

Cajou Espoir

October 2022



Project overview

Cajou Espoir is Togo's largest processor of raw cashew nuts, processing 15% of the country's annual production and exporting to the European market. A transition towards fully organic production is underway, for which the company has assisted in setting up farmer cooperatives and obtained organic and Fairtrade certification. Cajou Espoir strives to generate local employment and improve livelihoods.

Funding objective

With EDFI AgriFI's financing, Cajou Espoir aims to increase its sourcing and processing capacity, through increased sourcing from associated farmer cooperatives and investing in automation of the plant. Land acquisitions will be made to develop own plantations, providing a hedge against price volatility and sourcing disruption. Additionally, investments will be made in machinery to produce cashew by-products and renewable energy generation.

Investment rationale

EDFI AgriFI's funding is additional by providing long-term capital, which Cajou Espoir will use to fulfil its growth targets. The investment will reinforce a vertically integrated cashew value chain benefitting smallholder farmers in a lowly developed country and will lift the company's operations up to international environmental and social standards.

AT A GLANCE

- **Investment/Project:**
Cajou Espoir
- **Total AgriFI financing:**
EUR 3m
- **Financial instrument:**
long-term debt
- **Status:** Approved investment
- **Region:** Africa
- **Country:** Togo
- **Sector:** SME
- **Allocation:** AgriFI - Regional Window OACP

ENVIRONMENTAL & SOCIAL ASSESSMENT

E&S risk category is medium high, B+, based on general limited potential adverse social or environmental impacts that are mainly site specific and can be mitigated by normal industry practices. The relevant IFC Performance Standards are PS1 to 6 (Management, labour, resource efficiency, community, land acquisition and biodiversity). PS 7 and 8 (Indigenous People and Cultural Heritage) are not applicable.

E&S risks will be mitigated by the implementation of an Environmental and Social Action Plan.

<https://www.cajouespoir.com/>