

Nederlandse Financierings-  
Maatschappij voor  
Ontwikkelingslanden N.V.

**FMO**

Finance for development

***AGRICTEC***

***International Business Forum Lisbon***

**Experiences in Investing in Africa's Private Equity &  
Financial Sector**

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"Success through  
Knowledge"

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# AGRICULTURAL INVESTMENTS OPPORTUNITIES IN

# AFRICA



## AGRICULTURAL POTENTIALS IN AFRICA

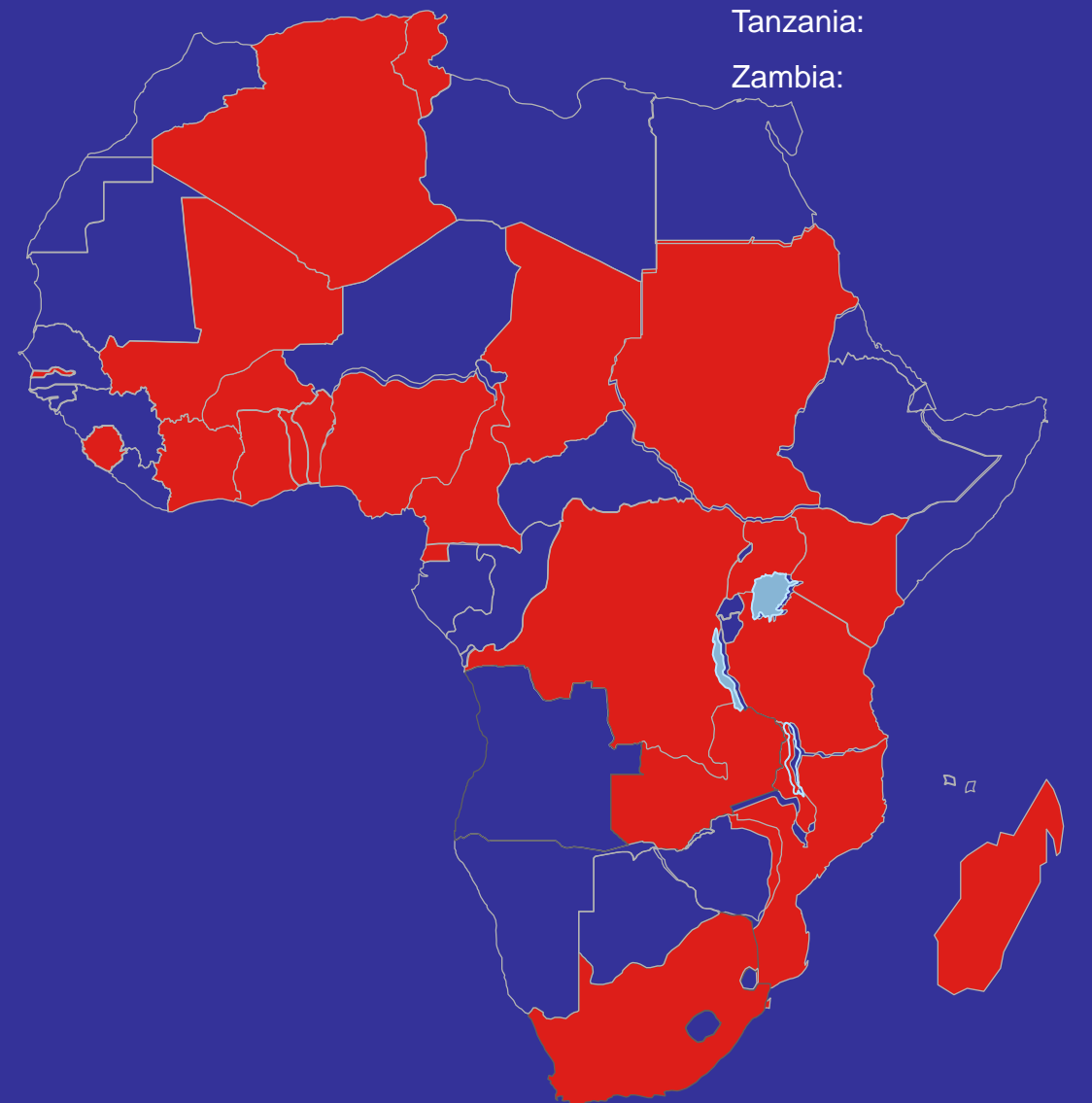
- Great awareness of the African potentials and possibilities
- Less dramatic information on hunger and food shortages
- Africa is rich in both natural and human resources
- Successful investments already realised
- Science and Technology Options That Can Make it
- Available finance and international focus

## FMO Financial characteristics January 2011

- > FMO is an International Financial Development Bank with operations in around 32 countries in Africa.
- > FMO focuses on the development of the Private Sector and Financial Institutions.
- > FMO is targeting on realizing convincing profits and sustainable developments.
- > FMO has a great network of financial partners and she is a serious partner in risks for her customers.

## FMO client countries in Africa

Cape Verde:	0	Morocco:	2	Sudan:	25
Mali:	7	Algeria:	19	Ethiopia:	1
Niger:	1	Tunisia:	2	Uganda:	68
Chad:	5	Egypt:	1	Kenya:	56
Mauritania:	0			Tanzania:	51
Senegal:	6			Zambia:	48
Sierra Leone:	7				
Burkina Faso:	4				
Ivory Coast:	2				
Ghana:	40				
Benin:	17				
Togo:	15				
Nigeria:	120				
Cameroon:	27				
Eq. Guinea:	1				
DRC:	7				
Mozambique:	84				
Malawi:	1				
Madagascar:	3				
Botswana:	9				
South Africa:	108				
Facilities Africa:	184				



## FMO's financial products:

- Private Equity Funds
- Long Term Finance to Commercial Banks
- SME-Financial Support through Private Equity and Commercial Banks
- Financial Sector Development especially in Post Conflict Countries
- Agricultural Finance is now a new focus

# FMO's financial sector network in Africa

- Africa Venture Capital Association
- AfricInvest – Pan African Private Equity Fund
- Tuninvest – Private Equity Group in North Africa
- Partnership with three Commercial Banks in Nigeria
- Group Afriland First Bank in 5 countries
- CENAINVEST in Central Africa
- Bank of Africa Group in 12 countries
- ABC Bank in Southern Africa in 4 countries
- HOLDEFI with 7 lease companies
- 22 Investment Funds for SME's
- 2 Micro banking investment funds
- Large Private Equity Funds operational from SA

**Force**

Groupe



Cohésion

Partenariat



Famille



Union

Ensemble



Accessible



Adapté

Appui



Services

**Proximité**



Echanges



Terre



Développement

**Afrique**



Richesses



modernité



Générosité



Cultures

Partage



Reconnaissance



Innovation



Solidarité



**Humain**

Exister



Espoir

## Our experiences with the Group Bank of Africa

- Group Bank of Africa founded in Mali in 1982 by French and African shareholders.
- FMO became shareholder of 15% through conversion of Technical Support amounting EUR 272.000 in a Holding in Luxemburg from OS sources.
- The Group is now established in 12 countries through a network of 20 commercial banks with 130 dedicated offices, finance companies, leasing companies and micro finance institutions.
- The biggest commercial operations are in Benin and Madagascar
- Total of 500.000 savings accounts with local people amounting to a total EUR 1,4 milliard deposits.
- Total assets of nearly EUR 2 milliard of which EUR 1 milliard invested through thousands of small loans in the SME sector Africa.
- 2008 the Group Bank of Africa was partly taken over by one of the biggest banks in Morocco.
- September 2008 FMO sold half of its shares for Euro 14.080.000

## Our experiences with the Group Afriland First Bank

- Started in 1991 as 20% shareholder in Afriland First Bank, in that time a micro bank now grown into the third largest commercial bank in Cameroon with 16 branches and 72 village banks. Balance sheet more than EUR 500 million.
- In 1996 expansion started in Equatorial Guinea, now the biggest bank in the country with a balance sheet of more than EUR 450 million. FMO is actually 14% shareholder of the bank.
- Started in 2003 Afriland First Bank in Sao Tome
- Started in 2005 Afriland First Bank in Congo DRC
- Started in 2009 in Zambia
- New banking projects in Liberia and Zimbabwe



## AFRICA AGRICULTURAL POSITION

- 55 countries
- Big plantations in Central Africa Region
- Flower production in Kenya, Zimbabwe and Ethiopia
- New initiatives in Senegal
- South Africa the agricultural engine of Africa
- Great attention for new investments
- Potential countries: South Africa, Angola, Algeria, Sudan, Nigeria, Cameroon



## Some historical elements in Private Equity Development within FMO

- 1994 First initiative with Tunisian Private Equity Players
- 1995 First small investment in a Tunisian SME-fund
- 1996-1998 Creations of several SME funds in Africa
- 2000 Creation of the Mozambique Private Equity Fund
- 2000 First Africa Venture Capital Conference
- 2001 Extension CENAINVEST Fund in Cameroon
- 2004 Creation of the AfricInvest Fund I
- 2005 Creation Pan African Fund Kingdom Zephyr
- 2006 Creation Maghreb Fund for North Africa
- 2008 Creation of Kibo Fund Mauritius



## Examples of successful small projects

- Poultry sector in Tunisia and Cameroon
- Rubber production in Cameroon
- Fruit juice production in Algeria
- Dairy production in Tunis
- Milk processing in Chad and Niger
- Edible oil in Cameroon
- Growing roses in South Africa
- Tea packaging in Tanzania

## Realised investment in around 500 companies all over Africa

- North Africa: mostly high standard and well performing
- West Africa: smaller companies consolidating for growth
- Central Africa: start ups with high risk profiles
- Joint-Ventures within the African countries
- East Africa: new technology and Indian Joint Ventures
- Mozambique: Portuguese influence, but preference SA
- South Africa: booming Private Equity Business

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*International Business Forum*  
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**Thanks!**



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20<sup>th</sup> January 2011