



CASE STUDY: GUINEA

SUSTAINABLE CASHEW PRODUCTION

Summary

Guinea grows about 5,000 tons of raw cashew nuts a year. Meanwhile, its much smaller neighbor Guinea-Bissau, with similar soil and climate, produces 80,000 tons. Encouraged by the growing consumer demand for cashews, Guinea has begun to focus on expanding cashew production—a good candidate for expansion, with 80 percent of Guineans dependent upon subsistence agriculture for their livelihoods. Guinea’s climatic conditions, fertile soil and long rainy season are all favorable for growing large, high quality cashews.



International agencies have lent technical and financial support to help Guinean producers enhance their competitiveness in world markets. Over the last three years, the Global Development Alliance Partnership, encompassing several Guinean cashew cooperatives, the government, the US Agency for International Development and Kraft Foods, has helped Guinean farmers produce and sell cashews. The goal is to reduce poverty and secure a better economic future for the country. The partners have collaborated to provide technical support to community-based organizations. The case describes the ambitious plans: 1,600 hectares of old cashew plantations rehabilitated, 12,000 hectares of new plantations made ready, improved seeds supplied and 1,600 farmers’ associations trained.

Positive Outcomes for the Poor

- Improving Guinea’s production and marketing of cashews to increase incomes and improve livelihoods of smallholder farmers who typically own one to five hectares of land.
- Increasing export earnings to improve Guinea’s economy and generate much needed foreign exchange earnings.
- Producing cashews for local consumption to contribute to national food security.
- Environmentally, cashew trees are suitable for reforestation projects, because they are wind and fire resistant and help stabilize the soil.
- Cashew trees also make good “live fences” to protect fields.

Positive Outcomes for the Business

- Production to grow from about 5,000 tons.
- Established small-scale processing units close to the producers’ villages, avoiding initial cost of investment in a large central processing facility.
- Production processes more independent from the effects of political turmoil.
- 1,600 hectares of plantations rehabilitated, 12,000 hectares of new plantations.



Key Constraints

- *Knowledge and skills:* Guinean cashew producers lack skills to upgrade their output, increase environmental sustainability and connect output to export markets.

Key Strategies

- *Combine resources and capabilities:* A collaborative partnership between Guinean cashew producing organizations, Guinean government organizations, USAID and Kraft foods was developed to increase productivity, marketing, conservation and act as lobbying arm.



Strategy Matrix

		Strategies					
		Cashew Production	Adapt Products and Processes	Invest in removing market constraints	Leverage the strengths of the poor	Combine resources and capabilities with others	Engage in policy dialogue with government
Constraints	Market information						
	Regulatory environment						
	Physical Infrastructure						
	Knowledge and skills						
	Access to financial services						

Opportunities for Replication & Scaling Up

- Based on its contribution to the partnership in Guinea, USAID has invited Kraft Foods to expand its partnership reach to include all of the major African cashew-producing countries. Kraft is the only US company that has been asked to be part of the new African Cashew Alliance.