



Project overview

AgroServ is one of Burkina Faso's main maize processor producing gritz, flour, semolina and bran. The company aims to increase and diversify its products, by building an agri-food transformation complex in Bobo-Dioulasso aiming to both increase its primary processing capacity sourced from local farms and to diversify its product range thanks to secondary processing lines.

Funding objective

With EDFI AgriFI's financing, AgroServ aims to further expand and diversify its processing capacity, compliant with high quality standards and increase the sourcing from local smallholders around its plant. The deal is performed in cooperation with BIO, the Belgian Investment Company for Developing countries, who will co-invest EUR 3 million, as well as Investisseurs et Partenaires and Oikocredit on the equity side.

Investment rationale

EDFI AgriFI funding is additional by filling a need for capital with a long tenure, which is a barrier to finance the agricultural sector. The investment will enable to reinforce an integrated value chain benefitting smallholder farmers in Burkina Faso, providing a sustainable market access, services and fair price for their quality maize grains.

AT A GLANCE

- **Investment/Project:**
- AgroServ Industries SA
- **Total AgriFI financing:** EUR 3 m
- **Financial instrument:** Senior Loan
- **Status:** Approved investment
- **Region:** Africa
- **Country:** Burkina Faso
- **Sector:** Maize
- **Allocation:** AgriFI Global

ENVIRONMENTAL & SOCIAL ASSESSMENT

E&S risk category is medium high, B+, based on general limited potential adverse E&S impacts that are mainly site specific and can be mitigated by normal industry practices. The relevant IFC Performance Standards are PS1 to 5 (management, labour, resource efficiency, community and land acquisition).

PS6 is not triggered.

PS7 and 8 (Indigenous People and Cultural Heritage) are not applicable as AgroServ's activities are currently not associated with such risks and impacts. They do not take place in an area of habitat of indigenous people and there are no cultural heritage sites in the vicinity of the plant on which AgroServ would have a direct or indirect impact.