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People like Patrick transform the African Cashew Alliance into more than just members and linkages by creating a true community in which inter-African learning thrives



The 8th annual conference event, titled ACA World Cashew Festival and Expo 2013 will be held in Accra on 16-19 September 2013 at the beautiful Moevenpick Ambassador Hotel.

The theme of this year's conference is "Value Chain and Gains" and it will focus on how to leverage profit at all points along the cashew value chain. Farmers can explore new markets by taking up beekeeping or producing cashew-apple juice. Processors can repurpose the raw cashew shell by selling it to producers of cashew nut shell liquid (CNSL) or husk for dying clothes. Even cashew breakages, the "challenge" of the cashew industry, could be used to produce gluten free milk as well as vegetarian bean and nut burgers. Both farmers and processors can increase their sales by meeting internationally recognized quality, food safety, and social/labor standards.

The program will explore this untapped potential in the cashew industry in a variety of settings. At a Plenary Session, conference participants will hear from a range of experts. Food market expert, Kantha Shelke, will present on consumption patterns and the cashew, and will also address new potential markets

for the cashew and by-products. She will also discuss African consumption of cashew and how to best capitalize on specific consumer choices. The World Cashew forum will include five sessions: Farming, Processing Techniques and Technologies, Cashew and Sustainable Ideas, Finance and Investment and an ECOWAS workshop. Each session will dive into one of the aspects of the cashew value chain, giving participants a greater understanding of the market as a whole. Business2Business meetings offer participants the unique opportunity to meet with potential business partners in one-on-one meetings set up specifically by ACA. The Expo 2013 will feature some of the cashew industry's most prominent equipment and service providers, giving participants a chance to both meet representatives and see the newest technology first-hand. Finally, conference participants will get the chance to visit one of Ghana's very own processing factories, the Mim Cashew Factory. They will see how the seeds of the cashew tree are transformed into high quality cashew nut kernels, from the farm to the market. Participants may also choose to visit the Wenchi Agricultural Research Station and Farmer's Field, one of five agricultural research stations established in all the agro-ecological zones of Ghana. The station is under the management of the Ministry of Food and Agriculture, and visitors will get to see a vibrant testing ground of various cashew collections and other crops.

More than anything, participants in the ACA World Cashew Festival and Expo 2013 will leave with optimism and anticipation of what is to come in the African cashew market.

Value Chain & Gains - Preview

Introducing Dr. Kantha Shelke - Food Scientist and Expert on the Global Snack Market

The African Cashew Alliance is excited to introduce Kantha Shelke as a speaker at the ACA World Cashew Festival and Expo 2013 on 16-19 September in Accra, Ghana. Dr. Shelke, a leading food scientist, will present during the "New Market Opportunities" portion of this year's plenary discussion. We were lucky enough to ask her a few questions about her background and even get a sneak-peak at what she will be presenting at the conference.

Ms Shelke, can you please introduce yourself?

I am Kantha Shelke, a food scientist and a principal at Corvus Blue LLC, a food science and research firm. My firm specializes in ingredient science, technology, and market realization with health and wellness and education as our focal points. Chris Hewes, my co-principal at Corvus Blue and I truly look forward to visiting Ghana and working with the African Cashew Alliance to help advance cashews.

Can you briefly describe your work on the food and ingredients market? Why do you find this sector interesting on a global scale?

We work on all aspects of ingredients—for food, beverage, and dietary supplements—from identifying and creating them, to ushering them through the regulatory pipelines of selected nations, developing new products and uses, testing their performance in finished products, verifying that they indeed deliver what



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A Discussion with ACA's Global Development Alliance Private Sector Partners

On April 26, 2013, the USAID officially awarded the African Cashew Alliance (ACA) with a Global Development Alliance (GDA) grant. Pegged as a market-based approach to meeting business and development objectives, the GDA grant to ACA is meant to result in \$10M of additional income for rural communities, over a two-year time span. The African Cashew Alliance will be leveraging its public-private partnerships to meet these benchmarks. Now in the second quarter of 2013, the first year of implementation, we are checking in with some private sector representatives to gather their thoughts on the Global Development Alliance grant and what it means for the African Cashew Alliance.

Arie Endendjik, ACA Advisory board member and Purchasing Director of Intersnack, and Partheeban Theodore, ACA Advisory board member and Vice President of Olam International, took the time to answer a few questions.



You are a private company and you are part of the ACA Advisory Board. Why do you choose to invest in The African Cashew Alliance?

Arie Endendjik: We are convinced that a strong industry body will bring a lot of benefits to the industry, the more while this industry is quite immature. We feel obliged to give support both in knowledge and finance hence our support to the ACA.

Partheeban Theodore: ACA has now developed into being a key leader in the promotion and development of African cashews and is respected locally, i.e. across Africa and increasingly internationally through the annual conference now being held and the work it undertakes in trade fairs. Also the ACA is now recognized as the hub for information for the

African cashew industry

A main focus of the grant is development of the ACA Quality and Sustainability Seal. This innovative new program, the first of its kind in the world, will directly improve the competitiveness of the African cashew processing industry. Why are you interested in supporting it? How important are food safety and quality to your markets?

Arie Endendjik: Intersnack was one of the founding fathers and 'thought leader' on the ACA Seal. This motivated by the fact that retail requires BRC foodsafety certification in order to be able to supply; it's hence imperative. Even though the Seal on its own does not represent a BRC certification, it addresses the important items and sets plants on the right path. This will guarantee we will be able to sell the product in Europe.

Partheeban Theodore: Olam has participated in the development of the seal to date and sees this as an important 3rd party endorsement of a sustainable supply chain, with a particular reference to food safety and labour practices. International consumers increasingly want to have surety and understanding of the products in the market place and a recognized seal will offer this.

In the future, how do you expect the industry to grow in Africa? How will this affect you as a main buyer or processor?

Arie Endendjik: We are putting our force behind growth of the industry in Africa by participating in SC linkage projects, like those of the ACi. More demand for cashews means more competition with other buyers for the good suppliers; we are positioning ourselves to be the 'buyer of choice' for sellers by showing long term partnership. The buy-in of ngo's, like the program of USAID , is imperative for success as, as an individual company, we can't possible all by ourselves.

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Visit www.africancashewalliance.com for the full interview

ACA Benefits Come Full Circle in New Partnership

The ACA recently saw its mission realized by a new team of cashew processing companies. In late June 2013, the Food Processing Co. Ltd. (Food Pro) was in the process of implementing the ACA Quality and Sustainability Seal program at their plant in Nigeria. In order to better understand the necessary elements of an efficient and quality factory, the Food Pro team hoped to tour a working and Seal approved facility. Their search led them to a man and company that had once been in their position.

Just 3 years ago, Patrick Wainaina came into the AfricanThe Food Pro Team Casewh Alliance office in Accra with a plan to open up a cashew processing plant in his home country of Kenya. After their initial meeting, the ACA teamed up with Patrick and set up a tour for him at another ACA member's processing plant in Cote D'Ivoire. At the Olam International processing plant, Patrick learned valuable best practices and standards for factory development. Along with this, ACA's Sunil Dahiya provided Patrick and the rest of the Jungle Nuts team with technical assistance during factory development.

Today, Jungle Nuts stands as one of the best processing plants in Africa. Additionally, Patrick has made his factory in Thika, Kenya a learning ground for other entrepreneurs, who like he once did, want to tour a running plant before developing or improving their own. He continually looks beyond the singular and exclusive growth of Jungle Nuts, in order to provide support to the promising cashe processing industry in Africa. People like Patrick transform the African Cashew Alliance into more than

just members and linkages, by creating a true community in which inter-African learning thrives.



The Jungle Nuts Factory in Kenya The Food-Pro Group of Nigeria is just one of the benefactors of Patrick's drive. The team recently traveled to Kenya for a comprehensive tour of the Jungle Nuts Plant. For three days, the Jungle Nuts team answered questions and took Food-Pro representatives through the factory processes. At the end of the facility tour, Mr. Ayodele Olajiga of Food Pro stated "Words cannot really express our gratitude [To the Jungle Nuts Team] and we think that the only way to start to say thank you is to create a factory that [they] will be proud of as we go through the journey of upgrading our facilities."

NEWS AND EVENTS

ACA Featured in WTO's 4th Review of Aid for Trade

On July 9, 2013, Georgette Taraf, ACA President, Partheeban Theodore, Advisory Board member and Vice President & Head of Export Operations at Olam International, and Arie Endendijk, Managing Director of Intersnack Procurement at Intersnack Group, represented the ACA at a U.S. sponsored event in Geneva, Switzerland. The event was part of the WTO's 4th Review of Aid for Trade.

The trio was part of an expert panel that addressed the topic, "Africa can compete, Cases of Africa Succeeding in Global Markets". They shared the ACA story with many participants, chronicling the organization's beginnings, current activities and achievements, and the opportunities that lie ahead. The ACA was featured with the Global Shea Alliance (GSA) as a successful USAID funded venture that have been effective at connecting African value chains to global end markets.



When Money Really Does Grow on Trees - The Rise of the Cashew Market in Ghana

Over the past decade, raw cashew nut production in Africa has doubled. Now, 2.8 million farmers throughout the continent are fueling the industry each day: caring for the wide and leafy cashew trees, picking the sweet cashew fruit, and gathering the small kidney-shaped seeds that grow on the bottom. Every day, Africa loses the full potential of the products of their labor when raw cashew nuts are exported out of the continent for processing. Currently, 93% of cashews produced on African farms are exported to international processors in India or Vietnam for this second stage of the value chain. The other 5%-7% represent the future of the African cashew industry, one that is marked with both additional value added and benefits gained on the continent. Ghana is ushering in this future as a leader in cashew processing and a trade hub of the industry: cracking the shells and cracking untapped potential.



Cashew Sector in Ghana

The size of the cashew industry in Ghana, as a fraction of the country's total economy will probably surprise you. Exports of the small, moon-shaped seed of the cashew tree account for 6% of Ghana's total GDP, and 18% of the country's agricultural GDP. Behind the data and percentages, about 60,000 small holder farmers are fueling cashew production everyday in Ghana on 60,000 total hectares of land. In total, Ghana produced over 50,000MT of raw cashew nuts in the year 2012. Ghana also acts as a hub for cashew trade and export, often exporting cashew from neighboring countries including Cote d'Ivoire and Burkina Faso. Consequentially, Ghana exported 180,000MT of RCN in 2012, over 150% of it's national cashew production.

The Value Chain

Cashews first appear in a brown kidney-shaped casing at the bottom of the sweet and colorful cashew fruit. After farmers transport these seeds off of the farm, it is the processors job to transform them into the bite-sized snack that so many people around the world enjoy. At processing factories, the raw cashews are shelled, dried, and peeled to prepare them for consumption. Once the small nut is revealed, the quality is graded

and they are packaged for grocery store shelves.

The raw cashew nut gains value at each step of this process, as it is transformed from an inedible seed to a popular ingredient and snack, for which there is global demand. When this processing happens in Africa, the value added eventually produces tangible benefits for laborers and their communities. However, when the raw cashew nuts are shipped out of the continent in their initial state, the benefits gained stop at the farmers and the value added in the future is instead transferred to international parties.

Processing Potential

Over the past couple of years, African processing factories have been popping up around the continent to capitalize on the potential of increasing cashew production and high international demand. As processing continues to grow throughout Africa, and in Ghana, the cashew is gaining an even more prominent place in national economies. Currently, Ghana has an installed processing capacity of 18,000MT, however a new large processing plant will increase this capacity by 35,000MT when it begins operation next year. This increase in processing capacity will make Ghana the leading country in Africa, in terms of processing capacity. As a hub for cashew trade and export from neighboring countries including Cote d'Ivoire and Burkina Faso, Ghana is a position to become central to the global cashew market. This will mean employment and economic gains for many Ghanaians, maybe even you.

Since cashew processing is labor intensive, the industry creates benefits that span far beyond its direct participants. Within the value chain, thousands of people gain livelihood from the small cashew nut. A study completed by the United States Agency for International Development and the West African Trade Hub indicated that for every \$1000 in cashew sales by farmers, 120 jobs were created within Ghana. The same study displayed that the farmers, transporters, and processors that fuel the cashew industry in Ghana are also fueling economic growth in their communities and the country as a whole: Every dollar in farm income from the sale of cashews, produces an additional \$1.43 of household income in the local economy. The cashew might be a small nut, but it sure has a big impact.



A Discussion with Dr. Kantha Shelke - cont. from pg. 1



they promise, and ultimately, educating the trade, the media, and consumers-at-large about their use and benefits for health and wellness and market realization.

Author and farmer, Wendell Berry, said "How we eat determines, to a considerable extent, how the world is used." Food and food ingredients are fascinating on many levels. At the basic level, they are a source of nourishment essential for living and thriving. On a global scale, food is the foundation of political stability of nations. For one in

six people around the world, food is a rare and precious commodity, often out of reach and with dire consequences. Around the world, food has many and deep social implications: it serves as a mark of culture, values or taste; as a reason for community gatherings, and as an opportunity to reinforce relationships. On a personal level, food is an integral part of one's emotions providing temporary relief from anxiety, depression, loneliness and boredom, and inspiring joy and other positive emotions from pleasurable eating experiences.

Our work allows us to study food (and food ingredients) against the backdrop of science, health, wellness, the environment, food security, and economics. Helping advance an understanding of how these connected parts are related, and how changing one part might affect the others, is not only essential to foster change in the food system but also to advancing the lives of peoples from around the world.

What recent trends have you observed in the international snack market?

Advances in food science and technology have helped create snacks beyond one's imagination in terms of variety, ingredients for enjoyment that is affordable and convenient. As a result, snacking – a popular and ubiquitous practice – has been increasing across the globe without exceptions in geography, gender, or age. Many associate snacking with overweight and obesity.

While the relationship between snacking and changes in body weight is somewhat controversial, science is discovering that some snacks like nuts (cashews, almonds, peanuts) and fruits (mangoes, apples) can contribute not only to wellness but also to health. For many – as for example, children, the elderly, and people with compromised healthy-snacks consumed outside of meal times contribute not only energy, but also important nutrients.

Snack companies, concerned that their snack products may contribute to the incidence of overweight and obesity, are looking into a variety of approaches to advance healthy eating and bodyweight reduction. Appetite control is an area of weight management that is receiving increasing attention and nuts like cashew are likely to grow in popularity not only with consumers but also with product developers seeking to make healthy snacks that are tasty and satisfying.

We are very excited to have you speak at this year's ACA World Cashew Festival. Can you please give a brief intro to what topics you will be covering?

My presentation will address market forces, health activists, regulatory changes, media, driving the improvement of all foods including breakfast foods and snack foods. I will provide a brief peek into the market outlook for categories of foods that are growing rapidly around the world.

Visit www.africancashewalliance.com for the full interview with Dr. Kantha Shelke



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UPDATE: AFRICAN CASHEW INITIATIVE

IDH and ARECA Now Official Partners of ACI

ACI relies on the support and expertise from both private and public sector partners in fostering a competitive and growing cashew industry. The month of July saw two milestones for ACI as it gained two new Core Partners: The Sustainable Trade Initiative – IDH and The Regulatory Authority of Cotton and Cashew in Ivory Coast, ARECA.



Malamine Sanogo (ARECA) and Rita Weidinger (ACI) after signing the MoU

A two year cooperation agreement for the 2nd Call of Applications for the Cashew Matching Fund was signed with IDH as it decided to cooperate closer. IDH officially became a funding partner to the ACI Matching Fund Project with a special component on Supply Chain Management Information Systems.

The Sustainable Trade Initiative, based in the Netherlands, accelerates and up-scales sustainable trade by building impact-oriented coalitions of front running multinationals, civil society organizations, governments and other stakeholders. By organizing public and private interests, strengths and knowledge, IDH programs help create shared value for all partners. Since March 2012 IDH has been involved in the African Cashew sector.

Talks between ACI Executive Director, Rita Weidinger, and ARECA Director, Malamine Sanogo, proved fruitful as they signed an MoU, officially making ARECA a Core Partner of the ACI.

By signing the agreement, ARECA agrees to support and facilitate ACI activities in Ivory Coast. The Regulatory Authority of Cotton and Cashew is responsible for implementing the regulatory and contractual framework governing the operation of said channels. It exercises on an exclusive basis; regulatory functions are delegated to it by the State to establish the organizational framework of the cotton and cashew sector. ARECA also supports the state in the implementation and monitoring of international agreements and arrangements.

ACI, together with their two new Core Partners is looking forward to support sustainable projects on African Cashew.

The conference is truly a microcosm of the dynamic cashew market, with international buyers, government representatives, farmers, exporters, and processors all convening to shape tomorrow's cashew industry.

Register Today at www.africancashewalliance.com

Cashew Calendar 2013

September

16 - 19

ACA World Cashew Festival and Expo