

15<sup>th</sup> ACA Annual Cashew Conference



# A SUSTAINABLE CASHEW SUPPLY CHAIN FOR THE FUTURE



*Fully Online*



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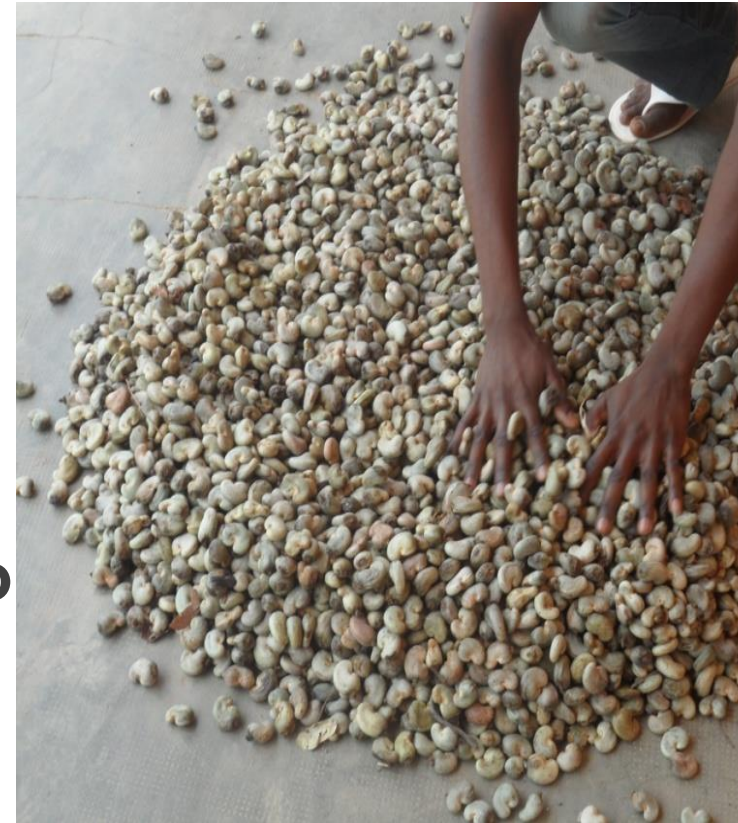
*NBC trade based on "quality-price ratio" to stimulate GAP compliance by producers*

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# Background and rationale (1/2)

- ❑ the fixed prices published by governments do not take into account the quality of NBC.
- ❑ Generally, buyers base their purchases on the farmgate price, not quality.
- ❑ One of the catalysts for the promotion of NBC quality by producers is the **price in relation to quality**.
- ❑ All marketed NBCs must go through processing to be properly valued.

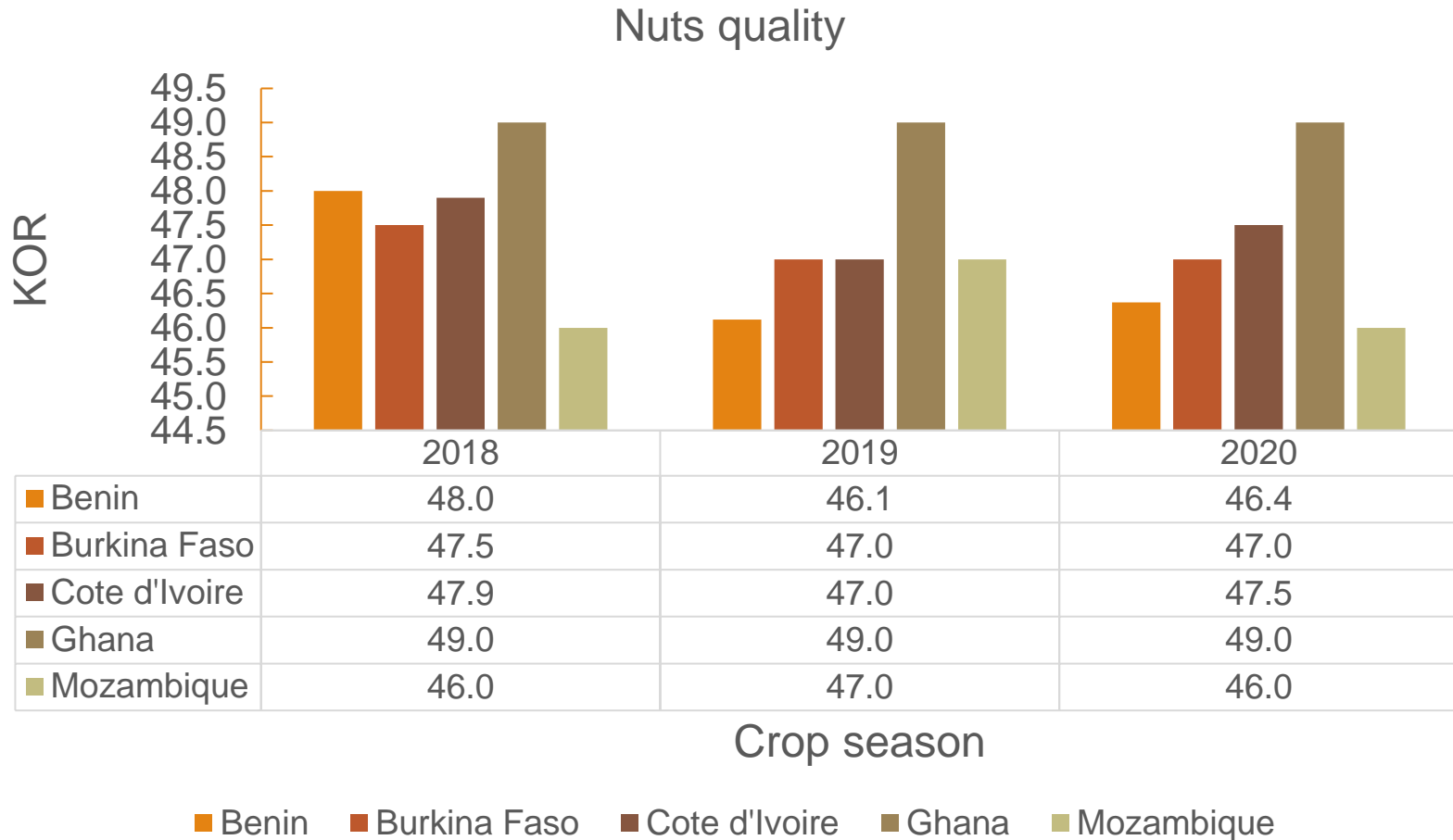


# Background and rationale (2/2)

- ❑ Processing is profitable when the NBCs are of good quality (high KOR).
- ❑ The producer is motivated to work on the quality of the nut if his effort is rewarded through the sale of his nuts based on quality.
- ❑ The Projects alongside the Governments focus their interventions on improving production, quality and processing.
- ❑ The processing of 50% of production targeted by governments and supported by the projects can be easily achieved if the producer respects GAP and if his efforts to supply good quality NBCs to the factories are rewarded.



# Variation des KOR (qualité)



*Source: ComCasshew and Partners*



# Objectives (1/1)

Develop a **"value for money"** commercial policy of the NBC to stimulate GAP compliance by producers by :

- Leading governments to provide incentives for the practice of NBC **"value for money"**;
- Encouraging producers to comply with post-harvest GAP;
- Leading the actors to practice purchasing based on the NBC's **"quality-price ratio"** through an interprofessional agreement.



# Topics for discussion (1/2)

- What are the main determinants of the quality of NBC?
- What steps does the producer take to bring good quality NBCs to the market?
- What are the main determinants of the price of NBC?
- Why does the producer who makes an effort on quality usually get the same price as the one who makes less effort?
- Why does the setting of the price ceiling not take quality into account?



# Topics for discussion (2/2)

- How to take into account the price-quality ratio in the cashew trade, especially at farmgate level?
- What role can governments (policy makers) play in the value-for-money sale of nuts?
- What role can the actors (processors, producers, transporters, etc.) of the sector play in the sale of nuts based on the quality-price ratio?
- By answering these questions we could contribute to the quality-price system in relation to the implementation of GAP



# Thank you for your attention

