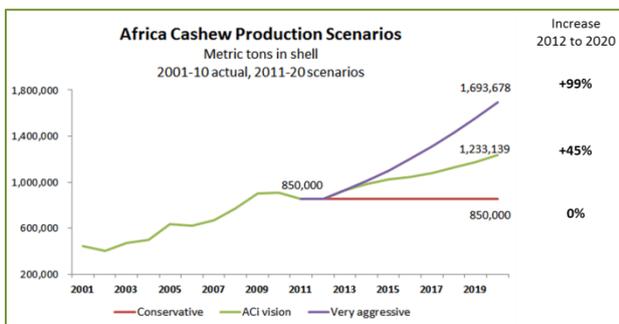


# African Cashews: 10 Great Reasons to invest now!

## 1. Growing demand

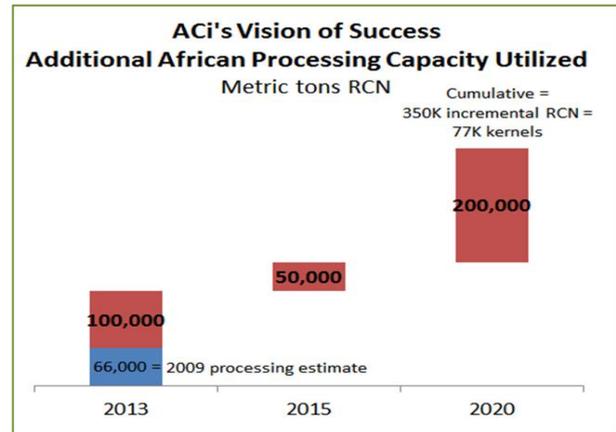
Demand for the world's favorite nut is growing. In the past 10 years cashew consumption in India has more than doubled, Europe has grown by 30% and China is on the rise too. Africa is the only continent that has the opportunity to supply this demand by increasing yields and investing in processing.



Research by the African Cashew initiative (ACi) defined three scenarios presenting how increased African production impacts cashew supply and resulting prices. By implementing Good Agricultural Practices (GAP) and adopting improved planting material, African cashew farmers have a great opportunity to increase yields and feed the new processing plants which are beginning to appear around the continent.

## 2. Cashew processing in Africa is competitive & profitable

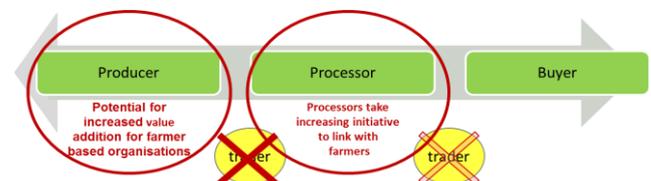
Africa accounts for 38% of global cashew production, but only 5% of global processing. Through local processing there is value addition potential of US\$ 2.8 Billion every year and potential employment of 275,000 people in the processing plants. ACi has a vision to triple processing volumes by 2020 working with and supporting commercial investment and private capital.



## 3. Efficient and inclusive supply chain management

As demand grows the market has become supply driven. A strong and structured raw material supply chain is in place. Value addition is increasing and has huge potential. Close market linkages reduce transaction and logistical costs. They ensure a sustainable supply of volumes and quality of raw material. This in turn creates a substantial opportunity to market distinctive African origin products or to add further downstream value addition securing supply and reducing risk.

**Efficiency and Inclusiveness = Opportunity**



## 4. High returns and manageable risks

Processing is a highly profitable business with output prices responsive to input price changes. Processing close to the origin means that long term sustainable and traceable supply chains can be built for new processing plants. We demonstrate the economics and attraction of investment.



## 5. New sector for policy formulations and organisation

Furthermore the ACi, in cooperation with the African Cashew Alliance (ACA) inform policymakers and government officials about the potential of cashew-related income for poverty reduction and the importance of value addition for cashew producing areas. African governments are already implementing and improving enabling policies and strategies to ease access to the local cashew sector for international companies in growing African economies.

## 6. A strong African cashew network

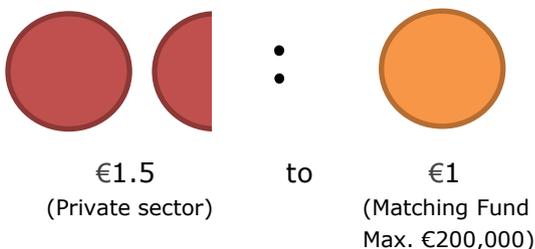
The African Cashew Alliance (ACA) is a strong network for cashew sector actors in Africa with objectives to:

1. Increase processing of cashews in Africa
2. Improve competitiveness, sustainability and growth in the African cashew industry
3. Facilitate public-private cooperation in the cashew sector.

National associations of producers, processors, exporters are emerging and growing.

## 7. The Matching Fund

The Cashew Matching Fund is an effective instrument for private ownership. It offers an opportunity for structured investment in the sector or scaling up on activities such as farmer linkages and market information systems.



## 8. Pro-poor growth

Average additional net income per ACi trained farmer on good agricultural practices is US\$ 91 compared to those not adopting recommended practices, an increase of 63%.

## Building incomes

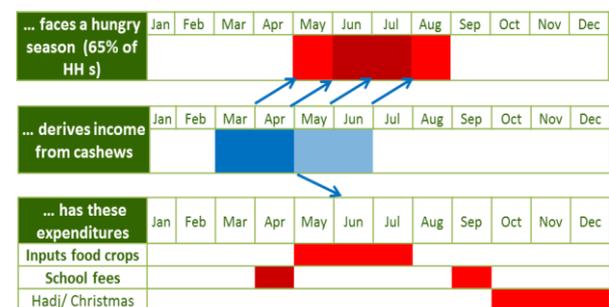


2010-2011 est. actual impact; 2012-2015 expected impact

## 9. Food security for rural households

ACi research shows that growing cashew helps households to diversify their income and to get through the period of food insecurity.

### Making a real impact



## 10. Climate change & cashew trees

Cashew trees were originally brought to Africa to retain soil in dry areas. They are suitable for poor dry lands and can withstand drought. Climate change provides opportunity for cashew production to expand and replace other cash crops such as cocoa. It can offer a buffer against climate change impact on food crops and low farm income.

## Contact

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