



This project is funded by the European Union



PRESS ANNOUNCEMENT

THE AFRICAN AGRICULTURE FUND'S TECHNICAL ASSISTANCE FACILITY LAUNCHES A EUR 280,000 OIL PALM SMALLHOLDER PROGRAM IN SIERRA LEONE

20 AUGUST 2013

The Technical Assistance Facility (TAF) of the African Agriculture Fund (AAF) is pleased to announce a grant of €280,000 to Center Piece Industries Limited (Center Piece) for the implementation of the TAF Smallholder Oil Palm Support Program in Sierra Leone. This two year program will support 4,000 smallholder farmers to supply Goldtree SL Limited (Goldtree) with fresh fruit bunches for processing into palm oil. Center Piece will provide technical assistance and training to these farmers to improve their yields and will also enhance their access to transport and inputs.

Goldtree is an oil palm plantation and milling company based in Kailahun District in Sierra Leone. In August 2011 AAF concluded an agreement to invest US\$ 10 million alongside the Finnish Fund for Industrial Cooperation Limited (Finnfund) and the sponsors in Goldtree to bring the total investment in the company to US\$ 20 million. The original mill was destroyed in the civil war in the early 1990s and the investment has financed a new and larger mill on the same site, which has been operational since January 2013. Goldtree procures fresh fruit bunches for processing into palm oil from independent outgrowers who are located within a 40 km radius of the mill at Daru. Today, the company has more than 7,000 local farmers registered as outgrowers. The palm oil produced is largely consumed in the domestic market. The company leases rather than owns its nucleus oil palm plantation land from the village council at two sites, with the input and guidance from the Government of Sierra Leone who welcomed the proposal by the investors to rehabilitate, expand and update the palm oil industry in the Eastern region of the country.

Kevin Tibble, General Manager of Goldtree, reflects that, "Goldtree is wholeheartedly committed to the support and training of local smallholder farmers in the area around the mill. We see this project as a fantastic opportunity to assist with the post war reconstruction of the country and its communities."

The TAF project will help local oil palm farmers to take advantage of the opportunity to sell their fruit to Goldtree rather than processing it into oil themselves using rudimentary and inefficient methods. Ultimately, the project's sponsors hope to increase local household incomes and food security, laying the foundation for sustainable long-term growth for both Goldtree and the community it benefits.

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(Words 340)

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The African Agriculture Fund (AAF) is a food-focused private equity fund, with an established portfolio of five investments across Africa. The AAF is managed by Phatisa, a multi-award winning African private equity fund manager with offices across the continent, as well as London. More information on Phatisa and the AAF can be found here: http://www.phatisa.com/The_Fund_Manager/AAF/

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