

The Vultures of Land Grabbing

The involvement of European financial companies
in large-scale land acquisition abroad



“Governments and investment funds are buying up farmland in Africa and Asia to grow food – a profitable business, with a growing global population and rapidly rising prices. The high-stakes game of real-life Monopoly is leading to a modern colonialism to which many poor countries submit out of necessity.”

(Der Spiegel, 30 July 2009)

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This publication has been produced as part of a project of six European NGOs (BWP, CRBM, CCFD, EURODAD, GLOPOLIS and WEED) on raising awareness about the creation a global financial system fit for development.

As of now, the EU is hardly present as a regulatory actor but there are proposals for its role to grow substantially. The project wants to contribute to a more coherent and common political approach for financial regulation and supervision inside the EU and for common positions in international processes of reform, such as G20, IMF, FSB and the UN.

For more information, please go to:
www.regulatefinancefordevelopment.org

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This publication has been produced with the financial assistance of the European Union. The contents of this document are the sole responsibility of the authors and can under no circumstances be regarded as reflecting the position of the European Union.

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Private equity is no longer a small business. After having experienced their largest boom between 2005 and 2007, private equity funds under management totalled \$2.5 trillion at the end of 2008 (with a 15% increase compared to 2007, despite the financial turmoil). IFSL (International Financial Services London) forecasts that funds under management will increase to over \$3.5 trillion dollars by 2015, starting from less than 1 trillion in 2003¹.

With many big private equity firms joining hands and owning a large number of businesses across the world, a new type of corporate conglomerate is emerging which is reshaping the way business is being conducted. Because of the dramatic rise of private equity firms in the past few years some people would crown them as the “new kings of global capitalism” while some others would label them as “locusts”, depending on the political perspectives.²

In particular, several actors raised strong concerns about the labour, social and development impacts associated to private equity funds’ operations. Trade unions warned against massive lay-offs consequent to take overs and the restructuring of companies carried out by these financial actors in a highly speculative way³. International institutions, such as UNCTAD, raised concerns about the negative long-term development impacts associated to this kind of foreign direct investment, which

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1 IFSL Research, 2009, *Private Equity 2009*, August

2 SPD (Sozialdemokratische Partei Deutschlands, 2005, *Programmheft I. Tradition und Fortschritt*, January

3 Where the house always wins: Private Equity, Hedge Fund and the New Casino Capitalism; International Trade Union Confederation; ITUC Reports; June 2007; Brussels



remains highly untransparent.⁴ In short, private equity funds not only have a speculative business model, but also represent a conveyor belt for shareholder capitalism from the financial to the real economy.⁵

The financial crisis and the slow recovery of credit markets have slowed down the private equity business, at least in aggregated terms. The reduced leverage capacity – due to the lack of easy access to credit from major private commercial and investment banks – has necessarily reduced buy outs and acquisitions. However, wealth accumulation has continued, even more in the crisis, and major fund managers have promptly started scoping for new markets where to allocate resources. In particular, since the financial crisis started to spread around the

world in 2007, there has been a constant shift from financial assets and real estate – considered too risky and always less profitable – to other assets, mainly commodities.

As a matter of fact, the investment managers are well known for their creativity to adapt to changing market situations by starting investment vehicles in order to leverage their profits in any possible way. With statistics predicting an impressive growth of the world population (9.1 billion by 2050), a rapidly increasing GDP in some big emerging countries and the need for new energy sources, the financial speculation in

4 United nations conference on Trade and Development, *World Investment Report 2009*, Geneva, July 2009

5 Superstars in the Emperor’s New Clothes. Hedge Funds and Private Equity Funds. What is at Stake?; Peter Wahl; WEED-Briefing Paper, Berlin, 2008

What is Private Equity (PE)?¹

Private equity is a broad term used to define any type of equity investment in an asset or a company that is not listed on a public stock exchange. Therefore, the purchase of shares in a company is privately negotiated. The shares of a company could be acquired through the sale of existing shares by shareholders or private placement of new shares. Private equity covers a wide range of investment opportunities, including early stage investment (angel investors), take off (venture capital), mid-growth investment (mezzanine finance), later stage (private equity), distressed debt financing and others. Private equity encompasses a wide spectrum of investment vehicles from angel to leveraged buyouts. Because of heavy dependence on leveraged buyout to raise money, a private equity fund and a buyout fund have almost become interchangeable in the US and Europe.

1 A discussion Paper on Private Equity with Special Reference to India; Kavaljit Singh for The Corner House; October 2007

agricultural (soft) commodities and energy crops - used to produce food and biofuels - has rapidly been seen as a new opportunity to make huge returns betting on people's basic needs. In this context land has become a key asset to control and invest in, in order to engineer further financial products and profits. In the last five years Agricultural Funds buying or leasing land in Africa, Latin America, East Europe or Russia in order to produce the urgently needed crops, trade cereals or breed cattle, have started to spread around the most important financial capitals.

"Land grabs" have not gone unnoticed—they have produced widespread media coverage and concern from civil society, researchers, and environmentalists, who fear that private land investments will increase monoculture-based, export-oriented agriculture, arguably jeopardizing international food security.⁶ United Nations agencies and governments have raised concern as well. The Director-General of the Food and Agriculture Organization (FAO), Jacques Diouf, expressed apprehension over the potential effects of swift land deals on political stability in "host" countries⁷, while European Union officials have stated that some land deals are exploiting poor nations.⁸

At the same time international financial institutions have shown a strong interest in this new phenomenon and particularly the IFC of the World Bank Group has been playing a key role in fostering foreign investment in agriculture and land management in the Global South. The World Bank aims at making land investment by foreign investors a win-win situation for helping insecure host nations access food resources as well as agricultural investment and employment. While facing local communities and civil society concerns⁹, the Bank has been promoting voluntary codes of conduct to minimise short- and long-term impacts. Nevertheless the codes' effectiveness remains questionable because they risk to

6 The Great Land Grab. Rush for world's farmland threatens food security for the poor; The Oak Institute; Shepard Daniel and Anuradha Mittal; 2009

7 Coker, M. "UN Chief Warns on Buying Farms." The Wall Street Journal. September 10, 2008

8 Bate, F. "Farmland buying may harm poor states--EU official." Reuters. June 3, 2009

9 STOP LAND GRABBING NOW!! Say NO to the principles of "responsible" agro-enterprise investment promoted by the World Bank; Statement by La Via Campesina, FIAN, Land Research Action Network, GRAIN; April 2010

further legitimise practices by foreign harmful investors for local farmers and agriculture companies. Despite mounting concern publicly raised by civil society about the growing phenomenon of land grabbing, very little attention has been drawn so far to the specific role of private equity funds – in particular to who is putting wealth into these controversial financial entities, who runs them and how. Not surprisingly most of the private equity funds aggressively involved in land grabbing are related to US financial markets and to American major investment banks. However, European financial players haven't just watched these developments silently and have become actors in the field of land grabbing too.

The issue of regulating the existence and functioning of highly leverage institutions, such as private equity funds and hedge funds, in order to limit the impacts of these on the real economy and ordinary people's life has not emerged so far in the wider debate within European institutions in the context of the proposal for legislation on Alternative Investment Fund Managers. The regulation is primarily centered on some capital requirements and obligations for fund managers than on the funds themselves and the scope of their action. Such an approach falls far short of the well recognised urgency to put clear and binding constraints to the operations of these financial actors, in particular as far as the sectors of "soft commodities" and "land" are concerned, which form the basis of the life of billions of people worldwide, in particular in the Global South.

In short the limited focus on financial stability and increased transparency included in proposals so far

advanced in order to strengthen financial regulation at national and international level will not prevent private equity funds from investing more and more in land grabbing in the near future with severe impacts on local communities and development processes.

Giving private equity a face

GRAIN, one of the pioneers in researching these issues and tackling the funds taking part in this new real life monopoly has published several researches listing the names of funds actively taking part in the game.¹⁰ On request of CRBM, Merian Research picked out a large number of European cases in GRAIN's list, in order to study who are the investors in these funds. Our aim has been to give the investors a name and a face. By doing this we have found further controversies underlining the emergency of acting soon in order to stop the most controversial land grabbing. Focusing on our research, we quickly learned about the necessity to differ between a tremendous variety of cases. We had to distinguish between cases stretching over the whole portfolio of bank's and investment manager's products: from hedge funds, investing in publicly traded companies or agricultural commodities – such as the Deutsche Bank's PowerShares DB Agriculture Fund – over REIT's (Real Estate Investment Trusts) to private equity funds investing in non-listed companies, which directly buy or lease land. This research focused mainly on the latter, namely private equity funds that are taking control over vast amounts of land. The funds are mainly registered in the United Kingdom, but some of them also in offshore tax havens like the Cayman Islands, Channel Islands or British Virgin Islands. A practice which is hard to stop despite commitments taken by G20 governments and the OECD in the last year.

Big banks = big players?

Who are the investors in these funds? Who is backing the private equity companies deciding to raise agricultural funds? These have been two of the main questions of the research. First and foremost it has to be underlined that the number of big banking groups directly involved in these businesses remained unexpectedly low. As already

mentioned above, big banks prefer to profit by trading commodities in derivative markets and investing in stock listed companies through mutual or hedge funds. Just a few cases involve big banking groups. For example Dutch Rabobank Group's Rabo Farm Europe Fund which is a private equity fund, whose sector breakdown is given as rural resources like land and related assets (such as water resources). The case of Rabobank is quite intriguing, as the bank is known as a cooperative bank, being committed to Food and Agri financing, it has grown remarkably during the last years and doesn't get tired of reminding clients where it is coming from and how sustainable its investments are (including human rights protection)¹¹. We found Rabobank Group is also as co-founder (together with the Swiss Sarasin Bank, whose major shareholder is Rabobank) of AgriSar Fund, a mutual fund which has the "monetisation of water" as one of its long term investment targets. As Sarasin is recognized as European pioneer in socially responsible investments, the question remains how the AgriSar Fund is consistent with the SRI strategies of Sarasin, but also of Rabobank.

At this point we would like to underline that private equity funds are certainly private but, since their influence and scale has grown so strong in the last years and since they are increasingly investing in public goods, their investment portfolio can't remain secretive (as it is): companies setting up private equity funds should start to commit themselves to more transparency. A greater degree of disclosure would be the first step towards a more controllable and restricted use of these financial vehicles.

What is land grabbing?¹

Land grabbing is defined as land loss by rural populations due to large-scale land acquisition by foreign business (be it by purchase, lease or other forms of control over land such as long-term contract farming) for industrial agricultural production (be it for food, agrofuels or other agricultural commodities). Many acquisitions involve more than 10,000 hectares and several more than 500,000 hectares.

¹ *Foreign land grabbing in Africa*. 2009 Monitoring report by European Civil Society Organizations of European Commission's proposal for Advancing African Agriculture (AAA); FIAN and others, 2010

¹⁰ Seized! The 2008 land grabbers for food and financial security; Grain Breifings; October 2008

¹¹ <http://www.banktrack.org/show/bankprofiles/rabobank>

Scanning the examined cases of involved banks, another fund stands out in the list: the Altima One World Agriculture Development Fund (AOWADF) registered in offshore tax haven Cayman Islands. One of AOWADF's investors is no less a figure than the World Bank, through its private sector lender International Finance Corporation.

The Golden Boys of land grabbing

The pioneer phase of Private Equities raising money for their agricultural funds and investing in land may be marked starting from 2005/2006 until 2008/2009. It seems that the first dirty phase of the land rush has been managed by small investment vehicles, set up by former golden boys, who were previously employed by the big banking groups or, on the other hand, by senior corporate raiders, and in some cases by obscure fraudsters: a limited group of skilled and greedy managers who have set up a web of offshore companies to get into Southern markets and operate in secrecy to their exclusive advantage. To a certain extent the financial crisis itself has been a driver for trying these new risky adventures.

In particular we found more than just a handful of former investment managers in institutions such as JP Morgan Chase, Société Générale, Goldman Sachs, McKinsey, Merrill Lynch, acting as wirepullers in launching their private equity funds in order to grab land in Africa, South America, Eastern Europe or Russia. A variety of interesting cases may be found when going through the profiles of this report

For example the Brazilian Farmland Fund, set up by Bramdean Asset Management, a company created by Great Britain's so-called "superwoman" Nicola Horlick, a celebrated investment manager, who started her career in the French group Société Générale. Another case is the investor Tilney Investment Management (which is the trading name for Deutsche Bank Wealth Management!), Horlick convinced no less than the Iranian billionaire Vincent Tchenguiz to invest into Bramdean's fund. Tchenguiz, who is described by the press as a "bad boy investor" and "gambler", put a total amount of 38 million GBP into the Brazilian Farmland Fund and got mad about it just last year, when Nicola Horlick announced to have lost 21 million GBP in American fraudster Bernhard Madoff's Ponzi scheme.

Another good example is the hedge fund operator QVT Financial, set up by former Deutsche Bank golden boy Dan Gold. QVT invests - through a number of hedge funds based in the Cayman Islands - in at least two private equity funds involved in land grabbing: the Bulgarian Elana Agricultural Land Opportunity Fund and Clean Energy Brazil PLC, based in Douglas (Isle of Man). According to the Wall Street Journal, "QVT Financial LP, an \$8.5 billion firm, has been involved in some of the messier bankruptcies of the past several years, including those of Refco Inc. and Dana Holding Corp. (DAN)".

Greenwashing

A surprising number of financial vehicles involved in land grabbing boast a commitment to sustainability, socially responsible investing and ethical financing. Sometimes they refer to alleged partnerships with renowned international NGO's or environmental groups. The case of Sterling Knight Consultants Ltd, London is particularly interesting. The company seems to be connected to Emerald Knight "Ethical Investments" and Silva Tree Panama SA, a firm that presents itself as "an environmental project developer with humanitarian, biodiversity and environmental benefits". Neither Emerald Knight nor Silva Tree are known to be members of European social investments forums or environmental coalitions.

Key findings and conclusions

After speculating in IT companies and real state, an increasing number of financial investors are seeking new opportunities in the agricultural sector: leasing and buying land, producing and trading cereals, fruits and vegetables, breeding cattle or refining biofuels from energy crops. The drivers for speculation in agricultural (soft) commodities are the growth of world population, the rapidly increasing GDP in some big emerging countries and the need for new energy sources. Commodity markets have also proved to be highly volatile in the recent years, a condition which definitely attracts speculators.

A new wave of investments in the agricultural sector occurred between 2006 and 2008, though many projects have been stopped or suspended because of the financial crisis and are supposedly due to be launched again in the coming months.

Investments in land, food commodities and biofuel are increasingly managed by a wide variety of financial structures: private equity funds, hedge funds, REIT's (Real Estate Investment Trusts) as well as mutual funds and limited partnerships.

Most financial vehicles are based in offshore jurisdictions, mainly The Cayman and The Channel Islands; however most European entities having set up a financial vehicle in order to acquire or lease land/cultivate crops are registered in the United Kingdom, which remains a key jurisdiction highly benefiting opaque investors and speculators.

So far big banking groups seem to be rarely involved directly in land grabbing. They prefer to profit from the new investment themes by trading commodities in derivatives markets, buying stakes in stock listed companies through mutual or hedge funds, or acquiring minority stakes in private equities and partnerships that buy and harvest land.

Therefore the "dirty job", at least in this pioneering period, seems to be done mostly by a series of relatively small investment vehicles, created and headed by former "golden boys" of big financial groups, seasoned corporate raiders or obscure fraudsters looking for ways to make easy money.

It should be added that a surprising number of financial vehicles involved in land grabbing boast a commitment to "sustainability", "socially responsible investing" and "ethical financing". Sometimes they refer to alleged partnerships with renowned international NGO's or environmental groups. Such claims should be seen with caution and require strict scrutiny.

As the financial crisis eases, the vultures of land grabbing will bite back. At a certain time major investment banks too might develop a stronger interest in getting involved in this controversial market. Given the absence of these themes in the context of the financial regulation debate and legislative proposals advanced so far, it is time for civil society to act in order to shape the international agenda while exposing and challenging those responsible for such new predatory activity which is financializing the primary asset on which any society has developed in history: land.

Directive on Alternative Investment Fund Managers (AIFMs)¹²

The Directive on AIFMs is focused on hedge funds, private equity funds, commodity funds, real estate funds and infrastructure funds, which are all institutional investors who play an important role in the speculative financial system. They form the vanguard of high-risk institutional speculators, using highly risky business models such as leverage and (naked) short selling.

The European Commission concentrated on transparency and reporting, which is a necessary step, but the proposed text has many loopholes and - in our opinion - the main risks are not dealt with. Consequently, the funds would be able to continue - with minimum restrictions - to develop their business model as before:

- The first important loophole is that the directive only applies to fund managers but not the funds themselves;
- Funds with less than 100 million assets under management are not regulated at all. Bigger funds can easily take advantage of this by splitting up into smaller sub-funds;
- Funds that do not use leverage are allowed to have 500 million under management without falling under the directive;
- Funds, which use leverage to a large extent should meet special requirements. What is meant by considerable leverage or by special requirements is yet to be defined;
- For funds which use leverage, a limit on the maximum leverage shall be fixed, but as the funds can manage the leverage "dynamically" it is unclear where this limit is;
- The effective capital requirements are under 5%;
- Funds which speculate with shares of small and medium enterprises are exempt from the directive;
- Naked short selling is not banned, and it is only required to be documented in an annual report.

After a long negotiation between the European Council and the European Parliament the text has been approved with minor improvements, thus awarding financial lobbies for their systemic action on decision-makers in the last years.

¹² Compiled from The Stress Test for Global Financial Governance; WEED and others (Regulate finance for development); March 2010

Methodology

The research has been focused on 30 entities (funds, companies, REIT's, etc..) listed in Grain's "Farm owners table" available on Grain's website¹. We have chosen the most representative entities that are based in Europe. For each entity we have created a profile, including (when available) information about: main shareholders, launch date, assets under management, main investors, region of interests, financial returns. Our sources have been:

- companies' and funds' websites;
- financial press;
- financial blogs and forums;
- financial authorities websites;
- companies' databases;
- company registries' documents;
- interviews with funds' marketing and sales employees.

In case of alleged controversies connected to an entity, we have highlighted them in the profile quoting all available sources. In addition to the above mentioned information, we have created small profiles of funds' initiators and companies' founders whenever we thought that they could get relevant for the research.

Summary Table

Name of entity	Vehicles	Activity	Notes/Controversies
Actis Capital LLP London	Actis Africa Agribusiness Fund	Private equity fund investing in emerging market companies in the agriculture and forestry sectors	40% control by the UK government. Grai Bulk Handlers Limited (in which Actis Capital is investing) is monopolizing grain handling facilities in Kenya, allegedly increasing the cost of grain which is being passed to the consumers.
Agrifirma Brazil Ltd St. Helier (Jersey)	-	The company invests directly in Brazilian farmland	Major investors are Lord Jacob Rothschild, the corporate raiders Ian Watson and Jim Slater and a company based in the Cayman Islands.
Agro Terra Ltd Dublin	Agro Terra Partners LLP London	Private equity company that buys and leases land and farms mainly in Argentina	Established by Mark McLornan, a former JP Morgan "golden boy".
Altima Partners LLP London	Altima One World Agriculture Development Fund Ltd Cayman Islands	Private equity fund investing directly in farms and agribusiness especially in Latin America	The fund has been set up in close co-operation with the International Finance Corporation (World Bank). It invests in food commodities and land trading, financing the substitution of cereals with oilseeds to boost biofuel production.
Aston Lloyd Holdings PLC London	Aston Lloyd Agri-Commodities Ukraine	Invests directly in farmland in Ukraine. Plans to invest in Turkey, Northern Cyprus and India	The aim of Aston Lloyd is to "pick up efficiency of fields" to then sell the land and the rights to exploit it to hedge funds after a period of 5 years. The company has strong links with Emerald Knight and Sterling Knight (see). The three companies seem to be part of an unique financial scam based on land speculation.
Bramdean Alternatives Ltd St. Peter Port (Guernsey)	Brazilian Farmland Fund (managed through Bramdean Asset Management LLP London)	Private equity fund investing directly in Brazilian farmland	Investors in the fund include the controversial Iranian business magnate Vincent Tchenguiz and Deutsche Bank. The fund and its founder, Ms Nicola Horlick, are in trouble after having placed 21 million GBP in Madoff's funds.
Ceres Sofia	Ceres Agrigrowth Investment Fund, Sofia	Private equity fund investing in farmland in Bulgaria	Private equity company Rosslyn Capital Partners and Austrian co-operative banking group Raiffeisen Centrobank AG are among the main shareholders.

Name of entity	Vehicles	Activity	Notes/Controversies
Cru Investment Management Ltd London	Arch Cru Fund through Africa Invest Fund Management Ltd London	Private equity fund investing in five farms in Malawi	The fund has been suspended in September 2009. Jon Maguire, its visionary founder, is accused of having stolen money from the fund for personal purposes.
Elana Holding AD Sofia	Elana Agricultural Land Opportunity Fund	REIT which invests directly in farmland in Bulgaria	Main investors are QVT Fund LP (49,5%), Cayman Islands, Allianz Group and Credit Suisse. QVT has been set up by a former Deutsche Bank manager and "has been involved in some of the messier bankruptcies of the past several years".
Emergent Asset Management Ltd London	African Agricultural Land Fund, London	Big private equity fund investing in African farmland	Set up by David Murrin and Susan Payne, former "golden boys" of JP Morgan and Goldman Sachs. Susan Payne is personally involved in microfinance projects to "end poverty in Africa".
Lumix Capital AG, Schindellegi (CH)	Lumix AgroDirect Fund - British Virgin Islands	Private equity fund investing directly in farmland in Latin America	Founder and director Gonzalo Fernandez-Castro (36) has been Chief Marketing at Adecco Sa. The fund is investing only \$ 1m while trying to raise capital from private investors.
Pergam Finance SA Paris	Campos Orientales Sa, Pergam Advisory Sa, Geneva	Joint venture with Argentinian wealthy family, Advisory services. leasing of land in Argentina and Uruguay	Since 2006 Pergam Finance is buying land in Argentina and Uruguay in order to convert the local economy from traditional cattle production to intensive cultivation of energetic crops (biofuel). Back in 2006 there has been a fierce opposition to this company both in Argentina and in France.
Quifel Holdings SGPS SA Lisbon	Quifel Natural Resources SGPS SA Lisbon	Private equity fund that directly invests in farmland in Brazil, Angola, Mozambique and Sierra Leone. Focused on energy crops (palm oil, sunflower, soya and jathropa)	Quifel Agribusiness has recently signed a 50 years land lease agreement for agricultural purposes in Sierra Leone donating 5,000 USD to the local community fund.
Sarasin Bank, Basel (CH)	AgriSar Fund via Sarasin Investment Funds Ltd London	Mutual fund available to institutional and retail investors. The fund invests only in big listed companies in the agriculture sector	The fund has been set up by Sarasin and Rabobank. Sarasin is a recognized European pioneer in socially responsible investments. How is AgriSar consistent with SRI strategies?

Name of entity	Vehicles	Activity	Notes/Controversies
Sterling Knoght Consultants Ltd London	Aston Lloyd Agri-Commodities Ukraine	Sterling Knight and Emerald Knight seem to be solely marketing structures that support Aston Lloyd farmland projects	The whole Aston Llyod, Sterling Knight and Emerald Knight story seems to be a unique scam to fraud small investors. Emerald Knight claim to promote “ethical investments” while Sterling Knight seems to be connected to Cohen Green Advisory, a company present in the black list of FSA (UK Financial Service Authority).
Terra Firma Capital Partners Ltd London	TFCP I, II, III	Three private equity funds invested in several companies in different sectors. Among them CPC, the second largest Australia’s beef producer (90% stake)	Terra Firma is controlled by British financier Guy Hands (50), a former trader at Goldman Sachs and Nomura (where he made a fortune with trading), through London 58 Ltd, a company registered in the Cayman Islands
Trigon Agri A/S Copenhagen	AS Trigon Capital Group Tallinn	Private equity fund investing directly in farmland in Russia, Ukraine and Estonia	Founded by Estonian businessman Joakim Helenius, a former Merrill Lynch and Goldman Sachs executive.

Actis Capital LLP London

Set up:	Actis Africa Agribusiness Fund
Launch:	April 2006¹
Term:	–
Raised Capital:	committed USD 92 mln² (announced as USD 100 mln)
Investors:	–
Purpose:	–
Regions of interest:	Cote d'Ivoire, Zambia, Tanzania and South Sudan³
Sector breakdown:	–
Returns:	–

Details/Background

Actis Capital LLP emerged from its own self-funded buyout after former parent CDC Capital Group⁴, which is owned by the UK government, restructured itself in 2004.⁵

Ownership structure of Actis: owned 60% by its partners and an employee share trust, and 40% by the Secretary of State for International Development. The Government has an 80% economic interest until 2013 and 40% thereafter.⁶

Since 2004 several of CDC's investments have been managed by Actis.⁷ The company makes private equity investments in companies in emerging markets such as Africa, China, India, Latin America, and Southeast Asia⁸ and has circa 4.8 billion USD of funds under management⁹.

In April 2006 Actis launched the Actis Africa Agribusiness Fund with a committed capital of 92 million USD.¹⁰ The fund's regions of interest are announced as Cote d'Ivoire, Zambia, Tanzania and South Sudan¹¹. In 2007 the fund invested 15 million USD in Grain Bulk Handlers Limited, which is a "state of the art integrated grain terminal at Mombasa Port in Kenya".¹²

In 2007 Actis Africa Agribusiness has sold its USD 29mln participation in Compagnie Hévéicole de Cavally (CHC), Côte d'Ivoire, which manages 2,000 hectares of rubber plantations in the Moyen Cavally region. Actis Agribusiness and, before 2006, CDC investments in CHC has brought a profit growth of 164% for CDC¹³.

1 Actis News, 2007. *Actis invests in Kenyan Grain Bulk Handlers Limited*, 5 February.

2 Actis News, 2007. *Actis invests in Kenyan Grain Bulk Handlers Limited*, 5 February.

3 Actis News, 2007. *Actis invests in Kenyan Grain Bulk Handlers Limited*, 5 February.

4 Established in 1948, CDC Group focuses on investing in emerging markets in Africa, Asia, and Latin America, specifically for the private sector. Owned by the UK government (though the government is not involved with the firm's operations), CDC does not make the investments themselves; instead, the firm leverages the use of a third party fund manager. It zeroes in on poorer countries with a specific focus on the sub-Saharan Africa, South America, and South, Southeast and Central Asia regions. CDC has net assets of more than \$4 billion. (Hoovers, 2010. *Hoover's Company Records - In-depth Records, Company Profile CDC Group LLP London*, 17 February.)

5 Hoovers, 2010. *Hoover's Company Records - In-depth Records, Company Profile Actis Capital LLP London*, 2 February.

6 Shareholder Executive, 2009. *Actis Profile*.

7 CDC Group, 2010. <http://www.cdcgroup.com/compagnie-heveicole.aspx>.

8 Hoovers, 2010. *Hoover's Company Records - In-depth Records, Company Profile Actis Capital LLP London*, 2 February.

9 Shareholder Executive, 2009. *Actis Profile*.

10 Actis News, 2007. *Actis invests in Kenyan Grain Bulk Handlers Limited*, 5 February.

11 Actis News, 2007. *Actis invests in Kenyan Grain Bulk Handlers Limited*, 5 February.

12 Actis News, 2007. *Actis invests in Kenyan Grain Bulk Handlers Limited*, 5 February.

13 See CDC internet site www.cdcgroup.com

Additional information: Actis has moreover invested in a number of companies in West Africa, including; Diamond Bank, Mouka Foam, UAC and Exoro (Seven Energy).¹⁴ In addition, the firm has real estate assets in Ghana and Nigeria, as well as infrastructure interests throughout the region.¹⁵

Conclusion

Actis claims to invest its money as growth capital for a clearly defined time frame. Afterwards it pulls out and the projects run on self-determined.

Controversies

Grain Bulk Handlers Limited (in which Actis Capital is investing) is monopolising grain handling facilities in Kenya. Though GBHL's eight-year monopoly licence expired in February 2008, the company is still acting as a monopolist¹⁶. The licensing of a second handler, promised by the government, is at the centre of controversy since 2008. While Kenyan millers are pushing for a second grain bulk facility, the government is taking time and GBHL is further expanding its presence in the port of Mombasa. A "Lobby for additional Fertilizer and Grain Handling Facility in Mombasa" has launched an online petition in 2009, stating that GBHL's monopoly is "increasing the cost of grain which is being passed to the consumers who are impoverished due to rising cost of food"¹⁷.

According to government sources, due to soil type and weather considerations, Kenya imports 70% of its raw wheat and "it will continue to import it from Ukraine, Argentina, Russia, United States of America and Australia. Presently the imported wheat constitutes 70% of Kenya's wheat requirements.

Michael Turner, Actis managing partner, is currently member of the Board of GBHL.

14 Hoovers, 2010. *Hoover's Company Records - In-depth Records, Company Profile Actis Capital LLP London*, 2 February and AllAfrica, 2009. *Actis West Africa Gets New Head*, 14 July.

15 Hoovers, 2010. *Hoover's Company Records - In-depth Records, Company Profile Actis Capital LLP London*, 2 February and AllAfrica, 2009. *Actis West Africa Gets New Head*, 14 July.

16 Daily Nation, *Kenya: Grain Firm's Growth Raises Storm*, 9 September 2009

17 GoPetition, *Lobby for additional Fertilizer and Grain Handling Facility in Mombasa, Kenya*, 8 February 2009

Agrifirma Brazil Limited St. Helier (Jersey)

Set up by:	Ian Watson and Jim Slater¹
Launched:	In 2008²
Term:	–
Raised Capital:	Sharecapital GBP 154.438.848³
Investors:	RIT Capital Partners PLC London 14,06% (whose Chairman is Lord Jacob Rothschild), The Old Coach House Trustees Ltd Bergh Apton 12,95%, Agrifirma Ltd Grand Cayman 9,7% (according to the Annual Return of the 1 January 2009)⁴
Purpose:	–
Regions of interest:	42.105 hectares in Western Bahia, north east of Brazil (acquired three farms including the land: Campo Aberto/Bananal, Arrojadinho, Rio do Meio)⁵ – option to buy a fourth farm Bananal B having another 27.007 hectares⁶
Sector Breakdown:	Coffee, cotton, corn and soybeans with state-of-the-art technology.
Returns:	–

Details/Background

Ian Watson and Jim Slater look back on a long business relationship having founded and successfully run Galahad Gold from 2003 until 2008.⁷ Galahad Gold invested in companies mining metals, gold but also uranium via stakes Niger Uranium Ltd Gauteng and UraMin Inc Toronto⁸. After selling the stakes with an average net cash return of 280,4%, they dissolved Galahad Gold and founded Agrifirma Brazil⁹.

The Board of Directors of Agrifirma Brazil Ltd London comes up with Julio Bestani (co-founder of Adecoagro, a farmland development business backed by George Soros), Peter Stormonth Darling (former Chairman of Mercury Asset Management Group), Brazilian's ex-minister of agriculture Roberto Rodrigues (2003-2006) and Carlos Ortiz (Head of Rural Banking Rabobank International, Sao Paulo, Brazil).¹⁰

Besides the fact of Agrifirma Brazil Ltd being registered offshore, almost ten percent are held by an Agrifirma Ltd, registered in the Cayman Islands. Agrifirma Brazil moreover does have three 100% subsidiaries in Luxembourg: AB (Holdings) 1 SARL, AB (Holdings) 2 SARL, AB (Holdings) 3 SARL.¹¹ In Brazil its subsidiaries are: Agrifirma Brazil Agropecuaria Ltd, Agrifirma Campo Alberto Agropecuaria Ltd, Agrifirma Mato Grosso Agropecuaria Ltd and RARO Assessoria Agricola Ltda.¹² In Argentina there is existing a subsidiary called Agrifirma Srl as well, which may be interpreted as an attempt to enter in business in Argentina as well.¹³

1 Agrifirma Brazil Ltd, 2010. *Investors* on <http://www.agrifirma-brazil.com/investors.html>

2 Agrifirma Brazil Ltd, 2010. *Investors* on <http://www.agrifirma-brazil.com/investors.html>

3 Company Register Jersey, 2009. *Annual Return of Agrifirma Brazil Ltd St Helier*, 1 January.

4 Company Register Jersey, 2009. *Annual Return of Agrifirma Brazil Ltd St Helier*, 1 January.

5 Agrifirma Brazil Ltd, 2010. *Farm Holdings* on <http://www.agrifirma-brazil.com/farmholdings.html>

6 Agrifirma Brazil Ltd, 2010. *Farm Holdings* on <http://www.agrifirma-brazil.com/farmholdings.html>

7 Agrifirma Brazil Ltd, 2010. *Investors* on <http://www.agrifirma-brazil.com/investors.html>

8 Galahad Gold, 2007. *Galahad Track Record*, 19 September.

9 Agrifirma Brazil Ltd, 2010. *Investors* on <http://www.agrifirma-brazil.com/investors.html>

10 Agrifirma Brazil Ltd, 2010. *Board of Directors* on <http://www.agrifirma-brazil.com/directors.html>

11 Company Register Jersey, 2009. *Consolidated Financial Statements of Agrifirma Brazil Ltd St Helier*, 30 June.

12 Company Register Jersey, 2009. *Consolidated Financial Statements of Agrifirma Brazil Ltd St Helier*, 30 June.

13 Company Register Jersey, 2009. *Consolidated Financial Statements of Agrifirma Brazil Ltd St Helier*, 30 June.

From mining to farming: the wily old foxes bite back



James Derrick Slater (81), after performing “corporate raids” on public companies in his youth (60’s/70’s) through the investment company Slater Walker, he became famous as one of the most aggressive investors of the City. As a financial raider, he bought controlling stakes in companies, maximised the return selling disposable assets (no matter if they were properties, plants or workforce) and then sold the companies making huge profits. Due to his tactics, “Slater Walker” became a synonym for hardship and distress associated with the human costs of unemployment¹⁴.

With Ian Watson, he founded Galahad Gold in 2002, “successfully timing the commodities boom”¹⁵ and making annualised 66% profits with which he started a new venture (Agrifirma), again with Watson, to speculate in Brazilian farmland. He has been a close friend and business partner of finance magnate Sir James Goldsmith, who saved him from bankruptcy in 1975, when Slater Walker went bust.



Ian Watson was born in Scotland. He began his business career in stockbroking in Canada and Europe. In 1982, he co-founded with Jim Slater Centennial Minerals, a gold mining company which was later sold to Pegasus in 1985. Between 1985 and 2002, Ian invested with Jim Slater in several different business ventures and also invested in a telephony business in France, the U.S., Mexico and the Caribbean.

In 2002, Ian co-founded Galahad Gold to take advantage of the commodities boom. During the next four years, Galahad made profits averaging 66% per annum from its investments in gold, molybdenum and uranium mining companies.

In 2008, Ian and Jim Slater co-founded Agrifirma Brazil, an agricultural company based in Brazil in which he has a substantial investment.¹⁶

¹⁴ Wikipedia 2010. *James Derrick Slater*, 25 February, see also <http://www.jimslater.org.uk/>

¹⁵ Wikipedia 2010. *James Derrick Slater*, 25 February, see also <http://www.jimslater.org.uk/>

¹⁶ Ian Watson, 2010. *Welcome to ianwatson.biz: the website of Ian Watson*, <http://ianwatson.dev.ambergreen.co.uk/>

Agro Terra Ltd Dublin

Set up:	Agro Terra Partners LLP, London
Launch:	Agro Terra Partners LLP London has been launched on the 11 May 2009.¹
Term:	–
Raised Capital:	–
Investors:	Strategic Investors²
Purpose:	Aim is to expand land holdings and develop a company that will benefit handsomely from the upcoming changes in the agricultural commodities market.³ Invest in both public and private opportunities. The portfolio will be a combination of unlisted investments and opportunistic listed investments.⁴
Regions of interest:	Owns and farms land in Argentina⁵, interested in Latin America, North America, Europe and Australia.⁶ Farms in Argentina: La Toldería (3506 hectares)⁷; El Descanso (5431 hectares)⁸ and Sandoval (3368 hectares)⁹
Sector breakdown:	Low cost production of corn, wheat, barley, maize and soybean.
Returns:	AgroTerra boasts returns of 50% to 60% for a two/three years investment in its farms¹⁰.

Details/Background:

Mark McLornan is the Founding Partner and Chairman of Agro Terra Ltd, which has been established in Ireland in 2005.¹¹ Agro Terra Ltd Dublin's shareholders are: Agro Terra SA Buenos Aires (95%) and Fondomente Inversiones Argentina SA Buenos Aires (5%).¹²

1 ICC Information Group Ltd, 2010. *Agro TE Limited*, 22 May.

2 Agro Terra Partners, 2010. *Investment Process* on www.agro-terra.com, 15 February.

3 Agro Terra, 2010. *Investor Info*: <http://www.agro-terra.com/InvestorInfo.aspx>

4 Agro Terra Partners, 2010. Introduction to Agro Terra Partners on www.agro-terra.com, 15 February.

5 Milken Institute, 2009. *Speaker's Biography: Mark McLornan*, April.

6 Agro Terra Partners, 2010. Introduction to Agro Terra Partners on www.agro-terra.com, 15 February.

7 Agro Terra, 2010. <http://www.agro-terra.com/LaTolderia.aspx>

8 Agro Terra, 2010. <http://www.agro-terra.com/newFarm2.aspx>

9 Agro Terra, 2010. <http://www.agro-terra.com/newFarm3.aspx>

10 Agricultural Capital Partners Plc, Executive Summary, 2008. "One of our directors, Jim McCarthy, is involved in the management of an Irish-led Argentinian grain operation which has just released impressive results showing returns of up to 50% to investors over the last two and a half years"

11 Milken Institute, 2009. *Speaker's Biography: Mark McLornan*, April.

12 Companies Register Ireland, 2008. *Modified Financial Statements of Agro Terra Ltd*, 30 June.



A JP Morgan golden boy

Mark McLornan has a bachelor's degree in banking and finance and started his career at JPMorgan Chase as a proprietary trader in the Fixed Income Division in London.¹³ Before starting to do business in the agricultural sector he has been senior portfolio manager at the London Diversified Hedge Fund (LDHF), "overseeing investments on a global macro basis".¹⁴ LDHF Management, once one of London's largest hedge fund managers, had a lot of press in the beginning of 2009, when it has lost five partners after a year in which its main two products lost more than their average peers and the firm restricted investors from withdrawing their money.¹⁵

Agro Terra's investment categories¹⁶:

1. Proven agricultural companies who are looking to exploit value opportunities within their sector.
2. Mid-development companies who have a strong management team, but are experiencing financing difficulties.

Conclusion:

Ex-Hedgefund Manager invests the money he owns in buying and leasing land in Argentina via small company set up in Dublin. Afterwards he launches Agro Terra Partners LLC London, which acts as a private equity vehicle, in order to expand quickly to gain foothold in the commodities sector.

¹³ Milken Institute, 2009. *Speaker's Biography: Mark McLornan*, April.

¹⁴ Milken Institute, 2009. *Speaker's Biography: Mark McLornan*, April.

¹⁵ E-Financial news, 2009. Five partners leave London Diversified Fund Management, 27 March.

¹⁶ Agro Terra Partners, 2010. *Investment Process* on www.agro-terra.com, 15 February.

Altima Partners LLP London (UK)

Set up:	Altima One World Agriculture Development Fund Limited (Cayman Islands)
Launch:	in September 2008
Term:	–
Raised Capital:	USD 625 mln
Investors:	International Finance Corporation (World Bank private-sector lender) invested 75 mln USD (12% of AOWADF's volume)
Purpose:	Invest in agricultural production land and world-class farm operators for Free to Profit Commodities Trading.¹
Regions of interest:	Has already invested in agribusinesses in Latin America and Eastern and Central Europe, and the fund was looking to expand into former Soviet states, Central Asia and Sub-Saharan Africa
Sector Breakdown:	Agriculture and Forestry
Returns:	–

Details/Background

IFC has teamed up with Altima in order to invest in Altima's Cayman Island registered Agriculture Fund but also in order to "create a parallel vehicle that specifically targets emerging markets".² By investing in the Altima fund, IFC is leveraging its resources to stimulate growth in agricultural production in emerging markets.³ The AOWAF is IFC's largest equity investment in its expanding agribusiness portfolio.⁴

With respect to the so-called parallel vehicle IFC announces: "The proposed IFC investment will be made via a vehicle (the Investment Vehicle) established as an agribusiness fund that will invest in IFC eligible agricultural farming and production companies globally. The project will only participate in private equity investments which are also invested by Altima One World Agricultural Master Fund Limited (AOWAF). It is expected that AOWAF will invest alongside IFC in the Investment Vehicle. AOWAF will also make investments which are not IFC eligible and the Investment Vehicle shall not participate in such investments."⁵

Investment advisor for AOWAF is Altima Partners LLP London, whose sub-advisor is **Altima Advisors Americas LP, a company registered in Delaware.**

Controversies

In 2007, together with the Argentinian Group "El Téjar", Altima Partners has formed a company, registered in Bermuda, called "Campos Verdes" with the aim of collecting USD 200 mln from investors in order to buy farmland in Brazil and other countries. The project "Campos Verdes" has been launched through a complex company structure: Altima bought

1 Commodity Online, 2009. IFC provides \$75 mn support for Altima Agri Fund, 16 February.

2 Commodity Online, 2009. IFC provides \$75 mn support for Altima Agri Fund, 16 February.

3 Commodity Online, 2009. IFC provides \$75 mn support for Altima Agri Fund, 16 February.

4 Commodity Online, 2009. IFC provides \$75 mn support for Altima Agri Fund, 16 February.

5 International Finance Corporation, 2009. *Altima Agro - Summary of Proposed Investment*, 24 April.

the 23,5% of El Tejar (about USD 50 mln), while El Tejar created a subsidiary, called Edary, that, associated with one of Altima's funds, controlled the newco Campos Verdes. At its turn Campos Verdes controlled CV Luxco, a company based in Luxembourg, which owned a series of joint stock companies in the different countries where farmland had to be bought. In 2008 the "Campos Verdes" project has been abandoned because Altima has not been able to raise a sufficient amount of capital. In the same year El Tejar and Campos Verdes merged and created El Tejar Limited (ETL) in Bermuda.⁶

In 2009 ETL received USD 150 million equity from a large investment fund belonging to The Capital Group, a privately held organization based in the USA. ETL's business is now focused on two components:

- a) food commodities production and
- b) real estate, looking at capital gains generated with land acquisitions and sales (land value arbitrage among the different countries and regions).

Another USD 150 mln have been awarded to El Tejar in July 2008 through a loan structured by the Dutch development bank FMO and subscribed by Standard Bank (South Africa) and the French fund manager Cordiant Capital.

Born in 1987 as an association of meat producing families, El Tejar has developed in the last ten years to become one of the biggest farmland investors in Argentina. The access to foreign capitals has been crucial to transform this local group into an international player in the food commodities and real estate sectors.

El Tejar SA is now weighing an initial public offering in the New York "to tap rising investor demand for farming assets".⁷

6 Infocampo.com.ar, *Inyección de 150 Mlú\$s en El Tejar*, 29 August 2008

7 Bloomberg, 2010, *Hedge Fund-Backed Farm Group Tejar Weighs U.S. IPO*, 11 March 2010

Aston Lloyd Holdings PLC London

Set up:	Aston Lloyd's Agri-Commodities Ukraine (managed via Eurofarms LLC Kiev¹)
Launch:	–
Term:	–
Raised Capital:	–
Investors:	All clients are required to pay the below costs at entry-level: - Land: US\$1,250 per hectare - Legal fees: US\$140 per hectare. In July 2010, clients will also have to pay: Cultivation fee: US\$750 per hectare.²
Purpose:	–
Regions of interest:	Fields are located in Vinnitsa, central Ukraine.³
Sector breakdown:	The following five crops will be produced on a rotational basis and will be determined based on market prices for seeds, fertilizers etc., as well as the global commodities price for that crop: - Wheat - Barley - Rapeseed - Sunflower - Maize (corn). ⁴
Returns:	Clients will receive 45% of the total net profit from the harvest in December 2011, and then 30% of the net profit annually from January 2013. Crop yield for each "pai" will be calculated accurately by an industry-recognised agricultural technique, precision farming.⁵

Details/Background

The projected exit for this investment is 2014. This is predicted to occur within the time period based on expressed interest from institutional funds.⁶

Ukraine Details: In January 2002, a new land code was introduced in Ukraine regarding ownership rights over Ukrainian land. The code prohibits foreign citizens, legal entities and governments from acquiring agro-industrial land. Therefore, lease arrangements are the only way foreign investors can take advantage of agricultural land in Ukraine. A lease may be short-term (2-5 years), medium-term (5-25 years) or long-term (up to 49 years). Clients in Aston Lloyd's project will enjoy a contractually binding right to receive income from a lease term of not less than 10 years, and up to a maximum of 15 years. Where the original lease term is less than 15 years, Aston Lloyd will endeavour to increase it to 15 years.⁷

1 See: <http://www.eurofarms.com.ua>

2 Aston Lloyd, 2010. *Ukraine FAQs* on www.aston-lloyd.co.uk

3 Aston Lloyd, 2010. *Ukraine FAQs* on www.aston-lloyd.co.uk

4 Aston Lloyd, 2010. *Ukraine FAQs* on www.aston-lloyd.co.uk

5 Aston Lloyd, 2010. *Ukraine FAQs* on www.aston-lloyd.co.uk

6 Aston Lloyd, 2010. *Ukraine FAQs* on www.aston-lloyd.co.uk

7 Aston Lloyd, 2010. *Ukraine FAQs* on www.aston-lloyd.co.uk

The company

The Aston Lloyd projects appear to be managed by a series of dubious companies, controlled by Aston Lloyd Holdings plc, a firm created in 2001 by a certain Robert William Wing, a real estate investor. In December 2008 Wing has left the company, that is now owned by two individuals: Ms Kulvir Virk and Mr Joseph Edward Upchurch.⁸ Ms Virk controls and manages also Svs Securities, a London based company specialised in brokerage services for investors. Until September 2008 Ms Virk has been a director of Trafalgar New Homes plc London, a company incorporated in 2005 “to fill a gap in the market for the provision of affordable homes in London and Greater London”.⁹ Mr Upchurch is still a director of Trafalgar, while Ms Virk and a certain Ashley Sheldrick continue to be the main shareholders.¹⁰ According to a series of news releases, Trafalgar New Homes plc has been seriously hit by the real estate and financial crisis. This is probably one of the reasons why Ms Virk and Mr Upchurch have decided to try their luck with farmland investments. According to the company’s corporate brochure, Aston Lloyd has 70 million pounds worth of property under construction.

Investment details

Aston Lloyd is structuring farmland investments in Ukraine, Turkey, Northern Cyprus and other countries. The Ukrainian project seems to be the best developed, though the company is still collecting money from investors and the production has yet to be started. According to a time schedule published in company brochures, crop plantation should begin in 2011 (see picture below). Farmland investments in Ukraine are controlled by a chain of companies: at the top of the chain there’s Aston Holdings Plc, followed by Aston Lloyd Agri-Commodities Ltd. and Aston Lloyd Agri-Commodities Llc, which owns the Ukraine based company Eurofarms Llc, a farm management company that will “oversee the operations and the cultivation of land”.

Aston Lloyd Agri-Commodities Ukraine

Key dates for investors:

- **July 2010** – Invest by July 2010 for US\$1,250 per hectare (plus US\$140 per hectare legal fees)
- **July 2010** – Investors required to pay one-off cultivation cost of US \$750 per hectare
- **February/March 2011** – Crop plantation begins
- **July/August 2011** – Crop harvesting commences
- **September 2011** – Crops sold at market price*
- **December 2011** – 45% harvest profit paid to investors**
- **January 2013** – 30% harvest profit paid annually to investors from January 2013**

Source: Aston Lloyd Agri-Commodities Ltd, Ukraine Presentation

The 22th of February 2010 we have registered on Aston Lloyd’s website pretending to be “potential investors”. The day after we have been contacted by a certain Daniel Lawrence of Aston. Daniel, who appeared to belong to a call center more than to the company’s staff, told us that “the investment in Ukraine will deliver huge dividends”. He said that “the investment is suitable also for small investors that would like to put 5,000 € in the project”. He added that the structure of the project relies on three pillars:

- 1) Land Value (Ukrainian Agricultural Land price is projected to increase by 50% within a year, and it is projected that land values will continue to increase by 28% annually thereafter - Financial Times 2009)
- 2) Yield value: metric tonnes of produce per ha will increase due to “new efficiency measures”
- 3) Exit strategy and Investment Value: “After picking up efficiency (in a period of 5 years), the land and the rights to

⁸ Companies House, London, 2010, *Aston Lloyd Holdings Plc., Annual Return*, 07 January

⁹ Growth Investor, 2005, *Trafalgar scents victory*, 1 November, by James Crux

¹⁰ Trafalgar New Homes Plc 2008, *Press Release*, 30 September

exploit it will be sold to an hedge fund or alike, offering significant returns to investors”.

Since we had originally asked about the “jathropa cultivation project” presented on the company’s website, Mr Lawrence assured us that “the project will be developed soon, probably at the beginning of March”. He said the he cannot anticipate anything, he could only say that the project structure would be similar to the one on Ukraine and based on the usual three pillars. He added that the cultivation of jathropa (an “energy plant” used to produce biofuel) on behalf of Aston Lloyd is due to start “somewhere in India”. Lawrence told us also that “we will be contacted before the starting of the public offering for jathropa” so that we will be “among the first to know about the possibility of investment and its general conditions”.

Controversies

There are reasons to believe that the whole Aston Lloyd project is only a scam, meant to collect money from small investors speculating on the current appeal of farmland. The following findings give us reason for concern:

- the company alleges to invest in Northern-Cyprus, a controversial region in the Cyprus Island that is nor recognized by any country in the world except Turkey. Northern-Cyprus territory is known for its “offshore banks” which launder and shelter the illegal proceeds from drugs and human trafficking;
- no big investor is behind Aston Lloyd’s projects. It seems that a handful of individual, who have badly tried their luck with real estate investments are now betting on farmland with no adequate capital or expertise. In its corporate brochure Aston Lloyd lists Barclays Plc as an “associate”, though there’s no evidence anywhere else that the UK bank Group is supporting Aston Lloyd’s projects in any way;

The company has strong links to Emerald Knight Consultants Ltd and Sterling Knight Consultants Ltd (see Sterling Knight’s profile). According to what we could assess from our open source analysis, there are reasons to suspect that these three companies are involved in some sort of financial scam.

Bramdean Alternatives Ltd St Peter Port Guernsey)

Set up:	Brazilian Farmland Fund, which is managed via Bramdean Asset Management LLP London
Launch:	–
Term:	(It is currently expected that the Fund will reach a first close in the first quarter of 2010.”¹)
Raised Capital:	wants to raise around US\$150m²
Investors:	Hampshire County Council and Merseyside Council’s pension funds, Vincent Tchenguiz (Iranian business magnate) through Elsin Ltd Tortola (BVI)³; Man Group Plc through seeding fund RMF Global Emerging Managers and Deutsche Bank through its Tilney Investment Management⁴
Purpose:	Acquiring and developing farmland in Brazil, intends to “provide investors with exposure to the long term macro drivers of a rising global population, land and water supply constraints and the Brazilian agribusiness opportunity”⁵
Regions of interest:	Brazil⁶
Sector breakdown:	–
Returns:	–

Details/Background

The background of Bramdean’s CEO is quite intriguing. Nicola Horlick, a self made business woman in her late 40s, who looks back on an impressive career, having worked for BlackRock, Aberdeen Asset Management and Société Generale set up Bramdean in 2005.

She found investors for Bramdean in both Hampshire County Council and Merseyside Council’s pension funds but also in Man Group Plc through seeding fund RMF Global Emerging Managers and Deutsche Bank through its Tilney Investment Management.⁷ Tilney Investment Management’s is the trading name of *Deutsche Bank Private Wealth Management* and is registered in the UK.⁸

In 2007 a total amount of 38 million GBP has been invested in Bramdean through Elsin Ltd Tortola (BVI) by Horlick’s former friend Vincent Tchenguiz, described by the press as an Iranian playboy, gambler and bad boy investor.⁹ The 38 million GBP (28.7% of Bramdean) have been lent from the Icelandic bank Kaupthing¹⁰, which, being close to bankruptcy -

1Bramdean Asset Management LLP, 2010. *02 Brazilian Farmland Fund* on http://bramdean.com/our_funds/brazilian_farmland_fund

2 Bramdean Asset Management LLP, 2010. *02 Brazilian Farmland Fund* on http://bramdean.com/our_funds/brazilian_farmland_fund

3 Daily Mail, 2009. *Has Superwoman met her nemesis? Nicola Horlick is facing a £55m battle with a playboy intent on destroying her*, 9 May and Reuters, 2009. *Horlick seeks to trump Tchenguiz over Bramdean*, 9 June.

4 Reuters, 2009. *Horlick seeks to trump Tchenguiz over Bramdean*, 9 June.

5 Bramdean Asset Management LLP, 2010. *02 Brazilian Farmland Fund* on http://bramdean.com/our_funds/brazilian_farmland_fund

6 Bramdean Asset Management LLP, 2010. *02 Brazilian Farmland Fund* on http://bramdean.com/our_funds/brazilian_farmland_fund

7 Reuters, 2009. *Horlick seeks to trump Tchenguiz over Bramdean*, 9 June

8 Private Wealth Management Deutsche Bank, 2010. <http://www.dbpwm.co.uk/ManagedPage.aspx?id=37>

9 Daily Mail, 2009. *Has Superwoman met her nemesis? Nicola Horlick is facing a £55m battle with a playboy intent on destroying her*, 9 May and Reuters, 2009. *Horlick seeks to trump Tchenguiz over Bramdean*, 9 June.

10 Daily Mail, 2009. *Has Superwoman met her nemesis? Nicola Horlick is facing a £55m battle with a playboy intent on destroying her*, 9 May and Reu-

due to the financial crisis in Iceland – is controlled by the Icelandic government since October 2008 and changed its name in Arion Banki in 2009.

In January 2010 Vincent Tchenguiz and his brother Robert filed creditors' claims against Arion (Kaupthing), claiming to have lost a substantial part of their wealth when the bank suddenly collapsed in October 2008.¹¹

The friendship between Horlick and Tchenguiz turned down, when Bramdean announced to have lost 21 million GBP of assets placed with the American financier Bernhard Madoff, who had been arrested for a gigantic 30 billion GBP financial fraud in 2009.¹² With respect to the dispute Tchenguiz claims "that he only intended to invest in the new company, for two months", because he was told the insurance company Axa, would soon buy everything".¹³ Axa never arrived. Daily Mail further reports that "in under 21 months, the company's shares more than halved from 100 pence in value to just 44 p" and that during the first two years of Horlick's stewardship, Bramdean's "value has slumped from £130million to £75million".¹⁴

Former Societè Generale's superwoman loses credibility



Nicola Karina Christina Horlick, born 28 December 1960, CEO of Bramdean.¹⁵ Educated at Oxford University, joined SG Warburg as graduate trainee in 1983. Became part of Mercury Asset Management (spun off from SG) in 1984, joined Morgan Grenfell in 1991 and started up Societè Generale Asset Management in 1997.¹⁶

ters, 2009. *Horlick seeks to trump Tchenguiz over Bramdean*, 9 June.

11 BVI Offshore Business, 2010. *Kaupthing bank sued by BVI- and Guernsey-based companies linked to property magnates*, 26 January.

12 Daily Mail, 2009. *Has Superwoman met her nemesis? Nicola Horlick is facing a £55m battle with a playboy intent on destroying her*, 9 May and Reuters, 2009. *Horlick seeks to trump Tchenguiz over Bramdean*, 9 June.

13 Daily Mail, 2009. *Has Superwoman met her nemesis? Nicola Horlick is facing a £55m battle with a playboy intent on destroying her*, 9 May and Reuters, 2009. *Horlick seeks to trump Tchenguiz over Bramdean*, 9 June.

14 Daily Mail, 2009. *Has Superwoman met her nemesis? Nicola Horlick is facing a £55m battle with a playboy intent on destroying her*, 9 May and Reuters, 2009. *Horlick seeks to trump Tchenguiz over Bramdean*, 9 June.

15 Wikipedia, 2010. Profile Nicola Horlick.

16 BBC, 2002. *The human face of Nicola Horlick*, 19 December.

CERES Agrigrowth Investment Fund (Sofia)

Set up by:	Rosslyn Capital Partners Ltd Sofia¹ (has a branch in London as well); (Fund manager is Paladin Realty Management Ltd², whose shareholder is Rosslyn Capital as well³)
Launched:	August 2006⁴
Term:	–
Raised Capital:	Approximately €45 million⁵
Investors:	Raiffeisen Centrobank AG, global investment funds like Firebird Management, Black River Asset Management, and Mezzanine Management and private equity companies such as Rosslyn Capital Partners⁶
Purpose:	Acquiring a substantial portfolio of agricultural land in Bulgaria⁷; land acquisitions predominantly in selected focus clusters;
Regions of interest:	By May 2008 Ceres owns more than 22,000 Ha in Bulgaria⁸
Sector Breakdown:	Cultivation of soft commodities on 11,000 Ha (wheat, barley, sunflower and Corn in the municipality of Pordim, Pleven district and the municipality of Mizia, Vratza district).⁹ Initiated a silo project with a capacity of 12 000 tons.¹⁰
Returns:	–

Details/Background

“Some Ceres’ investors are foreign investment bankers, who have worked in leading financial institutions such as Richard Dunn (famous as the youngest member of Merrill Lynch’s Executive Committee, Head of Market and Credit Risk division) and Martin Loat (exChairman of Deutsche Bank Asia Pacific including Japan and a member of the Deutsche Bank AG Executive Committee).”¹¹

Moreover the company’s shareholder and founder Rosslyn Capital is having a branch in the UK, whose ultimate parent is Nomasa Trading Ltd – a company registered offshore, in Limassol Cyprus.¹²

Merill Lynch and Deutsche Bank boys step in Bulgaria

Richard Dunn, no foto available. Mr. Dunn, 35, is currently Co-Head of Global Equity Markets. In his new position, he will be responsible for all risk management and corporate credit functions worldwide for Merrill Lynch. He has held

1 CERES Agrigrowth Investment Fund, 2010. *Management* on <http://www.ceres.bg/?op=page&lan=EN&page=Management>

2 CERES Agrigrowth Investment Fund, 2010. *Basic Information* on <http://www.ceres.bg/?op=page&lan=EN&page=Ceres>

3 Paladin Property Development, 2010. *Shareholder Information* on <http://www.paladin.bg/index.php?cat=2>

4 CERES Agrigrowth Investment Fund, 2010. *Basic Information* on <http://www.ceres.bg/?op=page&lan=EN&page=Ceres>

5 CERES Agrigrowth Investment Fund, 2010. *Basic Information* on <http://www.ceres.bg/?op=page&lan=EN&page=Ceres>

6 CERES Agrigrowth Investment Fund, 2010. *Shareholders* on <http://www.ceres.bg/?op=page&lan=EN&page=Shareholders>

7 CERES Agrigrowth Investment Fund, 2010. *Basic Information* on <http://www.ceres.bg/?op=page&lan=EN&page=Ceres>

8 CERES Agrigrowth Investment Fund, 2010. *Basic Information* on <http://www.ceres.bg/?op=page&lan=EN&page=Ceres>

9 CERES Agrigrowth Investment Fund, 2010. *Soft commodities* on <http://www.ceres.bg/?op=page&lan=EN&page=Projects>

10 CERES Agrigrowth Investment Fund, 2010. *Soft commodities* on <http://www.ceres.bg/?op=page&lan=EN&page=Projects>

11 CERES Agrigrowth Investment Fund, 2010. *Shareholders* on <http://www.ceres.bg/?op=page&lan=EN&page=Shareholders>

12 Company Register UK, 2008. *Annual Return of Rosslyn Capital Partners Ltd London*, 12 September.

key positions in Tokyo, London and New York and has extensive experience in Merrill Lynch's global capital markets businesses. His deep working knowledge of the global markets will be critically important to our risk and credit management functions in these increasingly interrelated markets. He joined Merrill Lynch in 1990. He headed Merrill Lynch's debt and equity divisions in Japan for six years and in 1997 became head of debt markets for Merrill Lynch in Europe, the Middle East and Africa. He relocated to New York earlier this year to assume his post as Co-Head of Global Equity Markets.¹³

Martin E. Loat, no picture available. Martin Loat has a degree in Economics from the University of Manchester and is a Chartered Accountant to the Institute of Chartered Accountants in Scotland. He is former CEO of the Asia Pacific Corporate and Investment Bank of Deutsche Bank¹⁴, a former member of the Deutsche Bank AG Executive Committee and prior to that he was Managing Director and Global Head of Equity Derivatives at Merrill Lynch.¹⁵

¹³ PR Newswire, 2009. *Richard A. Dunn Named Head of Risk and Credit Management*, 15 October.

¹⁴ The Hindu, 2001. *HCL Tech, Deutsche Bank form JV*, 27 September.

¹⁵ CERES Agrigrowth Investment Fund, 2010. *Management* on <http://www.ceres.bg/?op=page&lan=EN&page=Management>

Africa Invest Fund Management Ltd (traced via

Set up:	Arch Cru Fund, which has been suspended in September 2009
Launch:	–
Term:	–
Raised Capital:	–
Investors:	The company received a loan from Cru Investment Management. (2.4 million GBP)
Purpose:	Producing high quality crops for export from its five farms and an ever expanding outgrower base. Producing staple crops for Malawi such as maize and potatoes.
Regions of interest:	Malawi¹

Africa Invest Farms

Northern region

Nkhozo 1,049 Ha

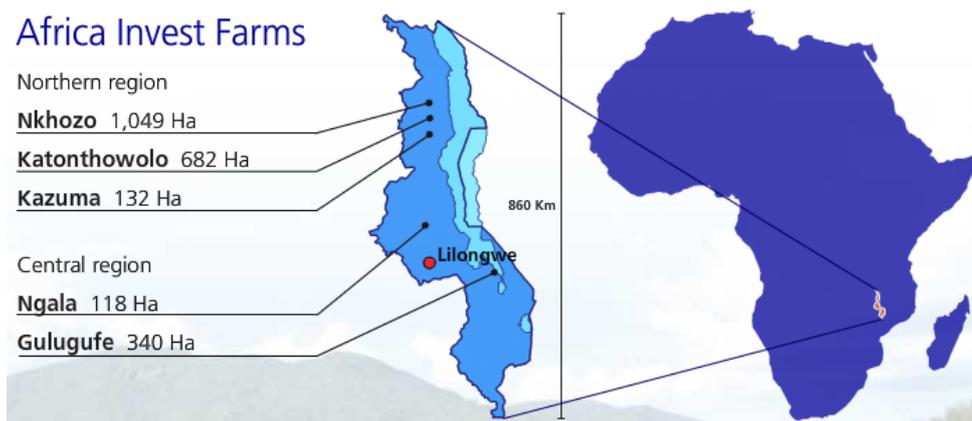
Katonthowolo 682 Ha

Kazuma 132 Ha

Central region

Ngala 118 Ha

Gulugufe 340 Ha



Sector breakdown: **Currently, Africa Invest is producing Bird's Eye Chillies, Potatoes and Paprika.²**

Katonthowolo had an amazing maize harvest, as did Ngala and Nkhozo. With the implementation of irrigation schemes at Ngala, Gulugufe and Kazuma, forecast yields for the coming season have improved for both chillies (Ngala and Gulugufe) and potatoes (Kazuma).³

"Our paprika crop from Nkhozo remains of the highest quality globally and in high demand from international markets".⁴

Returns: –

1 Africa Invest, 2010. www.africainvestmw.com/home.php

2 Africa Invest, 2010. www.africainvestmw.com/home.php

3 Africa Invest, 2010. <http://www.africainvestmw.com/sales/sales.php>

4 Africa Invest, 2010. http://www.africainvestmw.com/commercial_farms/commercial_farms.php

Details/Background:

Key individual: Jon Maguire

*"Africa Invest Ltd employs over 1,000 Malawians and engages a further 15,000 through its outgrower scheme."*⁵
*In 2008 Africa Invest won two awards (both before the Fund has been suspended)*⁶:

1) EMRC, the European Market Research Centre based in Belgium, awarded the business with their prestigious EMRC award at the African Agri Business Conference held at the UN FAO (Food and Agriculture Organisation) headquarters in Rome.

2) Moreover Africa Invest scooped the award for the 'Best SME in Africa' at the inaugural 'Commonwealth Business Council - African Business Awards Ceremony' held in London on July 3rd.

Controversies



On the 7th of January 2010, Jon Maguire (see picture on the left) has resigned as chairman and chief executive of the Malawi-based **Africa Invest** business. Maguire has stepped down after a poor year when production of all crops fell short of forecasts made at the start of the year. **Africa Invest** received a £2.4 million loan from **Cru Investment Management** that was in turn financed by a £3.2 million loan from the cell companies that make up the Arch Cru funds to Cru. Only £1.5 million has been paid back according to the latest set of accounts for Cru. Maguire has said that the outstanding £900,000 has been converted to equity "given the need to restructure the Malawi business". Cru auditors PricewaterhouseCoopers have said there was "insufficient evidence" Cru could recover the outstanding £900,000. A statement to shareholders states the Africa Invest business is facing cash shortfalls and will require a cash injection if it is to survive as a going concern. The company is 85.46% owned by the Africa Invest Channel Islands-listed cell company, and 14.54% by Cru Investment Management⁷.

Cru Investment Management has allegedly borrowed money from Arch Cru funds' investors "without telling them". The money has been given to ill-fated Maguire's Africa Invest business. On the 23rd of February, 2010, citywire reports that "the new Africa Invest management has raised concerns about 'cash withdrawals not accounted for' and 'personal expenses not reimbursed' when Maguire headed up the firm. It also questions why money was taken out of the business to pay for visits from guests and staff of Maguire's Cru Investment Management business, as well as trips to other countries.

After Cru Investment Management borrowed money from the Arch Cru funds, it then lent the money on to Africa Invest. Not all of it was paid back, and the remaining loan was converted to equity, which now looks like it will be worth little.⁸

5 Africa Invest, 2010. http://www.africainvestmw.com/commercial_farms/commercial_farms.php

6 Africa Invest, 2010. <http://www.africainvestmw.com/media/awards.php>

7 Citywire, 2010. *Jon Maguire resigns from Africa Invest*, 07 January.

8 Citywire, 2010. *Cru crisis: Africa Invest probes expenses under Maguire*, 23 February.

Elana Holding AD Sofia

Set up by: **Elana Agricultural Land Opportunity Fund (ELARG)**

Launched: **14 March 2005¹**

Term: **–**

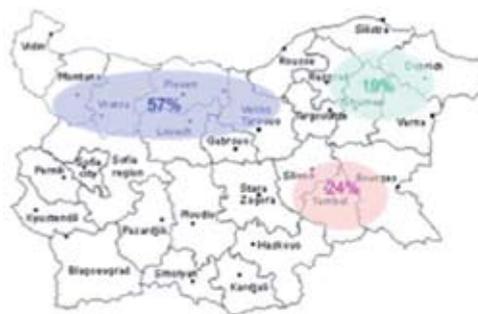
Raised Capital: **market cap of approx. EUR 18,31 mln (as of 28 February 2009)**

Investors: **QVT Fund LP (Cayman Islands)² holds 49,5%, Allianz Bulgaria (belonging to German Allianz Group) - 16,46%, Credit Suisse Securities (Europe) LTD PB - 8,39%³**

Purpose: **Acquire Land**

Regions of interest: **Bulgaria⁴**

5. Distribution of the agricultural land portfolio by region as of February 2009.



Sector Breakdown: **As of February 2009, the Fund has acquired 29 320 hectares of land in several regions in the country at an average price of about 1,120 Euros per hectare, including all transaction costs.⁵**

Returns:

1. Share price trend from June 2005 till February 2009.



1 Elana Agricultural Land Opportunity Fund, 2005. STATUTE "Elana Agricultural Land Opportunity Fund" REIT, 14 March.

2 SecInfo, 2005. *General Statement of Beneficial Ownership · Schedule 13D Filing Table of Contents*, 29 April.

3 Financial Securities Commission Bulgaria, 2008. *Special Purpose Vehicles/ Real Estates Investment Trusts – date of establishment, envisaged period of existence and main shareholders*, 31 December.

4 Elana Agricultural Land Fund, 2010. *Investment Portfolio* in http://www.elana.net/elarg/en/01_za_fonda/02_investigii.shtml

5 Elana Agricultural Land Fund, 2010. *Investment Portfolio* in http://www.elana.net/elarg/en/01_za_fonda/02_investigii.shtml

Details/Background

ELANA is one of the biggest non-banking financial groups in Bulgaria with 18 years of history. It is active in the areas of asset management, trading on financial markets, investment banking, business consulting, investment in agricultural land, investment in renewable energy.⁶

ELANA Agricultural Land Opportunity Fund (ELARG) was set up in 2005, as the first Bulgarian real estate investment trust (REIT) for investments in agricultural land.⁷

ELARG's objectives are purchasing agricultural land, consolidating it and leasing the already consolidated plots "aiming to increase the equity and market value of the fund in order to provide shareholders with as high dividends as possible". The acquired land will be sold out after 2011, unless the fund's shareholders decide to extend its life after 2012.⁸

QVT Fund LP, one of Elana's main shareholders (49,5%) is also a shareholder of Clean Energy Brazil PLC (see profile). "With over \$7 billion under management, QVT is one of the largest hedge fund management companies launched in recent years".⁹

Controversies

"QVT Financial LP, an \$8.5 billion firm, has been involved in some of the messier bankruptcies of the past several years, including those of Refco Inc. and Dana Holding Corp. (DAN). Founder Dan Gold left Deutsche Bank AG (DB) in late 2003 and took his 20-person proprietary trading team with him".¹⁰

QVT Financial LP belonged to the Deutsche Bank group until 2003.¹¹

6 Elana, 2010. *HISTORY - The trendsetter on the Bulgarian financial market* on <http://www.elana.net/en/holding/aboutus/history.shtm>

7 Elana Agricultural Land Fund, 2010. *Investment Portfolio* in http://www.elana.net/elarg/en/01_zafonda/02_investigii.shtml

8 Elana Agricultural Land Fund, 2010. *Investment Portfolio* in http://www.elana.net/elarg/en/01_zafonda/02_investigii.shtml

9 <http://www.qvt.com/files/approach.html>

10 Wall Street Journal, 2009. *Hedge Fund QVT, Dubai Creditor, Has History Leading Committees*, 2 December.

11 ZeroHedge, 2009. *How Much Has Angelo Moskov's QVT Lost In Dubai; Another Year, Another DB Prop Casualty?*, 27 November.

Emergent Asset Management Ltd London (EAML)

Set up by:	African Agricultural Land Fund (UK)
Launch:	in Q4 2008 (with foregoing 4-year pilot project)
Term:	until 2013 (5 year term)
Raised Capital:	2.9 billion USD (aim: 3 billion USD)
Investors:	Minimum investment size is €500,000 for private investors and €5m for institutional investors
Purpose:	Key aims are defined as: agriculture/food security, SRI in Africa, purchasing and managing a wide spectrum of agricultural properties
Regions of interest:	Currently bought 150'000 hectares of land in South Africa, Mozambique, Zambia.¹ According to company's presentation on 28/11/2008: Angola, Botswana, DRC, Kenya, Lesotho, Madagasca, Malawi, Mauritius, Mozambique Namibia, South Africa, Swaziland, Tanzania, Zambia, Zimbabwe²
Sector Breakdown:	Crops, biofuel, livestock, game farming, timber.
Returns:	Projected in excess of 25% per annum over 5 years.

Details/Background

EAML has teamed up with Grainvest, which according to Emergent is a „firm of professional agricultural traders and one of the top five participants on the South African Securities Exchange, involved in agriculture locally, including farming, manufacturing, and transport and trading“.³

Together with Grainvest, Emergent founded a company called **Emvest Agricultural Corporation** (head offices in Pretoria, South Africa), which will conduct the operational part of the business as well as managing the fund's investments.⁴

“EmVest is establishing farming hubs throughout the region, working with national and local authorities to develop large scale agriculture on a commercial basis, within a socially responsible framework, at a consistently high level of execution.”⁵

The fund pays 350 – 500 USD per hectare in Zambia (about a tenth the price of land in Argentina or the USA).⁶

EAML's directors are David Paul Murrin (British) and Susan Margaret Law Payne (Canadian)⁷ and it has no ultimate controlling party.⁸ The company is minority owned by Toronto Dominion Bank, one of the highest rated banks in Canada.⁹

1 Spiegel, 2009. *Foreign Investors Snap Up African Farmland*, 30 July.

2 Emergent, 2008. *Food, Glorious Food: Emergent in Africa*, 28 November.

3 HedgeCo Net, 2008. *African Agricultural Land Fund Launch*, 1 September.

4 EMvest, 2010. *About EMvest* on <http://www.emvest.com/about.aspx>

5 Emergent, 2010. *African Agri Land Fund* on <http://www.eaml.net/?func=PageAfricanLandFund>

6 Spiegel, 2009. *Foreign Investors Snap Up African Farmland*, 30 July.

7 Company Register UK, 2008. *Emergent Asset Management Ltd Annual Return*, 16 November.

8 Company Register UK, 2008. *Emergent Asset Management Ltd Financial Statements*, 16 November.

9 Zoom Company Information, 2010. *Company Profile on EAML*, February.

The two directors are also shareholders of the Emergent Bermuda Ltd, which receives regular fees from EAML, and is registered under number 22078 since 26th of June in 1996.¹⁰

The African Agricultural Land Fund “qualifies as a socially responsible Investment in keeping with the co-managers’ investment philosophy, endeavouring to make a positive contribution to the well-being of the local community”.¹¹

Landgrabbing’s golden boys: from JP Morgan and Goldman to Sub-saharian Africa



Susan Payne joined JP Morgan in 1986 and was part of the original eight-person global Emerging Markets Group. She soon became Head of Emerging Markets Sales, Europe. In 1993, Susan joined Goldman Sachs International as an Executive Director and Head of Sales and Trading responsible for developing its emerging markets debt business in Europe. In 1997, she left Goldman Sachs to found Emergent Asset Management Limited. Susan is on the Board of MyC4, a microfinance business focused on ending poverty in Africa, and is a Patron of the Africa-focused charity Medical Aid Films.¹²



David Murrin has started his career in 1984 at an oil exploration company. In 1986 he joined JP Morgan, where he traded the major bond, interest rate, bullion, foreign exchange and equity index markets. In 1991 he founded and managed JP Morgan’s European Market Analysis Group. In 1993 he established Apollo Analysis Ltd to advise banks in taking directional risk in global and emerging markets. In 1997, David co-founded Emergent Asset Management. He is particularly active in the firm’s private equity business, focusing mainly on The African Land Fund.¹³

10 Zoom Company Information, 2010. Company Profile on EAML, February.

11 Hedge Fund News, 2008, *African Agricultural Land Fund Launch*, 1 September

12 Emergent’s website www.eaml.net, 2010, *Biography of Susan Payne, Chief Executive Officer*

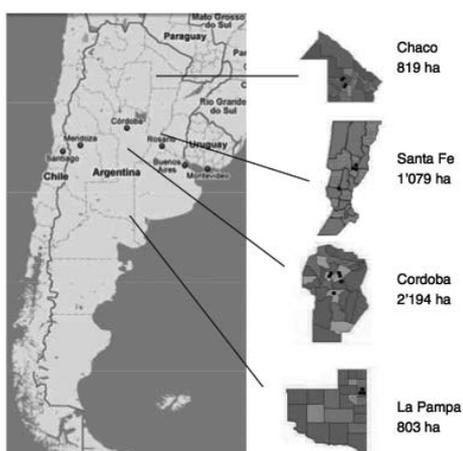
13 Emergent’s website www.eaml.net, 2010, *Biography of David Murrin, Chief Investment Officer*

Lumix Capital Management Ltd

(Lumix Capital AG Schindellegi, Switzerland)

Set up:	Lumix AgroDirect Fund (British Virgin Islands)
Launch:	1 August 2009¹
Term:	–
Raised Capital:	up to \$100m² (actual invested capital \$1m)
Investors:	in September 2009 launched to outside investors as well³
Purpose:	Direct investments in the agricultural sector in Latin America. The Fund invests primarily in the production of agricultural commodities in leased farmland.⁴
Regions of interest:	Argentina (41%); Uruguay (40%); Brazil (2%); Others (3%); Cash (14%) (Paraguay is a region of interest too)⁵
Sector Breakdown:	Direct Investing (soybeans, wheat, others) - 54%; Commodity Trade Finance (26%); Specialities (6%) and Cash (14%)⁶
Returns:	targeting returns of 15% and will charge a 2% management fee and 20% performance fee⁷

Details/Background



Through a 50/50 partnership with a local family group the fund holds a direct interest in 1'443 hectares across three geographic areas in Uruguay (Paysandú, Rio Negro and Colonia), which provides for an optimal geographical/weather diversification within the country.⁸

As an optimal way to balance risk and rewards, Lumix has entered into two direct investing activities. The first one concerns a 7.6% participation in an agricultural production trust that is farming 4'895 hectares in four different weather areas (see chart on the right), with an attractive crop diversification strategy: 49% of early and late soybeans, 30% corn, 18% sunflower seeds, and 3% wheat.⁹

Lumix AgroDirect Fund is registered in the British Virgin Islands.¹⁰ The Lumix Capital Management Ltd is highly likely registered in the British Virgin Islands as well.

1 Lumix AG, 2009. *Newsletter September*, 30 September.

2 Opalesque, 2009. *Opalesque Exclusive: Lumix launches AgroDirect Fund to outside investors*, 29 September.

3 Lumix AG, 2009. *Newsletter September*, 30 September.

4 Lumix AG, 2009. *Newsletter September*, 30 September.

5 Lumix AG, 2009. *Newsletter October*, 31 October.

6 Lumix AG, 2009. *Newsletter October*, 31 October.

7 Opalesque, 2009. *Opalesque Exclusive: Lumix launches AgroDirect Fund to outside investors*, 29 September.

8 Lumix AG, 2009. *Newsletter September*, 30 September.

9 Lumix AG, 2009. *Newsletter September*, 30 September.

10 Lumix AG, 2009. *Newsletter September*, 30 September.



Gonzalo Fernandez-Castro (36), founder, shareholder and manager of Lumix, is an investment manager, who has worked for several investment companies, has been Chief Marketing and Business Development Officer for Adecco SA, Senior Investment Manager of the Jacobs Holdings AG (belonging to the Jacobs's family, that fully owns Adecco) and McKinsey Consultant.¹¹

Controversies

The fund is actually investing USD 1 million (seed funds) while announcing in the fund's newsletters (September and October 2009) that "the Manager is currently seeking to raise up to USD 100 million of capital which will be invested on behalf of the Fund". The most recent newsletter (January 2010) reports that Lumix is "currently closing an additional round of capital of up to USD 20 million during Q1. We have several soft commitments in place and we expect the round to be fully subscribed". However, in January 2010, the reported AUM (assets under management) were still USD 1 million. So, once again, Lumix AgroDirect seems to be an experiment by a young wannabe financial tycoon.

¹¹ LinkedIn, 2010. *Profile of Gonzalo Fernandez-Castro.*

Pergam Finance SA Paris

Set up:	Campos Orientales SA¹
Launch:	Pergam Finance launched in 2001, Campos Orientales SA in 2006. Pergam's Service company Pergam Advisory SA is launched offshore in Geneva, Switzerland.²
Term:	-
Raised Capital:	-
Investors:	-
Purpose:	-
Regions of interest:	Argentina (10.000 hectares) and Uruguay (35.000 hectares)³
Sector breakdown:	Cropland and cattle (40%-60%)⁴, rotation plans: barley or wheat, soy-sorghum or corn-soy; rice-pastures;⁵

Corrientes Curupí Porá x Close
www.curupipora.com.ar

Acquired in August 2008, the farm is being transformed from 100% cattle production to a mix of 29% crops and 71% cattle

Acquisition Date	Aug 2008
Location	Corrientes - Argentina
Size	10240 has
Average rainfall	1100 mm
Business mix	29% crops / 71% cattle
Cattle activity	Breeding - Fattening
Surface	7240 has
Breed of cattle	Braford
Production system	Full cycle
Cows and Heifers for breeding activity	3600 head
Total number of cattle	5963 heads
Crop activity	Crop production
Surface	3000 has
Production system	Direct seeding rotation
Crop rotation plan	Sorghum or corn - soy

Returns: -

1 National Post's Financial Post & FP Investing, 2008. *Bargain Farmland Sought; New Global Players*, 7 July.

2 Dun & Bradstreet, 2009. Profile on Pergam Advisory SA Geneva, 4 April.

3 National Post's Financial Post & FP Investing, 2008. *Bargain Farmland Sought; New Global Players*, 7 July.

4 National Post's Financial Post & FP Investing, 2008. *Bargain Farmland Sought; New Global Players*, 7 July.

5 Campos Orientales, 2010. *Properties* on <http://www.camposorientales.com/properties.html>

Details/Background

Pergam Finance started purchasing land in 2005 until 2007, the “majority of land acquired is located in Uruguay (35 000 hectares of which 40% is devoted to culture and 60% for breeding) and the other in Argentina, 10 000 hectares”.⁶ According to Campos Orientales website, another site has bought it 2008:

The Campos Orientales project is a joint venture with Argentina’s wealthy Hirsch family (through their company Bellamar Estancias⁷) – Campos Orientales manages 120,000 hectares.⁸

After 2008 it went quiet around Pergam’s story. Lately there has been solely published an interview by *Le M.A.G. Cultures* in May 2009 with Pergam’s CEO Olivier Combastet.⁹

Controversies

Since 2006 Pergam Finance is buying land in Argentina and Uruguay in order to convert the local economy from traditional cattle production to intensive cultivation of energy crops (biofuel). Back in 2006 there has been a fierce opposition to this company both in Argentina and in France¹⁰.



Olivier Combastet, Institut d’Etudes politiques de Paris, CEO Pergam Finances SA Paris, Chairmana of the Board of Campos Orientales SA (43 000 hectares dedicated to cattle and crops. Currently employs 135 people and has been founded by Pergam finance in 2006). He has over 20 years of experience in financial advisory, restructuring, investment management and commercial real estate development.¹¹

6 Le M.A.G. Cultures N°61, 2010. *Vos terres : Avis d’expert*, 29 May.

7 Private Equity Real Estate, 2008. *To greener pastures; Rising food and energy prices are directing new focus on the agricultural sector. But is farmland and ranchland investing a long-term play or merely the asset du jour?* in March.

8 National Post’s Financial Post & FP Investing, 2008. *Bargain Farmland Sought; New Global Players*, 7 July.

9 Le M.A.G. Cultures N°61, 2010. *Vos terres : Avis d’expert*, 29 May.

10 Rel-UITA, 2006, *Sindicatos franceses denuncian extranjerizacion de tierras agricolas* on <http://www.rel-uita.org/agricultura/extranjerizacion-de-tierras.htm>, 6 September

11 Campos Orientales, 2010. Profile of Olivier Combastet, 26 February.

Quifel Natural Resources SGPS SA Lisbon (Portugal)

Set up by:	Quifel Holdings SGPS SA Lisbon
Launch:	-
Term:	-
Raised Capital:	-
Investors:	-
Purpose:	-
Regions of interest:	Manages 370,000 acres in Brazil, Angola, Mozambique, and Sierra Leone.¹ Leased land for 50 years in Sierra Leone.²
Sector breakdown:	Palm Oil in Sierra Leone³, sunflowers, soya and jatropha in the southern province of Cunene (Angola)⁴
Returns:	-

Details/Background

Quifel Natural Resources founded in 2008. Quifel Holdings has been set up in 2004 though.

*"Portuguese firm Quifel Natural Resources has waited over a year for the go-ahead to start planting sunflowers, soya and jatropha in the southern province of Cunene (Angola)."*⁵

Quifel Agribusiness signed a 50 years land lease agreement for agricultural purposes in Sierra Leone: "The ceremony took place at the Roman Catholic Hall in Masiaka on Friday 11th September, 2009 in the presence of officials from Quifel and legal practitioners representing both parties to the agreement."⁶



Representative of Quifel Agribusiness in Sierra Leone Rita Rijo gives a 5.000 USD cheque to representatives of the community.

1 Global AgInvesting, 2009. Event: Global AgInvesting,

2 Awoko Newspaper, 2009. *Koya Chiefdom signs 50 yr agric. land lease with Quifel*, 16 September.

3 Awoko Newspaper, 2009. *At Masimera... Quifel Agribusiness Contribution Transforms into scholarships*, 31 August.

4 Awoko Newspaper, 2009. *At Masimera... Quifel Agribusiness Contribution Transforms into scholarships*, 31 August.

5 Agence France Presse, 2009. *Sugar cane to return to Angola in biofuel move*, 1 September.

6 Awoko Newspaper, 2009. *Koya Chiefdom signs 50 yr agric. land lease with Quifel*, 16 September.

With the signed lease agreement Quifel agreed to contribute towards the Masimra Chiefdom Community Development Fund of Lokomasama Chiefdom of the Port Loko district.⁷ Quifel donated 5.000 USD to the Community Fund, which was represented by Hon. Kombo Kamara.⁸ Kombo Kamara pointed though out, that the community in Sierra Leone has been visited by a few other companies in search for land, which led Kamara to underline that the community has to take care in order to not be “lured into thumb printing any document for meager money”.⁹ Representative of quifel agribusiness in Sierra Leone is **Rita Rijo**.¹⁰ In site have been also head of field operations of Quifel Agribusiness Jonas Coleman, JP Amara and Deputy Local Government Minister Raymond Kabia.¹¹

Tatiana Diniz, representing Quifel in a meeting on the 21st August 2009, said Quifel’s primary objective is to embark on the development of the Oil Palm Plantation but supporting education forms part of their corporate social responsibility.¹²

Rita Rijo was apparently part of **MAPTL** (Missão Agrícola Portuguesa em Timor-Leste), a Portuguese development cooperation group financed by the Portuguese foreign ministry that has been acting in East-Timor under the coordination of UNDP (United Nations Development Program) “conducting trial projects on the use of sluice gates for irrigation and erosion control, in association with reforestation”.¹³

7 Awoko Newspaper, 2009. *Quifelagri business rep handing cheque to Regent cheif of Lokomasama*, 12 August and *Economic boost for lower Masimra*, 18 August.

8 Awoko Newspaper, 2009. *Quifelagri business rep handing cheque to Regent cheif of Lokomasama*, 12 August.

9 Awoko Newspaper, 2009. *Quifelagri business rep handing cheque to Regent cheif of Lokomasama*, 12 August.

10 Awoko Newspaper, 2009. *Quifelagri business rep handing cheque to Regent cheif of Lokomasama*, 12 August.

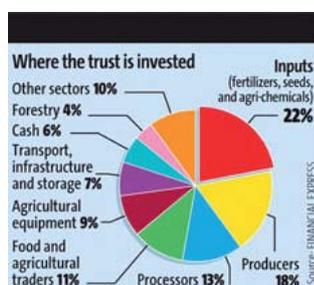
11 Awoko Newspaper, 2009. *Quifelagri business rep handing cheque to Regent cheif of Lokomasama*, 12 August and *Economic boost for lower Masimra*, 18 August.

12 Awoko Newspaper, 2009. *At Masimera... Quifel Agribusiness Contribution Transforms into scholarships*, 31 August.

13 Undp, 2009, *Sustainable Land Management in Timor-Leste. Capacity Building and Mainstreaming Project. Mid-Term Evaluation*, by Peter Hunnam, August, www.tl.undp.org. See also: University of Hawaii, Travel Report, East Timor 2005, Meeting with the Portuguese Mission, 11 April, tpss.hawaii.edu/tl/reports/trip/April_2005_Trip_Report_Hal.pdf

Sarasin Bank (Switzerland) / Rabobank Group (Netherlands)

Set up:	AgriSar Fund¹ via Sarasin Investment Funds Ltd London
Launch:	31 March 2008²
Term:	–
Raised Capital:	£99mIn³
Investors:	Minimum investment is £1,000⁴
Purpose:	Invests in land, production equipment, fertiliser, transport firms connected to farming⁵
Regions of interest:	–
Sector breakdown:	



Returns: **1-year performance (end January 2010): 22,88%**

Details/Background

The core theme of the fund is the need to raise agricultural yields per hectare and they are investing in global equities through a broad agricultural spectrum – “from field to fork”.⁶ Open-ended investment fund - created by Sarasin and Rabobank - which mainly invests in listed blue-chip companies which produce seeds, fertilizers, farming equipment, or manage water and forests.

Controversies/hints for action

The bank Sarasin is one of the European pioneers in socially responsible investments (SRI). In 1989 it launched its first financial products which invested according to environmental criteria. In its annual report the Swiss bank states that its SRI investments have grown continuously in the last five years, totaling about 6,6 bn € in 2009 (68% more than the previous year). Sarasin also alleges to be a “carbon neutral bank”. How is this consistent with the strategy of AgriSar Fund, which has the “monetisation of water”⁷ as one of its long term investment targets.

1 Investment Week, 2008. *Sarasin launches AgriSar fund*, 17 March.

2 Investment Week, 2008. *Sarasin launches AgriSar fund*, 17 March.

3 Investors Chronicle, *Specialist Expertise at Sarasin Agrisar*, 11 February

4 Investment Week, 2008. *Sarasin launches AgriSar fund*, 17 March.

5 Thisismoney, 2009. *Fund focus: Sarasin AgriSar*, 6 April.

6 Sarasin, 2009. *AgriSar Fund Update*, June.

7 Investors Chronicle, *Specialist Expertise at Sarasin Agrisar*, 11 February

Sterling Knight Consultants Ltd London (Emerald Knight Ltd London)

Important:	Strong links to Emerald Knight Consultants Ltd and Aston Lloyd Holdings PLC.
Launch:	The company has been set up on the 23rd June 2009.
Term:	-
Raised Capital:	-
Investors:	are offered to invest in soil rich Ukrainian agricultural land at just USD 1,000 per hectare plus a one-off USD 550 cultivation fee and legal fees of USD 115 per hectare.¹ (Investors must purchase at least one pai² consisting of 2 to 10 hectares dependent on selected investment option.)³
Purpose:	Sterling Knight invites to purchase plots of working farm land in the Ukraine, which will in turn be cultivated, harvested and fully managed by a leading specialist company Euro farms LLC and by Aston Lloyd Plc.⁴
Regions of interest:	Ukraine, Silva Tree Princess Project in Panama
Sector breakdown:	Crops and Timber (Jatropha will make part of the portfolio soon) Silva Tree Princess Project in Panama
Returns:	Promise of high gains (up to 415%⁵ in five years)

Details/Background

Sterling Knight Consultants Ltd's offers are featured on **Emerald Knight Consultants Ltd** website, which has also been set up just a few months ago on the 4th November 2009⁶ in the UK and is registered as well in Gibraltar (103195).⁷ Both companies seem to be investment management companies supporting **Aston Lloyd's** (see profile) agricultural land campaign in the Ukraine. In its download area, Emerald Knight Consultants offers Aston Lloyd's brochures⁸ whilst it features Farm Land Investment Ukraine and Sustainable Forestry and Timber Investment Panama in its Latest Investments' section.⁹ Aston Lloyd also states on its website that it is "working in association with Emerald Knight". Emerald Knight Ltd presumably works as **fund raiser** for Aston Lloyd (so does Sterling Knight) as it announces under the section career to have "telesales professionals who, in combination with our full and comprehensive training, have the drive and ambition to apply their knowledge and skills in growing their own investors' portfolio through the promotion and selling of international property investment opportunities over the telephone to a wide range of investors."¹⁰

Paint it green! Greenwashing and ghost companies in the timber industry

On Emerald Knight's *BLOG* the Silva Tree Princess Project is featured as well – linking to sterlingknightconsultants.com (link is not working, neither does cache).¹¹ For the Project the company Silva Tree Panama Sa, Panama has been set up on the 26 May 2009.¹²

1 Free Press Release, 2009. *Why Invest in the Agricultural Commodity Market?*, 4th August.

2 A "pai" refers to the Ukrainian practise of dividing areas of land into individual portions, consisting of a varying number of hectares.

3 Free Press Release, 2009. *Why Invest in the Agricultural Commodity Market?*, 4th August.

4 Free Press Release, 2009. *Why Invest in the Agricultural Commodity Market?*, 4th August.

5 Free Press Release, 2009. *Why Invest in the Agricultural Commodity Market?*, 4th August.

6 Company Register UK, 2010. *Company Details on EMERALD KNIGHT LTD*, 23 February.

7 Emerald Knight, 2010. *Emerald Knight Limited - Contact Us* on http://www.emeraldknightconsultants.com/Emerald_knight_consultants.html, 23 February

8 Emerald Knight, 2010. *Emerald Knight - Members Area* on <http://www.emeraldknightconsultants.com/members.html>, 23 February.

9 Emerald Knight, 2010. <http://www.emeraldknightconsultants.com/>, 23 February.

10 Emerald Knight, 2010. <http://www.emeraldknightconsultants.com/careers.html>, 23 February.

11 Emerald Knight, 2009. *Princess Project site cleared* on <http://www.emeraldknightconsultants.com/blog/>, 23 February.

12 Company Register Panama, 2010. *Company Profile SILVA TREE PANAMA, S.A.*, 26 May 2009.

President: Patricius Johannes Visser, Secretary: Maurice Petrus Reinier Sjerps, Treasurer: Keren Katz.¹³

Silva Tree presents itself as “an environmental project developer with humanitarian, biodiversity and environmental benefits at the core of every venture. Tackling issues such as climate change, developing world poverty and renewable energy, Silva Tree seek to show that helping the planet and making money can go hand in hand” (see the company’s website).



We checked Maurice Reinier Sjerps and we discovered that he is owner of a Dutch company called Trop-Eco¹⁴, which is allegedly committed to “sustainable forestry”. Trop-Eco Duurzame Bosbouw B.V. is actually not active anymore. A check on the Dutch company registry confirmed that Trop-Eco has been dissolved.

The company’s website reports that TROP-ECO “develops projects for the WWF, for B.A.U.M., (a large German environmental organization), for I.N.E.M. and for A.U.G.E”. It adds that “TROP-ECO also has under negotiation a contribution to environmentally and ecologically focused projects for the ING Bank in Amsterdam and in Frankfurt, the Generale Bank in Brussels, the Deutsche Bank in Amsterdam and Victoria Versicherungen (insurance company) in Düsseldorf.”¹⁵

The Emerald Knight’s website leads also to a company called **Fair Deal Investments**, that does feature Sterling Knight Consultants Ltd as well – as a company based in Marbella.¹⁶ Fair Deal Investments Ltd UK is also dissolved and its director has been Wito Schouten.

Wito Schouten, who also promotes himself as “Marketing Director” of **Sterling Knight**¹⁷, a company that advises on “socially responsible investments”¹⁸, reports to have been web developer of **Cohen Green Advisory**¹⁹, a company present in the black list of the FSA (Financial Services Authority)²⁰ because it was “involved in ‘boiler room’ activities and pose a high degree of risk to consumers”. These kind of companies “frequently engage in tactics including cold-calling members of the public offering shares that later turn out to be worthless or high risk. The callers can be very persistent and extremely persuasive. If you are cold-called by an unauthorised overseas firm in relation to stocks or shares, you should be extremely careful. If you are contacted in such a manner, the FSA advises that you simply terminate the telephone call – the most effective protection against such unauthorised firms is to have nothing to do with them”.

In a forum about land investment in Ukraine, some forum members write about Sterling Knight and Aston Lloyd, saying that these two companies are dealing farmland with **Eurofarms**, a company that is “not even known in Ukraine as an agricultural producer”. Sterling and Aston would offer land in Ukraine at “non realistic costs”. “It’s easy to be misled about the actual cost of land investment in Ukraine due to a number of local and international land speculators”, they add²¹.

13 Company Register Panama, 2010. Company Profile SILVA TREE PANAMA, S.A., 26 May 2009. See also <http://www.silvatree.com/about.html>

14 Silva Tree, *Company website* on <http://www.silvatree.com/about.html>

15 Idw, Informationsdienst Wissenschaft, 2000, *Zukunftsorientierte Wirtschaften: Die neue B.A.U.M. AG zeigt den Weg*, by Martin Oldeland, 30 August, on <http://idw-online.de/pages/de/news23892>

16 Fair Deal Investments, *Company Website* on <http://www.fairdealinvestments.com/>

17 Pr-Inside 2009, *Investments Facts - Farmland Investment in Ukraine*, 29 August on <http://www.pr-inside.com/investment-facts-farmland-investment-in-1458471.htm>

18 cooltribe (social network) 2009, *Wito Schouten* on <http://www.cooltribe.com/member/wito-schouten>, 9 October

19 The Motley Fool, Discussion Boards, 2007, *Cohen Green Advisory*, on <http://boards.fool.co.uk/Message.asp?mid=10482323&sort=whole>, 3 April

20 Financial Services Authority, 2010. *Unauthorised overseas firms operating in the UK* on <http://www.fsa.gov.uk/pages/Doing/Regulated/Law/Alerts/over-seas.shtml>

21 Invest in Ukraine, *Agricultural Land Investment in Ukraine*, 2009, on <http://www.investukraine.net/real-estate/agricultural-land-investment-in-ukraine/>, 8 November

Terra Firma Capital Partners Ltd London

Set up by:	Guy Hands via his London 58 Ltd, registered in the Cayman Islands¹
Launched:	1994
Term:	–
Raised Capital:	Invested USD 425 million for a 90% stake in Australian Packer family's Consolidated Pastoral Company (CPC), the second largest Australia's beef producer²
Investors:	–
Purpose:	–
Regions of interest:	Terra Firma is said not to have further interests in Australia³
Sector Breakdown:	Cattle⁴, Housing, Utilites, Waste Management⁵
Returns:	–

Details/Background

Has offices in London, Frankfurt (Terrafirma GmbH) and Guernsey (TFCP Holdings Ltd).⁶ Hands started his career as a bond trader at Goldman Sachs in the early 1980s and stayed there until 1994.⁷ Terra Firma is a leading private equity investor with interests in different sectors. The company is not focused on farming or land exploitation.

Goldman Sachs' Boy: from pub magnate to landlord



Guy Hands, born 27 August 1959. English financier and investor. Hands started his career as a bond trader at **Goldman Sachs** in the early 1980s. He left for Nomura in 1994 and made a fortune as managing director of its principal finance group. His first major money making deal was buying Angel Trains, where he made a £390m profit [1] and became the UK's biggest pub landlord. In 2002, Hands founded Terra Firma Capital Partners, as a spinout from Nomura, which he had built into one of the largest private equity investors in Europe. Terra Firma debuted with a \$2.7 billion private equity fund, immediately making it one of the larger private equity firms in Europe. In April 2009, in protest at changes in the UK tax system, Hands moved to Guernsey. Since then, he has not been to the UK and his family travel to Guernsey to see him.⁸

1 Dun & Bradstreet, 2009. *Company Profile Terra Firma Capital Partners Ltd London*, 21 July and *Company Profile London 58 Ltd Douglas*, 3 February.

2 Investment in Agriculture, 2009. *Our crops and livestock pass muster overseas*, 17 April. See also <http://www.terrafirma.com/cpc.html>

3 Investment in Agriculture, 2009. *Our crops and livestock pass muster overseas*, 17 April.

4 Brisbane Times, 2009. *Cattle stations in the midst of buying frenzy*, 21 March.

5 Terra Firma Capital Partners, 2010. <http://www.terrafirma.com/portfolio.html>

6 Terra Firma Capital Partners, 2010. <http://www.terrafirma.com/index.html>

7 The Guardian, 2008. *Dyslexia has driven him ... he is forced to look at the key points of the business and the way the numbers work*, 18 January.

8 Wikipedia, 2010. Profile on Guy Hands, 26 February.

Trigon Agri A/S Copenhagen (Denmark)

Set up:	AS Trigon Capital Group Talinn in May 2006
Term:	-
Raised Capital:	-
Investors:	-
Purpose:	building an integrated production, storage and trading operation for cereals farming
Regions of interest:	170,000 hectares of land under control in Russia, Ukraine and Estonia¹
Sector breakdown:	cereals farming, rail-road connected large storage facilities,
Returns:	-

Details/Background

Trigon Agri A/S is an integrated soft commodities producer (operating commercial cereals and dairy farms), storage provider and trader with operations in Ukraine, Russia and Estonia. The Group was established in May 2006 by the asset- and private equity management company Trigon Capital to invest in the agricultural sectors of Ukraine, Russia and Estonia.

As of August 2009, Trigon Agri had 170,000 hectares of land under control in Russia, Ukraine and Estonia. Additionally, the Group owns five separate rail-road connected grain storage elevators near its production operations in Ukraine with a total grain storage capacity of 322,000 tonnes and a brown-field elevator site in Russia.

In April 2008 Trigon Agri A/S established a joint venture with Ramburs Group (based in Kiev, internationally known as United Grain) for soft commodities trading and storage management (with Trigon Agri owning 51%). The new company named Ramburs Trigon is responsible for "sourcing and storing soft commodities in Ukraine and Russia while selling to clients globally"².

On May 6, 2008 Trigon Agri completed a further follow-on capital raising of EUR 105 million to fund the expansion of its operations in the Black Earth regions of Ukraine and Russia. **Credit Suisse** and **SEB Enskilda** acted as Joint Bookrunners of the offering.³

Joakim Johan Helenius (55.7% of the shares with voting power) is the main beneficial shareholder having control over the AS Trigon Capital Group Talinn. Thominvest Oy (28.25% of shares with voting power), a Finnish investment holding, has also significant influence over AS Trigon Capital Group.



The golden boys of farmland: Joakim Helenius

Born in Estonia in 1961, Joakim Helenius has been the Chairman of Trigon Capital since 1992. Before founding Trigon Capital he was an Executive Director and Member of the Board of Merrill Lynch International Bank and Vice President of fixed income division in Goldman Sachs International Limited. Mr. Helenius has a B. A. and M. A. in Economics from Cambridge University.⁴ He is the fourth richest man in Estonia, with personal assets amounting at ca. 244 mn €.⁵

1 Trigon Agri, 2010. <http://www.trigonagri.com/>

2 Trigon Agri, 2010. <http://www.trigonagri.com/>

3 Trigon Agri, 2010. <http://www.trigonagri.com/>

4 Trigon Agri, 2010. <http://www.trigonagri.com/>

5 Baltic Business News, 2008, *Charismatic billionaire Joakim Helenius*, on <http://balticbusinessnews.com/?PublicationId=d32a1b7a-e95e-4f3b-a00d-a1c67839f668>, 31 October





This publication has been produced with the financial assistance of the European Union. The contents of this document are the sole responsibility of the authors and can under no circumstances be regarded as reflecting the position of the European Union.