

NEWSLETTER

JULY 2023



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of cashew nut shells into biofuel**

Cashew Calendar

WWW.GIC-CI.ORG

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VICE- PRESIDENT'S WORD



Dear members of the Cashew Industrial Group of Côte d'Ivoire (GIC-CI),
Dear subscribers,

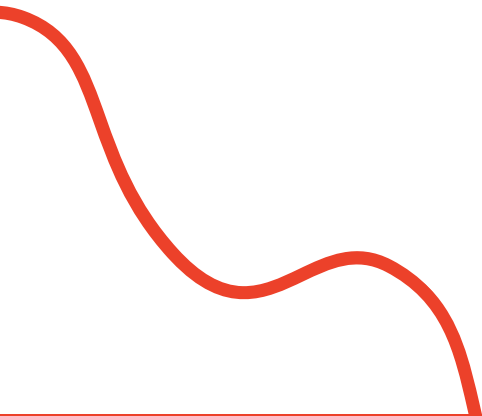
We are delighted to present to you the third edition of the GIC-CI newsletter. This new publication demonstrates the commitment of GIC-CI and its members to the cashew processing sector.

As members keen to contribute to the development of this promising industry, we provide you with relevant information on prices, industry trends and key players. Our goal is to fully fulfill our mission by providing valuable insights into the industry, in line with our commitments.

We thank you very much for your interest and your encouragement, and we remain open to all your suggestions to continue to improve. Your support is essential to enable us to better serve the cashew community in Côte d'Ivoire.

Best Regards,
ANNA PHUNG NGUYEN

GENERAL INFORMATION



**LE GROUPEMENT DES INDUSTRIELS DU CAJOU
DE CÔTE D'IVOIRE (GIC-CI) ORGANISE LE:**



FORUM NATIONAL

SUR LE FINANCEMENT DES TRANSFORMATEURS DU SECTEUR DE L'ANACARDE (FNFTSA)





**REJOIGNEZ NOTRE
EVENEMENT:**

 NOVEMBRE 2023

 AZALAI HOTEL
ABIDJAN - CÔTE D'IVOIRE

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GIC-CI
Groupement des Industriels
du Cajou de Côte d'Ivoire



THE GIC-CI ORGANIZES: NATIONAL FORUM ON THE FINANCING OF PROCESSORS IN THE CASHEW SECTOR

The Association of cashew processor of Côte d'Ivoire (GIC-CI) will organize the 3rd edition of the national forum on the financing of processors in the cashew sector (FNFTSA) during the month of November 2023.

The objective of the forum is to bring together financial institutions, donors and cashew processors to facilitate the granting of loans to processors in the sector.

The cashew nut processing sector is facing significant challenges, such as declining demand, the arrival of new international competitors and technological innovation.

The forum will bring together sector players for direct discussions, knowledge exchange and presentation of financing products adapted to the needs of processors. A fair and B2B meetings will also be organized to better inform participants about the cashew nut sector. Côte d'Ivoire, as the world's largest producer, has a competitive advantage that is essential to preserve in order to maintain the competitiveness of the value chain.

MARKET PRICE INFORMATION

GIC-CI

Groupement des Industriels
du Cajou de Cote d'Ivoire



CASHEW KERNEL PRICES: NKALO.COM EXPERTS ANTICIPATE A PRICE INCREASE IN THE SECOND HALF OF 2023

The cashew market in Côte d'Ivoire is currently quiet, with few local buyers placing small orders for local exporters and processors. The prices offered are always low, varying between 100 and 200 FCFA/kg depending on the quality and the production areas. At the port level, the rare exchanges in progress are between 200 and 215 FCFA/kg. Although stocks are decreasing slightly with ongoing small trade in producing areas, it is likely that unsold stocks will remain due to the low level of cashew markets this season.

Côte d'Ivoire is following Vietnam's trend with buoyant raw nut exports in June 2023 at 136,000 tonnes, an increase of 20,000 tonnes from June 2022. Additionally, cashew kernel exports have also increased, exceeding 4,000 tons in June 2023, an increase of 1,600 tons compared to June 2022.

The balance between supply and demand could reverse during the second half of the year, as stocks will become increasingly scarce from September 2023. Producers are therefore advised to sell their stocks without delay, traders and exporters to avoid the storage of nuts and processors to obtain supplies quickly. It is recommended to limit cashew kernel sales to current prices and look for more remunerative and dynamic markets in Asia for the second half of the year.

Source: NKALO

CASHEW KERNEL PRICES:

Prices according to CASHEW INFOS remained stable in USD/LB compared to June 2023. The most significant drops are observed on grades W210, SW210, SWP and CH.

Estimations A	W3-W4	W3-W4.	Estimations	W3-W4	W3-W4.
Recapitulatif	Prix low	Prix high	Recapitulatif	Prix low	Prix high
Grade	USD/LB		Grade	FCFA/KG	
W210	3,1	3,25	W210	3 985	4 178
W240	2,65	2,75	W240	3 407	3 535
W320	2,5	2,6	W320	3 214	3 343
W450	2,3	2,4	W450	2 957	3 086
SW210	3	3,1	SW210	3 857	3 985
SW240	2,45	2,55	SW240	3 150	3 278
SW320	2,3	2,4	SW320	2 957	3 086
SW450	2,15	2,3	SW450	2 764	2 957
FB/WB	1,85	1,9	FB/WB	2 378	2 443
FS/WS	1,85	2	FS/WS	2 378	2 571
LWP	1,35	1,45	LWP	1 736	1 864
SWP	0,75	0,95	SWP	964	1 221
CH	0,55	0,65	CH	707	836
BB	0,45	0,55	BB	579	707
SB	1,65	1,85	SB	2 121	2 378
SS	1,7	1,85	SS	2 186	2 378
SP	1,15	1,25	SP	1 478	1 607

Exchange rate: 1 USD = 583,15 FCFA

Source : CASHEW INFOS

CASHEW KERNEL PRICES :

FOB GIC-CI MEMBERS prices for African cashew kernels grades WW320 and WW240 remained stable in July 2023. The most significant price increases are observed for grades SW320 and SP. The most significant decreases are observed on the BB, CH, SWP, LWP and FB/WB grades.

Sources: GIC-CI price survey / July 2023*
*The results are the outcome of an anonymous survey carried out among the members of the GIC-CI for the month of July 2023.
The entities concerned are mostly HACCP and BRC certified.

Estimations	W1-W2	W1-W2.	W3-W4	W3-W4.
Recapitulatif	Prix USD	Prix FCFA	Prix USD	Prix FCFA
Grade	USD/LB	FCFA/KG	USD/LB	FCFA/KG
W240	2,7	3563	2,7	3471
W320	2,6	3431	2,6	3343
W450	2,4	3167	2,4	3086
SW240	2,5	3299	2,5	3214
SW320	2,45	3233	2,45	3150
SW450	2,3	3035	2,3	2957
FB/WB	1,85	2441	1,85	2378
FS/WS	2,1	2771	2,1	2700
LWP	1,45	1913	1,45	1864
SWP	1,05	1385	1,05	1350
CH	0,75	990	0,75	964
BB	0,55	726	0,55	707
SB	1,85	2441	1,85	2378
SS	1,8	2375	1,8	2314
SP	1,35	1781	1,35	1736

At the same time, the US Dollar (USD) / FCFA exchange rate continued to fall from 598.5 FCFA per USD on July 01, 2023 to 583.15 FCFA per USD on July 15, 2023, a decrease of 3 %.

PRESS REVIEW

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INTERPROFESSIONNELLE
AGRICOLE DE L'ANACARDE

CHINA: CHINA AND AFRICA SIGN DEALS WORTH 26.2 BILLION YUAN

Representatives from China and Africa signed deals worth 26.2 billion yuan (\$3.61 billion) for cooperation projects in Changsha.

The projects cover various sectors, such as the import of Malagasy lamb and the creation of a China-Africa e-commerce platform. They strengthen trade cooperation, investment and infrastructure development between the two parties. Among the projects, a large China-Africa industrial park for nuts will be built in China, aiming for an annual turnover of more than 2 billion yuan.

Source : [CHINA DAILY](#)

BURKINA FASO: PRO-CASHEW OFFERS AGRICULTURAL EQUIPMENT OF MORE THAN 123 MILLION. FROM FCFA

The PRO-Cashew project in Burkina Faso has officially handed over materials and equipment to the beneficiaries of subsidies and cashew producer cooperatives. Funded by the US Department of Agriculture, the project aims to improve the productivity of cashew orchards by encouraging maintenance and renovation.

The equipment worth more than 123 million FCFA includes brushcutters, chainsaws, beekeeping kits, computers, motorcycles, and other agricultural equipment. Beneficiaries hope to increase yield and product quality to improve the national economy and the cashew sector in Burkina Faso.

Source : [LEFASO.NET](https://www.lefaso.net)



US\$200 MILLION WORLD BANK FINANCING: A SAVIOR FOR TREE CROPS

The World Bank has provided \$200 million in financing for the Ghana Tree Crop Diversification Project (TCDP). This project aims to modernize agriculture to increase productivity, resilience and industrialization by diversifying the economy. The funding will strengthen farmer organizations, improve governance of the tree crop value chain, and create jobs and export income.

The project will focus on six tree crops (oil palm, rubber, shea, coconut, cashew and mango) to diversify Ghana's agriculture. It also aims to improve climate resilience through climate-smart agricultural practices. The Tree Crop Development Authority (TCDA) will play a crucial role in the implementation of this project for the agricultural and economic development of the country.

Source : [BUSINESS GHANA](#)

VIETNAM: CASHEW NUTS AND PEPPER EXPORTERS TO DUBAI SCAMMED

The Vietnam Cashew Association (VINACAS) recently sent a notification to companies regarding an alleged case of fraud in the export of cashew nuts to Dubai.

According to the report, after the customer advanced 15% of the total contract value, the company shipped the goods, and on June 24, the shipment arrived at the port of Jebel Ali, United Arab Emirates. Subsequently, the goods were unloaded and the empty container returned on June 27. However, the Tin Mai company has not yet received the remaining 85% of the payment.

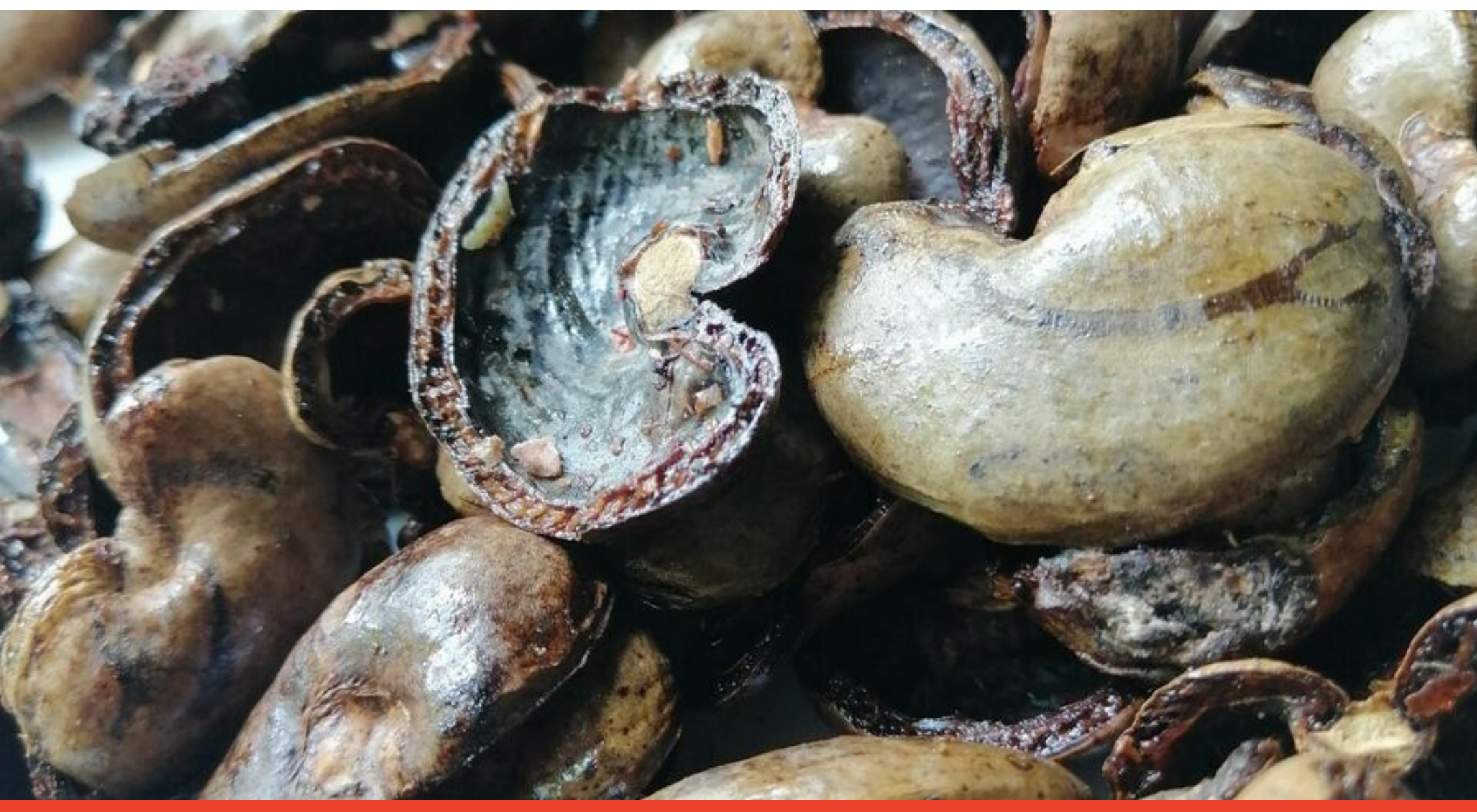
Mr. Tran Huu Hau, Deputy Secretary General of VINACAS, announced that VINACAS will coordinate with the Vietnam Pepper Association to arrange a meeting with relevant companies to gather detailed information. Then, they would submit formal requests to the relevant authorities in Vietnam and the UAE urging them to look into the situation and provide assistance in resolving the issue faced by these companies.

Source: SAIGON GIAI PHONG NEWS



SPECIAL FILE

INNOVATION IN GREEN ENERGY: TRANSFORMING CASHEW NUT SHELLS INTO BIOFUEL



TURNING CASHEW NUT SHELLS INTO BIOFUEL

Green energy innovation is taking a fascinating turn as scientists have discovered a new way to revolutionize the industry: turning cashew nut shells into biofuel. This advancement has the potential to provide a sustainable source of energy while reducing waste and creating economic opportunities in cashew growing regions.

The cashew industry is a major economic driver in many countries, especially in Africa and Asia. However, it also generates a significant amount of waste, mainly in the form of inedible hard shells. These hulls have traditionally been seen as a problem, often thrown away or burned, contributing to environmental pollution. But now they are seen as a valuable resource in the green energy sector.

The process of turning cashew shells into biofuel involves a technique called pyrolysis. This involves heating the shells in the absence of oxygen, which breaks down complex organic molecules into simpler compounds. The resulting product is a liquid bio-oil that can be refined and used as a substitute for fossil fuels in various applications, including power generation and transportation.

The beauty of this process lies in its durability. Unlike fossil fuels, which release carbon dioxide when burned, biofuels made from cashew nut shells are considered carbon neutral. This is because the carbon dioxide released during combustion is offset by the carbon dioxide absorbed by cashew trees as they grow. Additionally, the pyrolysis process also produces a solid residue called biochar, which can be used as a soil amendment, improving soil fertility and sequestering carbon in the soil.

This innovative approach to green power generation is not only environmentally friendly; it also has important socio-economic implications. Cashew-producing countries, many of which are developing nations, could potentially create new industries around the production of biofuel from cashew shells. This could provide needed jobs and boost local economies, while also reducing dependence on imported fossil fuels.

However, the process is not without its challenges. The technology of converting cashew shells into biofuel is still in its infancy and requires further research and development to make it commercially viable. There are also logistical issues to consider, such as collecting and transporting the cockles, as well as the infrastructure needed to process them.

Despite these obstacles, the potential benefits of this green energy innovation are too great to ignore. With the urgent need to shift from fossil fuels to more sustainable energy sources, the ability to turn waste products like cashew shells into biofuel represents a promising advance.

In conclusion, the innovative process of turning cashew nut shells into biofuel represents a significant advancement in green energy technology. It offers a sustainable and potentially economically beneficial solution to the problem of waste in the cashew industry, while contributing to global efforts to combat climate change. As research and development continues in this area, we can expect to see more exciting innovations in the field of green energy.

Source: [ENERGYPORTAL.EU](https://energyportal.eu)

GOOD TO KNOW



AGRICULTURAL COMMODITY FORWARD SALES: AN ESSENTIAL TOOL FOR RISK MANAGEMENT IN THE AGRICULTURAL INDUSTRY

The agriculture industry faces many challenges, including fluctuating commodity prices. To mitigate the risks associated with these price variations, players in the sector use forward sales, also known as forward contracts. These financial agreements allow producers and buyers to commit to buy or sell a specified quantity of agricultural commodities at a predetermined price for future delivery on an agreed date.

How do forward sales work?

Forward sales are based on standardized contracts that are traded on commodity exchanges. These contracts clearly define the characteristics of the raw materials, such as quantity, quality and delivery period. The price agreed in the contract is fixed at the time of its conclusion, taking into account the forecasts and anticipations concerning the evolution of prices on the market.

When the parties enter into a forward contract, they make a firm commitment to fulfill the terms of the agreement on the scheduled delivery date, regardless of market fluctuations.

For farmers, these contracts offer the certainty of a predefined income for their harvest, allowing them to better plan their farming activities and invest in their operation with confidence. On the other hand, buyers can use forward sales to hedge against future increases in commodity prices.

- **The benefits of forward sales**

Forward sales have several advantages for players in the agricultural industry:

- Risk management: By locking in a fixed price in advance, producers can protect themselves against potential price declines, while buyers hedge against future increases.
- Income stabilization: Futures contracts allow farmers to forecast their future income, bringing financial stability to their operations.
- Improved financial planning: With predefined prices, industry players can better plan their investments, production costs and profit margins.
- Reducing Volatility: Forward sales can help reduce market volatility, which can benefit the entire industry.

- **The disadvantages and the risks**

Although forward sales offer undeniable advantages, they are not free of disadvantages and risks:

- Loss of opportunity: If market conditions evolve favorably, the parties may be forced to respect a price lower than that of the current market, leading to a loss of opportunity.
- Transaction costs: The margins and transaction fees associated with futures contracts can represent an additional cost for the parties involved.
- Risks of default: There is a risk that one of the parties may not be able to meet its delivery or purchase obligations.

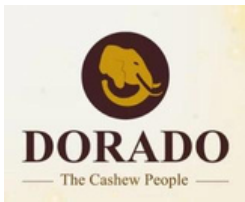
Conclusion

Forward sales are an essential tool for risk management in the agricultural industry. They allow producers and buyers to protect themselves against price fluctuations, stabilize their incomes and better plan their activities. Despite the associated risks, forward sales remain a common and effective practice for players.

Ultimately, an informed approach and a thorough understanding of the forward markets is key to maximizing benefits and minimizing risk.

Marcel O.

CASHEW CALENDAR



UPCOMING EVENTS

- CBI training on CNSL on the sidelines of SARA - October 2023
- International Exhibition of Agriculture and Animal Resources of Abidjan (SARA) - 6th edition - from September 29 to October 08, 2023
- International Cashew Conference - Tanzania - October 11-13, 2023. Theme: Invest in Cashew for Sustainable Development.
- National Forum on Financing Cashew Sector Processors (FNFTSA) - November 2023 organized by the GIC-CI
- CEPICI training organized by the GIC-CI - date to be announced
- Buyer training organized by the GIC-CI - exact date to be communicated

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