

11th ACA Annual Cashew Conference



A NEW VISION FOR PARTNERSHIPS & INVESTMENTS



Cotonou, Benin

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Knowledge sharing. Exposition. Field trips.



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Challenges facing private sector with reference to public sector in creating conducive environment for investment

1. Lack/weak of regulatory system

- ✓ Lack of regulation in the country has contributed to poor management of the crop leaving the players(farmers and processors) in the cashew sector working independent without control

Challenges facing private sector with reference to public sector in creating conducive environment for investment

2. Poor infrastructure

- ✓ Very poor infrastructure in cashew growing area contribute to high cost of production hindering investment, need to work with county government to put up good roads in these areas
- ✓ Allocation of resources will help the rural areas where cashew is grown


Challenges facing private sector with reference to public sector in creating conducive environment for investment

3. Research and development

- ✓ The declining cashew production calls for a very good and reliable research centers to come up with very high yielding varieties, disease resistance, can cope with adverse weather changes etc, we lack this and very evident on the ground

Challenges facing private sector with reference to public sector in creating conducive environment for investment

4. Government funding /subsidies to farmers (inadequate resources)

- ✓ lack of funding in cashew sector and subsidies at the farmers level have seriously affected production and many farmers have neglected the trees , replacement of aged trees. Therefore low tonnage cannot attract new investment and clearly existing factories have
-  inadequate supply of raw material

Challenges facing private sector with reference to public sector in creating conducive environment for investment

5. Corruption

- ✓ Corruption in the public sector is a deadly disease affecting the current and new investments. Despite having a ban on raw nuts kenya we still have the crop going out of border, affecting the private sector capital injection due to lack of faith in public sector in dealing with corruption. High cost of licensing, approvals etc

Challenges facing private sector with reference to public sector in creating conducive environment for investment

6. Tax incentive, investment allowances, duty waiver on machinery

- ✓ Private sector requires good tax incentive low corporate tax, tax relieve for several years so that the investors can pump in money to production
- ✓ Investment allowances on cashew machineries and buildings for those investing in the industry will go along way in attracting investment

Challenges facing private sector with reference to public sector in creating conducive environment for investment

7. Local politics

- ✓ land ownership affects new investments, need to make it easy to own or long term leasing to put up processing plants or land to grow cashew
- ✓ Need to have a policy on county investment that is clear and also stable security system to attract new investments