



## AATIF Investment Updates

### Chobe Agrivision Company



Country:	Zambia
Type of investment:	wheat and soy farm
AATIF investment size:	USD 10mn
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 by increasing its operational capacities and thus enable it to contribute to regional food security.

#### Recent Developments

**Project:** Low and late rainfalls have had a severe impact on Zambia's overall agricultural production and also present a challenge for Chobe's upcoming planting season.

**S&E:** The Compliance Advisor continued monitoring community involvement and salary development of employees on a sister farm of Chobe Agrivision in the Mpongwe Farm Block in the Copperbelt.

**TA:** The TA project to rehabilitate the nearby Katuba village school and the procurement of a school bus for transport of children from the farm has been successfully completed. A final review will assess the quality of education provided, infrastructure maintenance and school meals offered, amongst others. Results are expected in Q2 2015.

### Global Agri-Development Company (Ghana) Ltd. ("GADCO")



Country:	Ghana
Type of investment:	rice farm
AATIF investment size:	USD 5.3mn
Financial close:	June 2012
Maturity:	5 years

#### Project Description

In June 2012, AATIF closed its second transaction and provided a loan of USD 5mn (increased to USD 5.3mn in August 2014) to GADCO, a Ghanaian rice producer. AATIF supports GADCO's move into food processing, through a state of the art rice mill, allowing GADCO and the smallholder farmers it works with to develop an integrated value chain.

#### Recent Developments

**Project:** GADCO has started to prepare for the next rice season and has provided inputs to its smallholders. A reorganization at company level has started.

**S&E:** The Compliance Advisor worked jointly with the company and the IM to update the S&E framework including reporting formats for GADCO.

### Wienco (Ghana) Ltd.



Country:	Ghana
Type of investment:	intermediary input supplier
AATIF investment size:	USD 20mn
Financial close:	October 2013
Maturity:	5 years

#### Project Description

In October 2013 AATIF disbursed a USD 20mn senior debt loan to Wienco (Ghana) Ltd. (“WGL”), a Ghanaian intermediary company. Wienco provides fertilizer and agro-chemicals as well as training in input application methods and business skills to up to 33,300 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:** Wienco has integrated the cotton out-grower scheme in the Masara N’Arziki maize scheme, which will allow farmers to increase their intercropping activities. In addition to maize and cotton, farmers will be able to receive inputs for soy and sorghum.  
**S&E:** Wienco has updated its S&E Action Plan and appointed a dedicated person in charge of its implementation. In addition, Wienco started work on preparing and carrying out a social and environmental questionnaire which can become the company’s regular S&E tracking tool.  
**TA:** After an open international bidding process for an in depth Impact Evaluation, contract negotiations are currently ongoing with the winning proponent, the Center for Evaluation (“CEVAL”) of Saarland University. The work is expected to start in summer 2015.

### Balmed Holdings Ltd. (“Balmed”)



Country:	Sierra Leone
Type of investment:	coffee & cocoa trader
AATIF investment size:	USD 0.25mn
Financial close:	December 2013
Maturity:	5 years

#### Project Description

In December 2013, AATIF entered into a USD 1mn revolving 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 as the basis to secure market access for cocoa farmers.

#### Recent Developments

**Project:** While the Ebola situation has improved substantially, Sierra Leone continued to report up to 33 new cases in the week of the 22nd of March. Company operations therefore have not yet resumed.

### Cape Concentrate Ltd.



Country:	South Africa
Type of investment:	tomato processing
AATIF investment size:	USD 8mn
Financial close:	August 17th, 2014
Maturity:	5 years

#### Project Description

On August 17th 2014, AATIF signed a USD 8mn facility agreement with Cape Concentrate, a South African agro processing company which started its operations in 2010. Cape Concentrate specializes in the processing of tomatoes into tomato paste, which is currently supporting the local market and serves as an import substitute. Due to adverse weather effects and failure of securing sufficient tomato supply, Cape Concentrate was placed under business rescue in May 2013 under Chapter 6 of the Companies Act 71 of 2008. The company’s business rescue practitioner, in consultation with AATIF, has developed a business rescue plan which provides for the complete restructuring of the business including new experienced management.

#### Recent Developments

**Project:** In Q1 2015, Cape Concentrate successfully 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 for sale in the domestic market.  
**S&E:** Cape Concentrate elaborated further its Social and Environmental Management and Monitoring Plan.  
**TA:** Two TA projects have been approved. One intervention will co-finance the employment of an experienced Agricultural Supply Chain Manager, who will be responsible for sourcing raw material and for logistics of Cape Concentrates’ operations. The second intervention will, provide funding for Cape Concentrate to maintain six key trained employees for the processing plant during off-season between May and October 2015, when no tomato processing takes place. For both projects contracts are currently being negotiated.

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



Country:	Supranational
Type of investment:	financial institution
AATIF investment size:	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 will be used by PTA Bank to expand its agricultural lending activities.

## Recent Developments

**Project:** The European Investment Bank and PTA Bank launched a EUR 160mn lending initiative to support investment across eastern and southern Africa. Under the new initiative agribusiness, energy, manufacturing and service sector companies will be able to access loans in a range of local and foreign currencies.

**S&E:** PTA has continued working to improve its Social and Environmental Management System (SEMS). As part of the SEMS revision process that commenced in November 2014, the bank drafted tools for data collection on development indicators to track the S&E performance of PTA's investments.

**TA:** On the basis of the developed Agri Sector Strategy which was supported through the AATIF TA Facility, PTA has approached the TA Facility to discuss possible new TA Measures to operationalize the strategy.

## Chase Bank (Kenya) Limited ("Chase Bank")



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

## Project Description

In October 2012, Chase Bank, a privately owned Kenyan financial group, 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:** Chase Bank and John Deere established a partnership to offer improved access to credit to customers who intend to acquire John Deere equipment.

**S&E:** Chase Bank is working to further improve the new Social and Environmental Management System (SEMS) based on the feedback received from the agribusiness team, credit approvers, the Compliance Advisor and DEG. The bank included general S&E loan covenants in the client's loan agreements and agreed to use specific covenants on a case by case basis. In addition, the bank started to periodically conduct S&E trainings for staff. Furthermore, the bank is collaborating with the CA to undertake a survey to assess the effectiveness of its S&E appraisal for agricultural loans below USD 100k.

## BancABC



Country:	East Africa (Mozambique, Tanzania, Zambia, Zimbabwe & Botswana)
Type of investment:	financial institution
AATIF investment size:	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 risk sharing will allow BancABC to increasingly step into transactions along the entire agricultural value chain and extend their maturities.

## Recent Developments

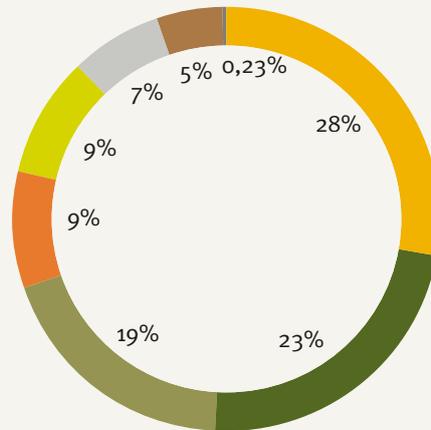
**Project:** Atlas Mara Co-Nvest Ltd, a London Stock Exchange listed investment company backed by the former Barclays CEO Bob Diamond, acquired a 98.7% shareholding of BancABC. This transaction includes the injection of USD 100mn, further improving the bank's funding base.

**S&E:** BancABC revised its Environmental and Social Risks Policy and Procedures in line with recommendations made by the Compliance Advisor. The bank has committed to hire a group coordinator for S&E issues, who will be in charge of overseeing the Social and Environmental Management System (SEMS) implementation and coordinate with the head of credit in country offices.

**TA:** The TA Facility Manager and Compliance Advisor are in discussion with BancABC to provide assistance to upgrade existing Social and Environmental monitoring structures into a full-fledged SEMS and develop and S&E training strategy.

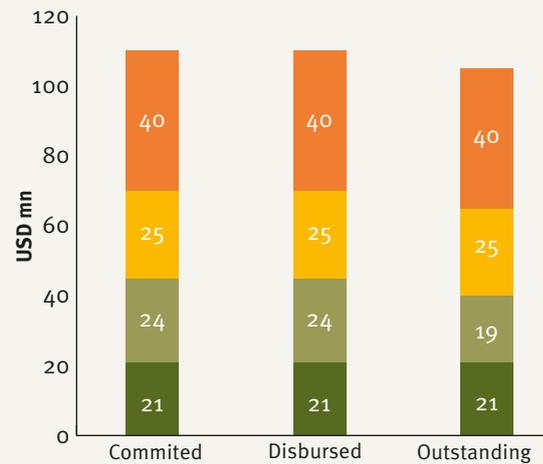
**Portfolio Composition by Partner Institution**

- PTA (USD 30mn)
- BancABC (USD 25mn)
- Wienco (USD 21mn)
- Chase Bank (USD 10mn)
- Chayton (USD 10mn)
- CapeConcentrate (USD 8mn)
- Gadco (USD 5,3mn)
- Balmed (USD 0,25mn)



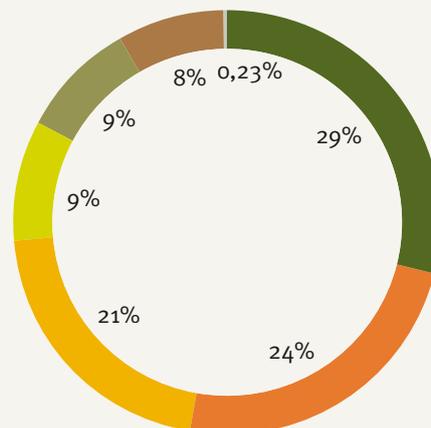
**Portfolio Composition by type of Partner Institution**

- Financial Institution – Senior Debt
- Financial Institution – Risk Sharing
- Direct Investee Company
- Intermediary Investee Company



**Portfolio Composition by Country Groups**

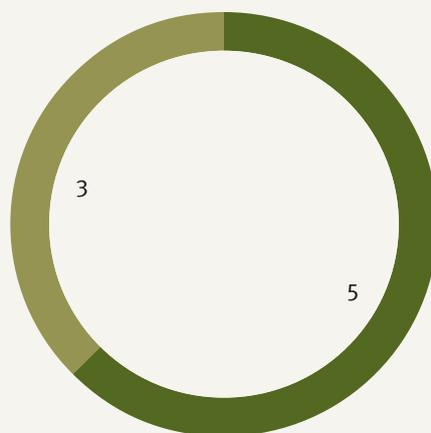
- COMESA: Group 3
- Botswana: Group 1
- Ghana: Group 1
- Kenya: Group 1
- Zambia: Group 1
- South Africa: Group 1
- Sierra Leone: Group 2



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

### Portfolio Composition by LDC and Sub-Saharan Countries

- Sub-Sahara
- Sub-Sahara/LDC



**LDC:** Least Developed Country as defined by the United Nations

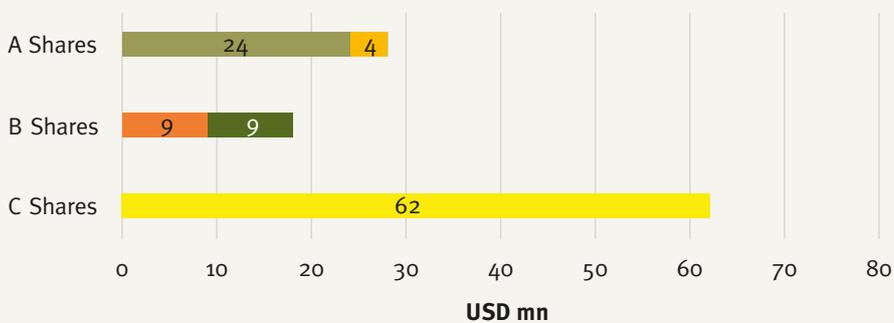
### Commitments



- KfW on behalf of BMZ
- KfW
- Deutsche Bank
- Private sector investors (EUR tranche)
- Private sector investors (USD tranche)
- CFC

**Total A Share Investors:**  
 USD 28mn (USD 4mn, EUR 18mn, EUR amount converted at FX rates of 1.30 to 1.33)

### Subscriptions



- KfW on behalf of BMZ
- KfW
- Deutsche Bank
- Private sector investors (EUR tranche)
- Private sector investors (USD tranche)

**Total A Share Investors:**  
 USD 28mn (USD 4mn, EUR 18mn, EUR amount converted at FX rates of 1.30 to 1.33)

## Partners and Investors



Implemented by:

**KFW**



## Disclaimer

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## Imprint

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