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THE LOBITO CORRIDOR

Opportunities to Catalyse Investments for Food Security, Regional Trade and Climate Resilience

2026

ecdpm 40 years

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The Lobito Corridor: Opportunities to Catalyze Investments for Food Security, Regional Trade and Climate Resilience.

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Abbreviations

The Lobito Corridor: Opportunities to Catalyse Investment for Food Security, Regional Trade and Climate Resilliance

Abbreviations	Full Term
ADF	African Development Fund
AfDB	African Development Bank
ARCCLA	Agência Reguladora de Certificação de Carga e Logística de Angola
AUDA-NEPAD	African Union Development Agency-NEPAD
BDA	Development Bank of Angola
CAADP	Comprehensive Africa Agriculture Development Programme
CATSP	Comprehensive Agriculture Transformation Support Programme
CDF	Constituency Development Fund
CDP	Cassa Depositi e Prestiti
CGIAR	Consultative Group on International Agricultural Research
COMESA	Common Market for Eastern and Southern Africa
DFI	Development finance institution
DG-CDI	Directorate-General of Industrial Development (DRC)
DRC	Democratic Republic of Congo
ECDPM	European Centre for Development Policy Management
EFSD+	European Fund for Sustainable Development Plus
EU	European Union
FACRA	Fundo Activo de Capital de Risco Angolano
FISP	Farmer Input Support Programme
HSRS	SADC Harmonised Seed Regulatory System
ICE	Italian Trade Agency
IFC	International Finance Corporation
LCTTFA	Lobito Corridor Transit and Transport Facilitation Agency
MCTI	Zambian Ministry of Commerce, Trade and Industry
MEDEF	Mouvement des Entreprises de France
MSME	Micro, small and medium enterprise
MSP	Multi-stakeholder platform

Abbreviations

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Abbreviations	Full Term
NAIP II	Second National Agriculture Investment Plan
PABRA	Pan-Africa Bean Research Alliance
PDAC	Project for the Development of Commercial Agriculture
PDI	Plan directeur de l'industrialisation de la RDC
PDL	Programme for Local Development
PNSD	Plan National Stratégique de Développement
ProSA	Promoting Sustainable Food Security in the DRC
PTA	Programme for Agricultural Transformation REC
REC	Regional Economic Community
RRI	Return-risk-impact
RVC	Regional value chain
SADC	Southern African Development Community
SAFF	Sustainable Agriculture Financing Facility
Sida	Swedish International Development Cooperation Agency
SME	Small and medium enterprise
SPS	Sanitary and phytosanitary
TEI	Team Europe Initiative
TERRA	Transforming and Empowering Resilient and Responsible Agribusiness
UCF	United Capital Fertilizer
UNDP	United Nations Development Programme
US	United States of America
VC	Value chain
WFP	World Food Programme
ZATP	Zambia Agribusiness and Trade Project
ZDA	Zambia Development Agency

00 Background and objectives

Opportunities to Catalyse Investments for Food Security, Regional Trade and Climate Resilience

Objective

This paper is a key output for the joint African Union Development Agency-NEPAD (AUDA-NEPAD) and the European Centre for Development Policy Management (ECDPM) project to assist African countries and Regional Economic Communities (RECs) in integrating climate and food policies and translating them into investment pipelines, with a specific focus on infrastructure and trade corridors.

It aims to link four major policy areas: **food, climate, trade and infrastructure inathe Lobito corridor, with the purpose of encouraging sustainable agrifood investments by adopting a corridors approach.** It uses a political economy lens to identify entry points for investments which are both desirable and politically feasible.

Relevance of the Lobito Corridor

The Lobito Corridor holds strategic relevance from two key perspectives:

- **Corridor country perspective:** for Angola, the Democratic Republic of the Congo (DRC) and Zambia, the corridor has long been a priority for enhancing connectivity and fostering broader socioeconomic development. As these countries seek to explore opportunities beyond mere exports of raw materials, they also seek investments as well as partners to achieve these objectives, including in agriculture development and enhanced food security.
- **International partners and EU perspective:** this corridor has political commitments from several international partners, in particular the EU under its Global Gateway, as well as individual member states such as Italy under its Mattei Plan. Beyond being a means of establishing geopolitical relevance of the EU vis-à-vis China, the European support to this corridor also provides opportunities for successfully engaging the European private sector to ensure mutually beneficial partnerships with the corridor countries.

Structure

Section 1 maps key contextual factors, relevant policies, investment plans and actors/partners along the Lobito Corridor. Building on this, and based on informal consultations and interviews both online and during missions in the three Corridor countries.

Section 2 outlines emerging opportunities to simultaneously enhance food security, climate resilience and regional trade along the Lobito Corridor.

Section 3 articulates these opportunities as a triangle of regional investment cases: putting forward a politically savvy vision of why finance should flow into the selected value chains or sub-sectors; and a cluster of concrete investment options for relevant stakeholders.

Section 4 concludes presenting three pillars of action to promote such investments and related regional cooperation: policy reforms, finance mechanisms and multi-stakeholder platforms.

01 Contextual analysis

Opportunities to Catalyse Investments for Food Security, Regional Trade and Climate Resilience

1.1 Key factors shaping the Lobito Corridor

Structural factors

Formal trade among the three corridor countries is limited. With major export products concentrated in fossil fuels, minerals or other raw materials, China and other Asian economies largely dominate the exports as well as imports of Angola, the DRC and Zambia. There are, however, noticeable differences. Angola has stronger trade links with Europe, while Zambia and to some extent the DRC have stronger links with the regional African markets, especially for imports.

Another feature is the **large informal trade** among these countries, for which estimates are difficult to obtain. In fact, Kasumbalesa border post between the DRC and Zambia is among the most vibrant frontier crossings because of informal trade activity that generates revenues for traders, as well as ensuring the flow of essential goods, including food, at consumption points around the DRC.

Greater trade links are hindered by **lack of connectivity.** In interviews in the DRC and Zambia, actors mentioned minefields as an issue on the Angolan side, though interviews in Angola reveal this not to be a concern given large-scale demining efforts.

Institutional factors

There is a significant push towards economic diversification, away from fossil fuels and mineral resources. The current administration in Angola, in particular, has many initiatives under way, though they are still in their incipient stages and benefits are only likely to be seen in a few years' time.

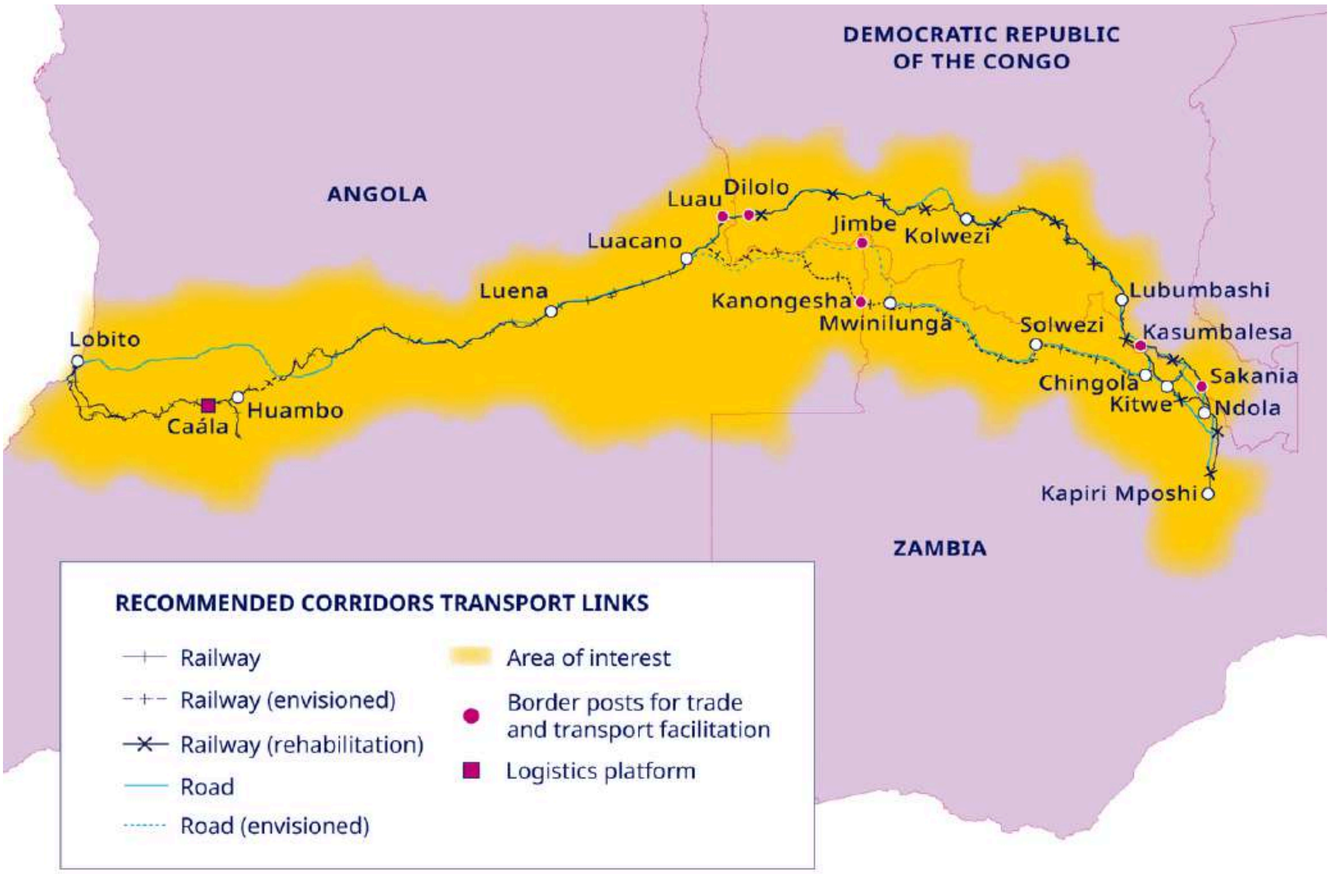
In terms of state capacity, Angola is considered stronger than the DRC. With greater fiscal resources, Angola has some public investments, even if not sufficient, and its civil service is able to implement large infrastructure projects. By comparison, the DRC's state is chronically underfunded and fragmented, with limited reach in certain parts of the country.

On the other hand, Zambia demonstrates far stronger state capability in agriculture than either Angola or the DRC, underpinned by established institutions, consistent policies and nationwide delivery mechanisms. Through different agencies, the Zambian government manages grain reserves, input distribution and smallholder support at scale, which is largely absent in Angola and the DRC. Its relatively stable policy environment, functional extension and research systems, and active participation in regional seed and trade harmonisation initiatives are in stark contrast to the weak state presence in Angola (due to its devastating civil war and oil dependence) and the DRC (due to chronic insecurity and weak administration).

External factors

The current geopolitical landscape of competition between superpowers – especially the United States of America (US), the European Union (EU) and China – is seen to be playing out in the Lobito Corridor. As a result, there is a lot of attention from these players into the corridor. The EU, specifically, is also interested in expanding the use case of the Lobito Corridor beyond simply the transport of critical raw materials. This includes agriculture and agribusiness more broadly, as well as energy to enable and facilitate other industrial activities.

There is a particular focus to also engage the European private sector in doing so, and using the tools under the Global Gateway. [1] Private sector organisations such as France's Mouvement des Entreprises de France (MEDEF) and the Italian Trade Agency (ICE) are putting together projects that can benefit from EU financing in order to expand their activities into the Lobito Corridor. However, there is a lack of awareness of the specific activities, projects, programmes and initiatives already under way in the Corridor countries, which the above private sector organisations can potentially complement or with which to explore synergies.



1.2 Relevant projects and actors

Angola

The **Planagrão**, launched in 2022, aims to boost Angola's self-sufficiency in major grains, including beans, by doubling production by 2027, reducing import dependence and promoting rural development. It aims to combine public investments with private participation through the Development Bank of Angola (BDA) and (government backed) venture capital funds such as the Fundo Activo de Capital de Risco Angolano (FACRA). Support measures include input supply, credit, storage and transport infrastructure. However, financial gaps and infrastructural bottlenecks continue to hinder agricultural development.

[1] The DRC government, for instance, is seeking to accelerate funding for the Lobito Corridor, particularly through the European Union's Global Gateway programme, to move quickly into feasibility studies and implementation (Zoomeco).

In addition to this overarching strategy, there are initiatives such as the **Project for the Development of Commercial Agriculture** (PDAC) to develop commercial agriculture in Angola. Under the Ministry of Agriculture, the PDAC includes cereals such as rice and wheat, but also beans, as priority sectors and focuses on large producers. Another important project is Diversifica Mais (Diversify More), which is being managed by the Ministry of Planning. While a more recent initiative, this project primarily focuses on the provinces along the Lobito Corridor. The Plano Diretor de Lobito (Masterplan for the Lobito Corridor) is currently being developed. In a later phase, there will also be feasibility studies of the different value chains, similar to the PDAC.

In terms of r**elevant stakeholders**, a key actor is the Agência Reguladora de Certificação de Carga e Logística de Angola (ARCCLA), which is under the Ministry of Transport and is involved in (agro)logistics. It has a plan to develop six logistics platforms along the Lobito Corridor, including Caála Logistics Platform, which is seen as a proof of concept and is already financially supported by the EU and Netherlands public and private investors under Global Gateway. [2] ARCCLA is now in the process of looking for a private actor to manage the platform, as well as other investors to develop, manage and operate the others. It is also developing a platform to match potential investors and users of the platform to developers. However, it is important to note that the focus of ARCCLA remains broader than simply agriculture.

Important private sector actors include:

- Carrinho – a private firm engaged in outgrower schemes, as well as processing of agricultural output and marketing, to contribute towards the national goal of self-sufficiency
- Sirius – involved in project development, management, technical assistance (including for the PDAC) and traceability
- YC-Foodprocessing – a consortium with Sirius, which is exploring beans processing, and awaiting loans from Standard Bank
- Agriheroes – which handles marketing and the “Made in Angola” label
- Agro-portal – a platform connecting different actors
- APROFAGRO – an association of agri-professionals

Regarding financing, there is some commercial funding available from banks such as BAI, BFA, BCI and KEVE, though this is more for cereals such as maize and rice. While there may be some instances of these banks working with European development finance institutions (DFIs), the experience overall is limited. There are dedicated banks and funds focusing on agriculture, such as the BDA, FADA and FACRA.

DRC

The Plan National Stratégique de Développement (PNSD 2024-2028) is the **DRC’s main medium roadmap towards Vision 2050** to make the country an emerging, diversified and resilient economy. The PNSD focuses on economic diversification, strengthening of governance, expansion of human capital, reduction in territorial inequalities and modernisation of infrastructure and connectivity. In addition, the Plan directeur de l’industrialisation de la RDC (Masterplan for Industrialisation, or PDI) is the DRC’s long-term industrial roadmap, which includes goals to rebuild domestic manufacturing through six regional industrial zones, focusing on sectors including agrifood, and attract large-scale infrastructure and private investment.

Relevant programmes include the Programme for Agricultural Transformation (PTA), which is managed by the Fonds Social RDC (DRC Social Fund) directly operating under the Presidency. The Programme for Local Development (PDL), driven by the Ministry of Planning, focuses on internal feeder roads in the Lobito catchment area. However, for production to be stimulated, farmers need inputs, financing and access to the market. This is being addressed by the Agropoles Initiative being driven by the Presidency through the college of agriculture, fishery and livestock.

[2] The EU supports this platform with an €8-million grant (European Commission: €7-million; Netherlands: €1-million). On the role of the Netherlands private sector, see https://www.flyingswans.org/projects/angola/caala-logistics-platform/

Key actors in the DRC include the Fonds Social RDC, which is responsible for the PTA and has recently secured $600-million from the African Development Bank (AfDB) for investing also in aggregation centres, agro-processing facilities and related digital tools. The College of Agriculture, Fishery and Livestock also operates under the Presidency. The Directorate-General of Industrial Development (DG-CDI) is focused on value chain development and regional integration. National services such as SENASEM (seeds), SENAFIC (inputs and fertilisers), SNV (extension) and INERA (research) are also active. The Federation of Congolese Enterprises (FEC) is another important actor that can potentially help identify Congolese traders that may be interested in joining this project. Equity BCDC is the second-largest bank in the DRC (with a nationwide footprint of 74 branches) and is a relevant player that has clients along whole agrifood value chains (VCs); years of experience with European Fund for Sustainable Development Plus (EFSD+) guarantees and discussing more (e.g. with Italy's Cassa Depositi e Prestiti (CDP) for its Transforming and Empowering Resilient and Responsible Agribusiness (TERRA) initiative); and seems willing to co-facilitate trade missions/business forums to attract local and FDI into the Lobito Corridor, including for agribusiness.

Regarding the **Team-Europe Initiative** (TEI), it is looking at both infrastructure and agriculture, with apparently two specific projects. Notably, Italy is the only country that has not contributed to the TEI but is significantly involved in developing the rice value chain.

Zambia

The country's agricultural strategy is anchored in the **Comprehensive Agriculture Transformation Support Programme** (CATSP), which serves as the second National Agriculture Investment Plan (NAIP II) under CAADP for 2024-2033, also covering investment elements relevant to the Lobito Corridor. Zambia has also established a robust institutional framework to support the Lobito Corridor. The Ministries of Transport and Finance oversee the national coordination through a steering committee that includes the Vice President's Office, also in its role as the National Convener of Food Systems Transformation.

The core of Zambia's official agricultural strategy are national targets to produce the "big three", 10-million metric tonnes of maize and one million metric tonnes each of soya and wheat annually by 2027 or 2028. However, our consultations confirmed that beans VCs are very important in Zambia, also from a government perspective. [3]

Key government initiatives include the Farm Blocks model, intended to serve as commercial farming hubs with aggregation centres and commodity exchange points in every province. However, while the Ministry of Agriculture views these as central to smallholder engagement, private sector actors and smallholders report that they are often non-operational, focused primarily on maize and wheat, or prohibitively expensive for small and medium enterprises (SMEs) due to high entry costs. Similarly, government support schemes such as the Sustainable Agriculture Financing Facility (SAFF) and the Farmer Input Support Programme (FISP) are criticised by interviewees for being politicised, inefficient, informally skewed towards producers of the "big three" crops and largely inaccessible to other SMEs and smallholders that would, for instance, drive the beans value chain. Another potentially relevant programme is the Zambia Agribusiness and Trade Project (ZATP), led by the Ministry of Commerce, Trade and Industry (MCTI) with support from the World Bank, to link small farmers to markets.

Regarding infrastructure, a National Investment Blueprint for the Lobito Corridor is currently being developed under the leadership of the Zambia Development Agency (ZDA) and the government is already actively funding a 400km road link from Lusaka to Ndola, an AfDB-funded one-stop border post at Jimbe, and has secured a dry port in Lobito. These efforts also benefited from Zambia's decision to allocate 10% of national resources under the AFDB African Development Fund (ADF) to the Lobito Corridor, which also allowed it to leverage over $330-million in co-financing from the regional window of the ADF. Relevant to both the Lobito Corridor and regional value chain development, ZDA is also promoting a bill for a new Trade and Investment Development Fund to blend equity and debt. To support "first-mile" logistics, the Constituency Development Fund (CDF) is currently deploying $1-million per constituency to improve feeder roads linking production areas to the main Lobito trunk road.

[3] An interesting confirmation of this growing attention by the government for the beans VC came from the inclusion by the Zambian government of GoodNatureAgro, leader within the national beans sector, in the Zambia Delegation to the World Food Forum as one of the (very) few private sector players.

The **private sector landscape** around food and agriculture is also dynamic, with recent successes particularly in the beans value chains and large-scale fertiliser production, while credit for the sector remains very limited:

- Plant Health and Good Nature Agro are successfully utiliising contract farming models with thousands of smallholders to export beans, including to the DRC, while promoting more sustainable food systems
- United Capital Fertilizer (UCF) developed a $600-million facility, ready for production at the end of 2025, expected to produce 480 000 tons of ammonia and urea annually by 2026, positioning Zambia to meet both local and regional fertiliser demand
- Financial institutions: banks such as Stanbic and Absa are the primary commercial lenders in agriculture, though high interest rates (12%-13%) remain a barrier, especially for smallholder farmers

02 Emerging opportunities to enhance food security, climate action and regional trade

Opportunities to Catalyse Investments for Food Security, Regional Trade and Climate Resilience

Extensive online interviews and informal consultations conducted by this project in Angola, the DRC and Zambia identified concrete **investment opportunities that**, building on the current infrastructure and development initiatives around the Lobito Corridor, could **simultaneously strengthen food and nutrition security, support climate resilience and improve regional trade** – particularly where private and development finance could play a catalytic role. This section outlines such opportunities with insights from each of the Lobito countries and about their shared potential and risks.

2.1 Beans: a great opportunity for improving nutrition, climate resilience and incomes

The focus of the AUDA-NEPAD and ECDPM project is on intra-regional exports rather than exports to outside the continent, which may or may not be suitable for regional trade. [4] In addition, rather than focusing on cereals such as maize, rice or wheat, generally promoted to enhance average calorie consumption, this project focuses on those crops that can also contribute towards improved nutrition (enhancing micronutrients consumption) and climate resilience. For this purpose, and as confirmed by both existing diagnostic work and project consultations, it is particularly important to consider the substantial potential of the common beans value chains in the Lobito Corridor. [5] In addition to their nutritional value, beans naturally fix nitrogen into the soil; and are thus key for intercropping with maize and wheat, supporting the demanding nitrogen needs of cereals, improving soil health, boosting overall system fertility and increasing total yield, making farming more sustainable.

Angola

Common bean is a national priority crop in Angola, recognised for its potential to enhance food security, support climate resilience and boost regional trade (FAO Angola, 2025). Despite this, production remains fragmented and largely concentrated outside the Lobito catchment, leading to an annual import of over 22 000 tons to meet domestic demand and highlighting a clear opportunity for investment.

[4] This is because exports of fresh produce such as fruits, especially to the EU market, fetch a premium in these markets and require significant investments in meeting their stringent standards. The majority of such produce is currently unsuitable for the regional market given the general lack of purchasing power and weak connectivity.

[5] Most interviewees suggested to leave out soybeans from this work on beans VC, as a strongly promoted cash crop globally and as that's mostly an out of Africa export crop and for livestock feed and oil, not nutrition; and very political crop with unstable policies; while the advantage of beans is that they fetch good prices and also smallholders have them both for consumption and as a cash crop to finance their other investments (e.g. irrigation).

Growing interest from regional SMEs such as Afriseed, Good Nature Agro, Dominion Holdings, Seed Co and Zamseed in seed production and grain off-taking in Angola, signals strong potential for sector expansion. To drive commercialisation, strategic partnerships with technical institutions such as Sirius and APROFAGRO are critical for project development, farmer training and value chain coordination. While Carrinho currently dominates outgrower arrangements, diversification is essential to mitigate monopoly risks. The Development Bank of Angola (BDA) provides commercial loans to the agriculture sector, which can be leveraged for this project.

Meanwhile, **informal cross-border engagement by DRC traders in outgrower models** presents a promising foundation for more structured and inclusive partnerships. This could generate a revenue stream both for the Angolan as well as the Congolese state, but ancillary services such as market infrastructure, logistics and improved connectivity would need to be strengthened first.

DRC

The DRC holds strategic potential to transform its agricultural sector by leveraging the Lobito Corridor, particularly through investments in bean commercialisation. Although bean production is concentrated in eastern provinces such as Haut-Katanga, [6] these areas remain disconnected from southern logistics flows and the Lobito catchment area.

To bridge this gap, **targeted investment is needed** to aggregate production, expand smallholder access to improved seed systems and incentivise participation in corridor-linked trade from Zambia and Angola, which is already happening – albeit informally.

Zambia

Common bean is rapidly becoming a cornerstone of Zambia's agricultural strategy, cultivated by over 280 000 farmers and valued for its nutritional benefits, climate resilience and income-generating potential. With exports currently at 9 500 tons annually and demand rising across regional and global markets, the crop is experiencing significant growth reflected in the expansion of cultivated land from 60 000 to 100 000 hectares over the past five years. Local demand is also increasing, driven by institutional buyers such as school feeding programmes and the emergence of bean-based processing industries. The government's prioritisation of beans, as outlined in national food security plans and aligned with regional trade frameworks under the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC), positions the crop as a key driver of inclusive agricultural transformation.

Zambia's booming private sector plays a pivotal role in scaling the bean value chain. Companies such as Good Nature Agro, Afriseed, Plant Health and Beyond Bridges are actively engaged in seed multiplication, input distribution and contract farming. These actors are supported by a robust ecosystem of agro-dealers, processors and exporters, creating a competitive and inclusive market environment.

The Pan-Africa Bean Research Alliance's (PABRA) leadership has been instrumental in transforming Zambia's bean sector. Through the Demand-Led Seed Systems (DLSS) model, Zambia saw a 221% increase in early-generation seed production and a six-fold rise in certified seed output between 2021 and 2023 (CGIAR, 2023). This has led to a 10.2% increase in bean grain production and an 11% expansion in harvest area, demonstrating the effectiveness of integrated research, extension and market development.

[6] For instance, the "Beans4Women" initiative, led by PABRA, has shown how bean farming can empower women in post-conflict zones such as Masisi, offering income, nutrition and resilience (PABRA, 2023).

Beans trade potential along Lobito

Traders in the southern DRC often buy beans from Angolan farmers. In towns such as Dombe Grande in Benguela province, this is a huge business opportunity with Congolese traders taking back several containers full of beans. Colloquially called “langas”, these traders engage not only in commercial activities to buy beans but sometimes also in the provision of inputs and monitoring of production before buying the produce in a quasi-outgrower model. Although this tends to happen in the informal sector, there is a **significant market opportunity to exploit**. This includes not only a greater organisation of the purchasing practices of the Congolese traders but also in terms of services, including basic market infrastructure on the Angolan side that could in turn generate revenues (e.g. basic accommodation facilities or market stalls). There are some signs that these imports into the DRC are not just for domestic consumption, but also re-exports to countries such as the United Kingdom. [7]

While bean production does take place in the DRC, this is concentrated in the east of the country. In fact, the south of the country is not ideal for agricultural production according to the government’s own analysis. The DRC’s agricultural basin lies towards the north of the country. However, given that the south is a major source of consumption given the mining economy, intra-regional trading is an important way of ensuring food security in this part of the country.

2.2 Agro-logistics along the corridor: an opportunity for all agri-food value chains

According to our consultations, agro-logistics is a second key untapped opportunity that can **simultaneously strengthen food and nutrition security, support climate resilience and improve regional trade**, building on current infrastructure development initiatives around the Lobito Corridor. Investing in this area can benefit all food value chains, from beans to cereals, as agro-logistics is everything after harvest: handling, storage, transportation and cold chains, and processing and distribution of food and other agricultural goods, as well as the management of technology, services and the information systems that enable these processes.

According to a recent analysis by the European Commission (see JRC 2025), the Lobito Corridor ranks the lowest among African strategic corridors, in terms of road density, with especially low rural accessibility, low road transport performance accompanied by high CO_2 emissions. Digital infrastructure in this corridor is also ranked low, with the analysis confirming opportunities for enhancing digitalisation in the corridor. **Agro-logistics thus remains a key gap preventing the Lobito Corridor** from reaching its full potential for supporting agricultural growth and climate-resilient food systems. Interviewees also emphasised that addressing this requires more than just physical infrastructure (the hardware). It requires **investing in the software of agro-logistics,** from aggregation and storage management and services to a regional cold chain policy, harmonising standards and facilitating cross-border movement of perishable goods.

Angola

Agro-logistics is a particularly important entry point in Angola. The food logistics landscape is currently dominated by a large, vertically integrated company, Carrinho, which manages its own large silos and transport fleets to secure supply chains. Nonetheless, there are significant opportunities to leverage existing plans for regional cooperation and integration of the **Agência Reguladora de Certificação de Carga e Logística de Angola** (ARCCLA, 2023). ARCCLA’s experience – with a vision already in place for the Lobito Corridor and a proof of concept with the Caála Logistics Platform – can prove beneficial to explore synergies and successfully connect ongoing initiatives in the country and along the whole Corridor with potential investments. The fact that ARCCLA is actively seeking local and foreign investments can further facilitate the exploration of such synergies and collaborations.

[7] As the UK exited the EU market, there is reportedly a flow of beans from the DRC through traders, but which originally come from Angola (see in Portuguese).

Risks include the presence of minefields in the northern and eastern provinces, as well as institutional overlaps and limited state capacity, which may hinder coordination (World Bank, 2023). Aligning with national priorities and leveraging corridor infrastructure can mitigate these risks. By **expanding partnerships, diversifying market actors and integrating logistics,** Angola can position itself as a regional hub for climate-smart production and trade within the Lobito Corridor.

DRC

The southern DRC functions primarily as a consumption market for Zambian and Angolan produce, with **logistics heavily skewed toward mining rather than agricultural exports**. Security concerns and poor infrastructure have led to the depopulation of rural areas, making the development of aggregation centres (first-mile logistics) particularly challenging. However, according to interviewees, investment in agro-logistics platforms anchored in Kolwezi and integrated with improved connectivity to neighbouring markets can reduce post-harvest losses and enhance market access, with potentially important rate of returns on investment (World Bank, 2023)

Zambia

While the government promotes Farm Blocks as the solution for aggregation and first-mile agro-logistics, private sector actors argue that these state-led zones are often disconnected from smallholder realities. Instead, there is a **strong demand for private-led warehousing and storage infrastructure** that would allow farmers to more efficiently aggregate produce for bulk transport and other logistics services, which would significantly lower costs. A critical illustration of these logistics dynamics is the Kasumbalesa border post, a massive informal marketplace for food trade between Zambia and the DRC. While vital for regional food security, it faces bureaucratic and security challenges that formal logistics investments could help mitigate, but with a need for gradual and politically-savvy processes moving towards formalisation.

2.3 Crosscutting challenges

The significant "potential" and "interest" in the Lobito Corridor highlighted in this paper, and the particularly interesting regional-level opportunities for agro-logistics and bean value chains, now needs to be translated into tangible projects. Achieving this will require not only **overcoming structural barriers such as lacking infrastructure and generally weak institutional frameworks, but also significant coordination efforts**, both vertically (among the state, firms and society within each country) and horizontally (between the corridor countries themselves).

While there are many opportunities for investments along the Lobito Corridor, there are indeed also challenges involved. For instance, there is limited interest to transport agricultural goods by the concessionaire operating the Lobito brownfield railway line due to uncertainty over demand, and there are **questions surrounding the viability of the Lobito greenfield railway** connecting Zambia to the port of Lobito (see below for more details about the different components of the Lobito Corridor infrastructure). While there are road links, including feeder roads to production basins and more investments planned there, as emphasised both in the DRC and in Zambia, in Angola there are no major plans for road connections, with the focus being rather on the railway and logistics along this line.

Similarly, there are also **risks of continued lack of coordination and overlapping responsibilities** which may lead to tensions. For instance, in Angola, while the National Institute of Cereals has several silos along the Benguela railway, which need refurbishment, there are also plans to build new ones under the ARCCLA plan. There are also questions around who should manage these silos. While it is possible that initially the whole project is planned and driven by ARCCLA, under the Ministry of Transport, to avoid any delays, when it comes to actual management of these silos, it will have to be either the government entity (ideally the National Institute of Cereals, under the Ministry of Agriculture) or the private sector to do this. Given that the private sector may not find it commercially viable to operate silos for all products, there may need to be a division of tasks among the public and private actors, which are most likely not going to be linked to the Ministry of Transport. Overall, this points to the challenge of state capacity, which is likely to be a challenge in all three countries. Similar instances of overlapping mandates can also be found in the DRC and in Zambia.

In Zambia, while the Farm Blocks model is a key government initiative and the Ministry of Agriculture views these as central to smallholder engagement, private sector actors and smallholders report that they are often non-operational, focused primarily on maize and wheat, or prohibitively expensive for SMEs due to high entry costs. Similarly, government support schemes like the Sustainable Agriculture Financing Facility (SAFF) and the Farmer Input Support Programme (FISP) are **criticised by interviewees for being politicised, inefficient, informally skewed towards producers of the "big three"** and largely inaccessible to other SMEs and smallholders that would, for instance, drive the beans value chain.

03 A triangle of regional business cases: investing in food security, climate resilience and regional trade through the Lobito Corridor

Opportunities to Catalyse Investments for Food Security, Regional Trade and Climate Resilience

Considering the above analysis and given the different context and strengths and weaknesses in the three Lobito countries, the opportunities for investments can be viewed as **a triangle of win-win business cases. This approach is articulated as a triangle in the sense that each of the three Lobito countries is already successfully leading one of three business cases, and can share its best practices and lessons learned with the other two countries**. So the three communities of stakeholders – as part of the regional cooperation envisaged by the development of the Lobito Corridor – can then work together to replicate best practices and pursue the related investment opportunities at regional level:

1. **The Lobito Corridor as a catalyst of investment in regional beans value chains:** significant business opportunities exist in better linking existing bean value chains' public and private initiatives, in particular **Zambia's success**, to the Lobito corridor policy and investment processes, and through facilitating regional investment partnerships that benefit all three countries involved
2. Similarly, the Lobito Corridor **as a catalyst of Investment in agro-logistics** (to serve growing regional markets and booming nutritious/climate smart-food demand): **Angola** with the EU/Netherlands has already developed the Caála Logistics Platform and by learning from this, more interconnected logistics centres can be established along the corridor for increasing intra-regional trade
3. The Lobito Corridor can also be **a catalyst of risk-reduction schemes** (focused on smallholders' access to finance) and other investment promotion tools, learning from **success stories in the DRC**

This triangular approach is backed by a vision: a Lobito Corridor that, in addition to supporting minerals industries, functions as a regional food and climate-smart logistics backbone, enabling inclusive intra-regional trade of affordable, nutritious and climate-resilient food, including a strong regional beans value chain and driven by aligned national strategies, effective regional cooperation and cross-border public-private partnerships. This section of the paper further articulates this vision and clarifies the related concrete investment opportunities for each of the three identified business areas. For instance, an important clarification to be made up front is that all three investment cases within the triangle are immediately valid and independent from the completion of the green- and brownfield investments in the railway part of the corridor, while many observers, especially in Europe, consider investment opportunities around the Lobito Corridor generally unrealistic due to the expected very long and uncertain timeframe to develop the railway systems.

This articulation and clarification are indeed particularly important since, despite the three business cases being at different stages of development, a key overarching obstacle to enhancing investment in Africa is the lack of information and analysis of the business opportunities available in the continent. Many stakeholders in Africa see as unjustified the external rhetoric about "no bankable projects in Africa", or "investors are only interested in global VCs, no one will invest in regionally focused VCs". On the contrary, **bankable projects abound and regional markets and corridors are effective in reducing costs** in agro-food value chains and sharing risk among public and private investors in different countries, as also shown in the investment models of the International Finance Corporation (IFC) and several other organisations supporting private investment in Africa.

Interestingly, as recently recognised by the Practitioners Network (PN) for European Development Cooperation (mission report: Global Gateway Fact-finding Visit to the Lobito Corridor, September 2025), the current lack of engagement by European SMEs around the Lobito Corridor is due to uncertain business environments and lack of enabling factors (most important energy supply), but **also indeed to the mere lack of evidence of opportunities for EU SMEs on the ground, and a fragmented financial and strategic coordination on the EU side.** This paper, and our project overall, will therefore contribute to filling these gaps, mapping relevant investment and enabling-environment activities that could lead to better coordination and pooling of resources around the Lobito Corridor, thus feeding a number of regional and international processes to facilitate the related partnership, financing and investment matchmaking efforts (with a focus on African and European processes).

3.1 Regional beans value chains – scenarios for development

According to our consultations, investing in the common bean value chains along the Lobito Corridor connecting Angola, Zambia and the Democratic Republic of Congo offers a strategic opportunity to drive inclusive economic growth, enhance food security, and deliver climate and environmental benefits. Despite strong market demand, **supply remains constrained due to limited access to improved seed varieties, weak logistics infrastructure and minimal processing capacity**. Coordinated investments in certified seed systems, aggregation centres and rail-linked logistics hubs can unlock the region's agricultural potential. By strengthening production and market linkages, these interventions will reduce reliance on imports from outside the continent and promote regional trade, improving farmer incomes.

Beyond economic gains, **beans deliver substantial social and environmental benefits**. Initiatives such as PABRA's "Beans4Women" in the DRC demonstrate how targeted interventions empower women farmers, improve household nutrition and generate stable income. Agronomically, beans play a vital role in intercropping systems, particularly with cereals such as maize, by fixing atmospheric nitrogen, improving soil fertility and enhancing land productivity. Maize-bean intercropping can increase land equivalent ratios by up to 30%, reduce fertiliser dependence and build resilience against climate variability, thus constituting a very effective cost-reduction overall investment. The beans value chains are indeed not only a driver of inclusive growth and trade, but also a cornerstone of climate-smart agriculture across the corridor.

Investment clusters in the beans value chain along the Lobito Corridor

Zambia: upstream, targeted financing is needed to scale certified seed production, improve varietal development and expand input distribution networks. Support for seed companies and public breeding programmes will enhance access to climate-resilient, high-yielding bean varieties. Regenerative agriculture skills and practices are a key example of an investment that may not be perceived as very profitable (in the short term), but given declining soil fertility it is considered by several private sector interviewees as fundamental for business viability in the medium to long term. There are significant efficiency and productivity gains also in better harvesting equipment (which is quite specific to beans).

Midstream investments could generate important returns on investment as well, focusing on establishing aggregation centres with cold storage, grading facilities and digital inventory systems, to reduce post-harvest losses and enable bulk marketing. Expanding warehouse receipt systems will further empower farmers by allowing stored beans to serve as collateral for credit.

Downstream, infrastructure upgrades are essential to rehabilitate feeder roads and improve rail connectivity to Chingola, facilitating efficient transport to Angola's Lobito port. Processing capacity must be scaled through public-private partnerships that promote bean milling, packaging and canning in agro-industrial zones such as Lusaka and Ndola. Packaging (both canning or soft packs) is indeed a particularly important investment opportunity, since it would improve both efficiency in production and climate mitigation. [8] To enhance farmer productivity and market access, digital platforms such as e-Farm Zambia require investment to deliver agronomic guidance, price intelligence and climate-smart agriculture tools. Together, these coordinated investments will drive value addition, improve logistics and reinforce Zambia as a competitive player in regional legume trade.

Angola: the country's growing bean production in Benguela, Huambo and Bié provinces presents a strategic opportunity for investment. Upstream, revitalising seed research stations in Huambo and Luanda, and expanding input subsidy programmes, will improve smallholder access to certified bean varieties, boosting productivity and resilience. **Midstream**, the development of rural aggregation hubs near Lobito and Luacano, along with silos and post-harvest facilities, is essential to reduce losses and enhance market readiness efforts already supported by the United Nations Development Programme (UNDP) and the Ministry of Agriculture.

Downstream, infrastructure upgrades are needed to expand Lobito port with agro-export terminals and improve rail connectivity under the Lobito Atlantic Railway initiative. Scaling processing capacity through export-oriented zones near Lobito aligns with Angola's industrial diversification strategy, which incentivises bean flour and canned bean production. Complementary investments in digital traceability tools and strengthened extension services will further support quality assurance and sustainable farming practices, positioning Angola as a competitive player in regional common bean trade.

Democratic Republic of Congo: despite remaining challenges such as rural fragmentation and the predominance of mining, the DRC, particularly Haut-Katanga and Lualaba provinces, presents a strategic opportunity for investment in the common bean value chain, leveraging its geographic positioning along the Lobito Corridor. **Upstream**, resources should be directed toward harmonising seed standards under COMESA frameworks to facilitate cross-border seed trade and improve access to climate-resilient varieties. **Midstream**, expanding community aggregation centres and mobile storage units – alongside digital inventory systems – will reduce post-harvest losses and improve market access in remote production zones.

Downstream, infrastructure upgrades are essential to rehabilitate feeder roads connecting bean-producing areas to the Kolwezi rail node and to strengthen integration with the Lobito Corridor's export logistics network. Processing capacity must be scaled through support for women-led cooperatives and small-scale units focused on domestic consumption. Complementary investments in mobile-based market information systems and farmer field schools will enhance market linkages and promote sustainable cultivation practices. Collectively, these interventions will strengthen value addition and logistics, thus also improve the rate of return on investment and ultimately position the DRC as a competitive player in regional legume trade.

Regional investments, cooperation, competition and how an RVC could evolve

Unlocking regional bean value chains (RVCs) along the Lobito Corridor **requires strong regional coordination** across Angola, Zambia and the DRC. Harmonising sanitary and phytosanitary (SPS) protocols under COMESA and SADC frameworks will facilitate cross-border trade and ensure compliance with international standards. Strategic investments in multimodal logistics hubs and integrated rail services will reduce transport costs and improve connectivity. PABRA, the regional bean research consortium, and digital platforms are already advancing climate-resilient varieties and market access in the region, but more remains to be done towards a fully developed RVC that benefits relevant stakeholders from all three Lobito corridor countries. Given the strongest performance in Zambia on bean value chains, the other two countries can draw lessons from the Zambian successes and business models.

[8] Currently, the vast majority of beans in the region are consumed through four-hour cooking in individual wood-fed or charcoal-fed fires, which is not climate smart; while, for instance, in Zimbabwe a lot of investments are already going into increased capacity for pre-cooked and packaged beans.

It is therefore important to consider how the key beans companies from Zambia look at the RVC, so that, together with players from DRC and Angola, they could take a regional approach and hopefully **move towards investments and joint ventures that replicate best practices** and pursue related business opportunities at regional level as well. In particular, Good Nature Agro (a social enterprise whose successful business model made it in a few years the exporters of one-third of all beans exported from Zambia) [9], is already positioning for that, exploring business opportunities in Angola and DRC, especially through its breeding programme, with varieties such as yellow beans and black beans specifically targeting those two markets (while not in high demand in Zambia). According to Good Nature, the Lobito Corridor can indeed effectively support the business case for the development of a beans RVC, since the current key bottlenecks to expanding business from Zambia to its neighbours are physical access to Angola due to the lack of infrastructure; and security and informality challenges in the DRC.

Beans exporters from Zambia are also **assessing different scenarios and possible evolutions an RVC could go through**. The most likely beginning of a beans RVC would be one or more Zambian companies such as Good Nature Agro selling seeds to various producers in Angola and the DRC, as well as the full beans to processors there. If so, the Zambian players would need to map the large buyers and large processors in the neighbouring countries, understanding what their actual demand for seeds and beans is, and where they are currently sourcing them, most likely from outside Africa (usually Brazil). According to our interviewees, that would mean analysing how much of that supply could be replaced by production in the African continent in years one through five, how much in Angola and how much in Zambia, knowing that it will take some time for a country such as Angola to get its productive potential up and even more so in the southern region of the DRC (through which the Lobito Corridor passes).

After such a beginning, the RVC would then face a **likely transition period**. (Primarily) Angolan larger farms and processors could end up using the seeds imported from Zambia to produce beans totally independently from Zambian companies, given they are largely openly pollinated varieties. The question would be whether that would happen over a four- or five-year transition period, with Zambian companies still supplying meaningful volumes to their neighbours, or in one year or two, with Zambian players quickly squeezed out of the value chain, especially given the logistical costs of exporting from Zambia to Angola.

An alternative to this harsh competition scenario would be more collaborative approaches, which would end up stimulating investments in all three countries but through a regional approach. Firstly, the **current patterns of the beans sector in the three countries seem to be able to guarantee benefits for all involved** from the development of an RVC, even in the case of a quick transition. Zambian companies such as Good Nature Agro would continue to be needed for assisting producers in Angola and the DRC with their high-standard varieties, quality control services and other types of know-how, including for processing. DRC traders and aggregators could expand their business into new regions of the country and more profitable market segments through joint ventures with Zambian quality producers. And Angolan producers, processors and traders would benefit from both gradually producing and selling more at home, and exploring export markets in the DRC and beyond.

Secondly, even if the private sector of each country would relatively quickly capture most market share of primary beans production at home, the RVC could still thrive by **companies from different Lobito countries working together for processing and moving up the value chain** (from pre-cooked beans to other food products) or upscaling volumes and efficiency, even for selling to the rest of Africa. A related argument is that the size of just the three combined markets is sufficient for beans companies in all three countries to benefit, with 170-million consumers in total, and especially the high demand for beans in the DRC (the largest country with around 110-million people). A final dimension is that most likely only a VC with a regional scope and relatively advanced processing segments would guarantee the **scale and profitability to attract FDI, in particular from Europe**. European technology, equipment and service providers could indeed support an RVC along the Lobito Corridor to move up the processing and value generation stages. Zambian companies indicate that there are plenty such opportunities for investment and joint ventures with European counterparts; from them selling equipment for improved mechanisation of the beans VC, especially for larger-scale production (Italian and French companies especially), to exchange of off-season production (especially looking at the scale of the European seed companies, as Good Nature is already doing with KWS out of Germany with sorghum seeds, for example).

[9] For more details see https://goodnatureagro.com/about-us/

These scenarios highlight the interdependence of the three Lobito countries and that regional collaborations are possible and to a large extent desirable to fully exploit the potential of the beans value chains. While every government naturally gives priority to the development of the national VC, neighbours are also needed and useful for that. The Lobito Corridor and the related regional cooperation processes, are then particularly relevant since the quality of infrastructure and implementing trade facilitation initiatives, are going to be key to allow for continued regular trade between the three countries. And this is also **where this AUDA-ECDPM project intends to contribute and add value to the business case**. As further detailed in sections below, for instance, a multi-stakeholder platform to accompany and monitor the beans RVC processes along the Lobito Corridor is an important step to ensuring that competition does not exclude certain players from RVC development and, on the contrary, that regional collaborations around beans, supported also by our project, benefit all three Lobito countries and different groups of actors.

3.2 Agro-logistics

According to our consultations, agro-logistics and cold-chain investments is a second priority business case, or low-hanging fruit, that can strengthen food security, reduce post-harvest losses and stimulate regional trade in nutritious, climate-resilient products along the Lobito Corridor. This is already **a strength of the Angolan model and ARCCLA's vision and planning can provide valuable lessons** for the other two countries. Angola could be presented as a champion for agro-logistics platforms, as they have successfully attracted resources from the Netherlands, both public and private sector, to establish the Caála Logistics Platform that is one of the few logistical hubs already specifically established inside the Lobito Corridor, also targeting agriculture.

In general, key categories of investment in agro-logistics include:

- **First mile:** aggregation centres, pre-cooling, packhouses (including sorting and grading machines, packaging materials)
- **Transport/logistics:** reefer trucking, multimodal hubs, cross-docking facilities
- **Storage/distribution:** cold rooms, warehouses, last-mile solutions
- **Technology/data:** Internet of Things for temperature monitoring, digital platforms for logistics optimisation

Interviews highlighted that the majority of the private investors are willing to fund sorting and/or packaging equipment within government-sponsored logistical improvements for agribusiness development, but cannot shoulder the cost of public-good infrastructure such as feeder roads. This would also require **prioritising "software" investments** – such as post-harvest handling skills and marketing extensions – alongside the "hardware" of silos and cold rooms.

On the other hand, consultations emphasised that **an efficient agro-logistics sector is a pre-condition to attract more finance to the food economy**, since without proper aggregation, traceability and a well-organised flow from plot to harvest to transport to consumer markets, investors do not feel confident in financing any food value chain.

Therefore, by leveraging initiatives such as the Caála Logistics Platform model from Angola and applying it to the DRC and Zambia (e.g. private-led aggregation rather than government Farm Blocks), the corridor could transition from a mineral export route to a regional food security backbone. This would require **a coordinated investment effort, both among the Lobito countries and between public and private players, to set up a network of climate-smart agro-logistics hubs along the corridor**. This would mean establishing at least one platform in Zambia and one in the DRC, linked to the Caála Logistics Platform in Angola, and one at each border (e.g. Jimbe for Zambia-Angola; Dilolo for Angola-DRC; Kasumbalesa for Zambia-DRC).

These agro-logistics hubs will have to be **interconnected through software and digital services for effective trade facilitation**, data-based matching of food supply and demand, and improving traceability, combining first-mile and border-adjacent aggregation centres, cold chains, multimodal logistics platforms (grading facilities and digital inventory systems to enable bulk marketing).

Such investment efforts would **build on already ongoing initiatives at national level**. For instance, in the DRC, the Fonds Social RDC is implementing with AfDB a large programme, PTA, to finance agro-industrial parks and their integration into the main economic corridors of the DRC, including in the Central Province, near the border with Angola. And PTA also includes a digital platform linking different hubs and parks through information about supply, demand and key actors across food VCs, connected to e-payment systems.

In terms of **regional-level investments**, several stakeholders suggested that the launch of a dedicated **"Lobito Corridor Agricultural Value Chain Fund"** that specifically targets shared agro-logistics infrastructure could go a long way towards realising these types of bankable projects. Moreover, **"green fiscal incentives"** could be offered by all three Lobito countries – such as lower toll rates or fast-track customs lanes – for logistics companies that use low-carbon transport technologies or transport climate-smart certified agricultural produce.

3.3 Blended finance and other (foreign) investment promotion tools

During our consultations, within the proposed "triangle business case" for the Lobito Corridor, a **third priority emerged as a necessity rather than a regional investment opportunity as such, without which no real progress could be made on the other two**. Given a major structural bottleneck to food security and sustainable food systems, including in the three Lobito countries, is the limited access to financial resources for agriculture, in particular for smallholder farmers and SMEs, blended finance instruments [10] will be required, as they are an increasingly used tool for de-risking agri-food transactions, improving project profitability and mobilising additional public or private capital alongside concessional resources (). Blended finance, as well as other investment promotion tools, will be very important also for the business opportunities to be supported by our project, considering – as seen in the previous sections – the prevalence of smallholders in the beans sector and the fact that in general the agro-logistics investments currently taking place along African corridors are mostly for exports out of Africa, while regional food trade is still considered too risky and low-scale.

Blended finance mechanisms should be central to the efforts of developing agribusiness, increasing regional food trade and strengthening the climate resilience of food systems along the Lobito Corridor, since as shown above this will mean investing in a coordinated way in different types of activities and risk profiles, combining finance for smallholders (that often is not commercially viable due to too-high risk), SMEs (often viable credits but of very limited ticket size) and off-takers (who tend to be already fully bankable but with variable ticket size from small to large). Despite coordination and other challenges, this is also a clear opportunity for different investors, since blended finance is a structuring approach that precisely allows actors with different objectives to invest alongside each other while achieving their own objectives (financial return, social impact or a blend of both). The good news is that there are **increasing numbers of cases successfully** doing this, from public banks' guarantees for commercial banks, to bundles of concessional lending, microfinance and grant-based technical assistance, matching bankability and non-bankability. [11]

Attracting and supporting investment is not only about the type of finance available, but also about creating and disseminating, much more regularly and widely, **knowledge about bankable projects along the Lobito Corridor, as well as brokering partnerships between the different players involved**, from financiers to farmers to buyers. So another relevant opportunity within the proposed "triangle business case" will in itself be the organisation of tailored trade and investment missions and business forums on the Lobito Corridor and in the three countries, to facilitate connections between African and foreign businesses and investors, and contribute to the creation of regional food markets that are not there yet.

The opportunity, and desirability, of **involving in particular the European private sector in the Lobito Corridor, including beyond big and multinational companies** (which tend to operate in Africa notwithstanding contextual/normative constraints and risks) has been put forward several times. For instance, the recent Practitioners' Network for European Development Cooperation's Global Gateway fact-finding visit to the Lobito Corridor (in September 2025) concluded that the engagement of European companies (especially SMEs) is very important, but requires well-branded de-risking instruments, robust market knowledge and proactive support to build successful local partnerships.

[10] Blended finance is the use of catalytic capital from public or philanthropic sources to increase private sector investment in sustainable development. Blended finance encompasses different instruments and mechanisms, including equity instruments, debt instruments, first loss capital, guarantees and insurance, development impact bonds, performance-based grants, structured funds and syndicated loans (OECD 2021).

[11] Examples of successful blended finance for agriculture in Africa can be found with both private (e.g. One Acre Fund) and public actors (individual PDBs and DFIs, e.g. see a case of blended finance by EDFI to support microfinance in Zambia: https://edfimc.eu/project/agora-microfinance-zambia)

Also, our consultations showed that while public investors and donors are already available to intervene in the Lobito Corridor, identifying international/European private investors willing to invest in food VCs focused on regional markets is more challenging (due to risk perceptions, relatively small volumes of regional exports, etc.). **Responding to such challenges will require clarifying the related returns on investment and scaling readiness, and their timeframes**. For instance, investing in the smallholder-dominated beans VC may have lower financial return in the short term, or seem riskier (e.g. compared to exporting avocado to the EU). However, it also reduces the risks of soil degradation and climate disruptions, decreases emissions Impacts, and has a positive effect on women's income and nutritional outcomes. Moreover, if combined with transport cost reduction of corridors and given huge demand in African cities, this investment would also be (intra-regional) trade-enhancing. This kind of improved return-risk-impact (RRI) assessments could make the business cases and investment opportunities put forward through our project more attractive also for (innovative) international and European private investors. In general, this is an important debate and alternative RRI assessments are in the making at various levels. [12]

In this context, **the DRC holds important experiences.** For instance, Equity Banque Commerciale du Congo (Equity BCDC, subsidiary of Equity Group) has partnered with the World Food Programme (WFP) and the Swedish International Development Cooperation Agency (Sida) to implement the Promoting Sustainable Food Security in the DRC (ProSA) project, providing smallholder farmers and agricultural entrepreneurs with access to finance, technical assistance and markets. This is a blended finance scheme, with Sida providing a guarantee for Equity's increased credit to smallholders and the WFP offering technical assistance to, and as large off-taker buying from, the cooperatives that receive finance from Equity. Moreover, Equity BCDC holds regular roadshows for potential investors in different sectors of the DRC and recently organised one to the south of the country, bringing in several investors from 16 different nationalities. This is also particularly significant since many believe that ultimately, the two top factors for an investor to decide to invest in agriculture are the existence of solid off-taking arrangements and the availability of foreign exchange. [13]

As part of the "triangulation of opportunities" around the Lobito Corridor, lessons from the DRC could be used and schemes replicated in the other two countries. In **Zambia**, our consultations showed extremely low levels of access to formal credit among small and medium farms/farmers, including due to the very high cost of credit both for farmers and agribusiness SMEs. Despite the government's efforts to address this, the capacity of the recently established Zambia Credit Guarantee Scheme to effectively serve the agriculture sector remains weak (). The same goes for **Angola**, where agriculture's share of overall credit remains less than 5% and only 2% of farmers report having access to credit (). The experience of the DRC could also be very useful for Zambia and Angola in terms of best practices for tailored trade and investment missions and business forums, both at national level and for collaborative efforts for regional-level roadshows and events targeting investment in the corridor as a whole, which aim at simultaneously strengthening food security and stimulating regional trade in nutritious, climate-resilient products.

The **involvement of the foreign/European private sector and investors will also differ according to the specific sub-sector or VC opportunities.** For instance, firms providing agricultural machinery and equipment are particularly relevant for expansion of the beans VC. Here countries such as Italy, Germany and Switzerland have an advantage, with firms such as Andreotti, Bühler and Cimbria already having experience of collaboration with firms in the corridor countries (see, for instance, joint ventures between Carrinho and Buhler). Several private sector associations are organising trade and business missions to corridor countries to further explore opportunities, e.g. FederUnacoma (organising in 2026) as well as the Netherlands African Business Council (October 2025). On the other hand, logistics requires the participation of other kinds of firms, where countries such as the Netherlands or Belgium may have a greater advantage. Finally, banks and other financial actors in the corridor countries could in turn work with large financial actors to repackage these bigger financial products into those that are more suitable for the local market. An example could be the Italian Climate Fund managed by the Italian public development bank (PDB), Cassa Depositi e Prestiti.

[12] For example, an important fund established by Rabobank and FMO https://agri3.com/about-us/, see especially their ESG and Impact Policy; DGIS's Sustainable and Inclusive Trade in Africa (SITA) project, also working towards including in the RRI equation emission reduction goals and their long-term impact and adaptation benefits that reduce climate risk in the medium term; Equity Bank's efforts for RRI rebalancing to account more for social/environmental impact (integrating its credit risk models with the sustainability software it has developed). An example of global debate on RRI is also in the Blueprint for Good Food Finance Data Systems and their Integrated Data Systems Initiative.

[13] The DRC is considered a dollarised economy in the sense that both the US dollar and Congolese franc are in widespread circulation, and that funds related to investment activities are generally convertible into major international currencies. A dollarised economy has advantages such as eliminating exchange rate risk, which boosts investor confidence and lowers borrowing costs.

04 Three pillars of action to promote regional cooperation and investments for the identified triangle of business cases

Opportunities to Catalyse Investments
for Food Security, Regional Trade and
Climate Resilience

In order to concretise this triangle of investment opportunities, there are **three pillars of action required to which our AUDA-ECDPM project can effectively contribute**: policy reforms, finance mechanisms and multi-stakeholder dialogue and coordination platforms. The choice of this focus derives from the mandates and track record of AUDA-NEPAD and ECDPM on such pillars of action (both as the development agency of the African Union and as an independent think-and-do tank specialising in Africa-Europe relations), as well as from other key considerations.

First, **policies, finance and multi-stakeholder platforms are the connecting glue** between the three investment cases outlined in Section 3, which are interdependent and should ideally be implemented in parallel and in an integrated way. For instance, the beans RVCs would build on Zambia's success in deploying improved bean varieties and SME-led processing, but cannot take a regional dimension without developing effective aggregation centres and other logistic services in all three countries. All of this requires implementation of regional policy frameworks, as well as more dialogue, coordination and finance. Similarly and simultaneously, agro-logistics platforms modelled on the Netherlands-supported Caála hub can be scaled to Chingola and Kolwezi, integrating rail, road and storage facilities, reducing post-harvest losses, enhancing market access and supporting regional exports of produce such as beans. But these investments will not happen without effective and tested blended finance models and investment promotion tools, such as those recently adopted in the DRC. Only together will the three categories of investments position the Lobito Corridor as a regional engine for climate-smart agriculture, trade competitiveness and inclusive development.

Secondly, **our project does not intend to reinvent the wheel; rather, it connects the dots**, socialising and synergising existing analyses and insights and brokering partnerships, largely based on already ongoing initiatives and already committed financial resources around the Lobito Corridor, with a focus on African and European processes. Indeed, political traction and geopolitical incentives in relation to this corridor are clearly evident in both continents, but challenges remain, precisely in terms of the enabling policies on the African side, the need for effective public and private finance from Europe, and platforms for better multi-stakeholder dialogue and coordination on both sides.

Finally and relatedly, the focus of our project will thus be on policy reforms (especially at regional level with the RECs) that can stimulate investments in line with key goals of the African Union and its Member States for improved food security and climate resilience, particularly for **food trade that is intra-regional** and value chains that integrate smallholder farmers and micro, small and medium enterprises (MSMEs) in the food economy. Similarly, in terms of finance mechanisms, our project will contribute especially to the **important role to be played by Europe**, where indeed ideas for more effective support are under discussions right now, including on how to coordinate concrete project initiatives and financial needs among bilateral donors, DFIs, export credit agencies and the private sector (e.g. building joint facilities to develop bankable opportunities); as well as on how to improve overall EU-level institutional coordination on the Lobito Corridor (taking Europe's 360° approach in a concrete way). But if EU development partners want to make a difference in the Lobito Corridor, they should start, as this paper tries to do, by looking more specifically at specific opportunities, which are the most relevant entry points in the short term, to unlock impactful investments in agrifood in the Lobito Corridor.

4.1 Policies

Realising the full agricultural and trade potential of the Lobito Corridor hinges on targeted policy reforms across Angola, Zambia and the DRC. **A key priority is harmonising seed regulations**. Angola's current framework remains misaligned with the SADC Harmonised Seed Regulatory System (HSRS), limiting access to certified varieties and impeding cross-border seed trade. Full adoption of the SADC Seed Variety Catalogue and mutual recognition protocols would facilitate regional integration and support the dissemination of climate-resilient bean varieties. This is the type of public-led enabling environment necessary for private investment to flow and work effectively, and which would also require public investment. Support is needed for evaluation, registration and release of Consultative Group on International Agricultural Research (CGIAR) bean varieties within the SADC Seed Catalogue, since it is currently too expensive for the individual company to develop, register and release their own varieties all the time. More varieties harmonised through the SADC Seed Catalogue would ensure that trade in beans is open and formally monitored (rather than largely informal and untracked like now, especially at DRC borders).

Equally critical are **reforms in logistics governance and inclusive trade frameworks.** Fragmented oversight and weak inter-ministerial coordination hinder the development of multimodal agro-logistics platforms. Effectively operationalising the Lobito Corridor Authority and streamlining customs and SPS procedures for food trade would enhance freight efficiency and reduce post-harvest losses. Angola's ARCCLA model offers a scalable logistics blueprint, but broader implementation requires harmonised infrastructure policies and investment incentives, including potentially through a new SADC/COMESA Regional Cold Chain Policy. Additionally, transparent land tenure, contract farming laws, and school-feeding programmes and regulations (that secure offtaking of nutritious food such as beans) [14] are essential to diversify outgrower schemes, and promote SME and smallholder participation.

Our project will work with the RECs and other relevant stakeholders to support these coordinated reforms in seed, logistics, procurement and trade policy aligned with COMESA and SADC frameworks, which are going to be vital to transforming the Lobito Corridor into a climate-smart, inclusive regional food system.

4.2 Finance

A number of **innovative finance approaches and mechanisms will be required to de-risk agri-food transactions**, ensure project profitability, improve financial inclusion and mobilise additional public or private capital alongside the available or committed concessional resources for the Lobito Corridor. [15]

Such innovative approaches and mechanisms should draw on **lessons learnt and best practices** emerging from recent (blended) finance experiences. For instance, PDBs and DFIs should not do too many direct deals and rather work first on the aggregation of the specific investment opportunities highlighted in previous sections, and then use intermediaries (public, private or mixed) for the deployment of finance. This would lead to more effective blended finance, as a key contribution to the coordination and efficiency of capital attraction and deployment. Similarly, it would be more effective for donors to focus on crowding in DFIs into the projects to develop the beans RVC and agro-logistics platform, which would then finance the relevant companies, rather than donors directly financing the private sector operating along the corridor.

[14] Some interviewees suggested that the vision for the Lobito Corridor should include a slogan about the fact that the region would be giving centre stage to beans as a "cash crop feeding kids, not livestock" (i.e. unlike other parts of the world, where global bean VCs mostly serve to feed industrially farmed animals).

[15] While section 3.3 covers the general opportunity/requirement to attract investment via blended finance as part of the "triangle of business cases" for the Lobito Corridor, section 4.2 outlines the actions/approaches needed to actually organise and deliver blended finance and how our project can concretely contribute to that.

Innovative finance approaches should also include the facilitation of investment partnerships and the related required technical assistance, which **adopt investment assessment criteria where RRI ratios are calculated taking into account not only short-term financial returns, but also longer-term climate risk reductions** and the overall social and environmental positive impacts of investing in the beans RVC and agro-logistics platform. Our consultations showed that in recent years European DFIs such as Proparco have moved to accept risk-adjusted, lower returns for greater impacts; so despite DFIs still requiring prudent financial management, their mandates can evolve. For instance, although a quantitative analysis is beyond the scope of this paper, future partnerships around the beans RVC could attract innovative public and private financiers by calculating the costs saved from climate impacts from investing in soil-nurturing beans (in relation to different Intergovernmental Panel on Climate Change climate scenarios), as well as health savings and other nutritional outcomes improvements (accounting for more micronutrients in diets, including through school meals).

As substantial funds and different types of instruments are potentially available from different public and private financiers interested in Lobito, the **mapping, alignment and coordination of different blended finance vehicles serving different types of investors and investees** will be very important. This could increase the feasibility of crowding in a broader set of financiers and create a cascading effect in terms of actual access to finance for currently marginalised food systems actors. In the case of Europe, the aggregate amount committed by different institutions and member states for Lobito is nearly €1-billion, [16] and it is interesting to note recent recommendations by some of those involved. Firstly, to map de-risking instruments and blended finance mechanisms specifically designed to enable European SMEs and companies to invest confidently in corridor-related value chains; secondly, to strongly cooperate with private financial institutions (early and continuous engagement), as key to structuring viable financing models and mobilising investment; and thirdly, to coordinate technical and financial cooperation around concrete project ideas and needs among all who have committed and programmed, including to mobilise resources for unfunded areas (mission report: Global Gateway Fact-finding Visit to the Lobito Corridor, September 2025).

Applying all this to the triangle of business opportunities presented in section 3 would lead to concrete progress along the Lobito Corridor. For instance, European investors such as Bühler, Cimbria and Andreotti could provide significant capital and technology for seed systems, processing and digital logistics to local beans businesses such as Good Nature Agro, if incentivised by the combination of business forums, trade mission and blended finance from European DFIs and PDBs such as CDP or Proparco (e.g. guarantees that reduce and share risk), [17] and with the involvement of domestic financial institutions such as BDA/Equity/FondSocial/ZDA. Also closely linked to agro-logistics investment, strengthening the commodity exchange and warehouse receipts financing and enabling easier use of land as collateral are important finance-related actions that need to be taken over the medium term to achieve the objectives outlined in this paper.

Our project will support these type of activities around innovative finance, mapping and sharing lessons learned from different finance instruments and factors of success in each of the three Lobito countries; and how investments of a regional scope can be incentivised, including in terms of gradual approach from grants to concessional funding via DFIs to full commercial bankability.

[16] Von der Leyen-Meloni Summit, June 2025: "We see it as a true economic corridor, that allows to unlock the huge potential of Angola, [the] DRC and Zambia. That is why we invest in roads, in agricultural supply chains, in logistics centres ... All in all, the total EU contribution across the corridor comes close to €1-billion."

[17] An interesting recent case of European guarantee that could be used for this is the TERRA programme of FAO and CDP. VDL: "Today, we have also signed an EU guarantee of €110-million, with Cassa Depositi e Prestiti. We all know that Africa's potential to produce food is enormous. Under Global Gateway, we are de-risking the investments that are needed. So we are creating a conducive environment. And this accelerates the development of sustainable agrifood production and value chains, respectful of nature and climate, generating jobs for millions of people and families, and decreasing dependencies on import. Under this new programme, Transforming and Empowering Resilient and Responsible Agribusiness, launched in November 2025, thanks to the EU guarantee of up to €109.5-million and FAO's technical assistance, CDP will provide dedicated credit lines and guarantees to selected financial institutions in Africa to on-lend to agrifood MSMEs."

4.3 Multi-stakeholder platforms

Realising the full sustainable agricultural and inclusive trade potential of the Lobito Corridor requires establishing various types of multi-stakeholder platforms (MSPs). They should help **coordinate and monitor the multiple initiatives envisaged by the triangle of investment opportunities, facilitating the much-needed regular public-private dialogue** among corridor-level policy and finance. In particular MSPs would support, given the relative strengths of the three countries on the three parts of the triangle, learning lessons from each other.

While there are several corridor coordination mechanisms such as the Lobito Corridor Transit and Transport Facilitation Agency (LCTTFA), set up by the Ministries of Transport and Corridor Development in the three countries, **they do not seem very functional or inclusive so far**. In particular, there is currently a lack of a platform that can bring together actors relevant in agricultural value chains to discuss where interventions are needed to propel agricultural development and attract needed investments. So there is a need to create regular, structured platforms for dialogue and consultation at both national and regional (LCTTFA-led) levels. These platforms must include representatives from government, the private sector (including the Lobito Atlantic Railway consortium, mining companies, agribusinesses, logistics providers and SMEs), civil society organisations, farmer organisations, local community leaders and academic/research institutions. These platforms should inform policy design, monitor implementation progress and address emerging issues. An MSP with all systems actors would also be **key for monitoring that the system itself is actually changing** (four involved sectors is a complex system), since it is important to monitor results beyond the individual investment case, such as the number of agri-platform created or the emissions reduced as "impact" of the growth of beans RVC.

An example of how MSP would also make a lot of commercial sense is the **facilitation and matchmaking involving the public, but especially the private-to-private, sectors from the countries** (which could be funded within Lobito programmes and add value to already existing initiatives). In case of a beans RVC, for instance, the MSP could discuss what the strategic directions taken by the three countries on beans mean for commercial partnerships, especially given open-pollinated varieties (as outlined in section 3.1).

In the European context, one of the suggestions emerging from the Practitioners Network Global Gateway Fact-finding Visit to the Lobito Corridor was creating **a dedicated market intelligence platform and matchmaking service to connect EU companies** with local partners, investment opportunities and public actors along the corridor.

Finally, the MSPs could also be a conduit for **coordinate capacity development and support** for players that are central to the identified business opportunities, but currently marginalised. The importance of more financial literacy and formalisation of small businesses as preconditions to exploit Lobito opportunities were highlighted during our consultations. In particular, cold chains and agribusiness logistics are key gaps for Lobito, and in general the biggest gap in skills/extension services is post-harvest losses and marketing skills.

05 References

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