

Cajou Espoir

July 2023



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 MC AgriFI’s financing, Cajou Espoir aims to increase its sourcing from associated farmer cooperatives and enhance processing capacity by investing in automation of the plant. Land acquisitions will be made to develop own plantations, hedging against price volatility and sourcing disruption. Investments will be made in machinery for the production of cashew by-products and renewable energy generation.

Investment rationale

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

AT A GLANCE

- **Investment/Project:**
Cajou Espoir SA
- **Total AgriFI financing:**
EUR 3m
- **Financial instrument:**
Long-term debt
- **Region:** Africa
- **Country:** Togo
- **Sector:** Agri SME - Cashew
- **Allocation:** ACP Regional Window

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.

EDFI [AgriFI](#), the EU Agriculture Financing Initiative, is an impact investment facility funded by the European Union, with a mandate to unlock, accelerate and leverage sustainable investments in medium, small and micro agri-enterprises (MSME) that operate in developing countries, with a specific focus on smallholder’s inclusiveness. AgriFI is managed by [EDFI Management Company](#) on behalf of the 15 European Development Finance Institutions (DFI).