

## **The ABC Fund backs Dragon Farming Limited to boost soya value chains in Africa**

- **Dragon Farming provides innovative and environmentally sustainable products to satisfy the nutritional needs of farmed animals**
- **The investment will enable Dragon Farming to scale up its operations in 2020 at a time when the COVID-19 pandemic is disrupting supply chains and reducing access to finance**

**Luxembourg, 4 June 2020** – The Agri-Business Capital Fund ('ABC Fund') has provided a loan of €800,000 to soya milling and aggregation company Dragon Farming Limited ('Dragon Farming'), coupled with technical assistance.

Dragon Farming processes raw soya beans into soya bean meal, full fat soya and soya oil. The business has a processing line with a crushing capacity of ~48MT per day and is on a mission to provide innovative and environmentally sustainable products that satisfy the nutritional needs of farmed animals in Ghana and beyond.

Dragon's vision is to become a leader in the animal nutrition industry and a voice in building poultry and aquaculture industries in Africa. Feed production in Africa increased by 5% in 2019 to 40.6 million metric tons, with no country in the region experiencing a decline in overall feed production.<sup>1</sup>

This investment by the ABC Fund, which is managed by Bamboo Capital Partners in partnership with Injaro Investments, comes at a time when Ghana and the rest of Africa is responding to the ongoing COVID-19 pandemic.

The loan will enable Dragon Farming to scale up its operations to meet customer demand and increase the volume of soya beans purchased from farmer-based organizations by 40% in 2020 compared to the previous year. This level of production will enable up to 14,000 smallholder farmers to sell raw soya beans to the company. It will reduce the company's cost of production while increasing its level of profitability. The investment will also allow the company to increase the number of workers it employs, including female workers, due to the increased volume of soya beans to be processed. The ABC funding will help Dragon Farming source soybeans from aggregators supported by AGRA, one of the investors of the ABC Fund, which in turn will improve overall sourcing from smallholder farmers.

In addition to the loan, Dragon Farming will receive technical assistance to further strengthen its strategy, business development and production processes. The Technical Assistance Facility of the ABC Fund is managed by Agriterra.

**Jean-Philippe de Schrevel, Founder and Managing Partner of Bamboo Capital Partners, commented:** *"We are pleased to be partnering with a company which has already made great progress in becoming a first-rate soya milling and aggregation player, and we are proud to lend them our support during this challenging time for the country. The ABC Fund loan will enable Dragon Farming to increase market access for smallholder farmers and create more rural jobs. We look forward to working with the team at Dragon Farming to help them execute their vision in the next few months and years."*

**Jerry Parkes, CEO of Injaro Investments, commented:** *"The COVID 19 pandemic and its related restrictions are disrupting the supply chains of agribusinesses across the world, including Africa. Such difficulties if layered with lack of access to funding will make it hard, if not impossible, for these agribusinesses and cooperatives to thrive. At the ABC Fund, we believe agribusiness is the backbone of economies and supports many livelihoods across Africa. In times like these, it is imperative that we provide the needed funding to support these livelihoods through sustaining the operations of agribusinesses across*

*the continent. In light of this philosophy, we continue to support businesses and disburse loans during this period whilst carefully mitigating the risks posed by this pandemic.”*

The ABC Fund is a blended-finance impact fund which provides catalytic financing to underserved yet profitable segments of agribusiness value chains in developing countries. The ABC Fund deploys loans and equity investments in farmer organizations, rural SMEs and financial institutions. They have potential for high growth and job creation and can also drive social development for their own communities and countries, but they often lack the capital they need to grow their businesses.

The ABC Fund was initiated by the International Fund for Agricultural Development (IFAD) in partnership and with funding from the European Union, the Organization of African, Caribbean and Pacific States (OACPS), the Luxembourg Government and the Alliance for a Green Revolution in Africa (AGRA).

AGRA Ghana, through the Smallholder Inclusive Productivity and Market Access (SIPMA) project for maize-soybean value chain in Northern Ghana, is providing support to farmers to access output market opportunities for soybean.

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### **Notes to Editors**

1. Alltech 2019 Global Feed Survey – [https://www.alltech.com/sites/default/files/2019-01/GFS\\_Brochure\\_2019\\_English%20FINAL.pdf](https://www.alltech.com/sites/default/files/2019-01/GFS_Brochure_2019_English%20FINAL.pdf).

### **About Bamboo Capital Partners:**

Bamboo Capital Partners (“Bamboo”) is an impact investing platform which provides innovative financing solutions to catalyse lasting impact. Bamboo bridges the gap between seed and growth stage funding through a full suite of finance options – from debt to equity – which it activates unilaterally or through strategic partnerships. Founded in 2007 by Jean-Philippe de Schrevel, Bamboo aims to improve the lives of the world’s most marginalized communities while delivering strong financial returns. Since its inception, Bamboo has raised over \$400m and invested in over 30 developing countries. Its investees have positively impacted over 184 million lives and supported 45,000 jobs, including 15,900 jobs for women. The firm has a team of 30 professionals active across Europe, Latin America, Africa and Asia. For more information, please visit [www.bamboocp.com](http://www.bamboocp.com) or follow @bamboocp.

### **About Injaro Investments:**

Established in 2009 by Dadié Tayoraud and Jerry Parkes, Injaro Investments is an Africa-based private capital investment firm that focuses on SME investments in Africa. Our vision is to build sustainable African businesses that create social and economic value. As an impact investor, Injaro makes investments in debt, quasi-equity, and equity in small-and medium-sized enterprises along the agricultural value chain in designated countries of West Africa. Injaro-advised funds have benefitted 3 million people in Africa, comprising mainly smallholder farmers and people on low incomes. For more information, please visit [www.injaroinvestments.com](http://www.injaroinvestments.com) or follow @injaro on Twitter and Injaro Investments Limited on LinkedIn.

**About Agriterra:**

Agriterra is an agri-agency focusing on the development of farmers' organizations and cooperatives in developing countries. With more than 20 offices worldwide, including in Africa, and 170 professionals, it provides capacity-building focused on agricultural cooperatives. For the ABC Fund, Agriterra also partners with Advance Consulting and Rabo Partnership to provide technical assistance to SMEs and financial institutions respectively.

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