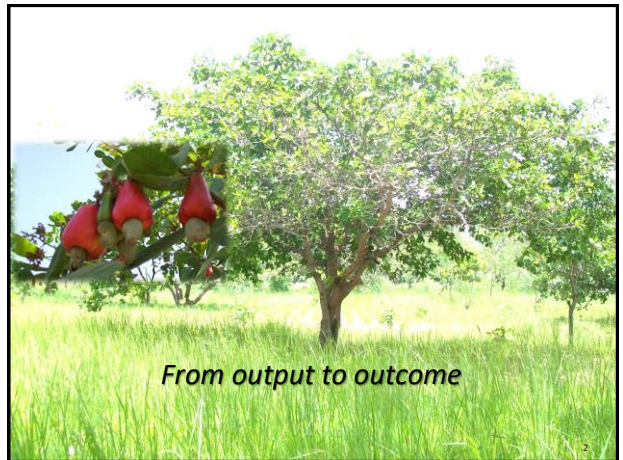


## Cashew value chain Northern and Eastern Uganda

The diagram illustrates the cashew value chain. On the left, there is a cluster of red cashew fruits (involucre) with green leaves. A blue arrow points to the right, where three processed, light-brown cashew nuts are shown. Below the diagram are the logos for NECPA (National Cashew Processing and Marketing Board), AFSR (Agricultural Finance and Support Services), and NARO (National Agricultural Research Organization).



*Project from 2014-2016:  
INTRODUCING CASHEW NUTS FOR INCOME SECURITY  
FOR THE RURAL POOR FARMERS IN NORTHERN UGANDA  
PROJECT*

**Impact**

*Increase in food production and income security at  
5.000 farmers in Northern and Eastern Uganda,  
planting 300.000 trees, with an estimated total  
income of 1 million Euro per year, 5 years after the  
end of the project*

### Business cases

- Production of seedlings: nursery operator
- Production of the nuts: farmer (group)
- Processing of the nuts: processor

**Outcome**

1. **Increase in farm level production :**

Output: 2016:

- 1200 producers
- 6.500 existing trees at farmers + central farm with 11,678 trees
- 164,020 new trees planted with a survival rate of 65% it results in 106,613 new trees
- 2,665 acres
- 25 Mt cashew nuts produced

**Business model**

**Production**

- 40 trees per acre

With high yielding varieties:

- First yield after 3 years; full production after 10 years with a yield of 10-15 kg RCN/tree, double the production: 300 kg RCN/acre; turnover: 600.000 UGX/acre
- 106,613 trees -> 1,9 billion UGX = 525 kEur/year potential yield

**-> trust in the cashew nut tree <-**

## Business model

### Nursery: sustainable production model

- Seedlings on farmer's demand
- A profitable activity: gross margin per seedling between 40-50%, with 4000 seedlings
- Various technics of seedling production: successful grafting (85%)



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## Outcomes

### 2. Farmers are organized to access markets with a marketable product:

Realisation:

- 1200 Farmers linked to one processor
- Lack of cashew farmer organizations: buying agents per district
- Quality system of the raw cashew nuts adopted
- Production of cashew and supply to processor: 2 metric tons
- Processing of cashew: 2 Mt per year -> projection of 10 Mt in 2017

-> trust in the market <-

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## Quality Control System

- > NC: Nut count: Nb nuts/kg (Tanz: 150; local: 200)
- > KOR: Kernel outturn ratio: kernel yield (Tanz: 51; local: 42)
- > HUM: Humidity: moisture content of the nut (6-10%)



How to maintain and increase the quality of the cashew nuts?

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## Joseph Okilan (UCPL), with collected cashew nuts



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## Consumption market in Uganda

- > Clear demand for white roasted and unroasted kernels
- > Supermarkets and hotels in Kampala import from Tanzania and Kenya: estimated at 50-100 Mt/year

-> trust in the Ugandan cashew kernels <-



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## Outcomes

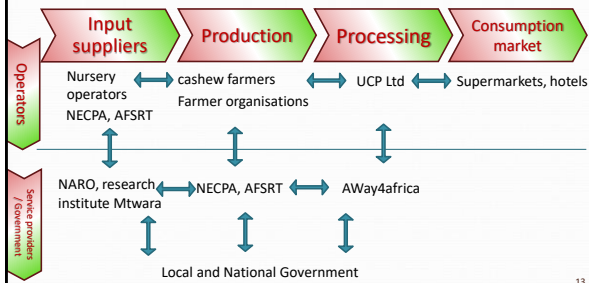
### 3. Knowledge on cashew production and supply chain is strengthened and sustained :

Realisation:

- Collaboration between various actors on the basis of added value
- Cashew is not unknown any more in Uganda among farmers, buyers and the government
- Sourcing strategy is based on quality incentives
- Policy relevance: value chain analysis, price policy shared

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## Actor analysis cashew Uganda



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## Price policy and quality

As an indicator for the new or local variety, the nut count is used and split up into 3 quality grade groups:

- 0-160 nuts/kg – new variety (2000 UGX/kg)
- 160-190 nuts/kg – old variety, but good (1500 UGX/kg)
- 190+ nuts/kg – old variety, inferior quality (1000 UGX/kg)



## Active actors in cashew in Uganda

Actor	Type	(Potential) role in cashew development
Supermarkets, hotels Kampala	Buyers	Buyers of (un)roasted cashew kernels
UCP Ltd	Processing	Buying and processing
AWay4africa	Technical service provider, market linkages	Technical and financial support in buying and processing
Farmer associations (NECPA, AFSRT)	NGOs, Technical service provider	Promotion and monitoring production of seedlings and planting
NARO, Naforri, Nabouin	Research	Applied research on production and adoption by farmers

-> trust in each other <-

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## Mapping of farmers

### > Type of message:

- There is a market: we buy your nuts, but quality is important

### > Approach:

- Home visits with digital mapping tool



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