

Annex II. Notes on infographic "The dark side of Israeli turn-key projects in Africa. A selection of agribusiness projects implemented by Israeli companies (2003 - 2021)"

# Case	Basics
1.	<p><i>Aldeia Nova, Angola (LR Group and Mitrelli Group)</i></p> <p>In 2003, LR Group started the industrial agricultural village Aldeia Nova project in Waku Kungo (9,000 hectares). The project costed US\$70 million to the Angolan state through a financial mechanism run through off-shore LR Group subsidiaries and backed by the Angolan state oil company.¹ In 2008 LR Group pulled out. By 2011, Aldeia Nova was bankrupt and local families hadn't been paid for months.² In 2012, Mitrelli Group began managing the project. Since 2019, audits have detected allegations of mismanagement and concerns about non-compliance with tax obligations.³ Labour rights abuses were reported by CSOs since 2020 in a letter sent to the Angolan President.⁴ LR Group was founded by Israel Air Force pilots and was reported to provide military equipment to MPLA during the war in Angola.⁵ LR Group and Mitrelli Group did not respond to our questions regarding Aldeia Nova.</p>
2.	<p><i>Cacanda project, Angola (Mitrelli Group / Agricultiva)</i></p> <p>Agricultiva (Mitrelli Group), started in 2012 to "restore" the Cacanda industrial Farm (5,000 hectares). The project, paid for by the Angolan state, cost US\$24 to US\$29 million.⁶ In 2018 and 2019, reports from local authorities indicated the farm was failing. There were insufficient funds to buy feed for the animals, and the local workers were without proper technical training.⁷ The Mitrelli Group was co-founded by a former Israeli military officer. The Group's subsidiaries provide cybersecurity and security services.</p>
3.	<p><i>Quiminha Integrated Agricultural and Regional Development project, Angola (Tahal Group)</i></p> <p>In 2011, Tahal Group was contracted to build the Quiminha Integrated Agricultural and Regional Development Project (5,000 hectares). The cost of the agroindustrial project was between US\$200 and US\$370 million.⁸ In 2020, Tahal dropped out.⁹ Two years after, allegations of corruption and mismanagement as well as conflicts with unpaid workers were raised, although the company denied these allegations. Several of the houses initially intended for farmers were instead being inhabited by local elites as vacation homes.¹⁰</p>
4.	<p><i>Agriculture production and training centres, Côte d'Ivoire (Green 2000)</i></p> <p>In 2020, Green 2000 was contracted to build four large-scale agricultural poultry, fish and greenhouse operations in Guiry, Korhogo, Zikisso and Kong (Côte d'Ivoire), through a US\$120 million project financed via Israel's Bluebird Finance & Projects and the Dutch export credit agency, Atradius. Netafim is also involved in the project. Green 2000 will manage the industrial farms in the initial phase of operation.¹¹</p>

5. Kitoko Food Farm, Democratic Republic of Congo (Gertler / Fleurette Group)

In 2013, the Fleurette Group, controlled by Israeli mining tycoon Dan Gertler, started construction of its Kitoko Food Farm project, a 650 hectares vegetable, cassava and maize industrial project along the N'sele River. By February 2014, Fleurette claimed to have invested US\$14 million in the farm.¹² The Israeli company Agriliving reports Kitoko Foods as a project it developed but didn't answer to GRAIN request on more information on the current situation of the project.¹³

6. Agropastoral farms, Gabon (LR Group / Mori investments)

In 2011, LR Group's subsidiary Mori Investments and the Gabon government signed a US\$19 million deal to build six "agropastoral" farms, with a focus on poultry, vegetables, fruit trees, fisheries and greenhouses in N'toum, Port-Gentil, Okoloville, Lébamba and Oyem, covering 1,000 hectares.¹⁴ According to local sources, the project is currently managed by the Société Gabonaise de Transformation Agricole et Développement Rural (SOTRADER), a joint venture between the Government of Gabon and the multinational agribusiness corporation OLAM.¹⁵

7. Adama Farm, Nigeria (LR Group / Magnolia Innovation)

In 2012, the LR Group signed a contract with the government of Rivers State, to develop a 5,000 hectares industrial farm settlement in Etche, managed by its subsidiary, Magnolia Innovation. The estimated cost of the project was US\$140 million-- 70% to be covered by the Rivers State government and 30% by LR Group. In 2015, there were allegations in the Nigerian media that the funds designated for the Etche farm deal were used to fund President Buhari's elections campaign.¹⁶ It remains unclear where things are with the implementation of the project.¹⁷ LR Group did not respond to our questions regarding the current status of the project and its financing.

8. Delta Agro-Industrial Park, Nigeria (Mirai Group / Sequoia Group)

In 2021, Mirai Group and its subsidiary (Sequoia), signed a deal with the Nigerian government to build the Delta Agro-Industrial Park (Aboh Ogwashi Uku, Delta State).¹⁸ The project covers 220 hectares, from which 70 will be occupied by a logistic centre and 150 to farming.¹⁹ The Central Bank of Nigeria (CBN) supported the project with US\$19 million (NGN 8 bill).²⁰ The ownership is held by "Delta State Agro-Industrial Park limited", a Special Purpose Vehicle, while financing is structured through 85% debt (fully guaranteed by the Delta State Government) and 15% equity.²¹ The equity was partly held by a Nigerian tycoon close to the Delta State governor and pursuing other large-scale plantations in the state.²²

9. Large and small-scale farms in South Sudan (Global CST / Green Horizon)

In 2015, Global CST was contracted by the South Sudanese government to build and manage farms and to carry out training activities, with a total cost of US\$45 million.²³ TerraVerde participated in the project the following year.²⁴ According to an OCCRP investigation, the projects were financed through a scheme backed by oil sales to the Swiss commodity trading company Trafigura.²⁵ From 2018 to 2020, the US Treasury Department sanctioned Israel Ziv, Global CST founder, on allegations that the projects were used as cover for the sale of US\$150 million in arms during the local civil war.²⁶

Notes

1. See: London Stock Exchange Group, "The Republic of Angola. US\$500,000,000 9.375 per cent. Notes due 2048", 7 July 2018, https://www.rns-pdf.londonstockexchange.com/rns/9480U_1-2018-7-17.pdf; Diário de Notícias "Contas do Governo angolano colocam 8% da dívida pública nas mãos de Israel", 6 June 2018, <https://www.dn.pt/lusa/contas-do-governo-angolano-colocam-8-da-divida-publica-nas-maos-de-israel-9415371.html>; "Luminar, the tiny bank which lends to presidents...but only if they sign contracts with Mitrelli", 8 July 2020, https://www.africaintelligence.com/central-and-west-africa_business/2020/07/08/luminar-the-tiny-bank-which-lends-to-presidents-but-only-if-they-sign-contracts-with-mitrelli,109243081-art; and Ricardo Soares de Oliveira, *Magnificent and Beggar Land. Angola Since the Civil War*, Oxford University Press, UK, 2015 [Last visit: 30 August 2022].
2. Ricardo Soares de Oliveira, *Magnificent and Beggar Land. Angola Since the Civil War*, Oxford University Press, UK, 2015.
3. See the Aldeia Nova 2019 financial audit done by Advisors, in: A"Aldeia Nova Waco Cungo, S.A. Relatório de control interno para o exercício findo em 31 dezembro de 2019", 2019, <http://www.ucm.minfin.gov.ao/cs/groups/public/documents/document/aw4x/mjiw/-edisp/minfin1220754.pdf> and Sahara Reporters, "DOSSIER: Owned By Amaechi's Friend — Everything You Need To Know About HSLI, The Israeli Company Hired To Jam The Networks During Elections", 14 February 2019, <http://saharareporters.com/2019/02/14/dossier-owned-amaechis-friend-%E2%80%94-everything-you-need-know-about-hsli-israeli-company-hired> [Last visit: 30 August 2022].
4. Radio Angola, "ONG denuncia "escravatura moderna" de trabalhadores pelo "Projecto Aldeia Nova" no Waku Kungo", 20 December 2020, <https://radioangola.org/ong-denuncia-escravatura-moderna-de-trabalhadores-pelo-projecto-aldeia-nova-no-waku-kungo/> [Last visit: 30 August 2022].
5. Ricardo Soares de Oliveira, *Magnificent and Beggar Land. Angola Since the Civil War*, Oxford University Press, UK, 2015. LR Group did not respond to our questions regarding this issue.
6. Ricardo Soares de Oliveira, *Magnificent and Beggar Land. Angola Since the Civil War*, Oxford University Press, UK, 2015; Mercado "Fazenda Cacanda pode aumentar níveis de produção", 1 May 2020, <https://mercado.co.ao/economia/fazenda-cacanda-pode-aumentar-niveis-de-producao-CA893422>; Diário da República, Decreto Presidencial nº7/11, 7 January 2011, <https://lexlink.eu/FileGet.aspx?FileId=50235> [Last visit: 30 August 2022].
7. Angop, "Lunda Norte: um celeiro quase esquecido", 10 May 2019: <https://data2.uunhcr.org/en/news/22084>; Jornal do Angola, 5 August 2018, <https://www.jornaldeangola.ao/ao/noticias/detalhes.php?id=410212>; Jornal do Angola, 7 March 2020, <https://www.jornaldeangola.ao/ao/noticias/aproveitar-as-potencialidades-para-produzir-os-alimentos-que-a-provincia-precisa/> [Last visit: 30 August 2022].
8. See: Agrix, "Dutch agrifood private sector involvement in Angola. Developing Angolan-Dutch private sector cooperation", January 2015, <http://businessdocbox.com/Agriculture/72946963-Final-draft-not-intended-for-distribution.html>; and Yonatan Kitain, "TAHAL builds infrastructure for Angolan farming project", Globes, 27 October 2014, <https://en.globes.co.il/en/article-tahal-builds-infrastructure-for-angolan-farming-project-1000981518> [Last visit: 30 August 2022].
9. Kardan N.V. "Annual Report 2020", 2021, <https://www.kardan.nl/images/annual-report/annual-reports/Kardan-Annual-Report-2020.pdf> [Last visit: 30 August 2022].
10. Those allegations were denied by the Angolan company managing currently the project (see: Hortênsio Sebastiao, "Quiminha: Objectivo para o qual foi criado está longe de ser alcançado", 18 February 2022, (PDF version), <https://novojornal.co.ao/economia/interior/quiminha-objectivo-para-o-qual-foi-criado-esta-longe-de-ser-alcancado-106884.html>) [Last visit: 30 August 2022].
11. See: John Basquill, "Côte d'Ivoire agriculture project secures Atradius-backed financing", GTR, 2 September 2020, <https://www.gtreview.com/news/africa/cote-divoire-agriculture-scheme-secures-atradius-backed-financing>; Atradius, "Annual review 2020", 2020, https://atradiusdutchstatebusiness.nl/en/documents/atradius_jaaroverzicht_2020_en.pdf; and Guido Minnaert, "Green 2000, exporting rural projects to Ivory Coast", Atradius News (n.d.), <https://atradiusdutchstatebusiness.nl/en/news/green-2000-exporting-rural-projects-to-ivory-coast.html> [Last visit: 30 August 2022].
12. "Fleurette Commits Further Funding for Kitoko Food Bringing Total Investment to \$14 million", PR Newswire, 11 February 2014, <https://www.prnewswire.com/news-releases/fleurette-commits-further-funding-for-kitoko-food-bringing-total-investment-to-14-million-244851961.html>. Gertler made a fortune through the acquisition of state copper assets and diamond mining concessions on very favourable terms through his close personal ties to presidents Joseph and Laurent Kabila transactions which are reported to have cost the state US\$1.4 billion between 2010 and 2012 alone (GRAIN, "Landgrab deals", 2016, <https://grain.org/media/W1siZiZlsljwMTYvMDgvMzAvMTZfMzJfMzRfNjY5X0xhbmRncmFix2RIYWxzXzlwMTVfQW5uZXFhMV9GSU5BTBYyLnBkZiJdXQ>) [Last visit: 30 August 2022].
13. See: <http://www.agriliving.net/wp-content/uploads/2021/03/AgriLiving-Company-Profile-V20.09.pdf> [Last visit: 30 August 2022]. GRAIN e-mail addressed to Gil Arbel on 18 March 2022.

- 14 . See: Stéphane Ballong, “Gabon: un nouveau modèle agricole en germe”, Jeune Afrique, 1 June 2011, <https://www.ieuneafrique.com/191564/archives-thematique/gabon-un-nouveau-mod-le-agricole-en-germe/>; and https://youtu.be/6_RF-E4pLW4 [Last visit: 30 August 2022].
- 15 . For more information on OLAM and SOTRADER in Gabon, see: RADD, SEFE, Yethio et. al. “The seed of despair: communities lose their land and water sources due to OLAM’s agribusiness in Gabon”, 11 July 2017, <https://grain.org/en/article/5755-the-seed-of-despair-communities-lose-their-land-and-water-sources-due-to-olam-s-agribusiness-in-gabon> [Last visit: 30 August 2022].
- 16 . NewsBreakNG, “\$195m Campaign Fund Scam: Amaechi, Israeli Security Firm Involved In Scandal – Group Raises Alarm”, 13 February 2019, <https://newsbreakng.com/195m-campaign-fund-scam-amaechi-israeli-security-firm-involved-in-scandal-group-raises-alarm/> [Last visit: 30 August 2022].
- 17 . In 2016, a study reported the project had not been implemented yet (Richard J.U., Chima Ogba, “Analysis of Accuracy of Differential Global Positioning System (DGPS) and Google Earth Digital Terrain Model (DTM) Data Using Geographic Information System Techniques”, Journal of Geodesy and Geomatics Engineering 2, 2016, <http://www.davidpublisher.com/index.php/Home/Article/index?id=35279.html>. In 2020, another study refers only to 86 hectares of cocoa (Richard J.U., Ibochi Andrew Abah, “An Assessment of Potential Zones for Food Security using Vegetation Indices”, International Journal of Emerging Trends in Engineering and Development, 10, Vol. 4, June-July 2020, <https://dx.doi.org/10.26808/rs.ed.i10v4.01>) [Last visit: 30 August 2022].
- 18 . See: <https://www.facebook.com/103014828198851/posts/some-pictures-and-updates-from-our-agro-industrial-park-project-in-aboh-ogwashi-/413172217183109/>. The CEO of Sequoia Group was formerly an executive with the Mitrelli Group until he joined Sequoia in January 2021. See: <https://www.linkedin.com/in/nivlazar/> [Last visit: 30 August 2022].
- 19 . Gertrude Onyekachukwu and Promise Ogana, “Agro-Industrial Park: Eboh tasks contractor to deliver on target”, Truth Reporters, 5 February 2021, <https://www.truthreporters.com.ng/2021/02/agro-industrial-park-eboh-tasks.html>; “Agro-industrial park, Aboh Ogwashi-Uku. Project brief”, (n.d.), https://deltastateagropark.com/images/Park/Project_Brief.pdf [Last visit: 30 August 2022].
- 20 . Monday Osayande, “Agro-Industrial Park: Catalyst for Delta economic transformation – Delta Commissioner”, 12 January 2021, <https://nigerianobservernews.com/2021/01/agro-industrial-park-catalyst-for-delta-economic-transformation-delta-commissioner/> [Last visit: 30 August 2022].
- 21 . See: https://deltastateagropark.com/images/Park/Project_Brief.pdf [Last visit: 30 August 2022].
- 22 . See: <https://www.vanguardngr.com/2018/05/okowa-performs-ground-breaking-ceremony-3000-hectare-oil-palm-plantation-processing-plant/>; <https://www.deltastate.gov.ng/okowa-celebrates-rainoil-founder-gabriel-ogbechie-at-54/>; and <https://www.nipc.gov.ng/2018/06/08/norsworthy-farms-expands-agric-investment-in-delta-state/> [Last visit: 30 August 2022].
- 23 . David Mono Danga, “Green Horizon to increase production after US Lift ban on CEO”, The Insider, 29 March 2020, <https://www.theinsider-ss.com/green-horizon-to-increase-production-after-us-lift-ban-on-ceo/> [Last visit: 30 August 2022].
- 24 . See: <https://terraverde-ag.com/projects/agricultural-development-south-sudan/> [Last visit: 30 August 2022].
- 25 . OCCRP, “Sprouting weapons of war”, 17 July 2019, <https://www.occrp.org/en/investigations/sprouting-weapons-of-war> [Last visit: 30 August 2022].
- 26 . David Mono Danga, “Green Horizon to increase production after US Lift ban on CEO”, The Insider, 29 March 2020, <https://www.theinsider-ss.com/green-horizon-to-increase-production-after-us-lift-ban-on-ceo/>. In 2014, Global CST was reported to belong to the Mikal Group, an Israel private defence company (see: <https://www.eltiempo.com/archivo/documento/CMS-14952565>) [Last visit: 30 August 2022].