

# DEAL #4798

## Location



### Location #1

Spatial accuracy level

Administrative region

Location

Kogi, Nigeria



Target country

Nigeria

## General info



### Land area

Comment on land area

The proposed farming model would set-up a 'nucleus farm' to be run and managed by Cargill and which would support additional smallholder farming by the local community. The size of the proposed nucleus farm and processing facility is unknown. Union Dicon Salt Plc took over the project in 2016.

### Intention of investment

Intention of investment

Comment on intention of investment

Food crops, Agriculture unspecified  
cassava (for food and beverages), maize and soy

### Nature of the deal

Nature of the deal

Comment on nature of the deal

Lease

For processing facility and nucleus farm

### Negotiation status

Negotiation status

[2015] Intended (Under negotiation)  
[2016] Concluded (Contract signed)

Comment on negotiation status

Cargill is exploring several investments in Nigeria-- this project being one of them. Cargill is currently in dialogue with the Federal government and Kogi State, and other stakeholders, and is conducting location-specific feasibility and due diligence on the proposed processing facility and agricultural supply chain. Union Dicon Salt Plc took over the project in 2016- and was allocated the land.

### Implementation status

Comment on implementation status

Proposed investment would be U.S. \$100 million

### Contract farming

Contract farming

Yes

Not on leased / purchased area (out-grower)

Yes

Not on leased / purchased area (out-grower, in ha)

30000

Comment on contract farming

Support the development of local cassava, maize and soy agricultural supply chains over approximately 30,000 hectares to supply the processing facility. smallholder farmers will have access to training, crop inputs and a reliable, fair market for their crops.

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### Employment



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### Number of domestic jobs created

Jobs created (domestic)

Yes

Comment on jobs created (domestic)

In the processing facility

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### Investor info



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### Operating company

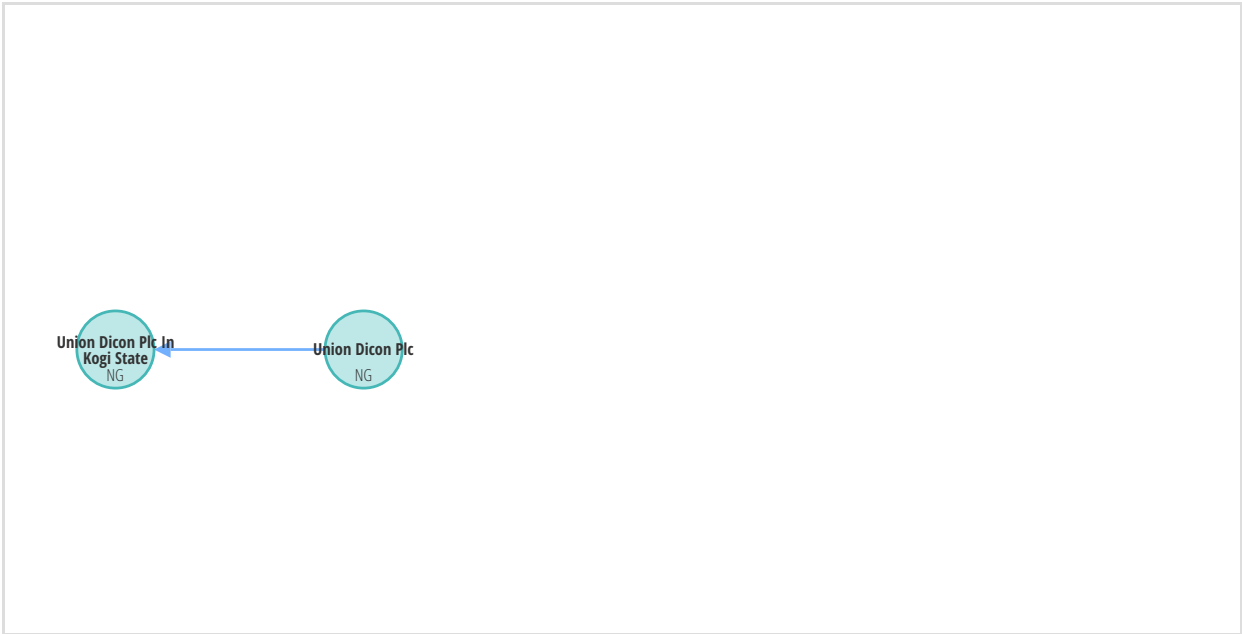
Operating company

Union Dicon Plc In Kogi State (#39790)

Comment on investment chain

Previous investor was Cargill.

**Network of parent companies and tertiary investors/lenders.** Please right-click the nodes to get more details.



**Legend**

- Is parent company of
- Is tertiary investor/lender of
- Left-click to reveal related parent companies and tertiary investors/lenders.
- Right-click on investors to get more information.  
Left-click to hide related parent companies and tertiary investors/lenders.

**Data sources**



**Data source #1**

Data source type  
URL

Media report  
<http://www.farmlandgrab.org/post/view/25380-staple-crop-processing-zone-kogi-another-form-of-land-grabbing>

File  
Date  
Comment on data source

2015-10-08  
Farmland Grab- Staple Crop Processing Zone Kogi: Another form of land grabbing?

**Data source #2**

Data source type  
URL  
File  
Comment on data source

Company sources  
<http://www.cargill.com.ng/en/index.jsp>  
 Cargill website

**Data source #3**

Data source type  
URL  
  
File  
Date  
Comment on data source

Media report  
[https://www.proshareng.com/news/Investors%20NewsBeat/Dicon-Plc-Invests-in-Kogi--Replaces-Cargill-as-Core-Investor-in-\\$100m-Alape-Staple-Crop-Process/31443](https://www.proshareng.com/news/Investors%20NewsBeat/Dicon-Plc-Invests-in-Kogi--Replaces-Cargill-as-Core-Investor-in-$100m-Alape-Staple-Crop-Process/31443)  
 2016-06-22  
Union Dicon Plc Replaces Cargill as Core Investor in \$100m Alape Staple Crop Processing

Zone

## Data source #4

Data source type

URL

Media report

<https://www.vanguardngr.com/2016/07/fgs-n28bn-alape-agribusiness-sold-cash-strapped-company/>

File



Date

2016-07-06

Comment on data source

Vanguard- FG's N28bn Alape agribusiness sold to cash-strapped company Read more at: <https://www.vanguardngr.com/2016/07/fgs-n28bn-alape-agribusiness-sold-cash-strapped-company/>

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## Local communities / indigenous peoples



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### How did the community react?

Community reaction

Mixed reaction

### Displacement of people

Comment on displacement of people

The company does not expect that any locals will be displaced by the project, as far as possible.

### Promised or received compensation

Promised compensation (e.g. for damages or resettlements)

The community states that without compensation the investors will not get the land for the processing facility and nucleus farm (although the communities admit that they have no options if the investor does not compensate them).

### Promised benefits for local communities

Promised benefits for local communities

Education

Productive infrastructure (e.g. irrigation, tractors, machinery...)

Roads

Capacity Building

Other

Comment on promised benefits for local communities

Power Additional benefits : Cargill will develop a corporate responsibility plan to put in place activities to bring benefits to the local community. This plan would be informed by the findings of the Environmental and Social Impact Assessment (ESIA).

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## Former use



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### Former land owner (not by constitution)

Former land owner  
Comment on former land owner

Community  
Land for the processing facility and nucleus farm. Land was under negotiation with Cargill as the investor in 2015. Dicon took over the project in 2016.

### Former land use

Former land use

Smallholder agriculture

### Former land cover

Former land cover

Cropland  
Marginal land

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#### Produce info



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### Detailed crop, animal and mineral information

Crops area

Cassava (Maniok), Corn (Maize), Soya Beans

### Use of produce

Has domestic use

Yes

Domestic use

100

Comment on use of produce

The starch facility would produce up to 90,000 metric tonnes (mt) per year of cassava starch to supply Nigerian food and beverage manufacturers.

### In country processing of produce

In country processing of produce

Yes

Comment on in country processing of produce

Cassava starch processing facility. In the future the company may build a soybean crush facility and an animal feed mill.

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#### Water



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### Water extraction envisaged

Water extraction envisaged

Yes

Comment on water extraction envisaged

Water for the Processing facility

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#### Overall Comment



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### Overall comment

Overall comment

Part of the Staple Crop Processing Zone-- Cargill would become the first private sector investor in the Kogi State SCPZ to support the agricultural transformation strategy set out by the Federal Ministry of Agriculture and Rural Development (FMARD). Dicon took the project

over in 2016.

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**History** (4 versions)

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April 5, 2018, 1 p.m.	●	overwritten	This version	↔ Compare with previous version
April 5, 2018, 12:44 p.m.	●	overwritten	👁 Show this version	↔ Compare with previous version
Feb. 22, 2018, 2:42 p.m.	●	overwritten	👁 Show this version	↔ Compare with previous version
Oct. 8, 2015, 6:42 p.m.	●	active	👁 Show this version	First version

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**Comments** (0 comments)

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There are no comments to this deal yet.

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