



AGRIQUE AFRICA INVESTMENT SUMMIT

17-18 November

2015

VENUE: WORLD TRADE CENTRE, ACCRA - GHANA



**WELCOME 2
AFRICA**



POST SUMMIT REPORT

INTRODUCTION

The Agrique Africa Investment Summit, held at the World Trade Center in Accra, was a unique initiative initiated, and organized by Welcome2Africa.

The summit was designed to explore ways by which Agriculture - the mainstay of most economies in Africa and Agribusiness can be used as the drivers to power socio-economic development.

The two-day Summit, held on the 17th to 18th of November 2015 brought together both local and international experts and members from the corporate world with knowledge in Agriculture and Agribusiness to share ideas and provide solutions to problems that have been militating against the use of Agriculture and Agribusiness as transformational tools for emerging economies.

The summit had a unique proposition of having agribusinesses from across Africa taking the center stage to present specific agricultural investment opportunities.

Though Africa has the greatest and the best potential in Agriculture and Agribusiness, the continent is unable to utilise fully this potential as it is estimated that the sub-Saharan Africa needs an annual investment of 50 billion dollars in Agriculture and Agribusiness alone to ensure agricultural systems work more productively.

With this investment, it is estimated that, Agriculture and Agribusiness in sub-Saharan Africa could potentially be worth one trillion dollars.

The two-day summit therefore sought to explore ways by which this huge potential could be exploited to the benefit of Africa and promotes socio-economic development, which could lead to sustained livelihood and economic empowerment.



SUMMIT THEME

"Showcasing Agricultural Trade and Investment Opportunities in Africa".



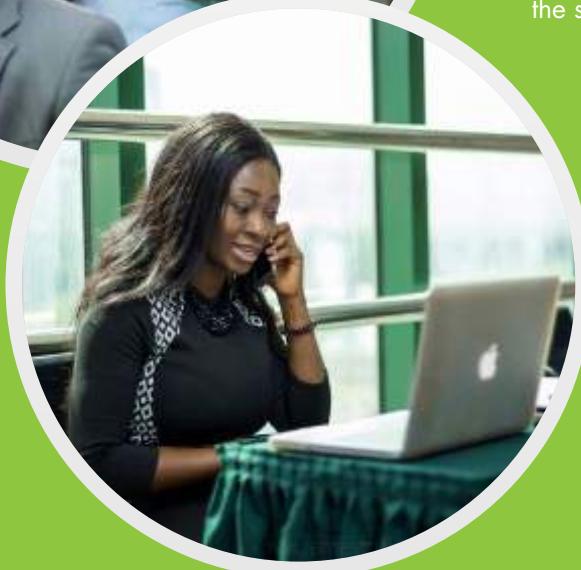
PROPOSITION

The Agrique Africa Investment Summit 2015 offered a valuable opportunity for businesses with agricultural products and services to meet with Agribusinesses, farmer associations and Agricultural leaders from across Africa and to provide an excellent opportunity for investors to view outstanding Agricultural investment opportunities.



PARTICIPANTS

The Summit brought together over 100 of Africa's leading Agricultural players, 20 seasoned speakers, including students in the sector, farmers, investors and all stakeholders to explore business opportunities in the sector.





OPENING REMARKS

Miss Bamidele Owoola, Chair of the Summit and Founder/Managing Director of Welcome2Africa welcomed participants to the ceremony. She said the summit was the first of its kind with a vision of leading initiatives to drive investments and trade into Africa with a current focus on Agriculture.

She stressed that the hosting of the summit in partnership with players in the Agriculture sector is to give the audience and stakeholders the opportunity to witness a brilliant collaboration of agribusiness and investors, a high profile networking platform for agribusiness and the opportunities available in the Africa Agricultural sector.

Miss Owoola added that, the event would be held in various countries on the continent each year to the benefit of agribusiness players in Africa.

FIRST PANEL DISCUSSION

John Amaniampong chaired the first panel session.

Mr. Amaniampong is CEO of Amass Royal Company, who are working towards becoming one of the biggest suppliers of agricultural produce in livestock and food crops in Ghana. Amass Royal Company manages crop production and livestock of over 500 acres of land and 125 out growers in the Brong Ahafo and Northern regions of Ghana.

The panel discussion was titled "The Agribusiness Growth Story, Changing Landscape or rethinking African Agricultural Sector".

MEMBERS OF THE PANEL

- Mr. Augustine Adongo, Team Leader, Market Development Programme for Northern Ghana, Tamale
- Mr. Robert Dowuona Owuo. Project Coordinator, Ghana Commodities and Exchange Commission

HIGHLIGHTS OF THE DISCUSSIONS

- Agricultural sector should be treated as a profession in order to realize its potential.
- There is the need to transform the Agricultural sector to achieve sustainable growth.
- African leaders were urged to implement Agriculture policies that drive sustainable development
- There is a huge gap between the downstream of Northern Ghana value chain and the upstream.
- Africa, especially Ghana needs to tap into these gaps and turn them into opportunities.
- There was an expression of worry about the productivity of smallholder farmers' and the need to encourage the youth to venture into agribusiness and not always rely on government.
- There was an expression of worry about how agriculture has been relegated in Africa and called for concerted efforts in addressing the menace since Agriculture is the backbone to development.



FIRST BUSINESS PRESENTATION/PITCH

PROJECT TITLE: CONSTRUCTION AND MANAGEMENT OF A 500 TON PER DAY OILSEEDS PROCESSING PLANT AND A 100 TON PER DAY OILSEEDS REFINERY IN THE GBAKO LGA, NIGER STATE BY MILLSTONES AGRIBUSINESS LTD.

Brief Summary of the Project: The Project is for the Production of Vegetable Oil and Oil Meal (from Soybean), primarily for local consumption, where a Demand Deficit of N577 Billion (\$3 Billion) for Vegetable Oil exists.

The objective is to secure \$30,000,000 for financing the Project, as 50 Hectares of land for Factory Site and 13,500 hectares of land for farms in Gbako L.G.A, Niger State has been acquired already. China National Cereals, Oils & Foodstuffs Corporation (COFCO) and PriceWaterhouseCoopers, technical partners, have been engaged as Consultants, who will Hire Management and Key Personnel. The Project will repay all facilities within 4 years with an estimated 15% return on investment.

Mr Oye Kolawole, Managing Director of Milestones Agribusiness Limited made the presentation about the operations of the company for prospective investors to come on board.

HIGHLIGHTS OF THE DISCUSSIONS

- Milestones Agribusiness Limited is located in Zaria; Nigeria and undertakes Farming, and Animal feed business activities.
- The objective of the company is to secure 30 million dollars to build a 500 MT capacity oil seeds processing plant and 100 TD vegetable oil refinery.
- The company has acquired 50 hectares for its intended factory site.
- It has an existing capital investment of 1.075 million dollars and willing to invest more.
- The Company's project has impacted on the Nigeria's population through job creation and food security. In addition, the intended project would produce 100 tons of vegetable oil daily.
- Nigeria imports 2 million dollars of vegetable oil.



Milestones welcomes investors to partner with the company for business expansion

SECOND BUSINESS PRESENTATION/PITCH

PROJECT TITLE: TILAPIA & CATFISH FARMING BY THE AQUATIC WORLD INDUSTRIES

Project Summary: The Aquatic World Industries facility is a fish farm project providing a portfolio of products and services, but currently focused on the production of caged cultured tilapia along the Volta River at Akuse.

Mr Issac Awuah Boateng, Business Development Officer of Aquatic World Industries made the presentation about the company's operations.

Aquatic World Industries Limited is a Ghanaian company that has been in operation since June 2014 and has been running 30 cages with a total production capacity of 150 tons of fish per year. The company's goal is to become the preferred choice for aquaculture development in Africa; being a leading fish farm, a major supplier of tilapia fingerlings, exporting about 60% of the processed fish and having an accredited Aquaculture Training Centre by the end of 2016.

HIGHLIGHTS OF THE PRESENTATION

The company intends achieving their goal by:

- Installing a hatchery at Akuse
- Establishing a feed plant at Akuse
- Establishing a fillet processing plant and a smoked and salted tilapia plant at Akuse
- Developing Aqua-tourism
- Developing entrepreneurial talents through training at our state of the art Aquaculture Training Centre

Aquatic World is therefore calling on investors to partner with the company because the demand for tilapia far outstrips supply, and Aquatic World has a competitive management team, high growth potential and returns on investment.



THIRD BUSINESS PRESENTATION/PITCH

PROJECT TITLE: EXPANSION OF AN EXISTING TILAPIA FARM BY FLOSELL

Project Summary: The Flosell facility is an existing Fish farm in Ghana with two production sites yielding a total of 250 tons. Flosell also has a hatchery producing 500,000 fingerlings per month serving the farm and other farms.

Flosell seeks a \$7 million investment in the form of debt and/or equity to expand its operations and establish distribution points around the country. Return on Investment is 35%, and return on capital investment is 26% with IRR reaching 36%. Project setup and installation will be 8 months, which becomes operational in 9th month.

Mr. Evans Danso, Managing Director for Flosell Aquaculture Limited Company made the presentation about the prospects of the company and the need for investors to come on board to partner with them.



HIGHLIGHTS OF THE PRESENTATION

- The company produces about 150 tonnes of table-size tilapia at their initial site at Dawhenya and about 800,000 fingerlings annually.
- Flosell, had previously employed primitive technologies which saw low survival rates for the fingerlings.
- Even though there was a yield in excess of 170,000 tilapia fingerlings fortnightly, by the time of maturity, only a harvest just about 70,000 fishes were made, registering a 60 per cent average loss.
- The company therefore harnessed an intimated capital-intensive downward spiral and during the Fourth Call for proposals by the Skills Development Fund (SDF) in January of 2014, Flosell the opportunity to present a proposal with the objective to introduce innovations that will halt this trend and spur growth.
- The company contacted Flueren & Nooijen, an expert company in the Recirculating Aquaculture System (RAS) based in the Netherlands, to set up the technology with the capacity to produce up to 1,800,000 fingerlings per month.
- Based on their technology requirements, Flosell received a GH¢486,851.84 grant from SDF and provided the mandatory counterpart funding of GH¢162,283.50 to undertake the establishment of the Recirculating Aquaculture System (RAS) to ensure constant production of healthy tilapia and fingerlings that meet international food safety standards.
- The current mortality rate is less than five per cent, and this is a huge improvement over the previous system of production; which culminated in a 60 per cent mortality rate of fingerlings.
- The company plans to increase production to 1,800,000 fingerlings by December 2015, and is calling on investors to partner with them for expansion project.

FOURTH BUSINESS PRESENTATION - DOMESTIC VALUE CREATION BY GUINNESS GHANA

Mrs. Rita Rockson made the presentation, from the Corporate Relationship Department of Guinness Ghana.



HIGHLIGHTS OF THE PRESENTATION

- Guinness Ghana Breweries is a Ghanaian Brewery listed on the stock index of the Ghana Stock Exchange, the GSE All-Share Index.
- Since December 2012, the company with its Local Raw Material Agenda which, has demonstrated its commitment to adding value into agribusiness in Ghana by the usage of local raw materials for the production of its premium brands such as Ruut Extra, Top Malt and Malta Guinness.
- She called for the need for Ghana to move from subsistence farming to farming as a business.
- The company's vision is to generate long-term business value with locally and sustainably sourced raw materials, namely sorghum, maize and cassava, which will meet world class quality standards and have a positive impact on the communities and environment in which it operates.
- The company's Local Raw Material project has impacted over 16,300 farmers and families providing a sustainable source of livelihood and expanded the revenue base whilst adding value across the chain.
- Guinness has been able to create a sustainable supply chain by establishing partnerships with farmers to develop sustainable agricultural supplies of key raw materials.
- Guinness has since invested 5 million dollars in the Ayensu Starch Company with an ambition to grow its capacity to 80 per cent by end of 2020.
- The Local Raw Material Agenda initiative has created jobs, improved housing conditions and improved the cassava value chain.



LOCAL
SOURCING
PROGRAMME

Building a Strong Economy to Improve Livelihoods

Background

Before 2012,
GGBL sourced

12%

of local raw materials for production.
The rest of the 88% were imported.

November 2012

The government of Ghana introduced a concessionary excise for breweries to use local raw materials for the production of beer and non-alcoholic beverages.

We worked on innovating and re-engineering our brands.



We created Ruut Beer using cassava as the raw material



We started using Maize in our lagers, stout and Malta



We created Top Malt using Sorghum as the raw material

2015

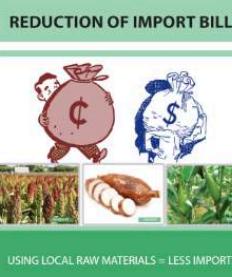
GGBL increased local inputs to

48%

By 2020

GGBL projects a local input of

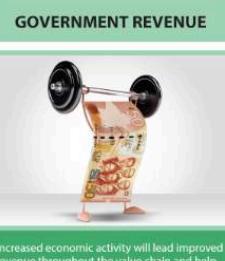
80%



USING LOCAL RAW MATERIALS = LESS IMPORTS



Local farmers now enjoy an improved standard of living, housing, improved education and health care for their families under the LRM initiatives.



Increased economic activity will lead improved revenue throughout the value chain and help the Cedi grow stronger.



In order to meet this target, GGBL is investing an additional

**GH¢
76,000,000**

over the next 3 years



SECOND PANEL DISCUSSION

Dr Yaw Osei-Asare chaired a panel discussion on the topic: "Creating Value Chains in Africa"

MEMBERS OF THE PANEL

- Mrs. Rita Rockson, Communications Manager, Guinness Ghana
- Flavio Alzueta, Chief Marketing Officer, Global Partnership for Safe and Sustainable Agriculture
- Wellington Baiden, Chief Executive Officer of Porter Forestry Estate Limited
- Daniel Asare Kyei, Managing Director, Esoko Ghana

HIGHLIGHTS OF THE DISCUSSION

To create effective value chains in Africa, the panelists made the following suggestions:

- The need for an inclusive concept in the value chain to improve the livelihood of the poor.
- It was incumbent on African farmers to add value to their products so as to be competitive in the global market.
- The need to develop social businesses, and governments must ensure long-term support for sustainable development in the value chain.
- Authorities need to be proactive and explore opportunities in the sector as well as implement ideas for efficiency.
- Esoko is a simple but powerful communications tool for businesses, government and NGOs use it to connect farmers and provide information to them. With the platform, farmers can text to a code and get an instant message about prizes of commodity in the market and have now decided to introduce voice-based services, so that farmers can listen to the messages on the phone in his or her local language.
- Investors were urged to partner with Esoko to bring all farmers on board the platform.

FOURTH BUSINESS PRESENTATION/PITCH

PROJECT TITLE: PINEAPPLE CULTIVATION AT ENSACHI, GHANA

Project Summary: The JE & F was incorporated as a limited liability company undertaking pineapple cultivation at Ensachi, in the Eastern Region of Ghana. It is a wholly owned Ghanaian Company, which started with concept plan in 2013 and implementation in April 2014.

The company harvested its first fruits in October 2015, and harvesting continues in the next month.

JE & F's vision is to be the leading and largest preferred supplier of the highest quality non-traditional crops such as papaya and pineapples, etc. to households, traders and industries globally. The company is looking for a capital of \$1,168,500 to up-scale to 250 acres, with expected revenue of \$2,171,052.63, in the first 15 months of production only from the sale of fruits.

Mr Joshua Ayinbora, founder of JE & F Company made the presentation.

HIGHLIGHTS OF THE PRESENTATION

- The company currently has 22 acres of land and has cultivated 7 acres.
- The company has a strategic relationship with ESOKO, the local chiefs, and the youth.

Mr Ayinbora said most people do not want to venture in the cultivation of pineapple because it is a long-term nature fruit and capital intensive and therefore called for prospective investors for a partnership and is looking forward to engage investors to enable it to expand its business fortunes.

THIRD PANEL DISCUSSION

PROJECT TITLE: PINEAPPLE CULTIVATION AT ENSACHI, GHANA

Dr Yaw Osei-Asare chaired a panel discussion on the topic: "Improving Access to Capital for SMEs".

MEMBERS OF THE PANEL

- Tom Philips, Associate Director for the Africa Agriculture Development Company.
- Dr Victor Antwi, Research and Consultant, Value Chain Business
- Ayodeji Balogun, Country Manager Africa Commodity Exchange
- Simon Glossop, Chief Executive Officer, Camscorp Africa Commodity Department Company

HIGHLIGHTS OF THE PRESENTATION

- There is the need for appropriate and strategic approach to raise funds for SMEs since agriculture is critical to human survival.
- Investors need to understand and appreciate the value of agriculture and support the sector to grow.
- Walk the talk by implementing and developing ways of funding small businesses in agriculture for sustainable development.
- It was noted that most financial institutions failed to support SMEs due to poor proposals and documentation.
- SMEs need to develop effective business plans that are convincing to investors and financial institutions in order to support their operations.
- SMEs should be given enough finance to operate their business ventures when funding agreements are reached.





CLOSING REMARKS

Miss Bamidele Seun, Founder/Managing Director of Welcome2Africa and Chair for the Summit; thanked the speakers and the participants for availing themselves to explore the business opportunities in the agribusiness sector.

She said the event could not have been successful without their presence and urged them to make it a point to be present for the last day to discuss issues about maximizing returns and the role of technology and research in agribusiness.

DAY TWO, NOVEMBER 18, 2015

INTRODUCTORY SPEECH

The introduction speech was delivered by Professor Sammy Sackey, from the Institute of Applied Science and Technology of the University of Ghana, Legon.

Prof Sackey said the face of agriculture has now changed, stressing that the focus is now on research-based technology and should be demand-driven for the private sector growth. He said the sector provides opportunity for entrepreneurs to establish quality infrastructure in the sector.

Prof Sackey expressed concern about the huge amount of post-harvest losses due to poor management, giving statistics of 30 to 40 per cent losses in Africa. He said there is the need for Africa to ensure good packaging and storage facilities in the agriculture sector.

FIRST PANEL DISCUSSION

Miss Bamidele Seun Owolla chaired the first panel discussion on the topic "Maximizing Returns".

MEMBERS OF THE PANEL

- Alex Ariho, Chief Executive Officer of Excel Hort Consult Limited and FARA UniBRAIN Facility Coordinator at FARA
- Daniel Acquaye, Executive Director of Agri-Impact Consult
- Dr Emmanuel Adu, Chief Executive Officer of Creating Champions in Livestock Agribusiness

HIGHLIGHTS OF THE DISCUSSION

- To maximize returns in the sector, time is critical in every sphere to ensure productivity. However, more time is wasted on unnecessary issues, which affects business prospects.
- There is the need to add value to our commodities to be competitive in the global market, and also to control and address the value chain process.
- There is the need to invest in priority areas of Agriculture and connect start-ups with investors to maximize returns.
- Leverage on the human resources within the Research departments in the universities.
- Research should focus on developing technology to maximize the needed returns.
- There is the need to create an enabling environment for the private sector to invest in Agriculture and make growth in Africa an all-inclusive agenda.
- There is little effort being made in addressing storage facility issues.
- To succeed in the sector, science and technology is needed urgently.

FIRST PRESENTATION/BUSINESS PITCH

PROJECT TITLE: HYDROPONICS – GREEN CITY URBAN AGRICULTURE BY AGROPLUS AFRICA SYSTEMS LIMITED

Brief summary of the project: Tap into the lucrative \$8M/day vegetable market in Nigeria. The project plans to partner with state governments in a PPP model to serve as an IGR driver for the states. AgroPlus is in high level talks with four states in Nigeria who are prepared to partner in the project.

The funding required and expected outcomes:

- 20 Hydroponic systems per state: \$55ok x 20 = \$11M/state
- 100 ton/day Packaging facility - \$ 10 million
- Total Investment for: \$54 million
- Direct Jobs: 1,200
- Indirect Jobs: 5,000
- Investment PBT: 28 months
- IRR of 35%

Mr Abodunri Debo,
Chief Executive Officer of the
company, made the presentation.



HIGHLIGHTS OF THE PRESENTATION

AgroPlus Africa Systems Limited is particular about quality of crop yield, cultivating new crops to enhance profitability as well as using innovative equipment to lessen energy exhaustion and time in farming while achieving improved results. The Company specializes in the design and construction of aquaponic and hydroponics systems in commercial and semi-commercial levels.

It provides services that include:

- General advice on choosing the appropriate system and tumors
- Writing a Business Plan
- Write tumor protocols and systems management
- Engineering design
- Construction project based on the key deliverable

The company's innovation in the field of agriculture brings about better and quality crop farming with the system of Hydroponics. It grows plants using mineral nutrient solutions in water, without soil. Their products include Hydroponic Vegetable Production, Hydroponic Green House Crops, Hydroponic Crop Production and Hydroponic Controlled Farming in addition to the provision of Consultancy Services to clients on the establishment and set up of Hydroponic Farming Systems.

AgroPlus is calling on investors for partnerships to expand and explore its business opportunities.

SECOND PRESENTATION/BUSINESS PITCH

Dr Yaw Osei-Asare chaired a panel discussion on the topic: " Creating Value Chains in Africa

PROJECT TITLE:

Brief summary of the project: PORTAL FORESTRY is an agro-forestry company involved in value added production for export of timber and non-timber forest products, Wood Panel Doors, Forest Estate, Wood Eco-tourism and Essential Oils.

Mr Wellington Baiden, Chief Executive Officer of PORTAL FORESTRY made the presentation and explained the company's activities.

HIGHLIGHTS OF THE DISCUSSION

- The mission of the company is to add value to renewable resources for a sustainable environment.
- The company's model is to manage forests for multiple uses within chaotic natural resources.

PORTAL FORESTRY is calling on investors for a partnership to help broaden its scope of operations.



THIRD PRESENTATION/BUSINESS PITCH

PROJECT TITLE: COMMERCIAL RICE PRODUCTION AND PROCESSING FOR SUSTAINABLE FOOD SECURITY IN ECOWAS MEMBER STATES BY ADA COMMERCIAL

Brief summary of the project: This vigorous Rice Import Substitution Project aims at producing quality rice to feed Liberia and the ECOWAS sub-region and also fulfill the agreement between ADA Commercial and ECOWAS Commission that obligates the company to produce rice (called ECORICE), replicate its agribusiness model and establish food security banks in all ECOWAS Member States.

Strategy is to employ an out-grower scheme to produce and process/mill rice using 18 ton per hour rice processing plant already available but not installed.

HIGHLIGHTS OF THE PRESENTATION

The funding required and expected outcomes:

- Total Capital requirement: USD 20 M
- Fixed Asset Investments: USD 12.4 M
- Working capital: USD 7.6 M
- Cost of Capital (assumed): 10%
- ROI (includes long-term debt): Average 21.6%
- IRR: 56%

Dr Yaw Osei-Asare made the presentation, a representative for the company.



The Libyan-Africa Investment Portfolio, owned by Libya's sovereign wealth fund, established the African Development Aid project. In 2008, the Government of Liberia and ADA Commercial finalized and signed a Concession Agreement, which was ratified by the National Legislature on June 11, 2008. The agreement gave ADA a land concession of 15,000 hectares for a period of 20 years, with another 3000 hectares for out-grower facilities. As a means to eradicate poverty throughout the country, the Liberian Government and the Foundation for African Development Aid Commercial (ADA) over the weekend signed a US\$30 million concession Agreement for large-scale commercial rice production in Liberia.

BUSINESS OPPORTUNITIES:

ADA Commercial needs a capital of 5.2 million dollars to expand the project, with fixed asset investment of 3.884 million dollars and working capital of 1.276 million dollars. The country has a huge rice import bills in addition to the ECOWAS and thus, there is the need for investors to come in and partner. ADA Commercial welcomes prospective investors to come on board for collaborations.

FIRST BUSINESS PRESENTATION - INTERNATIONAL FINANCE CORPORATION (IFC)

Mr. Gene Moses, an Agribusiness Strategist from the IFC.

IFC is a member of the World Bank Group that creates opportunities and improve lives by supporting private sector development in emerging markets. The IFC has over 100 offices globally with 30 located in selected parts of Africa. The IFC has made a global impact by creating jobs through the provision of loans and advisory assistance to farmers across the globe. It also provides both financial and investment advisory services to farmers and invests over four billion dollars a year in agribusiness annually. The IFC also provides Farmer training and assists banks to improve upon their Agri-lending practices.

Agri-Business - It is one of the strategic priorities of IFC with a focus on enhancing food security, promoting inclusive development through the involvement of women small-holder farmers, nutrition and risk management and supporting environmentally sustainable projects.

The IFC also provides support for integrated value chain approach, which is a key strategy to Agri-Business with emphasis on investment climate, infrastructure, financial and risk management, in addition to advisory and technical assistance and environmental and social eco-system services.

IFC Investments Criteria:

- The IFC considers the following conditions before providing assistance:
- IFC investments into projects do not go beyond 50%.
- IFC invests in company's expansion projects due to the high risks involved in Agri-Business.
- IFC takes into consideration economic and commercial viability of projects.
- IFC ensures that, investments into projects are environmentally and socially sustainable.
- IFC ensures adequate security before investments.
- IFC takes into consideration integrity of companies before investments.

Why Work With The IFC

- It has expertise to promote in-depth suggestions and analysis with regards to business plan and exit strategies
- It provides the best environmental and social standards required to predict the outcome of investments
- It provides expert advice on value chain management
- IFC provides what is known as "Approval Stamp" that gives organizations the credibility and acceptance.
- IFC is a member of the World Bank Group.

IFC Successes In Africa

Ghana: IFC invested in the Ghana Oil Palm Production Limited with 12.9 million dollars in the areas of replanting of trees, expansion of refinery business and upgrade of storage infrastructure. These led to job creation and increment of local value on the products as a result of the refinery.

Malawi: the IFC invested another 12 million dollars in the processing of mangoes, Bananas and Pineapples in Malawi. This also led to the creation of jobs and sustainable incomes, penetration of modern farm practices and sustainable land use and development of improved use of natural resources.

Nigeria: The IFC invested 6 million dollars into Saro Agri-science - the leading supplier of agro chemicals, crop protection and crop improvement products in Nigeria. This impacted positively on agriculture with increase yields on products, improving food security, access to finance by smallholder farmers, and transfer of technical know-how on best farming practices.



FOURTH PRESENTATION/BUSINESS PITCH

PROJECT TITLE: BABATOR IRRIGATED FARMING HUB (NORTHERN REGION, GHANA) BY AGDEVCO

Brief summary of the project: The Babator Farming Hub is a 5,740 hectares (net) irrigated nucleus/in-grower farm and processing hub in Northern Ghana presenting fertile soils, year-round water and access to attractive markets. AgDevCo has invested more than \$2m over a three-year period and has brought the project to an advanced stage of development. AgDevCo is now seeking:

- Commercial partners to co-develop the project and operate the nucleus farm and processing hub, and
- Grant and concessional finance providers to invest in irrigation infrastructure for small-scale and emergent in-grower farmers.

The project will be developed in phases with a first phase of 350-400 hectares requiring approximately \$5m of investment. Ultimately, capital costs for the entire project area of 5,740 hectares will be \$63m. It is anticipated that approximately 50% of capital costs will be funded with a combination of grant capital and concessional debt. The equity IRR for the commercial farming area is 15-20%, depending on crop selection.

Mr. Tom Philip is the Associate Director for the Africa Agriculture Development Company (AgDevCo).



HIGHLIGHTS OF THE PRESENTATION

- AgDevCo is a social impact investor and agribusiness project developer, incorporated as a not-for-profit distribution, limited company in the UK.
- The Company invests patient capital in the form of debt and equity into early stage agribusinesses and act as promoter or co-promoter of greenfield agriculture opportunities.
- AgDevCo currently operates with locally managed subsidiaries in five countries in sub-Saharan Africa (Mozambique, Ghana, Zambia, Malawi and Tanzania).
- In these countries, their aims are to reduce rural poverty directly and indirectly by raising agricultural productivity and incomes and creating employment opportunities for rural communities.

AgDevCo's investment objectives are; to create commercially sustainable agriculture and agribusiness ventures; and through these; support emerging commercial and small-scale farmers to increase productivity and incomes.

PROJECTS IN GHANA

- At the government's request, AgDevCo is now developing two commercial farm blocks as public private partnerships in Ghana with co-investment from the UK Department for International Development (DfID).
- The aim of these projects is to expand the base of commercial agriculture in Ghana; increase the availability of irrigation, processing and storage for local farmers; and improve rural livelihoods and food security, reducing the need to import staple foods like rice, maize and soya.
- Alongside these larger-scale projects, AgDevCo is also making direct investment in new and existing Ghanaian agribusinesses through a GBP 10 million Ghanaian SME investment fund.
- The company is welcoming any investment opportunity in the agricultural value-chain that has the potential to be commercially viable, offers measurable direct and indirect benefits for local farmers, and where market failures prevent access to commercial sources of finance.



FIFTH PRESENTATION/BUSINESS PITCH

PROJECT TITLE: PROMOTING SUSTAINABLE VALUE CHAIN FOR MAIZE ENHANCEMENT TO SUPPORT POULTRY SECTOR AND LIVELIHOOD IN SIERRA LEONE BY PAJAH & IJ (SL) LTD

Brief summary of the Project: Pajah and I.J (SL) Ltd is an indigenous company currently operating a breeder farm and the only hatchery farm in the country that produces 38,400-day-old chicks (both boilers and layers) on a weekly basis. The company also produces table eggs to meet nutritional needs of the populace, chicken as meat etc. At full capacity, the farm can take up to 20,000 bird population, operating from two farms, with one being used as a hatchery and the other as the egg production farm. Annual revenue for the company has steadily grown from \$150,000 to \$250,000 in 2014. It is certain that revenue for 2015 will eclipse the 2014 revenue significantly, having already matched that for the first six months of the year despite the Ebola challenge. Risk management wise, the company has a comprehensive biosecurity system in place and a good management team.

Over the years and with the partnership with Investors and partners like the Africa Enterprise Challenge Fund, the company has been able to integrate maize farmers who are key to completion of the value chain.

To date, it provides:

- Seeds and land preparation support
- Organic fertilizers to maize and vegetable farmers at a reduced cost
- Training to both poultry and maize farmers
- Brooding chicks and veterinary services for other poultry farms and projects.

The above enhanced the company's ability to get continuous supply of the major feed component (maize) at a better bargain and provide sustainable income for these farmers. Currently, Pajah works with over 500 farmers along the maize value chain.

To support other poultry players, Pajah has set up a feed mill facility to commence shortly, with a production capacity of 4-5 metric tons of complete/mixed feed per hour. Upon commencement, farmers can buy their complete feed for their chicks.

Pajah now wishes to expand further on the following:

- Establishment of an abattoir to process chicken meat
- Feed production by supporting maize farmers and introduction of soya beans farming through establishment of Demo farms for mechanized farming support.

Mr Pajah, Chief Executive Officer of PAJAH and I.J Limited gave a presentation on the company's activity and operations and possible opportunities for investors.

HIGHLIGHTS OF PRESENTATION

- PAJAH is a breeder and hatchery farm that produces 38,400 broilers, layers, Day Old Chicks (DOCs) per week and sells them to poultry farms in order for them to produce table eggs and chicken meat. The company also produces table eggs and chicken meat for consumption to its customers.
- Pajah & IJ (SL) Limited's project purpose is to increase the production of maize and poultry products in the rural areas through the creation of jobs to produce maize by maize farmers and increase the production of day old chicks (broilers and layers).
- The project will also seek to build a slaughterhouse where chicken will be slaughtered, dressed, packaged and sold.

This plan is designed with five major crosscutting themes that run through all program and activities. These are: increased access to financial services, productive youth, gender equity, environmental stewardship and good governance.

To support improved livelihood for youth, Pajah Farms will implement the Youth Agribusiness Entrepreneurship (YAE) program targeting 65,055 young people from 18 to 35 years of age in the 18 chiefdoms of Bombali, Koinadugu, Kailahun, Tonkolili and Kambia districts throughout the life cycle of this project.

The project will directly benefit 1,000 households with an annual income of US\$ 700 per household and will at the end have a total benefit of US\$ 903,598. The company is also undertaking a project on promoting sustainable value chain for maize and soya enactment to support the poultry sector and livelihoods in Sierra Leone.

With its business models, PAJAH's projected revenue is 1 million dollars to 1.5 million dollars annually and welcomes investors for partnerships.



SECOND BUSINESS PRESENTATION - GHANA COMMERCIAL AGRICULTURE PROJECT (GCAP).

Mr. Geoff Anno made the presentation from the Ghana Commercial Agriculture Project (GCAP).

HIGHLIGHTS OF THE PRESENTATION

- GCAP is a US\$ 145m Government of Ghana project, funded jointly by the World Bank and the US-AID with the view to developing the commercial agricultural sector in Ghana.
- GCAP seeks to increase access to land, private sector finance, and input-output markets by smallholder farms, through private-public partnerships in the Accra Plains and Savannah Accelerated Development (SADA) zones in Ghana.
- Among other things, GCAP would be undertaking a number of interventions and matching grants aimed at supporting Ghana's commercial agriculture renaissance.
- The project is positioned to developing large-scale irrigation canals; undertaking essential and development programs; facilitating land acquisition; supporting and extending nucleus investments for the benefit of small-holders and out-growers and expanding infrastructure into out-grower lands.
- The project is also poised to ensure that Ghana attracts private sector investors into agriculture; promote a secure investment climate that focuses on access to land; establish a one-stop shop for investment in the agricultural sector; facilitate substantial investment in production, processing and ancillary businesses.
- The project will provide assistance for the establishment and expansion of nucleus farms, with suitable linkages with out-growers, and provide critical infrastructure such as roads, power connections, warehouses and storage facilities.

BUSINESS OPPORTUNITIES

- Improve rain-fed rice production and seeking qualified contractors to construct water management structures.
- Warehousing opportunities- GCAP is seeking partners to help construct warehouses to store rice.
- Rehabilitation of irrigation schemes: GCAP is looking for private sector scheme managers to manage the scheme in the Accra plains.



CLOSING REMARKS

Miss Bamidele Owolla, Chair of the Summit thanked the speakers and participants for their commitment to the summit, hoping to explore realistic business opportunities for mutual benefits. She said time has come for Investors to invest in Africa's Agricultural sector for sustained economic growth.

She stressed that African nations have similar problems when it comes to transforming African Agriculture, and thus African nations share similar solutions. She stressed Welcome2Africa will continue to focus on Africa's Agricultural Sector. She reiterated will need roads, energy, transport and markets to power the factories that process agricultural produce, thus highlighting that these are all investment opportunities, and Welcome2Africa will do all it can to attract investors for the betterment of African Agriculture.

She called upon African leaders to create enabling environment for investors, and stressed that African Government themselves must also invest into their respective agricultural sectors.

She applauded companies like Esoko a supporting partner to the summit, she made mention that there needs to be more organizations that think of linking smallholder farmers to the market . She went onto acknowledge Guinness Ghana for their commitment to local sourcing in Ghana and stressed more international food/beverage companies should source from Africa.

She also acknowledged rainforest alliance and their commitment to sustainable agriculture.

Bamidele, a youth herself went onto say 'Investment in agriculture must made by my fellow African youths in order to ensure sustainable economic growth in Africa. Agriculture in Africa is in need of high-technology and innovation. It needs to be rebranded from a poverty trap to the lucrative and attractive sector that it is

If we all work together as leaders of this agricultural revolution, the potential for Africa's economy is endless . We can operate high-tech tractors and drones, read soil maps, interpret weather data, and even access futures markets. Africa has the potential to not just feed itself but to also feed the world, But for this dream to become a reality we need to start taking action' and stressed that Welcome2Africa is ready to take this action.



Who are we?

Rainforest Alliance is an international non-profit organization based in New York whose mission is to protect both the people and the ecosystems by the implementation of best business practices respectful of environmental and social issues.



Why choosing Rainforest Alliance?

Credibility: The rainforest Alliance has a solid and well known International reputation

Experience: Our auditors have intensive onsite experience and national expertise

Knowledge: The Rainforest Alliance is founder of the Sustainable Agriculture Network and pioneered the concept of Forest Certification.

Partnership Approach: As a Rainforest Alliance client, you are more than a customer—you are a partner.

RAINFOREST ALLIANCE, PARTNER FOR YOUR CERTIFICATION PROJECT



What makes the difference?

UNCERTIFIED FARM



CERTIFIED FARM



Contact



Rainforest Alliance has operations worldwide and with regional office in Nairobi, Yaoundé and Accra covering Africa activities.

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ABOUT WELCOME2AFRICA

Registered in the UK, Ghana and Nigeria Welcome2Africa (W2A) is committed to disseminating Africa and its many opportunities to businesses, potential partners and investors .

W2A seeks to positively influence the economic development of Africa through the creation of innovative business and social platforms, for businesses and investors as well as those with social and humanitarian interest.

W2A's main objective is to attract investment to Africa through the delivery of various projects with the aim of revoking the negative perceptions towards the African continent, whilst exposing new developments and opportunities that exist in individual African countries and states, with a current focus on Agriculture

VISION AND MISSION

Through our various offline and online initiatives, our vision at Welcome2Africa is to be leading facilitator of investments into Africa with a current focus on Agriculture.



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