





Hunger Task Force 852 million hungry people




← 92% suffer from chronic malnutrition



↘ 8% from extreme events:
famines, wars

Silent Tsunami
200,000 Africans die every month



The crisis: Africa's soils are impoverished and the continent loses \$ 4 billion per year in soil nutrients

African Union's goal for Africa: 6% annual agricultural growth rate by 2015

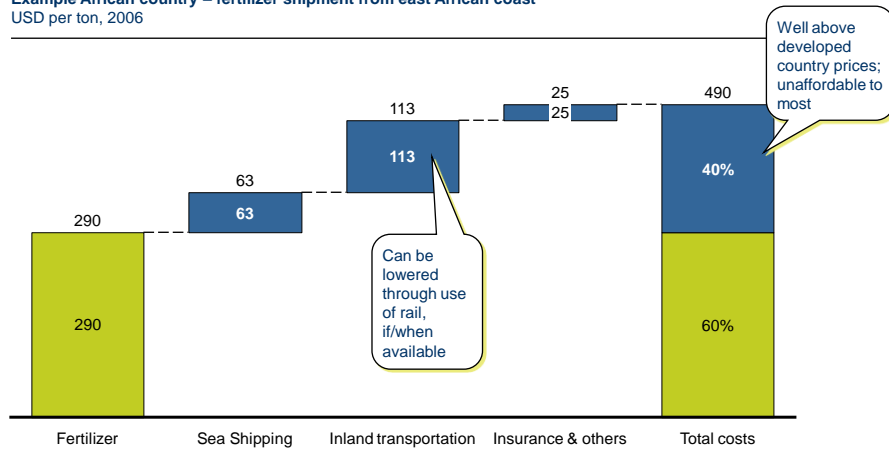


Date: 2007-01-03 - Page: 3



Logistics and distribution bottleneck increasing dramatically fertilizer cost

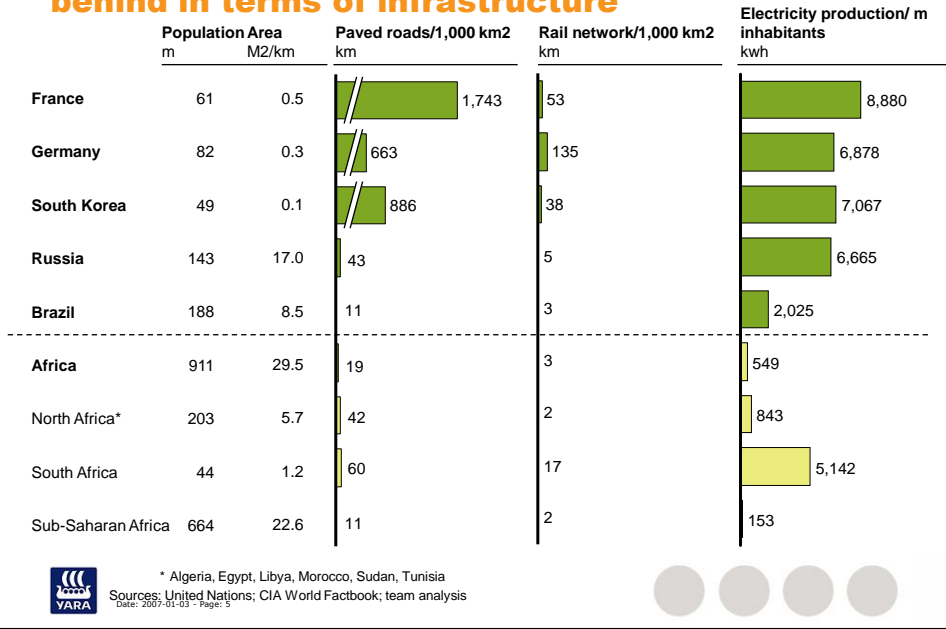
Example African country – fertilizer shipment from east African coast
USD per ton, 2006



Date: 2007-01-03 - Page: 4

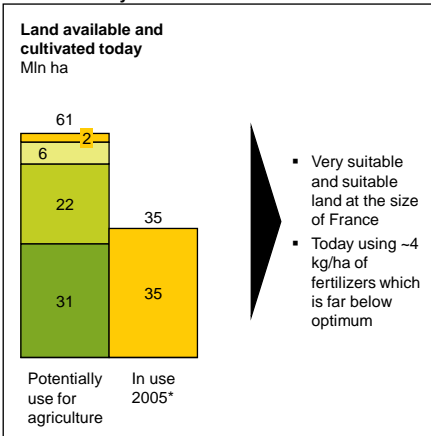


At the moment, Africa is lagging quite far behind in terms of infrastructure

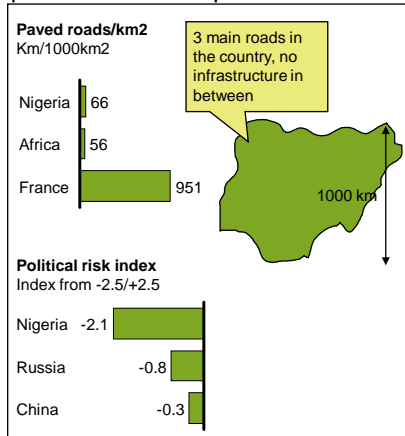



Factors like lack of infrastructure and political risk limit short term potential Nigeria example

Nigeria is a large country with over 50 million hectares of very suitable and suitable land...



...however lack of infrastructure and political risk makes development difficult




 * Land demand defined as arable land and permanent crops, numbers from 2005
 Source: FAO; team analysis
 Date: 2007-01-03 - Page: 6

Yara's African Green Revolution program

AGR Conference,
Yara Prize,
AGR web site.

An advocacy role. Bringing agriculture to the forefront of the development agenda in Africa and be an honest broker supporting Public Private Partnerships

Value chain partnerships
(Tanzania, Ghana and
Malawi).

Be a catalyst in the development of a new approach to PPP's in African agriculture based on a holistic value chain approach

Investments in new
infrastructure in Africa

Business development through investments in port facilities, warehouses, and potentially production capacity in Africa (ongoing discussion)



Date: 2007-01-03 - Page: 7



Challenges facing the private sector in fertilizer markets

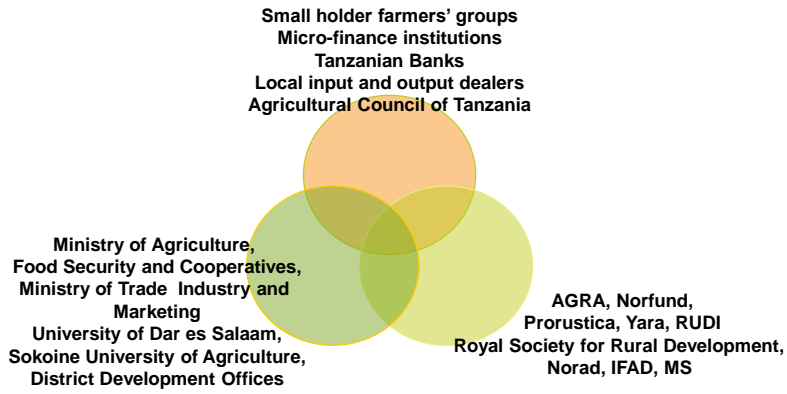
- Ad-hoc government market interventions
- Limited access to credit
- High port charges and other indirect taxes
- Poor state of infrastructure in rural areas
- High risks and transaction costs of distant markets
- Weak purchasing power of the poor, compared to large commercial farmers



Date: 2007-01-03 - Page: 8



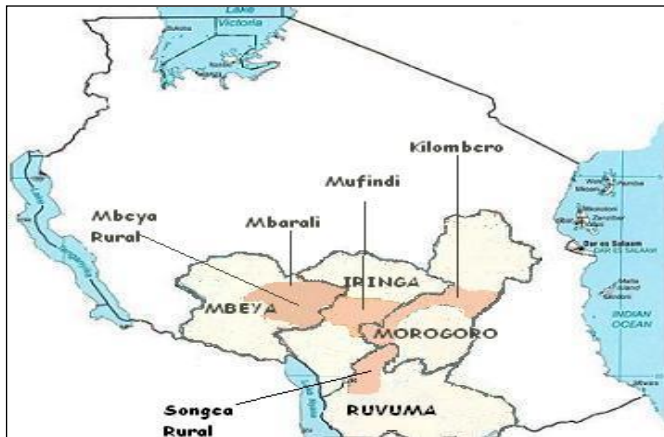
A Public-Private Agricultural Partnership in Tanzania



Date: 2007-01-03 - Page: 9



The Fast Track Districts



Date: 2007-01-03 - Page: 10



Access, Affordability and Incentives?



Date: 2007-01-03 - Page: 13

