



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 supports the growth of Chobe's farming operations and thus enables it to contribute to regional food security.

Recent Developments

Project: On June 19, IFC, a member of the World Bank Group, announced a USD 20mn equity investment in Agrivision Africa (formerly Chayton), to support its USD 30mn expansion program. The IFC investment supports modernization of existing grain production operations, helping expand the agricultural and food processing industry in Zambia.

S&E: Chobe Agrivision has continued its efforts to improve the management of S&E impacts and report on progress and challenges in its annual social and environmental monitoring report which was submitted in May. Furthermore, the company is restructuring its management, including S&E roles. As a result, a CSR Manager was hired and an ESG manager will be recruited before the end of the year.

TA: An external terminal review of the TA project to rehabilitate the nearby Katuba village school has been completed. Preliminary results are that the school has been rehabilitated in a satisfactory manner and that the purchased school bus is fully operational. As a direct result of the intervention the quality of educational service provided has improved and the number of school children and their attendance rate has increased.

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 provided a loan of USD 5mn (increased to USD 5.3mn in August 2014) to GADCO, a Ghanaian rice producer. AATIF financed a state of the art 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 2014/15.

Recent Developments

Project: GADCO’s reorganization (announced in the Q1 report) was still ongoing in the second quarter. 513 outgrowers have participated in the scheme in the first season of 2015 on a surface of 538 ha. On the nucleus farm approx. 85 ha of rice were planted.

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 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: As reported in March, Wienco has integrated the cotton outgrower scheme in the Masara N’Arziki maize scheme, to allow farmers to increase their intercropping activities. In July 2015 the Masara N’Arziki scheme elected its first woman chair, Madam Kate Salia, to spearhead the association’s affairs. Kate Salia has been with the association for 4 years in northeastern Ghana and has been actively involved in the association’s welfare. The decision affirms the deepening participation of women in the country’s farming activities.

S&E: The compliance advisor has been supporting the contracting process for the impact evaluation (See below).

TA: Contract negotiations with the winning proponent for the in depth impact evaluation are ongoing. The assignment is scheduled to commence in Q4 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 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 2015, after the Ebola situation improved, AATIF undertook an on-site review of the Balmed business model. After more than a year of no cocoa processing and trading, Balmed’s infrastructure requires rehabilitation and operations require a fresh start. In order to help the company get back on its feet, grant funding is most appropriate. Balmed and AATIF have agreed to suspend further disbursements of the AATIF loan.

TA: A consultant undertook a mission to Sierra Leone in May 2015 with the limited assignment to verify the trading business potential projection provided by Balmed.

S&E: Due to dormant business activities, no S&E activities took place.

Cape Concentrate Ltd.



Country:	South Africa
Type of investment:	tomato processing
AATIF investment size:	USD 8mn
Financial close:	August 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, 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.

Recent Developments

Project: During the second quarter of this year, Cape Concentrate produced high quality 28Brix as well as 36Brix tomato paste, albeit lower quantities than expected due to lacking supply. The majority of the paste has been sold to well-known South African off-takers. Securing sufficient tomato supply for the next growing season will be a major challenge.

TA: The TA Facility financed an expert to complement the new Cape Concentrate management team with senior management expertise on financing, operational issues and providing guidance on strategic issues. The consultant commenced his work at Cape Concentrate in early June.

S&E: Cape Concentrate was working to update its S&E action plan, which will be submitted as part of the annual S&E report.

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 is being used by PTA Bank to expand its agricultural lending activities.

Recent Developments

Project: PTA Bank's operations have not been adversely affected by the political situation in Burundi where its headquarters are located. PTA Bank's exposure in Burundi represents below 1% of the bank's total loans and investments.

S&E: Since November 2014, PTA Bank has been working with a consultant to revise their social and environmental management system ("SEMS"). The revision process has been finalized and the final draft of the SEMS is to be approved by the board of PTA Bank in Q3 2015.

TA: The TA Facility Manager continues discussion of possible new TA Measures to operationalise PTA's agriculture sector strategy which was developed with support through the AATIF TA Facility.

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 successfully issued in June under its KES 10bn medium term note programme a first tranche of KES 3bn which was significantly oversubscribed by approx. 160%. The coupon is 13.25% and proceeds will be used to finance expansion of the branch network, investment in IT and product development initiatives.

S&E: With the purpose of assessing the effectiveness of Chase Bank's S&E appraisal for agricultural loans below USD 100k, the compliance advisor submitted a call for proposals to undertake a baseline survey. A Kenyan research partner was selected at the end of June, the data collection will take place during Q3 2015.

TA: The TA Facility had already financed agricultural value chain analyses to assess the market potential and promising financial products for various sectors in 2013. Talks are continuing to identify additional value chains to be analyzed for a further expansion of Chase Bank's engagement in agricultural retail lending.

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 facility will allow BancABC to increasingly step into transactions along the entire agricultural value chain and extend their maturities.

Recent Developments

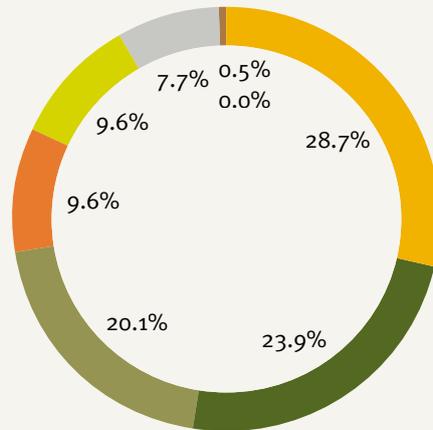
Project: Atlas Mara Co-Nvest Ltd ("Atlas Mara"), a London Stock Exchange listed investment company, which currently holds 98.7% shareholding of BancABC, is finalizing its take over the remaining 1.3% of shares. Atlas Mara completed the injection of the remaining USD 80 million of the USD 100 million commitment made to invest in BancABC in connection with its 2014 acquisition of BancABC. These funds have been deployed to support the operating banks' capital and liquidity positions and to execute various strategic growth objectives. BancABC shares were de-listed from both the Zimbabwe and Botswana stock exchanges.

S&E: The bank drafted and submitted an action plan based on the recommendations made by the Compliance Advisor. This plan will underpin the process of developing BancABC's environmental and social risks policy and procedures into a S&E management system.

TA: The TA Facility Manager and Compliance Advisor are currently selecting an expert consultant to provide BancABC with assistance to upgrade existing social and environmental monitoring structures into a full-fledged SEMS and develop a S&E training strategy.

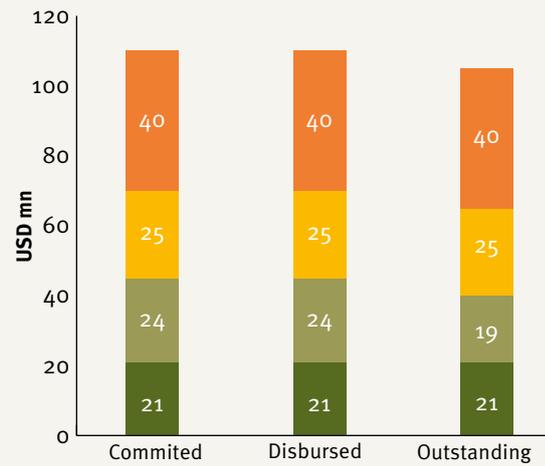
Portfolio Composition by Partner Institution

- PTA (USD 30.0mn)
- BancABC (USD 25.0mn)
- Wienco (USD 21.0mn)
- Chase Bank (USD 10.0mn)
- Chayton (USD 10.0mn)
- CapeConcentrate (USD 8.0mn)
- Gadco (USD 0.5mn)
- Balmed (USD 0.0mn)



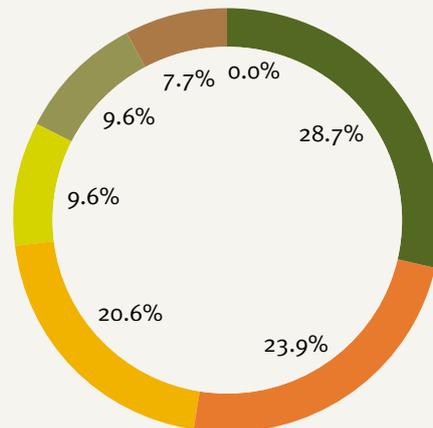
Portfolio Composition by type of Partner Institution

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



Portfolio Composition by Country Groups

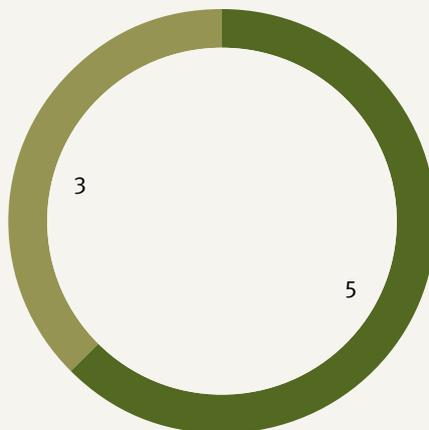
- COMESA: Group 3
- Botswana: Group 1
- Ghana: Group 1
- Kenya: Group 1
- Zambia: Group 1
- South Africa: Group 1
- Sierra Leone: Group 2



- 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

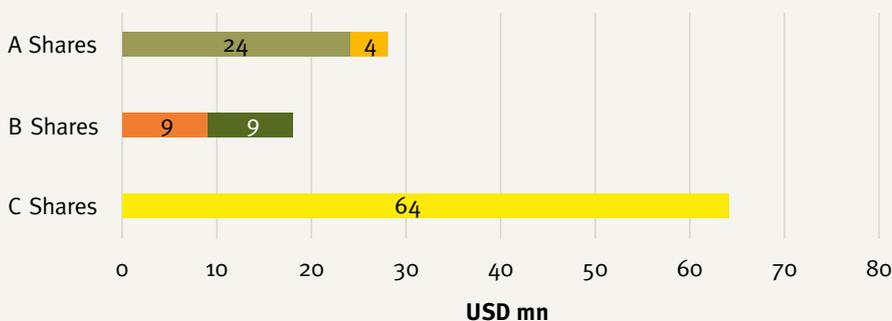
Commitments



- 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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