

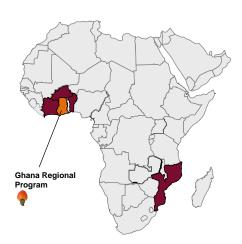
**Ghana – Country Report March 2013** 

# **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. Ghana's agricultural sector contributes to 33 % of Gross Domestic Product (GDP) and employs about 60 % of the labour force. Cashew production in Ghana is mostly carried out by smallholder farmers (90 %) and during the last eight years there has been growing interest in cashew cultivation due to high demand and a flourishing export market. Today, approximately 40,000 farmers are engaged in cashew cultivation. Most of them are located in the two major cashew growing regions, Brong Ahafo Region and Northern Region, both intervention areas of ACi. Also, the Ghanaian government recognizes the economic potential of cashew production and supports the initiative in structuring the sector.



The cashew industry in Ghana currently boasts of seven processing companies. Thanks to its access to the ocean and a well-developed road network across the country, Ghana provides ideal conditions for cashew exports, both for raw cashew nuts (RCN) and processed kernels. However, the majority of raw cashew nuts are still shipped unprocessed to India and Vietnam. Compared to other West African countries, the productivity of cashew trees and quality of cashews produced in Ghana are above-average. Nevertheless, quality is still far from meeting the requirements of processors. Productivity of smallholder farmers is insufficient to offset the usual price fluctuations and generate an adequate contribution margin. Therefore, ACi is working closely with the Cocoa Research Institute Ghana (CRIG) to sustainably increase crop yields in quality and quantity. The objective is, through the development and dissemination of improved planting material, supported by yield-increasing agricultural practices, to increase seasonal yields and thus incomes of farming families in the long term. Other partners of the African Cashew initiative include the Ministry of Food and Agriculture and the Ghana Standards Authority. Among them are also the cashew processors such as Mim, Winkers, CRIG-Bole, Kona and Muskaan.

### **Facts and Figures**

	2009	2011
Production Volume of RCN (Metric Tons)	12,000 MT	18,000 MT
Productivity (kg/ha)	415 kg/ha	519 kg/ha





## Main Achievements and Impacts of ACi Phase I

- Implementation of training sessions for more than 37,500 farmers on GAP (Good Agricultural Practices), such as harvest and post-harvest handlings and the establishment of new cashew plantations with improved seedlings;
- 10,800 farmers, 11 % of which are women, were organized in associations and linked to Organic and Fair Trade markets as well as conventional markets;
- Trainings on quality control of cashew nuts for about 750 farmers;
- Training of 234 trainers of the Ministry of Food and Agriculture, 26 of which are women;
- Establishment of 23 mother plantations for improved planting material, with a total of 60 hectares for the production of 100,000 seedlings;
- Production and dissemination of 70,000 (2012) grafted seedlings for a rejuvenation of the tree population in the long term;
- Advice and trainings for five Cashew processing plants, four of which are new, with 962 jobs,
  74 % for women;
- Increase of the existing processing capacity of 4,000 MT in 2009 to 8,900 MT in 2012, in compliance with international quality and food standards.

### 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:

- Training sessions for 40,000 farmers in GAP, 20 % of which are women;
- Production and broadcasting of radio programs with the aim to consolidate the trainings;
- Production and piloting of TV spots, SMS messages, and video clips;
- Training of 10 experts with integrated expertise in cashew, two of which are women, as "master trainers";
- Production and dissemination of 300,000 seedlings in five regions of Ghana, mainly carried out by the private sector;
- Advice on the establishment of more than 3,000 ha of cashew plantations with improved seedlings;
- Formation of 225 farmer groups with direct link to West Africa's largest processor and trader.

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 in Ghana, IDH		
Project Countries	Benin, Burkina Faso, Cote d'Ivoire, Ghana, Mozambique		





