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## ESOP Vallée de l'Ouémé

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**Country:** Benin

**Sector:** Rice

**Investment:** Land development and warehouse

**Investment by Kampani:** 225k EUR equivalent in FCFA

**Investment type:** Unsecured loan

**Disbursement:** December 2025

### The Business and Investment

ESOP Vallée is a long-established social enterprise that facilitates market access for smallholder rice producers in the Ouémé Valley of southern Benin. Its mission is to increase farmers' incomes by linking local rice production to growing urban and peri-urban demand. The company purchases paddy rice directly from



smallholders, processes it, and markets it under the DELICE brand, which is recognized for its quality and affordability compared to imported rice.

Interestingly, ESOP Vallée has an inclusive business model. Some 40% of the shares in the company are collectively held by the rice producer cooperatives and they actively participate in the governance. Farmers benefit from guaranteed market access, access to agricultural inputs, and cash advances to support crop management and harvesting. With more than 20 years of operations, a strong local reputation, and partnerships with Rikolto and ENABEL, ESOP Vallée currently supports over 1,400 farmers and contributes to Benin's national strategy to strengthen domestic rice production and food security.

The proposed investment will finance land preparation, warehouse construction, and equipment to scale paddy production and collection. A central component is the development of 100 hectares for rice cultivation in the Ouinhi area, which will increase sourcing capacity and increase geographic diversification. The new warehouse will serve both on-site production and surrounding farmers, improving aggregation efficiency.

Currently, ESOP Vallée sources paddy from Dangbo between April and June. Production in Ouinhi will complement this supply, with paddy available between October and January, enabling near year-round processing and more stable cash flows. As a result, annual paddy processing capacity is expected to increase from approximately 700 tons to 3,000 tons. The company aims to reach 5,000 tons by 2030, strengthening profitability and operational resilience while scaling its impact.

## Social Impact

ESOP Vallée generates significant social and economic impact for smallholder rice farmers. By producing and selling locally grown rice that is affordable and competitive in quality, the company directly supports local food security and reduces reliance on imported rice. By providing this small loan – squarely in the ‘missing middle’ – Kampani expects to unlock significant growth in all these aspects.

The ESOP model has proven effective in building strong, long-term relationships with producer cooperatives based on trust, transparency, and shared governance. Farmer loyalty, among both shareholder and non-shareholder cooperatives, is high, even during periods of market tension and competition for paddy supply.

This inclusive structure ensures farmers benefit from a secured and guaranteed market for their harvest, partial pre-financing of the agricultural season, and access to essential inputs and technical assistance, critical in a context where access to financial services remains limited. As volumes increase, higher margins are expected to translate into increased dividends for producer-shareholders, directly improving household incomes.

Beyond agricultural production, ESOP Vallée integrates social inclusion into its growth strategy. To strengthen its white rice distribution network, the company plans to create employment opportunities for people with disabilities. Through partnerships focused on youth with disabilities, ESOP Vallée will train and employ 50 young people in rice promotion and distribution through digital channels and new sales outlets. Overall, the expansion of production, marketing, and distribution activities is expected to generate further 600 direct and indirect jobs, contributing to inclusive local economic development.

