

## Activity Brief – Lamu Cashew Nut Processing Plant

<b>Location:</b> Lamu County, Kenya	<b>Sector:</b> Agro-processing
<b>Investment Size:</b> £2.263m (~Ksh431m)	<b>Seed Fund Contribution:</b> £488,670 (~Ksh93.37m)
<b>Jobs Created:</b> 7,528	<b>Other Benefits:</b> Climate resilience, reduced waste
<b>Date Deal Signed:</b> November 2023	<b>Date Operational:</b> June 2024

**Project Synopsis:** The UK Government through its Sustainable Urban Economic Development Programme (SUED) in supporting ENP Foods International Limited (ENP) to establish a new cashew nut processing factory in Lamu Municipality with a focus on producing Raw Cashew Nuts and Roasted/Salted Kernels. The factory will entail cashew shelling, drying, roasting, salting and packing as well as the exploration of harvesting Cashew Nut Shell Liquid which has a wide range of industrial applications. SUED’s partnership with ENP will see the factory process 142MT of raw cashews in the first year increasing to 3,500MT within 5 years.

The project will adopt climate smart practices wherever possible - by encouraging farmers to plant more cashew nut trees for agroforestry and thus aiding climate resilience against extreme weather; and by employing circular economy practices by processing cashews into multiple products which will utilise waste materials and curb emissions.

**Financials:** ENP is investing £1.775m (Ksh 340m) into the project to set up the operations in Lamu. The UK Government has played a key role in unlocking this investment by providing technical assistance in the deal structuring as well as providing £488k (Ksh 93.37m) in seed fund support.

**Impact:** Once completed the processing plant will employ up to 200 people directly in various roles. More significantly, in its first year, the project will support jobs for 1,500 farmers gradually increasing to 7,000 farmers by year 5, providing them with guaranteed offtake. Furthermore, the factory will be the first processing entity in Lamu and has the potential to catalyse further investments across different sectors in the County.