

18th ACA Annual Cashew Conference & Expo



# BUILDING CAPACITIES FOR A SUSTAINABLE AFRICAN CASHEW INDUSTRY



Sofitel Cotonou Marina Hotel & Spa  
**Cotonou, Benin**  
17 - 20 September 2024



## Policies to promote Cashew processing in Africa: Are We Making Impact?

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18<sup>th</sup> September 2024



## Policies to promote Cashew processing in Africa: Are We Making Impact?

**1. Where does African processing stand today?**

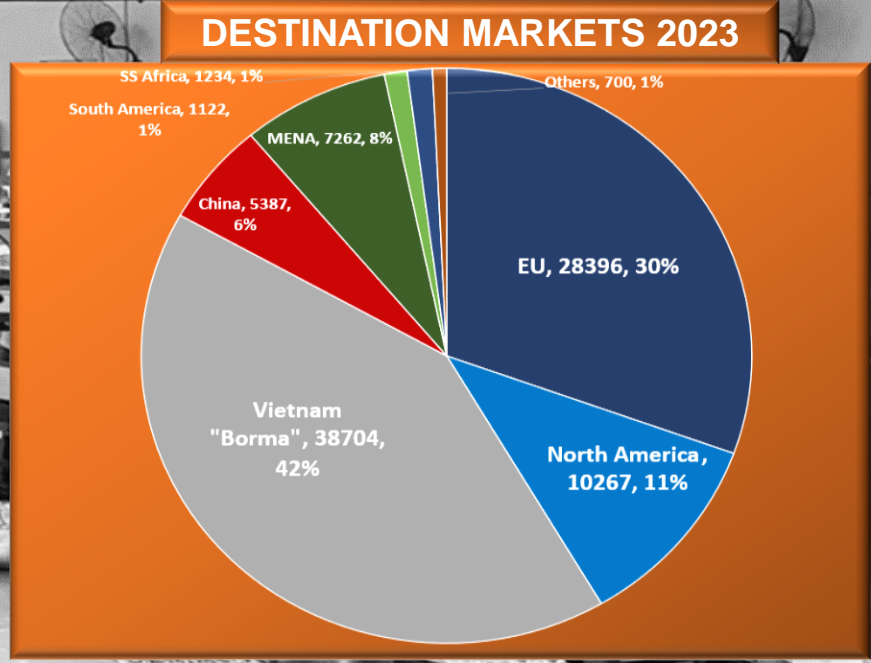
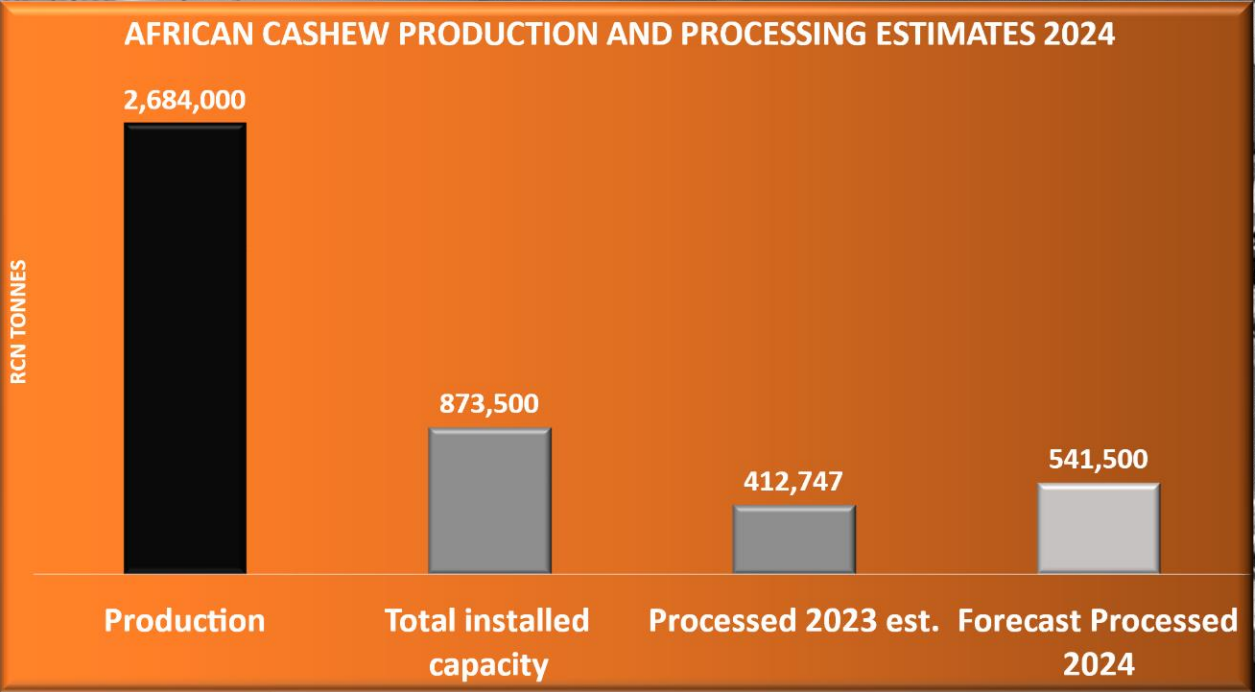
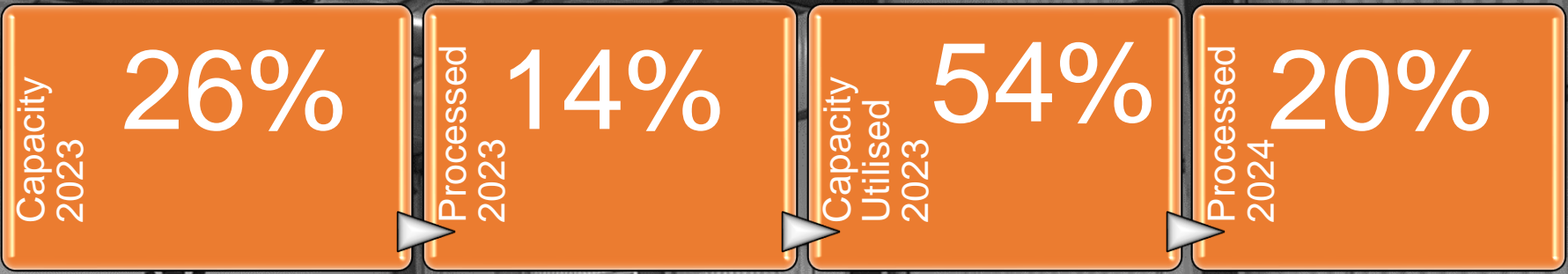
**2. Have the promotion & policy initiatives worked?**

**3. How can we measure performance?**

**4. How does it look to the outsider?**

**5. Is this the end of the beginning or the beginning of the end?**

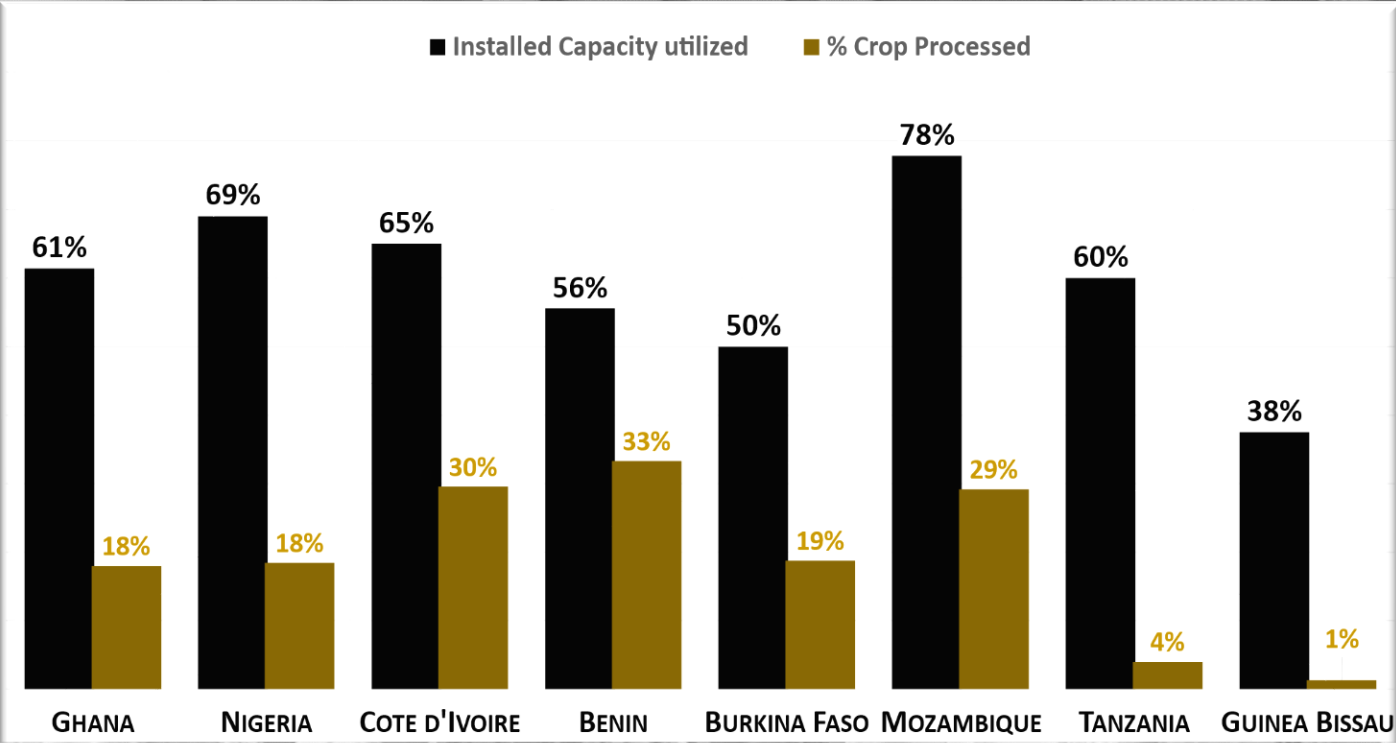
# 1. Where does African processing stand today?



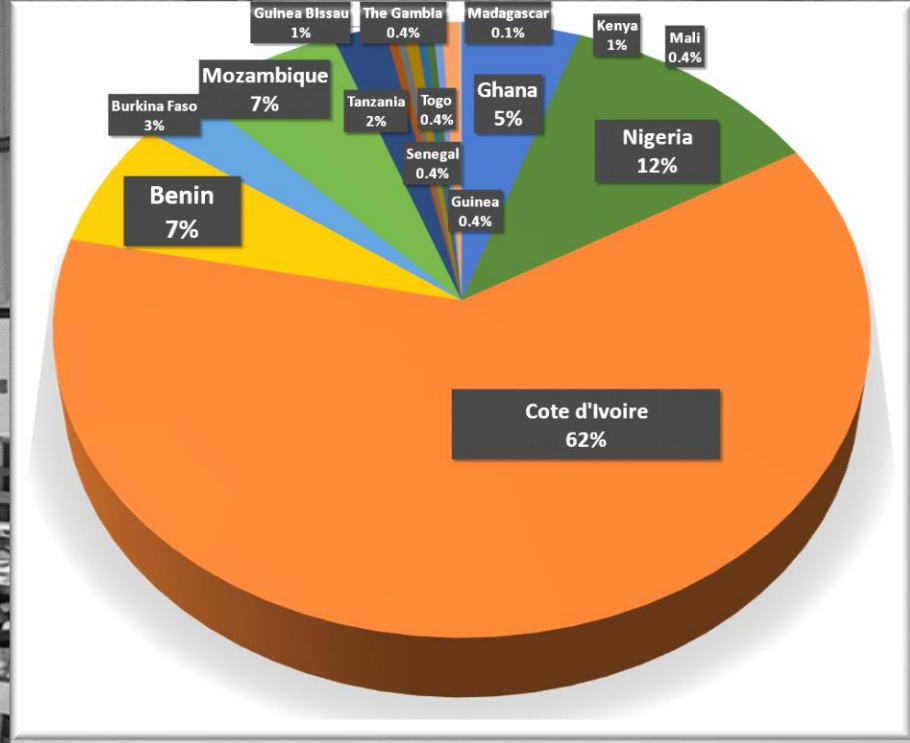
Based on RCN procured and FH 2024 shipments

# 1a. Which countries have been successful?

**Processing Performance Est. 2024**



**Processing Share Est. 2024**



*Development is uneven between countries.*

*In all major countries factories opened and closed in 2023*

*Processors face challenges of management, funding, marketing & supply chain.*

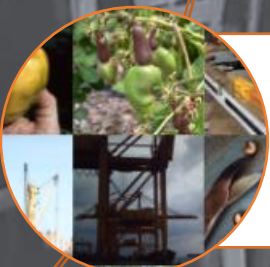
## 2. Have the promotion/policy initiatives worked?



**Volumes processed increased x 4** – RCN 130 K 2014 , 541 K 2024.



**Market share has increased** – EU 4% -> 17% , US 5% -> 7%



**Crop share processed doubled** – 7% 2015 , 14% 2023 ( Crop increase 80%)



# 2 a. Have the promotion/policy initiatives worked?

## What kind of an industry has been built?

Simply an extension of commodity trading?  
E.g. borma kernels

Ownership & investors.

Environmental impact

Subsidizing inefficiency

Dependence on supports

Impact at the farm gate?

Target is everything. Profits and politics aligned?

Quality of jobs.

### 3. How should we measure performance?

How many factories will be still operating in 5 or 10 or 15 years?

What type of investors have built factories?

What is the quality of the jobs created?

Have our competitive advantages been identified and used in marketing?

#### MEASURING IMPACT



# 4. How might it look to the outsider after 2024 season?



Effective now; may be unsustainable



Making empty claims e.g. 2<sup>nd</sup> exporter when 90% behind



Imbalanced toward headline successes



One dimensional e.g. supply chain, quality



Ad hoc/ reactive/short term



Unintended impacts



Compromised by unrealistic targets



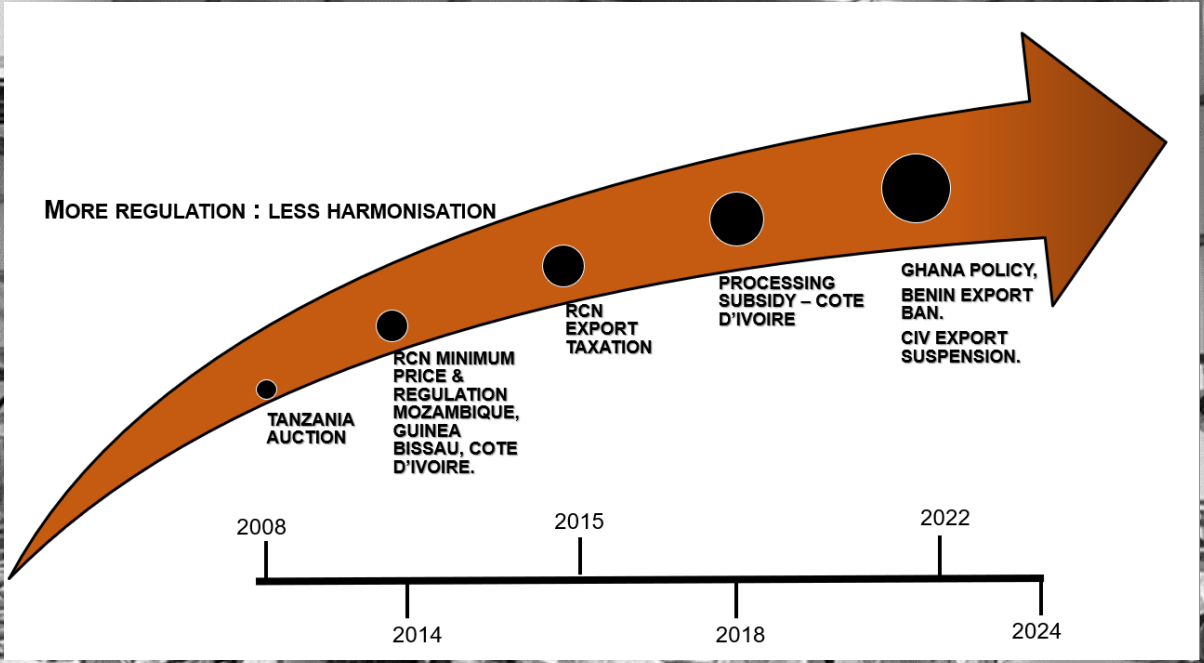
Volatile/Unpredictable



Supports inefficiency



# 5. Is this the beginning or could it be the beginning of the end?



1970  
1980  
1990  
2000  
2010  
2017

Tanzania & Mozambique led the World

Tanzania invests in mechanised plants.

Mozambique new wave of manual factories

Mozambique, West Africa new wave.

West Africa factories built & fall.

Large scale mechanisation

*It is a new beginning; Stars are aligned : Success should not be taken for granted.*

MANUAL PEELING TABLE 5