

Jenaan to plant \$500m venture

Tags: [Egypt](#) | [Ethiopia](#) | [Jenaan](#) | [Sudan](#) | [Tanzania](#) | [UAE](#)

The National | 25 November 2010



(Photo: Asmaa Waguih / Reuters)

by Megan Detrie

Jenaan Investment, a privately owned company based in Abu Dhabi, plans to invest US\$500 million (Dh1.83 billion) in the next three years developing its agriculture ventures abroad.

Jenaan has already spent \$500m acquiring land abroad. It owns and leases properties in Egypt and Sudan, as well as leasing land in Tanzania, Ethiopia and the US. The contracts have 30-year, renewable leases.

Jenaan plans to spend the next five years developing its locations and then "we will look to expand", said Ahmed al Falasi, a board member of Jenaan.

Jenaan began growing animal feed in Egypt but is now also producing dill, wheat, maize and potatoes.

"In Egypt, for example, the farmers there didn't used to feed animals alfalfa," said Mr al Falasi.

"Now they are taking more than 50 per cent of [alfalfa] production at market price."

Egypt is also among the world's biggest importers of wheat, consuming an average of 14 million tonnes of the cereal a year.

Launched in 2003, Jenaan has acquired 20,000 hectares in Sharq al Owainat, Egypt, 30km from the border with Sudan and 250km from the border with Libya. The company chooses arid areas that

are unused by the local population, Mr al Falasi said

In Sudan, Jenaan is developing more than 40,500h

"We still didn't develop all of our land," said Mr al Fa

He stressed the importance of investing in local infr clinics near its farms. The agricultural technology us and Europe.

"We hire people and teach them, we give people th

Mr al Falasi said lower labour costs made farming a

"You need a lot of people and we don't have any of

Private investment is urgently needed in the develo Food and Agriculture Organisation.

As the keynote speaker at the first Middle East editi event in Abu Dhabi this week, Mr Diouf stressed the

The UN estimates an extra \$70bn a year will have t population in 2050.

The Gulf countries, which import about 90 per cent abroad. Food prices are increasing at a faster rate t

One difference from 2008, however, is that there is Diouf.

Imports alone cost the UAE about Dh11bn a year at Dh62bn.

Saudi Arabia is already paving the way for private ir agricultural investment abroad, which it launched la

mdetrie@thenational.ae

Reuters | 25 November 2010

Jenaan to focus on developing farmland

Jenaan, an Abu Dhabi private firm, will focus on dev developing nations until it breaks even in about five

'We have land in Egypt, Sudan, Ethiopia and Tanza seven years,' Ahemd Al Falasi told Reuters in an int

In the United Arab Emirates, the government and pi help ensure domestic food supplies. Like other Gulf prices spiked to record levels, forcing up import bills

Jenaan has so far invested around \$500 million in c in the coming three years, Falasi said.

'We try to go to countries and develop very dry area say that we have taken their food or land,' he said.

In Egypt, Jenaan holds around 50,000 acres of farm from the Sudan border.

'We started by growing fodder in Egypt and then we

Around 50 percent of the produce in Egypt is being the Gulf region including the UAE, said Falasi.

In Sudan, the firm was given 100,000 acres in the n

'There was only a small fee which we had to pay for the amount of land the firm owns in Ethiopia and Ta

Jenaan's strategy is to look for more land close to t

'We expect to break even in five years ... and our fo high transportation costs,' Falasi said.

Land purchases by foreign companies in recent yea companies to go underground.

The United Nations has expressed concern that fan international regulations governing land acquisitions

'The west and some media are opposing us ... they like to give out numbers,' said Falasi.

He stressed, however, that Jenaan's experience ha people and the country that you can grow food ther grown.'

Asked why the company does not look to develop t a cheaper option, despite all the risks. 'You need a l people here.' - Reuters