

# ADDRESSING CHILD MALNUTRITION AT SCALE

**NAME**

Africa Improved Foods Ltd

**SECTOR**

Agribusiness

**PROJECT SIZE**

US\$59 mln

FINANCING A GREEN FIELD PROCESSING PLANT IN RWANDA

Malnutrition of pregnant women and young children is devastating for a child's mental and physical development. It not only severely hinders a child's development but also a country's future productivity and growth. FMO finances Africa Improved Foods to manufacture affordable, nutritious and high-quality foods. Established by Royal DSM, IFC, CDC and FMO, Africa Improved Foods is an important step in their efforts to scale up nutritional solution for mothers and young children in East Africa.



## IMPACT AND PERFORMANCE



By 2017 the company aims to reach more than 1 million people annually with adequate nutrition.



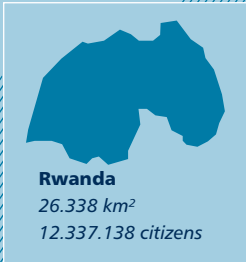
230 jobs supported as well as indirect employment in service industries in and around the plant.



Additional income opportunities for approximately 9,000 farmers in Rwanda.



Support to agri-manufacturing and related value chains in Africa.



**Rwanda**  
26.338 km<sup>2</sup>  
12.337.138 citizens

## INVESTMENT INFORMATION

### TOTAL PROJECT SIZE

US\$59 mln

### FMO INVESTMENT

US\$13 mln

*from the Infrastructure Development Fund*

### YEAR OF INVESTMENT

2015

### FINANCIAL PRODUCTS USED

Senior debt and equity

### TENOR

8 years

### ENSURING ADEQUATE NUTRITION

Malnourished young children cannot reach their full potential because their physical and mental growth is impaired. Treating them during the first 1,000 days of their lives is critical to prevent irreversible harm.

Improvement is visible when pregnant and breastfeeding mothers are adequately nourished and young children receive complementary feeding in addition to breastfeeding. The introduction of fortified foods is a recognized intervention to prevent undernutrition. Here the private sector can play an important role – especially in building processing, manufacturing and distribution systems at the local level.

### UNIQUE PARTNERSHIP

As one of the industry leaders in addressing malnutrition, Royal DSM was invited by the government of Rwanda, in close collaboration with the Clinton Health Access Initiative (CHAI), to invest in the manufacturing of affordable, nutritious and high-quality foods. Royal DSM established the Joint Venture Company Africa Improved Foods collaborating with IFC, CDC and FMO.

Africa Improved Foods will construct and operate a 45,000 tons per year processing plant in Rwanda for fortified cereals. A significant portion of the final product will be sold to the World Food Program which will distribute the product in the broader region (Southern Sudan, Uganda, Burundi etc.). The Rwandan government will distribute the product at no cost to the most vulnerable populations.

### FOOD AND NUTRITION SECURITY

The processing plant will produce fortified cereals by sourcing soybeans and maize locally from Rwandan farming cooperatives, offering approximately 9,000 farmers a stable, sustainable income for a proportion of their harvest. The primary beneficiaries of the fortified foods will be pregnant and breastfeeding mothers as well as young children (aged 7-24 months). With proper nourishment children can grow up to be healthy and productive, so their families and communities can prosper. By 2017 the company aims to reach more than 1 million people annually with adequate nutrition. This project demonstrates how the private sector can help to tackle one of the greatest development challenges and simultaneously boost local agricultural practices.

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