Early Warning System

# FMO-60242

## BABBAN GONA FARMER SERVICES NIGERIA

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### Quick Facts

| | |
|---|---|
| **Countries** | Nigeria |
| **Financial Institutions** | Netherlands Development Finance Company (FMO) |
| **Status** | Approved |
| **Bank Risk Rating** | B |
| **Voting Date** | 2022-03-30 |
| **Borrower** | Babban Gona |
| **Sectors** | Agriculture and Forestry, Finance |
| **Investment Type(s)** | Loan |
| **Investment Amount (USD)** | $ 10.00 million |
| **Loan Amount (USD)** | $ 10.00 million |

## Project Description

According to bank website, established in 2012, Babban Gona (“Great Farm” in Hausa) is a financially sustainable and scalable agricultural enterprise co-owned by its farmers. The company provides cost effective end-to-end services to a network of franchise farmer groups on credit that is repayable at the end of the season. These services include training in sustainable farming, crop insurance, access to storage facilities, including a warehouse receipt program, marketing and distribution of products and access to credit, fertilizer and seeds. Furthermore, Babban Gona has developed a ‘Last Mile’ business line. This initiative provides Babban Gona members with products (e.g. fertilizer, FMCG goods) to sell to non-Babban Gona members, thus further increasing their net incomes.

After a first loan provided to Babban Gona in 2017, the new facility (up to USD 15 million – consisting of a committed and an uncommitted facility) will allow Babban Gona to further expand its innovative farmer service model which is estimated to increase smallholders’ yields to up to 2 times the national average.

## Investment Description

- Netherlands Development Finance Company (FMO)

## Private Actor Relationship

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| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|---|---|---|---|---|---|---|
| - | - | - | - | Babban Gona Farmer Services Nigeria Limited. | Client | Agriculture and Forestry |

## Contact Information

No contact information provided at the time of disclosure.

## 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-51738 BABBAN GONA FARMER SERVICES NIGERIA LIMITED