



Credits: Europe1

Dorewa Fund

An impact-oriented private equity fund for entrepreneurship in Niger

MEET OUMAROU

Oumarou lives with his family in Kollo, Niger, and dreams of changing his country



Credits: Oumarou Baraya



Oumarou Baraya, 36 years old



Married, 3 sons and 1 daughter



**Background in engineering, working in mining
Runs a small agriculture business (onions)**

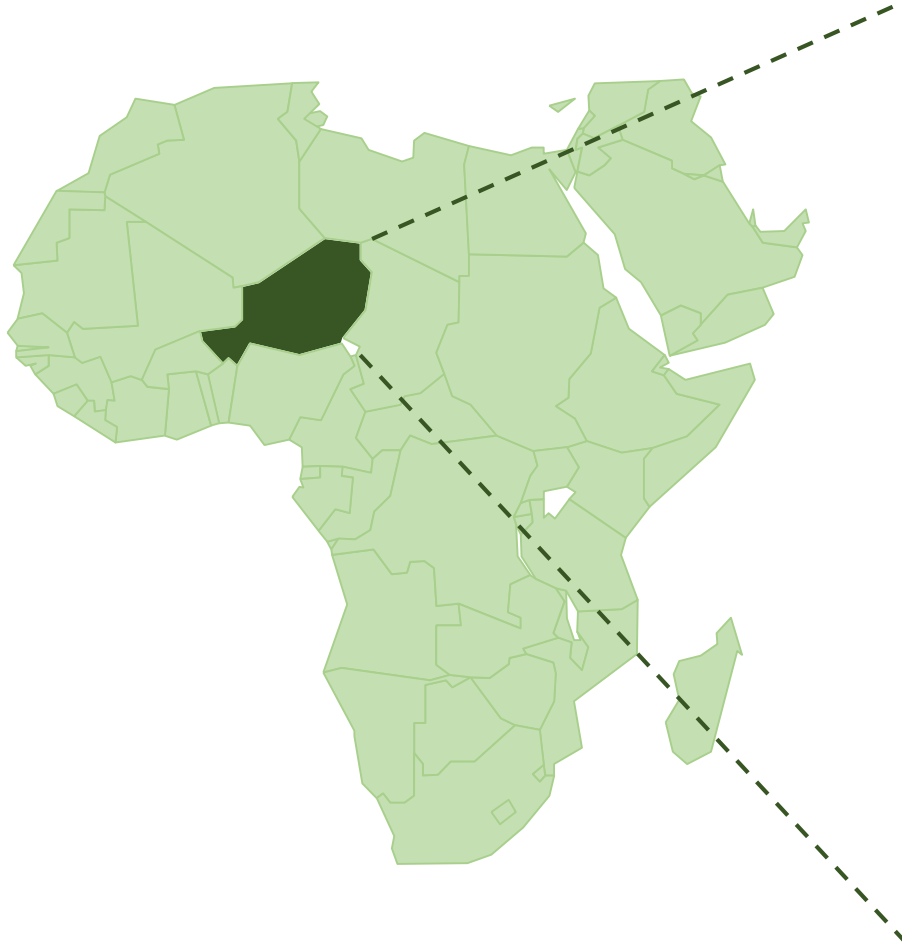


Dreams of making a difference for the population of Niger



THE CHALLENGE

He is considered privileged in a country with severe hunger and water scarcity issues



48% of population below poverty line

45% of population lack access to clean water

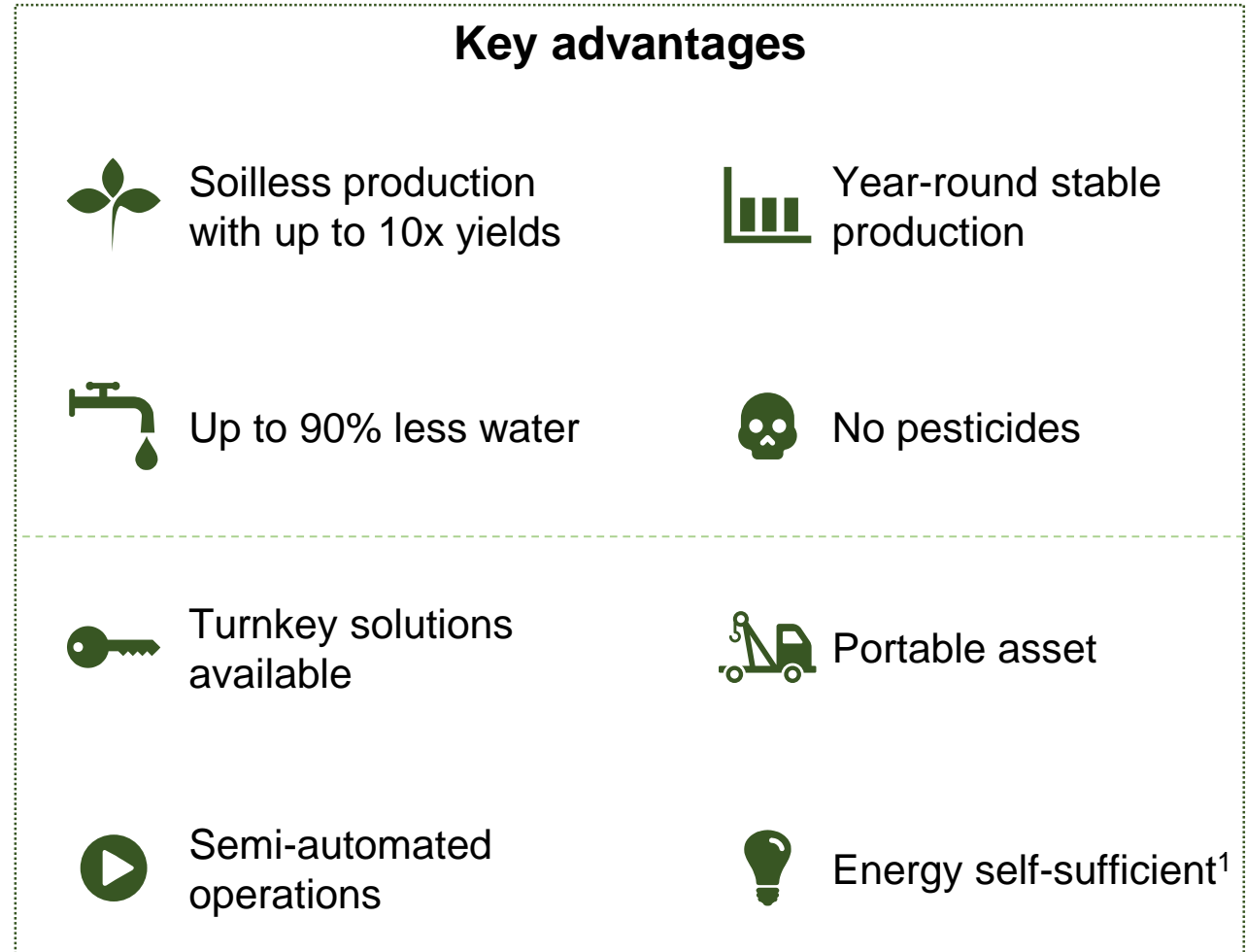
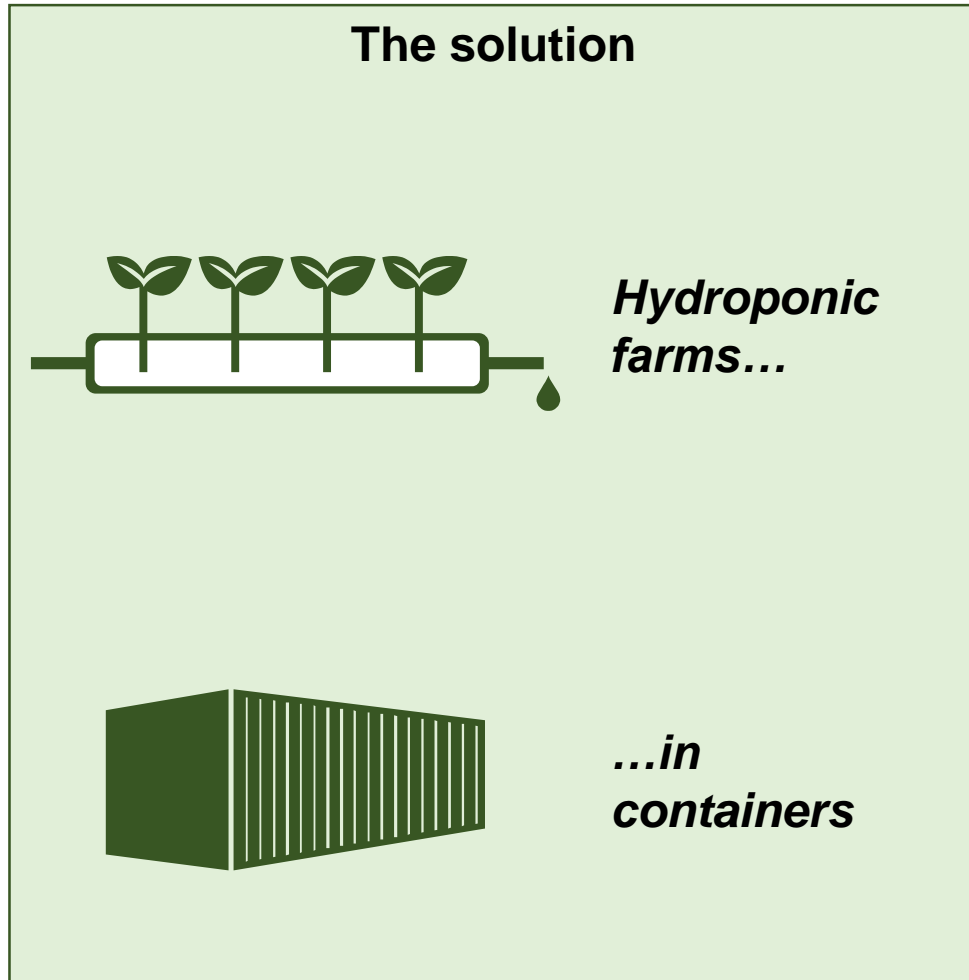
2X population by 2050 (median age = 15)

7 countries surround Niger – highly dependent on imports

200+kTon. of vegetables are imported every year

THE SOLUTION

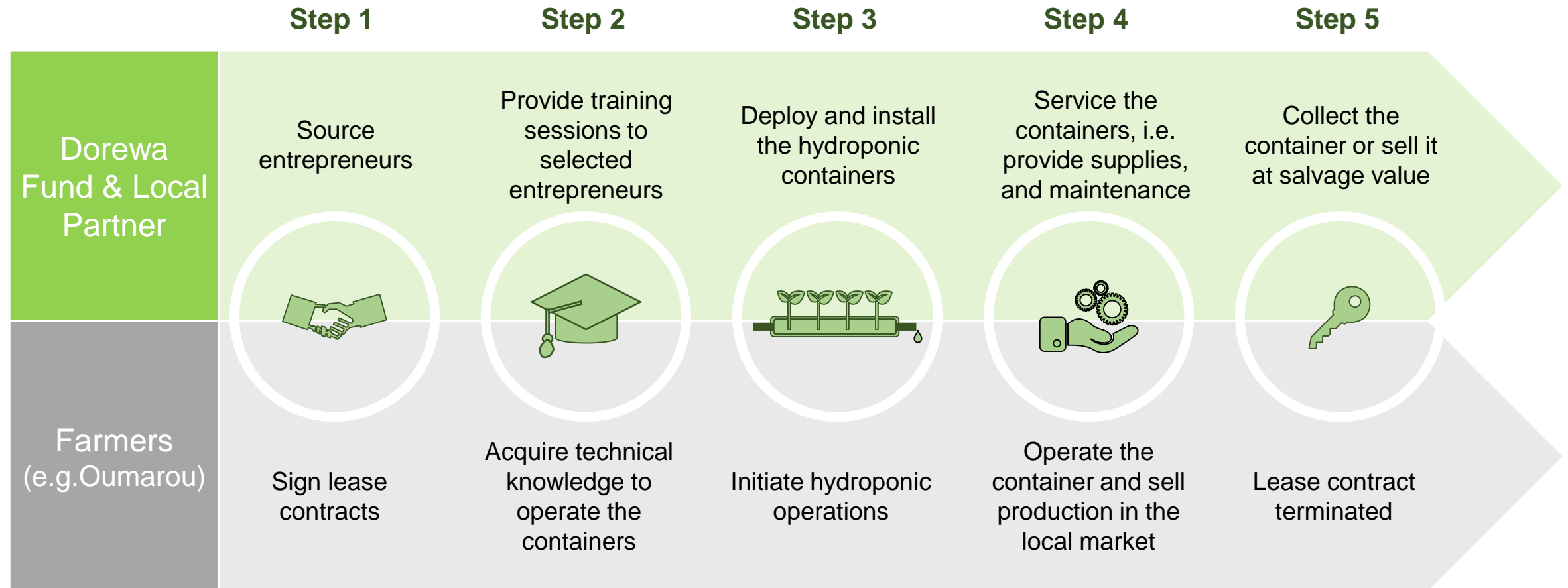
To help addressing this issues, we will deploy 200 hydroponic farms in containers



¹ If installed with solar panels, as planned by Dorewa | Sources: Freightfarms; GreentainersFood and Agriculture Organization of the United Nations 2017

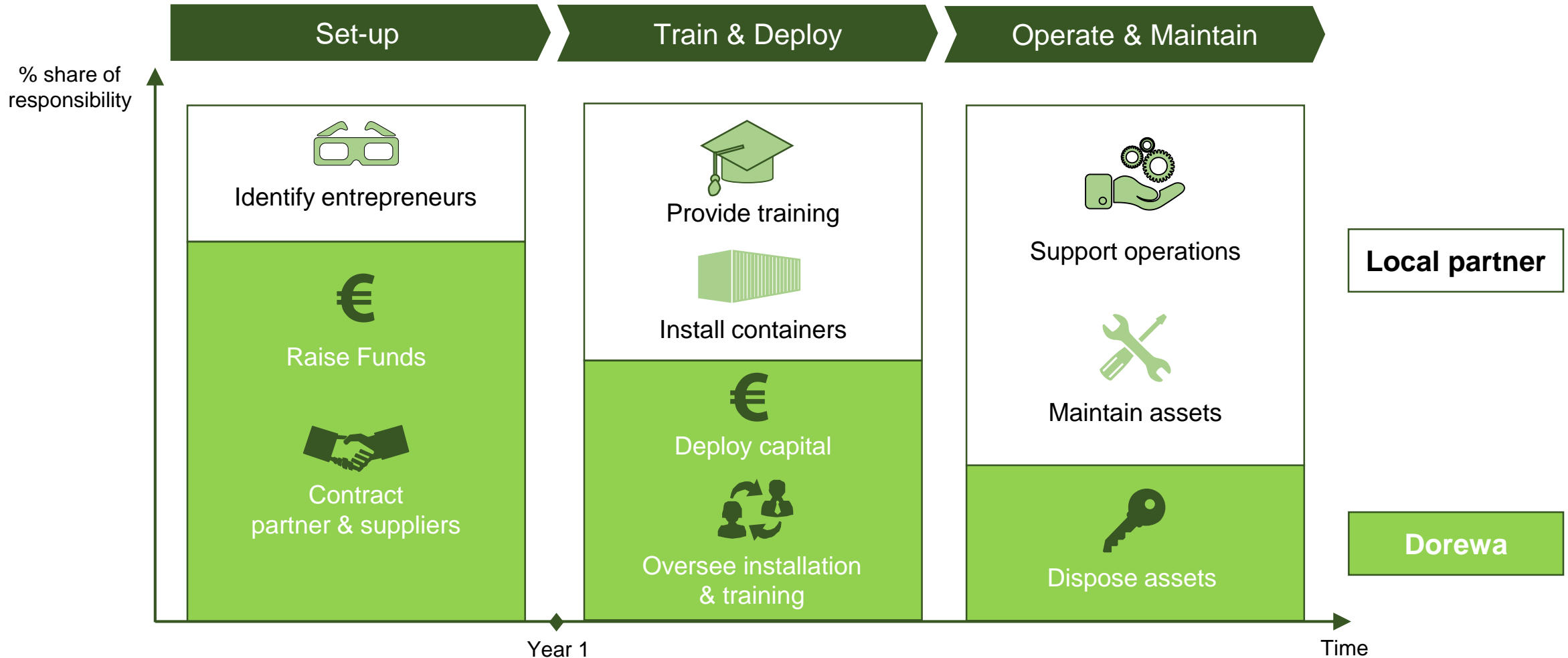
THE SOLUTION

We will provide capital and training to leverage Oumarou and other entrepreneurs



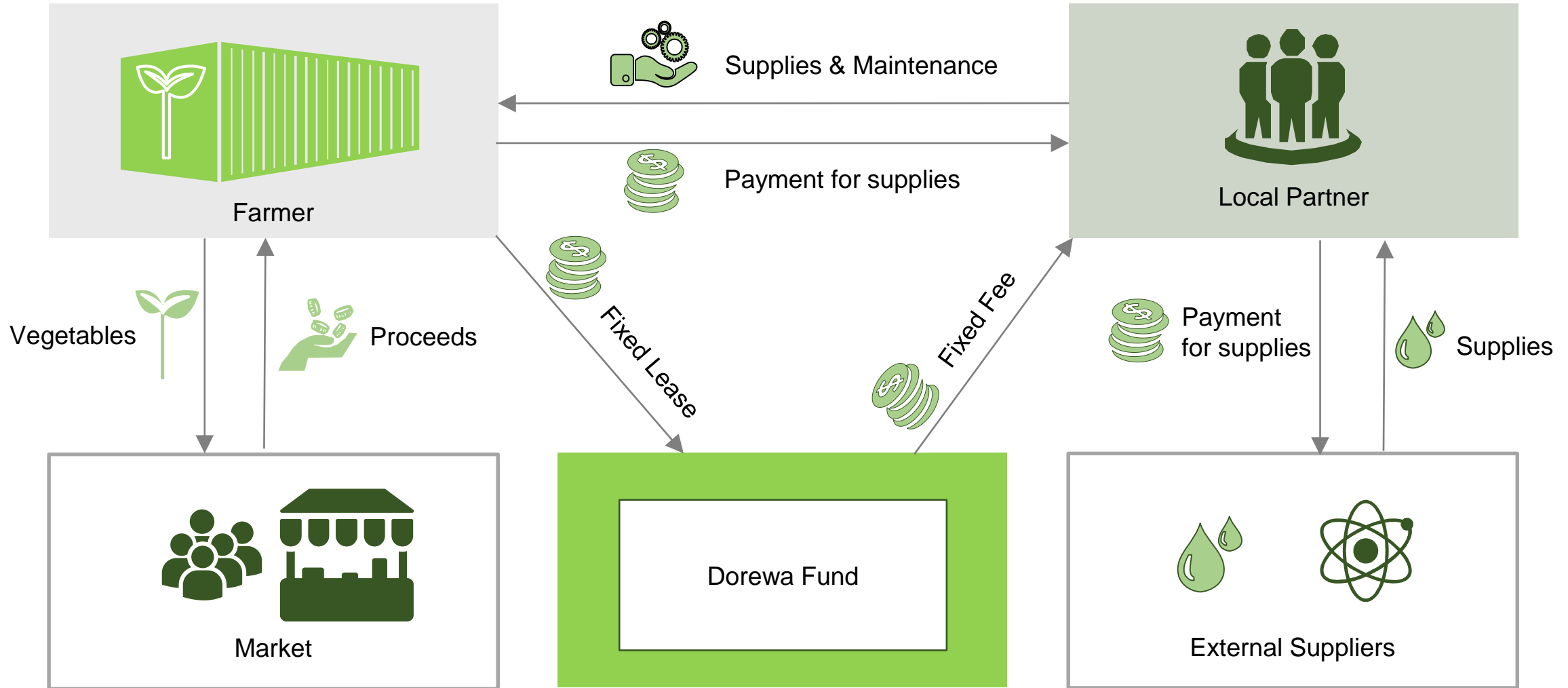
THE SOLUTION

The split of responsibility will leverage the know-how of each party involved



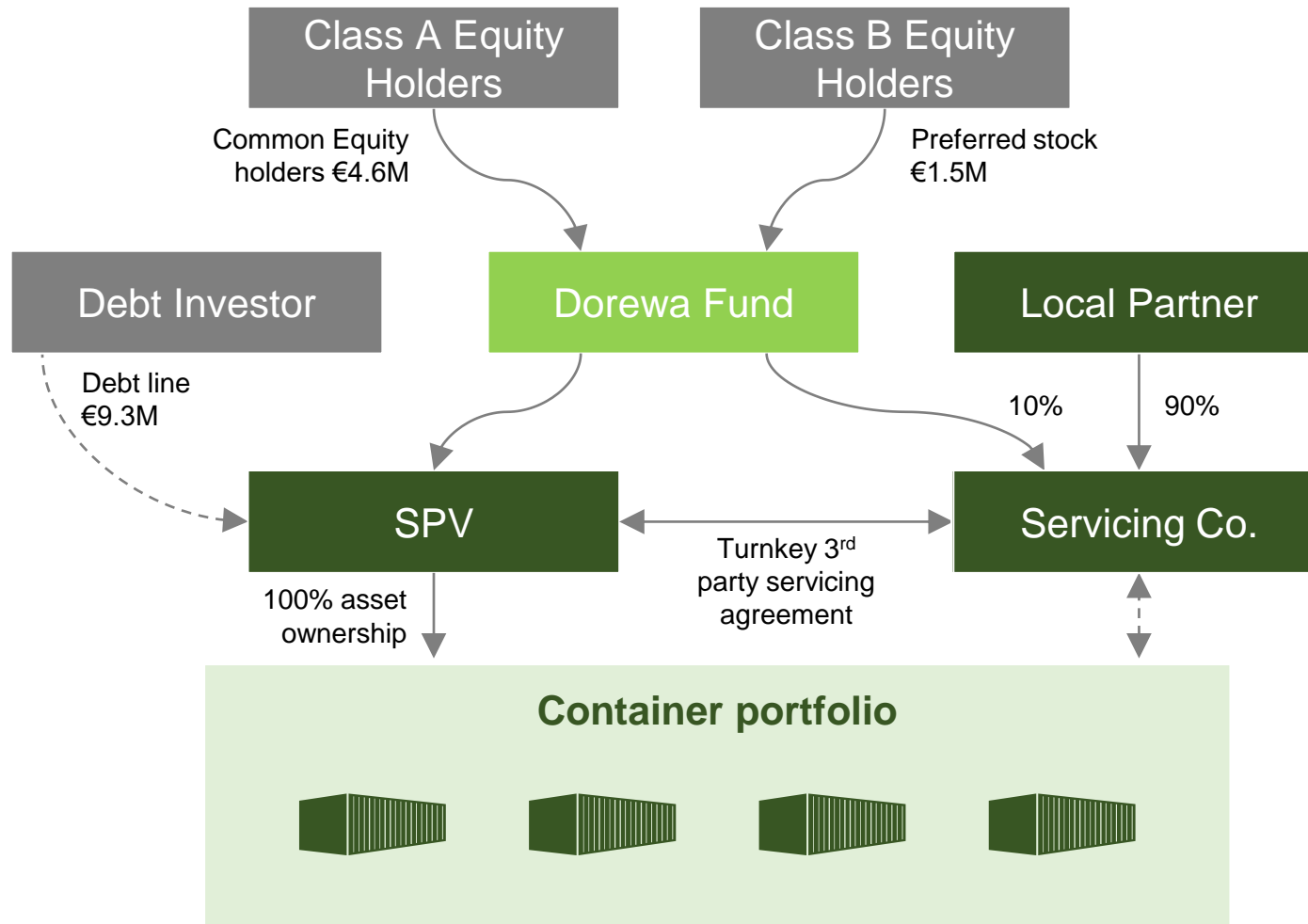
THE SOLUTION

The operating model accommodates scale through its granular framework



THE FINANCIAL INSTRUMENT

We designed a financial instrument to optimize the implementation



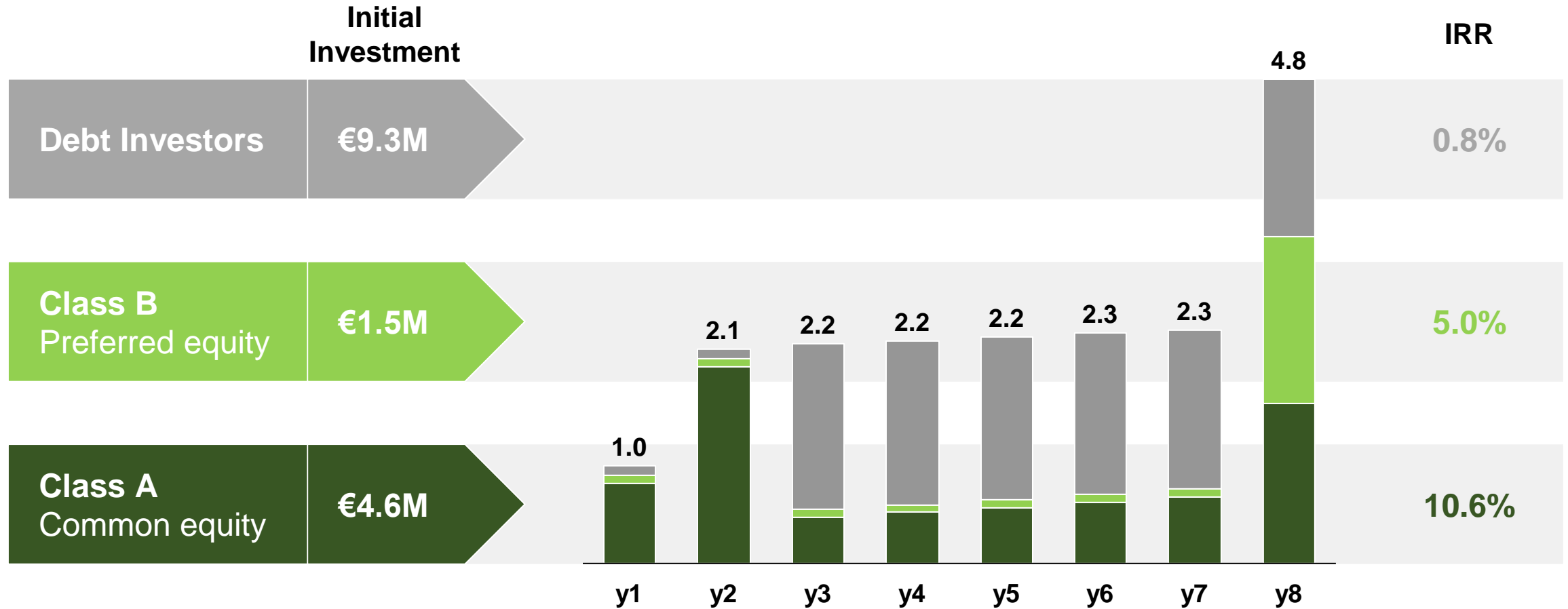
Key terms

Capital Sources	<ul style="list-style-type: none">▪ Debt: Multilateral development bank▪ Class A: ESG¹ investors▪ Class B: common equity investor
Debt	<ul style="list-style-type: none">▪ Secured²▪ 3 years grace period▪ ramped-up amortization▪ 1% interest rate
Class A	<ul style="list-style-type: none">▪ Common equity holders
Class B	<ul style="list-style-type: none">▪ Preferred stock (4% dividend)
Fee Structure	<ul style="list-style-type: none">▪ Local partner 0.50% NAV▪ Management fee 0.25% NAV
Fund Term	<ul style="list-style-type: none">▪ 2025

Notes: (1) Environmental, Social and Governance; (2) Secured by the containers





THE RETURNS

Yielding attractive cash flows to investors and operators



THE RISK MITIGATION STRATEGIES

The key risks can be minimized mostly by partnering with the right entities

Key risks		Mitigation
 Political	Political support to the endeavor	▶ Involvement of multilateral agencies ▶ Partnership with local player
 Local support	Endorsement from local communities	▶ Application for government support
 Business	Default from entrepreneurs	▶ 7,5% default probability in the cash flow forecast
	Collections ability	▶ Collection via mobile payment
	Technology risk	▶ Pooled support local team
	Security	▶ Strategic positioning in the South of the country
 Financial	Market risk	▶ Investment in portable assets (recoverable if needed)
	Exposure to weaker currency	▶ Franc CFA pegged to the € @ 655 XOF / Derivatives



THE IMPACT

Dorewa can change lives whilst generating competitive returns for investors

Economic



400+ direct jobs created in various communities with potential to scale



~€40m of goods traded on the local economy without relying directly on imports



32k people supplied with their annual consumption in a stable manner



~11k Tons of food not gone to waste *versus* traditional farming

Social

Environmental



Up to ~5m gallons of water saved annually *versus* traditional farming



0 pesticides used in the production of the vegetables



10.6% IRR for the profit-oriented investors of the fund



5% IRR for the sustainability-oriented investors of the fund

Financial

Sources: Wagelindicator.org 2016; Freightfarms 2017; Modern farmer 2017



DOREWA FUND

Thank you

Oumarou Baraya, Local entrepreneur

Xavier Rollat, Chief Co-Financing & Syndication Officer at African Development Bank

Patrick Joyce, Business Development Lead, Freight Farms

Guillaume Fourdinier, Cofounder & CEO, Agricoool

Laurent Valliergue, Senior Forestry Specialist, World Bank

Minh Huy Lai, Ex-Private Sector Development Specialist, World Bank

Edward Stiles, National Sales Manager, Tanzania Syngenta

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Tamara Cook, Financial Sector Deepening, Kenya

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Professor Pierre Hillion, Finance

Professor Ioana Popescu, Decision Science

AGA KAHN foundation

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Patrick Delmas, Technical advisor, 3N initiative, Niger

Ibro Mahamadou, Agronomist, Niger

Abdoul Rahimoune Massaoudou, Senior Manager SOPAMIN, Niger

Alfari Bonkano Yacouba, Local farmer



AGRICOOL



AGA KHAN FOUNDATION
An agency of the Aga Khan Development Network





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