

# TOLARO GLOBAL

Connecting Benin's Cashew  
Farmers to Export Markets

**Tolaro Global** is a processor of raw cashew nuts based in Benin that provides Fairtrade and organic certification and training to farmer cooperatives.

## THE OPPORTUNITY

Benin is the world's 6th largest producer of cashews, but it ranks only 27th in harvest yield and lacks adequate technical support and infrastructure to convert its high-quality raw cashew nuts into processed products. Although the country is well placed for export to markets in Europe and North America, over 90 percent of cashews are exported for processing in countries such as India and Vietnam.

Inclusive businesses address the 4.5 billion people in the world living at the base of the economic pyramid (BOP) by including them in international value chains. *Tolaro Global* provides training and processing technologies that allow Benin's smallholder farmers to achieve higher returns on cashew crops by conforming to international standards and accessing wider markets.

## THE INCLUSIVE BUSINESS APPROACH

In Benin, *Tolaro Global* works with cooperatives to provide training to smallholder farmers, reaching a network of 7,000 cashew farmers. Through its factory, the company has created over 600 jobs, with 40 percent of its employees coming from households that earn below USD 2.5 per day. *Tolaro's* approach is to build skills and capacity with the help of a staff agronomist and by employing a train-the-trainer methodology.

The company is currently training 2,500 people from Benin's Borgou region, 25 percent of whom are women, helping them achieve Fairtrade and organic certification while promoting organic agriculture and agroforestry in the region. Four hundred farmers have already achieved organic certification, allowing them to increase their earnings by up to 20 percent.

Processing and packaging nuts locally is also beneficial for the environment, as it cuts down transportation routes by nearly 90 percent, thereby reducing carbon emissions (approximately 1,17t CO<sub>2</sub> eq/ton-kernel) as sea transportation is responsible for two to three percent of global GHG emissions.

## RESULTS & IMPACT

**25%** increase in farmer yields since 2012

**400** farmers obtained organic certification

**38%** of the trained farmers reported increased production

**54%** of trained farmers reported increased quality

**Reduction** of greenhouse gas (GHG) emissions by processing locally

Learn More:



## PARTNERING FOR GOOD

Tolaro partners with a number of clients and international agencies such as *PepsiCo* and *Intersnack* (a German snack food company) on initiatives to improve farmers' livelihoods. For example, Tolaro began collaborating with *Intersnack* in 2015 on the Linking to the Future initiative, which helped farmers cooperate in order to strengthen market linkages, procure equipment and access credit.

In 2017, Tolaro received funding from private equity fund *Moringa SICAR SCA* to expand its out-grower programme and construct a roasting and packaging facility in order to produce the first "100 percent made in West Africa" roasted cashew nuts.

“Simply put, inclusive business is good business. True development occurs when business and the community in which it operates are in harmony.

*Tolaro believes that developing the local cashew industry in partnership with community development efforts will result in a sustainable transformation to our region, the country of Benin, and eventually all of West Africa.”*

*Jace Rabe, Tolaro Founder and Chief Executive Officer*

## RELATED SUSTAINABLE DEVELOPMENT GOALS (SDGS)



Contribute to livelihoods of local farmers and their families through job opportunities and certification programs to increase earnings potential



Use of cashew nut residues to generate electricity for the processing site and to supply the national grid



Support farm diversification to ensure farmers' diversification of revenues and access to food crops



Train and employ local communities  
Best practices implemented;  
Tolaro is BRC certified



Access to day-care for employees' children, enabling women to work in the processing facility



Reduction of greenhouse gas (GHG) emissions  
Processing and packaging nuts locally cuts down transportation routes by nearly 90 %, reducing carbon emissions by approx. 1,17t CO2 eq/ton-kernel



Construction of water wheels in rural communities



Promotion of organic agriculture with organic certification obtained for 400 farmers.  
Promotion of agroforestry