
World Markets for Cassava (Mandioca)

The world trade of cassava reportedly started in the 16th century when the Portuguese carried cassava (flour) from the eastern coast of Brazil to Africa. The reason cassava was transported to Africa was that it provided easily transportable food that was pleasant to eat. Cassava became a currency that was used by indigenous people to trade for the good brought by the Portuguese. Accompanying the trade in cassava products, primarily flour, was the flow of planting material and the means of processing cassava. After the 16th century, the species gradually spread through the various regions of sub-Saharan Africa. The inhabitants of the region then took them to Madagascar. From the western coast of Central America, Spanish explorers and traders took them to the Philippines, thence to Southeast Asia.

It was not until the 20th century that cassava trade and production spread to the interior of Africa owing to the colonial powers encouraging its cultivation as a reserve against famine and a survivor of locust attacks. The first half of the 20th century saw the development of the world trade of cassava starch.

With establishment of the European Common Market in the late 'fifties, and its related price and trade policies, a new trade opportunities was created for chopped cassava roots. Chopped roots soon became chips and by the mid to late 'sixties cassava pellets became the major traded items. Paralleling the growth of the cassava pellet market was the expansion and improvement in the export of cassava starch.

From the early 'sixties world trade of cassava products continually grew from 16 thousand tonnes in 1961 to over 12 million tonnes in 1989. From 1989 to 1995 trade declined and since 1995, trade has leveled out at approximately 7 million tonnes with a value of approximately 700 million dollars a year. Underlying this forty-five year period is the fact that primary consumers and products of cassava have changed. Europe accounted for most of the trade growth up to 1981 and continued with a steady demand of about 8 million tonnes up to 1990. After that the European demand decreased to about its current level of 2 million tonnes. Demand for traded cassava starch began to increase in the mid to late 'eighties. North America, Europe and Asia all contributed to this increased demand, although Asia and in particular China became the major importers of starch.

While the market demand by products and regions changed over the past forty-five years the major suppliers of the market have been relatively stable: Costa Rica, Indonesia, Thailand and Viet Nam.

Discussions of the world trade for cassava often overlook the largest portion of the world market for cassava – namely the consumption of cassava by cassava producing countries. World trade in cassava has never exceeded 25 percent of cassava production. Growth in cassava's domestic market has matched or exceeded population growth in a majority of cassava producing countries. Growth in the domestic cassava market has been impressive given that there has not been a concerted effort to promote cassava products, and given the rapid and changing population distribution and economic growth.

World trade for cassava is a harbinger of the production and processing opportunities for cassava producing countries. The market for cassava has always been about what can be produced from cassava. The lessons of the last 'forty plus years are world trade while relatively constant in volume has been dynamic in terms of the products traded and in terms of the primary consumers. The implications are that there could be new suppliers of traded cassava products if they are competitive with existing exporters. Furthermore the evolving traded cassava products indicate new domestic market opportunities for cassava producing countries. Realization of these opportunities requires well-functioning markets. A key element for a well-functioning market is timely, accurate prices so all

stakeholders know prices in various markets and can direct their output accordingly. If markets transmit price signals in a timely manner, it will lead all stakeholders to increase production in response to demand,

The paper briefly examines these emerging market opportunities for a number of cassava producing countries.