



KAJU INDIA 2019



Address of Dr Adama COULIBALY, Director General of Cotton and Cashew Council of IVC

Dr. BHOODES, Chairman of Cashew Export Promotion Council of India (CEPCI).

Dear Presidents and Heads of Structures in charge of promotion of the cashew industries, Honorable personalities of the cashew industry, Farmers, Importers, Exporters, Processors, Distributors and Consumers of cashew products.

Dear friends of the Indian and International Press

Ladies and Gentlemen, Distinguished guests

It's a great pleasure to be here today in this exceptional place to witness alongside such distinguished personalities of the opening ceremony of this prestigious forum of the global cashew industry.

First of all, we would like to express our gratitude to Indian authorities and in particular to the Government of India and to all eminent personalities and players of public and private sector who worked hard to make this event possible, which also ease our presence here.

It's also a particular pleasure to be in New Delhi, the capital of India, a country with which we share a vision and a long history of the cashew industry. We consider India as an elder brother of Cote d'Ivoire. That's why, even if we need visa to get here, we feel perfectly at home due to the sense of hospitality and the brotherhood of Indians. It's also an opportunity for us to recall that Indians are the first who showed us the economic value of the cashew and its fruits. Indeed, the cashew tree was introduced in Côte d'Ivoire for ecological reasons and thanks to the Indians, this plant took an economic value so that today its shift from ecology to economy. This forum gives us the opportunity to express aspecial motion to Indians and affirm that India will always remain a partner of choice for Côte d'Ivoire.

Mr. Chairman of the CEPCI, please accepts my sincere thanks for the kind invitation you have addressed. Congratulations also for your efforts to promote cashew in the world. Through me, it is the entire Ivorian delegation, **headed by HE SainyTIEMELE, Ambassador of Cote**

d'Ivoire in India that expresses its sincere gratitude to you.

The Ivorian cashew sector, which has been undergoing a major reform since 2013, has recorded significant results in recent years, both in terms of institutional and organizational arrangements and in terms of quantified results. We have been able to increase substantially our production from 565,000 tons in 2014 to 761,000 tons in 2018. The quality of our production has improved by two KOR points from 46 to 48 on average and we have succeeded in banning the export of nuts with moisture content of above 10%.

The Government's objective being is to substantially improve producers' incomes in order to make cashew nut cultivation a culture of economic and social development in production areas contributing to the development of these rural populations, regardless of their place of residence in the national territory.

Therefore, during the crop season 2018, we registered the following performances:

- Production: 761,000 tons of RCN,
- Exports: 650,150 tons (India: 204,509 tons/Vietnam: 430, 577 tons)
- Local processing: 69,000 tons;
- Stored by the Cotton and Cashew Council: 10,000 tons
- Average KOR: 47.6 lbs/ Average Moisture: 8.8%/ Average RNC: 189/ Defaults: 13.4

But the year 2018 faced many difficulties in the cashew economy, impacting negatively all players of the value chain. Contracts not respected, **products abandoned at sea or in Ports of arrival**, requirement for a deduction of several hundred dollars from the amount of contracts signed....

To deal with these recurrent difficulties, we call for the establishment of a joint Commission India-Cote d'Ivoire to manage all cases of commercial disputes.

The year 2019 will be crucial for the future of the cashew industry. During this year, all stakeholders of the value chain of cashew must demonstrate solidarity. Governments must also play their role.

It's in this spirit that the Government of the Republic of Côte d'Ivoire has decided to fix the minimum farm gate price of the raw nut at 375F CFA/kg. This price corresponds to a 25% decrease compared to the minimum price of 2018, which was 500 FCFA. The Government has also agreed to a 42% reduction in the DUS (Single Exit Duty) for the export of raw nuts from 89.25 to 51 F CFA/kg.

These decisions are taken despite the fact that the Government has declared the year 2019 as a year of social measures in Cote d'Ivoire.

All those who are in this room must greet the courage of the President of the Republic of Côte d'Ivoire, HE Alassane OUATTARA because it's not common to see, decision-makers who can agree to reduce by 25% from one year to the next, the incomes of farmers, who are the most

vulnerable of the stakeholders.

For Côte d'Ivoire leaders, all of the countries involve in cashew economy have a common destiny. No country, no stakeholder cannot sustainably perform lonely. **That's why Cote d'Ivoire places the crop seasons 2019 under the sign of the international solidarity.**

We are dealing to open in a few days of the crop seasons 2019 that we put under the sign of the quality. Awareness campaigns are in progress in all producing areas of the country. These campaigns are initiated and conducted by a platform of quality including representatives of all the cashew value chain at the local level.

It's also to guarantee the quality of the RCN during the coming season that the Government of the Prime Minister, Mr Amadou GON COULIBALY allowed us to collect all the stocks of last crop season remained with farmers. While, I'm talking at this forum, the Cotton and Cashew Council is buying all this product so that it cannot be mixed to the new harvest. This product is stored in the warehouse of our plant-school in Yamoussoukro to be entirely processed.

To promote the quality, we have given instructions for strengthening our control systems. A pilot quality control system before loading trucks within the country will be conducted in 10 producing areas. The outcomes of these measures will be seen from the start of the season 2019.

Ladies and gentlemen, Cote d'Ivoire processed 69,000 tons of nuts raw in 2018. Although, this volume is very low, it represents a progression of 53% compared to 2017. Cote d'Ivoire is now the fourth largest processor in the world after India, Vietnam and Brazil. This progression is the result of an overwhelming support of the Government to the development of a strong local of cashew processing industries.

Years to come are promising with the craze of many investors attracted by the implementation of the project of industrial zone dedicated to cashew processing in which, issues regarding land, water, electricity, phone and road facilities will be managed by the Government to enable private investors to install their plants. This project of infrastructure strengthens the existing measures including tax free on exports of kernels, the subsidy of 400 F CFA paid to processors for each kilogram of kernel produced locally and sold. From this year 2019 and for another five years, this subsidy will be extended to unpeeled kernels up to 150 CFA F/kg to enable industrialists already established in India and Vietnam to develop first processing in Côte d'Ivoire and finish the processing on their existing sites.

We are launching therefore an invitation to all investors to be part of the cashew processing programs in Cote d'Ivoire. We will always be available to give all support and guidance needed.

Ladies and Gentlemen, we need to develop additional processing capacity particularly in Africa, because the risk of overproduction of raw nuts is real in the near future. Years after years, the gap between the production and the existing processing capacities is decreasing

quickly and the risk of deterioration of the quality of our products because of the too long marketing period due to lack of capacity for rapid processing of raw nut production, drastic drop of farmer's prices and consequently drop-out of the cashew planting areas are very large. Other agricultural sectors equally important have already faced similar experiences.

We must therefore anticipate. We have to conduct aggressive campaigns to promote consumption of cashew product in our respective countries and conquer new markets. We need to cope and prevent competition of other products to ensure the sustainability of our industry.

We must fight against market manipulation through misinformation and the spread of rumours on social networks. We need to be aware of our common destiny that the life of millions of people depends on our actions, our reactions or our inaction. That's why I'm inviting us to focus on the bilateral and multilateral cooperation as well between private players and their structures as between our Governments. Lot of questions can be discussed, solutions can be proposed in this kind of gathering and we do regularly but some and even a lot of them cannot be implemented without real political will.

We believe that the Cashew International Consultative Council (CICC), international cashew promoting organization that's Côte d'Ivoire has offered to receive the headquarter and whose decision-making body is the Council of Ministers composed by Ministers in charge of Commerce and Industry and Ministers in charge of Agriculture, can be a framework for effective dialogue between Governments of countries interested in the economy of cashew.

We are convinced that India, Vietnam and Brazil, to name but a few, need the CICC just as the CICC needs these major countries in the global cashew industry.

Consensual references on pricing, quality control methods and commercial contract terms as well as collecting and publishing reliable and undeniable statistics on the industry, concerted actions on export taxes and lobbying around the industry can be implemented as part of the CICC.

Be therefore Ladies and Gentlemen, spokespersons for bilateral and multilateral collaboration, spokespersons for the CICC to your respective Governments.

The next Council of Ministers of CICC is planned to be held in Ouagadougou in Burkina Faso.

We remain convinced that only inclusive and concerted approaches that take into account legitimate expectations of producers and processors, the requirements or aspirations of distributors and consumers of cashew products, the requirements of our States, respectively and collectively and the concerns of our Technical and Financial Partners can be able to ensure the sustainability of our industry. We are willing to be part and support all initiatives going in this direction.

That's why I'm calling India, Vietnam, Brazil and all the countries concerned by cashew to join the CICC.

I invite Indian operators to take advantage of the very advantageous measures to set up factories in Côte d'Ivoire.

I diligently encourage the CEPCI for the establishment of a bilateral cashew joint commission Cote d'Ivoire-India to create a permanent consultative framework for the management of commercial disputes.

Before ending my address, I would like, ladies and gentlemen, officials of public and private structures involved in the global cashew industry, to express assurance of our determination to do what is our responsibility for the consolidation of the cashew industry.

Finally, allow me once again to go back to our hosts, to the CEPCI, towards all Indians governmental and non-governmental stakeholders to express the gratitude of the Ivorian delegates for the delicacy we benefit since our arrival in India.

I wish lot of success to KAJU INDIA 2019

I wish a very appeasedseason 2019 for all of us and a profitable season to each according to their trading abilities.

God bless the cashew industry.

Thank you.