



Sahel Capital (Mauritius) Limited
Sahel Capital Partners & Advisory Limited

Creating Value, Building Businesses, Transforming Communities...



FAFIN, \$100 Million Fund Established

The Fund for Agricultural Finance in Nigeria (FAFIN) is an innovative agriculture-focused investment fund that provides tailored capital and technical assistance solutions to commercially-viable small and medium-sized enterprises (SMEs) and Intermediaries across the agricultural sector in Nigeria using quasi-equity, equity and debt instruments to structure investments. The three fund sponsors include the Federal Ministry of Agriculture & Rural Development, the German Development Bank (KfW) and the Nigeria Sovereign Investment Authority (NSIA). On the 27th of January 2014, FAFIN had its first close with a capital commitment of US \$34 million dollars.

About Sahel Capital

Sahel Capital is a leading fund manager and advisory firm focused on West Africa with deep roots in private equity, financial advisory, management consulting, and agribusiness. Sahel Capital was selected to manage FAFIN after three stages of official bids in competition with many Nigerian and international fund managers. Through an integrated approach, Sahel Capital works closely with companies and investment partners to deliver capital solutions and advisory services tailored to fit client's unique needs.



L-R: Dr. Akinwumi Adesina, Hon. Minister of Agriculture; Dr. Ngozi Okonjo-Iweala, Coordinating Minister of the Economy; Doris Köhn, Director Africa & Middle East KfW; Jenny Scharrer, Senior Project Manager KfW; Mezuo Nwuneli, Managing Partner, Sahel Capital; Ada Osakwe, Senior Investment Advisor, Minister of Agriculture, October 2013

Fund Information

- Fund term – FAFIN has an initial 10 year life extendable for three additional 1 year periods
- Fund size – FAFIN's target fund size is US \$100 million, and it currently has \$34 million in committed capital from its first close.
- Average Investment – The average investment size is US\$ 3-5 million.
- Target investees – small and medium sized enterprises across the agricultural value chain in Nigeria including input providers, producers, processors, distributors and retailers.

Investment Objective

FAFIN is positioned to generate competitive financial returns for its Investors, thereby demonstrating the commercial viability of agricultural finance in Nigeria and attracting additional finance to the sector.

Investment Eligibility

FAFIN invests in agricultural SMES and intermediaries in Nigeria that have the following characteristics:

- Track record of strong business performance: Historic or potential profitability
- Significant growth potential: Potential to scale a well-defined strategic growth plan for the business
- Trustworthy and competent entrepreneur or management team
- Potential to develop a strong governance structure
- Competitive advantage
- Exit potential: Plausible exit options within a reasonable timeframe and a suitable return



Industry Highlights & Sahel News

N14 Billion approved for 2014 Dry Seasoning Farming in Nigeria

Daily Times (www.dailytimes.com.ng), Date: January 21, 2014

The Dry Season Farming Programme was launched in 2011 with the main aim of adding an additional 20 million metric tonnes of food to Nigeria's domestic food supply. The N14 billion budget in 2014 will be used to support the dry season procurement and cultivation of rice, wheat, sorghum, millet and groundnut in primarily northern Nigeria.

Sahel Capital in the News: NSIA Press Release

The Nigeria Sovereign Investment Authority (NSIA) through its Nigeria Infrastructure Fund announced a US\$10 million total commitment to FAFIN on the 30th of January 2014. Uche Orji, Chief Executive Officer of NSIA commented "Agriculture is a sector of strategic importance to the NSIA and an area we see opportunities for significant growth and profit through the facilitation of the enhancement of Nigeria's critical agriculture infrastructure." The NSIA hopes to support the realization of the Federal Government of Nigeria's Agriculture Transformation Agenda and facilitate Nigeria's food security.



FAFIN in the News: President's New Year's Speech

FAFIN was mentioned during President Goodluck Jonathan's 2014 New Year's speech. According to President Goodluck Jonathan, "In 2014, this Administration will continue to work with the private sector to improve financing in the agriculture sector. For example, we will launch the Fund for Agricultural Finance in Nigeria (FAFIN) which will serve as a private equity fund. Our Small and Medium scale enterprises (SMEs) will be the bedrock of Nigeria's industrialisation. We have about 17 million registered SMEs, and they employ over 32 million Nigerians. When our SMEs grow, more jobs will be created for our youth."



Upcoming Events

- **Yam Processing Workshop:** As part of the Bill & Melinda Gates YIP project, Sahel Capital is organising two stakeholders meetings on yam processing. The purpose of these workshops is to share preliminary findings with yam farmers, members of the civil society, public and private sectors. The workshops will be held in Nigeria and Ghana on February 18 & 25 respectively.
- **Borderless Conference 2014:** Sahel Capital will be speaking at the Borderless Conference scheduled to hold from February 26-28, 2014. The Conference aims to highlight key policies and strategies required to unlock West Africa's economic potential.
- **Nigeria Summit 2014:** Sahel Capital will be speaking at the Economist Nigeria Summit scheduled to hold on March 24 & 25, 2014. The Summit will identify the steps required in transforming Nigeria's economic growth into social and political prosperity.
- **Global Conference on Bio fortification:** Sahel Capital will be participating in the Global Conference on Bio fortification in Kigali, Rwanda. The summit holding from March 31 to April 2, 2014 aims to explore challenges faced in getting critical bio nutrients to the African population and create opportunities to improve nutrition through bio fortification.
- **The LSE Africa Summit 2014:** Sahel Capital will speaking be at the inaugural London School of Economics (LSE) Africa Summit on April 5, 2014 which aims to highlight changes and opportunities emerging in the agricultural sector in Africa.

Contact Information

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