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### **Sahel Capital Closes Fund for Agricultural Finance in Nigeria (FAFIN) at \$65.9 Million**

Sahel Capital, fund manager for the Fund for Agricultural Finance in Nigeria (“FAFIN”), is pleased to announce the successful \$65.9 million final close of its debut fund. As part of this close, the African Development Bank, CDC Group, and the Dutch Good Growth Fund have jointly committed \$31 million to FAFIN, joining existing co-sponsors of the fund to drive agricultural transformation in Nigeria.

As part of this round, KfW Development Bank has also offered to increase its commitments to FAFIN by an additional \$10 million, subject to final approvals, which if provided would increase the fund size to \$76 million by December 2017.

FAFIN was co-sponsored by the Federal Government of Nigeria (*Federal Ministry of Agriculture and Rural Development, and Federal Ministry of Finance*), the German development bank – KfW, and the Nigeria Sovereign Investment Authority (“NSIA”), and was initially launched in 2014 with \$32.8 million in commitments.

Sahel Capital intends to invest these funds over the next two years backing sustainable businesses that seek to revolutionize the Nigerian agribusiness landscape while creating jobs, improving productivity, and strengthening priority value chains.

Speaking on the final close of FAFIN, Mezuo Nwuneli, Managing Partner at Sahel Capital said: “We are especially grateful to the immense commitment and support we have received from our existing investors, and especially the Federal Ministry of Finance, the Federal Ministry of Agriculture and Rural Development, and the Nigeria Sovereign Investment Authority, in making FAFIN a reality. The successful final close of FAFIN is a testament to the confidence our investors have in the scaling up and sustainability of the fund that was conceived in 2013 by the Former Minister of Agriculture - Mr. Akinwunmi Adesina – and KfW Development Bank. We also look forward to partnering with our incoming investors to driving catalytic growth in the sector through our partnerships with strong agribusinesses.”

The Hon. Minister of Agriculture and Rural Development, Audu Ogbeh commented: “The Ministry is fully commitment towards the development of the agricultural sector, and although key developments in the sector would continually be private sector-driven, the Federal Government would provide the necessary incentives to grow the sector by facilitating financing and support for Small to Medium Scale Enterprises through investment vehicles such as FAFIN”.

Since FAFIN’s launch in 2014, Sahel Capital has assessed over 100 companies and elected to invest in four indigenous high growth companies. Through these investments in the dairy, edible oils, poultry and cassava value chains of Nigeria, FAFIN has created over 500 new jobs - 50% of which are occupied by women and youth - and improved the lives of over 1,000 small holder farmers and their families by supporting innovative business incentives and out-grower schemes.

The Hon. Minister of Finance, Kemi Adeosun commented: “We are focused on acting as a catalyst for private sector capital to drive growth in the agribusiness sector. With this close we would have succeeded in partnering with various investors to secure \$76 million for agribusinesses in Nigeria.”

With the additional capital raised, Sahel Capital aims to invest in 9 – 10 additional companies which would create over 4,000 more direct and indirect jobs, and further uplift the lives of over 36,000 smallholder farmer families across Nigeria.

Speaking on NSIA's investment in FAFIN, Uche Orji, the MD/CEO of NSIA said: "Through FAFIN, NSIA will continue to tap into key commercial and sustainable growth opportunities in agriculture. Our strategic interest in the sector is predicated on our commitment to drive rural and urban infrastructure development, and we believe FAFIN is well positioned to capture these opportunities."

#### **About FAFIN and Sahel Capital**

FAFIN is a private equity fund that provides financial, capacity-building, and technical assistance to selected SMEs in the Nigerian agribusiness sector. Investors in FAFIN include the African Development Bank, DFID Impact Fund (*managed by CDC Group*), Dutch Good Growth Fund (*managed by Triple Jump*), the Federal Government of Nigeria, KfW Development Bank, and the Nigeria Sovereign Investment Authority. FAFIN is managed by Sahel Capital, an agribusiness focused private equity firm established in 2010.

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