



# *Guinea Bissau National Cashew Agency*

**SUBJECT: GLOBAL**

**COMPETITIVENESS:** What are the problems and how we have to approach them

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**Guinea Bissau - A Case  
Study of the Cashew Value  
Chain“**

**(in a perspective of the  
competitiveness of the  
African cashew).**

# **TABLE OF CONTENTS**

**Global competitiveness implies an approach, no matter if upstreams or downstreams, i.e.:**

- ① Production**
- ② Trading**
- ③ Processing**
- ④ Consumption: Promotion of consumption and of sale capacities in commercial circles.**



<b>Produção Nacional ( Potencial )</b>	<b>+200.000 TM/ano</b>
<b>Superfície coberto por Cajueiros</b>	+445 000 ha
<b>Rendimento por hectare</b>	600 kg/ha
<b>Propriedades (Tipos/Dimensões)</b>	Pequenas 1-3 ha
	Médias 3-10 ha
	Grandes 10-1300 ha
<b>Rendimento (4,8 Kg Caastanha Bruta)</b>	1 Kg de Amêndoa
<b>OutTurn (Lb)</b>	<b>52-55</b>
<b>Account Number</b>	<b>202-212</b>
<b>Nº de exportadores (2014)</b>	<b>62</b>
<b>Principais Destinos da Castanha in Natura</b>	Índia (+95%)
	Vietnam
	Outros
<b>Unidades Processamento</b>	15
<b>Processamento (Potencial)</b>	26,050 TM/ano
<b>Taxa de transformação</b>	

# HISTORY

Cashew was introduced in Guinea Bissau around the 16th Century by the Portuguese navigators, but did not experience any great commercial expansion until the times of independence

- In 1976, the first exportation was carried out, with 1,200 tons being exported. The country starts to have a significant scale of production in the 90's.
- After 1990, it had a production of more than 20,000 tons, reaching more than 100,000 tons 20 years. The production estimates in 2011 were 220,000 tons, becoming one of the biggest producers in the world, i.e., the second producer in Africa and the fourth worldwide.

# Histoty Cont.

- This production level and the evolution has been possible due to participation of a great number of families in small scale production systems without any major organization and at a low technological level of **inputs**.
- The increase of nuts of the types  $< 16$  mm and between 16 and 18 mm instead of nuts of sizes between 18 and 20 mm and  $> 20$  mm is an indicator of problems that need to be researched, since smaller nuts result in kernels of lower commercialization value.

## Features and Quality of the Nuts

2.1. Nut outturn: 52-56 LB

2.2. Nut count per kilo: 200-210

2.3. Average moisture of nuts 8 - 9%

2.4. Maximum of impurities 1%

2.5. Maximum of imperfect nuts 2%

## INDUSTRIALIZATION - HISTORY

**BEGINNING OF THE PROCESSING IN THE EIGHTIES THROUGH THE PROJECT  
“TIPS - USAID” THAT FINANCED SMALL UNITS.**

Investidores	Número de máquinas
Felinto Martins	5
Fidelis D'Almeida	2
Audilia Sila	10
Pedro Pereira	2
Francisca Pereira	10
Florentino Nanque	5
John Blacken	8
Maria Adiatu Nandinga	10
Suleimane Djassi	5

**IN THE NINETIES, BIGGER SCALE UNITS STARTED TO BE INSTALLED**

Promotores	Capac.Instalada
Agribissau	600
Geta Bissau	1200
Sicaju	1200
Licaju	1200



**CURRENTLY, THE INSTALLED PROCESSING CAPACITY IS OF APROXIMATELY 26,000 TONS.**

Empresa	Dimensão	Capac. Real TM/Ano
Quadé & Quadé Sarl	Pequena	300
Atlantico Lda	Micro	150
Djondé Lda	Pequena	300
Emicor & Filhos,SARL	Pequena	300
Arrey Africa	Media	3000
Cucaju	Micro	100
Sicaju	Media	1200
Licaju Lda	Media	2000
Aman Bissau	Media	1500
Santy Comercial	Grande	5000
Laimco	Pequena	2000
Laimco	Pequena	2000
Laimco	Pequena	2000
Investcaju	Grande	5000
Gap Solutions	Media	1200
Total		26.050

**THE CURRENT CAPACITY IN THE WORKS IS OF ABOUT 2,000 TONS PER YEAR.**

# PROCESSING

THERE IS A LONG WAY IN PROCESSING UNTIL REALISTIC OBJECTIVES ARE REACHED:

- ❖ THE GOVERNMENT HAS TO CREATE LAWS WITH INCENTIVES TO SPEED UP THE INDUSTRIAL TRANSFORMATION OF CASHEW AND ITS BY-PRODUCTS

## PROCESSING (Continuation)

- ✓ THE CREATION OF FINANCIAL SUPPORT MECHANISMS ARE NEEDED FOR THE DEVELOPMENT OF THE TRANSFORMATION INDUSTRY, NAMELY:
  - EXTRA TAX ON THE EXPORTATION OF RAW CASHEW NUTS (STARTING IN THE SEASON OF 2017)
  - IMPLEMENTATION OF FINANCING SYSTEMS, WITH LOW COST OF CAPITAL FOR ENTREPRENEURS (WITH SHARED RISKS AND ADEQUATE SECURITY SYSTEMS) AS THE LEASING SYSTEM AND OTHERS.
- ✓ THE GOVERNMENT HAS TO IMPLEMENT SUPPORT STRUCTURES FOR THE INDUSTRIALIZATION, NAMELY:
  - INSTALLATION OF LABORATORY CAPACITY (WITH ADEQUATE INSTITUTIONAL STRUCTURE) FOR QUICK QUALITY ANALYSES OF NUTS AND CASHEW BY-PRODUCTS, AS WELL AS REINFORCEMENT OF THE CAPACITIES IN INTEGRATED SYSTEMS FOR MORE SOPHISTICATED ANALYSES.
  - INSTALLATION OF A PRACTICAL CASHEW SCHOOL AND THE PROMOTION OF ENTREPRENEURIAL CAPACITIES

## PROCESSING (Continuation)

- ❖ THE CASHEW PRACTICAL SCHOOL SHOULD HAVE THE FOLLOWING MAIN ABILITIES:
- ❖ A FUNCTIONAL SCHOOL UNIT FOR CASHEW PROCESSING;
- ❖ HAVE A PILOT UNIT FOR THE BY-PRODUCT EXPLORATION, I.E. THE UTILIZATION AND PRODUCTION OF PULPS;
- ❖ TO STUDY THE VIABILITY OF INSTALLING A PILOT DISTILLERY FOR THE PRODUCTION OF ETANOL;
- ❖ HAVE A BIOMASS STATION FOR THE USE OF THE SHELLS AND OTHER WASTE IN THE PRODUCTION OF ELECTRICITY (DIVERSIFICATION OF THE ENERGY MATRIX);
- ❖ THE OBJECTIVE SHOULD BE THE PROMOTION OF VOCATIONS FOR ENTERPRENEURIAL ACTIVITIES, PREPARE THE ENTREPRENEURS AND ALL STAFF FOR THE ORGANIZATION OF THE RESPECTIVE INDUSTRIAL UNITS AND ALSO IN ALL OTHER FUNCTIONS OF THE VALUE CHAIN.

# CONSTRAINTS TO COMPETITIVENESS

THE CURRENT CONSTRAINTS TO COMPETITIVENESS IN GUINEA BISSAU ARE THE FOLLOWING:

- ❖ FINANCIAL DIFFICULTIES WHEN SOURCING RAW MATERIALS.
- ❖ DIFFICULTIES TO OBTAIN FINANCING FOR THE ACQUISITION OF NEW AND MORE MODERN AND EFFICIENT EQUIPMENT.

## OPPORTUNITIES:

- ❖ REINFORCEMENT OF THE INSTITUTIONAL CAPACITY AND THE MANAGEMENT OF THE PRODUCTION SYSTEM AND THE CASHEW VALUE CHAIN, WITH SPECIAL ATTENTION TO THE REGULATION AUTHORITIES. THESE ACTIONS SHOULD BE ABLE TO BETTER PROMOTE, SUPERVISE AND TO IMPLEMENT POLICIES, PROGRAMS AND SUSTAINABLE DEVELOPMENT PROJECTS, IMPROVING THE EFFICIENCY AND THE EFFECTIVENESS OF THE CASHEW VALUE CHAIN, ESPECIALLY IMPROVING THE PRODUCTIVITY VALUE ADDITION SYSTEM BASED ON CASHEW AND FURTHERMORE THE CAPACITY TO ANALYSE AND OF DOING INTERVENTIONS.
- ❖ ESPECIALLY, IT IS NECESSARY TO ASSUME THE CASHEW VALUE CHAIN AS THE MAIN “ENGINE“ OF THE COUNTRY IN THE DEVELOPMENT PROCESS, WHICH HAS TO BE SUSTAINED AND SUSTAINABLE.
- ❖ THE AGRO-INDUSTRIAL SECTOR MUST BE CHOSEN TO GIVE DYNAMISM TO THE ECONOMY IN THE FRAME OF ENORMOUS RELEVANCE OF THE ACTIVITY FOR THE FAMILIES, WHO ARE CLEARLY DOMINANT AND WHO SHOULD ACTIVELY PARTICIPATE IN THE WHOLE PROCESS.
- ❖ CASHEW IS STILL FOR GUINEA BISSAU OF EXTREME IMPORTANCE FOR ITS FOOD SECURITY, DEMANDING REINFORCED ATTENTION IN THIS REGARD.