



African Cashew Alliance (ACA)

PROMOTING AFRICAN CASHEWS WORLDWIDE

2007, Issue 3

Newsletter February 2007 Page 1

Dear ACA Members,

Just before the beginning of the cashew season in West Africa, the ACA organized a series of country level meetings with partner organizations to create forums for cashew stakeholders in Guinea Bissau, Nigeria and Senegal and develop country strategies and action plans. The challenge was not only to identify the bottlenecks in the sector, but also to develop practical ideas on how to tackle them. Guinea Bissau, Nigeria and Senegal have all made a start by finding ways to organize a national representative body for the ACA that will take steps in the right direction (see page 2).

The upcoming annual meeting of the ACA in Mozambique will gather representatives from both East and West African cashew producing countries and international players in the cashew sector, and will focus on improving the competitiveness of the African cashew sector.

In the mean time, the ACA Secretariat has welcomed Nicolas Boillerau and Pernille Isaksson on board. Nicolas, a consultant from MBAs without Borders, is coordinating the regional market study on cashew consumption in West Africa. Pernille will assist the ACA Secretariat overall, and is funded by Olam as a contribution to the ACA.

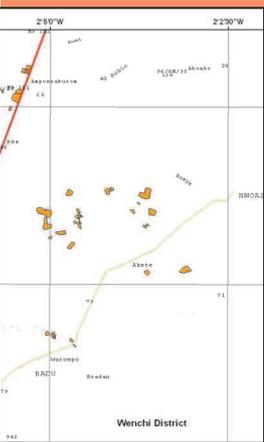
Cilia de Cock - ACA Secretariat, Accra Ghana

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Ghana cashew plantations revealed Mapping cashew farms with Geographic Information System (GIS) and taking GPS coordinates of each and every cashew plantation in Ghana is resulting in a tool that will help structure cashew production. TIPCEE, the USAID-funded project on economic growth in Ghana, has thus far mapped 1,000 farms in collaboration with the Ghana Cashew Development Project. How many more farms will follow is not sure, as there are no specific data on the number of producers and acres of plantations, but an expected 3,000 – 4,000 farms will be mapped by September. The maps will facilitate research and forecasting regarding flowering, yields and expected harvest. Mapping will also allow for traceability which is needed for organic certification. By giving insight into how the plantations are spread out, producers can identify ideal pooling points to bring their stock together and lobby the government on where roads should be developed to promote efficient trade. In a previous experience mapping pineapple plantations, a telephone provider was convinced to extend the network coverage to a zone where many producers are concentrated.



Thus the tool may help producers to structure their business, forecast and improve communications. For more information, contact Philip Boehen from the Cashew Development Project at cropserv@ghana.com.



Nigeria loves cashews Nigeria's cashews have not been in the spotlight yet, especially compared with its cocoa or its petrol sectors. However, the cashew sector is gaining attention quickly. With an annual estimated production of 70,000 – 80,000 MT, out of which about 50,000 MT is exported raw, the processing industry has grown to 16,000 MT capacity for export of kernels and 2,000 MT for domestic consumption. The industry has benefited from an export expansion grant (EEG) provided by the government. Under the EEG, a business receives a rebate on every ton of processed agricultural product that it exports. Nigerian consumers have also helped the industry grow. Mr Tunde of Abod Success Investments tells ACA that local demand for roasted, salted and packaged cashews currently is not met by supply. More attention on the Nigerian cashew sector is expected: the National Cashew Association of Nigeria (NCAN) is taking an active role in developing a strategy and action plan to improve the quality of raw nuts, to increase the coordination in the sector, and to improve the business climate for processing.

Upcoming Events

- **ACA EXECUTIVE COMMITTEE & BOARD OF DIRECTORS MEETING**
MARCH 21 IN MOZAMBIQUE
- **ACA ANNUAL MEETING**
MARCH 22-23 IN MOZAMBIQUE
 - MOZAMBIQUE CASHEW SECTOR SITUATION & OPPORTUNITIES
 - INCREASING WORLDWIDE CONSUMPTION OF CASHEW NUTS
 - GLOBAL DEVELOPMENTS IN CASHEWS
 - INVESTMENT PANEL ON AFRICAN CASHEW SECTOR
 - CASHEW QUALITY, FOOD AND WORKERS SAFETY AND CERTIFICATION
 - POLICY ISSUES IN AFRICAN CASHEW PROCESSING COUNTRIES
- => SEND US AN EMAIL TO REGISTER
- **GHANA CASHEW WEEK**
APRIL 17-18 IN ACCRA, GHANA
- **AFI - ASSOCIATION OF FOOD INDUSTRIES MEETING** ON REVISION OF THE AFI-CASHEW STANDARD, APRIL 26-29 IN FLORIDA, USA WWW.AFIUS.ORG
DOWNLOAD THE AFI CASHEW STANDARD AT: [HTTP://AFI.MYTRADEASSOCIATION.ORG/BM~DOC/CASHEWS~PART-I.PDF](http://AFI.MYTRADEASSOCIATION.ORG/BM~DOC/CASHEWS~PART-I.PDF)
- **INC-INTERNATIONAL NUT AND DRIED FRUIT ANNUAL CONVENTION** MAY 10-12 MADRID, SPAIN
WWW.NUTFRUIT.ORG
- **NIGERIA ACA COUNTRY LEVEL MEETING** JULY 12TH IN ABUJA
- **EXPONUT & DRIED FRUIT INTERNATIONAL TRADE FAIR**, AUGUST 23-25 2007, ISTANBUL
WWW.EXPONUT.COM

India, Vietnam and Brazil launch Global Cashew Body An idea that already existed for some time became reality when a delegation from the Indian cashew sector developed an MOU to establish a Global Cashew Body during a visit to Vietnam from January 22-25th. Apart from the Cashew Export Promotion Council of India (CEPCI) and the Vietnam Cashew Association (VINACAS), the Association of Cashew Producers in Brazil (SINDICAJU) also took an active part in the discussions to formalize collaboration between the cashew sectors in the three countries. The Global Cashew Body aims to promote cashew consumption and cooperate on research and development on nutritional and health benefits and product development. Also, the three cashew organizations want to set up a mechanism for regular exchange of information on crop prospects, production, import and export figures, reliable market information, and government policies affecting the industry. Initial talks already took place at the INC Convention in Montreal in May 2006 where Kraft also showed strong involvement. It is expected that the MOU will be signed and the concept of the Global Cashew Body will be embraced at the upcoming conventions of the Association of Food Industries in Florida and the INC-International Nut & Dried Fruit Annual Convention in Spain. If the Global Cashew Body is to represent the worldwide cashew sector, it is important that African countries are included, a subject that ACA will discuss with the participating organizations.





Increasing value for producers: drying raw nuts

One of the recurrent themes during the ACA cashew stakeholder meetings held early this year in

Guinea Bissau, Nigeria and Senegal was the importance of appropriate drying of raw nuts by producers. As the new cashew season begins in West Africa, exporters and international buyers are stressing proper drying, the need to let the cashews mature before harvesting, and the need to package raw nuts in jute bags instead of the poly-plastic bags. In addition to well-known quality standards such as the KOR and nut-count, dryness and packaging also have large impacts on the price of raw nuts at the producer level. It is logical: raw cashew nuts will be on board a ship for +/- 45 days before they reach their destination, and will become mouldy if they have not been dried properly, leaving the buyer with a loss in value.

Nigeria - 26 January The ACA meeting in Nigeria gathered 35 people from across the Nigerian cashew sector to prepare for the country level meeting that will be held in July. The National Cashew Association of Nigeria (NCAN) was nominated to be the national representative body for the ACA, with President Mr. Tunji and ACA founding member Mr. Jide Anjorin nominated for the ACA

Steering Committee.

Guinea Bissau - 6 February In Guinea Bissau, more than 60 participants discussed the current situation in the cashew sector, and proposed to create a national committee with representatives from the different organizations working in cashews. SNV, co-organizer of the meeting, will help this new committee become operational. The Minister of Industry, who opened the meeting, expressed his support for efforts to improve the performance and value of the cashew sector in Guinea Bissau.

Senegal - 8 & 9 February The first-ever national meeting on cashews in Senegal, organized by ACA partner organizations USAID Economic Growth (SAGIC) and Wula Nafaa (a USAID agriculture program) gathered 80 participants. Producers, processors, exporters and Indian buyers presented their views about what needs to be done to improve the competitiveness of the cashew sector in Senegal. Hari Nair, CEO of Western India Cashews Company, one of the big processors in India, discussed issues like the fall in prices of raw cashews last year and the reasons behind several recent disputes in the raw cashew trade from Cote d'Ivoire. Finally, participants from the private sector elected a national ACA committee and representative that will represent Senegal at the Annual Meeting in Mozambique.

Detailed reports on the different meetings and all presentations will be available on our website soon.

Processing factories inaugurated in Benin and Nigeria

Afokantan Benin inaugurated its cashew factory on January 24th. Several authorities—the Minister of Industry, the director of the Zone Franche, the King of Tchaurou, and the Ambassador of the Netherlands—participated in this milestone for Benin's cashew sector. Afokantan is the first large-scale processing factory in Benin and its operation will boost industry growth. The factory is the result of hard work from Mr. Abou Bakr Adjibade and Dutch nut trading agency Global Trading, both shareholders in the company. Benin's annual cashew production, +/- 40,000 MT a year, is known for its good quality. Afokantan, the first of four planned factories, will process 1,500 MT and employ 300 people.



Two days later, in Nigeria, another processing factory officially opened at Ogbondoroko village in Asa council area, when Olam Nigera officially took over the Kwaru Cashew Nut Processing Company from the state government. Olam aims to increase this processing unit's production from 45 bags of cashew nuts per day (about 950 MT/year) to 250 bags per day (about 5,500 MT/year), with a corresponding workforce increase from 600 to 2,000 workers in the near future. Olam already has a processing factory in Oyo, whose capacity is 225 bags per day (5,000 MT/year) with a workforce of 2,000 people. With the new facility, Olam's processing capacity in Nigeria will grow to >10,000 MT/year, employing 4,000 people in total and boosting the cashew processing industry.

For more information on the Benin factory contact Abou Bakr Adjibade at adjibade@hotmail.com, and for the Nigerian factory contact Nitin Setia of Olam Nigeria at nitinsetia@olamnet.com.

Senegal: ACASEN, SIE 215 Ben, Organic Cashew Nuts

Guinea-Bissau: B & B Caja, Caja Granda, Ojende Lda, Biofruto, Entone, Licupa, LEAD International, Sicafo

Côte d'Ivoire: Involes Fermentation, Olam Ivore S.A.R.L., Siba S.A.

Ghana: Cashew Foods Ltd, SFB Agro-Processing Ltd, Vanyany Enterprise

Togo: Capex Export, Tolarise

Senegal: ACASH, SIE 215 Ben, Organic Cashew Nuts

Benin: Afokantan Benin Cashews, Bouakana

Nigeria: Abiodun Success Investment Ltd, ACEP Nigeria, Success Farm Industries Ltd, Amilaka Investment, Simkaka Industrial Co. Ltd, ID Trade Processing Co. Ltd, Malind Industries, Olam Nigeria

Kenya: Kenya Nut Company, Millennium Management, Nuts of Africa, Wonder Nut

Mozambique: Wang Edwards, Kwanza Lda, Manica Cashew de Lda, Wadonga, Muthira Caja, Murrizanga Lda, Maranda Industrial Lda, Olam Mozambique, Saquia Lda, Zembeza Caja

Tanzania: Mtwara Lda, Mtwara Lda, Anarodji Lda, Cabo Caja, Cete, Cardeoranga Lda, GAW Lda, Jinyee, WPCB, Justin Caja (Morro Caja)

PTNPA Annual Convention

More than 400 people representing companies working in nuts (almonds, walnuts, hazelnuts, peanuts, cashews, etc) met January 13-16 in Phoenix, Arizona at the Annual Convention of the Peanut and Tree Nut Processors Association. Participants included roasters and salters, importers, brokers, packagers, and growers and processors for domestic nuts such as almonds and hazelnuts. During the three-day event information was exchanged and deals were made. The ACA presented African processors and received a lot of attention from importers and brokers interested to find additional sources of supply. The processors directory that was developed by ACA found its way to many, and is now available at our website. On the site you will also find the presentations on the different nut sectors held during the event.



New MOU signer

The German Technical Cooperation (GTZ) has added its signature to the initial 21 founding members, underlining their active contribution to the cashew sector in Africa and the ACA. GTZ envisages supporting several projects with private partners. The projects will be designed to support the entire value chain of cashews, e.g. to enable certification of cashew kernels, to improve quality of raw nuts, and/ or to improve the investment climate that enables producers and processors to gain profitability.

Let us know if you would like to make any amendments to the **Processors Directory**, so we can update it for future publications. You can find the directory at our website.

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