

IFDC Project Facilitates 700 Million FCFA Credit Agreement



Through the intermediation of IFDC's [Toward Sustainable Clusters in Agribusiness through Learning in Entrepreneurship \(2SCALE\)](#) project, the Netherlands cooperative society Oikocredit and Promo Fruits, the largest juice processor in Benin, signed a new credit agreement in the amount of 700 million FCFA. Promo Fruits specializes in producing fresh pineapple juice for local, regional, and international markets.

Based on a reduced rate of 8.5 percent, the new credit has a twofold purpose: to strengthen the technical platform of Promo Fruits' factory to increase its production capacity, namely by the installation of a new production line; and, secondly, to popularize the use of plastic mulching film, a technology introduced by 2SCALE that can increase yields and incomes and decrease production costs, all while protecting the soil and environment.



The new agreement follows a previous 2SCALE-facilitated investment credit of more than 400 million FCFA, which supported the company's efforts to update the management and development of an effective business plan. Promo Fruits increased the production capacity of its plant from 45 tons/day to 95 tons/day. 2SCALE supported this growth by a) expanding the supply of the company's network to 7,000 new producers, including 17

percent women; b) introducing, for demonstration purposes, plastic mulching technology, which increased pineapple yields of 35 tons/hectare to around 50 tons/hectare; and c) improving the quality of the raw produce by helping to improve planning and coordination of harvest.

The end goal is to improve the nutrition of poor consumers by bringing a pineapple juice to market that is adapted to the purchasing power of base-of-the-pyramid consumers.

“A partnership model that works”

Beyond the technology package, the pineapple partnership also stands by the emergence of a framework for a multi-stakeholder partnership, which includes Promo Fruits, the organization of producers, transporters, input suppliers, and packaging suppliers, and other actors and stakeholders of the pineapple value chain.

Because of this strengthened coordination and performance of the value chain, the Minister of Industry, Trade and Handicrafts of Benin, Lazare Sehoueto, said: “The pineapple partnership is an example of how various actors can join to enhance the quantity and quality of agricultural production to feed the factory and meet a market. If we have a leveraging company like Promo Fruits, which relies on a network of well-identified producers, then the banks will give money, and at the best rates, because the risks are reduced. Today, we speak of traceability, quality, and competitiveness, and all this is possible only if producers are integrated in platforms such as the one organized around Promo Fruits. All value chains of our countries could learn from this type of network.”

The signing ceremony was followed by a guided tour of plastic mulching demonstration plots, during which Delphin Koudande, Benin’s Minister of Agriculture and Fisheries, renewed his full commitment to supporting this partnership model, which he described as concrete and inspiring.