



**Joint Press Release – 15/09/2015**

**Ogun State Government, Nigerian Sovereign Investment Authority, and Lafarge Africa Plc form a partnership to support the Ogun State Forest Landscape Restoration Project**

France, September 15, 2015 - The Ogun State Government (Ogun State), in partnership with the Nigeria Sovereign Investment Authority (NSIA) and Lafarge Africa Plc is proud to announce the signing of a memorandum of understanding (MOU) for the joint development of Ogun State Forest Landscape Restoration Project. Signed during a state visit of President Muhammadu Buhari to France, the MOU will enable the creation of a legal entity to develop the project, engage development agencies and climate change funds, and promote it to large agriculture and forestry investors

The project is set to transform 108,000 hectares of heavily degraded land into an arable green area. It is designed to employ innovative approaches to achieve best-of-breed environmental, social and economic results. The scheme's uniqueness rests in the way it combines land restoration with business development objectives by applying the latest findings of agro-ecology and agro-forestry.

The first part of the area will be rehabilitated through mixed reforestation to provide biodiversity hotspots corridors, allowing nomadic herders to cross the area with their herds and encouraging subsistent farming. The other part will be leased to agro-industrial investors interested in the development of large-scale tree crop such as cacao, coffee, rubber and oil palm as well as annual crops such as maize, sesame, cotton and cassava amongst others. Forestry projects within strict social and environmental guidelines may also be considered.

In his remarks, His Excellency, Governor Ibikunle Amosun of Ogun State stated that 'The restoration and enhancement of our forests benefits the environment and creates jobs in rural communities. Increasing the pace and scale of restoration of forests is critically needed to address a variety of threats - including fire, climate change, deforestation and others - for the benefit of our ecosystems and forest-dependent communities. This project will show that enterprise and achieving strong mitigation are mutually supportive in tropical agriculture.

Mr. Uche Orji, Managing Director/CEO of the Nigeria Sovereign Investment Authority in his statement said 'the NSIA Act permits us to participate in infrastructure projects of this nature. We are therefore committed not only to promoting economic development but also to stimulating greater environmental responsibility through the projects we support and participate in. We view this project as an important investment in sustainable development and remain focused on facilitating incremental participation in initiatives that reduce carbon footprint across the country and reverse deforestation for the benefit of future generations of Nigerians'.

In his speech, Mr. Peter Hoddinott, Group Managing Director/CEO Lafarge Africa stated that 'Our strong commitment to the environment and social sustainability of our operations and of the communities within which we operate leads us naturally to support Ogun State projects that promise strong positive impact on these issues, particularly on climate change. The use of agro-ecology and agro-forestry principles in these

projects will increase their productivity, ensuring the land becomes one of Nigeria's best carbon capture areas and generating biomass that Lafarge intends to use to fire its cement kilns.'

In December 2015, France will host the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change. The confab will aim to achieve a binding agreement to keep global warming below 2°C. In that context, the Ogun State Forest Landscape Restoration Project is a pioneering initiative demonstrating how a private group can join forces with proactive public entities to launch sustainable projects and will position Nigeria as a leader in sustainable Climate Change PPP projects.

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## **BACKGROUND INFORMATION (Parties in the transaction)**

### ***About Ogun State***

Ogun State is a state in southwestern Nigeria. Created in 1976, it borders Lagos State to the south, Oyo and Osun states to the north, Ondo State to the east and the Republic of Benin to the west. Abeokuta is the capital and largest city in the state. Its vision is to create a State built on strong democratic principles, united, secure and stable, economically prosperous, socially inclusive and a key player in the national and regional economy.

The State is endowed with arable land, natural rock formations and beautiful water bodies which the current administration is committed to preserving and enhancing sustainably. Therefore, one of the State's targets is the reinforcement of economic stability via the development of infrastructure, agro-industries diversification, and manufacturing Projects that will serve both domestic and export markets. For more information visit [www.ogunstate.gov.ng](http://www.ogunstate.gov.ng)

### ***About the Nigeria Sovereign Investment Authority***

The Nigeria Sovereign Investment Authority was set up to manage funds in excess of budgeted hydrocarbon revenues. Its mission is to play a leading role in driving sustained economic development for the benefit of all Nigerians through building a savings base for the Nigerian people, enhancing the development of Nigeria's infrastructure, providing stabilisation support in times of economic stress. NSIA operates three mandate funds: the Stabilisation Fund, the Future Generations Fund and the Nigeria Infrastructure Fund. The Authority's infrastructure investments are made through the Nigeria Infrastructure Fund. For more information please visit [www.nsia.com.ng](http://www.nsia.com.ng).

### ***About Lafarge Africa***

Lafarge Africa Plc, a leading Sub-Saharan Africa building materials company is a subsidiary of LafargeHolcim Group. Listed on the Nigerian Stock Exchange with a presence in Africa's two largest economies, Nigeria and South Africa, Lafarge Africa is actively participating in the urbanization and economic growth of Africa. Combining its operations in Nigeria - Ewekoro and Sagamu plants in Ogun State, Ashakacem in Gombe State, Unicem in Cross Rivers State, Atlas cement in Rivers State and Ready-Mix Nigeria with its varied operations in South Africa, Lafarge Africa has a current installed cement capacity of 12Mt, which is expected to grow to 17.5Mt by 2017. This is in addition to strong market leading positions in Aggregates, Ready mix concrete and Fly Ash. Lafarge Africa leverages on its innovative expertise to provide valued added products and services solutions in the building and construction industry in Sub-Saharan Africa. Additional information is available on the web site at [www.lafarge.com.ng](http://www.lafarge.com.ng)

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