

Press Release – For Immediate Release

27 October 2017

Milk Afric Ground Breaking Ceremony

Lobatse – Botswana Development Corporation (BDC)'s commitment to the development of the Agriculture sector continues to show significant growth despite challenges faced by the industry. To this day its investment is evident in diversified areas such as dairy, horticulture, poultry and poultry processing to ensure food sufficiency and security for the country. In April 2016, BDC formed a partnership with Milk Afric, a dairy farm originally from the United States who wanted to relocate to Botswana. BDC has invested 40 million onto the project and is entitled to only 26 % of the equity. As all other equity investments done by the Corporation, the preference is to maintain minority shares. BDC investment is towards development of the dairy farm whilst Milk Afric makes a contribution of a herd of 2,000 dairy cows.

A few days before Lobatse celebrates 120 years of existence, Milk Afric officially launched its operations with a ground breaking ceremony marking the first development at the farm. During the ceremony, BDC managing Director, Mr Bashi Gaetsaloe expressed his confidence and appreciation on the partnership; "I would like to appreciate our new partners, Milk Afric, whom I believe through their expertise and experience will drive a sustainable and successful dairy venture that will deliver value for this economy" he said. He made this remark when speaking to the mandate of the Corporation being, developing the commercial, industrial and agricultural sectors in Botswana through funding or partnering with commercially viable enterprises that perform one or more of the following functions: pioneer new industries, unlock value in existing industries, stimulate private sector growth, foster linkages with the local and foreign investors as well as drive economic diversification and exports trade. This partnership will contribute significantly drive a sustainable and successful dairy venture that will deliver value for this economy.

Milk Afric will not only be producing milk, as part of their operation, they will also undertake significant fodder production in order to ensure availability of feed for the cattle. They are also considering venturing into the entire value chain. It is estimated that each head will produce around 20 litres per day which is enough to benefit the dairy value chain production including processing of raw milk into dairy products and distribution of dairy products outside Botswana Borders.

In his conclusion, Mr Gaetsaloe mentioned that "BDC is fully intent on supporting any ventures which are sustainable and that contribute to the country's developmental objectives. It is in that vein, that we have every intention of ensuring a sustainable and productive dairy industry."

NOTES TO THE EDITOR

ABOUT BDC

Botswana Development Corporation Limited, or 'BDC,' is the country's main agency for commercial and industrial development. Established in 1970, the organisation is 100% owned by the Government of Botswana. Its primary mandate is to work towards assisting in the establishment and development of commercially viable businesses in Botswana.

BDC does this through a number of different platforms and channels. Amongst these are the provision of financial assistance to investors with commercially viable projects; supporting of projects that generate sustainable employment for Botswana and add to the skills of the local workforce; and encouraging citizen participation in business ventures.

BDC supports the development of viable businesses that perform one or more of the following functions:

- Pioneer new industries
- Unlock value in existing industries
- Stimulate private sector growth and linkages
- Drive diversification and exports
- Create significant employment
- Generate wealth from outside the country

BDC is looking to Invest in un-tapped and under-invested sectors such as Energy, Innovation and Technology as well as Agriculture. Other key areas are Infrastructure and services. The Corporation also looks into cross-border financing of viable projects regionally.

Throughout, BDC intends to promote best practices in business, governance and environmental standards in the funds or companies they choose to invest in. BDC Invests in commercially viable projects in all sectors of the economy except large-scale mining. The types of businesses owned by the Corporation include: Industry/Manufacturing; Agriculture; Services; and Property.