

# Cooperation Framework to Support the New Alliance for Food Security & Nutrition in Burkina Faso



**NEW ALLIANCE**  
for Food Security & Nutrition

## **G8 Cooperation framework to Support the “New Alliance for Food Security and Nutrition” in Burkina Faso**

Three years after the G8 Summit at L’Aquila, Italy, the international community recognizes the importance of food security to development, inclusive economic growth and the dignity of all women and men. In that spirit, we welcome the success of the Comprehensive Africa Agriculture Development Program (CAADP) in demonstrating African ownership and leadership, its call for expanded public and private investment in agriculture and desire to build on the progress that African governments have made in advancing a vision for agricultural development in Africa.

In January 2011, the Government of Burkina Faso drafted and adopted a new development strategy known as “Strategy for Accelerated Growth and Sustainable Development” (“Stratégie de croissance accélérée et de développement durable” - SCADD) for the period 2011-2015, with the overall aim of achieving strong, sustained and quality economic growth with multiplier effects on income and the standard of living of Burkinabè and respectful of the principles of sustainable development.

Over the period 2011-2015, the SCADD aims at fast-tracking growth and continuing the efforts toward achieving the MDGs. A 10% average annual growth rate of real GDP is targeted. The Government opted for an accelerated growth model focusing on the private sector as a driving force, relying on an innovative approach with an emphasis on: (i) promoting growth poles; (ii) developing promising value chains, business niches and clusters; (iii) encouraging a pro-poor growth to effectively alleviate poverty<sup>1</sup>.

In the line with the Maputo<sup>2</sup> commitments and its sub-regional commitments<sup>3</sup> for the rural sector, the Government of Burkina Faso has: (i) allocated a budget of about 136.5 billion FCFA per year over the last five years (2006-2010) to the rural sector, i.e. approximately 14% of the overall national budget; (ii) launched in 2011 the preparation of a medium and long term agricultural investment programme, called the Rural Sector National Program (PNSR). This plan will soon be adopted and will serve as a single planning and implementing framework for public sector activity in rural development for the period 2011-2015. The PNSR is structured into 13 sub-programs around five action areas: (1) improving food security and sovereignty; (2) increasing income for rural communities; (3) sustainable development of natural resources; (4) improving access to drinking water and a healthy environment; and (5) developing partnership among rural actors.

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<sup>1</sup> Burkina Faso; *Stratégie de Croissance Accélérée et de Développement Durable (SCADD) 2011 – 2015*, December 2010.

<sup>2</sup> In 2003 in Maputo the Comprehensive Africa Agriculture Development Program was adopted and heads of state committed themselves to allocating at least 10% of state budgets to agricultural development.

<sup>3</sup> In 2005 in Accra, heads of state adopted the ECOWAS Agricultural Policy, the ECOWAP.

Together, the Government of Burkina Faso and the G8 members, commit to the “New Alliance for Food Security and Nutrition” and to working together to generate greater private investment in agricultural development, scale innovation, achieve sustainable food security outcomes, reduce poverty and end hunger. As partners, we commit ourselves to the following principles and actions:

### **Support of CAADP Country Compacts**

The G8 members, consistent with the commitments made at L’Aquila, reaffirm their intention to align their agricultural financial and technical support with the priorities of the CAADP National Investment Plan for Agriculture and Food Security (referred to in Burkina Faso as the Rural Sector National Programme (PNSR), which is the national implementing framework for CAADP for the Agricultural Policy of the Economic Community of West African States (ECOWAP/ECOWAS), and for the WAEMU Common Agricultural Policy (PAU).

Consistent with the foregoing, the G8 members recognize the value of predictability of donor activities including financial and technical support over a sustained period of time, as set out in Annex 2.

The G8 members intend to provide support within the agricultural sector to accelerate implementation of the PNSR, including through the Grow Africa platform, with the overall goal of facilitating increases in private investment and scaling innovation. The G8 members intend to engage the relevant agencies of their member governments and also to bring to bear appropriate enabling actions to accelerate progress in the areas of finance and markets, science and technology, and risk management. To address the underlying causes of food insecurity, the G8 members intend to focus key resources and other contributions on high-priority, high-impact investments which have been or will be identified in the framework of the implementation of the PNSR.

### **Key Policy Commitments**

The Government of Burkina Faso intends to pursue the policy goals set out below in order to build domestic and international private sector confidence to increase agricultural investment significantly, with the overall goal of reducing poverty and ending hunger. The Government intends to see to the creation of economic opportunities (facilitated access to seeds and agricultural inputs and accessibility to marketing channels) for the poorest agricultural producers through an effective targeting process.

The Government of Burkina Faso intends to provide incentives for private sector investment in agriculture, in particular through the measures contained in annex 1 in relation to the action areas of the PNSR. Such measures aim at: (1) promoting an integrated accessibility for vulnerable communities to agricultural inputs and to

marketing and processing channels of agricultural commodities<sup>4</sup> while improving their capacity for resilience; (2) developing/rehabilitating irrigated areas and creating the conditions for sustainable water resource management based on the integrated Water Resource Management strategy of the PNSR; (3) creating a secure investment climate for private investors; and (4) facilitating access to land and its secure productive use.

The Government of Burkina Faso reaffirms its intention to provide the human and financial resources and the mechanisms for dialogue between the private sector, farmers, and other stakeholders and across government ministries that are required for the achievement of tangible and sustainable outcomes, the acceleration of Burkina Faso's development and the delivery of tangible benefits for smallholder farmers, including women.

The Government reaffirms its commitment to mainstream nutrition in all food security and agriculture-related programs and to continue the actions undertaken so far to fight malnutrition.

### **Private Sector Engagement**

Private sector representatives have communicated that they intend to invest in the agriculture sector in Burkina Faso in support of the PNSR through Letters of Intent that they will prepare and execute, and that they intend to advise, shape, and participate in broad, inclusive and sustained private sector consultative mechanisms with the host government (see Annex 3).

### **Shared Responsibilities**

The G8 members, the Government of Burkina Faso and the private sector, confirm their intention to take account of the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (“the Voluntary Guidelines”) adopted by the Committee on World Food Security in May 2012, as well as the Principles of Responsible Agricultural Investment (PRAI) produced by several international organizations and endorsed by among others, the G8 and G20, which are undergoing a consultative process through the Committee on World Food Security on PRAI. In addition, they intend to work together specifically to develop pilot implementation programs for the Voluntary Guidelines and the PRAI in Burkina Faso.

### **Coordination and Collaboration**

Acknowledging their roles and responsibilities in implementing and monitoring the PNSR, the G8 members intend to coordinate their efforts for greater effectiveness. The lead interlocutor with Burkina Faso for this process will be France, working closely with the rural development and food security sector donor working group (and its sector leader,

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<sup>4</sup> Agricultural commodities: products from agro-sylvo-pastoral value chains (including processed products).

the World Bank), on behalf of the G8, without setting up parallel structures. The G8 and Government of Burkina Faso welcome the participation of other countries and partners.

## **Results**

Consistent with the New Alliance goal of improving food security and nutritional status by helping 50 million people in sub-Saharan Africa emerge from poverty by 2022, the participants intend their combined actions in Burkina Faso to help 1.6 million people emerge from poverty<sup>5</sup>.

## **Mutual Accountability**

The G8 members, the Government of Burkina Faso, and the private sector intend to review their performance under this document through an annual review process to be conducted within the existing broader CAADP-donor Joint Sector Review of PNSR implementation. These participants intend, in particular, to review progress toward jointly determined objectives on the basis of jointly determined benchmarks in contributing to the fulfillment of Burkina Faso's CAADP investment plan<sup>6</sup> : (1) progress towards achieving the poverty reduction target; (2) G8 member commitments to align their agricultural investments to the Government of Burkina Faso's PNSR ; (3) Government of Burkina Faso's progress in implementing its policy commitments and consulting with private-sector investors; and (4) the investment commitments of private-sector investors. The review will also take account of the shared responsibilities related to the Voluntary Guidelines and the PRAI.

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<sup>5</sup> Increasing the number of beneficiaries is one of the outputs of the New Alliance; however, for information, as per the HEA 2012 study findings, the total number of poor people in Burkina Faso is estimated at between 4 and 6 million.

<sup>6</sup> Include others investment and private sector engagement programs developed for the Bagre Growth Pole Project (Projet pôle de croissance de Bagré - PPCB).

## Annex 1: Government of Burkina Faso Key Policy Commitments

Policy indicators <sup>7</sup> :		
Objective	Framework Policy Actions	Timeline
<ul style="list-style-type: none"> <li>• % increase in improved seed use (baseline value in 2008 as per the PNSR = 15%);</li> <li>• Increase in the gross dose of fertilizer use in Kg/ha (baseline value in 2005 as per the PNSR = 40 Kg/ha);</li> <li>• % increase in the share of irrigated productions in total agricultural production (baseline value in 2010 as per the PNSR = 10%);</li> <li>• Increase in the number of agro-industrial SME/SMIs established (baseline value in 2010 as per the PNSR = 30);</li> <li>• Number of certificates of land holdings and long-term leases (baseline value = 0).</li> </ul>		
Objectives and measures relative to priority area 1 of the PNSR: Improving food security and sovereignty		
<b>Objective 1.</b> <b>Promote an integrated accessibility for vulnerable communities to agricultural inputs and to marketing and processing channels of agricultural commodities<sup>8</sup> while improving their capacity for resilience</b>	<b>Measure 1. Diversify supply and distribution strategies for agricultural inputs and for marketing/processing</b> <ul style="list-style-type: none"> <li>• Facilitate private sector participation in fertilizer supply contracts</li> <li>• Review the seed legislation to clearly define the role of the private sector in certified seed selection, production and marketing</li> <li>• Establish a mechanism to facilitate the targeting only of eligible smallholder producers, including women, for seed, fertilizer, pesticide and other temporary agricultural input subsidies.</li> <li>• Ensure input quality control by developing the human, material and financial capacities of relevant national agencies<sup>10</sup></li> <li>• Implement the priority recommendations from updated development studies and strategies on promising value chains and niches of the PNSR (corn, cow-pea, sesame, rice, etc.)</li> </ul>	December 2012 <sup>9</sup> December 2014 April 2013 2014 Budget December 2013

<sup>7</sup>Five indicators have been proposed: Indicators on “% increase in improved seed use in %” and “Increase in the gross dose of fertilizer use in kg/ha” relate to objective 1. Indicator on “% increase in the share of irrigated productions in the total agricultural production” relates to objective 2. Indicator on “Increase in the number of agro-industrial SME/SMIs established” relates to objective 3. Indicator on “Number of land holding certificates and long-term leases” will help to assess the progress made under objective 4.

<sup>8</sup> Agricultural commodities: products from agro-sylvo-pastoral value chains (including processed products).

<sup>9</sup> The World Bank; Program document on a proposed grant to Burkina Faso, for a first growth and competitiveness grant; May 2012; Page 43.

<sup>10</sup> Directorate for plant protection; Inputs and Agricultural Mechanism Directorate; BUNASOLS; Agricultural Research.

	<p><b>Measure 2. Develop services for resilience to and management of agricultural risks</b></p> <ul style="list-style-type: none"> <li>• Sustain the national food security information system<sup>11</sup></li> <li>• Develop primary storage capacities for food commodities to contribute to mitigating agricultural price volatility</li> <li>• Institutionalize a system of social safety nets that are adapted to different categories of beneficiaries</li> <li>• Test some agricultural insurance schemes (climate insurance, agricultural insurance, etc.); and</li> <li>• Disseminate the CNSS voluntary insurance scheme and develop social protective schemes that are appropriate for the agricultural sector.</li> </ul>	<p>2014 Budget December 2012  December 2013  December 2013 December 2013</p>
	<p><b>Measure 3. Adopt and implement a national food security policy (PNSA) that is consistent with the PNSR, the national nutrition policy (PNN) and the social protection policy (PNPS)</b></p>	<p>December 2013</p>
<p><b>Objective 2. Develop / rehabilitate irrigated areas and create the conditions for sustainable water resources management based on the integrated Water Resources Management strategy of the PNSR.</b></p>	<p><b>Measure 4. Develop / rehabilitate 18,500 ha of irrigated areas and 35 000 ha of low-lands<sup>12</sup></b></p>	<p>December 2015</p>
	<p><b>Measure 5. Adopt and disseminate a policy framework for resettlement in the developed areas taking into consideration all types of farmers, small and large-scale<sup>13</sup></b></p>	<p>December 2013</p>
	<p><b>Measure 6. Review rules for agriculture water management and use</b></p> <ul style="list-style-type: none"> <li>• Adopt and disseminate the general terms and conditions for developing, occupying and using State or local government-developed lands<sup>14</sup></li> <li>• Pilot the establishment of agriculture water users' organizations to address issues relating to the maintenance of irrigation networks and water service<sup>15</sup></li> </ul>	<p>December 2012  December 2012</p>

<sup>11</sup> Agricultural statistics, Early Warning System; Market Information System, etc.

<sup>12</sup> Source: PNSR, page 25

<sup>13</sup> The MCA suggested a resettlement policy framework building on the World Bank operational policy 4.12. This document was amended during a national workshop and approved in 2010, and is now being implemented in the Sourou region. This policy framework could serve as basis for drafting a national resettlement policy framework in developed areas.

<sup>14</sup> Three decrees are in the process of being approved. These relate to (i) occupation and use of developed lands for rain-fed agriculture; (ii) family occupation and use of hydro-agricultural development plots; (iii) development, occupation and use of land for agro-business.

<sup>15</sup> Experimentation is being conducted in the Sourou region by the MCA based on an ordinance. One can consider that in the future, cooperatives will be able to contract out to private operators the maintenance irrigation networks and the provision of water services.

<b>Objective and measures relative to priority area 2 of the PNSR : Increasing income for rural communities</b>		
<b>Objective 3.</b> Create a secure investment climate for private investors	<b>Measure 7. Improve efficiency and transparency in commercial and customs procedures for agricultural commodities</b> <ul style="list-style-type: none"> <li>• Adopt legislation aiming at establishing a legal framework appropriate for promoting mediation as a non-jurisdictional dispute settlement mechanism</li> <li>• Draft and adopt a code of investment specific to the agricultural sector</li> <li>• Establish a national metrology agency for quality standardization and control required to support agro-industry actors</li> <li>• Improve the efficiency of customs procedures by adopting short-term measures aiming at revising customs clearance procedures (based on recommendations of an audit)</li> </ul>	December 2012 December 2014 December 2014 December 2013
	<b>Measure 8. Facilitate access to funding for actors from the different sub-sectors of agricultural value chains</b> <ul style="list-style-type: none"> <li>• Establish a private investment promotion fund for agricultural small and medium-size enterprises</li> <li>• Enable banks and micro finance institutions (MFIs) to develop new financial schemes for the agricultural sector, such as seasonal credits, capital investment, inventory credit, etc.</li> <li>• Implement measures aiming at building capacity for financial institutions to facilitate women's access to funding for the purpose of establishing agricultural businesses and providing working capital</li> </ul>	December 2013 December 2013 December 2014
<b>Objective and measures relative to priority area 3 of the PNSR : Sustainable development of natural resources</b>		
<b>Objective 4. Facilitate access to land and its secure productive use</b>	<b>Measure 9. Implement the law n° 034 - 2009 /AN dated 16 June 2009 relative to rural land tenure and its enforcement decrees, leading in the medium-term to the delivery of land holding certificates (APF) in village territories<sup>16</sup></b> <ul style="list-style-type: none"> <li>• Ensure the functioning of the rural land tenure national committee (CONA/SFR) and the 13 rural land tenure regional committees (CORE/SFR) that have been established</li> <li>• Establish and operate rural land agencies (SRF) in the 302 rural districts</li> <li>• Establish village land commissions in the villages of the 302 rural districts</li> </ul>	February 2013 February 2014 December 2014
	<b>Measure 10. Draft transparent procedures for access to land in State or local government-developed areas, delineate, register the land areas already developed and issue documents relative to land use rights in all the developed areas, including for women</b>	December 2014

<sup>16</sup> In Burkina Faso, in addition to being a prerequisite for developing investments in agriculture, the issue of land tenure system should be handled from the perspective of social peace indispensable to sustainable development.



## **Annex 2: G8 Members' and Others' Funding Intentions**

G8 Members and others express their intentions in support of CAADP investment plans and the goals of the New Alliance for Food Security and Nutrition in a flexible manner.

### **UNITED STATES OF AMERICA**

Millennium Challenge Corporation Compact funding in the sector of Agriculture:

- \$396 million

Annual funding tranches in the sector of Agriculture and Nutrition:

- 2011: \$12.6 million
- 2012: \$16.6 million

Subject to the availability of funds:

- 2013: \$15.9 million

### **FRANCE**

Contributions in the sectors of agriculture, food security, rural development and nutrition are subject to availability of funding, demand by the governments as well as private firms concerned and confirmation of their commitments by all relevant stakeholders and could reach the following amounts:

- 2012-2015: 30.5 million EUR / 40 million USD

### **GERMANY**

- 2012-2014: 51.5 million EUR (67.5 million USD)

### **JAPAN**

Expected disbursement for supporting agriculture and agriculture-related areas over the period of the Japanese fiscal year:

- 2012-2015: 39 million JPY (0.5 million USD)

### **EUROPEAN UNION**

On-going programs

- 24 million EUR (31.5 million USD)

Planned funding

- 2012-2013: 48 EUR (62.9 million USD)

Total commitment through end 2013

- 72 million EUR (94.4 million USD)

### Annex 3: Private sector investment intentions

As of 18 August 2012, 16 companies – 6 multinationals and 10 local companies – have prepared and signed letters of intent to describe their investment intentions in Burkina Faso under the New Alliance for Food Security and Nutrition. Plans for private sector investment will support the CAADP investment plan for agriculture and food security (the PNSR). Other companies could be invited to prepare and sign letters of intent in the future on the same basis.

Local Companies	Multinationals
<ul style="list-style-type: none"><li>• Agence Deli Internationale (ADI)</li><li>• Union Conannet des Etuveuses de Riz de Bagré (UCERB)</li><li>• EBT-TRADING Sarl</li><li>• GROUPE VELEGDA Sarl</li><li>• Société Burkinabé des Corps Gras (SBCG)</li><li>• Société Agro-Pastorale et de Services (SAPAS)</li><li>• SAREPTA S.A.</li><li>• PRO-AGRO</li><li>• PICKOU EXPORT</li><li>• Société d'exploitation des produits alimentaires (SODEPAL)</li></ul>	<ul style="list-style-type: none"><li>• Ecobank Group</li><li>• AGCO</li><li>• United Phosphorus Limited (ULP)</li><li>• Yara</li><li>• African Cashew Initiative</li><li>• Competitive African Cotton Initiative (COMPACI)</li></ul>

#### Summaries of private sector Letters of Intent to date are:

##### Local Companies

**Agence Deli International (ADI)** is a company based in Bobo Dioulasso with activities in production, processing, export and marketing of agricultural products.

- The object of ADI company is to create a modern hibiscus (locally referred to as "*bissap*") processing plant that will cost a total of 1.3 billion FCFA and contribute to the:
  - Development of production of varieties adapted to various uses;
  - Collection and selection of hibiscus suitable for local processing;
  - Production of juices, soft drinks, sweets, tea and infusions from hibiscus through the addition of other local raw materials that are still underutilized such as mango, ginger and some non-timber forest products (monkey-bread, honey, etc.).

- ADI Company, promoter of this project, aims to promote the development of small family farms and rural women who significantly take part to agricultural activities.
- Based on the processing of hibiscus flowers, this project will provide additional income to farmers in the regions of Hauts-Bassins, Cascades, Sud-Ouest and Boucle du Mouhoun where the cultivation of this crop has developed over the years. By offering opportunities for some women, main players in the sector, the implementation of this hibiscus processing project will contribute to:
  - Develop production in regions mentioned above;
  - Develop a growing market;
  - Provide steady and secure income for producers;
  - Provide quality product complying with international standards for national, sub regional, regional, and international consumers.

**Union Conannet des Etuveuses de Riz de Bagré (UCERB)** is a group of 460 women whose main activity is cultivation and processing of local parboiled rice.

- The project involves the construction of a warehouse with a capacity to stock 200 tons of rice. For this project, the women of the group contribute 3 million FCFA out of a total of 15 million FCFA.
- This project aims to provide permanent employment and regular income to the 460 women members and to provide quality rice to Burkinabè consumers. The main impacts of the projects will include;
  - Creation of permanent jobs for the 460 members of the group;
  - Redistribution of income for women;
  - Improved quality of parboiled rice;
  - Lower post-harvest losses on stocks.

**EBT-TRADING Sarl** is a company specializing in agricultural production and marketing of cereals and other food products (shea nuts, sesame seeds, tiger nuts, cashews nuts and hibiscus)

- The project involves the creation of a farm as a joint venture with a company from the North (Monaco). The total cost of the project is approximately 450 million FCFA. This North-South partnership project will use a production technique called "all-season" (in the rainy season and dry season) based on "drip irrigation" technology. The partner from the North will bring technology and expertise (pilots are underway in Mali on 100 ha and in Benin). EBT TRADING will provide agricultural land and local labour. The project will be implemented in three different sites:
  - In Koumbo in the province of Sissili, 150 km from Ouagadougou on an area between 50 and 70 ha;
  - In Kakoalé (around Bobo-Dioulasso) on an area of 50 ha;
  - In Bagré in the irrigated perimeter on an area that may extend over 30 to 50 ha

It should be noted that the Burkinabe stakeholder has already 7 years of experience in the agricultural sector.

- The project will produce maize, cowpea, and sesame in all seasons for processing as well as certified seeds that will be sold to private producers, NGOs, and the Government.
- The project will contribute to achieving the following:
  - Creation of 36 direct jobs;
  - Rural youth and women in the project area will benefit from employment, income, and training;
  - The general population will benefit from the dissemination of technological innovations and modern farming methods as well as from the extension of the agricultural period up to 9 or 10 months a year.

**GROUPE VELEGDA SARL** is a company specializing in the collection and marketing of oilseeds and cereals and working in Ouagadougou, Bobo-Dioulasso, and Pouytenga in Burkina Faso.

- The project aims to create a 600 ha rice farm and establish a rice husking plant. For this project, GROUPE VELEGDA will contribute financially and materially. The total project cost is approximately 1 billion FCFA.
- The project will contribute to food security in Burkina Faso, to the creation of direct and indirect jobs and value-addition through the establishment of an agricultural farm and an industrial plant in addition to the commercial activities that the company is already carrying out.
- The jobs that will be created are expected to be as follows:
  - On the farm: 112 farm workers and 16 administrative personnel;
  - On the rice-husking plant: 15 technical personnel (machine operators, drivers, and maintenance staff) and 8 administrative personnel.

These investments could also contribute to the modernization of farming techniques. After this project the company plans to invest approximately 855 million FCFA for the construction of three storage warehouses.

**Société Burkinabe des Corps Gras (SBCG)** is the industrial branch of the *Société industrielle et Commerciale du Faso (SICOFA)*, a leading company specializing in import and resale of palm oil throughout Burkina Faso. By creating SBCG, SICOFA managers' wish is to produce palm oil in Burkina Faso.

- The project involves the establishment of a palm oil production plant. For the project, SBCG which is a corporation created for this purpose will contribute 4 billion FCFA for a total cost of 5 billion FCFA. The investments will be made in Ouagadougou of the oil production plant and in Kouba for the soap production plant.
- The implementation of the project will be accomplished through the following measures in the next twelve months:
  - Completion of construction (architectural, technical, and financial studies are already conducted; construction is in progress);
  - Ordering of equipment;
  - Staff training.
- The project aims to be a competitive producer of quality edible oil. For environmental protection, residues from the filtration of the crude oil will be reused to make laundry soap.
 

These investments could have the following effects:

  - job creation (about 100 direct full-time jobs);
  - Improvement of people's health;
  - Creation of added value;
  - Preservation of the environment.

**Société Agro-pastorale et de Services (SAPAS)** works in the field of agriculture and stockbreeding.

- The project involves the expansion, diversification and modernization of its production plant and the marketing of poultry and poultry by-products. The company already has a farm of 12,000 egg-producing hens in the commune of Loumbila. The farm is located on a land of 2 ha. From its experience in rural development and farm management, SAPAS has developed a reactivity to market demands which has led it to the decision to expand its operations by doubling its production capacity and transforming the farm into a modern company with efficient equipment, trained staff, and a professional management system. The company also has maize and soybeans fields. For this project the company will make in-kind and cash contributions of nearly 30%. Investments will be concentrated in the commune of Loumbila.
- The project will contribute to:
  - Fight poverty;
  - Reduce rural migration;
  - Increase livestock in Burkina Faso;
  - Develop the economy of Burkina Faso.

- The project's job-creation impact will be as follows :
  - For stockbreeding, SAPAS will use a farmer's network for integrated production and build their capacities. This will create 1 900 full-time jobs and at least twice as many seasonal and indirect jobs ;
  - For crop production, 25 full-time jobs, 500 part-time jobs and 2 500 seasonal jobs will be created.

**SAREPTA S.A.** is a Burkinabe oilseed processing company (specialised notable in production of shea butter and soap). Its headquarters are located in Kouba, 15 km from Ouagadougou.

- The project aims to install a plant for the production of edible oils and oil by-products (seed cakes and soaps). The total cost of the project is 850 millions FCFA. The investment is located in Kouba.
- The project will allow:
  - production and marketing of shea butter, vegetable oils, food, livestock and poultry;
  - Processing of various nuts and oilseeds;
  - Production of shea butter by-products;
  - Production and marketing of soap and cosmetics made with shea butter and other fats;
  - Production and marketing of packages.
- SAREPTA will take the following steps for the realization of this project:
  - Acquisition of equipment;
  - Recruitment of qualified and competent staff;
  - Implementation of a policy for product quality assurance;
  - Application of processes for product processing in strict compliance with the environment.
- The investments could have the following impacts:
  - Increase of the processing capacity of shea nuts in Burkina Faso. In fact, a large part of shea nut production is left unprocessed due to the lack of a large capacity industrial unit;
  - Development of the shea sector and creation of added value for the national economy;
  - Creation of 35 direct and indirect jobs for rural people (collection of nuts).

**PRO-AGRO** is a large agricultural enterprise that particularly works in the field of potato production.

- The project involves the development of 100 ha for the production of 4,500 tons of potatoes.

The total cost of the project is FCFA 6 billion and AGRO PRO Company will contribute FCFA 1.2 billion. To fulfil this commitment, the company will quickly take the following steps:

- Establishment of three taproots;
  - Mechanization of potato production;
  - Acquisition of a potato storage unit;
  - Acquisition of storage equipment.
- The investments could have the following impacts:
    - Improvement of people's diet and contribution to food security;
    - Creation of 30 full-time jobs and 350 seasonal jobs;
    - Reduction of potato imports and contribution to the improvement of the trade balance of Burkina Faso.

**PICKOU EXPORT** is a company for production, storage and export of fruits, vegetables, cereals as well for marketing of agro pastoral equipment. The company is based in Kaya, 100 km from Ouagadougou.

- The project involves the production of sesame and cowpea on an area of 20,000 ha in the fifth year. The project also aims to build a training centre for young farmers and to establish a plant for cleaning sesame seeds and extracting sesame oil. The contribution from the company will amount to 25% of the total project cost. The total project cost is FCFA 614 million. The investments will be concentrated in the region around Kaya where the company has its farms.
- For the project, the company will take the following steps in the short term:
  - Creation of a production field school of 400 ha;
  - Creation of a farm of 1,600 hectares for the start of the project;
  - Acquisition of seeds;
  - Construction of a storage warehouse;
  - Acquisition and installation of technical equipment
- The investments could have the following impacts:
  - Creation of 77 full-time jobs;
  - Increase in the production and productivity of sesame, green beans, and cowpeas in the Centre-North Region;
  - Promotion of sesame and green beans sector;
  - Economic and financial autonomy for farmers;
  - Contribution to achieving food security;
  - Education and training of young farmers in the region;
  - Production of animal feed.

**Société d'exploitation des produits alimentaires (SODEPAL)** is an industrial unit that has been operating for over 20 years in the food industry sector.

- The project of the company called "*Complexe agroalimentaire Simone ZOUNDI*" (CASIZ) aims to modernize and diversify the activity through 3 components:
  - A component specializing in the production of food and nutritional supplements for children and pregnant women, the elderly or people suffering from diabetes based on agricultural, animal, and forest products;
  - A "confectionery" component utilizing local fruits and vegetables;
  - A "spirits" component utilizing local forest products.
- SODEPAL will take the following steps in the coming months:
  - Search for technical and commercial partners;
  - Acquisition of a land of 2 ha in an industrial area;
  - Request to the Government for registration under the Investment Code for the implementation of the project;
  - Conduct of architectural, technical, and economic studies for the project.

For this project, the total financing requirement is estimated at FCFA 2.1 billion. The investment location is Bagre.

- These investments could have the following impacts:
  - Creation of nearly 105 direct jobs;
  - Contribution to improving the living standards of the vulnerable segments of the population;
  - Introduction of technological innovations;
  - Supply of competitive and quality innovative products for the sub-regional and international markets.

### **Multinational companies**

The **Ecobank Group** is a full-service, pan-African bank with a presence in 33 African countries.

- Ecobank's investments have impacts in promoting market access, ensuring market supply consistency, and enhancing market return, and the Group will continue to work towards improving access to affordable finance for the agriculture sector. Our commitment to serving the agriculture sector spans across Africa as demonstrated by our engagements in Ghana and Burkina Faso.
- Over the next 7 years, Ecobank Ghana will provide \$5 million in lending to the agriculture sector. The goal is to extend medium term lending (with tenors ranging from one to five years) to agribusiness SMEs operating in the rice, maize, and soya value chains, including but not limited to nucleus farm operators, aggregators and traders, processors, agro-inputs supply companies,



transportation and mechanization services companies, or farm-based organizations.

- Over the next five years, Ecobank Burkina Faso will provide \$3,360,000 in lending to the agriculture sector and through microfinance institutions who on-lend to the agriculture sector. The goal is to increase access to finance for agriculture value chains (including livestock but excluding cotton, a sector which already receives support from commercial banks) defined broadly to include financing, inputs, production, processing, storage, and transportation. Ecobank Burkina Faso estimates this targeted lending will result in more than 60 new loans with an average size of \$50,000 and average maturity of 1.5 years.

**AGCO**, Your Agriculture Company, is a US-based global leader for farm equipment with plans to invest in Burkina Faso, Cote d'Ivoire, Ethiopia, Ghana, Kenya, Mozambique and Tanzania and other countries in Africa.

- With over 50 years of experience in Africa, AGCO intends to cultivate long-term partnerships and invest \$100 million over the next three years to impact at least 25,000 smallholder farmers by providing a complete set of regionally specified agricultural solutions combined with technology transfer and capacity building.
- Our sustainable investment plans take a modularized approach and include a) Future Farms & Training Centers to enhance productivity through technology, mechanization and farming know-how; b) an equipment financing solution for smallholder farmers with little-to-no working capital; and c) infrastructure, technical and consultative support with mechanization and replacement services as well as silo systems and storage solutions for smallholders and commercial farmers to examine local assembly or manufacturing opportunities.
- In the next 12 months, activities include partnering with host country governments and transformation organizations to determine locations for farms/training centers, select focus value chains, and to develop feasibility studies.

**United Phosphorous** is an India-based seed and crop protection company with plans to invest in Ethiopia, Ghana, Tanzania, Burkina Faso and Mozambique.

- UPL is exploring investments of approximately \$150 million in 18 sub-Saharan African countries over the course of 7-10 years with the aim of impacting 200,000 smallholder farmers in the near-term and up to 750,000 farmers in the long-term. Through these investments, farmer productivity could increase 59-85%, translating to \$100 million in the project phase and around \$500 million in the long term. Impact on farm incomes would be between 50-113%. UPL identifies Africa as a critical region for their growth.
- Investments would include setting up research infrastructure, production and processing facilities, warehouses, cold storage, quality control labs, and local capacity building, specifically, in: a) Technology transfer to small and marginal farmers; b) Key input and knowledge partner to large farms; c) Interest crops – Corn, Sorghum, Sunflower, Canola, Rice, Forages, Cotton, Legumes and Vegetables.

- Expected impacts include: a) Generation of local employment; b) Education and training to small and marginal farmers on crop management; and c) Access to high yielding quality seeds and associated agri inputs along with the right package of practices suitable to the growing conditions.

**Yara International ASA** is a Norway-based fertilizer company with plans to invest in Ethiopia, Ghana, Tanzania and Burkina Faso.

- Yara has committed to a broader sub-Saharan Africa strategy, applying an integrated multi-country approach. At the pan-African level, Yara is currently undertaking a significant business development activity to identify the most competitive location to develop a world class fertilizer production facility, which, if a suitable location can be found, could amount to a \$1.5 – 2 billion investment. In this work, a number of factors will be carefully analyzed, such as access to reasonably priced raw materials, existing and future infrastructure developments, as well as location relative to market potential. Of critical importance in choosing a location is the overall local and regional agricultural development potential where a world scale manufacturing facility can act as a catalyst to growth in the agricultural sector and underpin the viability of sustainable food production. Yara would aim to combine an investment in such a production facility with a range of integrated agricultural growth and development approaches, such as the development of regional fertilizer hubs and holistic value chain initiatives.
- At the country level, Yara wishes to cultivate long-term partnerships with each of the countries in which it operates by supporting public-private engagement with donors, agriculture sector financing, scaling up of agricultural growth cluster/corridor initiatives into major investment frameworks, and promoting green growth.
- Yara's approach to creating such partnerships roughly follows four phases of engagement: 1) building up crop-specific plant nutrition knowledge within a country in line with country-specific needs; 2) establishing a long-term strategic partnership with the aim of co-developing a national strategy for holistic, in-country fertilizer market development; 3) promoting comprehensive end-to-end value chain initiatives and cluster-based approaches; and 4) partnering with government to incorporate the agriculture strategy into a broader development context both within and beyond the food value chain.

The corporate partners of the **African Cashew Initiative (ACi) — Intersnack Group GmbH & Co. KG, Kraft Foods Inc., Olam International, SAP AG, and Trade and Development Group** — plan to invest in Ghana, Burkina Faso, Côte d'Ivoire, Mozambique and Benin.

- ACi aims to increase the competitiveness of African cashew production and processing and achieve sustainable poverty reduction by launching Phase 2, from 2013 to 2015, by investing \$21 million from corporate partners.

- ACi plans to focus on linking the processing industry to farmer groups so that processors can buy up to 60% of their raw cashew nut (RCN) stock directly from farmers or their organizations.
- ACI will also utilize a matching grant fund to assist the private sector in undertaking specific projects to enhance farmer productivity (e.g., farmer training, traceability improvements, quality monitoring systems, and development/dissemination of improved planting material).

The corporate partners of the **Competitive African Cotton Initiative (COMPACI)** — **Cargill, Dunavant, Industrial Promotion Services West-Africa, and Plexus Ltd.** — plan to invest in Burkina Faso, Cote d’Ivoire, Mozambique, Benin, Malawi and Zambia.

- COMPACI intends to implement a program between 2013 and 2015 to improve the livelihoods of smallholder cotton farmers and provide increased cotton supply for its corporate partners. This program aims to affect 450,000 smallholder cotton farmers and their 2.7 million family members in focus countries.
- COMPACI aspires to accomplish these goals by investing \$27 million in the cotton value chain between 2013 and 2015 by a) training farmers on soil and water conservation techniques, balanced crop rotation schemes, and business principles, and b) expanding demand for cotton from these countries by promoting the —Cotton made in Africa (CmiA) brand with a goal of increasing CmiA lint cotton sourcing from 8,000 tons to 30,000 tons in 2015.
- The initiative also intends to increase linkages between smallholders, COMPACI’s corporate partners, and demand markets by partnering with the —Better Cotton Initiative (BCI) with a goal of supplying 30,000 additional tons of lint cotton into the BCI system.