Country Profile

Guinea-Bissau is a Western African country, bordering the North Atlantic Ocean, and is situated between Guinea and Senegal.

General Information on Guinea Bissau:

Capital	Bissau	Time Zone	GMT-2h00
Population	1,345,479 (July 2002 est.)	ISO Code	GW
Area	28,000 sq km	Dialing Code	+245
Languages	Portuguese (official), Crioulo, African languages	Continent	Africa
		Internet Domain	.gw
Currency	Communaute Financiere Africaine franc (XOF)	GDP	$1.2 billion (2001 est.)
		Export partners	India 51.4%, Italy 2.7%, South Korea 2.0%,
Major towns	Bissau, Buba, Cacheu, Farim		
Exports	cashew nuts 70%, shrimp, peanuts, palm kernels, sawn lumber	Belgium	2.0%
		Import partners	Portugal 30%, Senegal 14.6%,Thailand 8.5%, China 5.7% (2000)
Imports	foodstuffs, machinery and transport equipment, petroleum products		

Structure, Organisation and Development Strategies

Historical Perspective

There are two groups of cashew cultivators in the country: the traditional or family cultivators, and the "ponteiros" or farmers. The two categories can be distinguished by the orientation given to their respective cultivation. For the family cultivators, it is agriculture for living, whereas the farmers focus on the market.

As for the total area used for cashew cultivation, there is also a difference in participation between these two groups. The bulk of the planted area belongs to the traditional cultivators, whereas the relatively smaller plots belong to the "ponteiros". Thus, for example, the traditional group occupied 103,000 hectares, i.e. 85% of the total cashew cultivated area in 1995, and the farmers had planted on only 15,000 hectares. Moreover, the total cultivated area has increased over the last few years. According to a study conducted by the Ministry of Agriculture, the total area under cashew plantation was 113,000 hectares in1996, 125,000 hectares in 1997, 137,000 hectares in 1998 and 151,000 hectares in 1999, i.e. about 34% increase in four years. The bulk of the cultivated area still continues to belong to the traditional group.

There exist differences regarding the average cultivated area between these two groups of cashew cultivators. In terms of total cultivated area the traditional cultivators predominate but if the average area cultivated per family unit is considered farmers are way ahead. The average area cultivated per family unit is1.6 hectares and this same average is 14 hectares for the ponteiros.

The plantation techniques in these two types of land holdings are different too. The traditional cultivators use **semi-extensive** plantation techniques, whereas the farmers apply **extensive** plantation techniques. Both traditional cultivators and farmers use random or linear forms of plantation. As per the earlier mentioned study by the Ministry of Agriculture, 76% of the area under cashew is cultivated in randomly and hardly 24% linearly.

If the gap between the plants is considered, a variation of 2 to 3 metres between the lines can be noticed in the traditional cultivation fields while it varies from 4 to 6 metres in the fields of the ponteiros or farmers. The average plant density is 420 plants per hectare.

Harvesting

In the cashew network, there is a clear division of labour between the different social groups, especially between men and women. The role of men is in land clearing, plantation, maintenance, protection against bush fire and marketing of the nuts. Women take care of tasks related to harvest, making and marketing of wine and rum from cashew. Children too take part in the picking activities as a help to the women.

Work Schedule for the Cashew Activities

Activities	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Plantation							*	*	*			
Weeding										*	*	*
Harvesting			*	*	*	*	*					
Marketing			*	*	*	*	*	*				
Exports					*	*	*	*				

Marketing and Export

The marketing depends mainly on the collection of cashew nuts from the growers. Small and medium tradesmen or any person holding a license issued by the Ministry of Commerce can participate in procuring the harvests.

In general, the most common practice to procure is the barter system. The merchants to procure nuts from the growers generally exchange Rice. This commercial activity is done through different permutations between rice and cashew nut.

Cash transaction is also done in many cases. But this normally takes place in the middle of a cashew cycle, when the cultivators have stored enough rice for an year's consumption.

The cycle is structured in the following way. The importers finance the exporters and the national wholesalers and they inturn finance the small and medium merchants – the intermediaries – who work with the cultivators. This financing is done with rice or cash.

This barter system has evolved with time, mainly due to the organisation of the cultivators. In 1984, for example, 1-kg rice was exchanged for 2 kgs cashew nut. When the cultivators became organised and started obtaining information about the cashew nut price in the international market, they were able to demand better barter ratios. This is how the barter ratio became 1-kg cashew nut for 1-kg rice.

To satisfy this specific demand of rice for the cashew cycle, this country imports thousands of tons of rice each year. The imported volume varies with the national yield each year, as shown in the following table.

Importing Rice Needs for the Cashew Nut Cycle Between 1990 And 2001

Year	Ton	Year	Ton
1990	43.33	1996	70
1991	59.7	1997	54.39
1992	75.7	1998	39.21
1993	63.33	1999	58
1994	33.9	2000	35.495
1995	59	2001	38.94

Development Strategy

The development strategy is directed towards the following categories:

- Training of the cultivators at the level of the plantation system
- Measures to be taken for protecting orchards from bush fires and other damages
- Measures for quality improvement through proper harvesting, drying and stocking
- Choice of suitable lands for plantation

Local processing development strategy

The main objective of this strategy is to increase the cashew kernel exports and create employment for the Guineans. This strategy concentrates essentially on the following aspects:

- Promote installation of cashew nut processing units.
- Stress on the training programmes of the workers of these units.
- Promote and stress programmes for local production of processing equipments.
- Installing laboratories for analysis and quality control of the converted kernel to be exported.

Sector Performance

Production

Evolution of the national yield over the period 1990-2001 and its prospects.

The annual volume of national yield of cashew nut is not exactly known. There is no national institution to register exact information on the subject. Nevertheless, two estimation methods are applicable to find out the volume of the national yield:

- Either from the statistical data on export. A certain percentage denoting internal consumption, smuggling or illegal exporting should be added up to this. It is reasonable to estimate that the amount of cashew locally consumed and smuggled over the borders does not cross 10% of the annual volume of export.

❖ Or from the total cultivated area, which is the most used method by ANAG (National Association of Guinean Cultivators) and by the technicians of the Ministry of Agriculture.

In spite of the difficulties regarding the exact determination of the volume of the national yield, the minimum quantity of the annual yield can be determined from the official statistical data on export.

Based on these presumptions and using the method of total cultivated area, the national volume of cashew nut yield over the years 1990-2001 could be estimated, as shown in the following table:

Evolution of the annual yield of cashew nut, 1990-2001

Year	Area (ha)	Production (ton)
1990	29.622	14.811
1991	37.028	18.514
1992	46.285	23.142
1993	57.856	28.928
1994	72.32	36.16
1995	90.4	45.2
1996	113	56.5
1997	125	62.5
1998	137	68.5
1999	151	75

Types of cultivated cashew nut, progress related to the improvement of the cultivars

Types of cultivated cashew nut

Two varieties of cashews are cultivated in Guinea-Bissau: Ground cashew, Mozambican cashew.

The cashew called *ground cashew* or *local cashew* has come to the country from Brazil in the 17th century. This is the one mostly cultivated and it probably covers more than 90% of the area in the total national territory under cashew plantation. It has the following characteristics:
The cashew apple is medium sized, red and very sweet. The size of nuts is small to very small and average weight varies from 4 to 5 grams.

The Mozambican cashew, as its name suggests, has been introduced from Mozambique, less than twenty years ago, by ADPP, an NGO from the northern countries, which has been operating in the country since many years. This variety has the following characteristics: the pseudo fruit is yellow in colour and nut weigh from 6 to 8 grams.

Development of the cultivars

In spite of the obvious interest for the improvement of the species' quality regarding the size and the earliness of the nuts, no measure so far has been taken in this direction.

Principal factors influencing the yield and harvest

Many factors can influence the productivity of the cashew harvest, including the price of the nut, the cultivators' associations and the conversion technologies.

The price of the nut

An increase in the price of the nut is a decisive factor for the increase of yield and harvest.

For many years, the cultivators had not shown any interest in cashew cultivation. It is only when they had noticed the increase in revenue that cashew could give did they concentrate on its cultivation. In the earlier days, 1-kg cashew nut was exchanged for 1-kg rice, the basic food product for the majority of the Guinean population. The expansion of cultivated area under cashew began in the eighties, when the price of the nut considerably increased and 1-kg cashew nut could be exchanged for 2 to 3 kg rice.

In the course of a season, the price fluctuates, starting with a lower price that increases considerably by the middle and end of the cycle. Thus, the price will be around 150 CFA francs/kg at the beginning of the cycle, reaching up to 300 CFA francs/kg in the middle and may be even going up to 450 to 500 CFA francs/kg by the end of the cycle. Thanks to these price levels, there has been an impulse for cashew cultivation in Guinea- Bissau, making cashew the staple agricultural product cultivated in the country.

The associations

Associations, a new phenomenon in the country, are playing an important role in the socio-economic activities. Thus, ANAG, the National Association of Guinean cultivators, plays a decisive role in the development of the cashew sector. The cultivators find their encouragement and motivation for cashew cultivation due to ANAG's activities in mobilisation, organisation and awareness of its members.

It's again thanks to ANAG's interventions that the peasants started getting the best prices for their nuts. This contributed to the expansion of total cultivated area under cashew. Before this organisation came into operation, the revenue from cashew nut cultivation used to go, to a great extent, into the pockets of the merchants and the exporters, leaving a very low margin for the farmers.

For the people who cultivate the ground, the revenue from the nut cultivation was at the level of mere survival, as in the cases of the other crops they cultivate. Because of these actions, ANAG has become an apt interlocutor of the Government as far as the agricultural policy and cultivator's prices are concerned.

TIPS/USAID

Developed and financed by the Government of the USA for supporting the promotion of investment and commerce since 1994, this TIPS/USAID project played an important role in the expansion of the cultivated area and in increasing the yields of cashew over the last few years. This project has allotted substantial amounts for training, research and technology transfer for the cultivators of the country.

TIPS/USAID did not concentrate only on production, but also on local processing to the product, by creating Training Center of Quinhamel, fifty kilometres away from Bissau. The role of this center was to transmit knowledge in field of cashew nut processing to cultivators and local processors. These initiatives did indeed contribut, as a whole, to the development of cashew production and harvest.

As a conclusion, it can be said that the increase in prices and the formation of peasants' organisations, supported by some non-governmental and international bodies, had a profound influence on the expansion of cashew nut production.

According to Mr. Antonio Nunes, President of ANAG, during the last decade, the national yield of cashew nut had increased by almost 20% each year.

Processing

Evolution and prospects of cashew processing

There is no data, no study, and no survey on the local processing or its evolution in the last ten years. Still there has been a positive evolution of some products, whereas others, have not seen any significant progress, because of a low technical knowledge.

The country has huge potential in the field of raw cashew processing. After the armed conflict of 1998, and due to the instability in the price of cashew nut in the international market, the interest shown by entrepreneurs is increasing towards processing.

The cashew processing evolution here has been interesting. Till 1994, the country did not have any processing unit, in spite of the fact that in the eighties, an entrepreneur MANDINGA has started a modern industrial unit. This unit never became functional inspite of possessing advanced technology, imported from Italy. The failure of this pioneering project contributed significantly towards discouraging any further investments in processing.

In 1994 the TIPS/USAID project became functional after importing cottage, industrial and semi-industrial technologies from Brazil. In this project, due to the interest shown by certain small entrepreneurs towards new technology, local production of some conversion equipments and other promotional activities took place. Continuing this spirit of promotion and technology transfer, TIPS/USAID installed the TRAINING CENTRE OF QUINHAMEL. This centre gives training courses on both processing and management as well as in the field of production of equipments (stoves, tables, trays). Since 1997, this centre has provided training to hundreds of citizens till date. Training has also been provided to citizens of neighbouring countries like Senegal, Guinea/Conakry and Gambia. General, this training has been to people interested in starting their own processing units.

Training and technology transfer is not done as per a fixed procedure. Some members have been even sent to neighbouring countries for training. In 2001, for example, training was given to large number of people in south Senegal, at Ziguinchor.
The impact of this technology transfer has been on: probable future increase on production as local processing starts, increase in employment, growth of the country's revenue and an improvement in the standard of living of the target population.

At this pace, a reasonable increase in the number of units can be envisaged. At present, there are only about 18 small processing units, with an average capacity of 1.82 kg per day. Several new processing units will be installed soon.

This motivation for this is essentially the price fall of cashew nuts in the international market. The guarantee for these investments will come mainly from big tradesmen and exporters. This implies that these new units would be of higher capacity compared to the existing units. One example is the unit installed by the Construções Limitada at Bissau.

Types of processed product available for marketing

The following four categories of processed cashew are available::

- Cashew juice
- Cashew wine
- Cashew rum
- Cashew kernel

Fruit juice

The process of making fruit juice is simple. The cashew apple (stalk or pseudo fruit) is crushed with a wooden stick, specially made for this job, in a boat shaped vessel. The liquid obtained is then filtered through a strainer and loincloths to obtain cashew juice. The juice thus obtained is heated on fire to destroy microorganisms. The end product, ready for consumption, is stored in a cool place.

Cashew wine

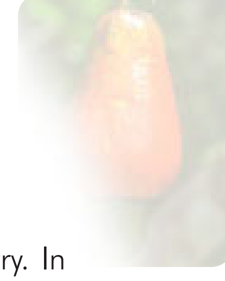
The winemaking follows the same steps as juice making till the filtering. After that, the juice is stored in barrels and left for fermentation for a few days to obtain cashew wine.

Rum

The process of rum making too follows the same steps of winemaking. After filtering, however, the juice is distilled. The distilling process is primitive. The rum is mixed with ethyl alcohol, which, according to the statements of the public health laboratory's specialists, is very harmful for health.

Cashew kernel

The main steps for producing cashew nut are as follows:
Selection of nuts, Cooking, Cutting, Drying on stove, Peeling, Grading, Packaging and Preservation



Principal factors influencing the processing performance of national companies

The cashew nut processing started in 1994, when small processing units came up in the country. In spite of their importance for the country's economy, these units faced a number of factors negatively influencing their development. The bottleneck factors identified are:

- ❖ Government policies lacking encouragement.
- ❖ Lack of support structures for small industrial cashew growers.
- ❖ Difficulties in accessing the global market.
- ❖ Lack of laboratories for analysis and quality control.
- ❖ Lack of financial resources.
- ❖ Limited capacity of the internal market.

Government policies lacking encouragement.

For increasing local processing of cashew nut lowering of taxes on imported equipments, tax exemptions on packaging and on nuts meant for exporting would be policies encouraging local processing.

The owners of the processing units face some difficulties with logistics even during the cycle. For example, all along the roads connecting the production centers with the processing factories, the agents of the Ministry of Finance stop the trucks, at the check posts for tax collection. Similarly, the loan accessibility for the small promoters is difficult.

Lack of support structures for small industrial cashew growers

There is no support organisation or institution to look into the specific problems of the cashew processors. Frequent power cuts and the lack of support organisation or institution for assembling a large number of small cashew growers also add to their woes.

Difficulties in accessing the global market

The internal market has only limited capacity to absorb the total production of the existing processing units. In other words, the installed capacity of production is too high which is really too discouraging.

The only solution to this is the export market. Difficulties of a different nature come into play now. The production of each unit is too low to satisfy the minimal amount required for exporting. So the creation of a co-ordination unit could be a solution. Given that none of the existing processing units so far have the sufficient capacity to satisfy the demand of the export market, the role of this co-ordination unit would be to organise collaborative export. A North American NGO "Enterprise Work", settled in the country from few years, is currently researching for a solution to this problem.

Lack of a national laboratory for analysis and certifying quality

The lack of a national laboratory for quality control and certification of exportable products is one of the greatest obstacles in increasing exports. The small amount of converted products exported by the company Hosson Lda in 1999 (6 tons in total), had to be analyzed in Portugal. Conducting such analyses outside the country is associated with its own risk in addition to the possibilities of refusal of the product, and the added costs.

Lack of financial resources

One of the greatest obstacles that the potential investors have to confront with is the difficulty in getting funds.

Institutions for providing funds are practically non-existent. Till 2001, there were only three banks in the country: 2 commercial banks and 1 investment bank (Totta & Açores, BIGB, BAO), and also a credit house, FUNDEI. At present, the first two banks do not operate. Totta & Açores, a Portuguese franchisee has shut down, and BIGB, which is a national bank, is in bankruptcy, and the liquidation process is going on.

In general, access to loan is very difficult for the small operator. For most of the operators, it is very difficult to satisfy the conditions imposed by banks. One of these conditions is guaranty demanded, which, most of the operators do not have. Another discouraging factor is the very low reactive power of the banks.

Exports

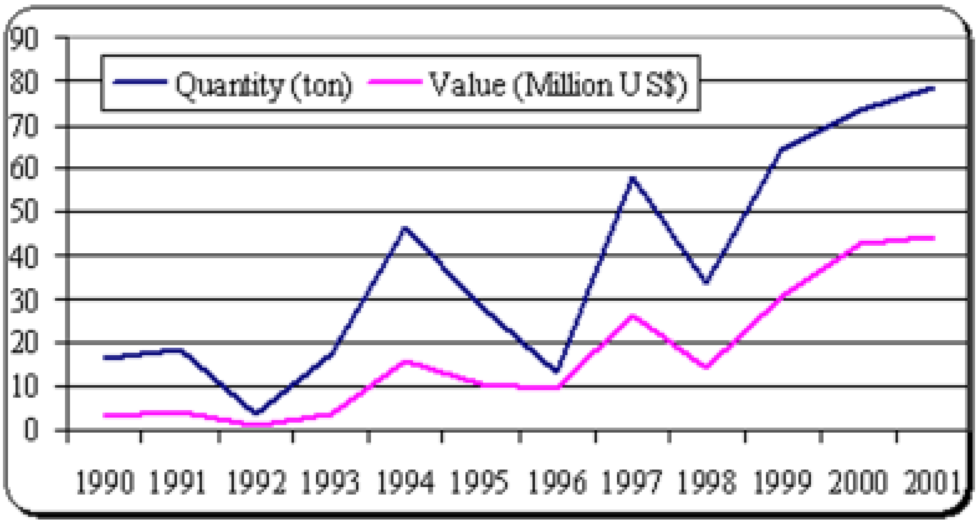
Evolution of national exports of cashew nut and processed products from 1990 to 2001, by product type and destination

Exports of cashew nut

The export of cashew nut is extremely important for the country's economy. It currently represents 90% of the country's revenue from exports.

Exports of raw cashew nut from 1990-2001

Year	Quantity (ton)	Value (Million US$)
1990	16,4	3,20
1991	18,3	4,00
1992	3,7	0,80
1993	17,0	3,70
1994	46,4	15,50
1995	28,3	10,60
1996	13,0	9,52
1997	58,1	26,40
1998	33,8	14,08
1999	64,1	30,40



Cashew nut exports had continually fluctuated over the last decade, except for the last three years, when it regular increased. These fluctuations were caused by variations in the global prices from year to year, smuggling, the system of marketing and the rules and regulations in use.

The **prices** had a decisive effect on the country's exports. When the international prices did not suit them, the exporters stocked the products in their stores, awaiting better quotations. Sometimes the products ended up staying one or more years in the stores. This happened, for example in 1993. The exports continued going down in 1995, 1996 and 1998, being 28.3, 13 and 33.8 tons respectively.

The authorities and technicians of the finance ministry complain that a substantial amount of cashew nut is **smuggled** over the borders, mainly through the northern border. When prices are better outside the borders, the cashew growers and small merchants cross the border somehow in spite of the risks involved. As rumours say, in 1999, a merchant of Indian origin settled for a job at Kolda, in South Senegal, bought more than 15,000 tons of cashew from Guinea-Bissau. A significant part of the nut in question came from the cycle of 1998, the year of the politico-military conflict.

The war of 1998 also prevented, in a large way, the cashew nut exports. As a result of which it fell from 58,100 tons in 1997 to 33,800 tons. Nonetheless, thousands of tons were illegally exported, mainly from regions less affected by the armed conflict.

The **taxes** imposed on cashew nut export are rather heavy, when compared with other countries. The taxes and duties currently paid by the exporters of Guinea-Bissau are as follows:

- Special tax 10%
- Rustic land contribution (tax) 2%
- Customs duty 1%

That is, a total of 13% tax has to be paid to export cashew, or rather, for each ton of cashew nut exported, the State is paid 106 EU **$.**

These taxes were lowered to 13% from the initial 22%. Still they are very high resulting in cross border smuggling. In Senegal, cashew nut export is not taxed. This allows the established exporters from Senegal to offer better prices to the cashew growers and small merchants. It is this price difference that attracts and motivates cashew growers and intermediate merchants from Guinea-Bissau.

Given the important loss to the State's revenue from exports, the authorities have taken certain measures to discourage illegal exports. Only exports by sea from the port of Bissau are permitted. Exports by land are prohibited. People caught red-handed crossing borders with cashew nuts are heavily penalized along with total confiscation of the product. Half the value of the confiscated product goes to the policeman or the authority doing the arrest.

Analysis of the processed products' exports

The processed products did not contribute to a major share of the exports for two reasons. The technological upgradation and processing units started in the country only in 1994. Even these installed units were so small and did not produce the required amount for profitable exports.

Still cashew kernels were exported twice to Portugal, in 1997 (2.5 tons) and in 1999 (nearly 6 tons).

PROCAJU, National Association of cashew nut processing agents, gets regular demands for cashew kernels from different parts of the world. But, unfortunately, PROCAJU's associates are not ready to satisfy the importers' demand.

Therefore, the lack of a market is not the actual limitation factor for the development of the cashew kernel exports, but some other factors like lack of financial resources, adequate processing technologies and lack of organization in the cashew sector.

This situation of exports of cashew kernels from Guinea-Bissau can change radically in the next few years as the sector is getting organized. As a result even the small cashew growers can export small quantities through an intermediary centre that would purchase for exports. The packaging industry is also flourishing which will significantly contribute towards increased exports of processed products. In these revised situations, the exporters themselves can be expected to show an increased interest towards investment.

Degree of organization and coordination of the sector and its effect on the export performance

Many organizations are a part of the cashew sector, notably: ANAG, the Chamber of Commerce, Industry and Agriculture (CCIA) and AGEX (Guinean Association of Exporters. Till today, these organizations however did not have any desired impact on the development of exports. This sector needs to be organized and coordinated to increase exports. The Ministry of Commerce, Industry and Cottage Industry should take the initiative to organize coordination meetings to solve previous years problems and the conflicts that can arise at times.

In fact, some conflicts did arise in the last few years between cashew growers and exporters, regarding the organization of cycles. These conflicts demanded a dialogue and a coordination of efforts between the different stakeholders, that is, the Government, the cultivators and the exporters. During the years 1992, 1993 and 1994, the majority of the harvested cashew nut was not exported, but was stored in the warehouses of the exporters.

During these years the exporters suffered from damages due to costs of storing, arrears and interests to pay for the loans on contract etc. The State has been a loser too, because significant amounts did not reach the public revenue department. A better coordination between the exporters and the authorities can avoid the hazards of non-exports in the future.

Quality of the exported products: standards, existing laboratories for analysis, quality certification and effect of the product quality on export performances

Guinea Bissau uses the international standards of classification of raw cashew nut:

Grade	Size in gm
Cashew	Below 3.35
Very small	3.35-4.5
Small	4.51-7.81
Medium	7.82-10
Large	10.01-15
Very large	more than 15

The country does not have any laboratory specialized in analysis of nuts. The importers, largely Indians, usually send their own "specialists" to observe and analyze the quality of the raw nuts they want to buy from the cashew growers and local intermediaries.

The local merchants, who sell these raw nuts, are generally not satisfied with these "specialists". Everybody complains that the opinion given by these "specialists" on the quality of the cashew nuts is often negative, so as to pay less to the growers. The unanimous opinion of these merchants is that usually, these "specialists" have the habit of giving wrong data about the quality of the nuts they are going to buy.

This pressure on the local merchants becomes more pronounced at the beginning of rainy season, when pressure increases to sell off quickly. Also the opinions and decisions about the quality of the nuts given by the "specialists" cannot be ignored because they are the employers of the importers.

In spite of the non existence of appropriate laboratories for the analysis of the raw cashew nuts to be exported, some certificates essential for exports are issued by the authorities. These are:

- ❖ Certificate of origin, issued by the Ministry of Commerce, Industry and Cottage Industry.
- ❖ Phytosanitary certificate, issued by the Ministry of Agriculture, Forest, Hunt and Breeding.
- ❖ Weight certificate, issued by the representative of the Lloyd Agency at Bissau.

The general opinion is that the lack of a laboratory for analysis is detrimental equally to the cashew growers, merchants and other agents of the network.

Constraints to Export Development

Production and Harvesting

Price: Prices are the most important constraint acting against increasing yield and harvest of cashew nut. The prices have went down considerably at times like the low levels seen in 2001. The growers have succeeded in selling their nuts at 100 to 150 CFA francs per kg.

This price fall of the nut negatively acts on the yield. All expansions in area took place only after the price situation improved. Still others, worried over the future uncertainties in prices, were already regretting that they had allotted vast tracts of land to cashew.

Bush fires (burns): Bush fire is a constant worry of the cultivators. Every year, many acres of cashew plantation are caught by fire. This happens precisely during the dry season, when the cashew plant flowering occurs. Bush fire has become a public disaster. In spite of the awareness campaigns on television and radio, to prevent this, it still has not be bought under control.

Processing

Limited local demand

The limited capacity of the local market is one of the constraints to enhancement of the local processing. Cashew kernel is an expensive product, and the purchasing power of the local consumers is limited. Consequently, the pioneers in this field were confronted with the impossibility of marketing these products in the local market.

Difficult access to the exports market

The Guinean processors face difficulty in accessing the exports markets, because of low amounts, and high transportation costs which reduces the price competitiveness of the product for exports.

Absence of a national laboratory for quality control and certification for exports

The absence of a national laboratory to conduct analyses and certification of the quality of the products to be exported has a negative impact on the development of the sector.

Lack of financial resources of the entrepreneurs

The entrepreneurs, who want to take up the processing activities seriously, are confronted with the lack of financial resources and access to loan for investments in equipment and raw material. Even after the small entrepreneurs (who are the only ones to operate in this sector so far) install a processing unit with their own resources, they face difficulties in meeting the running cost. They don't get enough raw materials to function through out the year either. They actually work only during the harvest sessions, which hardly last four months as the costs of storing raw materials is too high.

Lack of suitable processing equipment

The processing equipment is not manufactured locally and is not locally available. The entrepreneurs wishing to enter this sector so face difficulties in procuring from abroad. For example, the if the costs of an equipment in India and Brazil is 50EU$ and 100EU$ respectively, then it would be 250 EU $ in Guinea Bissau.

Lack of technical information and information on the market

The entrepreneurs and operators in this sector have nowhere to approach for information gathering for their activities.

Marketing and Exports

Inadequate financing system

Proper functioning of marketing and exports operations is hampered by an inadequate financing system. This is one of the biggest problems of the economic operators of Guinea. Due to this, many exports in 1999, 2000 and 2001 had to be done from Dakar, Senegal.

The lack of liquidity of the national economy is another major obstacle in the development of cashew nut exports. The commercial banks of the country are often without cash, and cannot satisfy the merchants' needs in terms of liquidity. At times, one has to wait a few days to withdraw 3,000,000 CFA francs, because of lack of money in the cash boxes. As an alternative, the operators have adopted the practice of operating with the banks in Senegal, from where they withdraw liquid money to finance their operations of purchasing nuts in Guinea-Bissau.

Inadequate port system

The exporters also complain about the functioning of the port of Bissau, which is inefficient and very expensive.

National Policy of Production and Marketing

The national policy referred to in this sector is not very explicit; that is there is no written document on the subject. It is however probable that, clear definitions and orientations will be given on the policy of production and marketing, thanks to the creation of the INC, National Institute of Cashew, which indicates the state's willingness to work in this direction.

One can feel the existence of different intervening agents such as ANAG (National cultivators' Association), AGEX (Guinean Exporters' Association) and the Government, from their behaviour and actions which are only directed towards defending their short-term interest. The creation of the INC will allow the adoption of concerted actions to reach the mid-term and long-term goals of the network, through policy changes in production and marketing, which can bring long lasting benefits to the country.

Identification of Technical Assistance Projects

Production

Projects related to the system of protection and insurance of the plantations against bush fire.

Processing
Creation of exports syndicates
Financing the processing units

Marketing and Export
Financing marketing cycles.
Preserving the products
Laboratory for analysis and product testing

Others
National policies and strategies for the development of the network
Creating incentives for processing of products of the sector.
Encouraging the introduction of improved cashew varieties.
Promoting researches in the network.

Organization of the sector
Promoting creation of an African regional structure of the cashew sector.

Improvement and guaranty of quality of the exports
Preserving nuts, prohibiting the crop's harvest directly from the plants, drying and packaging in appropriate bags.

Main Stakeholders

Growers
CARLOS CAPÉ Exploitation,
São Francisco da Floresta,
ADPP (Aid for the Development of the People by the People),
Agri-Bissau.

Exporters
Ancora Ltda,
Armazém Bandim,
Atlântico Bacassamá,
Baldé & Baldé,
Cimpor,
Cogegui,
Comimex,
Elka Trading,
Felixberto Sanhá,
Galva Trading,
General Trading,

Gomes & Gomes,
Gui-Nab L.da,
Guiné Agro-Ind,
Globo Trading,
Nadia Jauad,
Iam Bissau,
Roni,
Kouru Trading,
Rumu,
Saiko I. Balde (Syb Lda),
SICAP Lda,
Sidec Lda,
Surice Trading,
Tentenguele Agro.

Associations

ANAG – National Association of the Guinean Cultivators,
PROCAJU – Cooperative of the cashew processing agents

Ministries

Ministry of Agriculture and Rural Development
Ministry of Commerce, Industry and Cottage Industry
Ministry of Finance

Main Processing Units

Locality Unit

Unit	Locality
Centro F.	Quinhamel
Joao Quade	Safim
Fernando Ramos	Bissora
Suleimane Djassi	Bissau
Armando Ramos	Bissau
Adpp	Bissora
Fatima Almeida	Cumura
Florentino	Bissau
Francisca Perreira	Bissau
Braima Fati	Bolama
Emilia Correia	Quinhamel

Governmental Organisations

CNJ – National Council of Cashew
INPA – National Institute for Agricultural Research
INITA – National Institute of Technology,
General Customs Management
Autonomous Port of Bissau.

The End