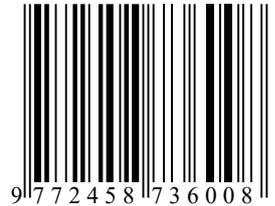




ISSN 2458-7362

# The ComCashew News Bulletin

8<sup>th</sup> Edition on



## *“Cashew Harvest Season and Sector Organisation”*



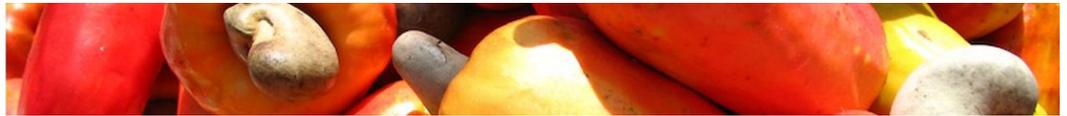
**For a shared understanding of the cashew sector!**

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## Preface by Rita Weidinger

Dear Readers,

Welcome to the 8th Edition of the ComCashew News Bulletin and to a new year of positive impact and continued achievement.

Looking back at the past year, I would like us to congratulate ourselves for our joint successes and continuous efforts at improving the cashew sector. Overall, the past year saw us progressing with major strides especially in the areas of sector organisation and capacity building. The creation of the Consultative International Cashew Council (CICC), the successful organisation of SIETTA 2016 and of the third edition of MTP among others move us a few steps forward towards our aim of promoting a competitive African cashew sector. The challenges still remain, however, as local processors continue to compete unfairly against high RCN prices and traders for adequate raw materials for their processing plants. Farm gate prices are significantly high for good quality early crop material in Ghana, Benin and Burkina Faso. In Côte d'Ivoire, although farm gate prices have been set at CFA440, trading prices are much beyond this. The onus lies on all stakeholders to encourage local processing and consumption, and on governments to support the processing sector with relevant policies and interventions.

Against this backdrop, the CICC has been initiated by the Ivorian government and supported by the Cotton and Cashew Council and ComCashew, to bring together high level ministers and their partners in the cashew sector to respond to major challenges faced by the African cashew sector and to defend the interests of public and private actors in the sector.

ComCashew held its board meeting with partners on 30th March, 2017 in Accra. I thank all our partners for their presence, and their valuable contribution to the discussions to ensure that the project continues to positively impact the sector. The Director-General of Conseil Coton Anacarde (CCA), Côte d'Ivoire announced during this meeting that Côte d'Ivoire through CCA would henceforth facilitate on land exportation of Ivorian RCN destined for processing to neighbouring countries. This will, however, apply on demand basis and under the condition that it goes

through registered exporters and that the taxes are paid. All participants congratulated the Director General of CCA for this supportive measure which will be followed up by ACA. This will increase local processing and make the African cashew sector more competitive.

ComCashew also congratulates two new board members - Caro Nut and the Ministère de l'Agriculture, l'Environnement et l'Hydraulique (MAEH) from Togo. Also Technoserve was welcomed back as observer to the Board meeting.

The discussions during the board meeting were built on and engaged discussion of private actors during the first Cashew Stakeholder Forum organised by the ACA in collaboration with USAID and ComCashew, on 29th March, 2017. The forum presented a detailed status update of the cashew industry in Africa, which generated a vibrant discussion on a joint vision and the way forward for the industry. The vision formulated reads: ***Creating wealth for all actors in the value chain by locally transforming all African Cashew competitively and sustainable, supplying traceable Cashew kernels and by-products to export and domestic markets.*** The event brought together about 60 participants from along the value chain-producers, processors, international buyers, public and private sector representatives and development agencies from Benin, Burkina Faso, Côte d'Ivoire, Ghana, Nigeria, Togo, The Netherlands, Germany and the United States, as well as key industry players like Olam, Technoserve and Red River Foods.

Responding to the high demand, the first session of the fourth edition of the Master Training Programme (MTP) by ComCashew and ACA, is scheduled to commence on May 8, 2017 and end on May 12, 2017 in Ho, Ghana. The other two sessions of the edition will be held in August and October this year. Although, the call for applications for this edition has ended, female experts in the cashew sector are continuously encouraged to apply in subsequent





editions. The MTP is a platform to promote regional knowledge exchange and networking among cashew experts and actors of the value chain.

The just-ended World Cashew Convention organised in Singapore by Cashewinfo, held its first session for women entrepreneurs in the cashew sector. It acknowledged them for making inroads into a largely male-dominated sector and making significant impact, while encouraging other women to take up more challenging roles in the sector. The event provided an opportunity for networking especially among female actors and saw the inauguration of a book on Women groundbreakers in cashew.

ComCashew and its partners aim at reducing poverty in project countries through their interventions. In a bid to extend its interventions to Sierra Leone, preliminary preparations have begun. Some members from ComCashew’s monitoring and evaluation and production team visited the country at the beginning of the year to do a baseline study and assess the situation in preparation towards beginning the project there.

Congratulations to our hardworking farmers for a generally good season. This year Mozambique enjoyed one of its highest production in the last 40years, thus

producing about 133,000 MT of raw cashew nuts. We look forward to even better harvest in the seasons to come as we continually encourage farmers to adopt the best practices. The good harvest has been largely ascribed to favourable climatic conditions. Moreover, farmers’ use of improved planting materials and application of Good Agricultural Practices have increased in recent times. These could also account for the good harvest this season.

We appreciate the efforts of all contributors to this eighth edition: Jim Fitzpatrick (The Cashew Club) and Else-Marie Fogtmann (Emalink).

Let’s continue to share our knowledge and information to build a better understanding of the cashew sector! I wish all actors a successful cashew harvest season filled with high quality cashews and fair prices for all!

Rita Weidinger

Executive Director ComCashew/ GIZ

### In cooperation with:





## The Consultative International Cashew Council

More than 10 million people benefit from income from the cashew industry in Africa, especially rural women, with nearly 80% of the jobs generated. The African cashew sector presents many opportunities such as poverty reduction, combatting migration and building resilience to climate change. Despite the growing importance of the sector in Africa, its potential is still not exploited to the fullest. Promoting local processing of cashew nuts and thus local value addition remains a major priority for producing countries. Despite the potential of the cashew sector, no platform for strategic cooperation involving the public and private players in the producing countries existed until now.

### ***The first ever international organisation for the promotion of the cashew sector***

On 16th November 2016, the eve of the opening of the 2nd International Exhibition of Cashew Processing Equipment and Technologies (SIETTA 2016), a preparatory meeting was held at the Palm Club Hotel, Abidjan around the draft convention for the setting up of the Consultative International Cashew Council (CICC). The meeting brought together government experts from 10 African cashew-producing countries including Benin, Burkina Faso, Cameroon, Côte d'Ivoire, Ghana, Guinea Bissau, Guinea Conakry, Senegal, Tanzania and Togo, as well as representatives of professional organisations within the sector and technical and financial partners. The meeting was a follow-up to an earlier one organised in Accra on April 15, 2016. This first consultation brought together some forty stakeholders from the 10 countries. At this meeting, the foundation for the joint work on the establishment of an International Consultative Council for Cashew was set.

The delegations present discussed the economic and social potential of cashew in their respective countries.

### ***An important step towards building a stronger cashew industry***

The participants in this meeting in Abidjan have unanimously agreed that the promotion of the sector is a common priority and that the creation of the Consultative International Cashew Council is a necessary tool and an important step towards building a stronger and more effective organisation of the cashew industry. SIETTA 2016 served as the framework for the formalisation of this organisation through the signature of a convention establishing the Consultative International Cashew Council by five Ministers from African cashew-producing countries.



***The experts at the meeting unanimously agreed that the cashew industry has a great economic and social potential, which has not yet been sufficiently exploited.***

### ***Organisation and operation of the CICC***

The CICC envisions creating a synergy of actions between its member states for the development of the cashew sector which is fully and permanently beneficial to actors. It seeks to set up a framework of cooperation between all cashew-producing countries and consumers of cashew products throughout the world.

The main objectives of the CICC are to:

- constitute an advocacy and lobbying tool, in order to defend the interests of private and public stakeholders in the cashew sector
- provide a framework for consultation and exchange of technical and scientific information



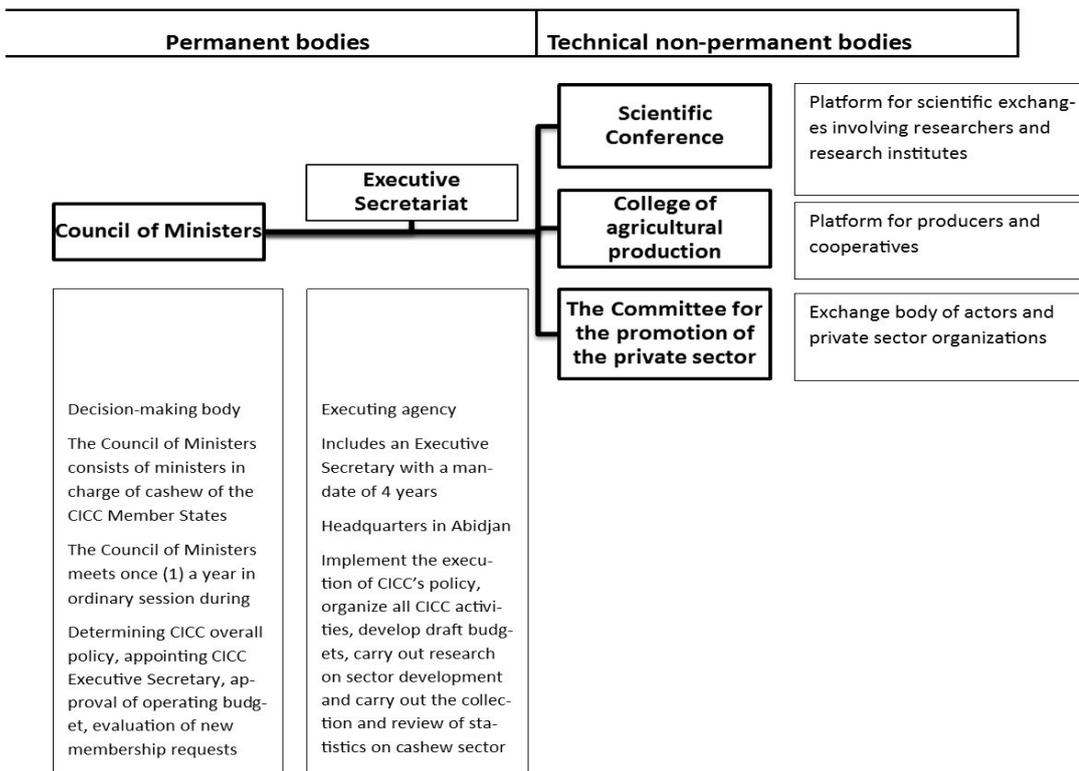
- promote cooperation and synergies between member states
- support member states in the development of policies and strategies for the development of the cashew sector
- collect, analyse and publish statistical information on the cashew sector
- support member states in the search for finance and investment for the cashew nut sector.

The headquarters of the CICC is based in Abidjan, Côte d'Ivoire. The next step is the setting up of the Executive Secretariat and the basis for its functionality.

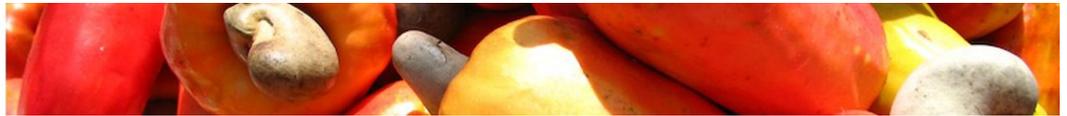
ACA has been appointed as the facilitator for private sector to interact with CICC; ComCashew was nominated to coordinate the exchange amongst Technical and Financial /Development partners in the sector. We plan for the first meeting just before the upcoming council of ministers for CICC in Abidjan which I planned for 2nd quarter 2017.

*Author: Maria Schmidt*

*Advisor, Sector Organisation, ComCashew/GIZ*



**Structure of the Consultative International Cashew Council (CICC)**



## Speakers Corner

**Name:** Else-Marie Fogtmann

**Position:** Director

**Institution:** Emalink



### Tell us a bit about yourself

I am Else-Marie Fogtmann. I am an educator by profession but I have only worked as a school teacher for a short period. I also possess a postgraduate degree in Rural Development. Today, I am a consultant and an entrepreneur, thus a cashew farmer and processor.

### How did you become a part of the cashew sector?

From 1989 to 1993, I coached volunteers of a Non-Governmental Organisation (NGO) called ADPP and went with them to Zambia, Zimbabwe, Namibia, and South Africa, respectively, for periods of 6 to 9 months. I came to Mozambique in 1993 as an employee of ADPP-Mozambique with the task of starting up commercial agricultural activities in Nampula Province in the northern part of Mozambique. The vision of ADPP was to plough back surplus from farm production into social activities and share lessons learnt in production with local communities.

In 1994, I started a farm in Itoculo, Monapo district. Initially, I had no interest in cashew and just wanted to grow annual commercial crops. However, after discussions and an introductory training on cashew production in 1995 by the Cashew Rehabilitation Project in Nampula, I realised the potential of the crop and its importance for the small-scale farmers in the Province of Nampula. In 2013, I established a consultancy- Emalink, and worked with a team of 6 people. Through Emalink, we work on ComCashew's

Matching Fund activities and training of cashew farmers in the Nampula Province.

### Tell us a bit about the Mozambican Cashew sector.

The coastline in Mozambique stretches over 2 500 km and cashew trees grow along the entire stretch of this coastline. The cashew harvest is, therefore, stretched over a long period starting in the northern part of the country in October and ending in February in the south. In Mozambique, the Cashew Promotion Institute - INCAJU - monitors the supply of RCN to the cashew-processing industries and the situation is discussed in the Cashew Committee in Nampula which comprises representatives from industry, traders, customs authorities and INCAJU among others. Based on the outcome of these meetings, the decision concerning export of raw cashew nuts instrument is taken. This season, the export was permitted relatively early, thus by mid-December, with an export levy of 18%.

### What has this year's harvest season been for Mozambique?

This year, Mozambique experienced its best harvest in the last 40 years, thus producing and trading about 133 000 MT of raw cashew nuts.

### In your opinion, what accounts for the good harvest?

Good climatic conditions mainly account for the positive result. 61% of the cashew nuts were produced in the northern part of Mozambique where 80% of the country's processing industry is situated.

### What challenges do cashew farmers face?

The sector is not without problems. Mozambique and its East African cashew-producing neighbours suffer from the Cashew Powdery Mildew disease (PMD). Temperatures below 22 degrees Celsius and the *sustained* presence of morning mist provide favourable conditions for the spread of the disease. This coincides with the sensitive flowering of cashew trees and can wipe away the production.

### What interventions have been put in place to address these challenges?



The Mozambican government has since 2001 subsidised the chemical control of +/- 6 000 000 cashew trees to reduce the negative effects of the disease and other pests. Combined with good agricultural practices like phyto-sanitation pruning, elimination of overlapping between trees and new plants, production is growing. The subsector is vital for the economic development of Mozambique, involving more than 1.4 million rural families and 16 medium-scale processing industries.

**What are some functions you play as a consultant and an entrepreneur?**

Since the consultancy work does not occupy all my time, I started farming in 2014-15 with a 50-hectare cashew farm, which is managed and tended by a team of seven. The trees are quite young with 3 800 cashew trees between 0 and 3 years. I also started micro-scale cashew processing in July 2016, in hired premises. My processing factory employs a total of 16 people, out of which 9 are women. I visit the factory for quality checks regularly where I collect data, provide feedback to the team, and help to ensure the equipment are in good condition. The TechnoServe project- 'Mozacaju'- has been supportive in developing my agri-business by providing a grant that made it possible to buy a tractor, install running water at the factory and equip the peeling section with appropriate tables.

**What are some of the challenges you face in your businesses?**

Although we are thriving, there is still a need to improve the infrastructure and increase in size and I believe this is an ongoing process. Facing challenges in a business is normal.

**What are Else-Marie's plans for the future?**

In five years' time, I see myself with a processing factory with a capacity of around 150 tons, which would be fully supplied from my own farm. I also envision forming a network around the farm that is in its early phase.

**Is there anything you would like to add?**

For the farmers, a good cashew harvest means they can take steps towards ensuring better food security, increasing their production area and satisfying their other needs. Mozambique is highly exposed to climate changes. The unpredictability of the weather is high and yet dependency on the weather is equally high. There is, therefore, a need to plan and to learn to incorporate mitigation measures using the good years to get prepared for less favourable times.

*Interviewed by: Sylvia Pobee*

*Communications Manager, ComCashew*

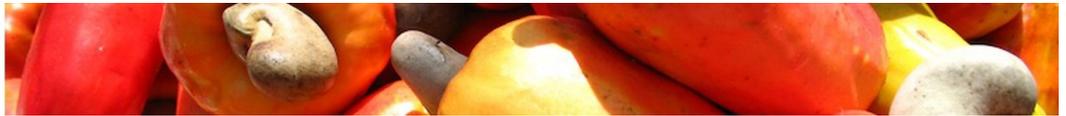
## The Cashew Market Update

It's new crop time for cashews again in West Africa. The talk in the market sounds very much like it did this time last year. Optimism can be heard in all forecasts in the northern hemisphere with the only concern being the delay of the Vietnamese crop, which we are informed will start in mid-March just as it was forecast to do last year. Of course, the optimism last year was not justified in Vietnam or in several other origins which experienced disappointing crops in the end. This led to higher prices and means that this year's crop season starts with prices discussed at levels in the range of 25-30% higher than last year. West African RCN in the



*Farmers separating nuts from apples in Mozambique.*

*Photo credit: Else-Marie Fogtmann*



international market is offered at prices in the range of \$1600-\$1800 per tonne Cfr Vietnam depending on the quality and shipment position. Farm gate prices, for example in Côte d'Ivoire are set at CFA440 and, are trading at significantly higher levels for good quality early crop material in Ghana, Benin, and Burkina Faso. Cashew kernels too are being sold at much higher prices. WW320 are offered at prices in the range of US\$4.45-US\$4.60 per lb FOB India or Vietnam. This is about US\$1.00 per lb higher than a year ago, and has not been without consequences for demand with 2016 imports to the USA, Europe, and the Middle East down on the 2015 figures. Even Indian demand, the long-time driver of world cashew demand growth, has stuttered in recent months under pressure from high cashew prices and strong competition from well-priced almonds and pistachio nuts. Buyers of cashew kernels appear to be acting cautiously and seem content to wait for lower prices before making the major decisions for the rest of



*Raw Cashew Nuts (RCN)*

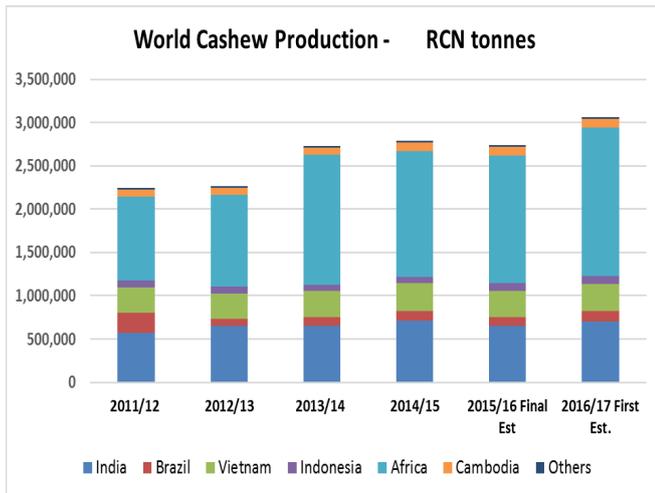
*Photo credit: ComCashew*

the year. Indeed, who can blame them with kernels prices just below all-time highs and the US dollar looking strong.

There has been some concern that the market could become very tight in the period between the crops. This seems to have alleviated although we should not underestimate the time taken for new crop in West Africa to be prepared, shipped, and processed in Vietnam and India. This has become the key calculation now as the processors in Asia have become increasingly

reliant on imported RCN. For the first time in 2016, Vietnam imported over one million tonnes of RCN surpassing India which imported just under 800 000 tonnes, well down on 2015 figures. Vietnam has been the largest exporter of kernels for some years but its dependence on imported raw nuts has grown quickly. In 2016, Vietnam imported more than 75% of the cashew nuts it processed meaning that the industry there is highly dependent on African suppliers. In turn, buyers in major markets such as the US and the EU relied on Vietnam for up to 80% of their supply of cashew kernels. In short, the market and therefore the risk have become concentrated on two supply chains without many options – the West Africa-Vietnam RCN chain and the Vietnam kernels export chain. Neither are without significant risks such as food safety, quality, traceability, and operational risks. However, Vietnam has imported more than 75,000 tonnes of RCN from the beginning of 2017 to mid-February with kernel exports at about 22,000 tonnes. This means that exports have been replaced and stocks should remain unchanged.

At present, we see very low traded volumes taking place. Kernel buyers do not want to buy at the current high prices. Processors are nervous to sell forward as they are still not sure of crops. They are faced with poor information but hear plenty of gossip and some concerning reports such as a mango crop problem in parts of Vietnam (mango crops are sometimes regarded as an indication of the cashew crop that follows). Some RCN traders are chasing supplies – in some cases too many traders and too much money chases too little volume spiking prices and causing unrealistic market conditions which can cause problems of contract default later. Until we begin to see more volumes flowing from the farms to the processors it will remain difficult to judge the likely progression for prices and therefore demand in 2017. It does, however, seem very likely that there is only a very limited chance of higher prices especially if the crops meet the latest expectations.



**Figure 1 Ingredient Sourcing Solutions**

World cashew production in 2016/17 is foreseen by Ingredient Sourcing Solutions to rise by about 12%. This is based on a return to the trend of 2015 in Côte d’Ivoire, the record crop already confirmed in Tanzania, continued increases in other African countries such as Guinea Bissau, Nigeria, Benin, and Ghana after a disappointing year in 2016. The Vietnamese and Indian crops are also, based on current forecasts likely to return toward the levels of 2015. The increase of some 330,000 tonnes of RCN or approximately 83,000 tonnes of kernels is likely to be adequate to meet demand and replenish diminished stocks. Therefore, in our view and given the impact on demand of the high level of prices which currently reflect the short supply of August – December 2016, the market price is likely to return toward the levels last seen a year ago. However, we are not suggesting that kernels prices will fall to the lows of last year as buyers’ inventories are diminished, their forward purchases are minimal and demand, over the longer term, remains strong.

The estimates of the crop are based on the current official and trade estimates. The crops have just started and there are risk factors that can change these estimates. The weather is the most obvious but it can also be that there is damage of which we are not yet aware. In Vietnam for example by the earlier heavy rains or in West Africa we have seen disruption to shipments in the past due to logistical or political

problems. The patterns of arrivals and trade need to be closely followed. Buyer activity too needs to be closely followed. We have seen on many occasions that buyers can move earlier than expected causing high prices to be sustained longer than expected. The 2017 game is on but the outcome is far from clear at the moment.

*Author: Jim Fitzpatrick*

*The Cashew Club*

## Staff Profile



**Name:** Bernard Agbo

**Position:** Director, Sector Organization

**Institution:** ComCashew

### What position do you currently hold in ComCashew?

I am currently in charge of sector organisation and based in Abidjan. I am working in all the 6 intervention countries of ComCashew but with a special advisory focus on Côte d’Ivoire which is producing 50% of African and 25% of world’s cashew nuts.

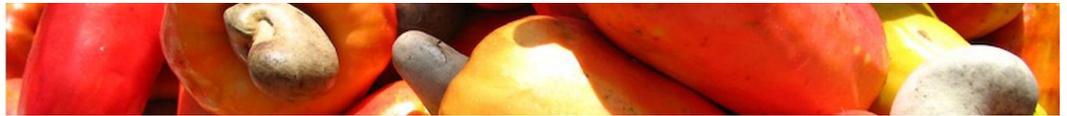
### How long have you worked with GIZ?

I have been working with GIZ for 17 years.

### How long have you worked in the cashew sector?

During the first phase of ACi, I spent three and half years as Director of Production, Learning and Innovation in the five pilot countries. However, before this position, I supported the development of the cashew value chain strategy in Benin.

### Tell us a little about your professional background.



I am an agronomist holding a MSc in Agronomy from Benin and a PhD from the University of Hohenheim in Germany in Management of Agroforestry Systems.

I started my professional career in 2000 in GIZ (formerly GTZ), Benin where I worked with a project dealing with agricultural research management and demand-driven innovations development. In 2016, I was appointed Technical Adviser at the Ministry of Agriculture in Benin to support M&E and agriculture value chains development. Thereafter, I started my international career with GIZ in 2009, joining the African Cashew Initiative (ACi) in Accra/Ghana. After working with ACi, I took up the position of advisor in the GIZ support Programme for the Comprehensive African Agriculture Development Programme (CAADP), where I spent 4 years as seconded staff at NEPAD in Midrand/South Africa working in the fields of agribusiness and agricultural technical vocational training. Since January 2016, I have returned to West Africa and back again to the cashew sector.

**Tell us briefly about how you got to where you are currently.**

I like my work and I believe in contributing to changing the current situation of the target groups for better livelihood. I, therefore, believe that being a part of a similarly motivated team, I can contribute to achieving our set targets for tangible results. This attitude helps to overcome the challenges and continue moving forward.

**What are your responsibilities in your new position? What are the required skills to fill this position?**

In my current position, I will contribute to strengthening the organisation of the cashew sector within the framework of the Competitive Cashew initiative in 3 key areas:

- Sector portfolio in selected countries and in the region
- Analysis of actors and organisations
- Strategic planning and implementation of project interventions in the sector

My more than 15 years' advisory experiences in project management in development cooperation (GIZ and governments), my institutional organisation skills as well as my excellent teamwork capacity will be helpful for the achievement of these objectives. Nevertheless, I need to deepen my degree of

understanding agricultural trade politics and also to be updated on the latest development in the global cashew sector.

**What are some of the challenges you have encountered in your new position?**

In contrast to my former position where I interacted mainly with the stakeholders in the production segment, in my new position the target groups are national project partners, agriculture, trade and industry ministries, government representatives, donor organisations and NGOs in their specific and less coordinated roles. The promotion of a sustainable development of the cashew value chains, for example developing national strategies and dialogue platforms between public and private actors, remains a challenge in a high political environment with sometimes divergent interests.

**What are some of the things you hope to achieve in your new position and in ComCashew/GIZ?**

With my advisory support, I hope to contribute to the establishment and coordination of improved frame conditions at country level and a structured collaboration amongst national and international research and extension centres. The development and implementation of enabling business policies and strategies for the sector, strengthening of inter-ministerial dialogue, and intra-African and regional economic cooperation platforms, which materialised with the creation of the Consultative International Cashew Council (CICC) last year during SIETTA will be an essential outcome of my advisory work.

**How does your component (Sector Organisation) contribute to the work of ComCashew/GIZ?**

The component, sector organisation, focuses on developing and promoting regional dialogue and coordination among cashew-producing countries. It also supports national and supra-national organisations and conferences in order to promote cross-country knowledge management and learning, and joint development of the cashew sector.

Another key role that we play as a component, is the provision of institutional support in order to strengthen the capacity of actors to establish and make efficient use of national committees. The component also promotes the integration of climate



adaptation aspects in cashew sector strategies while supporting the development of national and regional Cashew Master Plans and Cashew Platforms, and its coordinating their execution.

Our contribution includes working to strengthen the capacities of all actors in the sector through training programmes such as the Master Training Programme. Sector organisation also supports national governments in developing policies which promote the growth of private sector investment into the cashew sector.

**What does your component aim at achieving in Phase III?**

The objective is to create an enabling business environment through improved sector organisation and public-private dialogue at country and regional levels.

**Are there any challenges you envisage your component encountering?**

All the envisaged activities above could only be implemented if there is a clear will of the cashew sector partners at country and regional levels. Our intervention will be mainly in the advisory services and things will only happen when the partners express their will to proceed and achieve the necessary change.

**What do you enjoy most about your job?**

As a team player with the ability to work under pressure, I am determined to work closely with colleagues and partners at different levels in achieving our common objective.

**What is your source of motivation?**

My more than 15 years’ experiences of work in GIZ, a reputable international development organisation with vast experiences in the field of sector organisation in many areas and worldwide, gives me the capacity to adapt to my new environment and implement accordingly.

**What does Bernard do when he is not busy with work?**

I like travelling with my family or friends to discover new sites around the world. For my short breaks I often exercise, watch TV (news and football) and sometimes have fun by clubbing.

**Tell us a bit about your family.**

We are a small family with my son who is now a 17-year-old teenager, quite a talkative and always likes to be very persuasive in discussions with his parents. I also have a very supportive wife who has played a significant role in all my endeavours during my career.

**What would you say to anyone who aspires to be like Bernard Agbo?**

Love your work and give your best to achieve results. Be a team player.

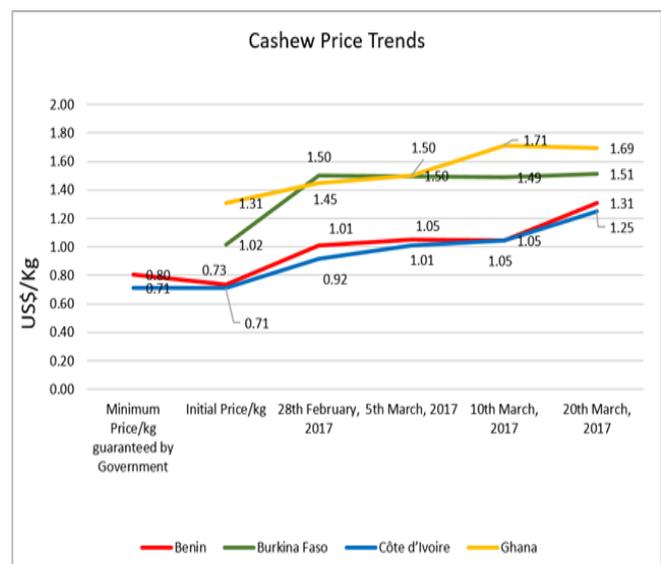
*Author: Nunana Addo*

*Communications Officer, ComCashew/GIZ*

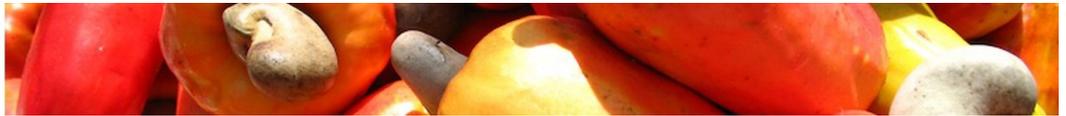
**A Peek at the 2017 Harvest Season...**

Although the total harvest is not yet known, this year has seen more promising production levels than last year. However, the rains which have recently set in in some production areas like Benin, Ghana and Côte d’Ivoire are likely to affect the RCN quality.

Due to high global demand for cashew, RCN prices across cashew-producing areas increased as the market season progressed even with high production levels.



**Fig 1: Cashew market trends**



In Benin and Côte d'Ivoire where minimum prices were set (500 FCFA/kg and 440 FCFA/kg respectively), price trends were lower at the beginning of the season (beginning of February) and also lower than Ghana and Burkina Faso.

Ghana and Burkina Faso started the season with prices far above US\$ 1.00/kg which increased steadily throughout the season and reached US\$1.70 in Ghana and US\$1.50 in Burkina Faso by the end of March. Mozambique on the other hand, which has a different cashew season from its West African counterparts, started the season with US\$ 0.60/kg in October 2016 with no minimum price by government. Mid-season price was at US\$ 1.01/kg, which fell to US\$ 0.70/kg by the end of January.

In Burkina Faso, cashew actors agreed on a protocol price of 600 FCFA at farm gate and 690FCFA at factory gate. This was not successfully implemented due to a rise in RCN prices to 930FCFA (US\$ 1.45) as at February 28, 2017.



Container filled with bags of RCN for export

Photo credit: ComCashew

Cashew exports outside Burkina Faso were restricted at the launch of the official opening of the cashew season by the Ministry of Trade. Most cashew farmers hoarded their nuts to sell at a higher price when the ban was lifted. This caused an immediate rise in price for Burkina Faso early this cashew season.

Following the continuous problem of land border export from Côte d'Ivoire to Ghana and Burkina Faso due to the high price in these two countries, the Ivorian government has taken adequate measures to

combat this cross-border traffic. Giving this situation, ACA implored the Ivorian government to facilitate RCN supply to processing factories located in Burkina Faso and Ghana. During the ComCashew Board Meeting on 30th March 2017, the CCA General Director announced the Ivorian government's commitment to allow and facilitate on land exportations of Ivorian RCN meant for processing to neighbouring countries. He, however, emphasised that this arrangement shall apply only on demand basis and under the condition that it goes through registered exporters along with payment of taxes due.

However, there is news for farmers who are still hoarding their nuts. Since the beginning of April, prices have begun to fall in the market and farmers who are hoarding nuts with the expectation of higher prices might be disappointed as prices are predicted to continue dropping.

Author: Mohamed Salifou

Advisor, Production, ComCashew/GIZ

## Along the Cashew Value Chain

### Production

At the beginning of this year, strategic research was conducted in Sierra Leone to explore in detail the potential of cashew sector in the country. In collaboration with technical staff from Ministry of Agriculture, Forest and Food Security (MAFFS), Sierra Leone Agricultural Research Institute (SLARI), Forest Commission, Sierra Leone Chamber for Agribusiness Development (SLeCAD) and other stakeholders, ComCashew enhanced field agents' capacity in the area of identification and selection of cashew elite mother trees, techniques of measuring cashew quality (KOR) and data collection techniques in order to gather baseline information.

Data collection and elite mother tree selection have started in the field and are expected to be completed between April and May.



In the coming months, ComCashew will focus on:

- Supervising and supporting district coordinators on data collection and elite mother tree selection.
- Acquisition of planting material to set up three community nurseries for seedling production.
- Training of nursery operators and grafters in established nurseries to graft their seedlings with scions from identified elite mother trees.
- Distribution of improved planting materials and set-up of scion gardens.
- Designing and rolling out Training of Trainers program on Good Agricultural Practices for cashew cultivation.
- Training of additional Master Trainers and backstopping Training in data entry and analysis.
- Linking with Researchers –in Ghana, as well as other West African countries.

In Côte d'Ivoire, the Training of Trainers (ToT) on Farmer Business School (FBS) approach in the cashew sector is under preparation through a pilot FBS training. In total, 20 experts from partner companies (CCA, ANADER, FIRCA, PROFIAB, PSAC, OLAM, NGOs) are expected to participate in this session.

In Benin, Burkina Faso and Ghana, the Monitoring & Evaluation team is supported together with national partners to organise trainings for enumerators for the 2017 Yield Survey. Data collection is ongoing in Benin and Burkina Faso. Meanwhile, the Terms of Reference for the second edition of Economic Case Study have been developed and shared with partners for their contribution and input.

*Author: Mohamed Salifou*

*Advisor, Production, ComCashew/GIZ*

### **Processing**

The 2017 cashew season has begun in earnest in West Africa. Whereas the minimum guaranteed prices announced by the cashew sector and governments have increased by 17% to 43% as compared to prices of 2016, RCN prices have, in reality, increased by 50% to 80% of last year's prices.

It is still early in the season. However, we cannot fail to examine the implication of this phenomenon for the local processing sector in Africa. For a processor who has budgeted RCN prices for 2017 similar to those of 2016, there is definitely a gap in funds for sourcing RCN. In order to increase local cashew processing, the right business environment is required.

There are many reasons to ensure processing grows in Africa- right environment for profitability, traceability as well as social and economic impact on local communities. We invite discussions of issues in the sector by cashew-producing countries aiming to increase local processing.

*Author: Mary Adzanyo*

*Manager, Private Sector Development, ComCashew/GIZ*

### **Supply Chain Linkages & Matching Fund**

The setting up of the ComCashew Matching Grant Fund to leverage resources from both private and public partners for interventions in the cashew value chain has, without any shred of doubt, contributed significantly to ejecting substantial financial resources into the cashew value chain. In November 2016, two more grant agreements have been renewed with Institut National de l'Environnement, de la Recherche et de l'Agriculture (INERA) in Burkina Faso, and Cocoa Research Institute of Ghana (CRIG) in Ghana to continue with the activities of improved planting material development in the area of maintenance and expansion of scion banks and germplasm gardens.

This achievement of the matching fund facility, notwithstanding, ComCashew is working together with funding partners as well as financial services providers, to facilitate financing for smallholder cashew producers since lack of access to financial services, farm inputs and business services to smallholder-farmers remain a challenge. This would allow smallholder-farmers access to the aforementioned services thereby optimising their productivity and increasing their earnings.

Some of the causes of low productivity for cashew production are attributable to lack of access to farming inputs such as improved planting materials, fertilizers, insecticides, fungicides as well as other agricultural



resources. This is why ComCashew believes that an engagement with the smallholder cashew farmers with an intention to endow them with authentic avenues that would offer them a full suite of banking services to meet all of their financial needs is critical to ensuring the sustainable development of the production end within the value chain.

*Author: Ernest Agbavito*

*Manager, Matching Fund, ComCashew/GIZ*

## **Sector Organisation**

### **Trilateral Cooperation between Ghana, Brazil and Germany**

The governments of Ghana, Brazil and Germany have realised the potential of cooperation. Together, they have developed a project that aims at improving the quality of research for the development of high yielding, pest and disease-tolerant cashew clones that are well-adapted to local conditions. Furthermore, they intend to improve the efficiency and technologies of raw cashew nut and by-product processing.

The project is funded with €700 000 through the Regional Fund for Triangular Cooperation in Latin America and the Caribbean. It is being implemented by the Ministry of Food and Agriculture (MOFA) in Ghana, the Brazilian Cooperation Agency (ABC) through the Brazilian Agricultural Research Corporation (Embrapa), and Deutsche Gesellschaft für international Zusammenarbeit (GIZ) GmbH through the Competitive Cashew initiative (ComCashew). A strategic planning workshop has been scheduled for May 2017 in Ghana, by the representatives from these institutions.

### **Establishment of a Cashew Regulatory Board in Ghana**

A Joint Ministerial Technical Committee (JMTC) was established at the beginning of 2017, which is made up of representatives from the Ministry of Food and Agriculture (MoFA), the Ministry of Trade and Industry (MoTI), the Ghana Investment Promotion Council (GIPC), the Ghana Export Promotion Authority, the Plant Protection and Regulatory Service Directorate as well as private sector organisation, Cashew Industry Association Ghana and the African Cashew Alliance. The objective of this committee is to make the Ghanaian Cashew industry more competitive by

regulating and monitoring cashew-related activities.

*Author: Ann-Christin Berger*

*Advisor, Sector Organisation, ComCashew/GIZ*

## **Management**

### **Congratulatory Messages**

Congratulations on your new job, Arie Endendjik. It has been great working with you over the past four years. ComCashew and the general cashew sector would certainly miss you. As a strong believer and key player in the cashew sector, we know your doors are always open to us, even now, for your insightful opinions on cashew-related issues.

Also to Harry Sinclair from KraftHeinz, Garrett Small from Walmart and Joe Dever from USAID who have changed workplace/ position, a big thank you for your excellent collaboration, and all the best for the future.

To all successors, we are looking forward to working together with you.

For the changeover of Managing Director in ACA, we wish the interim Director, Ernest Mintah all the best. Congratulations to the ACA Executive Committee and the management for the clear focus of the new strategy—on processing in Africa. The teamwork with ComCashew was displayed excellently during the board and stakeholder meeting in March.

One major backbone of ComCashew since its first days—Astrid Kothe—is leaving to new grounds in the Pacific. Astrid; a big Thank you for keeping us “safe” with clean figures and financial analysis. All the best to you and your family.

*Author: Rita Weidinger*

*Executive Director ComCashew/ GIZ*



## Events & Meetings

### International events

**Africa Learning Forum on Adaptation (ALFA) 2017**  
March 20 -24 , 2017  
Senegal

**Australian Nut Conference**  
March 27-29, 2017  
Melbourne, Australia

**INC XXXVI, World Nut and Dried Fruit Congress**  
May 19 - 21, 2017  
Chennai, India

**CICC/ Council of Ministers**  
2nd Quarter 2017  
Abidjan, Cote d'Ivoire

**European Development Days**  
June 7-8, 2017  
Brussels, Belgium

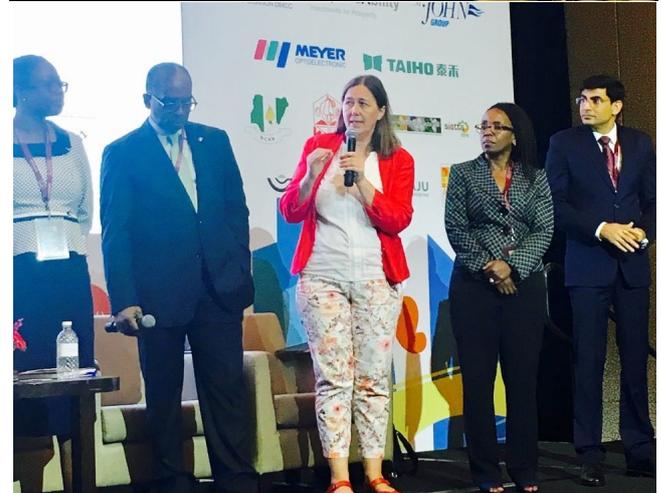
**ACA World Cashew Festival and Expo**  
18th—21st September 2017  
Cotonou, Benin

**9<sup>th</sup> Vinacas Golden Cashew Rendezvous 2017**  
November 2017  
Vietnam

### ComCashew events

**Board meeting**  
March 30, 2017  
Accra, Ghana

**Master Training Programme  
(4<sup>th</sup> edition- 1<sup>st</sup> session)**  
May 8 -12 , 2017  
Ho, Ghana



GIZ/ComCashew participation at the WCC 2017  
Photo credit: GIZ/ComCashew



## And now for a taste of cashew...



*Chicken & Cashew Stir Fry*  
Photo: ComCashew

### Serving size: 4

#### Ingredients

For chicken

- 1 egg
- 1 tablespoon corn flour
- Pinch of salt to taste
- 500g skinless chicken breast fillets sliced
- 300ml oil

#### For stir fry

- 2 large onions sliced
- 2 yellow pepper without the seeds and sliced into strips
- 2 red peppers without the seeds and sliced into strips
- 3 tablespoonful chicken stock
- 2 - 3 tablespoonful (light) soy sauce
- 2 large spring onions sliced
- 40g roasted cashews
- Salt and white pepper to taste
- Steamed rice

\*Chicken may be replaced with any other meat or fish fillets

### Method

#### For chicken

- Place the egg into a bowl, add the corn flour and a pinch of salt and whisk well to combine, add the chicken to the mixture and coat well
- Heat a wok/ pan and add oil
- Add the chicken for 4 - 5 minutes or until golden brown and crisp, remove from hot oil and drain on absorbent kitchen paper

#### For stir fry

- Pour all the oil from the wok leaving about 1 tablespoon full
- Reheat the oil over a high heat, add the onions and stir fry for a few seconds
- Add the yellow and red pepper slices and stir fry for one minute or until softened
- Add the chicken pieces and stir for 1 - 2 minutes
- Add the chicken stock and soy sauce. Simmer until the chicken is well cooked
- Stir in the spring onions and cashews, season to taste with salt and white pepper and transfer to a serving dish

**TIP:** Serve immediately with steamed rice

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The ninth edition will be published in April 2017. If you are interested in contributing or would like to send your comments, please send a mail to [nunana.addo@giz.de](mailto:nunana.addo@giz.de)