



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

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: In Q2 2016, Chobe harvested its soy and maize crop according to crop plan, while subsequently planting wheat. Accounting for the upcoming election in August Chobe reduced its maize crop almost to zero in favour of soy. Yields of the soy crop came in above expectations despite the drought affecting Southern Africa. The hecterage on the AATIF supported Chobe farm for the upcoming wheat winter crop though is significantly reduced to 550ha in anticipation of dam water levels allowing for a limited irrigation only. To diversify, Chobe has commenced to also grow barley (80ha).

S&E: The Compliance Advisor monitored community involvement on a sister farm of Chobe Agrivision in the Mpongwe Farm Block in the Copperbelt.

TA: TA Facility Manager and Compliance Advisor have developed a project to assist Chobe in mitigating increasingly observed alcohol abuse amongst farm workers, which foresees the implementation of long term corrective measures that will create awareness and trigger social actions through the farm worker community. For that purpose, a contract with a local expert consultant has been signed in June 2016. The team will commence work on the ground in early July.

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 chief financial officer who started in early June 2016.

S&E: GADCO has continued working to update S&E related policies, a process that started in Q1 2016.

Balmed Holdings Ltd. (“Balmed”)



Country:	Sierra Leone
Type of investment:	coffee & cocoa trader
Outstanding AATIF investment:	USD 0.3mn
Financial close:	December 2013
Maturity:	5 years

Project Description

In December 2013, AATIF entered into a USD 1mn trade finance agreement with Balmed, a Sierra Leonean cocoa and coffee trading company. Balmed started out as a trader of cocoa and coffee in 2004, eventually moving upstream by establishing a blockfarming model to secure future supply of cocoa. A first tranche of USD 250,000 has been disbursed in December 2013 and has been used to strengthen Balmed’s trading business.

Recent Developments

Project: In Q2 2016, Balmed entered into a strategic partnership with an impact investor which is focusing i.a. on sustainable renewable agro-forestry systems across the African continent. The partnership is entered for a mutual benefit. Balmed is providing training on its block-farming model concept while in return receiving market based funding to start refurbishing its processing facilities. Balmed targets to process the first produce coming from Balmed supported blockfarmer in Q3 and Q4 2016. The partnership is helping Balmed to bridge the time until additional funding, especially in the form of grants can be secured. A selection of financial beneficiaries under the World Bank initiated post Ebola grantfunding program is currently expected only for end of Q3 2016.



Wienco (Ghana) Ltd.



Country:	Ghana
Type of investment:	intermediary input supplier
Outstanding AATIF investment:	EUR 11mn and USD 6mn
Financial close:	October 2013
Maturity:	3 years

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: Based on the experience Wienco and the larger RMG Group (holding company of Wienco) have gathered in working with smallholders in Ghana, RMG has been selected to roll out a soy and maize out-grower scheme in Côte D'Ivoire in cooperation with Unilever and the Clinton Giustra Enterprise Partnership. The project targets to provide 12,000 smallholders with inputs and training over a period of five years. While RMG will be responsible for recruiting and training of the farmers as well as the provision of inputs, Unilever will act as off-taker for the soy oil transformed by RMG from the soy beans produced by the smallholders.

S&E: In Q2 2016, the S&E coordinator, in collaboration with Cocoa Abrabopa and Masara's management, updated the S&E action plan time frame for implementation, particularly for the measures that are considered priority.

TA: The Wienco investment has been selected to undergo a comprehensive impact evaluation. The scoping mission for this evaluation to Ghana took place in January 2016. Currently the questionnaire for the baseline evaluation is being elaborated. The field testing of this questionnaire is expected to take place in early August with the proper baseline evaluation to commence in September 2016.

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 and the Business Rescue Practitioner consequently applying for provisional liquidation at the end of the last quarter, the company was first put in provisional liquidation in January and then in final liquidation in March 2016. During the second quarter of this year 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.

S&E: Due to the company's current situation, the outstanding S&E report has been suspended and any other S&E activity has come to a halt.

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: In May 2016, PTA signed a memorandum of understanding with Ethiopia's Ministry of Foreign Affairs for the establishment of a regional PTA office in Addis Ababa. During PTA's annual meeting which took place in May 2016, Mr Claver Gatete, Rwanda's Minister of Finance and Economic Planning, has been appointed as new Chairperson of PTA's Board of Governors.

S&E: The Compliance Advisor supported the consultant undertaking the rapid appraisal of the Tanganda Tea Company in Zimbabwe.

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. Respective baseline data was collected by an external consultant in Zimbabwe in April 2016. The subsequent baseline study will be available in July 2016.

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 on 20 April 2016 who ensured operational continuity of Chase Bank. CBK declared on 20 April 2016 that CBK and KCB will ensure that Chase Bank will have adequate liquidity for its operations and KCB will make available a management team that will assist in the receivership. Chase Bank's branches re-opened on 27 April 2016, allowing for withdrawal of deposits up to KES 1,000,000 (approx. USD 10k). On 13 May 2016, Chase Bank resumed operations of services such as real time gross settlements, electronic funds transfers, agency banking, trade finance, foreign exchange and cheques clearance. 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 activities have been delayed.

TA: Due to the bank's current situation, all scheduled TA Facility activities have been put on hold.

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 Q2 2016, BancABC focused on progressing with the takeover of Finance Bank of Zambia (FBZ) which was first announced in November 2015. BancABC's shareholder Atlas Mara who is fronting the transaction has concluded the acquisition of Finance Bank Zambia Ltd and its subsidiaries now. Finance Bank Zambia will be combined with BancABC Zambia Ltd. The merged Zambia operations will be one of the largest in terms of branch footprint in Zambia, with the number of branches increasing to 65 branches from 23 branches and a total of 176 ATMs. Highlighting the importance of risk management, former Standard Chartered Bank Africa chief risk officer Benjamin Dabrah has been appointed as managing director of FBZ.

S&E: In Q2 2016, the Compliance Advisor worked with BancABC to assess an agricultural sub-loan to establish its eligibility for the AATIF risk sharing facility. In addition, the bank initiated the recruitment process of a dedicated sustainability manager.

TA: A TA Facility financed consultant commenced work in December 2015 to upgrade BancABC's existing social and environmental monitoring structure into a fully fledged social and environmental management system and to develop a S&E training strategy. Next to this ongoing project, the TA Facility Manager is in discussion with BancABC on possible TA measures to improve the capacity of bank staff in agricultural lending.

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.

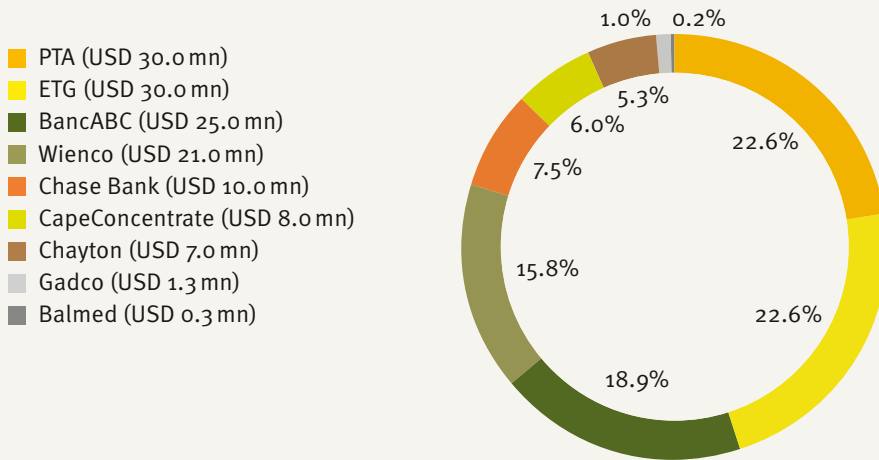
Recent Developments

Project: ETG used the AATIF financing for the import of fertilisers (approx. 27k t of urea) and the export of crops (approx. 17k t of green gram pulses and sesame seeds).

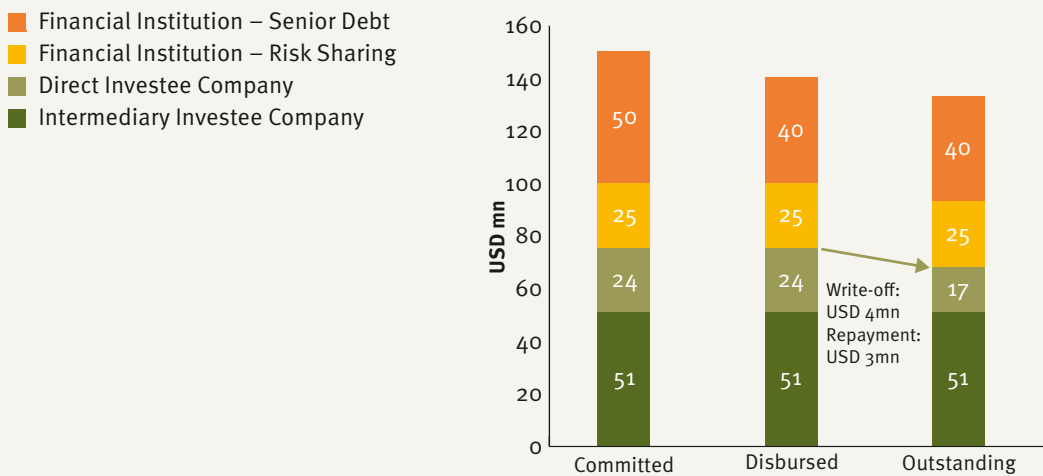
S&E: ETG has continued working to develop the company's social and environmental capacity building strategy with support from the Compliance Advisor.

TA: The TA Facility Manager has commenced a dialogue on possible TA Measures for ETG.

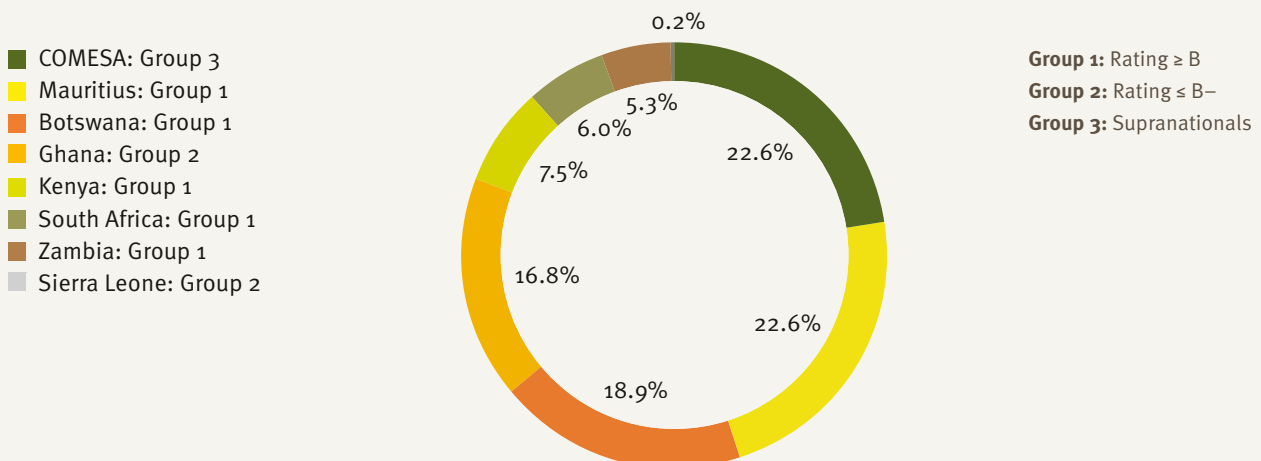
Portfolio Composition by Partner Institution (Outstanding)



Portfolio Composition by type of Partner Institution

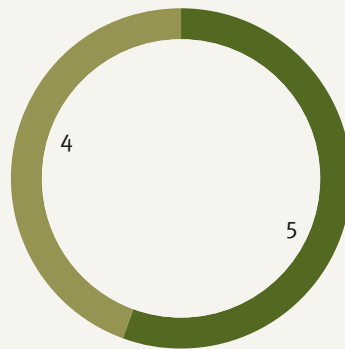


Portfolio Composition by Country Groups (Outstanding)



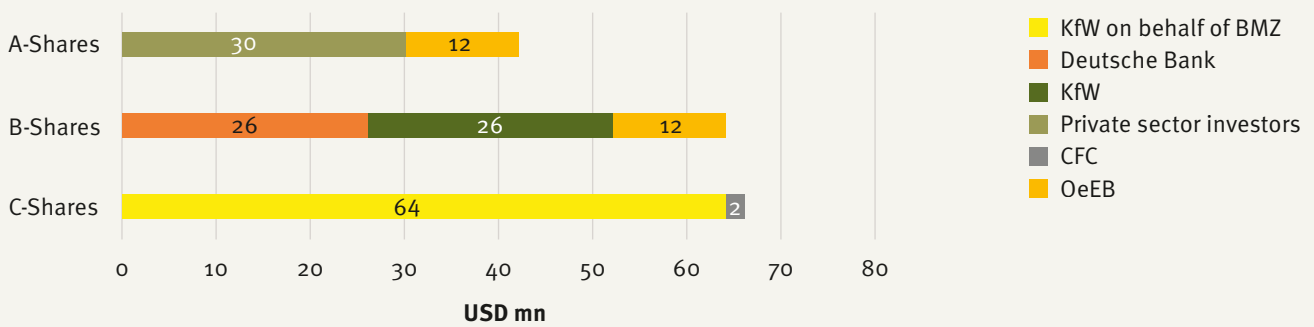
Portfolio Composition by LDC and Sub-Saharan Countries

- Sub-Sahara
- Sub-Sahara/LDC

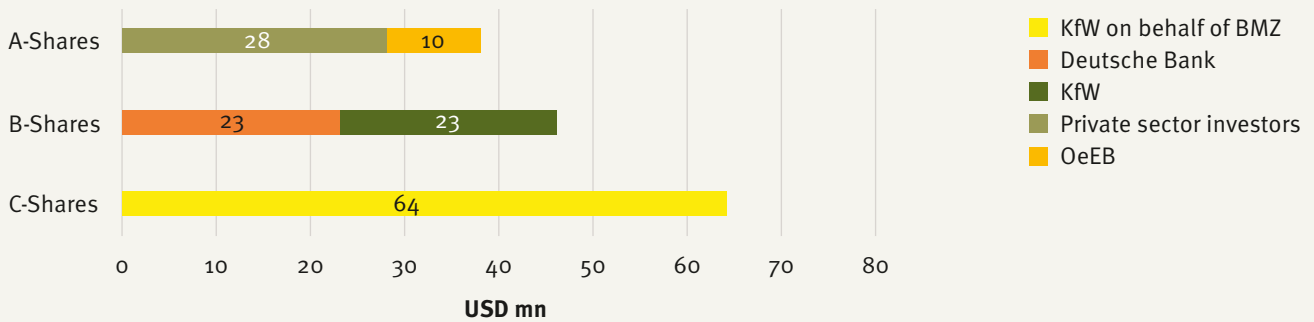


LDC: Least Developed Country as defined by the United Nations

Commitments



Subscriptions



Partners and Investors



Implemented by:

KFW



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