COMPETITIVE CASHEW INITIATIVE

Promoting competitive cashew value chains: creating jobs and revenues for farmers and increasing in-country processing
The African cashew sector offers high economic development potential. Global productivity as well as international demand are on a constant rise. Meanwhile Africa belongs to the largest cashew producers with 57% - almost 6 out of 10 cashews - coming from Africa. In West Africa in particular, production has risen sharply since 2012 and cashew has established itself as the second most important agricultural export commodity. However, due to insufficient processing capacities and labour productivity in the cashew processing industry, only about 10% of the raw nuts are processed in the African producer countries. Most of the raw cashew nuts (RCN) are exported to Asia, mainly to Vietnam and India.

Cashew production and processing therefore offers a great potential for poverty reduction through the creation of jobs and the associated generation of income. In addition, cashew trees grow well by intercropping them with other crops such as peanut and maize, thus promoting food security. Through the application of Good Agricultural Practices and the introduction of bee colonies in the plantation, yields can be increased by up to 50% and with it the income of farmers.

As part of the programme “Agricultural Value Chains for Sustainable Development”, the Competitive Cashew initiative - ComCashew (formerly African Cashew initiative - ACi) focuses on building sustainable cashew value chains and increasing the competitiveness of African cashew production and processing. To achieve this goal, the project provides support along the entire cashew value chain including research, production, processing and marketing as well as capacity development and policy advice.

ComCashew is a private-public partnership project under the implementation of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. It is currently funded in its third phase by the German Federal Ministry for Economic Cooperation and Development (BMZ), the Swiss State Secretariat for Economic Affairs (SECO) and European Union (EU) in Ghana. Together with private and public actors, ComCashew constitutes a new era of multi-stakeholder partnership aiming to achieve sustainable poverty reduction in the project countries Benin, Burkina Faso, Côte d’Ivoire, Ghana, Mozambique and Sierra Leone, by enhancing the competitiveness of African cashew smallholders, processors and other actors along the value chain.

With its approach, ComCashew strongly contributes to the achievement of the following Sustainable Development Goals:

This booklet illustrates the programmes unique approach for sustainable cashew value chains and documents the results and impacts ComCashew achieved since its implementation in 2009.
Overview Value Chain Programmes

Competitive African Cotton Initiative COMPACI 2008 - 2017

Competitive African Cashew Initiative ComCASHEW 2009 - 2020

Sustainable Smallholder Agribusiness/Cocoa-Food Link Program SSAB 2009 - 2019

Competitive African Rice Initiative CARI 2013 - 2021

Success Factors

Scalability
Regional outreach and adaptability resulting in “economies of scale”

Learning
Institutionalised exchange among the projects plus adoption of best practices between projects and countries

Governance
Board structure involving African and international private and public partners = institutionalisation of the idea of public private partnerships (PPP)

Impact
Joint Monitoring and Evaluation (M&E) to report aggregated achievements

Impacts at a glance*

2,1 mio. newly trained farmers
500,000 trained women
> 70 mio. € official development assistance (oda)
> 220 mio. € from private partners
> 30 mio. € from national public partners

approximately 850,000 full time employment equivalents

202% yield increase

status 08.2019

* all following figures are rounded for better presentation

Proven Approaches for Upscaling

Farmer Business School (FBS)
Agripreneurship for farmers

Matching Fund
An integrated development partnership model

Master Training Program
Creating a pool of experts for sector development

Good Agricultural Practices (GAP)
Demand orientation
Competitive Cashew Initiative

Commissioned by
Federal Ministry for Economic Cooperation and Development

Currently co-funded by
Delegation of the European Union to Ghana

Project Duration
April 2009 – December 2020

Current Phase III:
May 2016 – December 2020

Project Budget:
69.823 Mio. €

Thereof in Phase III:
30.19 Mio. €

Additional private partner contributions:
73.24 Mio. €

Value Chain Approach

Inputs
Smallholder Production
Processing
Marketing and Trade
Retail & Consumption

Development & Provision of inputs
Food and Quality Raw Material
• Supply- & Quality-Management
• Processing
• Efficiency
• By-Products

Transparency
• Standards
• Market Information & Assessment

Business Linkages & Skills Development
Business Environment & Financial services
Key indicators

Income:
Smallholder businesses increased income

Employment:
The number of full time employment equivalents in production and employment in processing increased

Partner Contributions:
Private sector, public partners and civil society bodies increasingly implement supported activities using their own funds

ComCashew supports the Cashew value chain since more than 10 years. It aims to increase the market share of producers and local processors in the value chain.

18% Producers
14% Sales tax
8% Transport
3% Public authorities
25% Retailers
17% Roasters
9% Processors
4% Raw cashew nut traders

Profit margin in percent of 1 kg Ivorian cashew roasted in Vietnam, consumed in Germany

1KG

Objectives

Production
Improve productivity and increase quantity and quality of production

Processing
Increase quantity and quality of African cashew kernel and cashew by-product processing

Supply Chain Linkages
Establish and expand sustainable links to the global market place

Sector Organisation
Promote an enabling environment: Advocate policies that favour the cashew sector
If not stated otherwise, all indicators refer to the period between ComCashew’s inception in 2009/2010 until 2018/2019

**Achievements**

Recipients of the OECD-DAC Prize for Taking Development Innovation to Scale in 2016

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**Smallholder farmers have received trainings in Good Agricultural Practice (GAP)**

**623,000**

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**135%**

Increase in RCN production

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**40 Mio. €**

taxes have been generated annually for selected cashew producing countries

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If not stated otherwise, all indicators refer to the period between ComCashew’s inception in 2009/2010 until 2018/2019
The installed processing capacity in the 5 countries increased from 60,000 MT in 2009 to 385,000 MT in 2019.

78% of cashew farmers diversify their income through intercropping. Others practice beekeeping for better pollination and additional income sources.

Between 2015 and 2019 the number of jobs in the processing industry have more than doubled from 16,000 to 38,000.

Good Agricultural Practices (GAP)
GAP adoption studies and farmer reports show that major improvements can be observed with the following practices:

1. Pruning:
   Apical, crowded and dead branches are removed by 85% of trained farmers stimulating productive growth, improving aeration and yield.

2. Weeding:
   84% of trained farmers control weeds.

3. Harvest & Post-Harvest Practices:
   89% of farmers dry the nut before packaging. Jute bags, strings to separate the nut from the apple and picking the apple from the ground likewise contribute to better nut quality.

4. Construction of fire belt:
   79% protect against bushfire using fire belts.

* Figures refer to 2015 yield survey excluding Sierra Leone
Benin

Installed capacity increased from 3,100 MT in 2009 to 51,000 MT in 2019

National volume of RCN processed increased from 1,200 MT in 2009 to 13,000 MT in 2019

RCN Production in 2019

130,000 MT

Total number of seedlings produced and distributed

312,000

Smallholder farmers have received trainings in GAP

there of 27,000 women (17%)

Yield increase in kg per ha

+200%

130 kg

240

400

2010

2018

390 kg

RCN Production in 2019

158,000

8

118,000

Full-time job equivalents and jobs created

Number of Matching Fund projects: 12

Installed capacity increased from 2,600 MT in 2009 to 39,000 MT in 2019.

120,000 MT

RCN Production in 2019

Yield increase in kg per ha

<table>
<thead>
<tr>
<th>Year</th>
<th>Yield in kg per ha</th>
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<tr>
<td>2010</td>
<td>130 kg</td>
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<tr>
<td>2018</td>
<td>310 kg (+138%)</td>
</tr>
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</table>

National volume of RCN processed increased from 1,000 MT in 2009 to 17,000 MT in 2019.

110,000

Full-time job equivalents and jobs created

Number of Matching Fund projects: 11

African Cashew Alliance, Anatrans, Centre National de Semences Forestieres, gebana, Institut de l’Environnement et Recherches Agricoles, Intersnack, Trade Development International, Union Nationale des Producteurs d’Anacarde

Total number of seedlings produced and distributed 119,000

Smallholder farmers have received trainings in GAP: there of 11,000 women (21%)
Installed capacity increased from 12,000 MT in 2009 to 140,000 MT in 2019.

National volume of RCN processed increased from 5,300 MT in 2009 to 57,000 MT in 2019.

RCN Production in 2019: 720,000 MT

Smallholder farmers have received trainings in GAP: 250,000

Yield increase in kg per ha: +91% from 340 kg in 2010 to 650 kg in 2018.

Full-time job equivalents and jobs created: 298,000

Total number of seedlings produced and distributed: 158,000

Number of Matching Fund projects: 10

African Cashew Alliance, Africajou, Caronut, Centre National de Recherche Agronomique, Le Conseil du Coton et de l'Anacarde, COOGES, FMA, INCajou, Intersnack, Olam Seco, Olam Ivoire, Université Félix Houphouët-Boigny, Université Jean Lorougnon Guédé.
Installed capacity increased from 4,300 MT in 2009 to 46,000 MT in 2019

National volume of RCN processed increased from 1,000 MT in 2009 to 10,000 MT in 2019

RCN Production in 2019
110,000 MT

Number of Matching Fund projects:
12
African Cashew Alliance, Cocoa Research Institute Of Ghana, Form International, Ministry of Food and Agriculture Ghana, Invitrolabs, Intersnack, Olam, Red River Foods, Unilever, Usibras, Volta Cashew

Smallholder farmers have received trainings in GAP
48,000

there of
13,000
women (27%)

Total number of seedlings produced and distributed
1,631,000

Ghana

49,000
Full-time job equivalents and jobs created

Yield increase in kg per ha
+42%
750 kg
530 kg

2010 2018

Accra
Central
Greater Accra
Volta
Northern
Upper East
Upper West
Western
Brong-Ahafo
Ashanti
Eastern

ComCashew intervention regions
Productivity in Mozambique is expected to increase although facing floods, mildew disease and a high number of old plantations. With rejuvenated plantations and the opening of the mildew spraying programme to private operators, national production is expected to increase by 40,000 MT from 2018 to 2020. (INCAJU)

**Installed capacity increased from 38,000 MT in 2009 to 108,000 MT in 2019**

**National volume of RCN processed increased from 22,000 MT in 2009 to 63,000 MT in 2019**

**RCN Production in 2019**

142,000 MT

**Number of Matching Fund projects:**

6

AICAJU, Condor, Instituto de Formento de Caju, Instituto de Investigação Agraria de Mocambique, Intersnack, Olam

**Total number of seedlings produced and distributed**

9,807,000

**ComCashew intervention regions**
The focus lies on increasing production through farmer training and improved planting material.

154 potential cashew mother trees selected for analysis and future breeding program

Baseline study conducted in 2018

Seedlings produced and distributed

1,600,000

62 Participants at the Master Training Programme

12,000 kg of Polyclonal seeds have been procured from Ghana

25 Cashew nurseries have been established in 11 districts

Sierra Leone
Cooperation

Joint funding
Bill and Melinda Gates Foundation
Lead donor in phase I and II
Volume: 26.8 Mio. €

The Swiss State Secretariat for Economic Affairs
Focus: Processing, Sector Org.
Volume: 3.94 Mio. €

EU Delegation Ghana
Funds Resilience Against Climate Change project in Ghana
Volume: 19.5 Mio. €
Duration: 2018 – 2024.

New horizons
Trilateral cooperation Ghana – Brazil – Germany
Improve the quality of research, disseminate improved planting material, enhance processing efficiency and establish business linkages
Duration: 2017 – 2019

Intra-GIZ collaboration
Working with 6 other GIZ projects on cashew value chains in Cameroon, Kenya, Madagascar, Mozambique, Sierra Leone and Togo.

Extended networks
African Cashew Alliance
ComCashew has been closely linked to ACA, the African cashew industry association for more than 10 years. ACA has over 120 members.

Sustainable Nut Initiative
SNI is a cooperation platform for the nut sector and brings together 5 international front runner private companies for interventions in 8 countries.
Our partner

ComCashew is steered by a multi-stakeholder Board composed of public, private and development partners that meet twice a year.
The ComCashew Matching Fund is a unique private-public partnership model to accelerate the development of the cashew industry.

Matching fund partners:
- Processors of cashew nuts and apples
- Farmer-based organisations
- Government / Research
- Buyers/traders
- International kernel retailers
- Private Sector Foundations

**Number of Matching Fund projects:**

54

**Investment into the cashew value chain**

Contracts are concluded in local currencies. Euro value might differ. Figures include call 1 – 6, investments in phase 2 and 3 and 8 Matching Grant Fund contracts implemented by IDH.

**150,000**
Farmers reached through past Matching Fund projects estimated

**203,000**
Farmers targeted in ongoing projects

**Call for proposals**

Joint application of
Research institution
Processor and Farmer based organisation + Service provider
Processor and retailer

**Board evaluates concepts**

**Joint development of proposal**

**Matching Fund Grant contributions**

ComCashew/development funding

40% 60%

Private partners

ComCashew/development funding

50% 50%

Public partners
National cashew policies and strategies have been supported and implemented

- Advocacy for climate change adaptation strategies

**ComCashew has supported:**

12 African Cashew Alliance Conferences, out of which are 2 Sahelian Conferences
4 World Cashew Conferences
3 International Cashew Processing Fairs in Abidjan (SIETTA)
2 African Cashew Research Colloquiums (CIESA)

Together with public and private partners ComCashew supports the development of:

- National Business Associations
- Stakeholder Platforms
- National Public Extension Services
- Private Extension Services
- National Governmental Actors
- Regional bodies (governments and private)

Development partner identified in the cashew sector

Development Partner concertation meetings organised

Countries have joined the Consultative International Cashew Council (CICC)

CICC Ministerial Council meetings held
The average Master Training Programme edition connects:

- 3 Facilitators
- 80 Participants
- 40 Organisations
- 14 Nationalities

2 Languages
3 Locations
9 Editions
1 Programme in 3 Sessions

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<td>Good Agricultural Practices</td>
<td>Facilitation</td>
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</table>

724 Participants (in 9 editions). From 19 countries

Map of Africa showing participants from 19 countries.
Increase in female and youth Master Trainers

5 CasheWomen publications
3 Entrepreneur networking events
2 GIZ Gender Awards

39% youth
26% woman
Edition 1 – 3

44% youth
27% woman
Edition 4 – 6

50% youth
48% woman
Edition 7 – 9

"I succeeded, with hard work, to own a cashew farm. I now employ men and women. I encourage my sisters to go into cashew production."

FEMALE FARMER FROM SIERRA LEONE

95,000
Women trained in good agricultural practices

30,000
Women employed in the processing industries in 5 countries
Climate smart policy in Burkina Faso

800
Seedlings planted in 10 schools

National action plan for climate smart agriculture in Ghana

800
Seedlings distributed in northern Ghana

Resilience Against Climate Change launched in 2019

Under REACH, Resilience Against Climate Change, ComCashew is engaged in activities along decentralised, environmental planning that will support the implementation of climate-smart agricultural and land-use strategies jointly with the Ministry of Local Government & Rural Development Environmental Protection Agency Ghana and the GIZ Governance project.

Funded by the European Union

200
Districts

3
Countries for comparative studies

4
Pilot districts
58,000
People reached on social media for cashew conferences

570,000
farmers reached by radio

2 Virtual reality videos on production and processing developed
over 240 radio programmes in more than 13 languages broadcasted

Support of ACA Cashew App providing reliable market data, a network platform and information on sector events

3S Securing Sustainable Supply Information system piloted with 30,000 farmers for traceable, sustainable value chains

SAP trade app piloted with 400 smallholder farmers