



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: A bumper harvest of soy in terms of yield and off-take price allowed the Agrivision group to achieve a bottom line profit for the first half of 2016. In Q3, Agrivision continued to further its value chain integration by continuing to test new bread and biscuit mixes for both the Zambian and the Democratic Republic of Congo market. The wintercrop including 550ha of wheat and 80ha of barely on the Mkushi Estates and 2800ha of wheat on the Somawhe Estates have been planted with growth progress meeting expectations.

S&E: The Compliance Advisor backstopped the implementation of a TA measure to tackle alcohol abuse (see below) and monitored land-related community issues near the Chobe farm in Mkushi.

TA: The 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, the TA Facility contracted a team of local expert consultants who developed and introduced an action plan and measures against the abuse of alcohol, in a joint effort with the farm management and the community. The project is scheduled for completion in October 2016.

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 been finalising the harvest started in March/April 2016.

S&E: GADCO continued working to update S&E related policies.

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

Due to the Ebola outbreak and Balmed's subsequent operational challenges, AATIF decided to waive the payments due under the facility agreement until there is more clarity around Balmed's future. Balmed seeks donor funding in order to recapitalize itself and fully restart operations. Based on this, the loan to Balmed continued to show up as investment under the AATIF portfolio though it has been fully written off.



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 + extension until 2017

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: For the ongoing season Wienco was able to register 13,100 cocoa farmers, 3,700 cotton farmers and 8,900 maize farmers. Currently maize farmers are starting harvesting of the major season, cotton farmers are getting ready for the harvesting season in November and cocoa farmers have just started the main harvesting season expecting it to end in March.

S&E: In line with Wienco's S&E Action Plan, the Cocoa Abrabopa Association updated the list of permissible work in cocoa farming for children of different ages, in order to prevent child labour.

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. The data collection for baseline evaluation of the Wienco cocoa outgrower scheme took place in September 2016. The baseline data collection for the Wienco maize outgrower scheme is scheduled for December 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 the company was put in provisional liquidation in January and then in final liquidation in March 2016. During the third 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. The liquidators are currently setting up an Liquidation and Distribution account to be able to effect payments to creditors.

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 October 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 cheque clearance. After Chase Bank has stabilized its operations KCB is no longer involved in its day-to-day management. 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: 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 Zambia BancABC has made positive progress on the integration of the recently acquired Finance Bank Zambia. Customers are being migrated to a single IT platform. In addition BancABC has started to roll-out a Farmers Input Support Program in conjunction with the Zambian government, which seeks to improve the financial inclusion amongst Zambia farmers by offering them access to financial services. Farmer registrations for the program are currently underway.

S&E: In Q3 2016, BancABC, with support from a consultant, finalized a trainings needs assessment and strategy for implementing an improved social and environmental management system. The bank has continued to collaborate with the Compliance Advisor to identify eligible agricultural sub-loans.

TA: A TA Facility financed consultant continues to assist BancABC to upgrade its 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

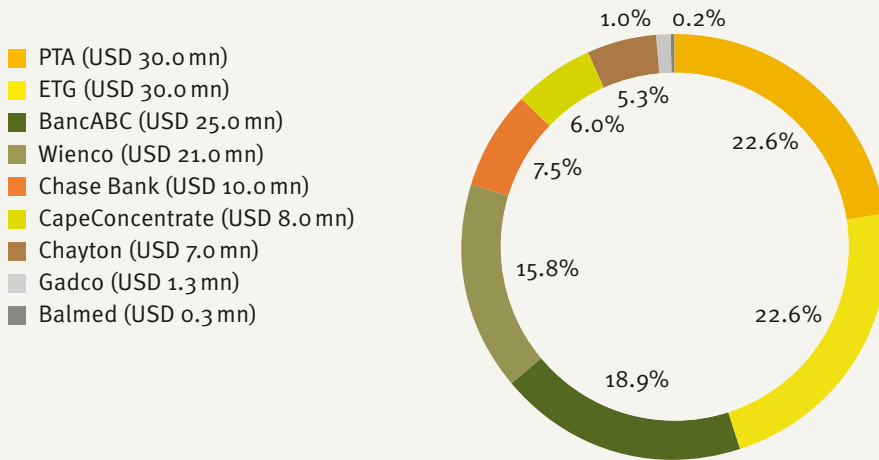
In November 2015, AATIF entered into a USD 30mn facility agreement with Export Trading Group (“ETG”), a Pan-African integrated trading and processing company specialized in end-to-end agricultural supply chain management and headquartered in Mauritius. The objective of the facility is to support the 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

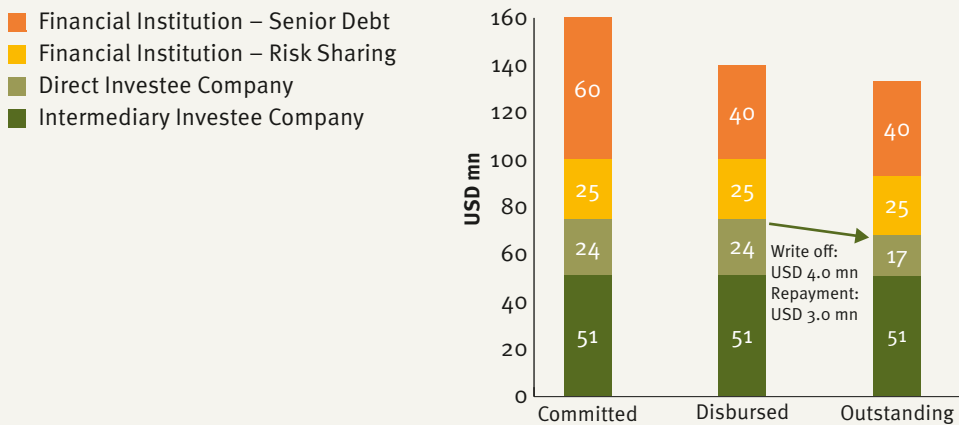
S&E: In Q3 2016, ETG held a workshop to train the social and environmental coordinators from various country operations across Africa. The deputy CEO attended the meeting and reiterated the company’s commitment to improving S&E management.

TA: The TA Facility Manager is in a dialogue with ETG on possible TA Measures.

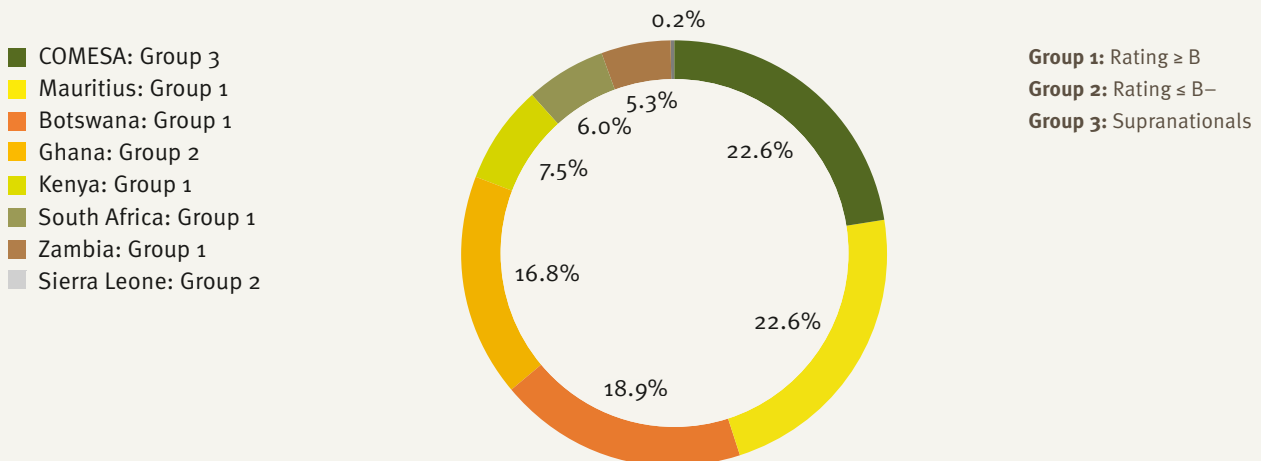
Portfolio Composition by Partner Institution (Outstanding)



Portfolio Composition by type of Partner Institution

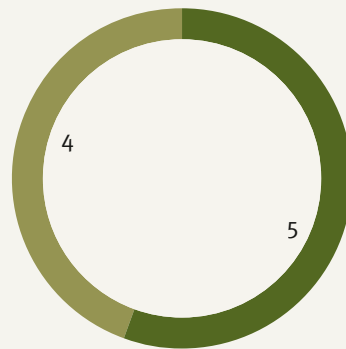


Portfolio Composition by Country Groups (Outstanding)



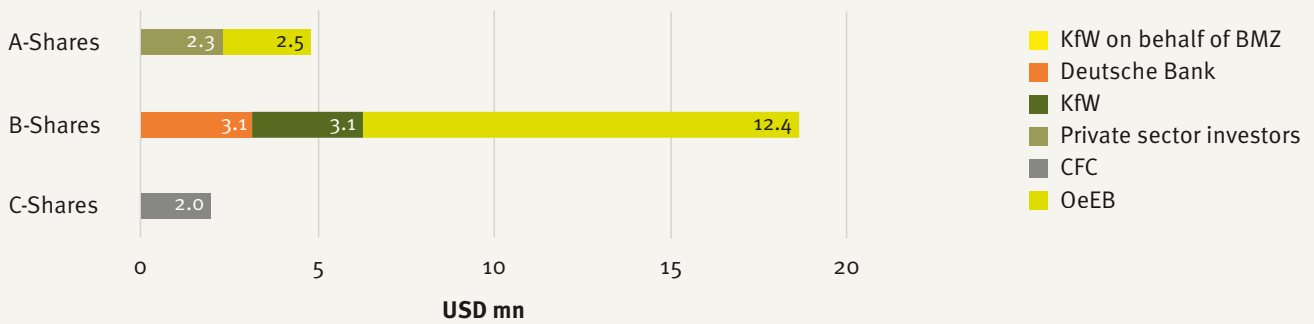
Portfolio Composition by LDC and Sub-Saharan Countries

- Sub-Sahara
- Sub-Sahara/LDC

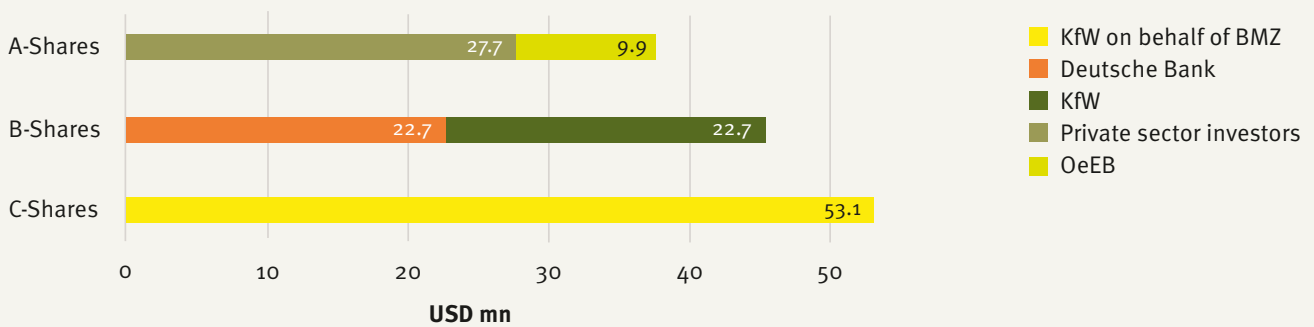


LDC: Least Developed Country as defined by the United Nations

Undrawn commitments



NAV as at 30/09/2016



Partners and Key Investors



Implemented by:

KFW



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