



AFRICAN  
CASHEW  
ALLIANCE

# Maputo Declaration on the Development of Africa's Cashew Industry



*Maputo, Mozambique, 14-16 September 2010*



# MAPUTO DECLARATION

**We**, the stakeholders of the African cashew industry participating in the 5th Annual Conference of the African Cashew Alliance (ACA) in Maputo, Mozambique from 14-16 September 2010,

**Emphasizing** the African cashew industry's potential to realize more than US\$300 million in raw nut sales by smallholder farmers and US\$300 million in added value from cashew processing, creating more than 200,000 new jobs for the poor in rural areas,

**Having** considered the recommendations of speakers on growing the international cashew market; improving tree productivity; expanding cashew processing in Africa; and making infrastructure work for smallholder farmers, as well as the outcomes of thematic workshops on improving quality and food safety of cashew products; managing certifications; financial models that work; better coordination of development assistance to the sector; and innovative market and price information systems,

**Recalling** the reports and recommendations of the first Conference of the African Cashew Alliance in Bissau, Guinea-Bissau (March 2006); the second ACA Conference in Maputo, Mozambique (March 2007); the third ACA Conference in Dar es Salaam, Tanzania (September 2008); and the fourth ACA Conference in Abidjan, Côte d'Ivoire (September 2009), available at [www.africancashewalliance.com](http://www.africancashewalliance.com),

**Endorsing** the ACA's mission to be African cashew industry's platform and facilitator for advocacy, information exchange, investment promotion and market linkages and its strategic objectives set in March 2010 to increase processing of cashew in Africa (10-year target: 35% of raw cashew nuts processed in Africa); increase farmer income through yield and quality improvements (10 year target: double average yield/tree and improve outturn); increase consumption of African cashew in Africa worldwide (10-year target: quadruple domestic consumption in Africa and increase market share for African cashew),

**Urging** Africa's governments to support the growth of the cashew industry in view of the social and economic benefits,

**Adopt** the following guidelines for the development of the African cashew industry:

**1. Support cashew processors and exporters in training farmers on quality, productivity and crop handling!**

Private sector businesses that buy raw cashew nuts from farmers are in the best position to train farmers on yield, quality and crop handling. They need to have access to technical and other resources to use their commercial relationship with cashew farmers to incentivize them to produce better quality raw materials more efficiently and improve handling of the crop. Resources required include but are not limited to farmer training programs designed and delivered by or in close consultation with cashew processing units and exporters.

**2. Empower farmer groups!**

Farmers should decide how they market their products. Governments and development agencies



should, in consultation with processors and exporters, facilitate the organization of farmers in groups. Support to these groups should include but not be limited to:

- a. Good agricultural practices, business and financial management training, including initially subsidized audits;
- b. Promotion of commercially viable market and price information dissemination systems;
- c. Information on available certification schemes;
- d. Promotion of private sector collateral and warehouse management systems;
- e. Facilitation of access to credit.

### **3. Invest in research and development!**

Cashew research institutes across Africa need to receive increased funding for scaling up research and development of cashew production and processing technologies. While this research should remain the public sector's responsibility, nurseries and distribution should be private sector-driven, possibly through processors and exporters, and research organizations should have private sector input and/or governance. Research and development should focus on the following themes:

- a. Reducing tree years-to-production;
- b. Improving tree productivity;
- c. Learning and innovation in processing, e.g. ergonomics;
- d. Other relevant technologies.

### **4. Implement investment incentives for cashew processing utilizing best practices!**

To take off in Africa, the cashew processing industry requires government support in learning to compete in the international marketplace. Governments in Africa need to implement investment incentives and policies to support value addition through processing in a consistent and transparent manner. These measures include but are not limited to the following:

- a. Full implementation of the elimination of tariffs, duties and taxes levied on raw cashew nuts traded between African countries as provided by the ECOWAS, CEMAC and SADC trade agreements;
- b. Tax and duty breaks for capital investments;
- c. Promoting compliance to international standards;
- d. Time-bound exemptions to social security and taxation of salaries;
- e. Productivity-linked wages;
- f. Simplify and expedite the bureaucratic requirements for establishing agribusiness processing factories;
- g. Risk-sharing tools for investment and working capital finance;
- h. Implement all incentives based on best practices (e.g. consistently, transparently and timely).

## MAPUTO DECLARATION (CONTINUED)

### 5. Undertake a sustained global marketing campaign!

Production response of cashews will happen if local and international demands increase. Many stakeholders have addressed issues related to quality and production of cashews, but relatively little has been done related to demand. A sustained global cashew marketing campaign will help:

- a. Increase consumption/demand and therefore prices;
- b. Increase prices to farmers;
- c. Increase incentives for replanting, which in turn will help level the “global outturn playing field”, potentially allowing African countries to have a more competitive position.

### 6. Ensure donor investment!

Cashew needs to be included in the agenda of the existing donor platforms and government investment plans. The main measures to be taken include:

- a. Promote cashew sector development as a priority in donor platforms and in government investments;
- b. Encourage the collaboration between donor platforms and government strategic planning.

