

 Early Warning System

FMO-58729

DCP DIRECT INVESTMENTS FUND I



Quick Facts

Countries	Ukraine
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	B
Voting Date	2020-12-15
Borrower	A.P.K.U. Finance Ltd.
Sectors	Agriculture and Forestry, Construction, Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	\$ 20.00 million
Loan Amount (USD)	\$ 20.00 million



Project Description

As stated on the project disclosure page, FMO and DCP will fund CAPEX for the construction of a new soybean processing facility, additive production line and packaging line. These projects are expected to reduce input costs for the company while supporting growth in packaged feed. The company also intends to implement a vertical integration project into animal protein that will be developed in accordance with FMO's E&S and animal welfare standards.

The investment supports the core strategy of FMO by deploying capital in the circle around Europe and in direct investments in agricultural companies where capital is scarce. The deal has been sourced by Diligent Capital Partners, one of FMO's partners in Ukraine. In executing this investment FMO is also supporting the development of DCP as a future fund manager in Ukraine, thus supporting the local Private Equity market.



Early Warning System Project Analysis

The FMO categorized the E&S risk of the project as B+.



Investment Description

- Netherlands Development Finance Company (FMO)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [Diligent Capital Partners](#) (Financial Intermediary) **invests in** [A.P.K.U. Finance Ltd.](#) (Client)



Private Actors Description

As stated on their website, Diligent Capital Partners is a mid-market private equity firm located in Kiyv, Ukraine.

FMO together with Diligent Capital Partners (DCP), a Ukrainian private equity fund manager, will invest in A.P.K.U. FINANCE LTD, one of the largest agri-processing holdings in Ukraine. The company is active in the segments of animal feed, premixes and concentrates, veterinary drugs and pet goods. It operates five production facilities located in Poltava, Khmelnytskyi and Dnipropetrovsk regions with a total annual nominal production capacity of ca. 600kt, including 30kt of premixes and concentrates.

There is not much information available on A.P.K.U. Finance Ltd., apart from the Cyprus company registry reporting that A.P.K.U. FINANCE LTD is registered in Cyprus at 31/12/07 as a Limited Company. The Registration Number for this Cyprus Limited Company as held by the Official Government of the Cyprus Registrar Of Companies is HE217795.



Contact Information

No project contacts provided at the time of disclosure.

Financial Intermediary - Diligent Capital Partners:

Email: contact@diligent.capital

Website: <https://diligent.capital/>

ACCESS TO INFORMATION

As part of FMO's ex-ante disclosure (disclosure of transactions before contracting), you can send requests or questions for additional information to: disclosure@fmo.nl

ACCOUNTABILITY MECHANISM OF FMO

Communities who believe they will be negatively affected by a project funded by the Dutch Development Bank (FMO) may be able to file a complaint with the Independent Complaints Mechanism, which is the joint independent accountability mechanism of the Dutch Development Bank (FMO) and the German Investment Corporation (KfW). A complaint can be filed in writing, by email, post, or online. The complaint can be filed in English or any other language of the complainant. The Independent Complaints Mechanism is comprised of a three-member Independent Expert Panel and it can provide either problem-solving, compliance review or both, in either order. Additional information about this accountability mechanism, including a guide and template for filing a complaint, can be found at: <https://www.fmo.nl/independent-complaints-mechanism>



Other Related Projects

- FMO-54912 DCP DIRECT INVESTMENTS FUND I
- FMO-61114 DCP DIRECT INVESTMENTS FUND I