

# CREATING JOBS



AGORA SUPERMARKETS, BANGLADESH



## MR.BASHER

Mr.Basher is a farmer who supplies fresh vegetables to Agora Supermarkets

“ I've now learnt to think on a broader level. Before Agora, I used to think very traditionally. Now there is a lot of opportunity to expand my business which will help me invest in my children's education. ”

## BUILDING BUSINESSES

It is early in the morning and Mr. Basher, a farmer near Dhaka, capital city of Bangladesh, is getting ready to pick his vegetables which will be taken to Agora Supermarkets. Agora Supermarkets is one of Bangladesh's first supermarket chains. Mr. Basher earns a steady income through selling his vegetables to Agora, which has immensely improved his standard of living in the last few years.

Before doing business with Agora, he used to buy vegetables from the wholesale market and sell them. Today his life looks very different; he now owns 45 acres of farmland where he can grow his own vegetables – cabbages, broccoli and cauliflower – which he sells to Agora Supermarkets and other large retailers.

“Now I'm happy, I'm buying more land and my business is expanding. With Agora's help, I can do training in packaging, chemicals, and minimising post-harvest losses as well as how to do business with the retail sector. I have big dreams. I'm not thinking about myself but my family and community.”

Mr. Basher's children both attend the international school in Dhaka and are having an education that Mr. Basher could never have dreamed of. He would like his daughter to become a lawyer while his son will take over and further expand his business.

A steady income is important in a country where there is high unemployment. Political instability also continues to be an obstacle to development in Bangladesh. However, the rate of poverty is decreasing. The economy has expanded significantly in the last decade with an annual growth rate of 6 per cent.



## CDC'S INVESTMENT IN AGORA SUPERMARKETS

**In 2001, Rahimafrooz Superstores launched Agora, the first supermarket chain in Bangladesh. Demand has increased rapidly and there are now 12 outlets with 2 more due to open shortly.**

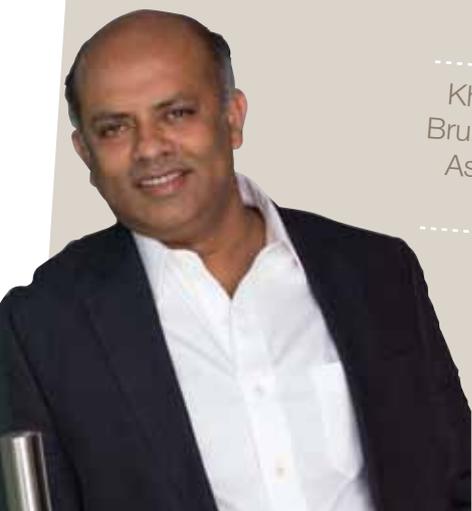
Although Agora Supermarkets has been successful, many businesses in developing countries, particularly those in politically unstable climates like Bangladesh, struggle to find the investment they need to grow. CDC is the UK's development finance institution and it supports the building of businesses throughout South Asia and Africa, creating jobs and making a lasting difference to people's lives in some of the world's poorest places. Investing in more risky climates is one of CDC's key contributions as a development finance institution. Working with local fund manager, Brummer and Partners, CDC invested nearly US \$700,000 between 2010 and 2012 through the Frontier Fund. **Frontier was the first private equity fund set up in Bangladesh.**

“ Foreign investors are good for Agora and also good for the country. Bangladesh has potential but needs to attract more investors. ”

**Andre Cailleux, CEO, Agora Supermarkets.**

“ By investing in the first private equity fund in Bangladesh, CDC sets a precedent. The belief is that there is opportunity in Bangladesh and this will bring in other investors. This is a new market and we invest equity in growing companies. CDC not only brings in capital but it also has a long-term approach. It's a frontier market that has inherent risk but it's coupled with high rewards. ”

Khalid Quadir, CEO,  
Brummer and Partners  
Asset Management  
(Bangladesh)



“ Private equity can play a big role in Bangladesh through adding value in strategy, networks and professionalising management teams. This helps expand the business and create more jobs. ”

**Craig Gifford, Asia Funds, CDC.**



*Nayan Akhter has been working at Agora Supermarkets for 8 years and currently is a Customer Relations Officer*

## DEVELOPMENT IMPACT AND FINANCIAL RETURN

**“Financial return is important - but that has to go together with development impact and creating jobs.”**

**Hiti Singh, Portfolio Director, Asia Funds, CDC**

Businesses such as Agora Supermarkets reflect this. Not only does it provide a good financial return for investors, but it also creates employment and an income to hundreds of farmers like Mr. Basher which has a significant impact on individuals, their families and communities, improving their standard of living.

Thanks, in part, to the continued support of CDC and Brummer and Partners, Agora Supermarkets is now expanding significantly to become a brand nationwide. There are plans to build 50 new outlets. Additionally, the aim is to buy directly from farmers like Mr. Basher to improve the quality of fresh foods.

## BUSINESS SUCCESS CREATES MORE JOBS

Bringing in foreign expertise and know-how is crucial to expand the business and develop local talent. Training and skills is often cited as a key challenge for larger businesses in many developing countries. Andre Cailleux, CEO, Agora Supermarkets and a French expat, brings his knowledge and experience of working in large supermarket chains in Europe and South-East Asia to Agora Supermarkets in Bangladesh.

Although organised retail in Bangladesh is still small, Agora Supermarkets is leading the way. It has plans to build 50 new outlets in the next few years in other towns and cities in Bangladesh. The number of employees has increased to 750 with around 3,500 in the supply chain such as farmers like Mr. Basher. In Bangladesh, retail is a sector in which people can get jobs and often school leavers and graduates find working in retail a good training ground and an opportunity to further their careers.

Jobs offer a way out of poverty and, according to a recent World Bank report, nearly 90 per cent of jobs are created in the private sector. Successful businesses such as Agora Supermarkets are crucial for creating jobs.

“ This job has helped me. I help support my family - mother, father, sister and two brothers. ”



*Agora Supermarkets has 750 employees and around 3,500 in the supply chain.*



CDC is the UK's development finance institution. Our mission is to support the building of businesses throughout Africa and South Asia, creating jobs and making a lasting difference to people's lives in some of the world's poorest places.

Many businesses in poorer countries struggle to get the finance they need to grow and expand. CDC helps meet that need by providing patient, long-term risk capital in all its forms. Working through local experienced fund managers and directly by providing equity investment and debt, CDC is making a vital contribution to private sector development in the poorest places.

Responsible investing is also important to CDC. Improving environmental, social and governance standards is a vital part of managing a sustainable business and goes hand-in-hand with being profitable.

Although owned by the UK government's Department for International Development, CDC is self-financing. The profits made from successful long-term investing are recycled to finance further investments. In this way CDC is able to help businesses grow and provide jobs.

CDC is a pioneering institution that has been operating in South Asia for over 60 years. It has more than 1,100 investments in businesses across the developing world, with around 321 investments in South Asia.

Find out more about our work at [www.cdcgroup.com](http://www.cdcgroup.com)

**INVESTMENT INFO**  
Investee Company  
**Agora Supermarkets/Rahimafrooz Superstores**  
Location  
**Bangladesh, South Asia**  
Fund Manager  
**Brummer and Partners**  
Investing Fund  
**Frontier Fund**  
CDC commitment to the Fund  
**US\$10m**  
Year of commitment  
**2010**  
CDC Investment in Agora Supermarkets  
**US \$700,000**