



**SUPPORT TO THE ELABORATION OF A CASHEW TREE REFORESTATION, TRANSFORMATION AND MARKETING PROJECT FOR THE FIP SET  
ASIDE FUND IN BURKINA FASO**

**Ref.**  
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Expert(s)	Country	Volume (md)	Amount (€)	Beneficiary	Funding	Start date	End date	Partner(s)	Reference
Maden LE CROM, Olivier BOUYER et Jérôme MAURICE	Burkina Faso	15	12,900 €	Wouol / FIP	AfDB	Jun. 2013	Jul. 2013	n/a	Mafalda DUARTE <a href="mailto:m.duarte@afdb.org">m.duarte@afdb.org</a> Mob : + 216 98 70 54 38

Detailed description of the project	Services provided
<p>The <i>Forest Investment Program (FIP)</i> – part of the <i>Climate Investment Funds (CIF) family</i> – aims to mobilize substantial funds to reduce the greenhouse gas emissions due to deforestation and degradation (REDD+). Eight pilot countries have been selected worldwide, including three in Africa: Ghana, Burkina Faso and DR Congo. The World Bank and the African Development Bank (AfDB) coordinate the program's implementation in these three countries (with a total budget of 130 M USD) in close collaboration with national authorities. The congolese FIP Investment Plan has been approved by the FIP Sub-Committee in June 2011, whereas those of Burkina Faso and Ghana have been approved in November 2012. Besides specific supports to the Governments, 50 M USD of concessional loans have been reserved to finance REDD+ projects involving private operators in the 8 pilot countries (<i>FIP Set-aside Fund</i>). These projects have been presented to the FIP Sub-Committee in August 2013 for competitive selection and award. The African Development Bank mandated SalvaTerra to support the Bank in identifying and structuring potential projects in Ghana, Burkina Faso and DR Congo.</p> <p>In Burkina Faso, after multiple interviews, the Wouol association has been identified as a potential developer for a project including the plantation of 5 300 ha of cashew trees (including 250 ha under agroforestry systems), the development of two nurseries, the improvement of the transformation and marketing strategies. The total budget of the project is 6,5 M USD including 3,6 M USD of FIP concessional loans.</p> <p>The project will restore 5 300 ha of degraded lands, transform 85 000 tons of raw cashew nuts, sequesterate 363 000 tCO<sub>2</sub>e, improve the revenues of 400 producers by more than 400 USD/ha/year and create 1 200 jobs.</p>	<p>Taking into account the FIP general objective, the respective FIP Investment Plan of each country and the <i>FIP Private sector Set-aside fund</i> guidelines, the team of experts (i) identified promising project ideas and credible developers in each country, (ii) worked in close collaboration with the project developers, national authorities in charge of the FIP and the REDD+ national strategies as well as AfDB's FIP team, in order to prepare three concept notes to be submitted in August 2013.</p> <p>In Burkina Faso, after the identification of Wouol as potential project developer, this study started with the analysis of Wouol's documentation (balance sheets, activity reports, funding requests), sectoral studies provided in particular by the African Cashew Initiative, and research papers on cashew production and transformation. Estimates of carbon sequestration have been based on a report using the ExAct GHG sequestration tool applied to cashew plantations and management.</p> <p>The concept note was prepared with two distinct sections: (i) Respect of the FIP investment criteria (carbon sequestration potential, replication potential, cost/benefit ratio in USD/tCO<sub>2</sub>e, technical feasibility, environmental and social co-benefits, respect of the FIP/AfDB safeguards), (ii) Practical modalities of engagement: description of activities and their innovative nature, Organic and Fair-trade certified cashew nuts market study, business plan and cashflows, potential risks and mitigation measures.</p> <p>After submission to and examination by the FIP Sub-Committee, the concept note has been judged excellent and ranked 2nd over the 11 concept notes presented for competitive selection.</p>