

Issue 31

December 2013

Highlights of 2013

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"Cashews are NOT unhealthy. In fact, cashews are one of the best snacks you can pick up and have a number of health benefits that are hard to find in other foods". Kantha Shelke



Your partner for
a sustainable African
cashew sector



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The year 2013 was filled with great moments for the African Cashew Alliance. It was very difficult to pick our favorite ones!

January: Condor Nuts signs on for ACA Seal, expanding program in East Africa. They joined Southern Jumbo Cashew, the first East African processor to begin the ACA Seal program.

Miriam Gyamfi was hired as the Marketing and Conference Coordinator.

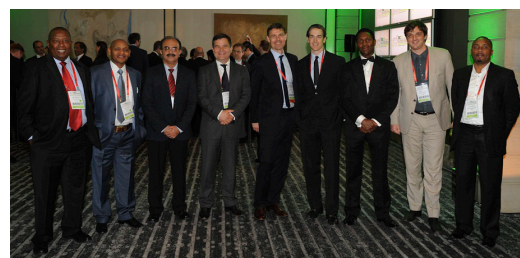
February: Newly formed Guinea Cashew Alliance (Alliance Guinéenne de l'Acajou – AGA) signs partnership agreement with ACA to promote a sustainable cashew industry in Guinea.

Tolaro Global reappraised for the ACA Quality and Sustainability Seal

March: ACA to conduct Cashew Processing Factory Feasibility Study for Tanzania Investment Bank.

April: ACA Awarded \$1.2M USAID Grant!

ACA received final confirmation that it has been awarded a USAID Global Development Alliance grant of over \$1.2 M. The funds will support a two-year program entitled "Leveraging Cashew Business for Poverty Reduction." Within the two-year time span of the project, ACA's work is expected to result in additional income of \$10M for rural communities and create 3,200 new jobs in the cashew industry.



The representatives of Olam, Intersnack, Red River, Kraf Foods, ACA, Jungle Nuts

Peter Kojo Nyarko joined the team on the 2nd of April 2013, as the ACA Seal Coordinator.

Olivier Kabré joined the team on the 3rd of April, 2013 as the ACA's MIS and Monitoring Coordinator.

May: Anatrans Sarl Officially Awarded ACA Quality and Sustainability Seal

Jungle Nuts is the fourth processor to be awarded the ACA Seal

June: Lights, Camera, CASHEW! ACA produces film to promote the African cashew industry

July: ACA excels at U.S sponsored Aid for Trade Side Event

August: A Change in Leadership – Continuation of a Vision

The ACA bid farewell to long-time Managing Director, Christian Dahm. The African Cashew Alliance welcomed Roger T. Brou as the new Managing Director.



The conference will go to Kenya in 2014

September: The ACA World Cashew Festival and Expo 2013 brings together over 350 in Accra, Ghana. It was announced that next year's annual ACA conference will be held in Kenya from the 15-18 September 2014.

Equatorial Nut Processors, located in Muranga, Kenya, became the 5th Kernel Processor in Africa to be ACA SEAL approved.

October: The ACA SEAL team conducted a pilot audit of a SEAL approved factory with a food safety Systems auditor from Bureau Veritas Kenya. This Pilot audit was the first step in the development of future collaboration with Bureau Veritas on the ACA SEAL program for Cashew Kernel Processors.

Madame Taraf Honored as one of Africa's Most Influential Women in Business and Government

November: Second Re-approval of the ACA Seal for Mim Cashew and Agricultural Products.

December: Cajou Espoir demonstrated enough evidence to indicate their compliance to the SEAL standards.

Family of ACA Seal-Approved Processors Grows and Strengthens

The ACA Quality and Sustainability Seal Program is setting standards for African processors as a way to attract international buyers and to reduce in-factory costs. As the first internationally recognized “stamp of approval” for cashew nuts, the ACA seal will help bridge the gap between



the production line and the consumer's demands for quality and social benchmarks. Specifically, the Seal program encourages processors to 14 different food safety/quality areas, including infestation, foreign materials, clumping /

blocking, and taste. Additionally, the seal ensures that facilities meet global social compliance standards and local labor laws. The Seal program comes alive in the processors who work to meet these standards and improve their plants, in advisors from the African Cashew Alliance who visit processing factories throughout Ghana and Africa, and in the community of ACA African processors that are always willing to share their knowledge and experience.

Cajou Espoir Meets the Marks in Togo

The African Cashew Alliance is excited to welcome another cashew processor to this dynamic family of ACA Seal-Approved companies. Cajou Espoir joins the elite group as the sixth processor in Africa, and the third in West Africa. The processing facility has been in operation for eight years in Tchamba, Togo, however it only recently began scaling up processing capacity. It is the first ACA Seal Approved processor in Togo and has been contributing to the expansion of the country's installed processing capacity since its inception. Cajou Espoir has been an ACA member since 2008, and originally sought out ACA's help for technical assistance and business linkages, following the ACA conference in Cote d'Ivoire. The company expects to process 3,000 Tons of raw cashew by end of the 2013 season and currently employs over 600, mostly female, workers from rural Togo.

The facility was provisionally approved during a visit from the ACA Quality & Food Safety Seal and Business Advisory technical team, Jim Giles, Peter Nyarko and Sunil Dahiya back on in late September, 2013. Peter Nyarko returned to the facility from the 28th-29th confirm that Cajou Espoir's manufacturing operations comply with the standards required for the ACA Seal. Cajou Espoir demonstrated enough evidence to indicate their compliance to the SEAL standards, confirming their place amongst an elite group of SEAL-approved factories on the African continent. While demonstrating excellence in their processing operations, Cajou Espoir also maintains a social emphasis in their work: Every year, a portion of the earned profits are re-invested in a community project. This could be a school or a community center, and the decision is made by the factory's workers who will benefit from it.

Upholding the Standards

In mid-November, Mim Cashew and Agricultural Products, Ltd. (MCAP), located in Mim, Ghana became the second ACA Seal Processor to be re-approved. The company was established in March 2008, and was the first cashew processor in Ghana to be ACA Seal approved in 2012. From the 11th-14th of November, ACA SEAL Coordinator Peter Nyarko conducted an audit to reapprove MCAP: The objective of the audit was to assess whether MCAP was still complying to the ACA SEAL standards for Quality, Food Safety and Social responsibility after a year of implementation. MCAP demonstrated compliance with all the ACA SEAL standards, and was therefore re-approved, maintaining their status of ACA SEAL-approval. Earlier this year, Tolaro Global in Benin became the first ACA Seal Re-approved processor, and the ACA is hoping to re-approve it's other three seal-approved processors in the first half of 2014.



Cashews: A Bite-Sized Bundle of Benefits

I am here to debunk one of the world's greatest myths, one that has plagued the minds of hearts of snackers everywhere for years.

Cashews are NOT unhealthy. I repeat, cashews are not unhealthy. In fact, cashews are one of the best snacks you can pick up and have a number of health benefits that are hard to find in other foods, especially foods that are as tasty as our favorite kidney-shaped nut. If you don't believe me, I am here to provide proof from one of the world's leading food scientists, Ms. Kantha Shelke who compiled research on cashews before her keynote speech at the 8th Annual ACA World Cashew Festival this year.

Her verdict, the “functionality and versatility” of cashews makes them “invaluable” in all regions of the world; Especially as consumers are changing the ways that they eat. All around the world, snacking is on the rise: People are moving from dinner tables filled with families to more mobile, quick and independent options. The pros and cons of this new trend depend wholly on the type of snack that is being consumed. In some cases, snacking means mindless consumption of high calorie and highly processed foods that have little to no nutritional content. As anyone who has opened a bag of chips can attest, once you start it is often hard to stop. In other cases, snacking can mean appropriately portioned

,high-quality whole foods which regulate energy levels, metabolism and cravings.

Lucky for you, cashews and cashew-based products fall into that second category of snacking. With a low-glycemic index they provide sustained



energy that will not spike blood sugar levels but rather it is broken down slowly by the body. Just ¼ cup of cashews holds 5 grams of protein, the equivalent of other protein packed foods, and just one gram less than an egg which holds 6 grams of protein. Additionally, cashews are full oleic acid, a monounsaturated fat which is linked to good cardiovascular health. While regulating cholesterol levels, cashews also provide necessary

antioxidants including Zinc, Magnesium, and Copper.

All in all, cashews hold many different benefits in a perfectly bite-sized bundle, or in other products such as milks, pastes, or granola bars.

ACA and the ISEAL Alliance



The ISEAL Alliance is a non-governmental organization whose mission is to strengthen sustainability standards systems for the benefit of people and the

environment. They do that by developing codes for standard setting; they would for example evaluate the ACA Quality and Sustainability Seal and advise on the robustness of the system in terms of internal governance and monitoring, evaluation and control mechanisms. Reputable NGO's and standard setting organizations as Fair Trade, the Rainforest Alliance or UTZ are members of the organization.

It was in early of 2013 that ACA started to assess ISEAL membership,

in an effort to further develop the robustness and scope of the ACA Quality and Sustainability Seal. The ACA Seal which is currently fully incorporating HACCP requirements into its food safety management procedures is striving to be equivalent to ISO 22,000 by the end of 2015. Being part of the ISEAL Alliance is a big step into the right direction on that road. ISEAL has developed very detailed codes on how to make any standard setting system not only effective with regards to its own objectives, but also compliant with international social and environmental regulations to guarantee comprehensive sustainability.

Since June 2013 when the ACA Seal now became a subscriber to the ISEAL Alliance, it has been making use of tutorials and other online lessons on standard development. Slowly but steadily the ACA Quality and Sustainability Seal is integrating the necessary best practices as promoted by the ISEAL Alliance into its standards, becoming more and more a comprehensive and sustainable food safety and quality standard

Country Update: A Rise in Cashew Processing on the Horizon in Tanzania

Sector and Government agencies in Tanzania are shifting their focus to cashew processing as an industry with great economic potential. Currently, Tanzania produces over 150,000 TPA of RCN, however the current installed processing capacity is less than 20% of this annual crop. Various stakeholders in the country are taking action to change this deficit in processing capacity in order to meet the country's large RCN production. In early November, the Agriculture Non-State Actors' Forum (ANSAP), in collaboration with other agencies, organized an Investors Conference in the country which promoted cashew processing. ACA Managing Director Roger Brou and ACA Business Advisor Sunil Dahiya attended the two day conference and met with a number of stakeholders throughout. Additionally, Brou and Dahiya presented ACA and its activities to conference participants during a conference session. ACA MD Roger Brou stated that "the 2 day conference shed some light on the status of the current situation of the cashew value chain in the largest producing country in East Africa" and was "a great opportunity for the ACA Team to meet and greet a number of private sector companies as well as sector associations for further collaboration on the ground".

In another effort to increase cashew processing in Tanzania, the Tanzanian Investment Bank (TIB) has shown great interest in supporting TANECU, one of the largest and organized farmer co-operative unions, in establishing a cashew processing unit in Southern Tanzania. TIB approached the African Cashew Alliance in March 2013 for technical advisory as they work towards building a facility and ACA agreed to assist on feasibility assessments and business planning for the venture. TIB aims to finance a facility with 15,000-35,000 TPA processing capacity, which will be developed by TANECU.

From the 9th-11th of December, ACA's Business Advisor, Sunil Dahiya, visited Southern Tanzania with Brazilian Industry Expert, Sebastiao Ricardo Fonteles Castro to collect inputs and information

for an Environmental Analysis and Project Feasibility Study. This Study comes as part of the agreement that ACA signed with the Tanzania Investment Bank (TIB). During their visit, Dahiya and Castro interviewed several key cashew sector agencies and visited the potential sites for the upcoming cashew processing facility. This cashew factory, owned by TANECU, would process nuts from over 80,000 farmers represented by TANECU. ACA has already delivered a Market Analysis to TIB and will be delivering the Environmental Analysis and feasibility study by early February, 2104. These studies will assist TIB in its review of the working capital requirements, performance risk analysis, technology needs, and financial projections for the project. Based on the proposed processing capacity of the facility, the fully operational factory could provide up to 1,000 jobs.



International Conference in Vietnam - Africa Cashew Development

The Managing Director, Roger Brou attended a 2-day cashew workshop, from the 28th-29th of November, dedicated to Africa-Vietnam cashew trading. The workshop was organized by Vietnam Cashew Association VINACAS and attracted a variety of Vietnamese cashew stakeholders along with Government representatives. Representatives from the National Cashew Association of Nigeria (NCAN), the Beninese cashew traders association (CONEC), ARECA of Cote d'Ivoire and The Producers and

Traders Associations from Guinea Bissau represented the African Cashew industry. The parties discussed the need of the Vietnamese processing industry to source about 250,000 MT of RCN from Africa for the up-coming season, and also addressed challenges regarding quality and payment terms issues.

According to the Vietnam Cashew Association (VINACAS), the cashew



plantation area fell from nearly 440,000 hectares in 2007 to 360,000 hectares in 2013. Vietnam now ranks third in the world for cashew

Although many farmers produce a high-yield cashew, the cultivation areas of this type of cashew remain small compared to the total cashew cultivation area, Mr. Duc Thanh recognized. He commented further, stating that "most of the cashew cultivation areas have not received proper caring techniques, and offered low yields." Vietnam annually imports about 500,000 tons of raw cashews from other countries, 300,000 tons of which is sourced from West Africa - Cote d'Ivoire (48%) Ghana (16.2%) Nigeria (14%) Guinea Bissau (8.63%) and Benin (3%)

At the conference in Ho Chi Min City, many African RCN buyers called on Vietnamese firms to invest in cashew production in Vietnam. They state that as processing increases in Africa, there will be less and less RCN available to export to Vietnam. A representative of the Nigerian National Cashew Association (NCAN), Mr. Tola Faseru, said "Nigeria appreciated more than 50% of total world exports of cashew kernels from Vietnam and we are open to companies that cooperate in Vietnam to invest in export processing industry to take advantage of opportunities exports to the European market."

Vietnam expects to export about 250,000 tons of cashew nut this year for a value of US\$1.55 billion. Including the exports of cashew kernel oil, export revenue could top more than \$1.8 billion.

production, shifting down one spot since 2012. It is expected that the country will drop to the fourth position in the coming months, following India, the Ivory Coast and Brazil.. Nguyen Duc Thanh, VINACAS' chairman states that the unstable price of cashew nuts and low productivity prompted many farmers to replace their cashew trees with other industrial ones.

UPDATE: AFRICAN CASHEW INITIATIVE

A Master Training Program to promote the African Cashew Value Chain

From 9th- 14th December, the first session of the Master Training Program took place at IBA Hotel in Bobo-Dioulasso, the regional capital of Houet Province, situated in the main cashew growing area of Burkina Faso. All together 62 participants from Benin, Burkina Faso, Côte d'Ivoire, Ghana, Senegal, Sierra- Leone and Togo took part in this unique learning event. The program aims at developing a pool of certified West African cashew experts with in-depth knowledge on the cashew value chain.

Linking theoretical knowledge to practical experiences

The Master Training Program is divided into three successive sessions held in Burkina Faso, Côte d'Ivoire and Ghana. During the first session, participants learnt about a functioning cashew value chain and market dynamics. A highlight of this session was the visit of the ACA sealed cashew factory ANATRANS. The second module will deal with the application of good agricultural practices and its implication on the cashew processing industry. The third session will cover topics such as supply chain management, finances, investments and business ethics. In between the trainings, the so-called 'intersessions', participants return to their host institutions/organizations to conduct 'homework', either individually or in groups, to deepen knowledge on a selected topic. All training and homework activities consider cross-cutting issues such as gender, policy development, sector regulations and nutrition value.

Get to know partners. Share knowledge. Discuss practical experiences

The African Cashew initiative (ACi) developed an online forum to link all participants of the Master Training Program. "This knowledge platform is accessible at all times from anywhere, either via mobile phone or the computer. Real time exchange across national borders ensures regional exchange, learning and innovation. It enhances the quality of the training significantly" said Andre Tandjiekpon, Manager of the Master Training Program at ACi. "In the beginning of next year, the online cashew community will be accessible for all actors in the cashew sector. It is a place to discuss best practices, to share success stories and to build relationships with actors along the cashew value chain in Africa", he added. The knowledge platform is accessible to all stakeholders along the cashew value chain, who are interested in sharing their know-how across borders.

Team work is the key

The African Cashew initiative (ACi) and the African Cashew Alliance (ACA) jointly developed the Master Training Program. Being convinced of its success, also ACA President Madam Taraff registered as a participant for the three sessions. In her closing speech, she emphasized the expertise of all those in the room and praised their commitment to learning and sharing. ACA goes one step further in presenting their commitment. After completing the seven month program, ACA will certify the participants as cashew experts being competent to train farmers, and advice companies, organizations and institutions in their home countries.

For more information, please contact Mr. Andre Tandjiekpon, Manager of the Master Training Program, andre.tandjiekpon@giz.de or Ann-Christin Berger, ACi Communication Manager,

ann-christin.berger@giz.de. For more information on the African Cashew initiative (ACi) and to access the cashew knowledge platform, please visit www.africancashewinitiative.org



Cashew Calendar 2013 - 2014

January

17-20	PTNPA Convention, Naples FI
29 - 1 Feb	Cashew Processing Opportunities in Cote d'Ivoire, Abidjan



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