

**KEYNOTE REMARKS BY HON. JAPHET N. HASUNGA,
MINISTER FOR AGRICULTURE UNITED REPUBLIC OF
TANZANIA AT THE WORLD CASHEW CONVENTION 2019:
AT ABU DHABI-UAE on 24th Jan 2019**

Mr. Srivatsava Ganapathy; Cashewinfo;

Dr. R.K Bhooles, from CEPCI;

Mr. Olusegun Awolowo, Nigerian Export Promotion Council

Mr. Vasudev Barkur, ETG Group;

***Mr. Mamadou Berte, Cotton and Cashewnut Council Cote
d'Ivoire;***

Hon. Ambassadors

Development Partners;

Distinguished Participants from the Partner States,

Regional and International institutions;

Representatives from Government Institutions;

Invited Guests;

Ladies and Gentlemen

Good Afternoon!

It is my pleasure and honour for me to deliver this statement at the World Cashew Convention and Exhibition 2019 on this important theme of "***Finding ways to make the cashew sector sustainable and responsible***". On behalf of the Government of the United Republic of Tanzania and especially the Ministry of Agriculture, the delegates from Tanzania and on my own behalf, i would like to take this occasionally opportunity to thank you for inviting us to participate in this world Cashew Convention and Exhibition 2019. I would also like to bring many greetings from His Excellency Dr. John Pombe Joseph Magufuli, the President of United Republic of Tanzania.

Dear Delegates,

First let me start by commending the organizers for this international event, for their good work and for making this World Cashew Convention and Exhibition 2019 happening. Special thanks to the Government of United Arab Emirates, Abu Dhabi for accepting and hosting this important forum.

Dear Delegates,

Tanzania is among the traditional cashewnut producing countries in the world since 1960s. Since then the country has been producing cashewnut until today. She used to produce over 20 percent of global production in the 1970s peaking at 145,000 metric tons in 1974. Production regained to 158,000 metric tons in year 2012. The new record has been set in the year 2017/2018 where about 315,000 metric tons have been produced. In this year production has dropped to around 250,000 metric tons. The drop has been attributed by bad weather in 2018. However, the country is set to increase production to more than 350,000 metric tons in 2019. The plan to increase production and processing capacities will mainly be possible due to potential availability of ample land for farm expansion, enhancing primary cooperative societies, introduction of warehouse Receipt System (WRS), and Market opportunities provided by seasonality influences.

Dear Delegates,

The prospects for growth, both production and processing of cashewnut will be caused by significantly expanding the productions to other areas, There were only four regions situated in the southern part of Tanzania which included Mtwara, Lindi, Ruvuma and Coastal Region. Currently the government has introduced this cash crop to other 13 regions. In Each year the government is planning to plant more than 10,000,000 new cashewnut trees. The other efforts include rigorous support given to the farmers through effective distribution of improved seed varieties especially to new areas which has increased acreages

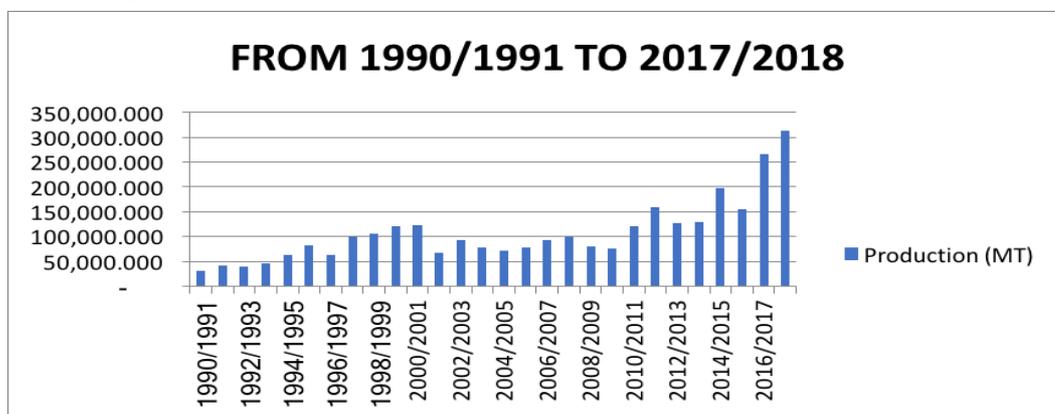
under cashew production; enhanced extension services to the farmers where additional facilitation is being given to cashew specialists located closer to the farmers; growing interest among the farmers due to economic values from cashew farming; and commitment from stakeholders to scale up processing activities by investing in the processing facilities in Tanzania.

Dear Delegates,

Cashewnuts sub sector is one among the main contributors in export earnings ranking the first among the export crops from Tanzania. That contribution is mainly from exports of RCN. The contribution will even be higher in the course of **expanding interests in establishing local processing facilities, which will bring paradigm shift in terms of food quality, safeness and hygiene, as well as market orientations.**

Tanzania is known to produce premium quality cashewnuts fetching higher prices in the world markets compared to cashewnuts from other countries in Africa. Such quality is attributed to favourable weather and soil conditions coupled with good agricultural practices exercised in the farms.

PRODUCTION TREND



Dear Delegates,

There is enamours Available Opportunities in Cashew Production and Processing

Currently, less than 20% of raw cashewnuts is processed locally and very little value addition in cashew and by-products are done within the country. Some of the industries established failed to secure enough raw cashewnuts to process. There are immense opportunities to companies contemplating to invest in the cashewnut sector in Tanzania as elaborated below:-

First, there are still a lot of opportunities for new companies to establish new factories to take advantage of increasing production of raw cashewnuts for both local and export markets. This can be implemented by forming Joint ventures with already established factories through investments in technologies and management skills to turn around the idle capacities to productive ventures; establishment of new factories in preferred areas to tape the available potentials in raw materials and cheap labour force for processing development; Value chain integration by establishing vertical linkages between the farmers and other chain actors on one hand with horizontal linkages with major players in the markets; and investing in value chain collaboration systems with cashewnuts producers and other players in the localities through shareholding and distributed responsibilities as a way of linking raw nuts producers, processors and the markets.

Second, by looking at the Value Chain Collaboration Model; the government is continuously providing more incentives to investors who have shown interest in establishing factories in agro processing with particular emphasis to cashewnut sub sector from which already the country is losing a lot of economic gains by exporting raw cashewnuts in the world markets. **Areas currently open for collaboration include but not limited to** technology transfer especially in local processing, utilization of cashewnut by-products, Large scale farming, and Input supply in local markets

such as fungicides, insecticides, quality jute/sisal bags, and motorised blowers.

Third, by look at the Value addition in the cashewnut by-products and other products which have positive contribution to the economy and employment. There are Potential by-products from cashew apple, which can be produced that include production of Gin, processing of juice, syrup, jam, pickle, wine, extraction of cashewnuts shells liquid (CNSL), and Production of butter using kernels.

Dear Delegates,

The last but not least is the presence of good Policy, Legal, Regulatory, and Institutional Framework Governing Processing in Cashewnut Industry available in Tanzania. The Tanzanian cashew nut processing firms operate in a known, credible, stable and transparent trade environment that provides a basis for governance reciprocity and the development of trust among industrial units and their social functional mechanisms.

The Government of Tanzania invites all interested companies and individuals wishing to invest in Tanzania to utilize this noble opportunity which aims at benefiting all parties on win-win bases.

We also invite you all to attend the Africa Cashew Alliances conference scheduled to take place in November this 2019. This will give you opportunity to network, verify the situation and make final decisions.

Thank you for your Attention

Ahsante sana kwa kunisikiliza

I welcome you all in Tanzania

Nyongeza

- Tanzania is the Centre of Excellency for cashew in Africa,
- It is the only Country in Africa to register commercial cashew varieties which are more than 54,
- It is the only Country to have commercialized cashew hybrid in Africa