

BIO solutions

investment companies & funds



In 2018, investments in funds remained at the heart of BIO's strategy. It is an ideal way to build a diversified portfolio, to provide entrepreneurs with long-term capital and strengthen the business model of the involved SMEs.

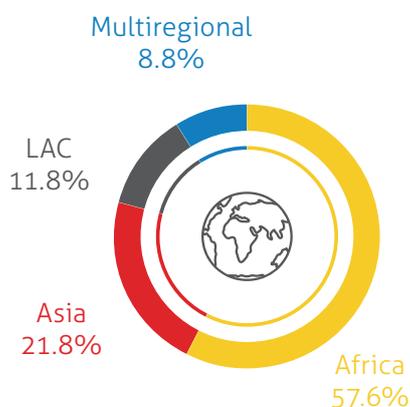
For its investments in funds, BIO selects managers who are well-rooted in the target countries and who can closely monitor their projects. By working together with other impact investors, in specific sectors, regions and stages of business, BIO builds a diversified and pertinent portfolio. Investments in funds also support the growth of the underlying companies and contribute to private sector development. It allows for new products and services

to be created, while at the same time improving competitiveness and job creation. The resulting increase in tax revenue is also beneficial to local governments.

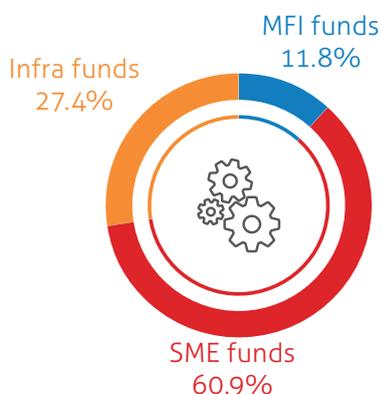
Finally, BIO always selects active fund management teams who play a vital role in raising environmental, social and governance standards in the companies involved.

Net commitments (12/2018) - € 243.7 M - 46 projects

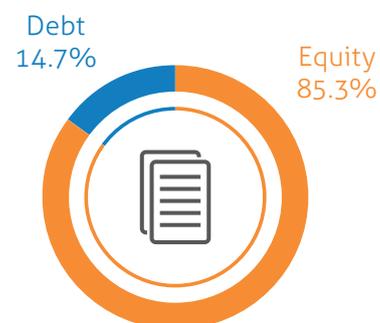
Regions



Sectors



Type



a walk in the woods

asff II

Unique opportunities

Demographic and economic growth lead to a growing demand for forestry products. Investment opportunities in the forestry sectors across Sub-Saharan Africa abound. However, a lack of information, capital and management skills creates inefficient markets. ASFF therefore rehabilitates and restructures existing forestry plantations to enhance productivity, develop downstream manufacturing, and use wood waste to generate energy. FSC certification and the IFC standards on agroforestry are the key investment criteria. The main challenge is to be both environmentally and economically sustainable.

Local Communities

Community relations are carefully assessed during the due diligence process. The Fund also engages with the communities directly and through third parties to minimise disruption caused by the forestry plantations ASFF invests in and develops ways to enhance the well-being of people who live and work nearby. In this way the first fund already created more than 8,500 jobs and supported over 3,000 SMEs, such as contractors and service providers. The fund also wants to catalyse other key players, like smallholders, to create an impact in sustainable forest management and poverty alleviation.

Facts & figures

Sector	Investment Companies & Funds	Subsector	SME Funds
Region	Africa		
Instrument	Equity	Amount	€ 4.1 M

Development Impact

-  Local Economic Growth: ASFF II provides additional mid to long-term capital to the forestry sector in Africa;
-  Private sector consolidation: The forestry sector is perceived as risky and is underserved by financial institutions.
-  Food Security & Rural Development: ASFF II will look at developing an inclusive commercial approach with smallholders.
-  Fight against Climate Change & Preservation of Natural Resources: ASFF II will only invest in FSC certified/certifiable forestry plantations and will invest in energy efficiency projects (valorisation of the biomass from forests).
-  Promotion of ESG best practices: IFC Performance Standards are also addressed and included in the overall assessment with special attention paid to those transactions where FSC cannot be immediately obtained or is not applicable.

Africa Sustainable Forestry Fund (ASFF) II invests in sustainable forestry plantations and processing facilities with the aim to proactively lead the restructuring and development of African forestry and assist to fill the growing gap between the supply and demand for forestry products. The Fund holds a portfolio of innovative forest management projects

in rural areas of Africa, bringing a wide range of environmental, social and economic benefits to the surrounding communities. ASFF II is a 12-year closed-end investment fund. It is incorporated as a limited liability company in Mauritius.