

SUCCESSFUL MARKET AND TRADE DEVELOPMENTS AND EXPERIENCE IN IMPLEMENTING CFC PROJECTS

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INTRODUCTION

- CFC project is in Mangochi in the southern region of the country.
- Malawi known to have grown Cashew since early 1970s
- Estimated that about 13000 trees in Mangochi are owned by smallholder farmers
- About 70% of the trees in estates owned by Press Agriculture Limited.

MARKETING OF CASHEW IN MALAWI (cont'd)

- At introduction, cashew nuts were being sold to Agricultural Development and Marketing Board (ADMARC) a government statutory corporation
- Change of policy meant ADMARC stopping to buy from farmers
- Due to lack of organised markets, trees were abandoned resulting in low production

MARKETING OF CASHEW IN MALAWI (Cont'd)

- Lack of local processing facilities has contributed to the decline of production
- Most of the nuts are used by households in seasoning relish and as a snack
- Few farmers roast and sell locally
- Informal cross border trade occur along the borders of Malawi and Tanzania

CURRENT MARKETING OF CASHEW

- Commercial production is now done by Press Agriculture with estates in Salima (Kaputu and Chikwawa)
- There is a processing plant at Kaputu
- Marketing is to big food stores and the National airline
- Packaging requirements is a challenge for supply to the airline as high packaging standards are required

Opportunities

- Production at Press Agriculture Estates not satisfying demand for processed cashew
- Big possibility of buying from smallholder farmers
- Low production does not justify transportation cost of nuts from farmers to the factory. There is potential for increase in production by farmers

EXPERIENCES IN IMPLEMENTING CFC PROJECTS

- To convince farmers to plant more trees and take care of the abandoned trees
- Farmers reluctant to interplant cashew with other crops
- Low literacy level resulting in low adoption of technologies
- Farmers expecting to get loans (inputs for other crops and food) from project

Conclusion

- Malawi has potential to produce and sell cashew within and outside
- Possible only if farmers are convinced that they will get market when they produce
- Need to improve skills in extension workers and farmers in marketing of high value crops
- Investment in processing of cashew should be considered by government and donors

- THANK YOU FOR YOUR ATTENTION