

Invest in Africa

CASHEW



A F R I C A N C A S H E W A L L I A N C E

Growing the African Cashew Industry!

2017 edition | Issue No. 5

Contents

About the African Cashew Alliance.....	3
The Cashew Value Chain.....	4
Why Invest in Africa?.....	5
Ease of Doing Business.....	6
Investors Activity.....	8
Cashew Investment Models.....	9
COUNTRY PROFILES	
Benin.....	12
Burkina Faso.....	14
Côte d'Ivoire.....	16
The Gambia.....	18
Ghana.....	20
Guinea.....	22
Guinea-Bissau.....	24
Kenya.....	26
Mali.....	28
Mozambique.....	30
Nigeria.....	32
Senegal.....	34
Tanzania.....	36
Togo.....	38
ACA Member Representation.....	40

About the African Cashew Alliance

BACKGROUND

The African Cashew Alliance (ACA) was established in 2006 as an alliance of African and international businesses with an interest in promoting a globally competitive African cashew industry. Today, more than 100 member companies work under the ACA banner and represent all aspects of the cashew value chain, including producers, processors, traders, and international buyers.

OUR NEW VISION

A sustainable African cashew industry that delivers globally competitive, value-added products and secures profitability for all actors

OUR NEW MISSION

To create a platform for accelerating growth and investments in the African Cashew Industry through partnerships, advocacy, market linkages, technical support and global networking

OUR OBJECTIVES

ACA seeks to:

1. Facilitate networking among members and offer timely information on cashew sector
2. Advocate for sector improvements and partnerships
3. Facilitate food safety standards
4. Increase processing in Africa through investment promotion and technical support services



The Cashew Value Chain



Processing

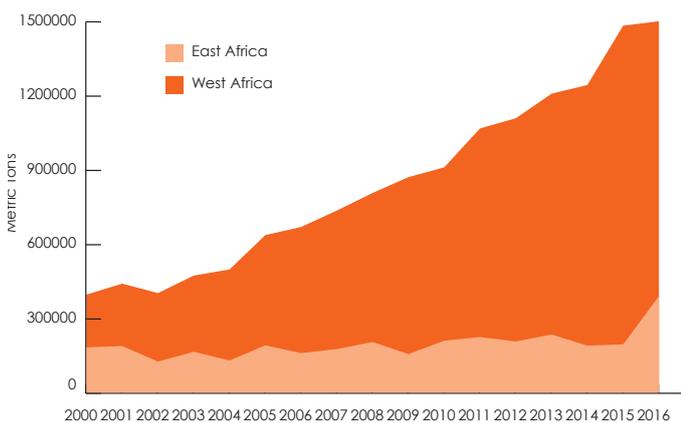


Roasting & Salting

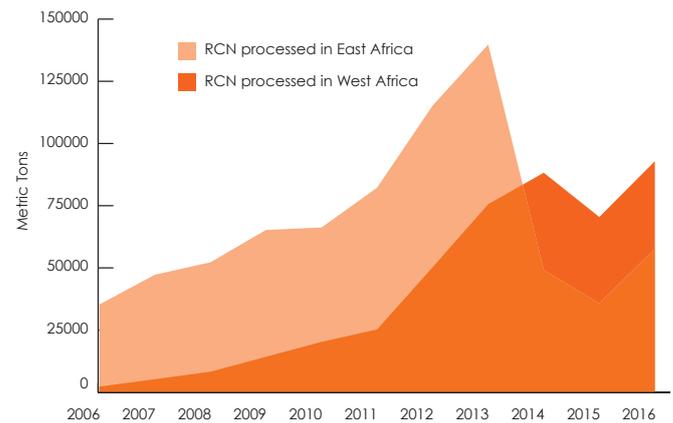


Why Invest in Africa?

Global interest in the African cashew market is growing rapidly. Investors recognize that current industry trends combined with Africa's abundant natural wealth and improving economic and political landscape make the continent a more and more attractive place for investment. In fact, sub-Saharan Africa has notched strong growth for the last decade and is likely still in the early stages of a powerful and transformational surge of economic progress. However, only a small fraction of global private capital is invested in sub-Saharan Africa. As the continent becomes gradually more prosperous, levels of private investment are expected to increase significantly, especially since Africa currently offers the highest returns on foreign direct investment of any region in the world, according to the World Bank. Investing in African cashew makes good economic sense. African raw cashew nut production has been rising at a rate of about 7-8% annually over the last fifteen years. Although prices fluctuate, they are stable over the long-term: the cashew nut is an up-market snack food. Demand for cashew has rapidly increased over the last five years as knowledge about the associated health and nutritional benefits has become more widespread. In addition, there is the rising purchasing power of emerging economics which traditionally use cashew as an ingredient in many foods.



Cashew production in Africa



Raw cashew nuts processed in Africa

Guinea Bissau	Tanzania	Benin	Cote d'Ivoire	Ghana	Mozambique
48-56	45-52	46-50	44-49	46-50	42-48

Changing conditions in the industry make African cashew a good investment choice. While Africa grows approximately over 55% of the world's cashew supply, nearly 90% of this is exported to Asia and Southern America for further processing. Vietnam and India currently remains first two largest cashew processing and value-added cashews exporting nations. However India and USA currently account for a majority of the world's market for cashews, with rapidly growing domestic consumptions of healthy foods as cashews stands for. Therefore, to increase efficiency, decrease transactional costs, and to support the African cashew stakeholders, investment in the African cashew processing industry would be fortuitous. Africa's geographical proximity to the USA and Europe, the world's second largest consumption destinations for processed cashew products is an important advantage. Increasing processing capacity in Africa holds tremendous potential, generating an estimated \$280 million USD in added value and creating more than 250,000 new jobs, particularly benefitting women in rural areas. Improving African business environment, supportive industrial policy reforms and incentive schemes are encouragements for new investments to take place in Africa. International cashew consumers are also demanding frequently the traceable cashews from production origins directly sourced for food safety reasons. Therefore investing in Africa is a wise decision for ensured sustainable supplies of traceable quality cashews with shortest shipping route with least environmental impact.

Ease of Doing Business

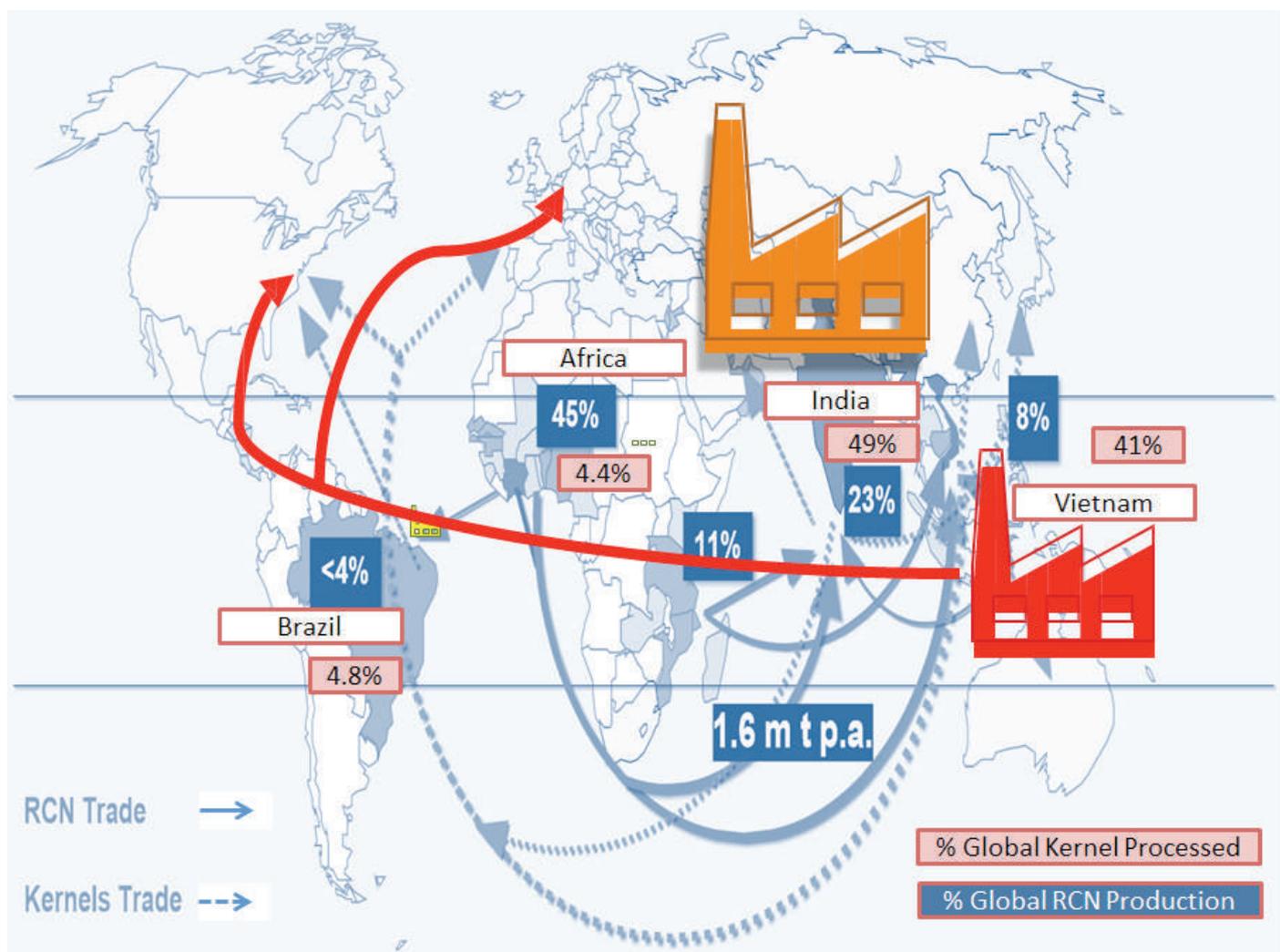
As outcome of continuous promotion of cashew value-addition in Africa done by African Cashew Alliance for last decade now most African cashew producing nations are preparing grounds for new investments in cashew sector. These governments are better organized to offer the new investors with favorable conditions of prompt business environment along with incentive schemes to accommodate new investments. This year the World Bank's Doing Business report is out with 14 past publications since the Doing Business report was first published to measure the aspects of business regulation affecting domestic small and medium-size firms, based on standardized case scenarios and located in the largest business city of each economy. This survey covers 11 areas of business regulation – starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency, as well as some aspects of the labor laws. A good performance in the Doing Business rankings is increasingly becoming a government priority for many African countries, following the lead of South Africa with 5th rank followed Kenya 7th, Zambia 9th, and Ghana 11th and so on. Many of African governments also have invested and established units dedicated to specific reform action plans targeting the Doing Business indicators, the report states the reforms made during 2015-16.

Indicator	Reforms
Making it easier to start a business	Benin eliminated the need to notarize company bylaws. Equatorial Guinea made the process of starting a business easier by eliminating the need to obtain a copy of the business founders' criminal records. Mali reduced the cost of starting a business by reducing the paid-in minimum capital required to register a company. Niger made starting a business easier by merging procedures at the one-stop shop.
Making it easier to deal with construction permits	Côte d'Ivoire made procedural information concerning the process of obtaining a building permit openly accessible
Making it easier to get electricity	Kenya introduced the use of a geographic information system which eliminated the need for authorities to conduct a site visit.
Making it easier to register property	Senegal made the list of documents, service standards and official fees to complete a property transaction available online and also updated the cadastral map. Zambia reduced the property transfer tax from 10% to 5% of the property value.
Strengthening the legal rights of borrowers and lenders	The Gambia strengthened access to credit by adopting the Security Interests in Moveable Property Act. The law regulates functional equivalents to loans secured with movable property, such as financial leases and sales with retention of title.
Improving the sharing of credit information	Côte d'Ivoire, Mali, Niger and Senegal established a new credit bureau, Credit info VoLo, which banks can consult to assess the creditworthiness of consumer and commercial borrowers.
Making it easier to pay taxes	Algeria reduced tax on professional activity from 2% to 1% of turnover as of July 1, 2015. Angola increased the tax deduction for bad debt provisions from 2% to 4%.
Making it easier to trade across borders	Ghana, Niger and Rwanda removed the pre-arrival assessment inspection for imports which reduced processing time for documents.
Making it easier to enforce contracts	Côte d'Ivoire introduced a fast-track procedure to be used for the resolution of small claims, which allows litigants to represent themselves in court.
Making it easier to resolve insolvency	Kenya updated its insolvency framework, including stricter requirements for qualifications of insolvency administrators.
Labor legislation: social protection and benefits	The Democratic Republic of Congo enacted a law that prohibits gender discrimination in hiring. Liberia established equal remuneration for work of equal value. Cabo Verde introduced an unemployment insurance scheme.

REQUISITE CONDITIONS OF BUSINESS ENVIRONMENT FOR INVESTMENT:

- + Political stability
- + Investment incentive schemes
- + Investment potential (RCN availability, etc.)
- + Presence of solution center for investors
- + Cashew is government's priority sector
- + Competitive access to finance
- + Availability of energetic and skilled labor
- + Local competitive technology innovators
- + Effective transfer of capital and/or profits
- + Protection against nationalization
- + Tax incentives for export-ready companies
- + Proximity to end markets

Africa accounts for 56% of world production (West Africa-45%, and East Africa-11%), and 4.4% of global kernel processed:



Investors Activity

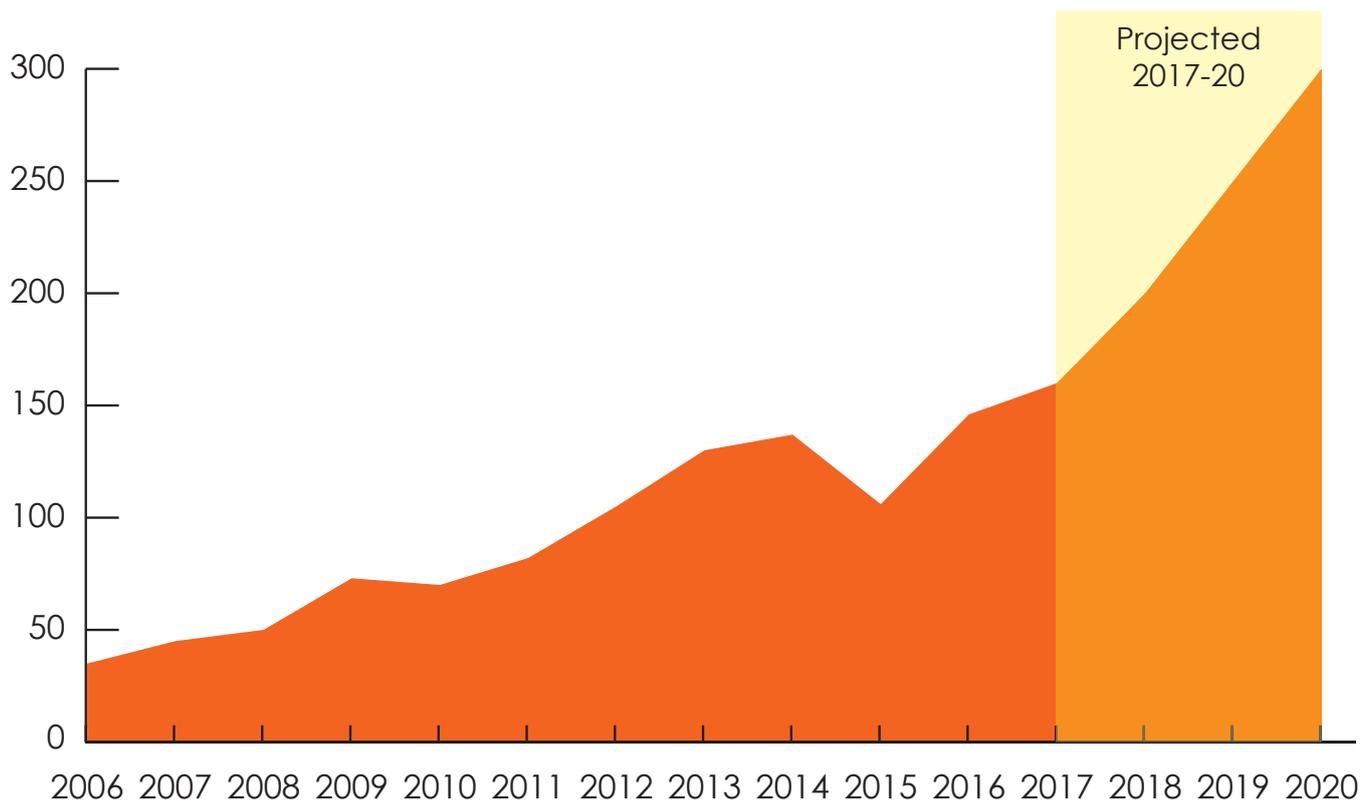
CURRENT INVESTOR ACTIVITY, DISAGGREGATED BY COUNTRY

COUNTRY	INSTALLED CAPACITY (MT)	OPERATING CAPACITY* (MT)	NUMBER OF ACTIVE PLANTS	NUMBER OF COMPANIES
Benin	25750	8,208	4	6
Burkina Faso	8900	4,219	3	4
Cote d'Ivoire	60500	43,079	4	20
The Gambia	3,300	N/A	N/A	2
Ghana	59,890	14,423	3	12
Guinea	1,500	N/A	N/A	1
Guinea-Bissau	6000	1,838	3	14
Kenya	22,000	16,825	6	6
Mozambique	47,000	33,500	3	9
Nigeria	46,550	13,178	3	7
Senegal	1,500	N/A	N/A	2
Tanzania	30,800	10,000	1	10
Togo	4,500	742	1	2
TOTAL	326,190	146,012	31	95

*The installed capacity of a processing facility refers to the maximum volume of raw cashew nuts that a factory can process per year when all operations are optimized. The operating capacity refers to the actual volume of raw cashew nuts that are processed in a given year. The table to the right provides each country's installed and operating capacities.

The number of cashew companies increased to 95 by 2017 compared to 68 in year 2015, while installed cashew processing capacity has been doubled in 2016 compared to 2015 indicating growing interest from investor community. The data however shows there is still low capacity utilization in processing factories in Africa, largely as a result of low access to finance on the continent, which represents opportunity for new investors to partner existing entrepreneurs in the sector.

The private sector investments trend in African Cashew Industry has shown a significant growth from 35 million to 146 million US\$, in the last ten years, with a CAGR of 17%. These investments are a result of a decade long promotion done by the African Cashew Alliance, as well as financial and development partners in the sector.



Cashew Investment Models

VARIOUS INVESTMENTS MODELS BASED ON TECHNOLOGY & SCALE

	Manual Model Small-Scale (<500MT)	Semi-Mechanized Model Medium Scale (>10,000 MT)	Fully-Mechanized Model Large Scale (>30,000 MT)
	<p>Manual technology based</p> <p>Smallest plant capacity <500 MT/year</p> <p>Machinery used are often locally sourced</p>	<p>Semi-Mechanized technology based</p> <p>Medium plant capacity 5-10,000MT/year</p> <p>Machinery used are often externally sourced from Asia</p>	<p>Fully-Mechanized technology based</p> <p>Large plant capacity >30,000 MT/year</p> <p>Machinery used are often externally sourced from Brazil, Europe & South East Asia</p>
	<p>Very little initial investment required</p> <p>Easy access to RCN</p> <p>No scale to achieve quality and quantity required</p> <p>Equipment sourced domestically</p>	<p>Moderate investment</p> <p>Low operating cost</p> <p>High productivity</p> <p>High product quality with easy food safety certification</p> <p>Fairly balanced machine and human dependency</p> <p>Centralized model</p>	<p>More appropriated for big scale and high capacity utilization</p> <p>Good hygiene & quality and easy certification</p> <p>Cost effective</p> <p>Single grade production for exports and better priced</p>
	<p>Decentralized model</p> <p>High cost of production, due to high overhead costs</p> <p>Difficult to obtain food safety certification</p> <p>Labor Intensive</p> <p>Difficult access to international markets</p>	<p>Skilled management required</p> <p>16 mix grade production</p> <p>Extensive technical assistance required</p>	<p>Big investment required</p> <p>High maintenance cost</p> <p>High scorch and low wholes grades production</p> <p>Less direct linkages with farmers</p> <p>Only worked (under capacity) in a protectionist environment in past</p>

PERFORMANCE INDICATORS

Percentage of Whole Kernels	73%	66%	55%
Percentage of White Kernels	75%	85%	60%
Average Value/kg of Kernels (FOB in USD)	6.65	6.32	6.03

FINANCIAL INDICATORS

Plant & Machinery Capital (USD)	350,000	5.61mio	15.56mio
Civil Construction Areas (M2)	1,311	16,260	42,630
Working Capital (USD)	370,000-450,000	7mio-9mio	20mio-27mio
Return on Investments (%)	Nil	10-12	12-18

ECONOMIC INDICATORS	500 MT		10,000 MT		30,000 MT	
	20%	25%	20%	25%	20%	25%
Working Capital – RCN (Million USD)	0.45	0.37	9.00	6.75	27.00	20.25
Total Fixed Investments (Million USD)	0.23	N/A	4.82	N/A	15.56	N/A
Revenues in Processing (Million USD)	0.66	0.83	13.90	15.80	36.18	45.22
Additional Revenues in Byproduct Processing (Million USD)	N/A	N/A	10.15	N/A	30.45	N/A
SOCIAL IMPACT INDICATORS						
Number of Jobs Created	130		500 - 1,800		75 - 1,000	
Percentage of Women Employed	70% - 90%		85% - 90%		60%	
Number of Farmers Directly Linked to Processors	800		4,000 - 14,000		8,000 – 24,000	
QUALITATIVE INDICATORS	500 MT		10,000 MT		30,000 MT	
Model Positioning	Decentralized		Centralized		Centralized	
Equipment Source/Possibility of Local Equipment Manufacturing	International 10%/ Domestic 90%		International 80%/ Domestic 20%		International 100%/ Domestic 0%	
Ease of Food Safety & Quality Certification	Difficult (Less Traceable)		Moderate		Easy	
Ease in Market Access	Difficult (18 – 26 Mixed Grades)		Moderate (16 Mixed Grades)		Easy (Single Grade)	





Benin

COUNTRY OVERVIEW^I

Political Context: French Dahomey achieved independence in 1960; it changed its name to the Republic of Benin in 1975. A succession of military governments ended in 1972 with the rise to power of Mathieu KEREKOU and the establishment of a government based on Marxist-Leninist principles. A move to representative government began in 1989. Two years later, free elections ushered in former Prime Minister Nicephore SOGLO as president, marking the first successful transfer of power in Africa from a dictatorship to a democracy. KEREKOU was returned to power by elections held in 1996 and 2001, though some irregularities were alleged. KEREKOU stepped down at the end of his second term in 2006 and was succeeded by Thomas YAYI Boni, a political outsider and independent, who won a second five-year term in March 2011. Patrice TALON, a wealthy businessman, took office in 2016 after campaigning to restore public confidence in the government.

Current Account Balance: -\$230 million USD (-2% 2016 est.)
Reserves: \$1.43 billion USD (16.01% 2016 est.)

CREDIT RATING

Standard & Poor's

STANDARD
& POOR'S

Local Currency: B/Positive/B
 Foreign Currency: B/Positive/B

Fitch

FitchRatings

Local Currency: B
 Foreign Currency (long term/short term): B/B

ECONOMIC TRENDS^I

GDP: \$8.93 billion USD (2016 est.)
Currency: Franc CFA
Inflation: -0.8% (2016 est.)
Growth Rate: 4.6%
Export Commodities: Cotton, cashews, shea butter, textiles, palm products, seafood

ENVIRONMENT^I

Area: 112,620 sq km; land: 110,620 sq km; water: 2,000 sq km
Climate: Tropical; hot, humid in south; semiarid in north
Terrain: Mostly flat to undulating plain; some hills and low mountains
Land Use: Arable land: 23.94%; permanent crops: 3.99%; other: 72.06% (2012 est.)
Natural Hazards: Hot, dry, dusty harmattan wind may affect north from December to March
Environmental Issues: Inadequate supplies of potable water; poaching threatens wildlife populations; deforestation; desertification

LABOR^{II}

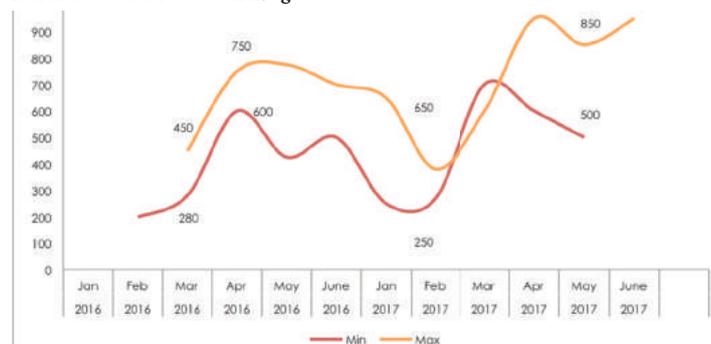
Labor Force (age 15+): 3.662 million (2007 est.)
Labor Force (by Occupation): Agriculture: 31.8%
 Industry: 12.3%
 Services: 55.9%
Unemployment Rate: 2.4% (2016 est.)
Minimum Monthly Wage: \$62 USD
Legal Working Hours: 40 hours/week

BENIN'S CASHEW SECTOR OVERVIEW

Cashew Sector Growth - 2016

110,000 MT RCN Production
\$154,000,000 RCN Exports
-32 % RCN Production Growth
50 % Processing Utilized Capacity

RCN Farm Gate Price – CFA/kg



Cashew is a strategically important sector for Benin Republic, as it brings significant export revenues and creates huge social and economic impact in country. Benin's annual cashew production crop size is approximately 120,000 MT. Designated as one of 12 priority industries, the government of Benin has conceived a strategic plan to develop cashew sector as part of its overall agricultural sector strategy (PSRA, 2006- 2011). Benin cashew ranks second on quality scale among other African nations and this fact is well recognized by local and external cashew processors.

SECTOR REGULATIONS & POLICY UPDATE

At the beginning of each cashew harvest, the Ministry of Trade sets a minimum farm gate price. The raw cashew nut season calendar is fixed by the Ministries of Trade and Agriculture. The government levies export taxes of FCFA 60/kg on raw cashew nuts, however there is no tax on kernel exports. A road tax is levied at 0.85% of the value of transported goods. Benin grants tax and duty exemptions on imports of agricultural processing equipment. Free zone regulations provide many more tax and duty reductions and exemptions to export-oriented businesses investing in Benin. (See www.a-zfibenin.com and www.cpiibenin.com). Domestic goods transportation costs to Cotonou Port is in the range of 15-20 CFA/kg depending on point of origin, while for exports sea freight cost ranges between \$900 and 1,100 US\$ for a 20 feet container for European destinations. Following are new policy and regulatory updates:

- IFA – Interprofession de la Filière Anacarde and B2A-Bureau d'étude et d'Appui au secteur Agricole, are private sector representative recognized by Beninese Government and now strongly involved in cashew sector promotion.
- Government investing in massive forest management and rehabilitation programs in cashew cultivation zones.
- Export Window is available to benefit locally established cashew processors with additional access of 5 MT/truck load of RCN delivered by exporters prior to exportation parallel to their own RCN procurement efforts.
- Export tax on RCN has been increased from 10 CFA to 60 CFA in 2017 harvest season.
- Minimum farm gate price was announced at 500 CFA (US\$ 0.80)/kg by Beninese government in 2017 harvest season.
- Benin is facilitating local processors access to RCN, Price stabilization, and raising funding for value chain development as well as support for production.
- Benin signed on to the Consultative International Cashew Council (CICC)
- Ban of RCN export over land borders imposed in 2017 after start of season



BENIN CASHEW PROCESSORS

OPERATING:
NAD & CO, TOLARO GLOBAL, AGRO BENIN SARL, FLUDOR, LA LUMIERE-TCHETTI, GROUPE KAKE-5, AFETRACA, ZANCLAN, CENTRE SONGHAI, UCP SARL, AFOKANTAN BENIN CASHEW (ABC)

NON-OPERATING OR IN THE PIPELINE:
KANODYM, ORI SARL, AGROTEC BENIN SARL

 Cashew Producing Areas

IMPORTANT CONTACT POINTS

Governmental Agencies:

- Ministry of Commerce & Industry – To get the Import & export commercial license for the company commercial activities
- Ministry of Finance – To register the company for tax control.
- Ministry of Agriculture – To obtain the phytosanitary certificate for export purpose.
- Ministry of Justice - for legal registration of company.
- Municipal Committee - For publication of company registration in National bulletin.
- Business Administration Center (Le Centre de Formalités des Entreprises (CFE)): The CFE is a single window agency for the creation of companies. It is based in the Chambre de Commerce et d'Industrie du Bénin (CCIB, www.ccib.bj) and provides information on legal implications and documentation required according to company structure. Every regional department of the CCIB has a CFE outreach office.
- The Investment Promotion Center of Benin (CPI) is an institution of the Ministry of Economy, Development and Public Action Evaluation (MEPDEAP). It advises and facilitates investment projects in Benin Republic.

Non-governmental Agencies in the Cashew Sector:

- Competitive Cashew (ComCashew)
- National Institute of Agricultural Research of Benin (INRAB) funded by GIZ, DANIDA
- Vegetal Protection Service (SPV/DAGRI)
- Center of Vegetal Quality Products Promotion and Packaging (DPQC)
- Regional Centers of Agricultural Promotion (CeRPA)
- National Society for Agricultural Promotion (SONAPRA)
- Agronomic science Department of Abomey-Calavi University (FSA/UAC)
- Agronomic Department of Parakou University (FA/UP)
- Development Fund for professional formation and training (FODEFCA)
- International Institute of Tropical Agriculture (IITA-Bénin)
- Neerlandese Development Organization (SNV)
- Benin Caju
- Technoserve
- Belgium Cooperation
- FENAPAB
- National Chamber of Agriculture (CNA)

Burkina Faso

COUNTRY OVERVIEW¹

Political Context: Burkina Faso (formerly Upper Volta) achieved independence from France in 1960. Repeated military coups during the 1970s and 1980s were followed by multiparty elections in the early 1990s. Former President Blaise COMPAORE (1987-2014) resigned in late October 2014 following popular protests against his efforts to amend the Constitution's two-term presidential limit. By mid-November, a framework for an interim government was adopted under the terms of the National Transition Charter. An interim administration, led by President Michel KAFANDO and Prime Minister Yacouba Isaac ZIDA, began organizing presidential and legislative elections planned for October 2015, but these were postponed during a weeklong failed coup in September. The rescheduled elections were held on 29 November 2015, and Roch Marc Christian KABORE was elected president in the first round.

Current Account Balance: -\$260 million USD (-2.2% 2016 est.)

Reserves: \$1.92 billion USD (15.9% 2016 est.)

CREDIT RATING

ECONOMIC TRENDS¹

Standard & Poor's



Local Currency: B/Negative
Foreign Currency: B/Negative

Fitch

FitchRatings

Not available.

GDP: \$12.12 billion USD (2016 est.)

Currency: Franc CFA

Inflation: 14% (2016 est.)

Growth Rate: 5.2% (2016 est.)

Export Commodities: Gold, cotton, livestock

ENVIRONMENT¹

Total Area: 274,200 sq km; land: 273,800 sq km; water: 400 sq km

Climate: Tropical; warm, dry winters; hot, wet summers

Terrain: Mostly flat to dissected, undulating plains; hills in west and southeast

Land Use: Arable land: 21.93%; permanent crops: 0.26%; other: 77.81% (2012 est.)

Natural Hazards: Recurring droughts

Environmental Issues: Recent draughts and desertification severely affecting agricultural activities, population distribution, and the economy; overgrazing; soil degradation; deforestation

LABOR¹¹

Labor Force (age 15+): 7.942 million (2016 est.)

Labor Force (by Occupation): Agriculture: 90%
Industry and Services: 10%

Unemployment Rate: 3.1% (2013 est.)

Minimum Monthly Wage: \$68 USD

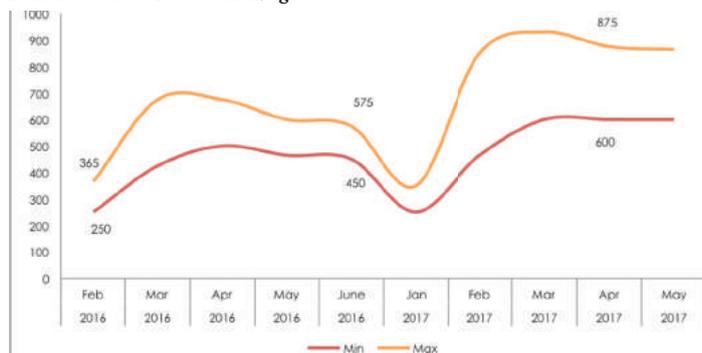
Legal Working Hours: 40 hours/week

BURKINA FASO'S CASHEW SECTOR OVERVIEW

Cashew Sector Growth - 2016

75,000 MT RCN Production
\$119,000,000 RCN Exports
21 % RCN Production Growth
34 % Processing Utilized Capacity

RCN Farm Gate Price – CFA/kg



Burkina Faso is seventh largest cashew nuts producer in African. Burkina Faso is known for big cashews with natural resistance against common farm diseases. The country also offers industrially skilled and dedicated work force to serve the agro-industries. In 2016 cashew harvest season, the country registered its bumper crop reaching 75,000 MT of annual raw cashew production.

SECTOR REGULATIONS & POLICY UPDATE

At the beginning of each cashew harvest, the Ministry of Trade sets a minimum farm gate price. The raw cashew nut season calendar is fixed by the Ministry of Commerce, Industry and Handicrafts. In 2015, the economy should remain dynamic with the continuation of investment in infrastructure as part of the government's Strategy for Growth and Sustainable Development (SCADD). Investment expenditure remained almost unchanged at 11.2% in 2013, compared to 11.1% in 2012. Investment was maintained because of the start of Ouagadougou-Donsin airport work, the Bagré growth pole project, and road and electricity infrastructure projects. The 2004 Investment Code demonstrates the government's interest in attracting FDI to create industries that produce export goods and provide training and jobs for its domestic workforce. The Code contains six investment and operations preference options, which are equally applicable to all Greenfield investments, mergers, and acquisitions. All investment-specific incentives are outlined in the 2004 Investment Code. Additionally, companies that use at least 50% locally-supplied raw materials are exempted from trading taxes, and also receive a 50% reduction in customs taxes. Such companies are also exempt from excise duties on production equipment and spare parts. The government of Burkina Faso, which hopes to take advantage of its central location in West Africa, has recently announced the development of a foreign trade zone or "free port" in Samandéni, in the western region of Burkina Faso (see). Burkina Faso has adopted the Free Zones policy to provide tax and duty reductions and exemptions to businesses investing in the country (see www.tradepoint.bf). Domestic goods transportation costs to the capital of the country range between 12 and 18 CFA/kg depending on point of origin while, for exports, road freight to Abidjan, Tema, and Cotonou is also possible. Abidjan is also served via rail. Quotations are done once every three months and are available through known shippers, i.e. Maersk, SNTB, Africa Logistic; who are all represented in Burkina Faso. Following are new policy and regulatory updates:

- CIAB liaise with public sector and advocate for measures to facilitate access to raw material and improve cashew production.
- Export Window is available to benefit locally established cashew processors with additional access of RCN and to also regulate price fluctuation and trade flows.
- Burkina Faso benefited from \$ 4m for cashew production as loan from African Development Bank (AfDB).
- 2016 cashew harvest season launched with indicative farm gate price of 640 CFA (US\$ 1/kg).
- Signed on to the Consultative International Cashew Council (CICC)



BURKINA FASO CASHEW PROCESSORS

OPERATING:

SOTRIA-B, ANATRANS, GEBANA AFRIQUE, VELEGDA, COOPAKE, YANTA, UTASCO (WOURL), UTAB (WOURL)

NON-OPERATING OR IN THE PIPELINE:

ELCA, UTAK (WOURL), VOLAPIE

Cashew Producing Areas

IMPORTANT CONTACT POINTS

Governmental Agencies:

- Ministry of Commerce, Industry and Handicrafts – To get the Import & export commercial license for the company commercial activities and also to secure the industry license.
- Ministry of Economy and Finance – To register the company for tax control.
- Ministry of Agriculture, and Water resource – To obtain the phytosanitary certificate for export purpose.
- Ministry of Justice, Human Rights and Civic Promotion Keeper of the Seals—for legal registration of company.
- Municipal committee—for publication of company registration in National bulletin.
- The agencies which are active in the sector with regards to food safety and regulations, physical and chemical analysis, are ONAC, DTA, National Public Health Laboratory (LNSP), INERA.

Non-Governmental Agencies:

- Competitive Cashew (ComCashew)
- Oxfam International
- PDA-GTZ
- FairMatch Support (FMS)
- INADES – Training/ RONGEAD
- SNV
- Specialized service providers: Biological and equitable structures (ECOCERT. SA, FLO-cert), Bureau d'études et de formation and L'ONAC, The national public health laboratory

Côte d'Ivoire

COUNTRY OVERVIEW^I

Political Context: Côte d'Ivoire has been one of West Africa's most prosperous countries since it gained independence in 1960. The country benefited from a strong cocoa industry, close ties to France and significant foreign investment. In 2000, junta leader Robert Guei declared himself the winner of rigged elections, but handed power over to Laurent Gbagbo after much civilian protest. In March 2007 President Gbagbo and former New Force rebel leader Guillaume Soro signed the Ouagadougou Political Agreement, which outlined a plan to reunite the country, incorporate rebel forces into the army and hold elections. International forces remained in the country to support these efforts. In November 2010, Alassane Dramane OUATTARA won the presidential election over Gbagbo, but he refused to hand over power, resulting in a five-month resumption of violent conflict. In April 2011, after widespread fighting, Gbagbo was formally forced from office by armed OUATTARA supporters with the help of UN and French forces. OUATTARA is focused on rebuilding the country's economy and infrastructure while rebuilding the security forces.

Current Account Balance: -\$650 million USD (-1.9% 2016 est.)

Reserves: \$5.09 billion USD (14.7% 2016 est.)

CREDIT RATING

Moody's

Moody's

Local Currency: B/Positive

Fitch

FitchRatings

Local Currency: B/Positive

Foreign Currency: B/Negative

ECONOMIC TRENDS^I

GDP: \$34.65 billion USD (2016 est.)

Currency: Franc CFA

Inflation: 0.3% (2016 est.)

Growth Rate: 8.8% (2016 est.)

Export Commodities: Cocoa, coffee, timber, petroleum, cotton, bananas, pineapples, palm oil, fish

ENVIRONMENT^I

Total Area: 322,463 sq km; land: 318,003 sq km; water: 4,460 sq km

Climate: Tropical along coast, semiarid in far north; three seasons - warm and dry (Nov. to Mar.), hot and dry (Mar. to May), hot and wet (Jun. to Oct.)

Terrain: Mostly flat to undulating plains; mountains in northwest

Land Use: Arable land: 9.12%; permanent crops: 14.15%; other: 76.73% (2012 est.)

Natural Hazards: Coast has heavy surf and no natural harbors; during the rainy season torrential flooding is possible

Environmental Issues: Deforestation (most of the country's forests - once the largest in West Africa - have been heavily logged); water pollution from sewage and industrial and agricultural effluents

LABOR^{II}

Labor Force: (age 15+): 8.543 million (2016 est.)

Labor Force (by Occupation): Agriculture: 68%
Industry and Services: Not available.

Unemployment Rate: 4.0% (2013 est.)

Minimum Monthly Wage: \$123.45 USD

Legal Working Hours: 35 hours/week

CÔTE D'IVOIRE'S CASHEW SECTOR OVERVIEW

Cashew Sector Growth - 2016

650,000 MT RCN Production
\$910,000,000 RCN Exports
-10 % RCN Production Growth
71 % Processing Utilized Capacity

RCN Farm Gate Price - CFA/kg



Introduced in 1960 to fight erosion and desertification, cashew trees have become a source of income for more than 150,000 farmers, and more than 1.5 million people in related industries. Ivorian cashew production increased from 6,000 MT in 1990 to about 550,000 MT in 2014. In 2016, Côte d'Ivoire

produced 650,000 MT of RCN as national production which position it as the number 1 World Cashew producer. Since the country has restored the peace with civil war in 2010, it has been moving towards a prosperous future. The current government promises stable governance and encouraging business environment.

SECTOR REGULATIONS & POLICY UPDATE

In June 2012, Côte d'Ivoire adopted a new investment code, offering incentives including tax reductions and in some cases exemptions from VAT on equipment for private investors. Under the code, new industrial zones will be created and investors will benefit from special tax treatment for periods ranging from 8 to 15 years, depending on the location of the investment. The investment code also provides incentives to promote sectors that are key to the country's economic development, such as low-cost housing construction, the creation of factories, and infrastructure development. In return, investors commit to technology transfer, compliance with environmental regulations, and implementation of staff training. Domestic goods transportation costs to Abidjan port in range of 12-18 CFA/kg depending on point of origin while sea exports freight range from €600 to 1,500 for a 20 feet container load to European destinations. Following are recent policy and regulatory updates:

- CIAB liaise with public sector and advocate for measures to facilitate access to raw material and improve cashew production.
- Export Window is available to benefit locally established cashew processors with additional access of RCN and to also regulate price fluctuation and trade flows.
- Burkina Faso benefited from \$ 4m for cashew production as loan from African Development Bank (AfDB).
- 2016 cashew harvest season launched with indicative farm gate price of 640 CFA (US\$ 1/kg).
- Signed on to the Consultative International Cashew Council (CICC)



COTE D'IVOIRE CASHEW PROCESSORS

OPERATING:
OLAM INTERNATIONAL, SITA-SA SARL, CAJU INDUSTRIE, AFRICAJOU, COPABO, BANDAMAN CAJOU, PAMO, CASA, CAJOU DE FASO, SOBERY, AFRICA NEGOCHE,

NON-OPERATING OR IN THE PIPELINE:
ANACARDE DORE, WOSSIEMIE, INC

 Cashew Producing Areas

IMPORTANT CONTACT POINTS

Governmental Agencies:

- Ministry of Industry & Mines (MIM)– To get the Import & export commercial license for the company commercial activities and also to secure the industry license.
- Ministry of Economy and Finance – To register the company for tax control.
- Ministry of Agriculture and Rural Development – To obtain the phytosanitary certificate for export purpose.
- Ministry of Justice, Human Rights and Seal Keeper - for legal registration of company.
- Municipal committee - For publication of company registration in National bulletin.
- CEPICI (Centre de Promotion des Investissements en Cote d'Ivoire) is a government agency that helps national or foreign investors create a business. (Tel: 20 21 40 78 - Fax: 20 21 40 71)
- CCA (Conseil Coton Anacarde) - The Cotton and Cashew Regulatory is a state company created by decree regulating the industry.
- Industrial Group of Cashew of Cote D'Ivoire (GIC-CI) is a national cashew processors association.
- CCI- CI (La Chambre de Commerce et d'Industrie de Côte d'Ivoire) is a Chamber of Commerce and Industry.

Non-Governmental Agencies:

- Competitive Cashew (ComCashew)
- ADEFICA (Association for African Cashew Industry Development)
- ACE (Control Audit and Expertise)
- Rongead (NGO working in market information and Farmers training)

The Gambia

COUNTRY OVERVIEW^I

Political Context: The Gambia gained its independence from the UK in 1965. Geographically surrounded by Senegal, it formed a short-lived federation of Senegambia between 1982 and 1989. In 1991 the two nations signed a friendship and cooperation treaty; tensions have flared up intermittently since. Yahya A. J. J. Jammeh led a military coup in 1994 that overthrew the president. A new constitution and presidential elections took place in 2017, followed by parliamentary balloting, and completed a nominal return to civilian rule. Adama Barrow has been newly elected president most recently in early 2017 with political stability in place.

Current Account Balance: -\$44.65 million USD (-4.7 2015 est.)
Reserves: \$154 million USD (16.2% 2015 est.)

CREDIT RATING

Not available

ECONOMIC TRENDS^I

GDP: \$886 million USD (2016 est.)
Currency: Dalasi (GMD)
Inflation: 4.2% (2016 est.)
Growth Rate: 1.6% (2016 est.)
Export Commodities: Peanut products, fish, cotton lint, palm kernels

ENVIRONMENT^I

Total Area: 11,295 sq km; land: 10,000 sq km; water: 1,295 sq km
Climate: Tropical; hot, rainy season (Jun. to Nov.); cooler, dry season (Nov. to May)
Terrain: Flood plain of the Gambia River flanked by some low hills
Land Use: Arable land: 43.48%; permanent crops: 0.49%; other: 56.03% (2012 est.)
Natural Hazards: Draught (rainfall has dropped by 30% in the last 30 years)
Environmental Issues: Deforestation; desertification; water-borne diseases prevalent

LABOR^{II}

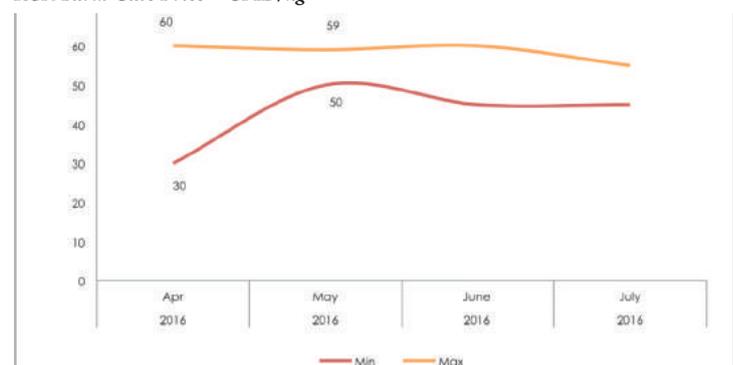
Labor Force: (age 15+): 776,045 (2011 est.)
Labor Force (by Occupation): Agriculture: 75%
 Industry: 19%
 Services: 6%
Unemployment Rate: 7.0% (2013 est.)
Minimum Monthly Wage: \$33.75 USD
Legal Working Hours: 48 hours/week

THE GAMBIA'S CASHEW SECTOR OVERVIEW

Cashew Sector Growth - 2016

10,000 MT RCN Production
\$21,000,000 RCN Exports
-9 % RCN Production Growth
7 % Processing Utilized Capacity

RCN Farm Gate Price – GMD/kg

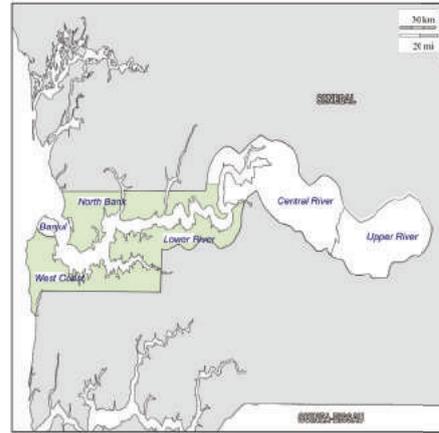


The Gambia produces 10,000 MT of cashew annually. Production is concentrated in the zones indicated on the map below. The production zones are close to the processing locations, allowing for an abundance of cheap and locally-available labor.

SECTOR REGULATIONS & POLICY UPDATE

IGambia produces only 10,000 MT of RCN but exports more than 50,000 MT, due to RCN inflows from Senegal. During the first five years of a new investment, the investor is exempt from industrial taxes. Furthermore, facilities for agro-industrial equipment are exempt from import taxes and there is no tax on the export of cashew kernels. Domestic goods transportation costs to Banjul port in range of GMD 25/kg depending on point of origin while sea exports freight of 20 feet container to USA/Europe International port costs US\$4,000. Following are new policy and regulatory updates:

- Initial 5 years for new investment free from industrial tax
- Import tax exemption facilities for agro-industrial equipment
- No tax on cashew kernel export
- Price increased by \$US 2.13/kg at farm gate due to cross border trade ban by Guinea Bissau at the end of the season.
- Gambia has one of the best equipped port in the SEGABI region.
- High tax imposed to trucks from Senegal.
- The Gambia invested heavily in GAP this year and production is expected to be high. Good Port facilities encourage exports of the region through the port.
- Enforcement of the Guinea Bissau cross border trade ban created huge demand in Gambia.



THE GAMBIA CASHEW PROCESSORS

OPERATING:
 GAMBIA ENTERPRISES (GHE), IRD
 SMALL-SCALE PROCESSORS
 HORTICULTURAL

NON-OPERATING OR IN THE PIPELINE:
 CASHEW GAM LTD

Cashew Producing Areas

IMPORTANT CONTACT POINTS

Governmental Agencies:

- Ministry of Commerce – To get the Import & export commercial license for the company commercial activities and also to secure the industry license.
- Ministry of Industry, SMEs and Private Sector promotion
- Ministry of Finance – To register the company for tax control.
- Ministry of Agriculture – To obtain the phytosanitary certificate for export purpose.
- Ministry of Justice and Seal keeper- for legal registration of company.
- Municipal committee - For publication of company registration in National bulletin.
- Gambia Investment & Export Promotion Agency (GIEPA) – To obtain Investment code, information about requirements, facilities and benefits of investment in Gambia, and to submit a proposed project.

Non-Governmental Agencies:

- International Relief & Development (IRD).
- Cashew Alliance of Gambia – Local private sector alliance of Gambia.



Ghana

COUNTRY OVERVIEW^I

Formed from the merger of the British colony of the Gold Coast and the Togoland trust territory, Ghana in 1957 became the first sub-Saharan country in colonial Africa to gain its independence. Ghana endured a series of coups before Lt. Jerry RAWLINGS took power in 1981. After approving a new constitution and restoring multiparty politics in 1992, RAWLINGS won presidential elections in 1992 and 1996. John KUFUOR of the opposition New Patriotic Party (NPP) succeeded him and was reelected in 2004. John Atta MILLS of the National Democratic Congress won the 2008 presidential election and took over as head of state, but he died in July 2012 and was constitutionally succeeded by his vice president, John Dramani MAHAMA, who subsequently won the December 2012 presidential election. In 2016, however, Nana Addo Dankwa AKUFO-ADDO of the NPP defeated MAHAMA..

CREDIT RATING

Standard & Poor's

STANDARD
& POOR'S

Local Currency: B/Negative
Foreign Currency: B/Negative
Transfer & Convertibility Assessment: B+
Country Ceiling: B

Fitch

FitchRatings

Local Currency: B-
Foreign Currency (long term/short term): B/B
Country Ceiling: B
Long Term Rating Alert: Outlook Negative

ECONOMIC TRENDS^I

GDP: \$42.76 billion (2016 est.)
Currency: Ghana Cedi (GHS)
Inflation: 17.4% (2016 est.)
Growth Rate: 3.6% (2016 est.)
Export Commodities: Oil, gold, cocoa, timber, tuna, bauxite, aluminum, manganese ore, diamonds, horticultural products. Cashew is the highest earning nontraditional export.

ENVIRONMENT^I

Total Area: 238,533 sq km; land: 227,533 sq km; water: 11,000 sq km
Climate: Tropical; warm and comparatively dry along southeast coast; hot and humid in southwest; hot and dry in north
Terrain: Mostly low plains with dissected plateau in south-central area
Land Use: Arable land: 20.66%; permanent crops: 11.87%; other: 67.48% (2012 est.)
Natural hazards: Dry, dusty, northeastern harmattan winds occur from Jan. to Mar.; droughts
Environmental Issues: Recurrent drought in north severely affects agricultural activities; deforestation; overgrazing; soil erosion; poaching and habitat destruction threatens wildlife populations; water pollution; inadequate supplies of potable water

LABOR^{II}

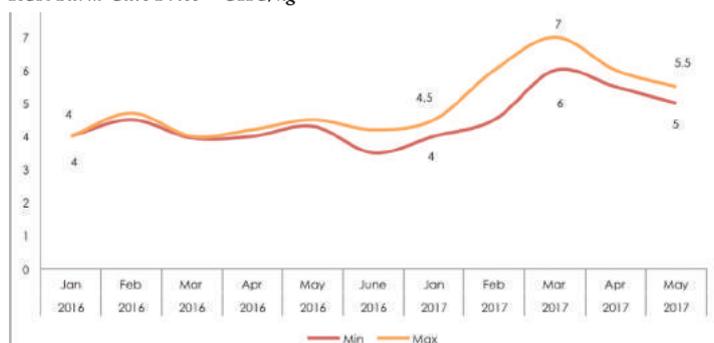
Labor Force (age 15+): 11.99 million (2016 est.)
Labor Force (by Occupation): Agriculture: 44.7%
Industry: 14.4%
Services: 40.9%
Unemployment Rate: 11.9% (2015 est.)
Minimum Monthly Wages: \$60 USD
Legal Working Hours: 45 hours/week

GHANA'S CASHEW SECTOR OVERVIEW

Cashew Sector Growth - 2016

70,000 MT RCN Production
\$176,000,000 RCN Exports
31 % RCN Production Growth
17 % Processing Utilized Capacity

RCN Farm Gate Price – GHC/kg



Ghana produces crop ranging 60-70,000 MT of raw cashew nuts and exports around 30,000MT of RCN. Production is concentrated in the Brong Ahafo region. Due to continuous political stability and suitable business environment, Ghana has attracted many investments in the Cashew processing sector including both local and foreign. Due to strong competition for raw cashew nuts, and poor capitalization, most of the processors have folded up, and are looking for additional capital injection to take advantage of recent ease on the ban on land exports of RCN from Cote d'Ivoire.

SECTOR REGULATIONS & POLICY UPDATE

Ghana has Free Zones which are overseen by the Ghana Free Zones Board (GFZB), providing tax and duty reductions and exemptions for businesses that invest in Ghana. The Ghana Investment Promotion Council also offers additional incentives to businesses (see www.gfzb.com and www.gipc.org.gh). Domestic goods transportation costs to Tema port is about US\$ 0.0333, while sea exports freight to European and Asian destinations range from US\$ 850 to US\$1,500 range for a 20 feet container load. Following are new policy and regulatory updates:

- Corporate Tax to all companies is set at 25%
- Income from nontraditional exports attracts income tax of 8%, though no export tax is levied on vashew Kernels
- Tax holidays (from start if operation) for a period of 3 years
- Location incentives; Ghana has Free Zones, providing tax and duty reductions and exemptions for businesses that invest in Ghana.
- Beginning 2018, all RCN exporters are required to register with the Ghana Export Promotion Authority (GEPA) and the Plant Protection and Regulatory Services Directorate (PPRSD). The registration process involves payment of various fees.
- Signed on to the Consultative International Cashew Council (CICC)

IMPORTANT CONTACT POINTS

Governmental Agencies:

- Ministry of Trade & Industry – To get the Import & export commercial license for the company commercial activities and also to secure the industry license.
- Ministry of Finance and Economic Planning – To register the company for tax control.
- Ministry of Food and Agriculture – To obtain the phytosanitary certificate for export purpose.
- Registrar Generals Department - for legal registration of company.
- Ghana Export Promotion Agency (GEPA)
- Ghana Revenue Authority
- Environmental Protection Agency (EPA.)

Non-Governmental Agencies:

- African Cashew Alliance.
- Competitive Cashew (ComCashew).
- GIZ.
- USAID – WA.
- SECO.
- SNV.
- DANIDA/BUSAC.
- World Bank – WA.
- MEDA.
- TechnoServe.
- African Development Bank



GHANA CASHEW PROCESSORS

OPERATING:
MIM CASHEW AND AGRICULTURAL PRODUCTS LTD,
USIBRAS

NON-OPERATING OR IN THE PIPELINE:
KONA AGRO PROCESSING LTD,
BLACK STAR FOOD LTD,
MILSKAAN GH LTD, INNOV
ORGANIC CASHEW PROCESSING,
RAJKUMAR IMPEX LTD

 Cashew Producing Areas

NOTICE FOR THE EXPORTATION OF RAW CASHEW NUTS

NOTICE is hereby given to Exporters and the General Public that the Regulations as set out in the Ghana Investment Promotion Centre Act, 2013 (Act 856) and the Plants and Fertilizer Act, 2010 (Act 803), are to be strictly complied with for the exportation of Raw Cashew Nuts (RCN).

Consequently, any Entity/Individual seeking to export RCN, should comply with the following instructions as set forth below:

1. Register with the Registrar General's Department
2. Register with the Ghana Investment Promotion Centre (GIPC) (For Foreigners)
3. Register with the Ghana Export Promotion Authority (GEPA)
4. Register with the Plant Protection and Regulatory Services Directorate (PPRSD)

The above instructions take effect from the First Publication of this notice.

It is an offence to export Raw Cashew Nuts without adherence to these instructions.

Any raw cashew nuts that are brought to ports or borders of Ghana without the proper documentations shall be confiscated to the State.

The Public is hereby obliged to take note and comply with accordingly.

Thank you.



Guinea

COUNTRY OVERVIEWⁱ

Political Context: Guinea gained its independence in 1958, after the Guinean leader, Sekou Touré, organized a referendum on September 28 rejecting the proposed Franco-African community issued by General De Gaulle. Touré remained President for 26 years, until his death in 1984, at which point Colonel Lansana Conté became president following a bloodless coup. June 1995 saw the first multi-party elections since independence. Since December 2010, the chief of state is the President, Alpha Conde; the head of government is the Prime Minister, Mohamed Said Fofana.

Current Account Balance: -\$1.05 billion USD (2014 est.)
Reserves: \$185.3 million USD (2014 est.)

CREDIT RATING

Not available

ECONOMIC TRENDSⁱ

GDP: \$6.30 billion (2016 est.)
Currency: Guinean Francs
Inflation: 10.6% (2016 est.)
Growth Rate: 5.2% (2016 est.)
Export Commodities: Bauxite, alumina, gold, diamonds, coffee, fish, agricultural products

ENVIRONMENTⁱ

Total Area: 245,857 sq km; land: 245,717 sq km; water: 140 sq km
Climate: Generally hot and humid; monsoonal-type rainy season (Jun. to Nov.) with southwesterly winds; dry season (Dec. to May) with northeasterly winds
Terrain: Generally flat coastal plain, hilly to mountainous interior
Land Use: Arable land: 12.21%; permanent crops: 2.85%; other: 84.94% (2012 est.)
Natural Hazards: Hot, dry, dusty harmattan haze may reduce visibility during dry season
Environmental Issues: Deforestation; inadequate potable water; desertification; soil contamination and erosion; overfishing, overpopulation in forest region; poor mining practices have led to environmental damage

LABORⁱⁱ

Labor Force (age 15+): 5.392 million (2016 est.)
Labor Force (by Occupation): Agriculture: 76%
Industry and Services: 24%
Unemployment Rate: 1.8% (2013 est.)
Minimum Monthly Wages: \$58.23 USD (2012 est.)
Legal Working Hours: 35 hours/week

GUINEA'S CASHEW SECTOR OVERVIEW

Historically, Guinea has been the main agricultural producer among the French colonies in West Africa. The sector has subsequently collapsed, making the country a net importer of food, despite many small landowners with its huge agricultural potential. The increase of foreign direct investment mainly to mining, have discouraged other foreign companies seeking to invest in agricultural projects in Guinea, such as the production of rice in the northern region of Boké. Total cashew production in Guinea is estimated at 10,000 MT, almost 70% of which is exported.

SECTOR REGULATIONS & POLICY UPDATE

The national cashew stakeholders' platform, the Guinean Cashew Alliance (l'Alliance Guinéenne de l'Anacarde - AGA) was launched in 2013 with government support. With a growing production and processing industry, cashew contributes to the incomes of 50,000-80,000 people in rural Guinea. A Private Investment Promotion Agency (APIP) was set up along with a one-stop shop for registering new companies (operational since December 2011). The technical process of starting a business in Guinea is simple. According to regulations of Guinea, the process is centralized at the Agency for the promotion of private investment (APIP), the office of central business registration. However, the largest investments have recently started directly via the Office of the President. The new government is eager to attract foreign investment and has made efforts to improve the process. Domestic goods transportation costs to Conakry port is about US\$ 321/MT depending on point of origin while sea exports freight to European and Asian destinations range from US\$ 800 to 1,600 range for a 20 feet container load.

IMPORTANT CONTACT POINTS

Governmental Agencies:

- Ministry of Commerce – To get the Import & export commercial license for the company commercial activities and also to secure the industry license.
- Ministry of Industry, SMEs and Private Sector Promotion
- Ministry of Economy and Finance – To register the company for tax control.
- Ministry of Agriculture – To obtain the phytosanitary certificate for export purpose.

- Ministry of Justice and Seal keeper - for legal registration of company.
- Municipal committee - For publication of company registration in National bulletin.
- Export Promotion Council.
- Agency for the promotion of private investment (APIP)

Non-Governmental Agencies:

- l'Alliance Guinéenne de l'Anacarde (AGA).
- ONG SAPE "Synergie d'Action pour la Protection de l'Environnement"
- USAID - GC.



GUINEA CASHEW PROCESSORS
NON-OPERATING OR IN THE
PIPELINE:
SOPELGUI AGRO INDUSTRIES

Cashew Producing Areas



Guinea-Bissau

COUNTRY OVERVIEW^I

Political Context: Guinea-Bissau achieved independence from Portugal in 1974. Joao Bernardo Vieira, who has been in power during most of the country's existence, first came to power in 1980 through a military coup, and was later elected in the country's first open elections in 1994. Vieira, was removed from power in 1999 during the country's civil war. In 2000, the country once again held open elections, and Kumba Yala was elected president. In 2003, a bloodless military coup brought Henrique Rosa to power. Vieira was once again elected in 2005, but was assassinated in March 2009. Malam Bacai Sanha was elected in an emergency election held in June 2009. A military coup in April 2012 prevented Guinea-Bissau's second-round presidential election - to determine SANHA's successor - from taking place. The Economic Community of Western African States, a civilian transitional government assumed power in 2012 and remained until Jose Mario VAZ won a free and fair election in 2014.

Current Account Balance: -\$39.4 million USD (2014 est.)

Reserves: Not available

CREDIT RATING

Not available

ECONOMIC TRENDS^I

GDP: \$1.168 billion USD (2016 est.)

Currency: Franc CFA

Inflation: 1.2% (2016 est.)

Growth Rate: 5.6%

Export Commodities: Fish, shrimp, cashews, peanuts, palm kernels, sawn lumber

ENVIRONMENT^I

Total Area: 36,125 sq km; land: 28,120 sq km; water: 8,005 sq km

Climate: Tropical; generally hot and humid; monsoonal-type rainy season (Jun. to Nov.) with southwesterly winds; dry season (Dec. to May) with northeasterly harmattan winds

Terrain: Mostly low-lying coastal plain with a deeply indented estuarine coastline rising to savanna in east; numerous off-shore islands including the Arquipelago Dos Bijagos consisting of 18 main islands and many small islets

Land Use: Arable land: 10.67%; permanent crops: 8.89%; other: 80.44% (2012 est.)

Natural hazards: Hot, dry, dusty harmattan haze may reduce visibility during dry season; brush fires

Environmental Issues: Deforestation; soil erosion; overgrazing; overfishing

LABOR^{II}

Labor Force (age 15+): 731,300 (2013 est.)

Labor Force (by Occupation): Agriculture: 82%
Industry and Services: 18%

Unemployment Rate: 7.1% (2013 est.)

Minimum Monthly Wages: \$37.25 USD

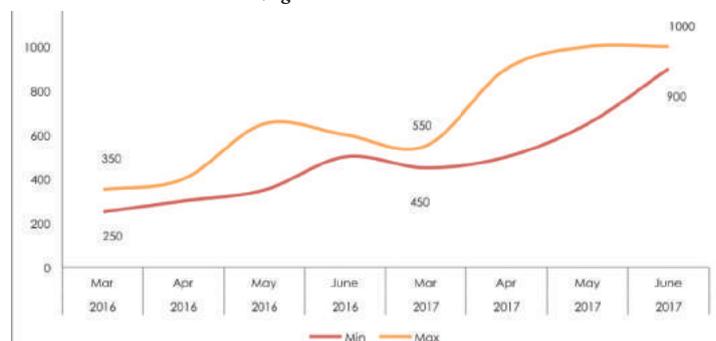
Legal Working Hours: 45 hours/week

GUINEA BISSAU'S CASHEW SECTOR OVERVIEW

Cashew Sector Growth - 2016

10,000 MT	RCN Production
\$21,000,000	RCN Exports
-9 %	RCN Production Growth
7 %	Processing Utilized Capacity

RCN Farm Gate Price – CFA/kg



Guinea-Bissau is the second-largest cashew producer in West Africa, and ranks fourth in the world among cashew-producing countries. The annual production is about 210,000 MT. The production zones are close to the processing locations, allowing for an abundance of cheap and locally-available labor.

SECTOR REGULATIONS & POLICY UPDATE

Guinean Cashew Sector is regulated via national stakeholder agency, National Cashew Stakeholder Agency (ANCA) while producers, traders and processors are represented by respective national associations. There are four commercial banks and one central bank which lend funds for trade and processing. During the first five years of a new investment, the investor is exempt from industrial taxes. Furthermore, facilities for agro-industrial equipment are exempt from import taxes and there is no tax on the export of cashew kernels. Domestic goods transportation costs to Bissau port range from CFA 20 to 50/kg depending on point of origin while sea exports freight European and Asian destinations range from US\$1,200 to US\$2,500 for a 20 feet container load. Following are new policy and regulatory updates:

- Government appealed for a fair price to farmers, price increase from 500 CFA to Max 1.000 CFA/kg (1.66 USD) /kg in 2016 harvest season.
- New Exports regulation agency set the Ministry of Finance to monitor trade licenses.
- Obligation to deliver letters of credit, confirming bank transfers by SWIFT
- All cashew traders and exporter should be licensed
- Easy land facilitation – long term leasing for abandoned locations.
- 4 commercial banks & 1 central bank lend for trade & processing.
- Stable currency – generally.
- Initial 5 years for new investment free from industrial tax of 25%
- Import tax exemption facilities for agro-industrial equipment.
- 0% export tax on cashew kernel export.
- Signed on to the Consultative International Cashew Council (CICC)



GUINEA-BISSAU CASHEW PROCESSORS

OPERATING:
D'JONDE LDA, AGRIBISSAU, CPC,
WAC LDA AND ARREY AFRICA

NON-OPERATING OR IN THE PIPELINE:
FAMILIAS UNIDAS LDA, LICAJU,
SICAJU, EMICOR, QUADE QUADE,
GEBACAJU LDA, ADPP, CAPE,
BEBECAJU LDA, GROUPO LIBIO (3 UNITS)

 Cashew Producing Areas

IMPORTANT CONTACT POINTS

Governmental Agencies:

- Ministry of Commerce & Entrepreneurship Promotion – To get the Import & export commercial license for the company commercial activities and also to secure the industry license.
- Ministry of Economy and Finance – To register the company for tax control.
- Ministry of Agriculture, and Forest – To obtain the phytosanitary certificate for export purpose.
- Ministry of Justice - for legal registration of company.
- Investment promotion council Bissau – To obtain Investment code, information about requirements, facilities & benefits of investment in Bissau, and to submit an investment project.
- ANCA – To obtain operational advisory regarding licensing.
- CNC – National Cashew Commission - To have better access of cashew production & procurement information.

Non-Governmental Agencies:

- ANCA – National Cashew Stakeholder Agency.
- ATCCAJU – National Cashew Processors Association.
- SNV- Providing assistance to cashew value chain – producers & processors small scale capacity buildings
- FUNDEI-Semi Government NGO and finances industrial initiatives
- Paz Desenvolvimento-Supporting small scale cashew processors, financed by Spanish cooperation
- ADPP - Supporting producers in better cashew plantation practices, works in collaboration with
- Food and Agriculture Organization (FAO)
- PRSPDA Project of World Bank.

Kenya

COUNTRY OVERVIEW^I

Political Context: Kenya gained independence in 1963. Jomo Kenyatta served as President from 1963 until 1978, when he was succeeded by Daniel Arap Moi. From 1969 to 1982, the Kenya African National Union was the only legal political party in Kenya; responding to outside pressures, the country held its first open elections in 1992. President Moi was elected in 1992 and 1997, finally stepping down in 2002. Mwai Kibaki was elected in 2002 and was reelected in 2007. However, the opposition candidate, Raila Odinga, alleged that the elections had been rigged, and substantial violence followed. UN-led negotiations in February 2008 resulted in a power-sharing agreement between Kibaki and Odinga, who was subsequently installed as prime minister. Uhuru Kenyatta, son of founding president Jomo Kenyatta, assumed office in 2013 after the new constitution was put into place. Uhuru Kenyatta is re-elected president recently for another term of office.

Current Account Balance: -\$6.34 billion USD (-9%2016 est.)
Reserves: \$12.48 billion USD (17.7% 2016 est.)

CREDIT RATING

Standard & Poor's <small>STANDARD & POOR'S</small> Rating: B	Moody's <small>MOODY'S</small> Sovereign Debt: B	Fitch <small>FitchRatings</small> Rating: B+
---	---	---

ECONOMIC TRENDS^I

GDP: \$70.53 billion USD (2016 est.)
Currency: Kenyan Shilling
Inflation: 8% (2016 est.)
Growth Rate: 5.8%
Export Commodities: Tea, horticultural products, coffee, petroleum products, fish, and cement

ENVIRONMENT^I

Total Area: 580,367 sq km; land: 569,140 sq km; water: 11,227 sq km
Climate: Varies from tropical along coast to arid in interior
Terrain: Low plains rise to central highlands bisected by Great Rift Valley; fertile plateau in west
Land Use: Arable land: 9.84%; permanent crops: 0.93%; other: 89.23% (2012 est.)
Natural Hazards: Recurring drought; flooding during rainy seasons
Environmental Issues: Water pollution from urban and industrial wastes; degradation of water quality from increased use of pesticides and fertilizers; water hyacinth infestation in Lake Victoria; deforestation; soil erosion; desertification; poaching

LABOR^{II}

Labor Force (age 15+): 17.7 million (2014 est.)
Labor Force (by Occupation): Agriculture: 75%
 Industry and Services: 25%
Unemployment Rate: 9.2% (2013 est.)
Minimum Monthly Wages: \$53.03 USD
Legal Working Hours: 52 hours/week

KENYA'S CASHEW SECTOR OVERVIEW

Cashew Sector Growth - 2016

6,000 MT	RCN Production
\$25,700,000	RCN Exports
20 %	RCN Production Growth
62 %	Processing Utilized Capacity

RCN Farm Gate Price – KSH/kg



Kenya has an installed processing capacity of 12,000 MT/year of raw cashew. After having reached the highest peak of 36,000 MT in 1978, production of cashew dropped sharply. Over the 25 years period, 1981 -2004, the output fluctuated around an annual average 6,000 MT, obliging processors to heavily rely on cashew imports from Tanzania in order to operate their plants. Cashew is largely grown in three Coast counties - Kilifi, Kwale and Lamu.

SECTOR REGULATIONS & POLICY UPDATE

Kenya has export processing zones managed by EPZA, the national authority to promote domestically value-added exports. NUTPAK is nationally recognized cashew and other nuts processors association active in sector. Domestic goods transportation costs to Nairobi port is in range of KSH 7 to 10/kg depending on point of origin while sea exports freight to European and Asian destinations is in range of US\$ 1,800 to 2,400 for a 20 feet container load. Following are new policy and regulatory updates:

- RCN importation from neighboring countries is allowed; RCN export banned 15 years ago.
- Kenya offers the lowest RCN price in Africa.
- Kilifi County the main production region of cashew is promoting cashew production to overcome the lack of raw material in the country.
- The following incentives are granted to EPZ companies Tax benefits:-
 - 10 year corporate income tax holiday and a 25% tax rate for a further 10 years thereafter (except for EPZ commercial enterprises)
 - 10 year withholding tax holiday on dividends and other remittances to non-resident parties (except for EPZ commercial licence enterprises)
 - Perpetual exemption from VAT and customs import duty on inputs – raw materials, machinery, office equipment, certain petroleum fuel for boilers and generators, building materials, other supplies. VAT exemption also applies on local purchases of goods and services supplied by companies in the Kenyan customs territory or domestic market. Motor vehicles which do not remain within the zone are not eligible for tax exemption.
 - Perpetual exemption from payment of stamp duty on legal instruments
 - 100% investment deduction on new investment in EPZ buildings and machinery, applicable over 20 years.



KENYA CASHEW PROCESSORS

OPERATING:
KENYA NUT COMPANY (KNC),
JUNGLE CASHEW (JUNGLE NUT),
EQUATORIAL NUT PROCESSORS
(ENP), WONDER NUTS, AFRICA
NEGOCHE

 Cashew Producing Areas

IMPORTANT CONTACT POINTS

Governmental Agencies:

- Ministry of Commerce & Industry – To get the Import & export commercial license for the company commercial activities and also to secure the industry license.
- Ministry of Finance and National Treasury– To register the company for tax control.
- Ministry of Agriculture, Livestock and Fisheries– To obtain the phytosanitary certificate for export purpose.
- Ministry of Justice - for legal registration of company.
- Municipal committee - For publication of company registration in National bulletin.
- Investment promotion council Kenya – To obtain Investment code, information about requirements, facilities & benefits of investment in Bissau, and to submit an investment project.
- NUTPAK – To obtain operational advisory regarding licensing.

Non-Governmental Agencies:

- NUTPAK – Nut Processor's Association of Kenya.
- One Acre Fund
- Promethean Power Systems
- World Concern International
- ACORD International



Mali

COUNTRY OVERVIEWⁱ



Political Context: Rule by dictatorship was brought to a close in 1991 by a military coup that ushered in a period of democratic rule. President Alpha Konare won Mali's first two democratic presidential elections in 1992 and 1997. In 2002, he was succeeded by Amadou Toumani Toure, who was elected to a second term in 2007 - elections which were widely judged to be free and fair. Malian returnees from Libya in 2011 exacerbated tensions in northern Mali, and Tuareg ethnic militias started a rebellion in January 2012. Low- and mid-level soldiers, frustrated with the poor handling of the rebellion, overthrew Toure. Intensive mediation efforts led by the Economic Community of West African States (ECOWAS) returned power to a civilian administration in April 2012 with the appointment of interim President Dioncounda Traore. An international military intervention to retake the northern regions began in January 2013 and within a month; most of the north had been retaken. In a democratic presidential election conducted in July and August of 2013, Ibrahim Boubacar KEITA was elected president. The Malian Government and northern armed groups signed an internationally-mediated peace accord in June 2015.

Current Account Balance: -\$370 million USD (-2.7% 2016 est.)
Reserves: \$2.14 billion USD (15.3% 2016 est.)

CREDIT RATING

Not available.

ECONOMIC TRENDSⁱ

GDP: \$14.05 billion USD (2016 est.)
Currency: Franc CFA
Inflation: 4.9% (2016 est.)
Growth Rate: 5.3% (2016 est.)
Export Commodities: Cotton, gold, livestock

ENVIRONMENTⁱ

Total Area: 1,240,192 sq km; land: 1,220,190 sq km; water: 20,002 sq km
Climate: Subtropical to arid; hot and dry (Feb. to Jun.); rainy, humid, and mild (Jun. to Nov.); cool and dry (Nov. to Feb.)
Terrain: Mostly flat to rolling northern plains covered by sand; savanna in south, rugged hills in northeast
Land Use: Arable land: 5.62%; permanent crops: 0.12%; other: 94.25% (2012 est.)
Natural Hazards: Hot, dust-laden harmattan haze common during dry seasons; recurring droughts; occasional Niger River flooding
Environmental Issues: Deforestation; soil erosion; desertification; inadequate supplies of potable water; poaching

LABORⁱⁱ

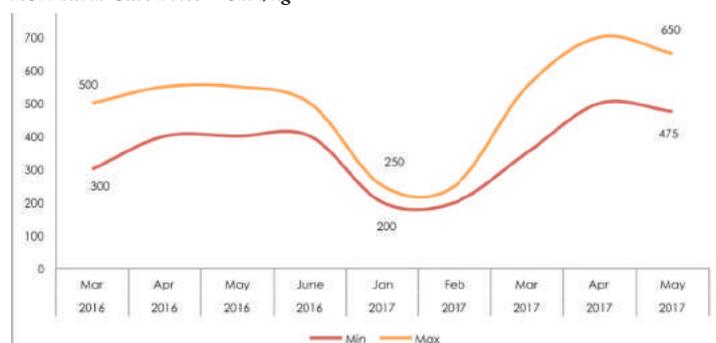
Labor Force (age 15+): 6.283 million (2016 est.)
Labor Force (by Occupation): Agriculture: 80%
 Industry and Services: 20%
Unemployment Rate: 30% (2015 est.)
Minimum Monthly Wages: \$55.43 USD
Legal Working Hours: 40 hours/week

MALI'S CASHEW SECTOR OVERVIEW

Cashew Sector Growth - 2016

70,000 MT RCN Production
\$112,000,000 RCN Exports
25 % RCN Production Growth
15 % Processing Utilized Capacity

RCN Farm Gate Price – CFA/kg

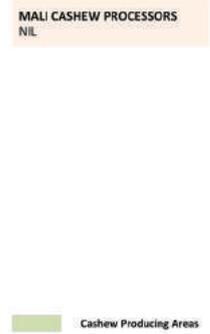


The domestic cashew production was estimated at 35,000 to 40,000 MT in 2014 cashew harvest season with good quality (outturn 46 - 48 lbs. /80 kg bag). On the assumption of a normal rainfall pattern in 2015, in line with local sources, the raw cashew output should exceed last season's level, as a result of an increase of production in Sikasso and Bougouni areas neighboring Côte d'Ivoire and Guinea Conakry. The marketing season starts by end-February and ends by May each year. The National Agriculture Directorate coordinates with the Rural Economy Institute in developing new, high yielding cashew varieties adapted to local growing conditions. Meanwhile, several members of the Malian Cashew Exporters Association envisage acquired their own plantations in 2015. As a result, in 2016 Mali produced 80,000 MT of raw cashew nuts with continuous growth, majority of which are mostly exported to Asia via West African neighboring countries.

SECTOR REGULATIONS & POLICY UPDATE

The Government of Mali is supporting the organization of the cashew sector through the Committee of Initiative consisting of the cashew producers, processors and exporters. The Committee of Initiative is the only authority entitled to decide on sectorial policies to be adopted. The Malian Association of Cashew Exporters is acting to obtain governmental support for cashew export financing by local banks. Without the financial assistance of the banks, Malian cashew exporters can hardly face the international market competition and promote the “Mali” origin label. Trucking charges in Mali average 60 FCFA/ton/kilometer. In addition, truckers’ clients are responsible for paying road use tolls, which average 200 CFA per 100 km. Rail charges between Dakar and Bamako vary according to the type of cargo and packaging (container, bulk, or loose). The cost for goods in bulk pack is 30,000 FCFA/ton from Dakar to Bamako (up to 30 tons, then the rate drops slightly). Following are new policy and regulatory updates:

- Quality issues affects cashew price in Mali; slight increase this year compare to other countries in Africa.
- However, Mali produces as much as Ghana and Burkina Faso.
- Government is yet to recognize Cashew nut as strategic export crop.
- Signed on to the Consultative International Cashew Council (CICC)



IMPORTANT CONTACT POINTS

Governmental Agencies:

- Ministry of Commerce & Industry – To get the Import & export commercial license for the company commercial activities and also to secure the industry license.
- Ministry of Economy, Finance and Budget – To register the company for tax control.
- Ministry for the promotion of the Investment and private Sector
- Ministry of Agriculture – To obtain the phytosanitary certificate for export purpose.
- Ministry of Justice, Human Rights and keeper of the Seals - for legal registration of company.

Non-Governmental Agencies:

- The CTARS project
- International Trade Centre (ITC)
- FAO
- The Turning Foundation
- CARE International
- Cross Road International



Mozambique

COUNTRY OVERVIEW^I



Political Context: Mozambique achieved independence from Portugal in 1975. The country was ruled by the Marxist Front for the Liberation of Mozambique (FRELIMO), and in 1989 the party adopted a new constitution and held multi-party elections. In 1992, FRELIMO and rebel Mozambique National Resistance (RENAMO) forces signed a peace agreement to end fighting. Armando Guebuza, President from 2005-2015, has continued to focus on economic policies that promote foreign direct investment. Economic growth has been very strong in the country since the end of the civil war.

Current Account Balance: -\$6.322 billion USD (2014 est.)
Reserves: \$150 billion USD (25.7% 2016 est.)

CREDIT RATING

Standard & Poor's



Local Currency: B+/Stable/B
 Foreign Currency: B+/Stable/B
 Transfer & Convertibility Assessment: B+

Fitch



Not available.

ECONOMIC TRENDS^I

GDP: \$11.01 billion USD (2016 est.)
Currency: Meticaís (MZN)
Inflation: 12.2% (2016 est.)
Growth Rate: 3.8% (2016 est.)
Export Commodities: Aluminum, prawns, cashews, cotton, sugar, citrus, timber; bulk electricity

ENVIRONMENT^I

Total Area: 799,380 sq km; land: 786,380 sq km; water: 13,000 sq km
Climate: Tropical to subtropical
Terrain: Mostly coastal lowlands, uplands in center, high plateaus in northwest, mountains in west
Land Use: Arable land: 7.18%; permanent crops: 0.38%; other: 92.43% (2012 est.)
Natural Hazards: Severe droughts; devastating cyclones and floods in central and southern provinces
Environmental Issues: A long civil war and recurrent drought in the hinterlands have resulted in increased migration of the population to urban and coastal areas with adverse environmental consequences; desertification; pollution of surface and coastal waters; elephant poaching for ivory is a problem

LABOR^{II}

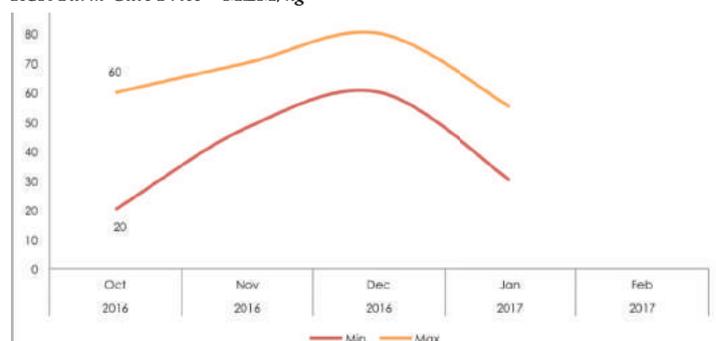
Labor Force: (age 15+): 13.31 million (2016 est.)
Labor Force (by Occupation): Agriculture: 81%
 Industry: 6%
 Services: 13%
Unemployment Rate: 22.4% (2014 est.)
Minimum Monthly Wages: \$88.51 USD
Legal Working Hours: 50 hours/week

MOZAMBIQUE'S CASHEW SECTOR OVERVIEW

Cashew Sector Growth - 2016

130,000 MT RCN Production
\$219,000,000 RCN Exports
63 % RCN Production Growth
71 % Processing Utilized Capacity

RCN Farm Gate Price – MZM/kg



In 1970s, Mozambique produced over 200,000 MT as annual cashew crop and processed over 90% of the production. Later the civil war caused big damage to the industry resulting in a drastic decline in production and processing. By early 2004, Techno Serve an North American NGO, supported the revamping of the sector along with INCAJU by supporting production and processing enhancement. Over 9 years of developed work with high dedication of private

sector, both the industry and production has revived. Today the country produces around 130,000 MT of raw cashew nuts and processes most of it. Production is concentrated in the northern part of the country.

SECTOR REGULATIONS & POLICY UPDATE

Investment legislation offers customs and fiscal benefits to eligible projects according to the value, geographical area and sector of activity, including exemptions on import duties on equipment of class “K” of the customs tariff schedule (the exemption is extensive to value added tax), as well as the reduction of 50% on the real property transfer tax (SISA) on acquisition of capital goods for industry, agro-industry, and hotels, provided they are acquired within three years of the investment authorization date. Trucking charges in Mozambique range from 25 to 35 MZ/kg while sea exports freight to European and Asian destinations range from US\$2,500 to US\$3,000 for a 20 feet container load. Following are new policy and regulatory updates:

- Customs and fiscal benefits to eligible projects, namely Generic Benefits with its:
 - Exemptions on Import Duties on equipment of class “K” of the Customs Tariff Schedule (the exemption is extensive to Value Added Tax).
 - Reduction of 50% on the real property transfer tax (SISA) on acquisition of capital goods for Industry,
- Fiscal Credit per Investment (CFI) during 5 fiscal exercises:
- Tax Credits per provinces: Nampula, Manica, Maputo City and Maputo Province : 5%,
- Gaza, Sofala, Tete and Zambézia: 10%, Niassa, Cabo Delgado and Inhambane: 10%
- The Minimal FOB price of 1,600 per MT.
- Authorization to RCN export is given around December.
- Export tax of 18% FOB price for companies supplying local processing or \$US 75 per ton extra applies.
- Bilateral cooperation reached with Vietnam to increase processing and production in Mozambique and expands trade relation with Vietnam.



MOZAMBIQUE CASHEW PROCESSORS

OPERATING:
CONDORCAJU, CONDOR NUTS, INDGO AFRICA, KOROXO LDA, OLAM, IPCCM, CABO CAJU, MZIOTELA INDUSTRIAL LDA, ADPP NAMIGE PROCESSORS, MOMA CAJU (JATIN-CAJU)

NON-OPERATING OR IN THE PIPELINE:
SOCAJU LDA, ANACARDIA LDA, EDCIL LDA, MULOPIA CAJU, MADECAJU LDA, MADERCIL LDA, ZAMBEZIA CAJU, MULOQUE AGRO-PROCESSOR (MAP), MOZACAJU, MCM LDA, INVAPECAJU LDA

 Cashew Producing Areas

IMPORTANT CONTACT POINTS

Governmental Agencies:

- Ministry of Industry and Commerce – To get the Import & export commercial license for the company commercial activities and also to secure the industry license.
- Ministry of Finance – To register the company for tax control.
- Ministry of Agriculture – To obtain the phytosanitary certificate for export purpose.
- Ministry of Justice - for legal registration of company.
- Municipal committee - For publication of company registration in National bulletin.
- Export Promotion Council.
- INCAJU – National Cashew Regulatory Body

Non-Governmental Agencies:

- AICAJU – National Cashew Processors Association
- ComCashew
- Technoserve – NGO
- CARE International
- World Vision
- ADPP

Nigeria

COUNTRY OVERVIEW^I

Political Context: Nigeria gained independence from Britain in 1960. The country adopted a new constitution in 1999 and transitioned to civilian government after almost two decades of military rule. Although both the 2003 and 2007 presidential elections were not without irregularities and violence, Nigeria is currently experiencing its longest period of civilian rule since independence. The general elections of April 2007 marked the first civilian-to-civilian transfer of power in the country's history. The most recent elections, which were held in March 2015, were considered quite successful due to the peaceful handover of power from the incumbent party to the opposition, led by Mr. Buhari who eventually was elected president.

Current Account Balance: -\$5.67 billion USD (-1.4% 2016 est.)

Reserves: \$20.25 billion USD (5% 2016 est.)

CREDIT RATING

Standard & Poor's

STANDARD
POOR'S

Rating: BB-

Moody's

MOODY'S

Sovereign Debt: Ba3

Fitch

FitchRatings

Rating: BB-

ECONOMIC TRENDS^I

GDP: \$405.8 billion USD (2016 est.)

Currency: Naira (NGN)

Inflation: 9.6% (2016 est.)

Growth Rate: -1.5%

Export Commodities: Petroleum and petroleum products (95%), cocoa, rubber

ENVIRONMENT^I

Total Area: 923,768 sq km; land: 910,768 sq km; water: 13,000 sq km

Climate: Varies; equatorial in south, tropical in center, arid in north

Terrain: Southern lowlands merge into central hills and plateaus; mountains in southeast, plains in north

Land Use: Arable land: 38.43%; permanent crops: 7.36%; other: 54.21% (2012 est.)

Natural Hazards: Periodic droughts; flooding

Environmental Issues: Current issues: soil degradation; rapid deforestation; urban air and water pollution; desertification; oil pollution - water, air, and soil; has suffered serious damage from oil spills; loss of arable land; rapid urbanization

LABOR^{II}

Labor Force: (age 15+): 58.8 million (2016 est.)

Labor Force (by Occupation): Agriculture: 70%

Industry: 10%

Services: 20%

Unemployment Rate: 13.9% (2016 est.)

Minimum Monthly Wages: \$123 USD legal

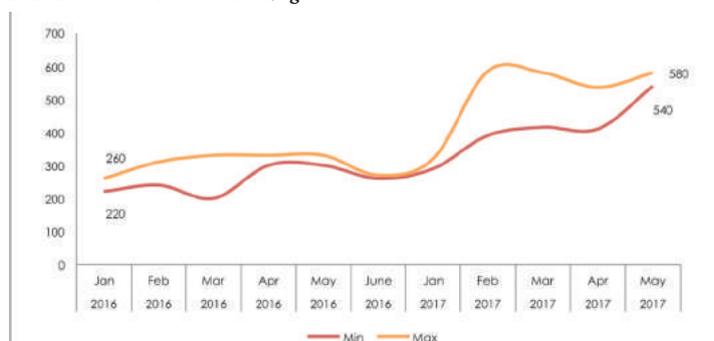
Legal Working Hours: 40 hours/week

NIGERIA'S CASHEW SECTOR OVERVIEW

Cashew Sector Growth - 2016

170,000 MT	RCN Production
\$252,000,000	RCN Exports
25 %	RCN Production Growth
28 %	Processing Utilized Capacity

RCN Farm Gate Price – Naira/kg



Producing on average 170,000MT of raw cashew nuts per year, Nigeria is Africa's fifth-largest cashew producer after Côte d'Ivoire, Guinea-Bissau, Benin, and Tanzania.

SECTOR REGULATIONS & POLICY UPDATE

Nigeria offers Free Zones, which provide tax and duty reductions and exemptions to businesses that invest in the country. The Nigerian Investment Promotion Council has been set up by the government to help investors. It offers a number of incentives, including tax relief for projects that involve significant job creation. Such incentives include five years tax holiday if granted pioneer status, import tax exemptions for agro-industrial equipment, export tax exemption on cashew kernel, and 30% repatriation of export proceeds of processed products ((www.nipc.gov.ng). Trucking charges in Nigeria range from 170-200 Naira/kg while sea exports freight to European and Asian destinations range from US\$ 2,200-3,500 for a 20 feet container load. Following are new policy and regulatory updates:

- Nigeria targets 840,000 MT of the RCN production by 2024.
- High yielding seeds are given to farmers for free.
- The Federal Ministry of Food and Rural Development launched the Cashew Expansion Program.
- Nigeria lifts Ban on Export Expansion Grant to boost non-oil exports
- Cashew nut already been recognized as strategic nontraditional export commodity in 2016.
- Five years tax holiday if granted pioneer status, i.e. located in a rural area.
- Import tax exemption facilities for agro-industrial equipment.
- 0% export tax on cashew kernel export.
- Easy Land facilitation – long term leasing for abandoned locations.



NIGERIA CASHEW PROCESSORS

OPERATING:
 ABOD SUCCESS NIGERIA LTD,
 EMBIKS INVESTMENT, VALENCY
 INTERNATIONAL, OLAM,
 FOODPRO, EDGIL

**NON-OPERATING OR IN THE
 PIPELINE:**
 ABIG VENTURES, ACET NIGERIA
 LTD, KD FOODS LTD, ASIA
 COMMODITIES LTD, CENTURY
 EXPORT LTD, COLLOSUS
 INVESTMENT, EASTERN FARM
 INDUSTRIES LTD, ED&F FTAN
 NIGERIA LTD, ELEPHANT GROUP
 CO LTD, EMEKACAJAN INDUSTRIAL
 CO LTD, IDD - ENKAY LTD, JOF
 ENTERPRISES LTD, KASHFORD,
 LBFT OVERSENS LTD, PARGAN
 LTD

Cashew Producing Areas

IMPORTANT CONTACT POINTS

Governmental Agencies:

- Ministry of Industry, Trade and Investment – To get the Import & export commercial license for the company commercial activities and also to secure the industry license.
- Ministry of Finance – To register the company for tax control.
- Ministry of Agriculture and Rural development– To obtain the phytosanitary certificate for export purpose.
- Ministry of Justice Attorney General- for legal registration of company.
- Municipal committee - For publication of company registration in National bulletin.
- NIPC – Nigerian Investment promotion council – To obtain Investment code, information about requirements, facilities & benefits of investment in Nigeria, and to submit your project of your investment.
- CAC– Cooperate Affairs Commission - To insure the follow up with Nigerian cooperate sector laws.
- IITA – For Agricultural research information.
- NEPC-Nigeria Export Promotion council

Non-Governmental Agencies:

- NCAN – National Cashew Association of Nigeria
- NCPAN – National Cashew Processors Association of Nigeria
- TechnoServe
- Ford Foundation
- Russ International



Senegal

COUNTRY OVERVIEW^I

Political Context: The French colonies of Senegal and French Sudan were merged in 1959 and granted independence in 1960 as the Mali Federation. Senegal joined with The Gambia to form the nominal confederation of Senegambia in 1982. The envisaged integration of the two countries was never implemented, and the union was dissolved in 1989. Several peace deals have failed to resolve the conflict of Casamance region, but an unofficial cease-fire has remained largely in effect since 2012. Senegal remains one of the most stable democracies in Africa. Senegal was ruled by a Socialist Party for 40 years until Abdoulaye WADE was elected president in 2000. He was reelected in 2007 and, during his two terms, amended Senegal's constitution over a dozen times to increase executive power and weaken the opposition. His decision to run for a third presidential term sparked a large public backlash that led to his defeat in a March 2012 runoff by Macky SALL, whose term runs until 2019.

Current Account Balance: -\$700 million USD (-4.8% 2014 est.)

Reserves: \$3.29 billion USD (22.3% 2014 est.)

CREDIT RATING

Standard & Poor's

STANDARD
& POOR'S

Rating: B+

Moody's

Moody's

Rating: B1

Outlook: STA

ECONOMIC TRENDS^I

GDP: \$14.77 billion USD (2016 est.)

Currency: Franc CFA

Inflation: 2% (2016 est.)

Growth Rate: 6.6%

Export Commodities: Fish, groundnuts (peanuts), petroleum products, phosphates, cotton

ENVIRONMENT^I

Total Area: 196,722 sq km; land: 192,530 sq km; water: 4,192 sq km

Climate: Tropical; hot, humid; rainy season (May to Nov.) has strong southeast winds; dry season (Dec. to Apr.) dominated by hot, dry, harmattan wind

Terrain: Generally low, rolling, plains rising to foothills in southeast

Land Use: Arable land: 17.4%; permanent crops: 0.34%; other: 82.26% (2012 est.)

Natural Hazards: L owlands seasonally flooded; periodic droughts

Environmental Issues: Wildlife populations threatened by poaching; deforestation; overgrazing; soil erosion; desertification; overfishing

LABOR^{II}

Labor Force (age 15+): 6.737 million (2016 est.)

Labor Force (by Occupation): Agriculture: 77.5%
Industry and Services: 22.5%

Unemployment Rate: 10.3% (2013 est.)

Minimum Monthly Wages: \$57.29 USD

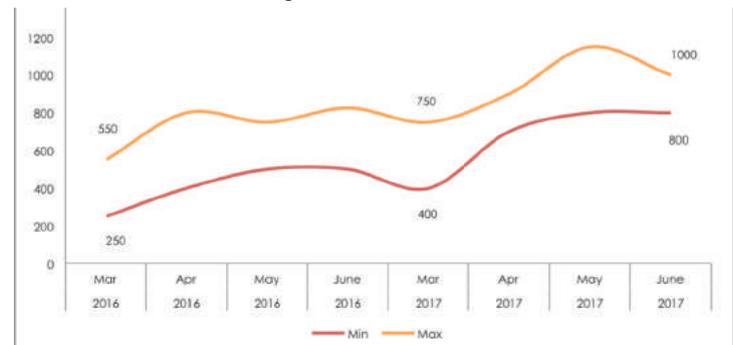
Legal Working Hours: 40 hours/week

SENEGAL'S CASHEW SECTOR OVERVIEW

Cashew Sector Growth - 2016

45,000 MT	RCN Production
\$63,000,000	RCN Exports
13 %	RCN Production Growth
18 %	Processing Utilized Capacity

RCN Farm Gate Price – CFA/kg



Senegal produced 45,000 MT of raw cashew nut. Production is concentrated in the zones indicated on the map below. Senegal's economy remains dominated by service industries, which account for 60% to the GDP. The primary and secondary activities each contribute to 20%.

SECTOR REGULATIONS & POLICY UPDATE

Senegal is the first country to have been rated B+ / Stable / B in West Africa by the prestigious international rating agency Standard & Poor's International, for three consecutive years. The CFA franc is pegged to the Euro at a rate of 1 € = 655,957 FCFA (100 FCFA = 1 FF). Senegal shares a common currency with the eight UEMOA countries. A Central Bank (BCEAO), is responsible for monetary policy formulation and reforms. Senegal has Free Zones which provide many tax and duty reductions and exemptions to export-oriented businesses that invest in Senegal (www.investinsenegal.com). Trucking charges in Senegal average 300-350 CFA/kg while sea exports freight to European and Asian destinations is in the range of US\$ 2,500 for a 20 feet container load. Following are new policy and regulatory updates:

- Establishing a system of tax credits for investments in an amount equal to 40% of capital investments over a period of five years and capped for each fiscal year, 50% of taxable income for new businesses and 25% for extensions.
- Demarcation between the investment phase and the operational, allowing the investor to enjoy fully the benefits of holding for the duration of (05) years and the administration to collect any information regarding the achievement of the agreed program and start-up activities.
- Compliance with the Code of the Environment.
- The abolition of minimum capital payable. In fact, tax cuts have been initiated through the reform of the patent, reducing the rate of corporation tax (from 35% to 33%) and extending the system of accelerated depreciation.
- Senegal registered the second highest price at farm gate this season.
- Farmers in the SEGABI region are producing the high quality nuts (min KOR 52 at the beginning of the year).
- Private and public sector are setting up the Value Chain National Association to develop the cashew development framework in consultation with Technical partners.
- Senegal advocates against Indian regulation to reject RCN without Methil Bromid chemical.
- Signed on to the Consultative International Cashew Council (CICC)



SENEGAL CASHEW PROCESSORS

OPERATING:
ACASEN, ORGANIC CASHEW NUTS GIE, SPCL SARL, CAJOU CASAMANCE

NON-OPERATING OR IN THE PIPELINE:
APAD, FREDERIC COLY, JOSEPH DIAMACOUNE, EDOUARD SAGNA, ASSOCIATION DES HANDICAPES DE DIATTACOUNDA ET SARECOLIDIAN, FTALANG SANE

 Cashew Producing Areas

IMPORTANT CONTACT POINTS

Governmental Agencies:

- Ministry of Commerce the Informal Sector, Consumption, promotion of Local products and SMEs – To get the Import & export commercial license for the company commercial activities and also to secure the industry license.
- Ministry of Economy, Finance and Planning, Budget office – To register the company for tax control.
- Ministry of Agriculture and Rural Equipment – To obtain the phytosanitary certificate for export purpose.
- Ministry of Justice - for legal registration of company.
- Municipal committee - For publication of company registration in National bulletin.
- APIX – To obtain Investment code, information about requirements, facilities and benefits of investment in Senegal, and to submit your project of your investment

Non-Governmental Agencies:

- Oxfam International
- International Relief & Development
- Arcus Foundation
- PADEC – Canadian Government joint project with Senegalese Government
- COFAC – National Cashew Stakeholders Association

Tanzania

COUNTRY OVERVIEW^I



Political Context: Shortly after achieving independence from Britain in the early 1960s, Tanganyika and Zanzibar merged to form the United Republic of Tanzania in 1964. One-party rule ended in 1995, with the first democratic elections held in the country since the 1970s. The formation of a government of national unity between Zanzibar's two leading parties succeeded in minimizing electoral tension in 2010.

Current Account Balance: -\$2.98 billion USD (2016 est.)
Reserves: \$3.771 billion USD (2016 est.)

CREDIT RATING

Not available

ECONOMIC TRENDS^I

GDP: \$46.7 billion USD (2016 est.)
Currency: Tanzanian Shilling (TSH)
Inflation: 7% (2016 est.)
Growth Rate: 7.2% (2016 est.)
Export Commodities: Gold, coffee, cashew nuts, cotton

ENVIRONMENT^I

Total Area: 947,300 sq km; land: 885,800 sq km; water: 61,500 sq km
Climate: Varies from tropical along coast to temperate in highlands
Terrain: Plains along coast; central plateau; highlands in north, south
Land Use: Arable land: 16.37%; permanent crops: 2.43%; other: 81.2% (2012 est.)
Natural Hazards: Flooding on the central plateau during the rainy season; drought
Environmental issues: Soil degradation; deforestation; desertification; destruction of coral reefs threatens marine habitats; recent droughts affected marginal agriculture; wildlife threatened by illegal hunting and trade, especially for ivory

LABOR^{II}

Labor Force (age 15+): 26.96 million (2016 est.)
Labor Force (by Occupation): Agriculture: 80%
Industry and Services: 20%
Unemployment Rate: 3.5% (2013 est.)
Minimum Monthly Wages: \$25.25 USD
Legal Working Hours: 45 hours/week

TANZANIA'S CASHEW SECTOR OVERVIEW

Cashew Sector Growth - 2016

250,000 MT	RCN Production
\$15,000,000	RCN Exports
72 %	RCN Production Growth
32 %	Processing Utilized Capacity

Tanzania produces around 250,000 MT of raw cashew nuts per year. The Cashew Board of Tanzania (CBT) has recently committed to revive the Tanzanian cashew processing industry in order to bolster the domestic sector, making the time ripe for investment. Cashew procurement is heavily regulated by government with practice of Warehouse Receipt System) where raw nuts are collected from farmers and sold via international auction system. Tanzania has significantly active domestic cashew processing industry.

SECTOR REGULATIONS & POLICY UPDATE

Tanzania offers a well-balanced package of incentives for investors, including favorable investment allowances and 100% tax deductions on industrial buildings, plant & machinery, and agricultural expenditures; deferment of VAT payment on project capital assets; import duty drawback on raw materials; zero-rated VAT on manufactured exports; straight-line accelerated depreciation allowance on capital goods; five-year carry-over on all business losses against future profits; a reasonable corporate tax rate (30%) and low withholding tax rates on dividends (10%) and on loan interest (0%); the right to transfer outside the country of foreign exchange earned, profits, and capital; automatic permit to employ five foreign nationals on a project holding a certificate of incentives; reduced import tariffs on project capital terms; and investment guarantees and settlement of disputes. Trucking charges in Tanzania average 100 US\$/MT while sea exports freight to European and Asian destinations is in the range of US\$ 2,000-2,800 for a 20 feet container load. Following are new policy and regulatory updates:

- The recognition of private property and protection against any non-commercial risks. Tanzania is an active member of MIGA (Multilateral Investment Guarantees Agency), and also a member of The International Centre for Settlement of Investment Disputes (ICSID) so investors have unrestricted rights to International arbitration in case of dispute with government.
- Reduced import tariff on project capital items (5% import duty for investments in priority sectors and 0% for investment in Lead Sectors).
- Favorable investment allowances and deductions i.e. capital allowance (100%) on industrial buildings, plant and machinery and on agricultural expenditure.
- Deferment of VAT payment on project capital goods as defined in the tariff book and its relevant annexes deferred VAT to be shown on monthly return after which it will be extinguished unless it is discovered otherwise after audit.
- Imports Duty drawback on raw materials.
- Zero-rated VAT on Mining inputs, Agriculture inputs, goods manufactured for exports, foodstuff and tourism.
- Straight line accelerated depreciation allowance on capital goods.
- Up to five years carryover of all business losses against future profits.
- A reasonable corporate tax rate of 30% and low withholding tax on loan interest payments.
- The unrestricted right to transfer outside the country 100% of foreign exchange earned profits and capital.
- The ease of obtaining other permits such as Residence/Work Permits, industrial license, trading license etc. through one-stop-shop operation of TIC.
- Automatic permits for employing an initial quota of 5 foreign nationals on the project holding Certificates of Incentives.
- CBT played a key role to increase production through GAP and HPH technics to reach 72% growth.
- Government plan to reach up to 600,000 MT of domestic cashew production in the next 5 years.
- RCN export tax: 160 USD/MT - 15% of FOB price in addition for no proof of delivery to processors.



TANZANIA CASHEW PROCESSORS

OPERATING:
 MASASI HIGH QUALITY FARMERS GROUP, NEWALA 1, OLAM, SOUTHERN JUMBO CASHEW, PERFECT CASHEWS, CASHEW NUT COMPANY 2005, MICRONIX SYSTEMS LTD, LINDI FARMERS CO LTD, MOHAMED ENT, PREMIER CASHEW, SAFA PETROLEUM & MINERALS CO LTD, UVUKI, EXPORT TRADING

NON-OPERATING OR IN THE PIPELINE:
 NEWALA 2, LICOMBE, MTAMA, NACHINWEA, KIBAHA, DAMROS, RIVER VALLEY FOODS, KITAMA

Legend: Cashew Producing Areas

IMPORTANT CONTACT POINTS

Governmental Agencies:

- Ministry of Industry, trade and Investment – To get the Import & export commercial license for the company commercial activities and also to secure the industry license.
- Ministry of Finance and Planning – To register the company for tax control.
- Ministry of Agriculture, Livestock and Fisheries – To obtain the phytosanitary certificate for export purpose.
- Ministry of Constitutional Affairs and Justice - for legal registration of company.
- Municipal committee - For publication of company registration in National bulletin.
- The Cashew nut Board of Tanzania (CBT) – For export licensing.
- Tanzania Chamber of Commerce Industry and Agriculture
- Tanzania Investment Centre (TIC) – One stop solution for new investor for licensing and authorizations.
- Naliendele Agriculture Research Institute – For planting research information.
- Cooperatives Union: TANECU and MAMCU/ILULU/ CORECU/DARECU/ and TAMCU.
- AMCOS- Agricultural Marketing Co-Operative Societies.

Non-Governmental Agencies:

- CAPT–Cashew Processors Association of Tanzania
- Concern
- UNIDO
- Oxfam International

Togo

COUNTRY OVERVIEW^I

Political Context: Togo gained independence in 1960 and was ruled by General Gnassingbe Eyadema for most of its existence. Gen. Eyadema came to power in 1967 as a military ruler and remained in power, even though elections which were instituted in the 1990s. Eyadema's son, Faure Gnassingbe, was given power first through military installation and then through elections after Eyadema's death in 2005. In 2007, Togo held its first round of free and fair legislative elections after years of difficulties, and another round of elections were held in April 2015.

Current Account Balance: -\$433 million USD (2016 est.)
Reserves: \$647.6 million USD (2016 est.)

CREDIT RATING

Not available

ECONOMIC TRENDS^I

GDP: \$4.52 billion USD (2016 est.)
Currency: Franc CFA
Inflation: 2.9% (2016 est.)
Growth Rate: 5.3%
Export Commodities: Reexports, cotton, phosphates, coffee, cocoa

ENVIRONMENT^I

Total Area: 56,785 sq km; land: 54,385 sq km; water: 2,400 sq km
Climate: Tropical; hot, humid in south; semiarid in north
Terrain: Gently rolling savanna in north; central hills; southern plateau; low coastal plain with extensive lagoons and marshes
Land Use: Arable land: 48.72%; permanent crops: 3.68%; other: 47.6% (2012 est.)
Natural Hazards: Hot, dry harmattan wind can reduce visibility in north during winter; periodic droughts
Environmental issues: Deforestation attributable to slash-and-burn agriculture and the use of wood for fuel; water pollution presents health hazards and hinders the fishing industry; air pollution increasing in urban areas

LABOR^{II}

Labor Force (age 15+): 2.595 million (2007 est.)
Labor Force (by Occupation): Agriculture: 65%
Industry: 5%
Services: 30%
Unemployment Rate: 6.9% (2013 est.)
Minimum Monthly Wages: \$63 USD
Legal Working Hours: Not available.

TOGO'S CASHEW SECTOR OVERVIEW

Togo produces approximately 10,000 MT of raw cashew nut and the cashew sector is now evolving with the existence of only a national association of cashew growers (ANCPA). The Inteprofession is now organizing and a committee (Conseil Interprofessionnel de la Filière Anacarde au Togo) has been set up in collaboration the public sector to establish the umbrella association of the cashew sector in Togo involving farmers, processors and traders.

SECTOR REGULATIONS & POLICY UPDATE

Togo has Free Zones, providing tax and duty reductions and exemptions to businesses that invest in the country. Incentives include import tax exemption on facilities for agro-industrial equipment and tax exemption on cashew kernel export. For more information on this and other programs, see www.zonefranchetogo.tg. Trucking charges in Togo average 180-200 CFA/kg while sea exports freight to European and Asian destinations are in the range of US\$ 2,000-4,500 for a 20 feet container load. Following are new policy and regulatory updates:

- Import tax exemption facilities for agro-industrial equipment.
- 0% Export tax on cashew kernel export.
- Signed on to the Consultative International Cashew Council (CICC)

IMPORTANT CONTACT POINTS

Governmental Agencies:

- Ministry of Trade, Industry, Private Sector Development and Tourism – To get the Import & export commercial license for the company commercial activities and also to secure the industry license.
- Ministry of Economy and Finance – To register the company for tax control.
- Ministry of Agriculture Livestock and Water – To obtain the phytosanitary certificate for export purpose.
- Ministry of Justice and Relations with Institutions of the Republic - for legal registration of company.
- Investment promotion council Lome – To obtain Investment code, information about requirements, facilities & benefits of investment in Lome, and to submit the project of new investment by investor.

Non-Governmental Agencies:

- EBID – Regional Investment Bank
- GiZ
- GAFSP – NGO assisting small scale food producers



TOGO CASHEW PROCESSORS

OPERATING:
CAJOU ESPOIR - TCHAMBA,
CAJOU ESPOIR II - BLITTA

NON-OPERATING OR IN THE PIPELINE:
MAJESTAR SARL

 Cashew Producing Areas

Production zone is concentrated in the zones indicated on the map.



REFERENCES

- ¹ CIA World Factbook
ⁱⁱ International Labour Organization

ACA Member Representation

