

Yara expands investment in Africa

Two months after Yara International ASA opened a \$30 million fertiliser terminal in Tanzania, it has announced the purchase of Greenbelt Fertilizers, a distributor of fertilisers in Zambia, Malawi, and Mozambique, for \$51 million. The announcement marks the next step in Yara's renewed drive to provide sustainable crop nutrition to African farmers.



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The purchase of Greenbelt represents Yara's first operational step into Zambia, which has one of the fastest-growing agriculture sectors in sub-Saharan Africa. "This is a long-term investment in Zambia, and in the transformation of agriculture in Southern Africa," said Yara's CEO for Africa, Bernhard Fonseka. "Our decision to buy Greenbelt Fertilizers is based on our belief in the immense potential of smallholder and commercial farmers in Zambia, Zimbabwe, Malawi, and Mozambique."

"Greenbelt has served both commercial and smallholder farmers well since 2004. As the new owners, we will work to ensure a continued standard of service to existing clients, as well as to offer crop nutrition solutions to more farmers."

Investment in one of the fastest growing agricultural regions

Managing director of Cacitex Zambia Ltd & Cacitex Logistics, Mike Bushe, who has had a longstanding working relationship with Yara International expressed his excitement at the new investment. "Having been associated with Yara International and their forerunner Norsk Hydro as a distributor and logistics services provider for nearly 20 years, I am very excited about the investment Yara has made in Zambian agriculture. I look forward to the impact their world class products and knowledge will bring to small holder farmers in Zambia."

Zambia, Zimbabwe, Malawi, and Mozambique form part of one of the world's fastest growing agricultural regions, but among smallholder farmers, the use of new technology and crop nutrition programmes remains low. Yara currently employs 80 agronomists to share knowledge with farming communities in 10 African countries, said Fonseca.

"By buying Greenbelt Fertilizers, Yara will be able to provide sustainable crop nutrition for more farmers, increase crop yield and quality, and increase farmers' incomes." The transaction is expected to close in first quarter 2016, subject to competition authority approval and other customary closing conditions.

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