

# Cashew nuts could soon be the top currency earner

By JOSE RAMALHO

Although it all started centuries ago as an experiment by the early Portuguese settlers along the coasts of East Africa and India, the cashew nut and its many by-products are a new-found source of wealth. They brought from Brazil the seeds of such crops as groundnut, cassava and cashew to test their adaptation to identical climatic conditions on the coasts of the Indian Ocean.

Apart from the scientific value of the experiments, there was a real immediate need to develop the then poor agricultural resources of Africa. The new settlements needed foodstuffs for themselves and supplies for the increasing Indian traffic.

The groundnut and cassava crops appealed to the Africans,

who put them under intensive cultivation. The cashew nut tree, both as a means to prevent soil erosion and the purveyor of a strong drink, was allowed to grow wild and soon covered most of the coastal areas.

To-day, the cashew nut has grown into a multi-million business and is expanding at a fast pace. Soon it may become Mozambique's top currency earner.

In 1967, the province's exports of cashew, both raw and processed, amounted to 612m. escudos. Current forecasts show a spectacular upsurge that may well push up the export figure to over 1,500m. escudos in the next few years.

However, even this remarkable progress falls far short of

the tremendous potential offered by this odd pear-shaped fruit. With an average production well below that of Mozambique, the Indian Union has an annual export trade of cashew kernel valued at the equivalent to 3,800m. escudos.

Though Mozambique is now waking up to the almost limitless possibilities of the cashew nut business, there is still a long way to go and much hard work before the province takes its rightful place as the No. 1 world producer and exporter of cashew products.

The 100,000-ton figure officially quoted as Mozambique's average annual production of raw nut corresponds but to a small fraction of the "real production," as it only covers the ex-

port and processing figures available to the statistics department.

It is estimated that more than 95 per cent. of Mozambique's cashew trees belong to Africans. Therefore, the annual crop depends to a great extent on the activity of the pickers, whose only incentive to work is the price being offered at the time for their crop.

## Seemed oblivious

For more than three centuries Mozambique seemed quite oblivious to the economic significance of the cashew tree. It was only in 1935 that, faced with an insufficient production at home to feed their plants, the Indian processors turned to

Mozambique as a source of supply of raw nut. Two years later, India was buying some 40,000 tons and in the five-year period from 1957-1961 the export of raw nut to India meant to Mozambique a loss of over 1,000m. escudos in hard currency.

Started during the last war as a primitive manual shelling and peeling operation, the processing of raw nut in Mozambique changed radically in 1962 with the introduction of the mechanical cashew processing system developed by an Italian company.

There are now in Mozambique eight licensed mechanical plants with a capacity of processing 85,000 tons of raw nut a year. At the same time, the

manual processing plants have been given notice that they will have to change to mechanical systems or lose their licences.

The trend seems to be that with new and ever more sophisticated plants coming into operation, the full production of cashew nut will soon be exported as kernel.

At this rate it is not difficult to forecast that, in a few years' time, the cashew nut trade will by itself largely exceed the total figure of the main exports of Mozambique, which in 1967 amounted to an overall figure of 3,500m. escudos.

Present world demand is mainly concentrated on the almond as a "drinking accessory" and for confectionery. However, there are more than 300 patented uses for cashew by-products and the range is increasing all the time due to the research work carried out in some countries.

One of the more promising markets is for the cashew nut shell liquid, generally referred to as CNSL, an oil extracted from the raw nut during its processing. CNSL has high polymerising and friction-reducing properties and is widely used in the paint, chemical and plastics industries. Moreover, it has

recently become one of the components of the fuel used in space rocket propulsion.

The market for cashew nut products being highly concentrated, there is still room to build up sales in new markets. At the moment, the largest kernel buyer is the United States with a consumer market taking about 40,000 tons per year. Cashews are mainly consumed in the U.S. as a "drink accessory" and the market is still growing.

## Remarkably buoyant

Another encouraging factor is the cashew's price performance which has been remarkably buoyant. The New York price for "320 count" whole kernels is around 60 cents and prices should continue firm even with substantial increases in production.

In recent years Eastern Europe, especially the USSR and Eastern Germany, has imported large amounts of cashew and the market shows a decided trend to expand. An aggressive market promotion campaign in other parts of the world should prove very successful.

In its thrust to get to the top, Mozambique's first problem is now to work out a rational

marketing system capable of attracting the "real production" almost entirely held by African tribesmen.

The growing demands of the modern mechanised processing plants are receiving the attention of the authorities and great strides have been made with the planting of millions of new trees. The ideal conditions along the coastal areas and the technical assistance of the Government experts should go a long way to raise the low productivity of the African held cashew trees which so far has been estimated at less than 50 per cent.

There is at the moment in Mozambique a strong current to set up a co-ordinating board, on the lines of the successful Cotton Board, to direct and supervise all the aspects of the cashew industry.

In the long range the chief beneficiaries of the new and exciting developments in the cashew industry will be the Mozambique Africans. The guarantee of a fair price for their crops, the thousands of jobs in the new plants, the technical and social assistance extended to them by the Government and the employers will mean a higher standard of living and a better future for millions of Africans.