

 Early Warning System

DFC-2023-AFRICANFERTILI

African Fertilizer and Agribusiness Partnership, Inc.



## Quick Facts

Countries	Ghana, Kenya, Zambia
Financial Institutions	US International Development Finance Corporation (DFC)
Status	Active
Bank Risk Rating	C
Borrower	African Fertilizer and Agribusiness Partnership, Inc. (AFAP)
Sectors	Agriculture and Forestry, Industry and Trade
Investment Type(s)	Guarantee
Investment Amount (USD)	\$ 10.00 million
Project Cost (USD)	\$ 24.00 million



## Project Description

According to the Bank's website, the project consists of the second loss guarantee to support the expansion of AFAP's trade credit guaranty program. AFAP's guaranty enables fertilizer suppliers to sell fertilizer on credit to hub agro-dealers (local SMEs that act as agricultural supply wholesalers), who then supply fertilizer to local farmers. DFC will provide second loss guaranty to AFAP for guaranteeing Qualifying Sales to qualifying suppliers. By increasing access to credit sales of fertilizer, the project aims to increase agricultural yields and farmer's incomes in the Project countries.]

Over three years, the Project expects to support up to \$360 million in fertilizer sales in these countries over a three-year period, reaching 1.8 million smallholder farmers through 46 SME hub fertilizer dealers.



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### **Early Warning System Project Analysis**

DFC loan portfolio guaranties for the expansion of fertilizer guaranty offerings to micro, small, and medium enterprises are screened as a Category C for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all those downstream investments have been pre-screened as Category C and further review and consent is not required for these investments.



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## Investment Description

- US International Development Finance Corporation (DFC)

Second loss guarantee to support the expansion of AFAP's trade credit guaranty program.



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## Private Actors Description

The African Fertilizer and Agribusiness Partnership (AFAP) is an independent non-profit organization founded in 2012 by a partnership of African Development Organizations built on the work of the Comprehensive African Agriculture Development Program (CAADP), a framework for achieving ambitious agriculture development goals set in place by African nations and leaders. AFAP has since evolved into a social enterprise and service provider to the public and private sectors on sustainable development projects and policies focused on market-driven business solutions in the agriculture inputs and agribusiness value chain.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	African Fertilizer And Agribusiness Psrtnership	Client	-



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## Contact Information

*No contacts available at the time of disclosure.*

## ACCESS TO INFORMATION

Unlike many other development finance institutions, DFC does not currently have an access to information policy.

Under the United States Freedom of Information Act (FOIA), DFC is obliged to respond to reasonably formulated requests for Agency records. However, DFC may apply exemptions from release to certain types of information and may charge fees in responding to requests. DFC has a designated FOIA officer who is trained in how to respond to requests and implement the law. You can learn more about filing a FOIA request at: <https://www.dfc.gov/foia>

## ACCOUNTABILITY MECHANISM OF THE UNITED STATES INTERNATIONAL DEVELOPMENT FINANCE CORPORATION (DFC)

The Office of Accountability is an independent office that addresses complaints about environmental or social issues related to DFC-supported projects. The office provides communities an opportunity to have concerns independently reviewed and addressed. If you submit a complaint to the Office of Accountability, it may assist you by either seeking to address your problems by facilitating a problem solving dialogue between you and those implementing the project and/or investigating whether the DFC complied with its policies to prevent environmental, social, human rights, and labor harms.

You can find more information about the Office of Accountability at: <https://www.dfc.gov/who-we-are/office-accountability>





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## Bank Documents

- [Project Disclosure](#) [\[Original Source\]](#)