

## Singapore's Robust International expands its processing capacity for sesame seeds and cashew nuts to Africa

23 October 2024 | News

### Agricultural commodity trading firm has secured a \$25 Million investment from BluePeak Private Capital



### Agricultural commodity trading firm has secured a \$25 Million investment from BluePeak Private Capital

Robust International, a Singapore-based agricultural commodity trading firm has secured a \$25 Million investment from BluePeak Private Capital to expand its processing capacity for sesame seeds and cashew nuts in Nigeria, CÔte d'Ivoire, Burkina Faso, and Mozambique. BluePeak, an alternative asset management firm with offices in Tunis, Nairobi, and London, aims to support Robust in adding value to Africa's agricultural exports.

Operating in 10 African countries, Robust sources a diverse range of agricultural commodities, which it then distributes globally. Despite Africa being a major producer of raw cashew nuts and sesame seeds, most of its produce has historically been exported in unprocessed form to Asia for value addition. Robust seeks to change this dynamic by increasing its processing capacity on the continent, transitioning from a semi-processor to a producer of edible commodities.

This investment follows a \$18 Million loan agreement signed with the International Finance Corporation in 2022. The loan was intended to establish modern warehouses and processing centres for sesame in northern Nigeria. Sesame accounts for 55% of Robust's operations in Nigeria, while other crops include cashew, ginger, gum arabic, pulses, turmeric, and shea nuts. The company sources 40% of its raw commodities directly from over 40,000 farmers, and 60% from 40 licensed buying agents. Robust conducts primary processing, such as fumigation, sorting, and hulling, before distributing to its clients. The majority, or 53%, of its commodities are supplied to China, with other important markets being Vietnam (37%), Turkey (6%), and India (4%).

Nigeria is the world's sixth-largest producer of sesame and the third largest in Africa, behind Sudan and Tanzania. Most sesame cultivation occurs in the drier northern region. Sesame crops account for approximately 25% of Nigeria's agricultural export value. In 2023, Nigeria exported sesame seeds worth US\$428m, with 30% going to China, 20% to Japan, and 13% to India.

Yet, the industry faces several challenges. Most of Nigeria's sesame cultivation is done by small-scale farmers who struggle with low productivity due to limited use of mechanised farming techniques and insufficient access to improved seed varieties and other essential agricultural inputs. Additionally, the country lacks adequate sesame processing facilities, with most seeds still being processed manually, leading to reduced quality and high wastage.

At the 2023 Africa Singapore Business Forum, Robust entered into agreements with two other Singapore entities – Adatos, which employs AI to improve agricultural yields, and Trames, a digital freight management platform – to enhance its operations in Africa. The firm inked a partnership with Adatos to leverage its AI expertise for insights into weather patterns, yield predictions, and nutrient usage for sesame crops in Nigeria. Meanwhile, Trames, a digital freight management platform, will deliver bespoke logistics solutions to optimise Robust's supply chain in Africa and beyond.