

PROJECT DESCRIPTION: Development investment proposal

NAME OF CLIENT	EA Foods Ltd
WEBSITE CLIENT	www.eafoods.com
REGION	East Africa
COUNTRY	Tanzania, Kenya, Uganda
SECTOR	Agriculture
SIGNING DATE	30 DAYS FROM PUBLICATION ON WEBSITE
TOTAL FINANCING	EUR 355,000 from the OF
FUND	ORIGINATION FACILITY "OF"

• **Who is our (prospective) client? (300-400 words)**

EA Foods Ltd. (EAF) is a tech-enabled aggregator and distributor of fresh produce based in Tanzania. Founded in 2013, EAF sources fruits, vegetables, grains, and pulses from over 8,000 smallholder farmers and supplies them to urban markets, including retailers, hotels, and restaurants. With operations rooted in an integrated farm-to-market tech platform, EAF has achieved a Compound Annual Growth Rate (CAGR) of 73% over five years, reaching \$14.3 million in revenue in 2023.

EAF addresses inefficiencies in East Africa's fragmented food supply chain, which leads to up to 40% post-harvest loss, significantly contributing to greenhouse gas emissions. Through its efficient logistics and supply chain management, EAF has reduced food waste to 5%, with a projected reduction of 645,000 tons of CO₂-equivalent emissions over five years.

EAF's ambition is to expand operations across Tanzania, Kenya, and Uganda, reaching 25,000 farmers by 2026. The company is currently developing its Farmer Management System (FMS) to facilitate onboarding, provide climate-smart farming support, and improve traceability. Additionally, EAF plans to expand its business lines to include rice milling and maize exports, contributing to food and nutrition security and climate resilience in the region.

• **What is the intended funding objective (type of activity)?**

The grant will fund origination activities aimed at de-risking EAF's investment proposal. This includes regional and business line expansion, upgrading digital platforms, conducting environmental and social safeguards assessments, and piloting value-added business lines in rice and maize.

• **The grant will be used for undertaking:**

- **Regional expansion:** Conducting a market study in Uganda to assess entry strategies and market demand.

- **Business line expansion:** Developing market studies for rice milling and maize value addition in Tanzania and neighbouring countries.
- **Technology development:** Upgrading the Farmer Management System (FMS) to onboard 25,000 farmers and improve supply chain efficiency.
- **Transaction advisory:** Restructuring logistics into a separate entity to enhance efficiency and financial performance.
- **Pilot projects:** Testing value addition in rice and maize to validate new business lines.
- **Environmental and Social Safeguards assessments:** Conducting ESG and GESI assessments to identify risks and integrate inclusive practices.

- **Why do we fund this project?**

This project aligns with DFCD's goals of promoting climate resilience, reducing greenhouse gas emissions, and fostering sustainable and inclusive food systems. EAF's innovative approach addresses food and nutrition security, empowers smallholder farmers, and builds a climate-resilient supply chain across East Africa.

- **Environmental and social rationale**

EAF's project has significant potential environmental and social benefits. By reducing post-harvest losses from 40% to 5%, EAF directly avoids 645,000 tons of CO₂-equivalent emissions over five years. The Farmer Management System (FMS) provides smallholder farmers access to climate-adaptive technologies, inputs, and training, enhancing resilience to climate variability.

EAF's focus on sustainable farming practices, such as integrated pest management and soil fertility management, contributes to biodiversity protection and improved ecosystem health. Furthermore, enhanced cold chain and logistics operations ensure food safety and quality, reducing waste and contamination.

On the social side, EAF improves the livelihoods of smallholder farmers by doubling their income and providing access to finance, certifications, and markets. The project emphasizes gender equality and social inclusion, prioritizing women and marginalized groups in training and resource access. The integration of GESI practices ensures equitable growth and empowerment for all stakeholders in the supply chain.