



Building a competitive African cashew industry!

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Bringing the Cashew World Together!  
6<sup>th</sup> ACA Annual Conference  
19 - 22 September 2011  
Kairaba Beach Hotel  
— Banjul, The Gambia

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First World Cashew Expo To Debut at ACA Annual Conference

For the first time this year, a World Cashew Expo will be held alongside the 6th ACA Annual Conference. This unique exhibition of cashew equipment and service providers from around the world will allow cashew stakeholders to address all their needs in one location. Featured exhibitors will include manufacturers of automatic peeling, shelling, and sorting machines, nut pasteurization equipment, and the latest weighing and packaging technology. Attendees will be able to shop for innovative market solutions to improve their operations from turnkey solution providers. Other input and service suppliers to the agribusiness industry may also be present. This addition to the conference will provide even more opportunities for participants to learn about best practices in the global cashew industry and network with hundreds of cashew industry operators, processors and investors from around the world.



Mechanization will play a key role in the development of the African cashew industry

The World Cashew Expo comes at a key time in the development of the African Cashew industry. In order to reach ACA's goal of 100,000MT of additional processing capacity in Africa by 2015, 75 to 100 new factories will need to be fully equipped and up to 275 new peeling machines will be required. Therefore, this exhibition represents a key chance to facilitate this expansion, enable investments in factory upgrades, and boost productivity across the cashew value chain.



Shipment of African RCN to Brazil - June 2011

World Cashew Task Force is Formed, ACA Elected to Steering Committee

**"We want to produce as much as we can and we want to learn from other people around the world. Attending ACA 2011 in the Gambia will give us the opportunity to do so!" - Jide Anjorin, ACET Nigeria**



Signing ceremony of the World Cashew Task Force in Budapest, Hungary

Stakeholders from the global cashew industry established a World Cashew Task Force at the International Nut Council's (INC) annual convention in May. ACA was nominated onto the 10-member steering committee that will develop a program budget, along with the cashew associations of Australia, India, Vietnam, and Brazil, and large processors and buyers of cashew Kraft Foods, Olam, Rajkumar, Intersnack and the Richard Franco Agency.

Continued on page 2



## Preparations Underway for 6th ACA Annual Conference: Sneak Peek Into This Year's Event!

From 19-22 September, 2011, the world's leading cashew stakeholders will gather in Banjul, The Gambia for the 6th ACA Annual Conference. This year's event will be themed "Bringing the Cashew World Together" and will reflect a true international focus in attendees, exhibitors, and speakers. As cashew prices hit new highs around the world, this is a prime moment for players in all areas of the cashew industry to come together and showcase Africa's strategic role in the world market.

After last year's successful conference in Maputo, Mozambique, which was attended by 200 participants and featured 180 Business to Business meetings, this year's event will include even more opportunities for attendees to learn about the latest trends in the world cashew industry and establish lasting business relationships.

Tuesday 20 September will feature a full day Plenary Session composed of presentations and speeches by cashew experts on the most topical issues in the industry. Planned topics include a presentation of the ACA Quality and Sustainability Seal, a discussion of the cashew sector in The Gambia and SeGaBi region, a talk on new opportunities in the world cashew market from luxury nut to daily snack, and a discussion of hand shelling versus mechanized processing. Each session will feature a wide variety of

international panelists to offer their own unique perspectives on these highly relevant topics.

To coincide with the First World Cashew Expo, Wednesday 21 September will be devoted to the World Cashew Expo Forum. This interactive, open event will allow conference attendees to engage directly with their fellow participants and presenters. Five thematic pavilions, each devoted to a different part of the cashew value chain, will feature demonstrations, workshops, and debates. The tentative pavilions include farming technologies, innovations in cashew processing, marketing quality, finance and investment, and the enabling environment. In addition, the Forum will feature guiding walking tours through the World Cashew Expo, a multimedia and entertainment space, an open networking room, and arranged Business to Business meetings with matched potential business partners.

A number of optional field trips will occur on the third day of the conference. Through these unique trips, attendees will explore and learn more about The Gambia, a country with the potential to become a center of the cashew trade. Field trips will also provide opportunities to get to know The Gambia's beautiful cultural sites with a downtown tour of Banjul and a boat trip to Kunta Kinteh Island.

Please visit [www.africancashewalliance.com/conference](http://www.africancashewalliance.com/conference) for more information and registration details.



The conference will be held at the Kairaba Beach Hotel in Banjul

### First Meeting of World Cashew Task Force to Be Held Alongside ACA Conference

*Continued from page 1 -*

Over an initial four-year period, the task force will focus on developing a global cashew standard as well as researching and promoting the health benefits of cashew. The task force's promotion of cashew's nutritional benefits will positively impact the value chain by increasing demand for cashew, thereby making the industry more profitable and increasing the small farmer's return on the crop. In addition, the steering committee will support the UN Food and Agriculture Organization (FAO) in developing a program to grow the global cashew crop. Africa is likely to be the primary target of this initiative.

ACA has led the effort to establish a world cashew association over the past four years and continuously promoted the cause of realizing common goals across the cashew world. Most of the task force members do significant business in Africa and are already ACA members. ACA is thus quite pleased that the first meeting of the task force will be held at the ACA Annual Conference, which is aptly themed "Bringing the Cashew World Together."

### Interview with Jim Fitzpatrick, World Cashew Expo Coordinator

*What is your role in organizing this event?*

Following on from my role as team leader of the Global Cashew Processing Equipment Study conducted earlier this year by ACi, my role is to promote the Expo by encouraging equipment manufacturers from all over the world to attend and exhibit their products. I will also coordinate the processing equipment workshop at the Expo and conduct a walk through for processors and potential investors.

*What is the significance of hosting the First World Cashew Expo in Africa?*

The key findings of the Cashew Processing Equipment Study were the need to increase the profile of the African cashew processing industry (especially in India, Vietnam and Brazil) and the need for more competition so as to give processors more sourcing options and to show the vast potential in Africa to equipment manufacturers everywhere. The objective is to encourage an environment for business between processor and equipment manufacturer. The Expo 2011 is one of the first steps in this journey.

The place of the main producing countries in the cashew world is long established. There is more interest now than ever before both in the cashew industry and the opportunities on the African Continent. This Expo, which we hope will grow to be a fixture on the cashew calendar, will mark an event where cashew people will gather in Africa every year to do business and look at the long term prospects for our industry.

*How is the Expo unique compared with other exhibitions? What should conference attendees expect to find there?*

It is the only platform where cashew equipment manufacturers from any part of the world are welcomed equally and encouraged to interact with the industry.

Visitors should expect to find everything that's connected with cashews and few things more besides from jute bags to optical sorters and of course a great Gambian welcome.

*What do you primarily hope exhibitors and attendees will gain from their participation in the Expo?*

The breaking down of barriers so that trust and good business can follow.

## Cashew Processors and Buyers Enthusiastically Respond to Development of ACA Seal

As ACA continues to develop its unique food safety and quality program in the form of the ACA Seal, stakeholders across the cashew value chain have reacted with excitement and anticipation. The ACA Seal will require processors to have and maintain systems to ensure continuous compliance to controls that eliminate the major causes of customer complaints or rejections, including infestation, foreign material, clumping/blocking, taste, food safety, and grade compliance. By assuring foreign buyers that African processors meet these strict criteria, the ACA Seal will directly increase the competitiveness of the African cashew industry.

Jace Rabe, President of Tolaro Global in Benin whose facility will participate in the Seal's pilot program, is excited about what it will mean for their nearly completed processing factory. "The cashew industry is notorious for foreign material, unregulated factory conditions and poor manufacturing practices," he said. "Our industry as a whole is in desperate need of a standardized quality program that end users can rely on and I think that the ACA Seal is the answer to this dilemma. As a processor of cashews, we are excited to use this seal as we feel it will increase buyer confidence in our cashews as well as unify and advance the African cashew industry."

**"As a processor of cashews, we are excited to use the ACA Seal as we feel it will increase buyer confidence in our cashews as well as unify and advance the African cashew industry" - Jace Rabe, President, Tolaro Global**



All processing procedures will be evaluated and monitored under the ACA Seal program

In addition to increasing buyer confidence, the ACA Seal may help processors save money. Implementation of the Seal program will result in fewer breakages during the processing process and less processing and cleaning. Early estimates predict savings of at least 5 US cents per pound. In addition, the ACA Seal will enable processors to access new markets, as it has been reviewed and ruled to be compliant with the US Safe Food Modernization Act. Customer loyalty will be built as quality product attracts repeat buyers. The ACA Seal is also cheaper to implement than other certifications and is specifically tailored to African cashew.

Buyers are also pleased with the prospects offered by the ACA Seal and its ability to help them to ensure continuous quality control. Buyers also applaud the inclusion of Social Responsibility standards in the Seal program. Kees Cozijnsen, quality manager at Trade and Development Group in the Netherlands, said, "Cashew processing in Africa is increasing and the sky is the limit, both in quantity and quality. The ACA Seal has the potential to be pivotal in quality improvement, to be the link between the industry and the customers." Demonstrating their support for the program, major cashew buyers Kraft and Intersnack have both already

committed to purchasing ACA Seal approved cashews. This strong support from industry players will greatly assist in making the ACA Seal a success. The ACA Seal will officially be launched at the 6th ACA Annual Conference.

## IRD and ACA Join Forces to Promote Sub-Regional Cashew Growers and Processors

*Jo Anne Yeager Sallah, IRD Country Director*

Officials from International Relief & Development (IRD) and the African Cashew Alliance (ACA) recently signed a Memorandum of Understanding between the two organizations which promises to bring much needed technical assistance and organizational support to the cashew sector in Senegal, Gambia, and Guinea Bissau.

A relatively new crop to The Gambia, IRD through its USDA Gambia River Basin Cashew Value Chain Enhancement Project (locally referred to as CEP) has been working with cashew producers in selected cashew growing regions of the sub-region since 2009 to promote improved cashew yields and strengthen marketing strategies. The goal of the CEP initiative is to improve incomes for rural cashew growers in the sub-region.

On the part of the African Cashew Alliance, Executive Committee member Mr. Ram Mohan, a cashew nut exporter, has long supported the cashew industry in sub-region. Mr. Mohan represented the ACA Secretariat at the IRD/ACA MOU signing ceremony held at the IRD Offices on July 1st, 2011.

The MOU between IRD and ACA lays a solid foundation for continued collaboration and support in the areas of cashew production, processing, and promotion of sub-regional cashew nuts and cashew value addition products in export markets. The IRD Country Director, Jo Anne Yeager Sallah, expressed her enthusiasm for the partnership between ACA and IRD, specifically noting that ACA membership includes the most experienced and influential cashew processors and traders in the world. It is IRD's strategy to bring top level expertise to the sub-region to introduce more efficient, high quality cashew processing techniques. "The IRD/ACA MOU provides a fantastic foundation for our work. The CEP motto of 'cashew is business' comes to life through the ACA. ACA's focus is on realizing management efficiencies in processing and production, as well as emphasizing the professionalization of local cashew production and processing, so that cashew ventures become among the most successful business enterprises in the sub-region."

The MOU extends to cover a wide range of activities being carried out in the cashew sector, including participation in the upcoming 6th ACA Annual Conference and World Cashew Expo.



IRD Country Director Jo Anne Yeager Sallah and ACA Executive Committee Member Ram Mohan shake hands as they agree to pursue joint activities to promote improvements in the cashew value chain in The Gambia, Senegal, and Guinea-Bissau.

## Benin Cashew Days Ruled A Success

*Boris Houenou, ACA National Secretary Benin*

**Promoting cashew value chains in Benin.** This was the theme around which cashew actors (producers, processors, traders, exporters, service providers, transportation, quality control, banks, potential investors, state actors and consumers) met for two days for the first Benin Cashew Days.

This ACA-organized event was held on 30 and 31 March 2011 at the Chamber of Commerce and Industry of Benin. With the support of the African Cashew Initiative, Support Facilities of the Agricultural Sectors Atacora and Donga (FAFA-AD) of the Belgian Development Cooperation (BTC), and the Ministries of Agriculture and Commerce of Benin, various cashew players gathered to reflect on the cashew business.



Stakeholders gather in Benin to discuss the development of the cashew industry

The participants proposed recommendations to be suggested to the state, particularly on the issue of procurement for local processors, and discussed the creation of a Cashew National Platform (Interprofession de cajou) in Benin.

The event was also a business opportunity, through meetings between ACi, the Chinese Center for Socio-Economic Development in Benin, various investors, and the banks ECOBANK, BoA and BSIC. ACi negotiated partnerships with the BTC and the government. ACA also will gain some new members from the event: BTC, Chinese Center, and several individuals. Exhibitors of the mini-fair made a larger turnover in sales than at the last International Exhibition of Agriculture, Livestock and Fisheries (SIAGREP). Given the success of the event, participants and officials widely agreed that the Benin Cashew Days should be repeated annually.

## Progress Continues on Formation of National Cashew Platforms

Considerable progress has been made in the last months on the organization and strengthening of ACA National Committees. The National Committees will ultimately be independent private sector associations spanning the value chain. These committees will facilitate and coordinate cashew-related activities in their countries as well as promote cashew business interests to the government and other stakeholders. The ACA Executive Committee has asked that each National Committee develop a proposal for a country-specific strategic plan for the development of the cashew sector, to be presented to its government.

In **Benin**, the National Committee is currently in the process of organizing the myriad players involved in the cashew sector (processors, exporters, buyers, etc.) with the goal of having an organization structure in place by September. So far, the process is led by the ACA National Secretary and the Department of Promotion and Farm Legislation (DPLR). Progress has been made among the group of the largest exporters who have begun

to take leadership of the process. Right now the development of a list of active exporters is underway and an exporters' association will soon be launched under the supervision of the Ministry of Commerce and Agriculture. As for buyers, key actors reaffirm that an elective General Assembly will be held no later than September 2011. There are many active players in Benin who are more than ready to make strides toward the formation of a true National Committee.

In **Burkina Faso**, the creation of a national association of industry players and consultation with key stakeholders is currently underway. Strong regional structures will be created in the four major producing areas of Burkina Faso, with the national structure acting as a federation of the regional structures. Regional representatives will elect the leaders of the national body. This organizational structure is democratic and will empower the best players at the regional level. The National Committee of Burkina Faso looks forward to working to facilitate public-private cooperation between regulatory authorities, technical assistance providers, investors and other industry partners for the development of the national cashew sector.

In **Ghana**, the National Committee held a meeting in June and agreed to review the legal status and membership of the Cashew Processors and Exporters Association of Ghana (CAPEAG) to become the national body. It is proposed that it or the ACA Committee will become the National Executive Body made up of the members of various sector associations such as the traders, processors and producers associations. Some processors and farmers in the Brong Ahafo Region have agreed to this proposal, while traders have yet to be consulted.



Ghanaian cashew players discuss the formation of a national organization.

In **Mozambique**, AICAJU, the Association of the Cashew Industry, acts as the private sector association. With the support of ACi, AICAJU has developed a strategy and a five year implementation plan. Collaboration between ACA and AICAJU will be formalized through a Memorandum of Understanding. Both organizations agreed to share information on the cashew market, national policies, institutional developments, and best practices. AICAJU will represent ACA in Mozambique while ACA will do the same for AICAJU at the international level.



A Meeting of the AICAJU General Assembly

## Rajkumar Impex Nears Completion on Fully Mechanized Processing Factory in Ghana

Two kilometers outside Techiman in central Ghana, a massive blue building rises into sight. This is the new factory of Rajkumar Impex, a major Indian cashew-processing firm. When completed in early September, the enormous facility will be one of the first fully mechanized processing plants in Africa, an exciting step in the development of the African cashew industry. According to Rajkumar, this project, implemented in a meticulous manner by an experienced professional team, will be a milestone in the history of African cashew industry.

### Constructing the Facility

Rajkumar Impex along with its associates currently deals about 8 to 10% of the world's cashews. For the past ten years, they have been one of the leading buyers of raw cashew nuts from East and West Africa. The construction of the factory in Ghana is part of a widespread expansion by the company, which hopes to process 16-17% of world cashew by 2015.

In explaining his company's decision to begin processing cashews directly in Africa, Rajkumar said, "Since 50% of raw cashew nuts are produced in West Africa, it made sense to consider starting a factory here." He specifically wants to help support local African communities while also reducing his business' carbon footprint. By eliminating the need to transport RCN to India for processing, significant energy, fuel, and shipping costs are reduced.

The choice to make the plant fully mechanized was inevitable, as Rajkumar explained that the same number of workers can process four times the volume when working at a mechanized facility. Techiman town in Ghana was selected as a location due to its proximity to Ghana's cashew growing areas.

When the factory opens, it will process 50MT of RCN per day, mainly of Ghanaian origin, and employ about 1,000 workers. "The entire processing process will take place here," said Rajkumar. This includes drying, cleaning and calibration of the nuts, as well as roasting, shelling, peeling the testa and grading the kernels with state-of-the-art machinery. Final grading and packing will be done by hand. The processed kernels will be shipped from the facility directly to customers in the United States, Europe, Australia, and the Gulf region.

### Community Impact

Recruitment has already begun in Techiman and the surrounding area for the 1,000 jobs the factory will create. 90% of these jobs will be filled by women, including some wives of local cashew farmers. The local community has welcomed the factory with open arms, excited about the new employment and the additional income it represents. Fred Zeini, a local contractor, said, "You can imagine, 1,000 workers at the end of every month, how much they can earn. It has a big impact on the community. They use it to take care of their families." Oduzo Richmond, a young man working on the construction of the factory, echoed these sentiments: "Without this factory, I would not have had a job after I finished school."

Rajkumar Impex plans to extract Cashew Nut Shell Liquid (CNSL) from the cashew shells, which has a wide world market. After extracting CNSL, the de-oiled shell will be used to run a steam generator to generate 1.5 MW of electricity on premise. After meeting the plant's electrical requirement, the company plans to sell power to Volta River Authority and provide some power to the local community free of charge. In addition, the company has earmarked GHs 100,000 per annum for local projects to promote quality education, including the creation of a library, training of teachers, and promotion of sports activities.

### Looking Ahead

Rajkumar hopes that the factory in Techiman is only the beginning of his company's expanded presence in Africa. Preliminary plans have been made for additional factories in Ghana, Cote d'Ivoire, East Africa, and Mozambique. While logistics remain a challenge, he has been very pleased with his experience in Africa so far, particularly his interactions with government officials and local authorities.

Rajkumar believes many other foreign processors may soon follow in his footsteps: **"There is a lot of room for others to invest in this country and neighboring countries and further develop the cashew industry."**



Machinery has begun to be installed at the Rajkumar Factory in Techiman



**"When the factory opens, it will process 50MT of RCN per day and employ 1,000 workers"**



State of the Art Calibrating Machine



Rajkumar (left) discusses cashew quality



RCN ready for processing

## Brazilian Buyers Enter the African RCN Market

### Interview: Niel Hyde, IRACEMA



RCN purchased by IRACEMA leave the Guinea-Bissau port bound for Brazil

Brazilian cashew processor IRACEMA has recently begun procuring raw cashew nuts from West Africa. Niel Hyde of Iracema and President of the Combined Edible Nut Trade Association (CENTA) gives insight into his company's experience.

#### What prompted Iracema's decision to begin buying African raw nuts?

We have been thinking of buying cashews from West Africa for some time noting that production continues to rise there while production is not growing or has been hit by drought stress too often in Brazil. Furthermore, due to newly developed high tech machinery our productivity (along with our competitors) has increased in Brazil, meaning that we could use more cashew nuts in any event to help reduce our production costs. Finally the very low crop in Brazil last Autumn meant that we had no choice but to come to Africa if we did not want to close our own facilities for a number of months because of the lack of raw material. The advantage for North East Brazil is that our crop harvests in September to January for the most part, making any shortfall most apparent when the West African crops harvest some 6 months later. Also, Brazil is only some 7 to 9 days direct sailing away which helps keep the quality fresh in transit.

#### From a business perspective have you been pleased with your experience in West Africa thus far?

In truth we have been very pleasantly surprised with the contractual integrity and quality of the material we have bought in West Africa so far. Our operations there and exportation has resulted from a lot of hard work from our own experts from Brazil and those dedicated people we have worked with in Africa for which we are very grateful.

**"We have been very pleasantly surprised with the contractual integrity and quality of the material we have bought in West Africa"**

#### How does the African cashew industry compare with that of Brazil?

The West African raw cashew market is probably more sophisticated than in Brazil as the buying nations that preceded our arrival in West Africa have set good standards in moisture and other general quality criterion (which help protect the quality of the product for longer) for us to follow. This is a benefit to all involved as cashews are not left to spoil as they might otherwise do if the entire supply chain did not understand the importance of this criterion.

#### Do you have plans to continue to expand your presence in Africa?

Yes we do, we want to buy from West Africa every year so that we too can achieve the economies of scale necessary for our own highly mechanised operation.

#### How can the West African cashew market improve to continue to attract even more international buyers such as yourself?

I think for the most part West Africa just needs to keep planting cashews to attract buyers. However it is of vital importance that West African cashew growers or exporters maintain a high level of performance both in quality and in contractual integrity at all times in order to keep the buyers coming. West African sellers should not sell until they are sure they have secured or can secure the correct tonnage and quality they wish to contract. Thereafter they must stick to that contract at all costs. Getting this right is not to be underestimated in value terms to the countries and companies involved.

#### What role has ACA played in your efforts to expand your presence in the African cashew industry?

The ACA has been extremely helpful at both the little things like helping with travel logistics (visas, accommodation, flights etc) and the much more important introductions to government officials, banks, logistical support companies, and the all important cashew nut suppliers. I believe

**"The ACA has been extremely helpful at both the little things... and the much more important introductions to government officials, banks, logistical support companies and the all important cashew nut suppliers"**

the ACA can continue to be of great assistance to buyers of cashews from Africa by maintaining an approved supplier (and buyer for that matter) list. This can be maintained based on performance history whereby bad performers are excluded from the list, leaving only the best performers to flourish by their constant inclusion in

the list. There is no doubt that such a list will come at a high premium to access, and of course at an even greater premium to be included on.

## Jeff Abel, Inspection Firm CEO, Offers Look Inside Cashew Inspection Process

In June, USAID West Africa Trade Hub Market Linkages Manager Elitza Barzakova had the opportunity to meet with Jeff Abel, President and CEO of Foreign Trade Services. FTS, a family business in operation since 1945, is considered by most cashew buyers to be the most trusted inspection firm in the industry and is responsible for inspecting all of the cashews received by Kraft Foods. Mr. Abel is also a recognized expert on cashew quality. Here are highlights from Ms. Barzakova's report:

FTS, like any inspection company, takes control of a cashew shipment at the port. This means that the inspection happens after any transit damage has occurred on bad roads between the packing facility and port. There is a 2% expected damage rate while shipping by boat. Once a container arrives at the importer's warehouse, one box is randomly pulled off each of the 13 pallets on a container for testing. If a supplier has been problematic or inconsistent in the past, two boxes will be pulled off each pallet. These samples are shipped back to FTS in a specially designed container system to eliminate transit damage to the nuts. Excess debris from the tote is also examined.

Once at the FTS facility, the samples are homogenized. If necessary, an aspectic sample may be taken for microbiological analysis. A portion of the sample is then ground up and tested for moisture. Butts and splits from the sample are sorted out and weighed, as are nuts with testa



Jeff Abel counts out sample sizes at FTS facility

and embedded dirt. All sorting is done by eye by highly trained staff. Nuts with testa and dirt are returned to the sample to be counted to determine the grade. Before the process is complete, additional nuts are selected for splitting to check for bugs, mold and rancidity. Another sample is roasted, which checks for color, scratch marks, mottledness, and taste. This completes the inspection process.

Mr. Abel reports that the biggest problems coming out of Africa are infestation (at about 15% this is on par with global rates), breakage (also on par with global rates), and adhering testa. To address the infestation problem, he recommends that packing occur very quickly after shelling in a centralized facility. Incoming raw cashew nuts should be stored in a different space from the shelled nuts to limit contamination, and grass baskets that attract bugs should also be avoided.

## Virtual Cooperatives : ICT to Improve Productivity of African Cashew Farmers

### ACi Partners with SAP

*Claudia Schuelein, ACi*

#### The Challenge

In developing and emerging countries, small and micro enterprises – often part of the informal economy – face huge economic challenges such as low productivity, high transaction costs, and often a lack of access to markets, to logistical services and to financial instruments. Small-scale farmers in rural areas are particularly affected by these constraints when dealing with the established economy.

Although collaborative relationships exist between small farmers and buyers or traders further along the value chain, business transactions are often burdened with inefficiencies and a lack of transparency. The cost is borne in most cases by the informal economy, e.g. when small scale farmers are suffering from exploitation due to a network of intransparent intermediaries.

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SAP Research is the global technology research unit of SAP. By exploring emerging IT trends, the group significantly drives applied research while focusing on the business impact and contribution to SAP's product portfolio.

Learn more about ACi at:

<http://aci.africancashewalliance.com>



Raw Cashew Nuts Being Weighed

#### Our Goal

The SAP-ACi partnership “Virtual Cooperatives” intends to provide solutions related to market linkages and transparency within the Cashew production and processing value chain. Information and Communication Technologies (ICT) provide the means to enhance the productivity of Cashew farmers, to strengthen farmer cooperatives, and to enable them to do collaborative business with the established economy in a transparent and sustainable way.

#### Our Approach

Business and technology related interventions are guided by the so called Living Lab methodology. This holistic approach includes business process innovations, added value propositions for each stakeholder, conceptual revenue models, organizational capacity building, scalable system design, development and real life roll-out as well as a close and regular interaction with end-users from diverse cultural and social backgrounds.



Using ICT to register the weight of each sack filled with Raw Cashew Nuts

The prototypical software solutions comprise mobile applications for small holder cashew farmers, organized in cooperatives, for logistical coordination, bulk selling, traceability of produce, and market information access. They enable collaborative business processes between the organized producers and agricultural processors, wholesalers, retailers, traders, and financial and logistical service providers to increase the productivity and profitability in particular for participants at the base of the economic pyramid. This not only boosts local economic activity but holds the potential to improve the socio-economic situation for a vast number of under-served rural inhabitants.

In addition, established players including multinational cooperations will profit from enhanced transparency and reliability of the supply chain. Existing economic activities between formal and informal players will be strengthened, and regular business transactions with Base of the Pyramid markets will become viable for the established economy.

#### Impact

A ‘Living Lab’ has been successfully established at the Wenchi Cashew Farming Cooperative in Brong Ahafo, Ghana. End user workshops have been conducted to validate use cases for Cashew sales and logistics, design and functionality of the software applications and to raise stakeholder awareness of ICT potential.

Major efforts went into the development of the prototypical information system for real life piloting. The first live pilot has been conducted during Ghana’s cashew season from March to June 2011. About 400 farmers in 5 participating buying stations have been registered. All together more than 100 tonnes of raw cashew nuts have been traded via the system. Training material, regular communication to local stakeholders, change management activities, hard- and software deployment, etc. have been set up. In addition, basic equipment has been purchased in order to ensure that important facilities for the system operation will be in place (e.g. barcode stickers, Smartphones etc.).

To learn more, watch a video on the project at [http://www.youtube.com/watch?v=k32D7UrgkCw&feature=channel\\_video\\_title](http://www.youtube.com/watch?v=k32D7UrgkCw&feature=channel_video_title)

## Upscaling Performed Cashew Planting Material Production in Ghana

*Claudia Schuelein, ACi*

One of the main objectives of the African Cashew initiative (ACi) is to increase cashew production and raise thereby rural cashew farmers’ income.

ACi has focused since the project start in 2009 on farmer’s trainings, giving presently 130,000 cashew farmers in five African countries access

to knowledge about good agricultural practices (GAPs). However scientific research on model farms, knowledge exchange with experts from all over the world and simple observations in the field made clear that the application of GAPs can only increase quality and quantity for about 20%. Improved planting material, however, can triple or even quadruple the impact on the productivity of West African cashew trees.

Although the tree material existing in the West African cashew plantations is resistant to droughts and other regional typical environmental factors, its productivity can and has to be further improved to achieve higher yields and better quality.

Yet the cashew farmers lack access to high yielding planting materials in the production zones. To accelerate the propagation and dissemination of grafted seedlings using scions from elite mother trees (high yielding, better quality e.g. nut size, disease resistant, etc), ACi, in collaboration with the Ministry of Food and Agriculture in Ghana (MOFA) and the

Cocoa Research Institute of Ghana (CRIG) has embarked on a grafting program. This operation seeks to upscale production of high performing planting material through the training of grafters in 17 cashew districts in the country.

In 2011, the proposed planting material production program is expected to yield 100,000 good quality grafted seedlings by the 23 ACi-assisted nurseries in 17 project districts in the cashew region of Ghana. The seedlings will be planted to establish 150 hectares farmer-based scion gardens to be used later mainly for rehabilitation and upgrading of the low producing cashew farms. Farmers will also have the opportunity to buy grafted seedlings from these nurseries to plant 700ha of cashew plantation.

The 215 trainee grafters, 60 of them women, were drawn from Farmer Based Organizations (FBOs) in the project districts with each FBO providing ten grafters. Three trainees are undertaking further training in nursery management to enable them to manage the future activities. The trained grafters will further benefit from future ACi training programs such as top-working (grafting on unproductive trees), thinning, pruning, and pest and disease control. This will enable them to further increase their income by providing services to the farmers for a fee.

**Glossary**

**Grafting** is a horticultural technique whereby branches from one plant are inserted into those of another so that the two sets tissues may join together. The technique is most commonly used in propagation of commercially grown plants for the horticultural and agricultural trades.

In most cases, one plant is selected for its roots and this is called the stock or rootstock. The other plant is selected for its stems, leaves, flowers, or fruits and is called the scion. The scion contains the desired genes to be duplicated in future production by the stock/scion plant.



Part One of training for grafters : Theory



Part Two : Emelia Yeboah cutting scions from a selected cashew tree in the plantation during the training sessions in Kintampo, Brong Ahafo Region, Ghana



Part Three: Hands-on-training with support from CRIG.

**Success stories from Mozambique:  
From 40% survival rate to 80% with assistance of ACi**

*Claudia Schuelein, ACi*

In the district of Mogincual, the cyclone Jokwe destroyed approximately 30% of all cashew trees in March 2008. ACi focused on seedling distribution in that particular area. Because of a limited number of INCAJU technicians in Mogincual, partnerships with NGOs – notably ADPP, Save the Children and OIKOS – were established.

The Association Xá-Momade planted an area of six hectares as a block plantation. 25 members of the association received training from an ADPP technician applying the approach of ACi and are now raising 264 trees. Technicians reported that the association’s activities last year could only achieve a cashew seedling survival rate of 40%. The ACi intervention this year in cooperation with Xá-Momade reached the extraordinary amount of over 80% of seedlings surviving the first three months.



Association Xá-Momade: President Arlinda and other members.

**Cashew Calendar 2011**

Please contact the ACA Secretariat ([aca@africancashewalliance.com](mailto:aca@africancashewalliance.com)) to participate in any events, contribute ideas, or add an event to the cashew calendar.

**August 2011**

2-3 ECOWAS Collaborative Meeting  
Accra, Ghana

25-26 AGOA Training Session  
USAID Southern Africa Trade Hub  
Tanzania

**September 2011**

19-22 6th Annual ACA Conference,  
Banjul, The Gambia

**October 2011**

8-12 ANUGA  
Cologne, Germany



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