



AATIF Investment Updates

Chobe Agrivision Company



Country:	Zambia
Type of investment:	wheat and soy farm
Outstanding AATIF investment:	USD 7mn
Financial close:	October 2011
Maturity:	5 years + extended by additional 5 years

Project Description

In October 2011, AATIF made an investment of USD 10mn into the Zambian maize, wheat and soya bean farming operation Chobe Agrivision. AATIF's investment will support the operations of Chobe Agrivision by increasing its operational capacities and thus enable it to contribute to regional food security. On October 26 2015, Chobe Agrivision repaid a first Tranche of the AATIF loan of 3m USD reducing the AATIF exposure to 7m USD.

Recent Developments

Project: As a result of initial rainfall after a long period of drought and strong management over the past years, Agrivision was able to close the financial year 2016 with a strong profit and continues to see positive developments in Q1 2017.

S&E: The Compliance Advisor continued monitoring land-related community matters near the Chobe farm in Mkushi bordering the TAZARA railway station. Chobe finalized a desk beacon identification exercise for the concerned farm land. The physical beacon identification was scheduled for Q2. In addition, payroll remittances were verified to be in line with national and sectoral minimum wage requirements for Chobe operations in Mkushi and Somawhe. The Compliance Advisor reviewed and suggested improvements to the draft rapid appraisal report of Chobe Agrivision.

TA: A TA Facility financed community development project to mitigate increasingly observed alcohol abuse amongst chobe farm workers was completed in 2016. The TA Facility Manager continues to monitor the implementation of long term mitigation measures (e.g. theater, sports, gardening and savings groups) by Chobe Farm management and the "zero tolerance" alcohol policy adopted by the farm community. During the first months of 2017 Chobe reported a dramatic reduction of absenteeism due to alcohol abuse.

Global Agri-Development Company (Ghana) Ltd. (“GADCO”)



Country:	Ghana
Type of investment:	rice farm
Outstanding AATIF investment:	USD 1.3mn
Financial close:	June 2012
Maturity:	5 years

Project Description

In June 2012, AATIF provided a loan to GADCO, a Ghanaian rice producer. AATIF financed a rice mill as a first step for GADCO to develop an integrated value chain. GADCO however faced severe operational issues and was completely restructured in 2014/2015.

Recent Developments

Project: GADCO has hired a new farm manager.

S&E: No ongoing activities.

TA: The TA Facility Manager is currently preparing a Rapid Appraisal to evaluate the impact of AATIF’s investment into GADCO.

Wienco (Ghana) Ltd.



Country:	Ghana
Type of investment:	intermediary input supplier
Outstanding AATIF investment:	EUR 9mn and USD 6mn
Financial close:	October 2013
Maturity:	3 years + extension until 2019

Project Description

In October 2013, AATIF disbursed a senior debt loan to Wienco (Ghana) Ltd. (“WGL”), a Ghanaian agribusiness intermediary company. Wienco provides fertilizer and agro-chemicals as well as training in input application methods and business skills to smallholder farmers via three smallholder associations. These include the Cocoa Abrabopa scheme, the Masara N’Arziki maize smallholders association and Wienco’s own smallholder cotton growing scheme. AATIF’s financial commitment allows Wienco to significantly expand the scope of its smallholder operations.

Recent Developments

Project: On 9th December 2016 Nana Akufo-Addo from the New Patriotic party was elected as new president with 53.85% of the votes there with replacing former president John Mahama. Following the presidential election new Board members were appointed for the national Ghana Cocoa Board (national production, processing and marketing agency). In the meantime, the Cocoa Board has announced that it is short USD 400m for the 2016/17 cocoa season. In October 2016 it had issued a bond of USD 1.8bn part of which, according to news reports, has been diverted and therefore leaves a gap for the purchase of cocoa in the coming season. Cocobod has initiated discussions with the Central Bank of Ghana and the financiers of the initial Cocobod bond on a bridge financing arrangement.

S&E: Wienco started updating existing biodiversity policies in the smallholder schemes. In addition, Wienco embarked on developing a framework biodiversity policy for the company. Technical backstopping of TOR development for feasibility study on climate smart financing package (see TA update below).

TA: AATIF’s Wienco investment has been selected to undergo a comprehensive impact evaluation which commenced in late 2015. In the meantime all data for the baseline study (for WIENCO’s cocoa and maize outgrower scheme) has been collected and a baseline report is expected for Q2/2017.

The new TA Measure to assess the feasibility of climate smart lending products is almost ready for launch. A consulting firm specialized in this innovative field has been identified and a contract is under negotiation.

Cape Concentrate Ltd.



Country:	South Africa
Type of investment:	tomato processing
Outstanding AATIF investment:	USD 8mn
Financial close:	August 2014
Maturity:	5 years

Project Description

In August 2014, AATIF signed a USD 8mn facility agreement with Cape Concentrate, a South African agro processing company which started its operations in 2010, but was placed under business rescue in May 2013, due to adverse weather effects and failure of securing sufficient tomato supply. Cape Concentrate specializes in the processing of tomatoes into tomato paste for the local market, which serves as an import substitute. The AATIF investment was made to finance a business rescue plan which foresaw the complete restructuring of the business including new management. In 2015, Cape Concentrate resumed its first cycle of operations after having entered business rescue, producing high quality tomato paste from tomatoes supplied by commercial as well as community farms, while facing ongoing challenges on the supply side.

Recent Developments

Project: Following the company's failure to source a level of tomato supply which would have allowed the company to reasonably operate during the upcoming season the company was put in provisional liquidation in January and then in final liquidation in March 2016. In Q3 2016 the plant for the production of tomato paste was sold to Famous Brands. Famous Brands is a JSE listed South African company and Africa's largest branded food service franchisor. It intends continuing the tomato paste production and sourcing tomato supply from local farmers, thereby creating employment in an economically distressed area. While the liquidation process is expected to continue for the foreseeable future the liquidators have effected a first installment of 19 Million ZAR to AATIF.

S&E: No ongoing activities.

TA: No ongoing activities.

Eastern and Southern African Trade and Development Bank ("PTA Bank")



Country:	Supranational
Type of investment:	financial institution
Outstanding AATIF investment:	USD 30mn
Financial close:	September 2012
Maturity:	5 years

Project Description

In September 2012, AATIF and PTA Bank signed a USD 30mn facility agreement. PTA Bank is a multilateral financial institution, owned by eighteen East African member states, the People's Republic of China and the African Development Bank. The funding is being used by PTA Bank to expand its agricultural lending activities.

Recent Developments

Project: Following the re-branding, TDB has re-emphasised its continued focus on providing financing for sectors including i.a. agribusiness across the 20 member states it operates in over the next five years.

S&E: The Compliance Advisor continued backstopping the rapid appraisal of a PTA sub loan (See below).

TA: Out of the PTA sub loan portfolio, financed through AATIF, the Tanganda Tea Company in Zimbabwe has been selected for a rapid impact appraisal to contribute to the AATIF impact indicator measurement. After baseline data has been collected in 2016, the impact of AATIF funds on the company will be collected after full repayment of the loan in 2018.

Chase Bank (Kenya) Limited (“Chase Bank”)



Country:	Kenya
Type of investment:	financial institution
Outstanding AATIF investment:	USD 10mn
Financial close:	October 2012
Maturity:	5 years

Project Description

In October 2012, Chase Bank, a privately owned Kenyan bank, received funding under a five year senior loan facility in two tranches, totalling USD 10mn. On-lending activities of Chase Bank target investments along the entire agricultural value chain including input providers, farmers and off-takers, with contract farming schemes receiving special attention.

Recent Developments

Project: Following a bank run by depositors of Chase Bank, on 07 April 2016, the Central Bank of Kenya (CBK) placed Chase Bank under receivership. The Kenya Deposit Insurance Corporation (KDIC) currently acts as receiver for Chase Bank. KDIC appointed KCB Bank Kenya Ltd (KCB) as manager to ensure operational continuity of Chase Bank. The initial receivership period was extended until October 7, 2017. On March, 30, 2017, the CBK announced the “Commencement of Process for an Investor to Take an Equity Interest” in Chase Bank. Under this process, CBK selected three Kenyan and four international banks are among those which have shown interest in owning a stake in Chase Bank. The successful bidders have been given access to internal bank data to help them develop a proposal for buying a stake in Chase Bank by June 9. The selected investor is expected to inject the capital required to raise bank’s equity to levels desired by the regulator. CBK indicated that the process and timing of any resultant transaction will depend on the structure proposed in the preferred investor proposal, but completion is expected before September 30, 2017 (within the above-mentioned statutory deadline of the receivership). AATIF is collaborating closely with other senior lenders to Chase Bank and local authorities in Kenya to protect the interests of AATIF’s stakeholders.

S&E: Due to the bank’s current situation, planned S&E improvement activities are on hold. Nevertheless, Chase Bank confirmed the continued use of the SEMS to assess loan applications when the bank resumed lending.

TA: No ongoing activities.

BancABC



Country:	East Africa (Mozambique, Tanzania, Zambia, Zimbabwe & Botswana)
Type of investment:	financial institution
Outstanding AATIF investment:	USD 25mn
Financial close:	December 2013
Maturity:	5 years

Project Description

In December 2013, AATIF signed a USD 25mn risk sharing agreement with BancABC, a financial institution with its holding company based in Botswana and subsidiaries operating out of Zimbabwe, Zambia, Mozambique, Botswana and Tanzania. Originally, BancABC focused exclusively on wholesale banking. In 2008, the bank started to expand gradually into retail banking, including SME and consumer lending products. The AATIF facility will allow BancABC to increasingly step into transactions along the entire agricultural value chain and extend their maturities.

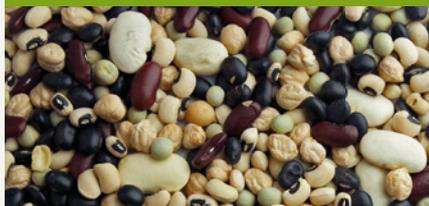
Recent Developments

Project: In Q1 2017 BancABC launched a financial literacy programme aimed at sensitizing customers and the general public on money matters. The programme had so far only been available for staff. The programme was launched at a recent workshop and covers topics of financial planning, debt management, investments, insurance and puts a strong focus on savings.

S&E: In Q1 2017, the Board of BancABC approved the upgrade Social and Environmental Management System (SEMS), which was developed with financial support from the AATIF TA Facility and technical backstopping from the Compliance Advisor as well as a consultant, for implementation across the bank. The Compliance Advisor and BancABC agreed on conducting a S&E study on the effects of the upgraded system on the bank’s portfolio. Implementation of the study is planned for Q3/4 2017. In addition, the Compliance Advisor pre-selected and advised BancABC on a set of capacity building activities for the bank’s Sustainability Officer. Furthermore, the Compliance Advisor backstopped drafting the TOR for the follow-up TA measure (see TA update below).

TA: Technical assistance to provide formal training and coaching to the Bank’s Sustainability Specialist has started in 2017. The TA Facility is co-financing this activity together with BancABC.

Export Trading Group (“ETG”)



Country:	Pan Africa
Type of investment:	Intermediary
Outstanding AATIF investment:	USD 30mn
Financial close:	November 2015
Maturity:	5 years

Project Description

In November 2015, AATIF entered into a USD 30mn facility agreement with Export Trading Group (“ETG”), a Pan-African integrated trading and processing company specialized in end-to-end agricultural supply chain management and headquartered in Mauritius. The objective of the facility is to support the development of the smallholder agriculture sector in Sub-Saharan Africa. ETG has offices across 40 countries in the world with significant presence across 26 African countries, buying crops from thousands of smallholder farmers without intermediaries and connecting them to global commodity markets, thereby contributing to sustainable employment and income security for local farmers as well as global food security. In addition, ETG provides smallholder farmers with training, agricultural expertise, farming equipment and farming inputs. The proceeds of AATIF’s facility will be used by ETG as long-term working capital for the export of crops and import of fertilizers as well as the financing of capital expenditures related to processing plants and warehouses.

Recent Developments

Project: No material news.

S&E: No material news.

TA: The TA Facility Manager is preparing a Rapid Appraisal to evaluate the impact of AATIF’s investment into ETG.

Guaranty Trust Bank (“GTB”)



Country:	Nigeria
Type of investment:	financial institution
Outstanding AATIF investment:	USD 20 mn
Financial close:	December 2016
Maturity:	7 years

Project Description

As part of a 7 year syndicated loan facility, AATIF granted a loan to GT Bank Nigeria in an amount of USD 20mn the capital of which is earmarked for granting loans to Nigerian borrowers active in the agricultural value chain. GT Bank is Nigeria’s fourth largest financial institution by total assets with a market share of around 8-10% while it is one of the most advanced lenders from a technology standpoint. It started its activities in 1990 and currently employs more than 3,000 staff across Nigeria.

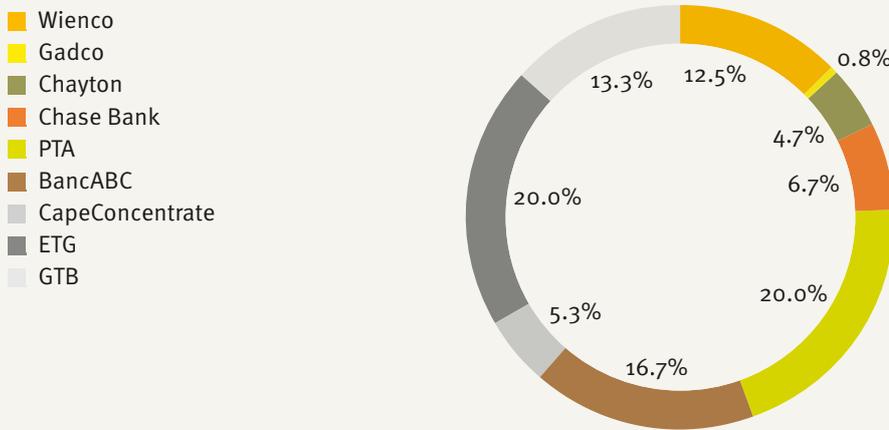
Recent Developments

Project: In February 2017, GT Bank won a Euromoney Private Banking Award for ‘Best Private Banking Services, Best Commercial Banking Capabilities & Best Net-worth Specific Services in Africa’.

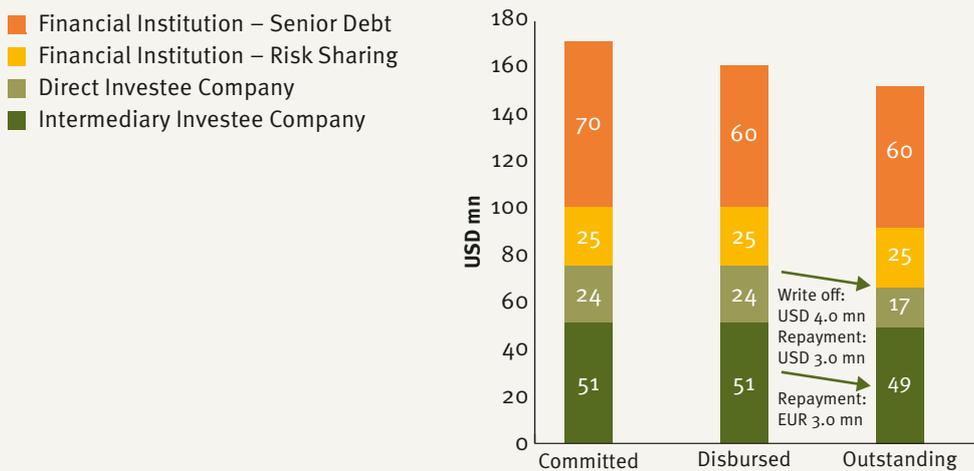
S&E: GTB started the implementation of the bank’s SEMS as foreseen in Q1 2017. The Compliance Advisor held an initial feedback call with the bank’s S&E team and established direct S&E communications between GTB-DEG-AATIF.

TA: Currently no TA projects in discussion.

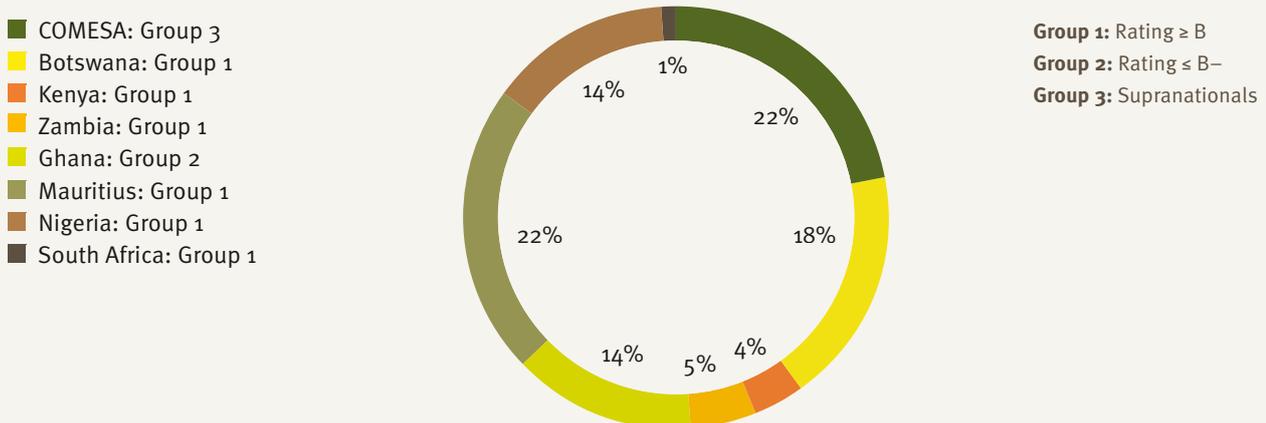
Portfolio Composition by Partner Institution (Outstanding)



Portfolio Composition by type of Partner Institution



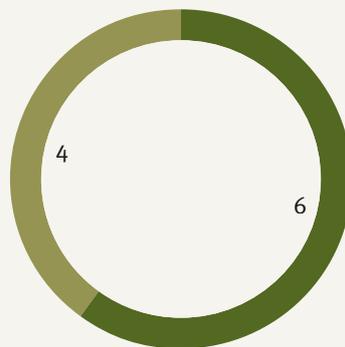
Portfolio Composition by Country Groups (Outstanding)



Group 1: Rating ≥ B
Group 2: Rating ≤ B-
Group 3: Supranationals

Portfolio Composition by LDC and Sub-Saharan Countries

- Sub-Sahara
- Sub-Sahara/LDC*



* 2 direct investments (Zambia, Sierra Leone), 2 investments onlending in LDC (PTA & BancABC)

LDC: Least Developed Countries

Undrawn commitments



- KfW on behalf of BMZ
- Deutsche Bank
- KfW
- Private sector investors
- CFC
- OeEB

NAV as at 31/03/2017



- KfW on behalf of BMZ
- Deutsche Bank
- KfW
- Private sector investors
- CFC
- OeEB

Partners and Key Investors



Implemented by:

KFW



UN
environment



CeEB

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Africa Agriculture and Trade Investment Fund

31 Z.A. Bourmicht
L-8070 Bertrange
Grand Duchy of Luxembourg
www.aatif.lu
info@aatif.lu