

SUCCESS STORIES FROM COMESA



Regional Investment Agency
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Project name: Kiriri Garden Hotel.

Project type: Hotels and Apartments.

Location: Very well located in the hills surrounding Bujumbura. The site enjoys a panoramic view over the city and Lake Tanganyika.

Partners (if any): N/A

About the investors/company background: Gorajja Hargovind and Sons is a dynamic and long-time established company in Burundi, operating in motorcar dealership sector with shareholder in Toyota Burundi; electronics, real estate, construction material, international transport. They have invested their money and borrowed two billion Burundi Francs from Inter Bank, Bujumbura, Burundi.

Background on the project/how the idea started/challenges faced and how it was overcome: Through Burundi Investment Authority support, the investor managed to follow successfully the procedures and implement their project.

Project description: African hospitality takes on new meaning at the Kiriri Garden Hotel, located in the upscale neighborhood of Kiriri, Bujumbura's most elegant hotel offers you the experience of being surrounded by mother nature, but yet in the comfort of modern amenities. Just a minutes away from Bujumbura's bustling city center and the relaxing shores of Lake Tanganyika; Kiriri Garden Hotel is the perfect home for those who are travelling for business or pleasure.

19 serviced apartments in use and 80 rooms to be ready before end of 2016.

Project cash flows: N/A

Project objective/benefits for the country: Highly significant for the country in terms of promotion of tourism and culture. It is a great example of Burundi's high quality performance in hotels and hospitality sector. The project has offered 100 job opportunities and it is set to host several international conferences as a place with facilities which will provide good income to the government through tax payment.

Quote from the investor reflecting the success of this project: N/A

More on the project: <http://www.kiririgardenhotel.com>

Project name: Super Center.

Project type: Manufacturing.

Location: Moroni.

Partners (if any): N/A

About the investors/company background: 'Super Center' is a Chinese company established on 28th of July, 2015 that manufactures liquid soap. It produces liquid laundry soap and detergent marketed under the brand name HARITA.

Background on the project/how the idea started/challenges faced and how it was overcome: The idea of investing in Comoros occurred during a visit of the company to the Comoros. The company noticed that Comoros has a potential for investment. In addition, the product such as HARITA did not exist in the country before; as production of liquid soap market was new and therefore constitutes an opportunity for success. The challenges faced was that the product was new for the Comorian people, and hence marketing the product was highly needed with limited sources for marketing purposes. Some challenges were faced in this regard to market the product in all the three islands and eventually was overcome.

Project description: The liquid laundry soap and detergent is marketed under the brand name HARITA. Now, these products are in the scope of the Comorian households, mostly accustomed to the use of hard soap.

Project cash flows: 2 million and 5 hundred Comorian frank (875 million dollars).

Project objective/benefits for the country: The company have created several job opportunities for employees from all the three islands; Grand Comoros, Anjouan and Moheli.

Quote from the investor reflecting the success of this project: "Thanks to the services of the Comoros NIPA, we were able to implement our manufacturing company of liquid soap in the Comoros. We are present on the three islands and we plan to open soon in Mayotte. the Comoros NIPA was supportive and actively present in all steps necessary for the establishment and the development of the company. It followed us closely and assisted enormously when we faced an administrative problem. National and international Investors and entrepreneurs must know that they will be supported in their efforts by the services of the NIPA, and they can, like Super Center, invest and complete their projects within considerable time. The legendary hospitality of the Comorian population is a value always present fortunately.

Project name: Rawabi Residents.

Project type: Real Estate.

Location: Djibouti city.

Partners (If any): N/A

About the investors/company background: Al-Hamadani Group for Trading & Investment Co is one of the major real estate and infrastructure company in Yemen, where the group has undertaken a various big projects. Al-Hamadani has also developed infrastructure and real estate projects in many other countries, notably in Arab countries.

Background on the project/how the idea started/challenges faced and how it was overcome: The real estate sector in Djibouti offers many opportunities and the demand for housing is increasing every year. The country is also developing its infrastructure and Al-Hamadani group saw this and with their expertise, decided to invest in Djibouti. The company has not faced any obstacles and the implementation is going on smoothly.

Project description: Al-Hamdani Group is planning to build low income houses and high standard villas in Djibouti city as well as infrastructure projects.

Project cash flows: 3.5 billion Djibouti Franc.

Project objective: To solve the problem of housing shortage.



Project name: PPC Barnet DRC Trading SA.

Project type: Cement Planting.

Location: Kongo Central Province.

Partners (if any): Public company of D.R. Congo.

About the investors/Company: PPC Ltd are South Africa's first cement plant, established in 1892 as De Eerste Cement Fabrieken Beperkt. The company's history is closely linked to the growth and development of South Africa and it has produced cement for many of the country's most famous landmarks and construction projects.

Background on the project: While there are existing cement manufacturers in the DRC, the market could use more suppliers. In 2013, Remy Musungayi, the DRC Minister of the Industry and Small and Medium Enterprises, invited South Africa-based companies to explore the opportunities offered by its new special economic zone (SEZ). The DRC Government has also placed an emphasis on infrastructure projects. To this end, currently the company is in the planning stages of expanding its operations to the DRC. The project will include the construction of a one million ton per annum cement factory and associated quarry, located 20km from Kimpese in the western DRC, which will ensure easy access into the main markets.

Project cash flows: N/A

Project objective/benefits for the country: Reduction of importation of cement, reduction of price of cement, and creation of new jobs.

Quote from the investor reflecting the success of this project: "We are committed to investing in sub-Saharan Africa and we look forward to a growing contribution and partnership with the DRC in the years ahead." PPC Barnet Group.

More on the project and investor: <http://www.ppc.co.za/>



Project name: Zohr Development Project.

Project type: Offshore/Onshore.

Location: Field located in the offshore of East Mediterranean Basin 200 KM far from Egyptian coast under 1,200-1,500 meters water depth, new onshore plant located in Port Said area.

Partners (if any): EGAS

About the investors/company background: ENI is a major integrated energy company, committed to growth in the activities of finding, producing, transporting, transforming and marketing oil and gas. The company has global operations in 66 countries and employs nearly 29,000 people.

ENI has been present in Egypt since 1954, the activities have been marked by a number of successes, resulting in major energy projects that have fostered the country's economic development. ENI is the leading international hydrocarbon operator with production level in 2015 (at equity) of around 200 Kboed of oil equivalent.

Background on the project/how the idea started/challenges faced and how it was overcome: Zohr field was discovered in August 2015 and it represents the most significant hydrocarbon discovery in the Mediterranean Sea. An unconventional approach is being implemented in order to bring Zohr field in production within end of 2017. To implement a project of this magnitude with such a short schedule, Petrojet, Enppi and Saipem have been selected as main contractors; they have always been a key factor to the successful development activities of ENI in Egypt.

Project description: It is envisaged to develop the field through a long tie back to shore collecting the subsea wells into manifolds and then bringing the gas to the onshore treating facilities via main export trunk lines. The wells will be controlled via long umbilicals from a shallow water platform. The gas will be treated onshore to reach the sales specification and then delivered into the national grid.

In order to support an accelerated production within end of 2017, facilities will be installed in a phased manner, allowing to reach the production plateau of 2,700 MMSCFD within end of 2019.

Currently 3 wells have already been drilled and a fourth one is in progress; some procurement contracts have already been awarded and site preparation activities for the onshore plant are ongoing.

Project cash flows: The Zohr field provides ample income for investors to both recover its capital costs and bring in revenue. The project has an economic return in line with the performance of oil & gas industry.



Project objective/benefits for the country: ENI's discovery could potentially contribute to Egypt's energy self-sufficiency for decades. The find is allowing for resumed industrial growth and potential energy self-sufficiency which in turn positively affecting Egypt's economic climate.

Quote from the investor reflecting the success of this project: "This outstanding result confirms our expertise and our technological innovation capacity" Claudio Descalzi ENI's CEO.

Project name: Dangote Industries (Ethiopia) PLC.

Project type: Cement Manufacturing.

Location: Oromia, Ethiopia

Partners (if any):

Alhaji Aliko Dangote

Dangote Industries Limited

Mohammed Sada Ladan-Isaki.

About the investors/company background: Dangote Cement Plc is a Nigerian multinational publicly traded cement manufacturer headquartered in Lagos. The company is engaged in the manufacture, preparation, import, packaging, and distribution of cement and related products across the African continent. Dangote Cement Plc was formerly known as Obajana Cement Plc, was incorporated in 1992. Dangote Cement Plc is a subsidiary of Dangote Industries Limited and is the largest company traded on the Nigerian Stock. In 2012, Forbes Africa named Dangote Cement as one of the top five listed companies in West Africa.

Background on the project/how the idea started/challenges faced and how it was overcome: The decision to set up and then expand the plant in Ethiopia was convened by the 'enabling' environment created by the Ethiopian government with massive investment in several large-scale infrastructure projects, including the construction of the continent's largest hydropower dam.

Project description: Dangote Cement is investing several billion dollars to build manufacturing plants and import terminals across Africa. Based on this, it has installed a cement plant in Ethiopia and it has become operational. Dangote Group President, Alhaji Aliko Dangote, has said that 'plans are afoot' to double the capacity of the newly opened US\$500m, 2.5Mt/yr capacity cement plant in Mughher, Oromia, Ethiopia. Based on the expansion work, which is already under implementation, the production will be in the very near future with the same production capacity.

Project cash flows: Five hundred million dollar.

Project objective/benefits for the country: The Ethiopia's cement sector would make significant growth in meeting local demand, which has grown due to infrastructural development. And production has risen from 11.2Mt/yr to 17.5Mt/yr. The government is giving due attention to the industrial sector with its average growth of 20%/yr".

In addition, this plant created direct employment for 2000 people in the main plant operations and logistics; with a fleet of 600 trucks, and creation of 5000 indirect jobs.



Quote from the investor reflecting the success of this project: Dangote said that achieving real economic integration in African would require political stability and a breakdown of the barriers and borders between countries, which hinders free flow of goods, services and people. “We need to make deliberate efforts to encourage Africans, not just foreigners, to invest in Africa”.

Dangote Cement is currently in 16 African countries with plans to invest in many more next years. There are a number of other successful pan-African brands today such as MTN, Shoprite and Ecobank,” said Dangote. “We need to encourage this trend to see more investments in Africa by Africans. Above all, there is need to encourage the private sector to collaborate with governments across Africa to address the issue of infrastructure deficit, which has plagued the continent for decades”.

Project name: Konza Techno City.

Project type: The project entails the development of a smart city that will be a world class technology hub. The city will feature businesses, workers and residential developments.

Location: In Nairobi, Kenya, 50km from Jomo Kenyatta International Airport. The government of Kenya secured the land, it will build the horizontal infrastructure and the rest of the city developments and infrastructure will be developed by the private sector.

Partners (if any): Kenya`s government will be a key supporter/partner for the project.

About the investors/company background: Kotda will be the implementing agency mandated to oversee the project on behalf of the government. The city targets investors in the life sciences, engineering and information/communication technology enabled services sectors.

About the investors/company background: The project began in 2009 as a Vision 2030 project with the aim to improve Kenya’s Business Process Outsourcing. The government has already secured 5000 acres of land for the project. Phase1A of the project is already underway with access roads already established and electricity already installed.

Project description: Konza Techno City is envisioned to be a sustainable, world-class technology hub and a major economic driver for Kenya, with a vibrant mix of businesses, workers, residents, and urban amenities. This will position Kenya as a global centre for innovation and Africa’s technology hub.

Project cash flows: N/A

Project objective/benefits for the country: Konza aims to attract research, educational and commercial partners in ITES, life sciences and engineering Increased innovation will lead to an increase in patenting, and increased quality will produce relevant skilled workforce for industries. The city will attract investors and build programs aimed at commercializing the products of research. It will provide a good innovation ecosystem to educate new and existing tech entrepreneurs and for multinational companies entering Africa to consider setting their offices/branches. The city will create high value jobs; boost the country’s GDP by focusing on R&D and Entrepreneurship in Science Technology Innovation (STI) sector. It aims to contribute to the country’s GDP by 5% in 2030 and create 17,000 direct and indirect jobs by the end of phase 1 and 200,000 by 2030.

Project name: Teleperformance Madagascar.

Project type: IT Center.

Location: Explorer Business Park, Antananarivo.

Partners (if any): VIMA Group.

About the investors/company background: World leader in omnichannel customer experience. Offers all global enterprises unparalleled customer service since 1978. Expertise extends to many markets and sectors. Present in 65 countries with 311 contact centers. Uses plus 188, 000 people worldwide.

Background on the project/how the idea started/challenges faced and how it was overcome: For 18 months, Teleperformance was interested in Madagascar, and what immediately attracted this company, was Madagascar's development potential for business. After an exploration phase, Teleperformance, decided in January 2016, to establish itself in Madagascar. They faced the challenge of implementation on a new geographical ground which involves challenges with expectations to satisfy its customers, in addition to understanding the environment and meet the customers' expectations. Taking all this into account, Teleperformance set up its IT center and felt secure in setting up the center with a guarantee of continuity with support of EDBM. Teleperformance has met the challenges relating to infrastructure by establishing itself in the heart of Antananarivo in the Explorer Business Park, in the area of better public transport, and the least affected by power cuts. Teleperformance protects its installations continuously with inverters and generators of last generations, it works with three telecom operators to ensure service continuity.

Project description: Implementation of an omnichannel customer experiences services.

Project cash flows: N/A

Project objective/benefits for the country: Teleperformance is bringing its share of direct and indirect jobs, as well as its values: Integrity, Respect, Professionalism, Innovation and Commitment. Teleperformance is delighted to contribute to the dynamism of the market of local employment and the expectations of the population.

Quote from the investor reflecting the success of this project: "The enthusiastic and optimistic population of Madagascar reveals a real Friendly service and culture to build beautiful things for our customers. This implementation was facilitated us with the support and coaching of EDBM (Economic Development Board of Madagascar)".

Project name: Mtalimanja Holdings Limited (MHL).

Project type: Agribusiness / Rice Milling.

Location: Nkhota-kota in the Central Region of Malawi, just next to Lake Malawi.

Partners (If any): N/A

About the investors/company background: A wholly indigenous entrepreneur, Napoleon Dzombe is a star business performer in Malawi, proving that the Malawi private sector has it after all. What makes Napoleon unique is that he is a social/ impact investor, and his single deciding criterion for starting up any investment is the extent of its impact on the local communities. While he vies for profit, he ensures that the communities benefit first. Thus, he invests in transformational social projects that have a transformational impact on the surrounding communities. He has a number of social investments, such as the facility to manufacture children's soy concentrates which he distributes free of charge (funded by other returning investments), in addition to this most significant project.

Project description: The project is located in a rice-growing region whose production is characterized by small-holder production on varied-sized land holdings of less than 0.2 of a hectare, and over a total area of about 400 hectares. Mtalimanja Holdings, and specifically Napoleon, owns this land and mobilized a rice farming community of 7,000 smallholder farmers exclusively to grow rice. He provides them the inputs, extension services and then will buy the rice from them (this is the first season of production – Mtalimanja will be launched this August but the farmers have already cultivated the fields). The plant has a capacity of milling 200 tonnes of paddy per day. As much as there is, therethere has already been international demand for Mtalimanja rice, the promoter indicates that he has an obligation to satisfy the domestic market first before he considers the international market.

Project cash flows: The rice mill is a US\$17,577,268.00 (investment wholly financed by own equity).

Project objective: A satisfied farmer through business partnership, efficient delivery, and return on investment.

Quote from the investor: MHL would like to take the lead in supporting the farmer through business partnership and increase agricultural productivity to satisfy the market demand both domestic and export thereby contributing to the social and economic development of [Malawi].

Project name: Empak.

Project type: Manufacture of PET bottles.

Location: Mauritius, Freeport.

Partners (if any): None.

About the investors/company background: Empak is an export-oriented enterprise. It is a subsidiary of IFFCO. IFFCO is an innovative and integrated multi food products Group based in the United Arab Emirates. The Group, set up in 1975, has a significant presence in Impulse Foods, Agri Business, Oils & Fats, Packaging, Chemicals, Sales and Distribution. The IFFCO Group also produces derivatives and intermediates related to these business segments. In addition, the Group has built a strong portfolio of brands with leading market shares in the domestic and regional markets. The brands' single-minded focus is to offer great value to consumers.

Background on the project/how the idea started/challenges faced and how it was overcome: Empak has got an Africa strategy, having registered substantial increase in their exports to the Sub-Saharan region. A proximity to this market was required and they started prospecting Mauritius for the setup of a manufacturing unit. Mauritius being member-state of both the SADC and COMESA, goods manufactured in Mauritius can be exported duty free to other member countries of these trade blocs. Additionally, the Freeport legislation grants fiscal incentives to manufacturing enterprises exporting to Africa.

The challenges faced: High power consumption. Required specific arrangements and installations to be carried out in the freeport recruitment and training of staff – In house training programmes initiated with foreign trainers.

Project description: Setup of an approximately 2000 m² manufacturing facility at an investment of Rs. 800 Million.

Project cash flows: N/A

Project objective/benefits for the country: Considerable Increase of cargo traffic to African continent, this indirectly contributing to improving regional maritime connectivity; transfer of technology with sophisticated machinery and moulds; job creation and training of employees in new high value added skills, Import substitution as a proportion of goods manufactured in the freeport can be sold on the local market.

Project name: Kigali Serena Hotel.

Project type: Hotels, Entertainment and Recreation.

Location: Situated in Kigali-Rwanda.

Partners (if any): None.

About the investors/company background: Serena Hotels registered in 2007 with a plan to build a five-star hotel in the capital city of Rwanda-Kigali & 4 –star hotel on the shores of Lake Kivu. Serena Hotels has paid the government close to US\$16 million in a period of five years, in concession fees, VAT, employee income tax, social security, corporate tax and district tax.

Background on the project/how the idea started/challenges faced and how it was overcome: CEO Mahmud Jan Mohamed met His Excellency President Kagame himself during discussions about the lease of Kigali Serena Hotel and found great support to the project.

Project description: It is a five-star hotel, 148 rooms, 4 floors.

Project cash flows: N/A

Project objective/benefits for the country: The hotel investment has created job opportunities. 70% of the staff are local staff, giving a boost to the country's labour market in the hospitality industry.

Quote from the investor reflecting the success of this project: "I was most fortunate to spend 15 minutes with His Excellency President Kagame during our negotiations for the lease of Kigali Serena Hotel. My respect and admiration for President Kagame is at the highest level. His vision for Rwanda is amazing and his decisions are based on what is best for Rwanda and its people." Serena Hotel CEO.

More on the project: <http://www.serenahotels.com/serenakigali/default-en.html>



Project name: Lufafa Gold Mine (Pty) Ltd.

Project type: Gold Mining.

Location: Lufafa Area.

Partners (if any):

SDZ Holdings LCC, (50%)

Swaziland Government(25%)

Ngwenyama (Holding in trust for the Swazi Nation)(25%).

About the investors/company background: SDZ Holdings is a company whose directors originates from the United States of America and partnered with the government. Lufafa Mine Pty Limited, is a private company incorporated in the Kingdom of Swaziland in terms of the Companies Act No.8 of 2009. The company currently holds a gold mining lease valid for 25-years to extract, process and sell gold from the leased area of Lufafa Mountains in the Hhohho region.

Background on the project/how the idea started/challenges faced and how it was overcome : The directors of the company registered their interest in the country and they were appraised on mining license procedures which they followed with assistance from the Mining Department. SIPA on the other hand assisted them to acquire all necessary approvals and permits including water.

Project description: Lufafa Mine was graciously granted by His Majesty King Mswati III a 25-year lease to mine, process, refine and market Gold from Lufafa, Hhelehhele Area under the Hhohho Region. The Swazi News on Saturday (27 February 2016) reported, "The mine is reported to have more than two million tonnes of gold ore that contains the gold while the actual gold that may be recovered is estimated at about 15,000 kilograms."

Project cash flows: N/A

Project objective/benefits for the country: Job creation (200 people employed thus far. Number to rise to 400) skills development as Swazis will be trained, tax revenue infrastructure development for the local community (i.e. portable water supply, roads and dam construction corporate social responsibility, as the project will develop community based projects (i.e. health facilities and support to schools).

Quote from the investor reflecting the success of this project : "With the employment of 200 already, the mine is set to be fully operational before the end of 2016" Chairman, David Kirschenbaum (during official launch of Lufafa Mine, February 26, 2016.



Project name: Vital Tomosi Dairy Limited.

Project type: Agro processing (Diary processing factory).

Location: Kiriatura District, Uganda.

Partners (if any): Local joint venture between local investor and Vital Capital Fund.

About the investors/company background: The company is a local registered investment partnering with Vital Capital Fund with interest in agro processing especially milk value addition with intention of establishing a beef processing factory. The company assures farmers to get sustainable market for the milk produces in the area and also to train the youth in animal farming and disease control.

Background on the project/how the idea started/challenges faced and how it was overcome: The local partner Mr. Odrek Rwabogo realized there was a lot of milk in the area but unprocessed. The value addition on milk would be in a position to enter the regional market because of the process, packaging and acceptability in the international market. His idea would create jobs for the youth in Uganda, those in farming and working in the factory and distribution.

Project description: The project is nucleus enterprise which has set up a cattle dairy ranch for milk and collect milk from the farmers to distance of a radius 30 kilometers. The company will offer extension services to all the farmers in the area. Buy the milk, process it for the bigger market both domestically and internationally.

Project cash flows: The Company has invested US\$ 13 million (Ug. Shs. 43b) and will make net revenue of US\$ 3.2 million in the first year, US\$ 3.9 million in the second year and US\$ 4.2 in the third year.

Project objective/benefits for the country: The objective of the project is to enhance agro processing of the agricultural products in Uganda. This will over 1000 jobs in the value chain of the dairy processing. The farmers will earn high incomes from their milk and those employed will acquire a high started of living leading to a high welfare of the those involved in the projects.

Quote reflecting the success of this project: "The Uganda milk will reach the five East African Community States of Kenya, Tanzania, Rwanda, Burundi and South Sudan". The Minister of State, Ministry Agriculture Animal Industry and Fisheries, Hon Lt. Col. Bright Rwamirama.

More on the project: <http://www.vital-capital.com/tomosis-dairy-farms/>



Project name: Zambian Jihai Agriculture Co. Ltd (ZJAC).

Project type: Farming/Agriculture (Mushroom Production).

Location: East Lusaka, Multi Facility Economic Zone (MFEZ).

Partners (if any): N/A

About the investors/company background: The Zambian Jihai Agriculture Company Limited (ZJAC), is a subsidiary of the Jilin Province Overseas Agriculture Investment and Development Group (JLOAG). Zambian jihai agriculture company ltd. is a fully registered investment company in the Republic of Zambia and is currently situated in the Zambia-China Economic and Trade Cooperation Zone (ZCCZ).

Background on the project/how the idea started/challenges faced and how it was overcome: The Jilin Province Overseas Agriculture Investment and Development Group (JLOAG) was set up in 2011 under the guidance and support of the Jilin province committee and government. With a registered capital of RMB 115 million, JLOAG has six (6) subsidiaries, and Zambian jihai agriculture company is one of them. As a major agricultural corporation supported by the Jilin province government, JLOAG has a focus on the development of international overseas investment and cooperation and has a “three tier” business structure, which are: Planting, aquaculture and cultivation; Agricultural import and export trading Agricultural technology research and development. Up to 2012, JLOAG had already exploited cultivated lands in excess of 25,000 hectares in the far east region of Russia with an actual planting area of 18,000 hectares. Other overseas investment focus stretches from Mongolia, Kazakhstan and South-East Asia all the way to Zambia, Zimbabwe and Argentina. JLOAG will continue to remain committed to replicating and developing the high Chinese agricultural technological developments in all our overseas enterprises, especially Zambia which boasts of excellent climate and abundant water resources. This will not only raise the bar of competitiveness within the region, but also elevate the quality aspect of the agriculture sector. In turn, it will increase the food security levels, not only within Zambia, but indeed across the region.

Project description: Supplying nourishing, fresh organic Mushroom. The development of various agricultural activities, particularly in the production and recycling of different mushroom varieties. A total of between 2.5 and 3.2 tonnes are produced every day, the bulk which is sold on the local market. A small amount of the mushroom is exported to Malawi and South Africa.

ZJAC integrates different agricultural technologies that enhance the research aspect, production, processing and finishing of various species of mushroom and edible fungi. ZJAC uses highly effective “agricultural recycling” techniques to ensure maximum yield and livestock output. “Agricultural recycling” is a simple but very effective method of ensuring that there is close to zero waste of any product or by product in the production chain. ZJAC not only produces different

mushroom species, but also grows and processes different crops such as wheat, maize, soya beans and also the rearing of animals such as chickens, pigs and goats. The production realized from the growing of the various crops are used in the cultivation of the mushrooms, and can also be used and processed into feed for the animals being reared; the by-products from the animal rearing is reused as organic fertilizers for the crops being grown; the by-products from the mushroom cultivation and processing is processed into feed for the animals being reared and in turn the by-products of the animal rearing is used as organic fertilizers.

Project cash flows: The company had originally pledged to invest a total of USD 24 million over a period of 3 years and so far a total of USD 22 million has been invested.

Project objective/benefits for the country: The aim is to enhance productivity and employment opportunities within the agriculture sector and promote research into various forms of conservation agriculture, agricultural recycling and increase sensitisation of climate change effects.

Quote from the investor reflecting the success of the project: “We are indeed extremely proud of the successes scored thus far. There is still a lot of work to be done but we believe we are poised for greater success. Zambia is greatly endowed with various natural resources, is strategically land linked to the region, and has a very pleasant human capital base all of which have enabled us to realise our current growth this far.”



Project name: African Chrome Fields (Pvt) Ltd (“ACF”).

Project type: Chromite fines processing and avant-garde beneficiation.

Location: Southern part of the Hartley Complex of the Great Dyke to the east of Kwekwe on Chinyika Ranch, Zimbabwe.

Partners: Moti Group, Republic of South Africa.

About the investors/company background: ACF focusses on pioneering beneficiation methods. This is done in conjunction with its affiliates in South Africa for optimum beneficiation. Seventy percent of the chrome in Zimbabwe consist of fines and the special beneficiation methods lend itself to optimum recovery.

Background on the project/how the idea started/challenges faced and how it was overcome: Beneficiation can only be achieved if it is done on a regional basis as the SADC region, The relationship between countries within a region gives the technical knowhow, infrastructure and resource towards a single project. Individually and separately this task is generally regarded as being out of reach. Beneficiation at this scale allows for the inflow of foreign direct investment (“FDI”) within the region and allows for the exploitation of raw materials on a meaningful basis for the region. It was based on this principle that the Zimbabwean Government, headed by His Excellency, the Honourable President Mugabe lifted the ban on the export of chrome for the purposes of regional beneficiation. ACF is the selected company as the forerunner to achieve the objectives of this principle. Hence, it was granted the National Project Status to achieve this objective armed with the Government’s support.

Beneficiation has to be seen in the context of local restrictions of infrastructure and remoteness of locations. Armed with the technology pertaining to aluminothermic processing, ACF can beneficiate chromite fines to superior chrome products without the use of electricity and roll it out in all remote areas of Zimbabwe. Power supply is generally a key driver for success in any project and its availability in remote areas becomes the Achilles heel of any project, particularly in third world countries. The solution was found in the utilization of generators and the appropriate relief from the government on diesel rebates. It is this symbiotic relationship that allows for success of a project and this is evident in ACF’s relationship with the Zimbabwean Government.

The beauty and innovation of the technology utilized by ACF is expressed by the utilization of mobile spiral plants which allows the plants to be taken to the resource instead of expensive haulage which is the standard practice in developed countries. The approach taken is to have fit for purpose requirements for African conditions and not allow the technology to dictate the approach of beneficiation.

Project description: The company has acquired about 11, 000 hectares of alluvial chrome claims and intends to establish five chrome fines wash plants. These are designed on specialized fit for purpose German technology for Zimbabwean conditions. In addition, ACF is in the process of establishing an electricity-free aluminothermic smelting plant within the boundary of their contiguous claims. Most of these claims are pegged along the Great Dyke stretching from Sebakwe dam in the south to just over the Munyati River in the north. The mining area, once completed, will consist of a minimum of eight mining operations and eight chrome wash plants in the Chinyika Ranch (Central Dyke) area and a minimum of five mining operations and five chrome wash plants in the Krantz (South Dyke) area.

Both the aluminothermic process and spiral process are unique in themselves as the technology adopted is a product of a number of years of research and development for optimum recovery. In the case of the spiral plants the specialized equipment was specially manufactured after numerous tests on the applicable resource before the design was finalized. No processing can be complete without a clear understanding of the environment and its rehabilitation contemporaneously with development. The processes designed by ACF dovetail from processing to rehabilitation in one clean cycle such that in a space of three to six months affected areas are fully rehabilitated.

Project cash flows: ACF represents a multiple million USD FDI into a brownfields chrome mining operation in Zimbabwe.

The investment in leading global mining technology together with the concept of Modular Plant design aims to maximize the yield of chromite ore in the most cost efficient and effective manner for the benefit of all stakeholders.

ACF anticipates producing in the region of 100 000 tons of chromite ore per month from the initial project. This will increase with further planned investment in the plants to process additional Chromite claims within the region. ACF, together with its partners, seeks to beneficiate the chromite ore into ferrochrome for onward sale to global markets. The project cash flow outlook is positive but dependent as always on commodity prices and it is expected that at a low cost base the profit outlook during mean times will be better than breakeven and improve substantially with better resource prices. ACF is of the belief that beneficiation must be seen in the context of cycles and assessing markets on a continuous basis with a variety of different products. In addition to being a viable and competitive processing operator, ACF strives to make a significant contribution towards the development of local infrastructure and employment in the region within it operates. The company acknowledges its responsibility to the local community and has a clear corporate social investment policy which will support and benefit the local community and region as a whole.

Project objective/benefits for the country: ACF's project objectives are in line with COMESA's own mission to "Endeavour to achieve sustainable economic and social progress in all Member States through increased co-operation and integration in all fields of development particularly in trade, customs and monetary affairs, transport, communication and information, technology, industry and energy, gender, agriculture, environment and natural resources," as illustrated herein below Prof Welshman Ncube, Zimbabwean Minister of Industry and Commerce (2009 – 2013), said that "History has shown that resource-rich countries tend to grow slower than economies without substantial natural resources and stakeholders need to defy this historical background because the COMESA region is resource-rich."

Zimbabwe has the second largest proven reserves of chromite ore (930 million tons) in the world, yet it has the second lowest percentage of ore output (1.2 %). In addition to which, the quality of chromite ore sourced in Zimbabwe is of noticeably higher quality than products sourced elsewhere worldwide. The deposits comprise a high grade chromite ore (Cr₂O₃-48%-53% Cr grade (typical)), which has washed off naturally from the 400km+ length of the Great Dyke of Zimbabwe over the past millions of years With a chrome-to-iron ore ratio in excess of 2:1, which is considered to be the benchmark of quality and which is superior to the ratios that are found in chromite deposits in other parts of the world, including South Africa, these reserves are highly sought after by buyers and command above-average prices in the commodity markets ACF is geared, and is in prime position, to take advantage of the natural resources present in Zimbabwe, and in so doing, inject vast amounts of FDI into the country ACF's ability to beneficiate the under-exploited chrome fine reserves in Zimbabwe is extremely relevant in the face of its introducing specialized technology to liberate chrome content from chrome fines using the aluminothermic process. The aluminothermic process creates a product that is unmatched in terms of quality and grade without the utilization of costly electricity and energy generally The chrome content of chrome fines beneficiated in Zimbabwe is further liberated by virtue of a tolling arrangement between ACF and the Minerals Marketing Corporation Zimbabwe ('MMCZ') whereby FerroChrome Furnaces (Pty) Ltd, a company situated in neighbouring South Africa, beneficiates the chrome fines and produces ferrochrome. This application of regional chrome fines beneficiation by virtue of a tolling agreement is the first of its kind within the SADC region.

The spiral processing plants are semi- mobile units that can be dismantled and relocated within 30 days, on a revolving basis, to new sites on the company's claims once existing site reserves are depleted. This reduces significantly the capex requirement for new plants on new sites and will maintain production yields at high levels.

The plants operate independent of the Zimbabwe electricity supply grid due to the remote location of the facilities. The plants have no dependency on supplied electricity, utilizing diesel generating plants with concessionary pricing on diesel fuel, enabling operations to be conducted 24/7.

The quality of the product is extremely high and surpasses that of the competitive product offerings available in the international markets, giving ACF the opportunity to become both a price and quality-competitive leading international player.

Some 69% of the globally produced chromite is consumed in stainless steel production while 27% is utilized in regular alloy steel production. It stands to reason that the demand for ferrochrome is inextricably linked to the international demand for stainless steel products, of/for demand is projected to grow at a steady annual rate of 6% Development creates growth and growth creates sustainable employment and preservation and improvement of infrastructure all of which are the necessary benefits of this project, regionally as well as nationally as the project is rolled out.

Project progress: ACF was awarded National Project Status by the Zimbabwean Government in August of 2015 signifying the importance of this project to the Zimbabwean Government and its recognition of FDI Around the same time, ACF entered into an agreement providing for the toll processing of chrome fines with the Minister of Mines of Zimbabwe (represented by the MMCZ) and ACF was issued an export license to export chromite ore in September 2015 The official launch of the project will take place on the 24th of August 2016 The aluminothermic technology, coupled with the vision expounded by His Excellency, President RG Mugabe, in his subsequent address at the SADC Conference on the 5th of May 2015, was first introduced by Mr Zunaid Moti to His Excellency, President RG Mugabe, Vice President ED Mnangagwa and various other Cabinet Ministers at a demonstration on the 6th of March 2015 in Kwekwe The success of this demonstration and the technologies evident at this meeting impressed His Excellency, President RG Mugabe, who requested that the implementation of the technology be expedited

Quote from the investor reflecting the success of the project: Key investor and chairman of the Moti Group, Zunaid Moti, said the ACF project was by and large a result of being solutions-based, and creating destinies where they don't yet exist. "A river does not seek a road, it makes its own path, no matter how long it takes or whatever it takes," he said. Project co-ordinator Ashruf Kaka said the benefits of this project could only be maximized and achieved with a firm partnership and commonality of ideas between Government and the private sector. "All good ideas are bad ones if they are not implemented. In this case, as in all others, implementation was the key to success."

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