenues of \$ 16 million per year. Most of the partners of the African Cashew initiative originate primarily from the public sector, with the exception of OLAM which is a private enterprise. ARECA (the regulatory authority for cotton and cashew), INTERCAJOU (a network of farmers, processors and trader associations), ANADER (the semi-public agricultural consulting service agency) and a number of NGOs represent the major partners of the African Cashew initiative. Cooperation with the agricultural research institute (CNRA) has not yet been realized. As part of ACi Phase I, it was aimed to increase incomes of 70,000 small-scale cashew farmers by \$ 50 until 2012, establish 10,000 MT processing capacity, and to reform and strengthen representative bodies of the sector.

Facts and Figures

	2009	2010	2011
Production Volume of RCN (Metric Tons)	325,000 MT	345,000 MT	380,000 MT
Productivity (kg/tree)	380 kg/tree	400 kg/tree	405 kg/tree





Main Achievements and Impacts of ACi Phase I

- Implementation of 150,000 training sessions for more 75,000 farmers in GAP (Good Agricultural Practices), such as harvest and post-harvest handlings, and the the creation of new cashew plantations using improved plants;
- Training of 350 trainers;
- Establishment of 3 mother plantations with a total size of 6 ha;
- Promotion of a processing plant with a capacity of 3,000 MT.

The Second Phase of the Project

The second phase of the project focuses on the following measures, which are mainly carried out by the private and public partners of the initiative on their own responsibility:

- After finalizing the institutional reform process that has been pushed forward at political level after the end of the crises with lots of energy and ambitious objectives, it is aimed to implement training sessions for further 40,000 farmers;
- Linking 30,000 farmers to processors by contractual agreements, resulting in direct supply to processors of up to 20,000 MT of raw cashew nuts;
- The legally consolidated financing mechanism from export revenues shall allow for a performance-related and demand-driven range of services offered to cashew producers and processors;
- Farmer associations are organized in such a way that producers are effectively represented at local, regional and national levels.

The African Cashew initiative at a glance		
Project Duration	July 2009 to September 2015	
First Phase Duration	July 2009 to December 2012	
Second Phase Duration	January 2013 to September 2015	
Budget Phase II	BMZ (Federal Ministry for Economic Cooperation and Development)	3,4 Million Euros
	Bill and Melinda Gates Foundation	5,97 Million Euros
	Total	9,3 Million Euros
Implementing Partners	GIZ (lead agency), FairMatch Support and TechnoServe	
Partner Companies / Organizations	ACA, Kraft Foods, Intersnack, OLAM, Trade and Development Group, SAP, USAID, Ministry of Food and Agriculture, IDH	
Project Countries	Benin, Burkina Faso, Cote d'Ivoire, Ghana, Mozambique	