



# ssnup

Smallholder Safety Net  
Upscaling Programme

## ORGANIC CASHEW NUTS QUALITY IMPROVEMENT AND PRODUCTION EXPANSION IN TANZANIA



Africa



Latin America



Asia



Financial services



Non-financial services



Market building



Internal management

### CONTEXT

Tanzania is one of the largest producers in Africa. However, the country only processes less than 10% of its harvest. Raw cashew nuts are mainly exported to and processed in Asia, resulting in huge missed value addition for the Tanzanian economy.

### CURRENT STATUS OF THE INVESTEE

BIOTAN GROUP LIMITED is a processor of organic cashew nuts in Dar es Salaam, Tanzania. The company buys organic raw cashew nuts from smallholder farmers in the Coastal region. BIOTAN organises its farmers in Organic Grower Groups and takes care of the whole organic certification process. Since 2020, SIDI has been providing BIOTAN with working capital to purchase raw organic cashew nuts from certified farmers.

### OBJECTIVE OF THE PROJECT

The project has three objectives: (i) improve BIOTAN's IT system for more efficient operations, (ii) support the obtention of the Hazard Analysis Critical Control Point (HACCP) food safety certification and (iii) train farmers on organic farming techniques.

The proposed project will help BIOTAN expand its production capacity and area of operation. It is in line with the strategy of the Tanzanian Government to increase the processing capacity in the country from less than 10% to 40% in 2025, thereby reaping more economic benefits from cashew production. The project is driven by a win-win situation for both the supply side - smallholder farmers in Tanzania - and the demand side - the enormous demand for organic cashew nuts in developed countries.

The expected outcomes are:

- Improved efficiency of BIOTAN's operations, especially the purchase processes.
- Within three years, the annual purchase of organic raw cashew nuts will reach 4,800 metric tons versus 1,600 metric tons for now.
- HACCP certificate will enable BIOTAN to sell its produce at a better price to new markets that require this certification.
- 770 smallholder farmers will be trained on and practice better organic farming techniques at the end of the project, and 1500 smallholder farmers within three years.

### IMPACT INVESTOR



**AGGREGATOR / INVESTEE**  
BIOTAN GROUP LIMITED (SME)  
– Tanzania

**TARGETED N° OF FARMERS**  
770 farmers

**AGRICULTURAL VALUE CHAIN**  
Cashew nuts

**STARTING DATE**  
September 2022

**DURATION**  
6 months

**TOTAL TA BUDGET**  
€ 70,000  
Including € 55,475 (79%)  
contribution from SSNUP



SSNUP c/o ADA asbl | 39, rue Glesener | L-1631 Luxembourg  
T. +352 45 68 68 | www.ssnup.org | ssnup@ada-microfinance.lu