



GHANA AGRIBUSINESS PLAYBOOK SERIES

2026



CASHEW

Value Chain Analysis

A mapped breakdown of the value chain, from farmgate to factory, and who captures what along the way.

Center for Entrepreneurship
Ashesi University



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Glossary of cashew terms

Raw cashew nut (RCN)

the in-shell nut as it leaves the farm; what Ghana mostly exports

Kernel outturn ratio (KOR)

the weight in pounds of good kernel from an 80 kilogram bag of raw nuts; the key quality-and-price number

W-grades

whole white kernel grades by size, from W180 (large) to W450 (small) in the usual traded range

Cashew apple

the fleshy fruit the nut hangs from; more than 90 percent is wasted in Ghana

Farm-gate price

the price a farmer receives at the farm; the 2025/26 minimum is GH¢12 a kilogram

Top-working

cutting an old tree back and grafting improved clones onto its new shoots, so its established roots bear better nuts within one to two years

Anthracnose

a major fungal disease of cashew, damaging at flowering

Kernel

the shelled, edible nut; sells for about seven times the farm-gate price of raw nuts a kilogram, but it takes about 4.8 kilograms of raw nuts to make one kilogram of kernel

Nut count

raw nuts per kilogram; a lower count means bigger nuts and a higher price

Cashew nut shell liquid (CNSL)

oil held in the shell, about 30 to 35 percent of the shell's weight,¹⁴ used in resins, brake linings and bio-chemicals

Free-on-board (FOB)

the export price at the port, before shipping; the basis for the farm-gate price formula

Aggregator / LBC

a buyer who bulks nuts from farmers; an LBC (licensed buying company) holds a TCDA buying licence

Warehouse receipt

a tradable proof of stored, graded nuts that a farmer can use as loan collateral

Aflatoxin

a carcinogenic mould toxin; low moisture and clean storage keep it below the export limit

GIRSAL

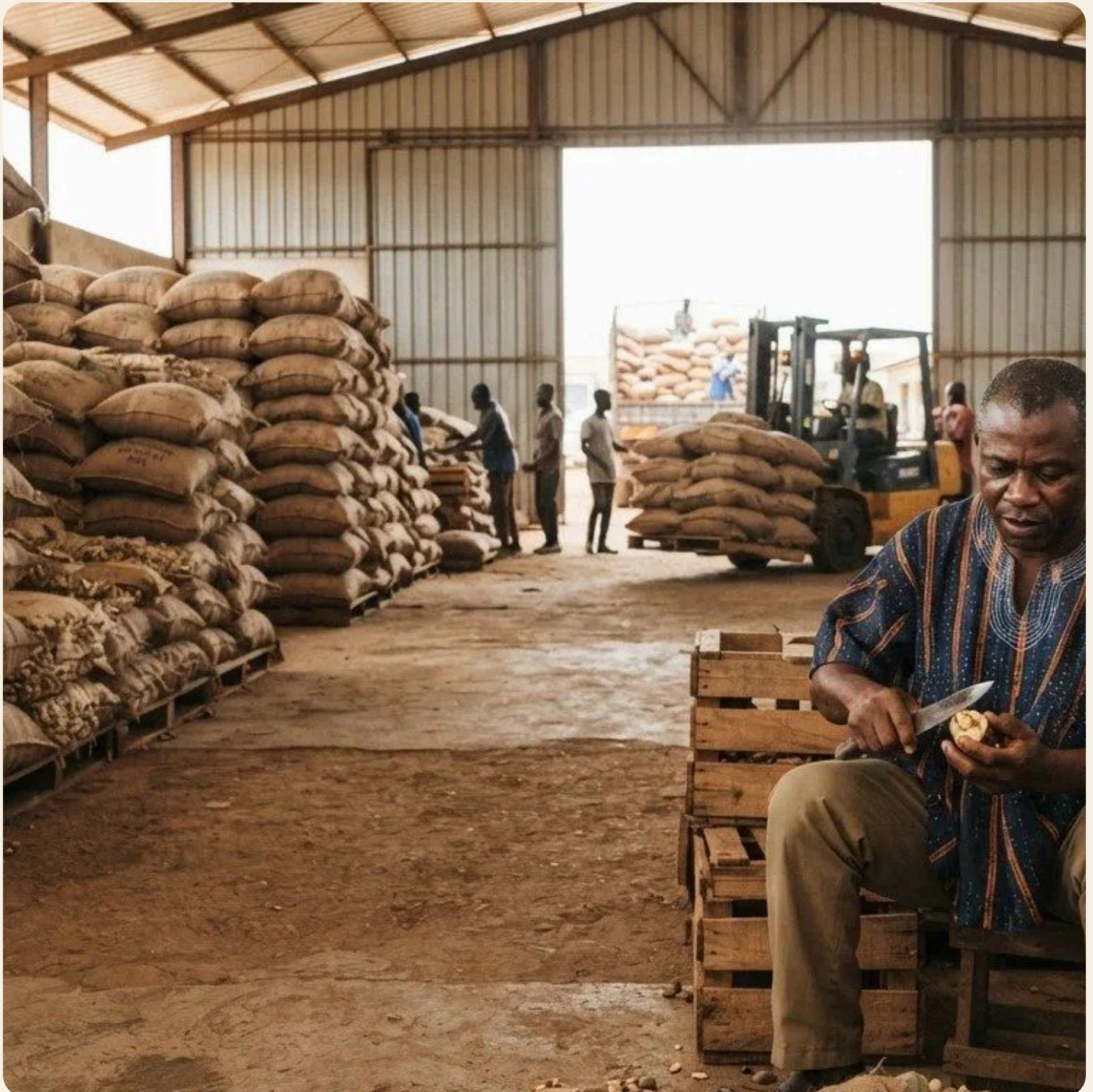
a Ghanaian scheme that guarantees up to 70 percent of an agricultural loan

AfCFTA

the African Continental Free Trade Area, a route for regional kernel sales and raw-nut sourcing

Free Zone

an export regime giving a ten-year tax holiday for firms exporting over 70 percent



Cashew Value Chain Analysis

From Farm to Global Shelf: Where Ghana's Cashew Value Leaks and How to Capture It

This analysis follows a cashew nut from the nursery to the global shelf, names every actor who touches it, and shows exactly where the money is made and lost along the way. Ghana grows a large, good crop but captures a small slice of its value, because the chain leaks at three joints: the raw-export gap, the aggregation layer, and quality. The rest of this pillar takes each joint in turn. Figures are as reported between July and September 2026 and may have changed since.



65% / 16%

farmer share of FOB /
retail

94%+

leaves Ghana raw

80%

of processing workers
are women

200,000 to 400,000

cashew farmers
(estimates differ)





A woman farmer with freshly harvested cashew: women do most of the chain's work.

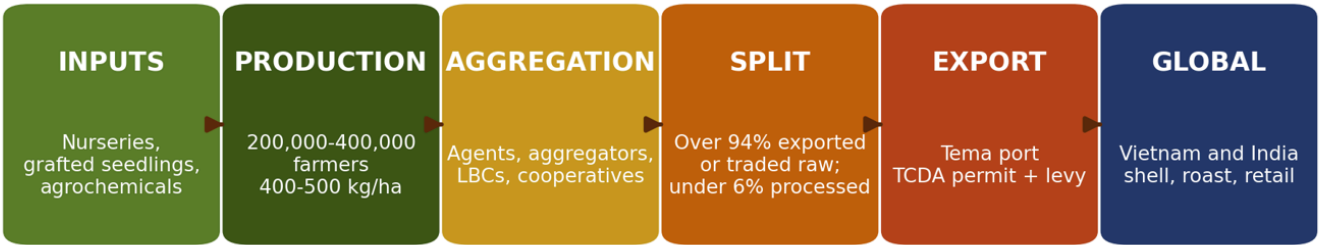
More than nine in ten raw nuts leave Ghana unshelled for India, Vietnam and the UAE, so the country banks roughly US\$1,100 to 1,500 a tonne for raw nuts, about US\$1.10 to 1.50 a kilogram (the GH¢12 a kilogram 2025/26 floor and the 2025 price Vietnam paid for imported nuts), while roasted kernels fetch 12 to 28 euros a kilogram on European shelves.¹ The value leaks at three joints: the raw-export-against-processing gap

(under 6 percent was processed at home in 2025), the aggregation layer (where below-floor buying and layered fees erode the farmer's share), and quality shortfalls that pull down the realised price. The tools to fix all three (cooperatives, the commodity exchange, contracts, certification and processing) are now at least partly live in policy.



¹ Agricultural and Processed Food Products Export Development Authority, *Monthly dashboard: Cashew, Aug-2025* (New Delhi: APEDA, Ministry of Commerce and Industry, Government of India, 2025), https://apeda.gov.in/sites/default/files/2025-10/MIC_Monthly_dashboard_Cashew_27092025.pdf; Centre for the Promotion of Imports from Developing Countries (CBI), "Entering the European market for cashew nuts," *CBI market information*, 23 March 2026, <https://www.cbi.eu/sites/default/files/pdf/research/1259.pdf>.

Ghana Cashew Value Chain: Farm to Global Shelf



Governance: TCDA (licensing, GH¢12/kg floor, FOB reference, levy, export permit, conveyance certificate) · ACPG · Cashew Watch Ghana

Prices, 2026: farm gate GH¢12/kg (US\$1.07) -> raw nut delivered to Asia US\$1.57/kg -> W320 kernel US\$7.50/kg, from about 4.8 kg of nuts

Source: TCDA (2025); ACA (2026); Nitidae (2026)

FIGURE 6.1 The Ghana cashew value chain from farm to global shelf in 2025-2026, with the governance and price overlays.



⑤ The chain, stage by stage ⑤

— STAGE 0 TO 1: INPUTS AND PRODUCTION

The chain begins with planting material, agrochemicals, tools and sacks. Quality planting material is the binding input constraint (covered in Pillar 1), and since 3 July 2026 only TCDA-certified seedlings may be distributed, while improved seedlings have long been in short supply.² Production sits with an estimated 200,000 to 400,000 farmers,³ roughly 88 percent of them smallholders with 0.8 to 3.0 hectares, concentrated in the Bono, Bono East and Ahafo transition zone, harvesting for only about four months from February to May.⁴ Productivity is low, at about 400 to 500 kilograms a hectare on



most smallholder farms against about 1,100 in Vietnam.⁵



² Edward Acquah, "TCDA sets July deadline for certified tree crop seedlings," *Ghana News Agency*, 16 June 2026, <https://gna.org.gh/2026/06/tcda-sets-july-deadline-for-certified-tree-crop-seedlings/>; Business and Financial Times, "Lack of improved seedlings threatens cashew production," *Business and Financial Times*, 11 April 2018, <https://thebftonline.com/article/lack-of-improved-seedlings-threatens-cashew-production>.

³ Conseil International Consultatif du Cajou (CICC), "Ghana," *CICC country pages*, 22 November 2024, <https://ciccashew.org/en/ghana-3/>; Competitive Cashew initiative (MOVE-ComCashew), *Market-Oriented Value Chains for Jobs and Growth in the ECOWAS Region (MOVE-ComCashew): Ghana country report* (Accra: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), 2024), https://www.comcashew.org/files/upload_comcashew/factsheets/20230909_Factsheet%20Ghana%20EN.pdf.

⁴ World Bank, *Analysis of agroforestry-based value chains and food system in Northern Ghana: The cashew value chain*, AUS0003103 (Washington, DC: World Bank, 2023), <https://documents1.worldbank.org/curated/en/099062023175013595/pdf/P175989002c4800630ab8f03865314792cc.pdf>.

⁵ Jonas Wittern, Jonas Luckmann, and Harald Grethe, "Cashew processing in Ghana: A case for infant industry support?," *Food Policy* 119 (2023): Article 102448, <https://doi.org/10.1016/j.foodpol.2023.102448>; World Bank, *Analysis of agroforestry-based value chains*.

STAGE 2: AGGREGATION, WHERE THE FARMER'S SHARE IS DECIDED



This is the crowded, value-leaking middle. Buying agents move farm to farm for licensed buying

companies, traders and processors; aggregators bulk the nuts; and the market behaves as an oligopsony in which, as the World Bank puts it, buyers hold the market power and farmers can only decide whether to sell at the price offered.⁶ It is here that the farm-gate price collapses when buyers hold back: in 2025 it fell from about GH¢20 a kilogram in February to about GH¢7 by May.⁷ The counterweight is farmer organisation: cooperatives that bulk and sell together negotiate better prices, and a new Bono Cashew Farmers' Cooperative Union was inaugurated in 2025.⁸ The farm-gate buying role is dominated by women.⁹

STAGE 2B: THE STRUCTURED MARKET (THE COMMODITY EXCHANGE)

A more transparent channel is emerging. The Ghana Commodity Exchange, with the Tree Crops Development Authority, has piloted cashew trading through a graded, weighed, warehouse-receipt system with a reserve auction, while a full cashew contract awaits approval, backed by UNIDO grading equipment, a World Food Programme warehouse and Agricultural Development Bank warehouse-

receipt finance. The model has worked elsewhere: after Tanzania introduced a cashew warehouse-receipt system, producer prices for raw nuts improved and banks lent against the receipts, though the system had problems.¹⁰ For Ghana, this means keeping the price floor dynamic and publishing auction results, because a rigid floor once left 90,000 tonnes unsold in Tanzania.¹¹

⁶ World Bank, *Analysis of agroforestry-based value chains*.

⁷ Nitidae, *Ghana cashew processing sector and roadmap for a supportive cashew public policy* (Nitidae, with the Association of Cashew Processors of Ghana (ACPG), GIZ and the Delegation of the European Union to Ghana, 2026), <https://www.myjoyonline.com/ghana-processes-less-than-6-of-cashew-output-as-farmers-face-price-plunge/>.

⁸ World Bank, *Analysis of agroforestry-based value chains*; Dennis Peprah, "Bono cashew farmers' cooperative union inaugurated," *Ghana News Agency*, 13 October 2025, <https://gna.org.gh/2025/10/bono-cashew-farmers-cooperative-union-inaugurated/>.

⁹ Jolanda van den Berg, *Gender dynamics in cashew and shea value chains from Ghana and Burkina Faso*, LEI Report 2015-039 (Wageningen: LEI Wageningen UR, 2015), <https://edepot.wur.nl/362886>.

¹⁰ Jonathan Coulter, *Review of warehouse receipt system and inventory credit initiatives in Eastern & Southern Africa (Final draft report)* (Geneva: UNCTAD, All ACP Agricultural Commodities Programme, 2009), https://www.rfilc.org/wp-content/uploads/2020/08/Review_of_Warehouse_pdf.pdf.

¹¹ Ntemi Nkonya and Alethia Cameron, *Analysis of price incentives for cashew nuts in the United Republic of Tanzania 2005-2013* (Rome: Food and Agriculture Organization of the United Nations, 2015), <https://openknowledge.fao.org/server/api/core/bitstreams/b1e3cc9e-c52f-4707-8520-13c2cc09bbd2/content>.

— STAGE 3: THE SPLIT, PROCESSING AGAINST RAW EXPORT

Here the chain forks. Under 6 percent of the crop was processed at home in 2025 (about 15,000 tonnes of raw nuts out of about 262,000 tonnes in Nitidae's estimate, against an official 255,000),¹² about 80 percent of processing workers are women,¹³ and the largest plant secured raw nuts for only about a fifth of its capacity in 2025.¹⁴ The other roughly 94 percent is exported raw, mainly to India and Vietnam, through Tema port; in 2025

Ghana exported about 444,000 tonnes of raw nuts, including about 165,000 tonnes brought in informally from Côte d'Ivoire, Mali and Burkina Faso.¹⁵ The processing economics and the reasons for the gap are set out in Pillar 5; the value-chain point is that the fork itself is where Ghana hands the biggest margin to foreign processors.

— STAGE 4 TO 5: EXPORT AND THE GLOBAL KERNEL MARKET

At export, nuts are consolidated at Tema under a TCDA regime that has required a written TCDA permit to export unprocessed cashew since 2 May 2025, and the President announced in February 2026 that raw-cashew exports will end, though no law had put the ban into force and the permit system still governed exports in September 2026.¹⁶ Exporters also pay a TCDA

development levy of GH¢44.86 a tonne of raw nuts.¹⁷ By value, Ghana was the third-largest raw cashew nut exporter in the world over 2017 to 2021.¹⁸ Overseas, India and Vietnam shell the nuts and re-export the kernels to Europe and the United States, where roasters and retailers take the largest margin of all. About 85 percent of the world's shelling sits in those two countries.¹⁹

🌀 Following the money: who keeps what 🌀

The value-distribution data are stark. On the raw-export channel the farmer kept about 65 percent

of the free-on-board price in 2019,²⁰ but on a domestic processed-kernel channel the farmer

¹² Ecofin Agency, "Cashew processing in West Africa up 51% in 2025, driven by Côte d'Ivoire," *Ecofin Agency*, 4 February 2026, <https://www.ecofinagency.com/news-agriculture/0402-52564-cashew-processing-in-west-africa-up-51-in-2025-driven-by-cote-d-ivoire>; Nitidae, *Ghana cashew processing sector*.

¹³ World Bank, *Analysis of agroforestry-based value chains*.

¹⁴ Citi Newsroom, "Ghana's largest cashew processor set to relocate to Ivory Coast," *Citi Newsroom*, 11 September 2025, <https://www.citinewsroom.com/2025/09/ghanas-largest-cashew-processor-set-to-relocate-to-ivory-coast/>.

¹⁵ Nitidae, *Ghana cashew processing sector*.

¹⁶ Tree Crops Development Authority, "Directive to all exporters of unprocessed tree crops produce," *Tree Crops Development Authority*, 2025, <https://tcda.gov.gh/directive-to-all-exporters-of-unprocessed-tree-crops-produce-2/>.

¹⁷ Tree Crops Development Authority, "Tree Crops Development Authority (TCDA) announcement to cashew exporters," *Tree Crops Development Authority*, 2024, <https://tcda.gov.gh/tree-crops-development-authority-tcda-announcement-to-cashew-exporters/>.

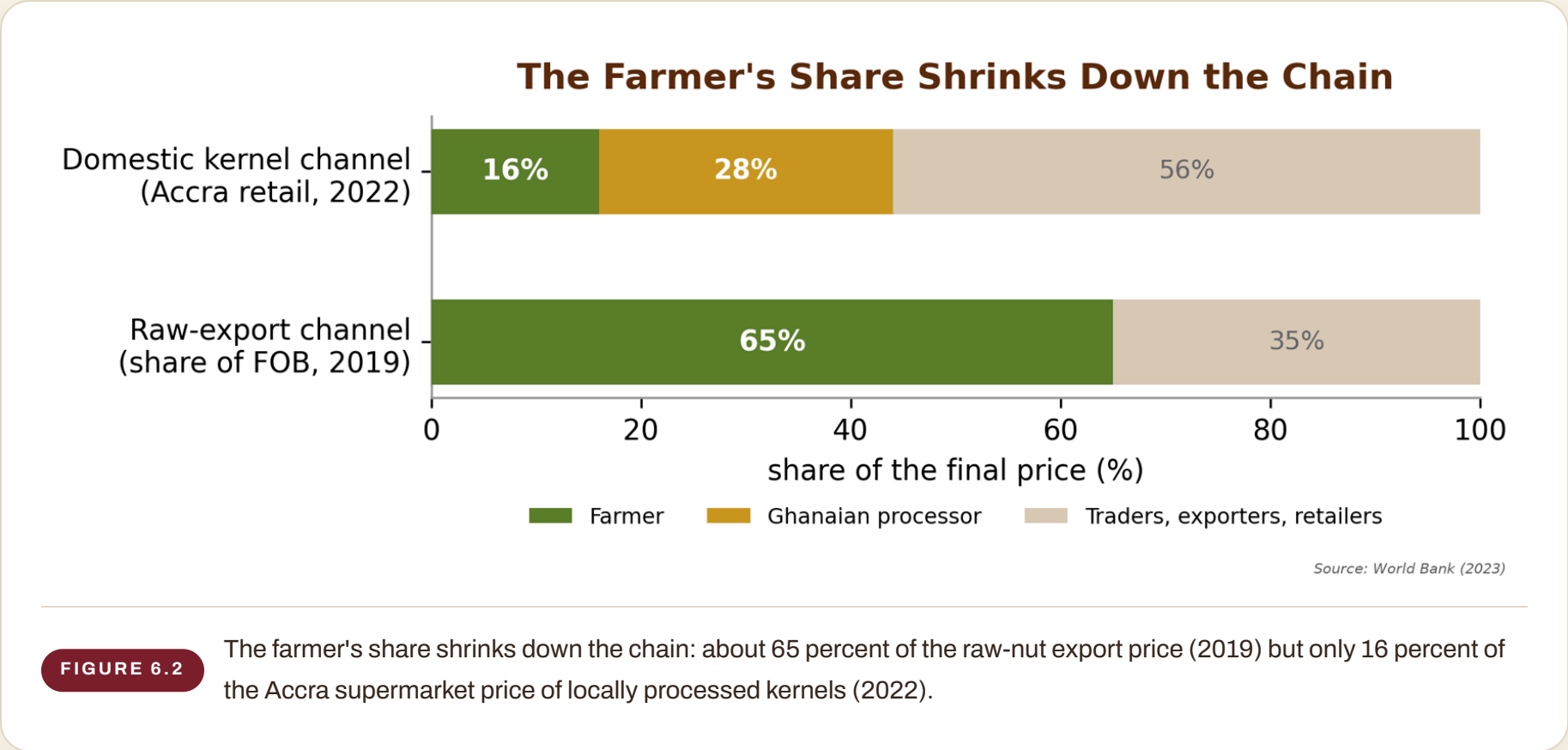
¹⁸ Arushi Vaishnav, *Opportunities for Senegalese cashews* (Geneva: International Trade Centre, 2024), https://umbraco.exportpotential.intracen.org/media/0dbcdvae/vc-brief-senegal-cashews_20240102.pdf.

¹⁹ Vaishnav, *Opportunities for Senegalese cashews*.

²⁰ World Bank, *Analysis of agroforestry-based value chains*.

received only about 16 percent of the Accra supermarket price, the local processor about 28 percent and the traders and retailers the rest.²¹ Today's price ladder shows the same story per kilogram: raw nuts at the farm-gate floor of

GH¢12 (about US\$1.07) a kilogram,²² African W320 kernels at about US\$7.40 to 7.80 free-on-board²³ and roasted kernels at 12 to 28 euros on European shelves.²⁴



Q WHAT THIS MEANS

The two numbers, 65 percent and 16 percent, sum up the argument for processing and organisation. When Ghana exports raw, the farmer actually keeps a fair share of a small pie. When the pie is made bigger by processing, most of the extra value goes to processors, traders and retailers, and because about 94 percent of the crop is still exported raw, most of that processing happens abroad. Processing more in Ghana and organising farmers would keep more of that larger pie at home.

²¹ World Bank, *Analysis of agroforestry-based value chains*.

²² Tree Crops Development Authority, "Government sets GHS 12.00 per kilogram as minimum producer price for raw cashew nuts (2025/2026 season)," *Tree Crops Development Authority*, 15 December 2025, <https://tcda.gov.gh/government-sets-ghs-12-00-per-kilogram-as-minimum-producer-price-for-raw-cashew-nuts-2025-2026-season/>.

²³ African Cashew Alliance, *AfriCashewSplits: Week 25-26, June 15-26, 2026 (No. 06)* (Accra: African Cashew Alliance, 2026), https://africancashewalliance.com/sites/default/files/splits/africashewsplits_week_25-26_market_report_2026_aca.pdf.

²⁴ CBI, "Entering the European market."

⑤ The quality-premium mechanism: a market that does not yet reward quality ⑤

A 2026 study of 401 farmers and 278 buyers in the Bono and Savannah regions found that about 65 percent of farmers would accept a premium for quality and 58 percent of buyers would pay one, yet the premium rarely gets paid.²⁵ The reason is an information and enforcement failure: only about 43 percent of farmers know the international quality standards, only a handful

understand kernel outturn or nut count, and when buyers keep purchasing sub-standard nuts, farmers learn that quality is not rewarded. Fixing this (clear quality protocols and outturn-based pricing at every buying point) is a low-cost fix that most farmers and buyers in the survey say they would support.

⑤ Designing better offtake: contracts and outgrower schemes ⑤

How a farmer sells matters as much as what a farmer grows. In a survey of 391 cashew households published in 2019, 45 percent farmed under contract, and 97.6 percent of those contracts were verbal.²⁶ Where contracts are used, the effect is large: participating farmers saw yields, net revenues and price margins all rise by a third or more, with small farms gaining most.²⁷

The contract type matters. Production contracts that bundle inputs with a market beat marketing contracts that offer only a market: a secure buyer alone does not lift productivity.²⁸ Nucleus-outgrower schemes, in which a resourced farmer supplies smaller farmers with training and inputs, can raise smallholder profitability.



²⁵ Alfred Anaman et al., "Analysis of willingness to offer and accept premiums in Ghana's cashew value chain," *Discover Food* 6, no. 1 (2026): Article 163, <https://doi.org/10.1007/s44187-026-00895-z>.

²⁶ Caroline Dubbert, "Participation in contract farming and farm performance: Insights from cashew farmers in Ghana," *Agricultural Economics* 50, no. 6 (2019): 749-763, <https://doi.org/10.1111/agec.12522>.

²⁷ Dubbert, "Participation in contract farming."

²⁸ Caroline Dubbert and Awudu Abdulai, "Does the contract type matter? Impact of marketing and production contracts on cashew farmers' farm performance in Ghana," *Journal of Agricultural & Food Industrial Organization* 20, no. 2 (2022): 119-134, <https://doi.org/10.1515/jafio-2020-0040>.

✓ ACTION POINTS

For an aggregator or offtaker: offer a production contract that bundles certified seedlings, inputs, extension and a graded, outturn-based price, ideally through a cooperative and the commodity exchange. Contracts like this raise farmer yield and quality and secure your supply, and quality nuts can earn the premium buyers say they will pay.

① Who sets the rules, and who does the work ①

The chain is governed by the Tree Crops Development Authority, which licenses aggregators, traders and exporters, sets the minimum price and the export reference, charges the levy and runs a farmer passbook and conveyance-certificate system. Around it sit industry bodies (the Cashew Council Ghana, the Cashew Industry Association of Ghana and the Association of Cashew Processors Ghana) and an advocacy layer (Cashew Watch Ghana). A dense development-partner network supports the chain, including GIZ and ComCashew, the African Cashew Alliance, TechnoServe's USDA-funded Prosper Cashew programme, UNIDO, the World Food Programme and the World Bank;

ComCashew alone reports training about 49,000 Ghanaian farmers by 2021.²⁹

One structural fact runs through the whole chain: women make up about 80 percent of the processing workforce³⁰ and most of the farm-gate buying agents, yet in one Bole district survey only 22 percent of cashew farmers were women.³¹ Women do most of the work but hold little of the ownership, blocked mainly by customary land tenure. The lever that works is the processing group: women in cashew-processing groups earn substantially more and reinvest it.³² Any serious upgrading plan has to put land access, group organisation and processing ownership for women at its centre, because that is where most of the labour already is.



²⁹ ComCashew / GIZ, *Market-Oriented Value Chains for Jobs*.

³⁰ World Bank, *Analysis of agroforestry-based value chains*.

³¹ van den Berg, *Gender dynamics in cashew*.

³² van den Berg, *Gender dynamics in cashew*.

Women in the Cashew Chain: Most of the Processing Work

Share of cashew-processing workers who are women



Share of cashew farmers who are women (one Bole survey)



Most farm-gate buying agents are also women. The lever: processing and buying groups that women run.

Source: World Bank (2023); van den Berg (2015)

FIGURE 6.3

Women do most of the work but hold little of the ownership; the processing group is the lever that changes it.

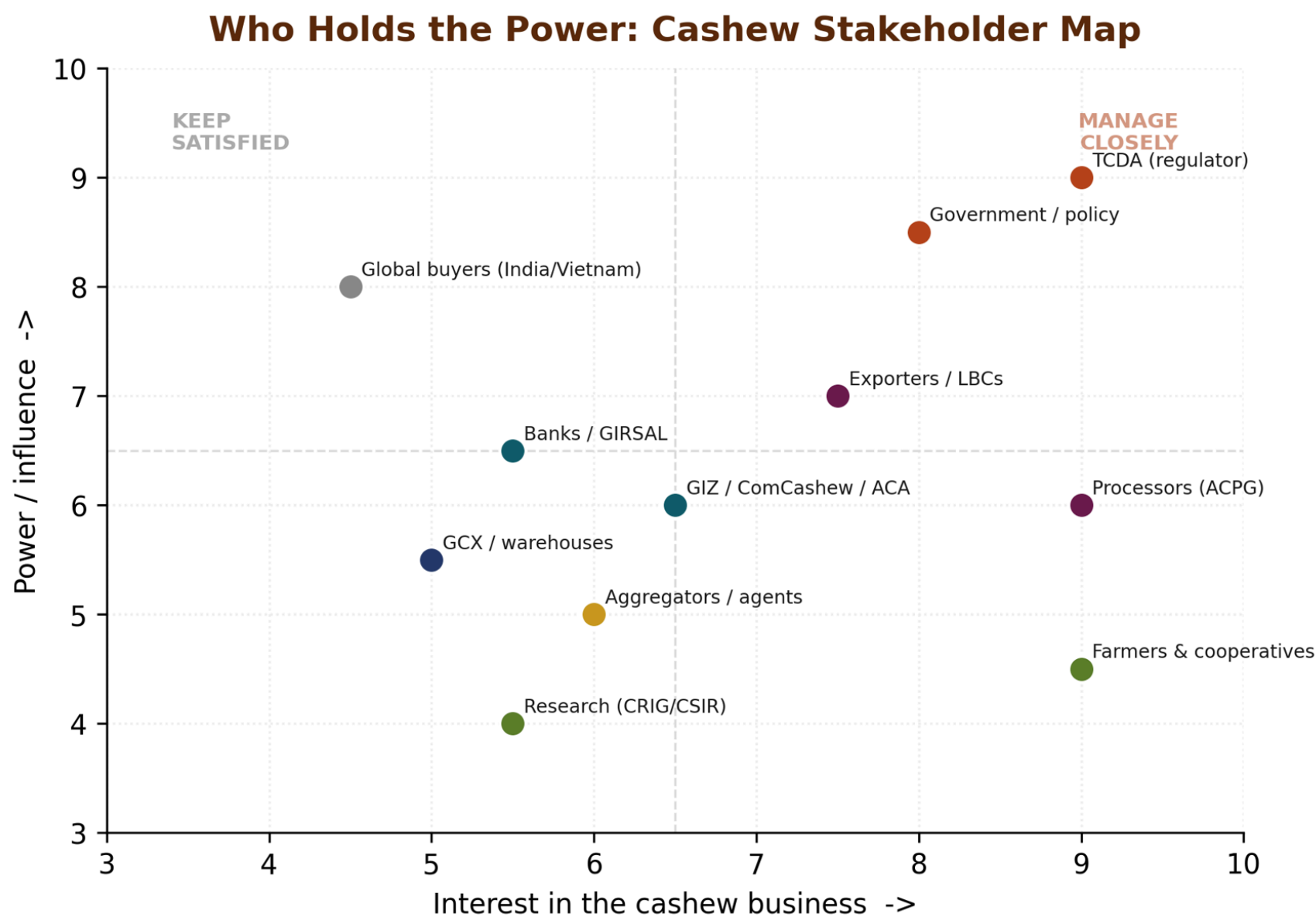
③ The actors and who holds the power: a stakeholder map

A value chain is also a map of power. The figure below places every actor by how much power it holds over the chain against how much interest it has in the cashew business, and the pattern it shows is the root of Ghana's value leak. Power sits with the regulator, the government and the foreign buyers who shell the nuts; the 200,000 to 400,000 farmers and their cooperatives, who carry the most interest, hold the least influence,

and on the raw-export channel the largest trading margin goes to exporters, more than seven times the margin of the buying companies that supply them.³³ An entrant's task is to move actors up and to the right, by organising farmers, processing at home, or plugging into the structured market, so that more of the power, and the margin, is held inside Ghana.



³³ World Bank, *Analysis of agroforestry-based value chains*.



Source: Playbook stakeholder analysis (2026)

FIGURE 6.4 The cashew stakeholder power-interest map: power sits downstream and with the regulator, while farmers hold high interest but little power.

The table reads each actor along the chain for its role, the power it holds, its interest in a more

formal and higher-value sector, and what its position means for someone entering.



TABLE 6.1 The cashew value-chain actors, their power and interest, and what each means for a new entrant.

ACTOR	ROLE IN THE CHAIN	POWER	INTEREST	WHAT IT MEANS FOR AN ENTRANT
TCDA (regulator)	sets price and export reference, licenses buyers, charges the levy	High	High	register and comply early; it is the gatekeeper for every licence
Government / policy	the announced raw-export ban, processing target and incentives	High	High	align the venture with the value-addition agenda to earn support
Global buyers (India, Vietnam)	buy about 94 percent of the crop raw and shell it	High	Low-Med	the incumbent power to displace; sell shelled kernels past them
Processors (ACPG)	shell and grade the under 6 percent processed at home (2025)	Medium	High	supply graded nuts on contract, or co-invest in aggregation
Exporters / LBCs	consolidate and ship raw nuts through Tema	Med-High	Med-High	shorten the channel; add traceability for premium buyers
Aggregators / agents	bulk nuts farm to farm; set the farm-gate price	Medium	Medium	compete on grading and transparency, and pay at least the floor
Farmers / cooperatives	grow the crop and carry the quality decision	Low	High	organise them; the cooperative is the lever that shifts power upward
Banks / GIRSAL	lend and guarantee working capital	Medium	Medium	bring an offtake and a guarantee to win finance
GCX / warehouses	grade, store and finance nuts against receipts	Medium	Medium	use the structured market to reward quality and access credit
Development partners	GIZ MOVE-ComCashew, ACA, TechnoServe: training and market data	Medium	Med-High	align with their programmes for training, grants and intelligence
Research (CRIG / CSIR)	clones, agronomy and disease surveillance	Low	Medium	source certified scions and technical backing from them

 MARKET SIGNAL

Who an entrant must align with. The two quadrants that decide a cashew venture are the high-power actors (the TCDA and government, to be managed closely, and the foreign buyers, to be kept satisfied) and the high-interest, low-power actors (farmers and cooperatives, who must be organised). A defensible business does both at once: it complies with and uses the regulator, and it builds the farmer organisation that shifts power, and margin, back up the chain.

① The upgrading levers: how Ghana closes the gap ①

Cooperative aggregation. Bulk selling and bargaining power lift the farm-gate price and open access to premiums (the Bono union is the current model).

The commodity exchange and warehouse receipts. Grading, price discovery and receipt-backed finance cut out intermediaries and reward quality.

Production and outgrower contracts. Input-plus-market contracts raise yield and quality; marketing-only contracts do not.

Traceability and certification. Organic, Fairtrade and sustainability schemes earn the EU premium and build on the many farms that use no chemical fertiliser.

Domestic processing. The way to capture the kernel premium (kernels sell for about seven times the raw-nut price per kilogram, though each kilogram needs about 4.8 kilograms of nuts), given scale, finance and year-round feedstock (Pillar 5).

By-product valorisation. Cashew nut shell liquid and cashew-apple products add revenue lines and cut processing cost (Pillar 5).

MARKET SIGNAL

AI and digital opening. Each joint where the chain leaks has a digital tool that can help. Feasible now: digital aggregation and sourcing platforms that give farmers a graded, transparent price (Olam's sourcing apps reached about 5,400 Ghanaian farmers with better prices by 2019),³⁴ the Ghana Commodity Exchange's electronic warehouse receipts, the TCDA's digital passbook and conveyance certificate, and traceability apps that carry the origin and quality record the EU and organic buyers now demand. Ghanaian platforms such as AgroCenta and Complete Farmer already run digital sourcing, payment and logistics. Commercial-only for now: blockchain traceability at export scale. The opening is a traceable, receipt-backed aggregation business (Pillar 7).

³⁴ World Bank, *Analysis of agroforestry-based value chains*.

 KEY TAKEAWAY

Ghana's cashew value chain leaks at three joints: raw export, aggregation and quality. The farmer keeps 65 percent of a small raw pie but only 16 percent of the large processed pie, and almost all the processed value leaves the country. The fixes are known and now partly live: organise farmers into cooperatives, trade through the commodity exchange with warehouse finance, use input-plus-market contracts, certify for premiums, and process at home. A business that builds these links can keep more of that value in Ghana.



① Value-chain risks, and how to manage them ①



Aggregator power and below-floor buying

HIGH

WHAT IT IS

The market is an oligopsony: buyers set the price and some pay below the legal floor, so the farmer's share erodes at the aggregation joint.

EVIDENCE

Buyers decide prices, and in 2025 the farm-gate price fell from about GH¢20 a kilogram in February to about GH¢7 by May.³⁵

WHO IT HITS

Unorganised smallholders selling to one buyer at a time.

HOW TO MANAGE IT, AND THE OPENING

Organise into cooperatives and trade through the commodity exchange; the opening is a cooperative aggregation and warehouse-receipt business.



A market that does not reward quality

MEDIUM-HIGH

WHAT IT IS

When buyers keep purchasing sub-standard nuts, farmers learn that quality is not paid for, so the whole chain stays low-grade.

EVIDENCE

About 65 percent of farmers would accept a quality premium and 58 percent of buyers would pay, yet it rarely happens.³⁶

WHO IT HITS

Farmers who invest in quality but are not rewarded for it.

HOW TO MANAGE IT, AND THE OPENING

Introduce outturn-based pricing at every buying point; the opening is a grading and quality-assurance service.



³⁵ World Bank, *Analysis of agroforestry-based value chains*; Nitidae, *Ghana cashew processing sector*.

³⁶ Anaman et al., "Analysis of willingness to offer."

⑤ Practitioner intelligence ⑤

📄 FOR STUDENTS

If you are thinking of entering, the value leaks in the middle of the chain, and that is where a graduate fits with skills rather than capital: a grading and quality-assurance service, or a cooperative-linked aggregation and warehouse-receipt operation. Learn to grade nuts and to run a warehouse receipt so farmers can borrow against stored stock. The trap is entering as one more small aggregator competing on price; enter instead as the person who brings grading, transparency and finance the current buyers do not.

🔍 FOR ENTREPRENEURS

First move: aggregate through a cooperative and the commodity exchange rather than buying farm-to-farm, so you can offer a graded, transparent, outturn-based price and access warehouse-receipt finance. Secure the farmer group, a warehouse and an offtake before you buy a single bag. The trap is paying below the floor to win volume, which breaches TCDA pricing rules and puts off premium buyers; win on reliability and grade instead.

📈 FOR INVESTORS

Diligence asks: where in the chain does the venture sit and what stops the margin leaking past it; does it use production contracts, input plus market, or only spot buying; and can it prove the farmer's share and the outturn it delivers. The thesis is that value is captured by whoever processes at home or organises farmers, and lost by everyone who only moves raw nuts. Structure the cheque around a contracted supply base and warehouse-receipt collateral, and underwrite the aggregation-layer price and enforcement risk.

🔗 FOR ECOSYSTEM ACTORS

The lever is to strengthen the structured market and farmer organisation: capitalise the commodity exchange and warehouse-receipt system, enforce the farm-gate floor, and back cooperatives and production contracts. Measure success by the farmer's share of the free-on-board price and by the volume traded through graded, receipt-backed channels. The failure to avoid is a rigid, politically set floor decoupled from the auction, which, as in Tanzania, can leave the crop unsold; keep the floor dynamic and the auction transparent.

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