

# Maha Agriculture Public

December 2019



## Project overview

Maha Agriculture Public Co. Ltd was created in 2013 as a subsidiary of Myanma Awba Group, one of the largest agricultural input distributors in the country.

Maha Agriculture Public Co. Ltd was created as a microfinance institution with a visionary goal to become the leading rural MFI in Myanmar, leveraging Awba Group strong expertise of Myanmar agriculture sector.

EDFI AgriFI aims to support the company strong growth plan and contributes to increase its current loan portfolio, building on their >50 000 active borrowers served in 32 branches across 8 regions.

## Funding objective

EDFI AgriFI USD 3m investment over 3 years will contribute to grow Maha portfolio, enable to increase the number of farmer borrowers up to 90,000 in coming 3 years and hence enable them to invest in higher quality input, improve agricultural yield, therefore obtain higher income, increase their consumption expenditures and improve overall quality of life.

## Investment rationale

The project is in line with EDFI AgriFI investment strategy and its additionality vision due to:

- Strong impact on smallholders: 100% rural portfolio, with >90% of loans issued towards agri smallholders (May 2019)
- Early stage: young MFI with ambitious growth ahead
- Local currency risk: loan in local currency (MMK)
- Catalysing additional private investments: enabling Maha Agriculture Public Co. Ltd to secure its funding on time to reach its growth objectives, and willing to collaborate with additional investors and DFIs interested in the opportunity

EDFI [AgriFI](#), the EU Agriculture Financing Initiative, is an impact investment facility funded by the European Union, with a mandate to unlock, accelerate and leverage sustainable investments in medium, small and micro agri-enterprises (MSME) that operate in developing countries, with a specific focus on smallholder's inclusiveness. AgriFI is managed by [EDFI Management Company](#) on behalf of the 15 European Development Finance Institutions (DFI).

## AT A GLANCE

- **Investment/Project:**  
Maha Agriculture Public
- **Total AgriFI financing:**  
USD 3m (~EUR 2.7m)
- **Financial instrument:**  
Unsecured loan - Senior debt
- **Regions:** South Asia
- **Country:** Myanmar
- **Sector:** Microfinance
- **Allocation:** AgriFI Global

## ENVIRONMENTAL & SOCIAL ASSESSMENT

Based on Environmental and Social (E&S) risks/impacts the E&S risk category is **C**.

<https://mahamfi.com/>