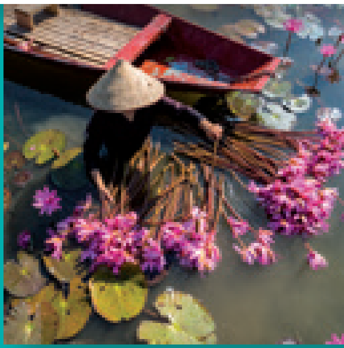
CFC common fund for commodities

Annual Report 2023

Cover photos:
Above: Quality control on a cocoa plantation. Adobe stock
Left, above: Asian tomato farmer. Adobe stock
Left, below: Onions, Kenya. Adobe stock
Right: Maize, Vietnam. Adobe stock

Common Fund for Commodities

Annual Report 2023



Photos left to right: South Sudan. © FAO/Arete/Patrick Meinhardt | Flickr | Adobe stock

Photo: Adobe stock

Contents

Photo: Villiage chief Ngontsimi Onana, Minwoho, Lekié, Centre Region, Cameroon. © Ollivier Girard/CIFOR

Photo: © FAO/Paballo Thekiso

Foreword: a message from our **Managing Director**

The modern world is built on commodities – from the food that keeps us alive to the oil that fuels our cars to the metals that power our smartphones. We rarely stop to consider where they have come from. But we should. We invite you to peruse our annual report to make a difference in the lives of almost three billion smallholders who work so hard to make all those commodities available to us.

Compared to our smallholders, the world of commodity traders, with few exceptions, remained private and divide their enormous profits only among few. The family that owned Cargil contains no fewer than fourteen billionaires – more than any other family business in the world. Louis Dreyfus, the historic grain traders, is entirely owned by a single person. Glencore, the European commodity giant, produced no less than seven billionaires since it floated in 2011.

As we traversed the year 2023, the tribulations afflicting the global economy persist unabated. Instead of abating, we find ourselves entangled in escalating tensions, humanitarian crises, and an alarming proliferation of violent, interlinked conflicts. The unprecedented displacement of people from their homes continues unabated. The war in Ukraine relentlessly disrupts the supply chains of food, fuel, and energy, further aggravating economic instability. As if this were not sufficient, recent devastations in the Middle East present additional grave concerns.

Commodity prices remain highly volatile, influenced by geopolitical tensions, climate change, and economic policies. This volatility breeds uncertainty for both producers and consumers of soft commodities, complicating planning and investment decisions. For commodity-exporting nations, such price volatility results in unstable export revenues, undermining their economic stability.

This instability has become existential as humanity, in the poignant words of United Nations Secretary-General Antonio Guterres, wages war on nature. One million species teeter on the brink of extinction. Ecosystems vanish before our eyes, deserts expand, and wetlands are lost. Annually, we lose ten million hectares of forest. Oceans, overfished and choked with plastic waste, absorb carbon dioxide that acidifies the seas. Coral reefs bleach and die. Air and water pollution claim nine million lives each year – more than six times the toll of the pandemic.

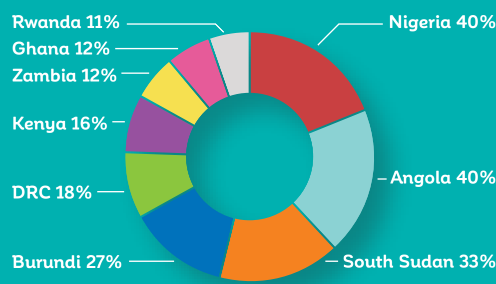
When elephants fight, the grass gets trampled

In Sudan, food prices increased by a whopping 143% since Ukraine war

It takes about nine days to earn enough money to purchase a food basket in Sudan compared to one point two hours for the same food basket in the United States

Electricity prices were increased in Sudan on January 1, 2021 by 433% amid the country's ongoing economic crisis

Rate of depreciation by country



Amid these dark clouds, a silver lining emerges in the form of rising public concern for the environment and biodiversity loss. Businesses can no longer afford the luxury of complacency, adhering to outdated practices. They must realign their operations to resonate with the empathy of conscientious consumers for the impoverished and destitute. If this trend persists and people increasingly align their investments with their values, we may witness a tangible impact on the cost of capital in public markets. In a few years, impact investment could become mainstream, driven by value-based investing which term as 'humanizing the value chains'.

> ***'We must do everything possible to avert a hurricane of hunger and a meltdown of the global food system', United Nations Secretary-General Antonio Guterres***

By humanizing the value chains, we are essentially asking you to pay a reasonable price for the smallholders. Using our newfound technological capability as well as growing awareness for sustainability among the generation Z and millennials, we seek your attention to this aspect of humanizing the value chains. Please contact us if you wish to be a part of this humanizing exercise at this time when dehumanizing practices by the profiteers and the polluters are pushing millions, if not billions, back to poverty.

CFC is trying its best to keep track of the shifting consumer preferences. For instance, the burgeoning demand for organic and sustainably produced food impacts the agricultural commodity market in a positive way. Notably, the joint CFC-UNCTAD study on 'Harnessing the potential of nutraceutical products in landlocked developing countries' presented at the Fifth United Nations Conference on the Least Developed Countries (LDC5) in Doha, has garnered considerable attention.

According to the UNDP, by the close of 2023, an additional 165 million people will have fallen into abject poverty. This increase is particularly severe in low and lower-middle-income economies, with the poorest 20% in low-income countries bearing the brunt. Poverty often persists in concentrated areas over extended periods, creating a self-perpetuating cycle of diminished opportunities and increased vulnerability, undermining years of development efforts. Breaking this vicious cycle sustainably remains a formidable challenge for the CFC in commodity-dependent countries.

Given that fact that as per latest UNCTAD report on commodity dependency, between 2019 and 2021, only 12% of advanced economies were on the list, compared to a staggering 74% of the world's least developed countries. A total of 29 out of the 32 nations classified as having low human development in 2021 were commodity dependent, according to the UN's Human Development Index. So, for those commodity dependent countries who rely heavily on their natural resource exports for domestic employment, foreign exchange earnings and tax revenues, the unidirectional movement of profits towards the global North needs human reconsideration.

This appears urgent in the case of CFC as our internal financing capacity is approaching its limits. Over the past two years, the CFC has received a staggering 745 project proposals through its regular calls for submissions, necessitating a total of USD 665 million for full implementation. However, the CFC could only approve 33 projects, with a total commitment of USD 30.4 million. This represents less than five percent of the total proposals received. Considering this, the CFC renews its call for the resumption of voluntary contributions by member states. This appeal is in alignment with the UNCTAD IV resolution on '93 (IV) Integrated Program of Commodities,' which is considered as the foundational resolution for the Common Fund for Commodities (CFC). We look forward to UNCTAD's 60th Anniversary celebrations in June 2024 which will be held under the theme of "Charting a New Development Course in a Changing World," underscoring the need for innovative approaches to trade and development" (see box on page 8).

Defying the severe liquidity squeeze, we are immensely proud of our accomplishments this year. 2023 has been another year with extremely high number of projects seeking CFC financial support, with over 400 applications received. Although a record 18 new investments were approved by the CFC's Executive Board, this is still only a fraction of what our valued applicants wish us to invest in.

These approvals accounted for a total value of nearly USD 280 million, with USD 14 million coming directly from CFC. These investments are aligned with the core Sustainable Development Goals (SDGs), targeting areas such as poverty alleviation (SDG 1), hunger eradication (SDG 2), gender equality (SDG 5), economic growth (SDG 8), innovation (SDG 9), reducing inequalities (SDG 10), responsible consumption and production (SDG 12), and climate action (SDG 13).

These partnerships reach over 98,000 farmers, a net additional income of up to USD 2,750 per annum. An additional 11,000 jobs were supported by investee companies of the CFC, thereby enabling CFC to contribute sustainably and in substance to the needs of the poor and underprivileged.

Given this heightened demand for CFC financing, the developments regarding the Agricultural Commodity Transformation Fund (ACT Fund) are particularly timely. The ACT Fund will aid in meeting the increasing demand for impact investment in the commodity sector. Beginning in September 2023, the CFC team commenced fundraising discussions with potential investors identified during the market testing stage.

The demand for CFC financing is growing because we serve the 'missing middle' providing resources directly to SMEs and smallholders.

We aim to raise approximately USD 100 million to meet our increased demand through the ACT Fund. We continue to appeal to those member states that are major beneficiaries of commodity trades to step forward and help make the world of commodities fairer and more just. We urge that a change in the system is required to address the rules of the game which are predominantly set by industrialized countries, often sidelining the very nations and people who depend most on commodities for their survival. You can find more information about the CFC's ACT Fund in Section II of this report (page 25).

This initiative serves as a catalyst for transformative change. The Governing Council in its 35th Meeting held a side event to introduce groundbreaking projects spanning coffee, macadamia, handicrafts, and crucial infrastructural facilities – each playing a vital role in empowering commodity producers. This covered in Section VI of this report (page 73). This exemplifies how our investment in the resilience of grassroots enterprises in commodity-dependent developing countries is not merely assistance – it is a lifeline. Our mission is to localize development by implementing a model where local wisdom is harnessed and synergized with modern science and technology, wherever feasible.

In this endeavour, we recognize the crucial nexus between smallholders and small to medium-sized enterprises (SMEs). By fostering this bond through strategic interventions and vital inputs, we aim to elevate the income levels of smallholders and achieve significant milestones on the path to sustainability. Our approach involves empowering local communities by integrating their traditional practices with advanced scientific methods, thereby creating a harmonious and effective development strategy. Through targeted initiatives, we strive to enhance productivity and resilience, ensuring that the benefits of technological advancements are accessible to all. By bridging the gap between local knowledge and contemporary innovations, we are committed to driving progress that is both inclusive and sustainable, ultimately contributing to the economic upliftment of smallholders and the broader community.

In this report we present to you a **feature article** on humanizing the commodity value chains. Reducing disparities is central to our mission, and one way to achieve this is by humanising value chains, connecting consumers with the hardworking individuals behind the products they enjoy, such as chocolate bars, lattes, and t-shirts. Consumers increasingly seek sustainably produced goods, which includes fair compensation for workers. Rapidly developing technologies like blockchain and AI can play a crucial role by ensuring more of the money spent on products reaches smallholder farmers. Digital traceability tools provide consumers with detailed knowledge about the origins, creators, and production processes of products. Additionally, these technologies could enable consumers to tip farmers, like how they tip delivery workers, cab drivers, and waiters.

To gain further insight into how the CFC investments support smallholders through value chain innovation, read about the impact of our investments in: Clearpath coffee (Section II.1, page 21) and Organic Africa (Section II.2 page 23). This is only a snapshot of what we have been doing. You will see the full summary of our current operations in Section IV.3 of this Report (page 39).

CFC has always been keen to invest in agribusinesses that work with commodities such as millets, while helping smallholders build food security and develop more stable livelihoods. For example, read how our investment enabled grain trader Shalem to transition into an added value manufacturer that is supporting Kenyan smallholders to thrive: https://common-fund.org/supporting-kenyan-smallholders-thrive. With high impact project like this, CFC have been a very active participant in celebrating 2023 as the Year of Millets as was designated by the United Nations at the urging of India.

As an impact investor, CFC takes the issue of technical assistance with utmost importance. As it houses a talented team of TA experts capable of working as consultants for other impact investment fund, we are proud to see their diversified portfolio across the world. Aside from the core investments, the activities of our TA team in the Africa Agriculture and Trade Investment Fund (AATIF) and Agroforestry Technical Assistance Facility of the Moringa Fund (ATAF) helped rolling out 136 projects spanning 23 countries throughout Africa and Latin America regions. These initiatives have provided indispensable support to 46 agribusinesses and financial institutions, fostering growth and resilience across diverse agricultural value chains.

Sixtieth Anniversary of the UN Trade and Development

The forthcoming 60th anniversary of the United Nations Trade and Development (UNCTAD, formerly UN Conference on Trade and Development) is poised to be a landmark event, celebrating six decades of fostering inclusive and sustainable development through trade, investment, and technology. Key themes expected to dominate the anniversary include the promotion of equitable global trade practices, the advancement of digital and green economies, and the reinforcement of multilateral cooperation to address contemporary global challenges such as climate change, economic inequality, and the digital divide. The event will emphasize the importance of resilience and adaptability in the face of global crises, reflecting on past achievements while setting ambitious goals for the future. Stakeholders from around the world will gather to share insights, forge new partnerships, and renew their commitment to UNCTAD's mission of ensuring that globalization benefits all nations, particularly the developing and least developed countries. This milestone anniversary will not only celebrate UNCTAD's rich history but also chart a forward-looking path towards a more inclusive and sustainable global economy.

The theme of the anniversary, 'Charting a New Development Course in a Changing World,' underscores the need for innovative approaches to trade and development. This includes addressing finance, technology, investment, and sustainable development, with a specific focus on the needs of developing countries, including the least developed countries, small island developing states, and landlocked developing countries.

The celebrations aim to strengthen multilateralism and foster meaningful discussions among global leaders, policymakers, economists, and other stakeholders. The goal is to develop new strategies for sustainable and inclusive growth, close widening inequalities, and enhance UNCTAD's role in global economic governance.

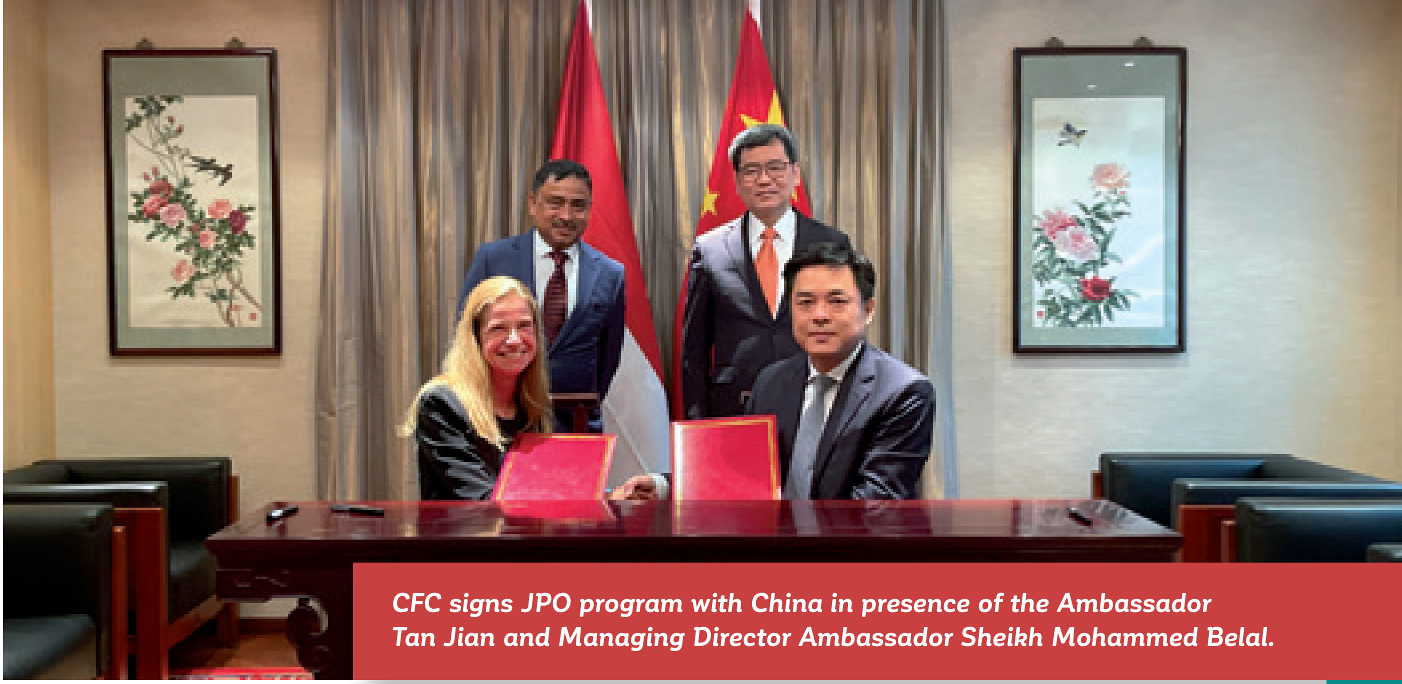


Photo: CFC

CFC signs JPO program with China in presence of the Ambassador Tan Jian and Managing Director Ambassador Sheikh Mohammed Belal.

We know we are small. Not by design but by default. The founding parents of CFC always wished to see CFC working for all the commodity producing smallhodlers so that poverty could be uprooted at its origin-at the grassroot. To bring CFC closer to what it was intended, we are working to prepare our next batch of strategic frameworks. To do that, we need all member states to join their hands to restore CFC to what it was envisaged to do more to empower our smallholders with what they rightfully deserve. But to do more, we need larger partners such as the SIDA, BII, FMO, KfW, World Bank, IMF, IFC, GCF, EU and the broader UN ecosystem, to de-risk our investments with concessional finance.

We did our best to outreach to as many member states as possible including International Commodity Bodies (ICBs), members of UN and EU ecosystems like ECOSOC, UNOHRLLS, OASS, OACPS (Organization of African, Caribbean and Pacific States), African Development Bank, Islamic Development Bank etc.

We organised series of webinars including being a partner organiser for the Africa Dialogue Series 2023 at the United Nations, participated in the 2023 ECOSOC Financing for Development Forum (FfD). The CFC also became a member of the Global Impact Investing Network (GIIN) – an organisation devoted to increasing the scale and effectiveness of impact investing.

CFC also joined the internationally recognized Partnership for Carbon Accounting Financials (PCAF), which will enable us to estimate the carbon footprint of our investments more accurately. For us, in the CFC, making the commodity value chains carbon neutral is not only our natural choice, but also our call to action to what we preach. To meet our growing workload, we are trying to bring as many innovations as possible with initiatives like outsourcing, partnerships, collaborations and digitalisations. In this endeavour, we remain deeply grateful to the Ministry of Commerce of the People's Republic of China (MOFCOM) for singing the first ever junior professional Officer (JPO) program with the CFC.

These activities, illustrating an increasingly active CFC, would not have been possible without the sustained efforts and dedication of our colleagues to make our vision and mission come true. I am grateful for their contribution.

Finally, the year 2023 was, at least for me, a special year since it was the last full year of my first tenure at the CFC where I put my best efforts defying all the shortcomings. I remain grateful to the member states for their unprecedented support in re-electing me for the second and final term. It was a pleasure working with them and with you.

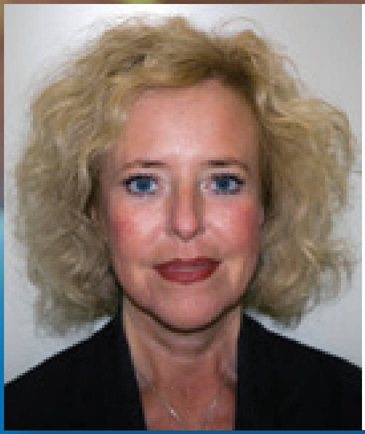
We invite you to read this report and get inspired by our work to help us to do more together. Let's strive for a world where everyone has a fair opportunity for a decent life with dignity. Working for CFC is akin to serving humanity all the time.

Here's to more progress and success in the year ahead!

Sheikh Mohammed Belal

Sheikh Mohammed Belal

Photo: Betty Acayo Ocira (31), Uganda. © FAO / Vincent Tremeau



"Achieving the SDG target of Zero Hunger by 2030 poses a daunting challenge. We have no option but to continue our efforts to transform agrifood systems and leverage them towards reaching the Sustainable Development Goals. Here the CFC has an important role to play, and it is important that we continue to put the CFC resources to use, where they do most good, i.e. to the well managed projects."

Ms. Anna Tofftén (EB Chair)

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CFC **at a glance**

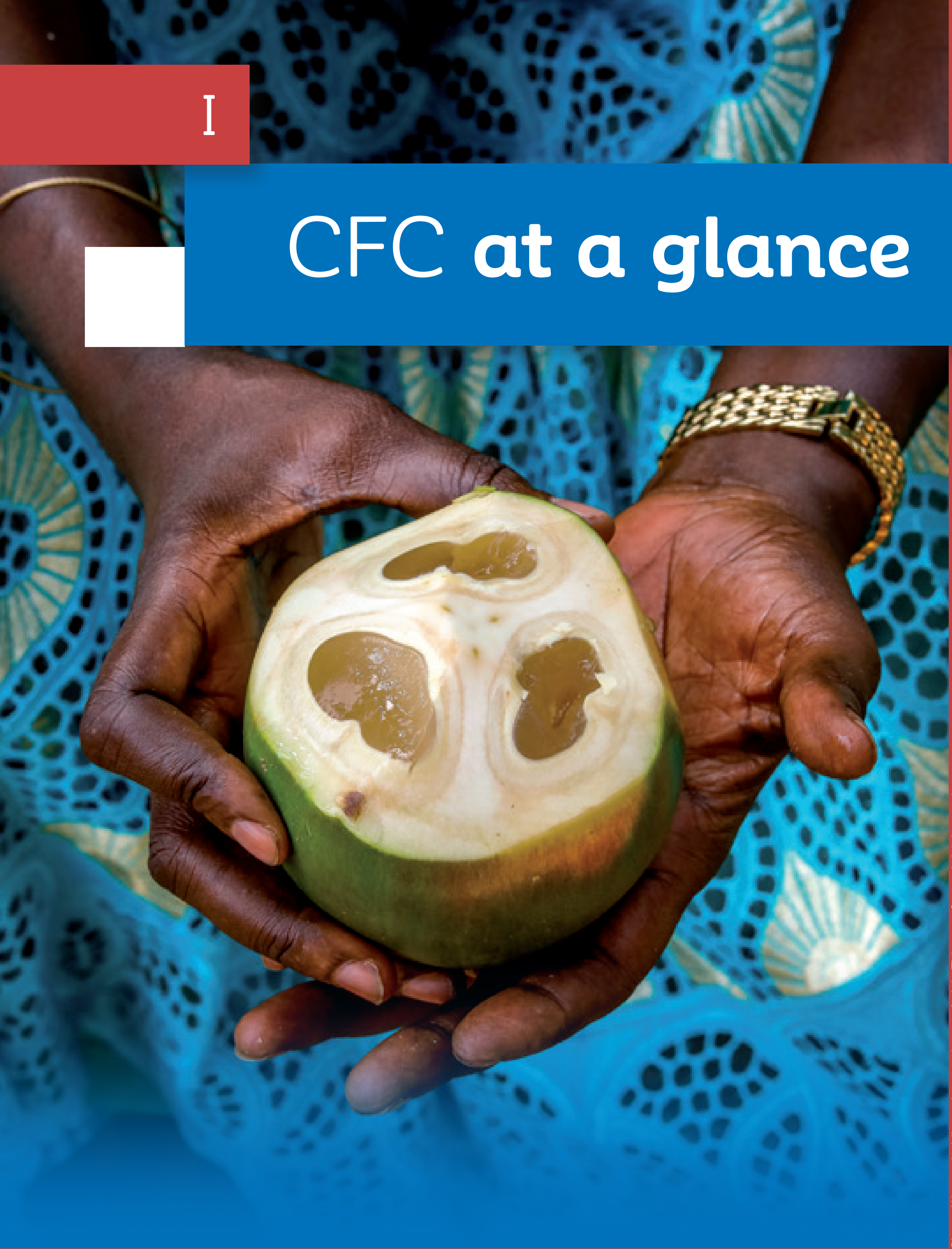


Photo: Woman holding palmyra palm tree fruit in Thiaoune, Senegal. Adobe stock

CFC **Highlights**

Expected Impact*

446,000
farmers

33%
women among the farmers impacted

60,000
hectares cultivated

11,000
jobs supported

12
projects in LDCs

Organization

34 YEARS
years of project experience

101
member states

9
institutional members

7
investment partners

9 Investment Funds:
AGRIF, EcoE III, Africa Food AFSFG, EcoE IV (approved), EcoE II, AAFSME Fund, Moringa, AATIF, SME IF

22
staff members of which **50%** are women

9
commodity experts of which **56%** are women, form the Consultative Committee

**As of 31 March 2024 based on most recent reports*

Operations – 34 years supporting commodity producers*

466
projects approved

70
commodities financed

104
different countries supported of which
35 LDCs

1.02 billion*
of total project costs (in USD)

382 million*
of capital committed (in USD)

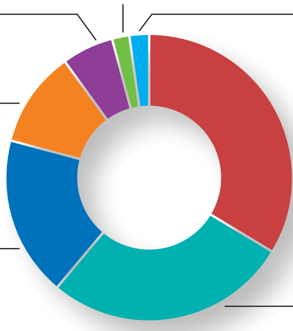
646 million*
co-financing/ counterpart contr. (in USD)

303 million**
disbursed (in USD)

**Amounts as submitted and approved by the Executive Board*

***For the year ending 31 December 2023*

Commodity value chain*



**% based on number of projects*

CFC projects in LDCs*

**Grand total since 1989*

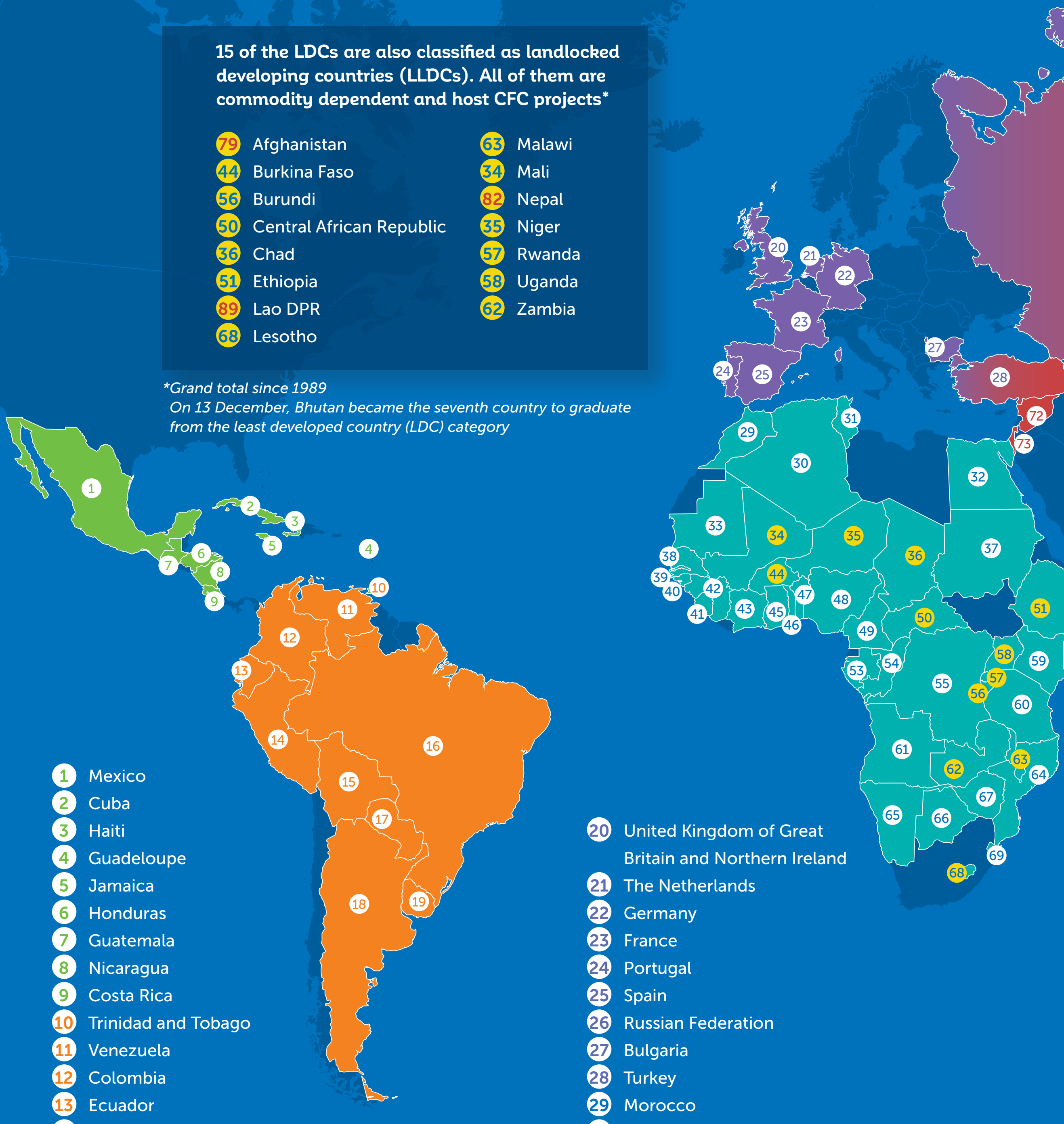
Photo: Local market, Kenya. Adobe stock

Countries participating in **CFC projects since 1989**

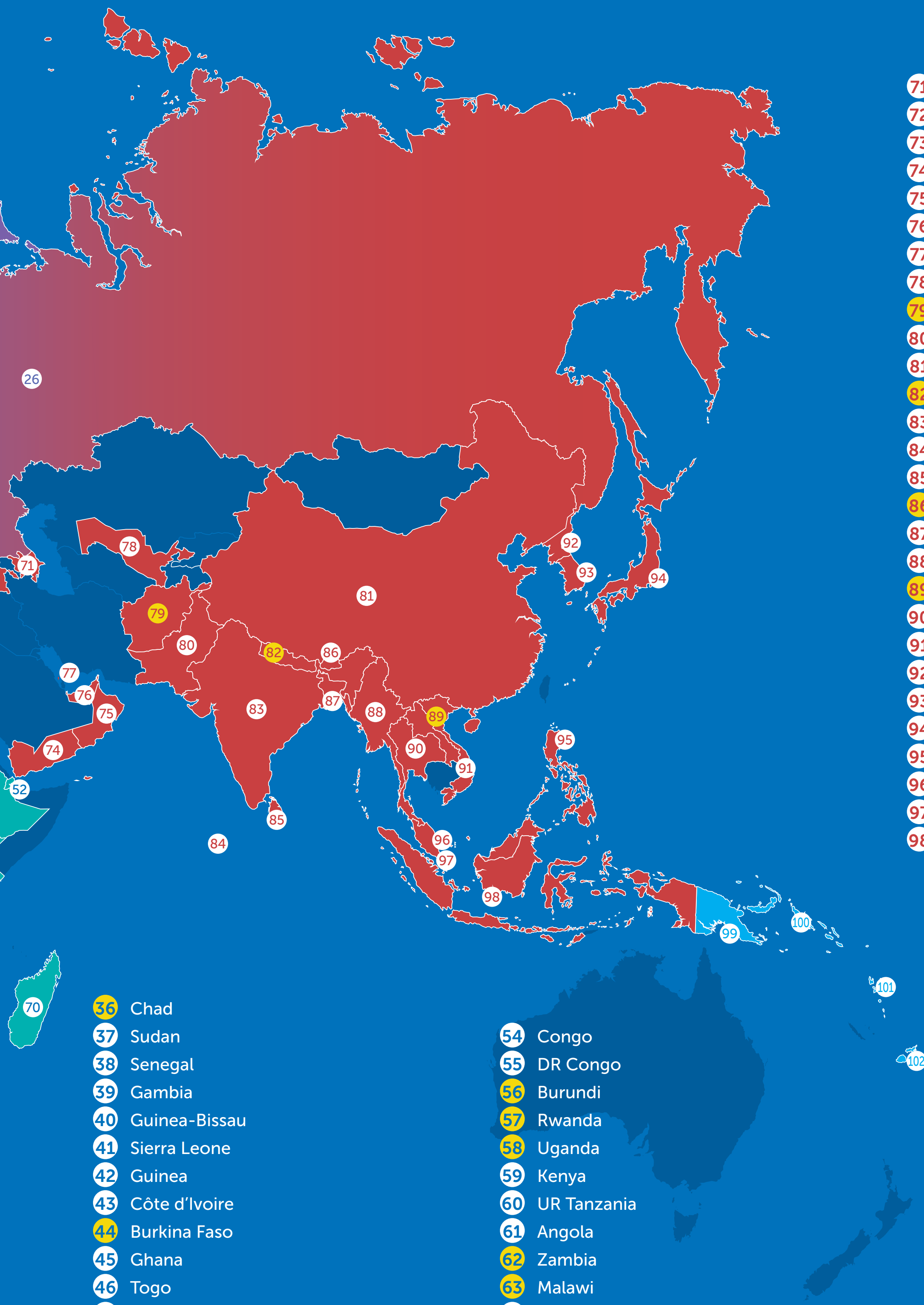
15 of the LDCs are also classified as landlocked developing countries (LLDCs). All of them are commodity dependent and host CFC projects*

- 79 Afghanistan
- 44 Burkina Faso
- 56 Burundi
- 50 Central African Republic
- 36 Chad
- 51 Ethiopia
- 89 Lao DPR
- 68 Lesotho
- 63 Malawi
- 34 Mali
- 82 Nepal
- 35 Niger
- 57 Rwanda
- 58 Uganda
- 62 Zambia

**Grand total since 1989*
On 13 December, Bhutan became the seventh country to graduate from the least developed country (LDC) category



- 1 Mexico
- 2 Cuba
- 3 Haiti
- 4 Guadeloupe
- 5 Jamaica
- 6 Honduras
- 7 Guatemala
- 8 Nicaragua
- 9 Costa Rica
- 10 Trinidad and Tobago
- 11 Venezuela
- 12 Colombia
- 13 Ecuador
- 14 Peru
- 15 Bolivia
- 16 Brazil
- 17 Paraguay
- 18 Argentina
- 19 Uruguay
- 20 United Kingdom of Great Britain and Northern Ireland
- 21 The Netherlands
- 22 Germany
- 23 France
- 24 Portugal
- 25 Spain
- 26 Russian Federation
- 27 Bulgaria
- 28 Turkey
- 29 Morocco
- 30 Algeria
- 31 Tunisia
- 32 Egypt
- 33 Mauritania
- 34 Mali
- 35 Niger



71 Azerbaijan
72 Syria
73 Israel
74 Yemen
75 United Arab Emirates
76 Oman
77 Bahrain
78 Uzbekistan
79 Afghanistan
80 Pakistan
81 China
82 Nepal
83 India
84 Maldives
85 Sri Lanka
86 Bhutan
87 Bangladesh
88 Myanmar
89 Lao PDR
90 Thailand
91 Vietnam
92 DPR Korea
93 Republic of Korea
94 Japan
95 Philippines
96 Malaysia
97 Singapore
98 Indonesia

36 Chad
37 Sudan
38 Senegal
39 Gambia
40 Guinea-Bissau
41 Sierra Leone
42 Guinea
43 Côte d'Ivoire
44 Burkina Faso
45 Ghana
46 Togo
47 Benin
48 Nigeria
49 Cameroon
50 Central African Republic
51 Ethiopia
52 Djibouti
53 Gabon

54 Congo
55 DR Congo
56 Burundi
57 Rwanda
58 Uganda
59 Kenya
60 UR Tanzania
61 Angola
62 Zambia
63 Malawi
64 Mozambique
65 Namibia
66 Botswana
67 Zimbabwe
68 Lesotho
69 Eswatini
70 Madagascar

99 Papua New Guinea
100 Solomon Islands
101 Vanuatu
102 Fiji
103 Samoa

CFC MISSION

To contribute to poverty alleviation by strengthening the income-generating capacity of commodity producers and mitigating risks to their economic well-being.

CFC VISION

To strengthen and diversify the commodity sector in developing countries and transform it into a major contributor to poverty alleviation and sustained economic growth and development.

CFC – Driving sustainable development through commodities

From the bread on your table and the cotton in your shirt, to the copper and lithium in your smartphone, commodities are part of the fabric of our daily lives. But for centuries the rewards that come from producing and trading commodities have not been shared equally. The Common Fund for Commodities (CFC) was founded to change this.

Addressing the needs of commodity-dependent countries is in everyone's interests[1]. These countries, often characterised by their heavy reliance on the export of primary commodities, face significant challenges due to the volatile nature of commodity markets. This volatility can lead to sudden and severe economic downturns, impacting the welfare and development prospects of these nations. The inherent instability associated with commodity dependence exposes these countries to risks such as sharp reductions or reversals in capital inflows, often referred to as 'sudden stops', which can have profound negative effects on their economies. Moreover, the reliance on a narrow range of exports makes it difficult for these countries to achieve diversified and resilient economies, further entrenching them in a cycle of poverty and underdevelopment[2], and undermining the global economic development.

The international community has a vested interest in supporting commodity-dependent countries in overcoming these challenges. By addressing the structural impediments to sustainable development in commodity-dependent countries, the international community can help unlock the potential for economic growth, poverty reduction, and sustainable development, aligning with the United Nations' Sustainable Development Goals[3]. This requires a concerted effort to provide financial support, investment, and knowledge transfer, enabling these countries to develop competitive advantages in sectors beyond their traditional commodity-based industries[4].

Our work is driven by the principle that commodity production, processing and trade should bring equitable benefits to everyone who contributes to the products that are part of our daily lives. In practice, we strive to deliver positive economic, social and environmental outcomes to all, particularly vulnerable communities in commodity-dependent developing countries (CDDCs).

CFC and commodity dependence

According to UNCTAD, a country is commodity-export dependent when more than 60% of its total merchandise exports are commodities. The organisation's State of Commodity Dependence 2023 report[5], notes that the number of commodity-dependent countries has remained unchanged at 101 in recent years. The vast majority are developing countries; 95 out 142 developing countries were commodity dependent, much of their populations remaining poor and vulnerable.

This dependency is symptomatic of the economic vulnerability of these nations and it highlights the difficulties in diversifying their economies away from primary commodities towards more competitive sectors. The CFC has been actively addressing these challenges by investing in initiatives aimed at alleviating poverty and promoting sustainable development in least developed countries (LDCs) and landlocked developing countries (LLDCs) as special priority vulnerable groups. The CFC's commitment to these efforts is evident in its strategic investments and collaborations within the United Nations system and beyond, focusing on enhancing the agricultural commodity value chain through accessible financing and private enterprise engagement[6].

[1] https://www.weforum.org/agenda/2019/05/why-commodity-dependence-is-bad-news-for-all-of-us/
[2] https://press.un.org/en/2023/gaef3589.doc.htm
[3] https://unctad.org/publication/state-commodity-dependence-2023
[4] https://common-fund.org/cfc-invests-ease-commodity-dependence-least-developed-countries
[5] https://unctad.org/publication/state-commodity-dependence-2023
[6] https://www.un.org/ohrlls/sites/www.un.org.ohrlls/files/cfc-2022.pdf

The CFC's approach to reducing the vulnerability of CDDCs, LDCs and LLDCs involves supporting smallholder farmers and small and medium enterprises (SMEs) to add value and increase productivity. By focusing on climate resilience and gender equality, the CFC aims to tackle the root causes of poverty and dependency in these regions. This strategy is aligned with the broader goals of the United Nations, particularly in fostering economic diversification and addressing capacity constraints to shield LDCs from socioeconomic, health and environmental shocks. Through targeted investments and partnerships, the CFC is making significant strides in transforming the commodity sector, thereby contributing to the sustainable development and resilience of the world's most vulnerable economies.

The CFC has been actively contributing to the implementation of both the Doha Programme of Action and the Vienna Programme of Action, which are critical frameworks aimed at supporting LDCs, LLDCs and small island developing states (SIDS). The CFC's mandate to support sustainable development in CDDCs is directly aligned with the objectives of these programmes. Through its investments and project financing, the CFC has been instrumental in promoting structural economic transformation within these vulnerable economies.

Overwhelming demand for CFC financing

The CFC keeps pushing the limits of its internal financing capacity. During 2022-2023, the CFC received 746 project proposals requiring a total of USD 665 million for implementation. While 33 projects have been approved with a funding allocation of USD 30 million, this represents less than five percent of the proposals submitted. Consequently, the CFC is calling for a resumption of voluntary contributions by member states, in alignment with the UNCTAD IV resolution on 93 (IV) Integrated Programme of Commodities, which established the framework for the CFC.

In order to meet our overwhelming demand, the CFC has been working for the formulation of a new fund-the Agricultural Commodity Transformation Fund (ACT Fund) for the past two years. The fund is now ready and CFC is actively pursuing potential funders-both form public and private-to invest for CFC 's unique portfolios that go directly into the grassroots of the commodity producing developing countries. For more details about our ACT Fund (see page 25) and be a part of the impact that you could help implemented to alleviate more people from poverty.

With our unique portfolio diversity and size, there are hardly any international financial organisations that can match us in terms of deeper impact at the grassroot. CFC goes in places and in communities that others find difficult or unwilling to get into. With our base in the innovation rich the Netherlands, we have also been working to bridge the gap between the global North and the South through technology and innovation transfer.

Recent events have underscored the transformative impact of the CFC's initiatives. A side event at the Governing Council of the CFC (see page 75) showcased several CFC-supported projects, including those in the coffee, macadamia and handicrafts sectors, alongside crucial infrastructural developments. These projects highlight the critical support provided by the CFC to enhance the viability and resilience of commodity producers in developing countries. These efforts are central to the CFC's mission to generate sustainable development impacts.
In upcoming sessions, attendees will have the opportunity to hear from beneficiaries who have directly experienced the positive changes brought about by the CFC's work.

CFC for food security

As the global population continues to surge, with median projections reaching 10 billion by 2050 and 11.2 billion by 2100, the challenge of ensuring adequate food supply intensifies. This demographic expansion necessitates a significant increase in global food production, by as much as 70%, to prevent potential shortages and sustain the growing number of inhabitants. The CFC plays a pivotal role in addressing these concerns, focusing on enhancing agricultural productivity and sustainability. By investing in innovative agricultural practices and technologies, the CFC aims to boost food production efficiently and sustainably, ensuring that the Earth's resources are utilised judiciously to support its burgeoning population. This approach not only aims to meet the immediate food needs but also considers the long-term implications of agricultural practices on the planet's health and capacity to provide for future generations.

In its mission to combat food insecurity, the CFC aligns its efforts with several of the United Nations' Sustainable Development Goals (SDGs), particularly targeting SDG 1 (No Poverty), SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), SDG 10 (Reduced Inequalities), SDG 12 (Responsible Consumption and Production), and SDG 13 (Climate Action). By focusing on these areas, the CFC not only contributes to increasing the global food supply but also ensures that its initiatives promote social equity, economic development, and environmental sustainability. Investments are carefully selected to empower communities, particularly in developing countries, by providing them with the tools, knowledge and resources needed to improve agricultural productivity, adapt to climate change, and achieve food security. Through these targeted investments, the CFC is making significant strides towards a future where food is accessible and abundant for all, irrespective of the challenges

The Organization of the Common Fund for Commodities

Establishment and Membership

The Common Fund for Commodities (CFC) is an autonomous intergovernmental financial institution, focusing on impact investment, within the framework of the United Nations. The Agreement Establishing the CFC was negotiated in the United Nations Conference on Trade and Development (UNCTAD) from 1964 to 1980 and came into effect in 1989. Financing for the first development project was approved in 1991.

The Common Fund for Commodities is a partnership of 101 member states and nine institutional members. Membership of the Fund is open to all states that are members of the United Nations and its specialised agencies, the International Atomic Energy Agency, and intergovernmental organisations that focus on regional economic integration and have expertise in our areas of operation.

Governing Bodies

The governing bodies of the Fund are its Governing Council and the Executive Board. The Managing Director is the Chief Executive Officer of the Fund. The Executive Board is advised by a Consultative Committee, composed of nine independent experts, on technical and economic aspects of proposals submitted to the Fund. The Governing Council meets annually, and the Executive Board and Consultative Committee twice a year.

Headquarters

The CFC is based in Amsterdam, the Netherlands.

posed by a growing global population and the limitations of our planet's resources.

CFC makes contributing to Climate Action a priority

The CFC is acutely aware of the intricate link between the production and trade of commodities and the global challenge of climate change. As the world grapples with the urgent need to transition away from fossil fuels, the CFC is intensifying its efforts to support renewable energy initiatives in developing countries. This commitment is in direct alignment with the United Nations' Sustainable Development Goal 13, which calls for urgent action to combat climate change and its impacts. By increasing investments in businesses that are innovating in the field of renewable energy and sustainable practices, the CFC is playing a crucial role in facilitating a greener, more sustainable future.

Commodities, while being a primary source of income for many nations, can also lead to environmental degradation and social inequality if not managed sustainably. The CFC recognises that the drive to produce more can often lead to a surplus that depresses market prices and strains natural resources. This unsustainable approach can hinder long-term development and exacerbate the 'resource curse', where countries with abundant natural resources experience stagnant economic growth and social challenges. The CFC's mission is to transform this dynamic by ensuring that the entire commodity value chain, from production and processing to trade, is equitable and beneficial for all stakeholders, particularly smallholder farmers and local communities.

The CFC's investments are tailored to the unique strategies and developmental needs of each country and region in which it operates. Sustainable development, a multifaceted concept, requires a nuanced approach, and the CFC's strategies reflect this complexity. The cornerstone of the CFC's investment philosophy is to enhance food security, financial stability, and market access for smallholder farmers, who are responsible for a significant portion of food production in Africa and Asia. These farmers often live on the margins, with their livelihoods hanging in the balance.

To mitigate the challenges faced by these critical players in the agricultural sector, the CFC provides financial backing to innovative projects that promise to deliver positive change. These projects aim to increase production, improve market connectivity, and boost incomes for smallholder farmers and SMEs involved in the commodity sector. Through impact financing at the grassroots level, the CFC empowers these stakeholders to adopt sustainable practices that not only raise their standard of living but also contribute to the global fight against climate change. In doing so, the CFC is not only investing in the present but is also sowing the seeds for a more resilient and environmentally conscious future for commodity-dependent economies.

Our core activities

Acting as an impact investor, we support communities that rely on the commodities sector and are most exposed to its risks. We are based in the Netherlands, where we can harness innovation to help agri-SMEs and smallholder farmers in CDDCs, LDCs and LLDCs thrive.

We offer financing up to USD 2 million[7], which SMEs submit proposals for. This bottom-up strategy ensures our investments are targeted to their needs and those of their local communities, while preserving the environment and creating stronger value chains.

We also manage technical assistance facilities for other impact investors operating in areas connected to our mission. This collaborative and knowledge sharing approach enables us to extend our support to more SMEs and smallholder farmers in more countries.

Investing to make a difference

The CFC works with various partners across the public and private sectors, development institutions, and civil society, to support and invest in commodity value chains. Our aim is to use the commodity production, processing, manufacturing and trading sectors to improve the lives of the economically disadvantaged.

We fund organisations and initiatives that:

1. **Promote innovation:** We look for innovative projects that tap into new commodity market opportunities. These should drive economic growth, create jobs, boost household incomes, reduce poverty and improve food security.
2. **Offer scalability and sustainability:** We invest in projects that can be scaled up and replicated, and are financially sustainable.
3. **Deliver measurable benefits:** We support activities that have a clear, positive impact on both the social-economic and environmental aspects of the communities and regions involved in commodity value chains.
4. **Strengthen market connections:** We aim to enhance existing market links or develop new ones within the value chain.
5. **Improve financial services:** We increase access to financial and other support services for commodity producers and businesses.
6. **Enhance knowledge and information sharing:** We promote the sharing of knowledge and information across the industry.
7. **Foster effective collaboration:** We help build efficient and cost-effective partnerships among producers, industry, governments, civil society and other stakeholders working to enhance development through commodities.
8. **Connect producers with consumers:** Using technology, we bridge the gap between modern consumers and smallholder farmers. This approach, which we call 'walking back along the value chain', directly benefits the smallholders who are essential to our food supply.

[7] Exceptions are possible based on the impact outcome of the investment.

Key Areas of Support

We offer comprehensive technical and financial assistance throughout the entire value chain – from production to consumption – covering local to international markets. Here are key focus areas where we provide support:

- Enhancing production, improving productivity and ensuring quality
- Advancing processing techniques and adding value to products
- Differentiating products to stand out in the market
- Promoting diversification to expand market reach
- Boosting marketing efforts
- Transferring and upgrading technology, fostering innovation
- Implementing measures to reduce risks in physical marketing and trading
- Assisting with trade finance
- Managing risks such as price fluctuations and weather volatility
- Increasing awareness of tackling commodity dependence
- Providing technical assistance

Investment with Impact

Our investments are aimed at sustainability and creating significant developmental impacts, aligned with the SDGs. We primarily provide financial support through loans, which may include working capital and trade finance. On occasion, we consider equity investments, quasi-equity, lines of credit and guarantees. We also offer limited grants to qualified organisations to initiate new strategic activities or enhance existing projects with capacity building and technical support.

Funding for our activities comes from voluntary donations, capital given by member countries, and the interest we earn on our investments. The greater the support from our member states, the more resources we have to help reduce commod-

Photo: CFC consultative committee. CFC

ity dependence and combat poverty, contributing to a more equitable and thriving global community.

Partnering up to grow our impact

A critical aspect of the CFC's success in achieving its mandate lies in its collaboration with a diverse range of partners who operate within commodity value chains. These partners include small business operators, SMEs, cooperatives, producer organisations, governments, international organisations, and other development partners from both private and public sectors.

Our partners are carefully selected based on their proven track record in commodity development and their ability to invest in the value chain to either reduce transaction costs or increase revenues for producers, processors, storage facilities or marketing entities. This ensures that the interventions are not only impactful but also sustainable in the long term. Moreover, these partners are expected to have a clear plan focusing on developing and/or diversifying their production or services, as well as expanding their markets at the local, national, regional and international levels. This broad market approach is crucial for the scalability and replicability of the projects, thereby maximising their impact.

The technical, managerial and financial capacity of the CFC's partners is also a key consideration. This ensures that activities are implemented effectively and efficiently, leading to measurable positive socio-economic and environmental impacts on the stakeholders in commodity value chains. By including social, economic and environmental aspects in their scope of work, the CFC and its partners address the multifaceted challenges faced by commodity producers and contribute to every element of sustainable development.

Furthermore, the CFC's partners are aligned with the Fund's values, including internationally recognised principles concerning human rights, labour standards, the environment and anti-corruption. This alignment ensures that projects not only contribute to economic growth but also to the improvement of living standards and the protection of the environment.

Collaboration with these partners allows the CFC to extend its core activities and create additional opportunities for everyone involved in the commodity value chain. By leveraging the expertise, resources and networks of its partners, the CFC can implement innovative commodity development financial interventions aimed at improving structural conditions, enhancing sustainability in commodity value chain activities, and promoting value addition. This collaborative approach is instrumental in achieving the CFC's aim to realise the potential of commodity production, processing, manufacturing and trade for the benefit of the poor, thereby making a significant contribution towards the SDGs.

CFC **staff**

Photo: Tashfia Mubtasim, CFC

From left to right, Ernesto Daza Lacouture and Vicente Mejia with Clearpath Coffee suppliers Rodrigo Sanchez and Elkin Guzman

II

II.1 Unlocking the potential of **Colombian coffee smallholders**

From the moment it was founded in 2016, Clearpath Coffee's overriding goal was to improve the lives and livelihoods of coffee farming families in Colombia.

"It may sound a little romantic, but the initial idea was to create a positive impact through business," says Founder and Managing Director Vicente Mejia from his home in Medellín.

The region of Huila where the company's coffee is grown, had struggled for years with violence and the prevalence of illegal agriculture. But based on his experience in international agricultural product sales, Vicente identified an opportunity to support farmers to build a more prosperous and peaceful future.
"I was working for a brokerage firm importing crops such as corn, beans and lentils into Colombia from the United States, Argentina and Brazil. It was a successful business, but I wanted to use my knowledge to boost the local economy and create greater returns for farmers in the value chain through exports."

Photos: El Puente processing facility

Driven by this purpose, he identified a huge international market for the kind of high-quality coffee that Colombia excels in, but farmers rarely benefit from. Before working with Clearpath many farmers struggled to access those markets and, if they did, they rarely achieved the price their crop deserved.

CFC Investment Manager Ernesto Daza Lacouture, who guided our financing of Clearpath, explains: "They help farmers understand the value of, and benefit from, the quality of their product. Whereas previously they may have sold it at the standard market price, Clearpath ensures they achieve the premiums their coffee merits and can build viable long-term businesses."

The company has developed an innovative model to help farmers take advantage of the quality of their coffee, which scores 84 or more on the cupping scale and is therefore regarded as a speciality product.

Vicente describes the model 'co-exporting'. In practice this means coffee farmers become partners in the export side of the business. "We buy their coffee for the market price and then pass on the premium once we sell it as a speciality coffee, which generates an additional income of between 25% to 35%. We provide 100% transparency for the farmer in terms of who our client is, how much they're paying us, the costs of our operations and how much we're paying them. It also gives farmers insights into the exporting process and what international buyers are looking for," says Vicente.

On the client side, Vicente and his team use their experience in international sales to provide the best service possible. "We make everything as easy as possible for the client. From providing samples to giving clear information about where the coffee comes from."

As brands look to strengthen their socially and environmentally sustainable credentials, the ability to connect consumers to the origins of a product through this kind of traceability is an increasingly sought after capability. The combination of quality, transparency and exceptional service has opened the door to numerous international buyers, including Ally Coffee which imports its beans into the United States and the European Union.

'We aim to be the best partner that coffee farmers can find in the marketplace.'

More significantly, Clearpath is enhancing the prospects of coffee farmers in the Huila region and making it an attractive career option for younger generations. The business currently works with around 1,000 coffee farming smallholder families, and Vicente picks out two stories that highlight the transformative impact it is having. "Elkin Guzman and Rodrigo Sanchez are well known producers, growing high quality coffee, but when we met them they were struggling. The way they were selling wasn't allowing them to develop relationships with roasters and the marketplace outside Colombia. This meant they weren't capturing the economic value of their product. Working with us has transformed their farms, they've bought more land, adopted advanced processing techniques, employed more people and improved their quality of life."

Alongside connecting farmers to more profitable markets, Vicente is committed to helping them add value to their crops and retain the additional income that generates. Clearpath is actively involved in initiatives that provide training, equipment and resources to farmers who would otherwise struggle to afford them.

For example, the company was a commercial partner in the government-funded Productive Alliances for Peace initiative from 2020 to 2023. Small groups of producers facing difficulties associated with violence and illegal plantations, were supported to buy farming equipment, while companies including Clearpath provided a secure buyer paying a premium price. The project enabled communities to build coffee storage warehouses and cupping labs, and buy mechanical driers to support the vital drying process.

Similarly, El Puente is an ongoing initiative that supports 240 coffee farming families in Huila by giving them access to a processing hub. El Puente translates as The Bridge, which represents both a physical footbridge across a nearby river that connects farmers to post-harvest processing facilities, and the connection the project provides to international markets.

Farmers bring their cherry crop so it can be efficiently dried and stored, minimising defects or a reduction in quality. The initiative is also leading the way in developing and teaching fermentation techniques, which infuses coffee with flavours to meet a growing global demand. "We pay producers for cherry as if it is already dry parchment ready to sell, so they receive a premium for their product without having to process it or market it themselves. They can also develop skills which they can take back and apply to their own farms," explains Vicente.

Looking ahead, Vicente wants to deepen Clearpath's relationship with its network of growers and continue improving their livelihoods. The CFC's investment of USD 1 million over five years will provide the cashflow to drive this and support Clearpath's growth.

The company currently has annual revenues of USD 7 million which Vicente aims to increase by 25%. He hopes this will involve replicating Clearpath's innovative co-exporting model in other areas of Colombia, since only around 15% of Colombian coffee crops are exported as speciality coffee.

One thing won't change says Vicente: "We aim to be the best partner that coffee farmers can find in the marketplace." As he noted earlier, it's a romantic vision, but plenty of successful romances have started over a good cup of coffee.

Photo: El Puente processing facility

Beans drying in the El Puente Coffee processing facility

Photo: Organic Africa

II.2 Embracing organic opportunities to **drive local development in Zimbabwe**

When Organic Africa's Chief Executive, Dominikus Collenberg, founded the company in Zimbabwe in 2007, his initial objective was to prove the positive impact a small enterprise could have on vulnerable local communities.

That goal has been well and truly achieved. Leaning on his experience in organic farming, Dominikus has created a business that now works with 4,500 smallholder farmers and 7,000 wild collectors, boosting their incomes by 40% on average. And he's not stopping there. "From the very start our intention was to always have a positive social, environmental and economic impact," he explains on a video call from Organic Africa's HQ in Harare. Key to this is focussing on commodities that are in high demand internationally and could be processed locally.

'From the very start our intention was to always have a positive social, environmental and economic impact.'

"We decided only to produce things that could be distilled, pressed, dried or sorted so that more of the value created stays in the local area. We have processing centres in rural areas, often in some of the poorest places in Zimbabwe."

The wider economic activity these centres stimulate is often transformative says Dominikus, who has seen struggling villages grow into more economically diverse and prosperous places, because of the jobs and raised incomes they provide.

The centres process commodities such as rosella, which is used as an ingredient in health drinks and foods, and for skincare products. Organic Africa introduced rosella to Zimbabwe in 2011 and it has become one of its core products. Rosella is relatively new to the country, which has given Organic Africa the opportunity to work with its farmer suppliers to ensure the crop is harvested, dried and packaged in a way that meets organic certification standards, opening the door to more lucrative markets.

Part of the company's success is its eye for opportunities like this, and the ability to match what can be grown in specific areas of Zimbabwe with undersupplied international markets.

Another example is stinging nettles used for herbal teas, says Dominikus. As rates of production have dropped in Eastern Europe, Organic Africa has enabled farmers in Zimbabwe to fill the gap. The company also harvests and processes African bird's-eye chillies, not for hot sauces or homemade curries, but for a medical products manufacturer which uses them to generate the heat in heat plasters. "Because we can produce chillies to a cer-

Photo: Organic Africa

tain specification without using additional chemicals they meet European legislation for medical applications," says Dominikus.

The demand for these kinds of high-quality products means large international buyers are willing to enter into long-term agreements with Organic Africa to secure the supply they need. In turn, Organic Africa provides its smallholder farmers and wild collectors with the economic security that is so often lacking in vulnerable regions.

In practice this delivers two transformative benefits, says Dominikus: "Number one, a family who works with us earns 40% more cash income than those that don't. Number two, we offer them a contract to the end of the next season, so they know what they will be earning in a year's time, rather than going to market and finding the price is depressed. In a country which suffers from price volatility, this provides the certainty they need to build their lives on."

To ensure new crops can be viably grown in local conditions the company runs test trials, it also has a training centre where lead farmers can develop organic growing techniques and skills. Here they are introduced to the numerous crops Organic Africa processes, taught how to cultivate them and shown how to use the company's traceability app. They then share this information with other farmers in their area who supply Organic Africa.

The CFC's investment of USD 850,000 over five years, will help Organic Africa expand its positive impact even further. CFC Impact Investment Manager Peter Nielsen, who has worked closely with Organic Africa to organise the funding, says: "The company has a very attractive impact model which achieves both social and environmental impact. Sustainably grown high-value herbs, spices and indigenous medicinal plants provide valuable cash income for smallholders and farm workers while reducing the pressure on agricultural land caused by other crops grown with more extensive and high-input techniques. At the same time, Organic Africa's work on sensitising its suppliers and stakeholder communities to the financial value of preserving ecosystems is a real boon to biodiversity, climate, and the livelihoods that ultimately depend on them."

Dominikus now has a new objective for Organic Africa – to reach a total of 25,000 smallholders and collectors within four years, boosting the additional income they receive even further from 40% to 50%. The CFC funding will also support the company to scale-up its sustainability initiatives. These include creating biochar fertilizer from baobab tree fruit shells, drilling bore holes so that people can access drinking water without the need to boil it and developing tree nurseries to ensure future generations continue to benefit from their harvest.

Most importantly, behind the impressive numbers and plans are people whose lives are being changed for the better. And that's what truly drives Dominikus: "I recently gave a lift to a farmer in a rural area where we grow rosella. He said to me: 'I just want to let you know how thankful we are for what you are doing here.' How often do you get that in your job?" As Organic Africa expands, he is likely to be hearing it even more often.

See Page 53 for information about CFC support for the project "Organic Africa Holdings, Herbs, Spices, Zimbabwe, (CFC-2022-20-0257)"

Photo: Organic Africa

II.3 ACT Fund update

Investing in **SMEs** at the heart of **agricultural transformation**

ACT is a USD 100 million impact fund that will invest in SMEs in developing countries at the nexus of smallholder livelihoods, biodiversity and climate action. ACT will unlock the potential of agri-SMEs to create income and climate resilience at scale while preserving natural capital. ACT will:

- **Provide value chain finance to high-potential SMEs**, bridging the gap between smallholders and markets;
- Build on CFC's **three decades of track record in agri-SME impact investing and technical assistance management** across 20+ countries in Africa, Latin America and Asia;
- Offer assurance for **capital preservation and impact-aligned financial returns** backed by **USD 20 million first-loss commitment** from CFC as cornerstone investor;
- Offer **USD 10 million in Technical Assistance** to accelerate impact in climate-resilience and biodiversity while de-risking the portfolio by enhancing operational capacity of investees.

Photo: Adobe stock

The opportunity

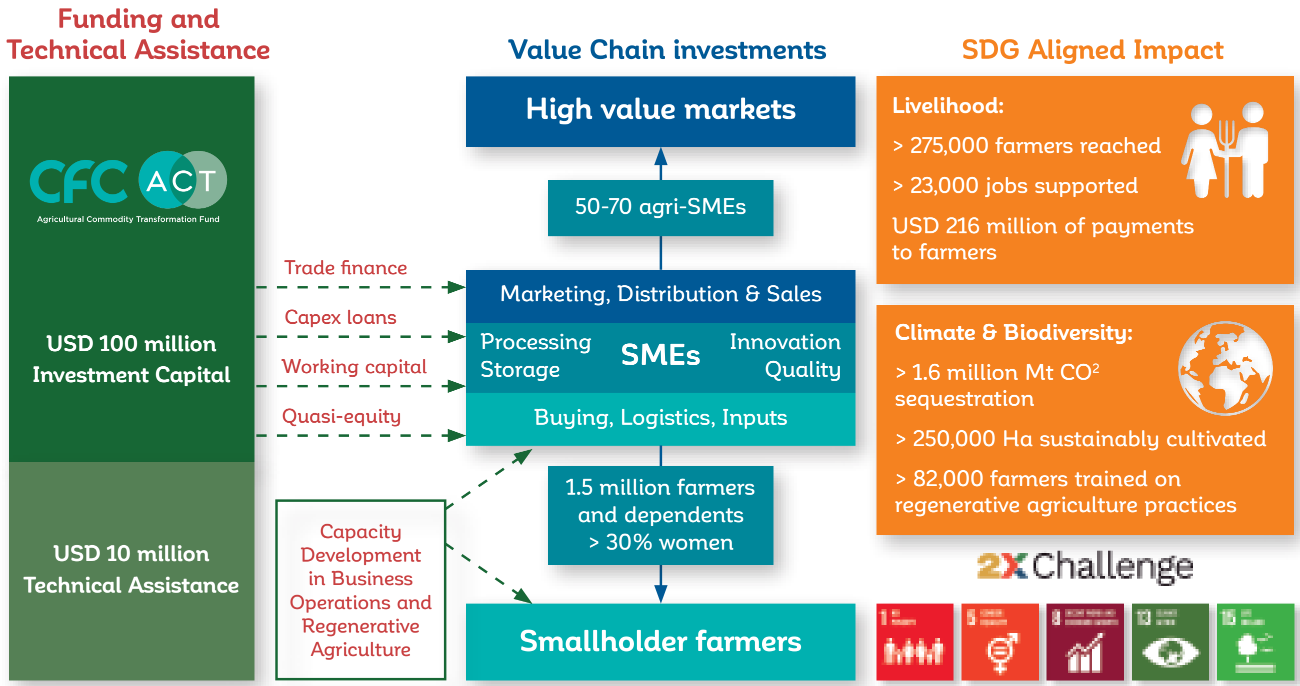
Small and Medium-sized Enterprises (SMEs) in developing countries play a critical role in linking small farmers to high-value markets. However, these agri-SMEs face challenges to fulfill this role due to a lack of capital and knowledge. This limits their ability to invest in expansion and productivity improvement, increasing incomes and creating jobs needed, often being the only formal employers in rural areas.

ACT Fund investments will drive profitability, enhance incomes and strengthen resilience in times of global market volatility. They will also drive the transition to climate-resilient **regenerative agriculture** and focus on providing liquidity (the single biggest barrier to growth) to high potential agricultural SMEs.

ACT's combined offering of short-term liquidity, long-term investment capital and technical assistance unlocks the potential of agri-SMEs to be the backbone of rural economies and ultimate drivers of positive change in agricultural value chains.

Inclusive regenerative agriculture is at the heart of ACT's transformative investment thesis. It drives economic, environmental and social impact. It offers a holistic approach to farming which not only regenerates soil health but also revitalizes local communities and enhances positive effects on biodiversity conservation.

ACT will build upon the CFC's three decades of experience financing commodity value chains, backed by its commitment to contribute USD 20 million in first-loss capital and offering expertise in Impact Investment and Technical Assistance management. ACT will have direct access to CFC's proprietary and established deal flow which includes more than 400 loan requests per year.



Investment model

ACT will deliver an attractive balance of impact and returns to investors offering returns ranging between 1%-5%, coupled with high levels of verifiable impact. ACT will invest in established SMEs with annual revenues of over USD 1m through a range of short and long-term loans. This will primarily be in the form of trade finance, working capital and Capex loans, but ACT will also deploy smaller amounts of quasi-equity. The portfolio will be supported by **USD 20 million of first-loss capital** committed by the CFC, de-risking investments in ACT and demonstrating CFC's strong commitment as sponsor and advisor to the fund.

Track record

CFC combines a strong track record of directly financing agri-SMEs along with the management of dedicated technical assistance facilities for over three decades. CFC has been originating, executing and managing trade finance and Capex loans since 2014. Prior to this, since 1989, CFC developed over 500 commodity value chain projects in Africa, Asia and Latin America.

- **Trade finance** is crucial but is rarely available for agri-SMEs. It bridges the gap between paying farmers at harvest time and the moment payments from exports are made by international buyers. Typically an unsecured one-year loan backed by the strength of the commercial agreement and credit worthiness of the investee's customers, renewable up to five years.
- **Working capital loans** provide flexibility in the timing and use of funds, vital for boosting the often unpredictable cashflows of SMEs. Offered as a revolving credit facility with a one-year loan renewable up to five years.
- **Capex loans** to finance capital investments for expansion and enhanced value addition (e.g., for processing equipment). These will be structured to cover the build- up phase with a reasonable repayment period. Typically a term loan with a tenor of up to five years including a grace period of one year.
- **Quasi-equity and convertible loans** will be deployed to mature SMEs with low-risk profiles, offering medium term investment capital with an upside to investors.
- **Technical Assistance** of initially USD 10 million will be raised alongside ACT to maximize the return on impact through innovative, targeted TA that is beneficiary led and co-funded. This will include carbon mapping of our investees' primary process, leading to mitigation approaches and the establishment of regenerative agricultural practices for SME suppliers and smallholders.

Impact Investment

Since pivoting to direct impact investing, CFC successfully executed 50 loans with a total value of USD 52 million.

The borrowers operate in a wide variety of commodities, ranging from staple crops such as sorghum to commercial crops such as coffee and cocoa. With these loans CFC impacted the lives of 400,000 people in countries across Africa, Asia and Latin America. Aside from this, ACT Fund will build upon CFC's extensive experience as an LP investor in leading agriculture and biodiversity impact funds.

Technical Assistance

CFC's in-house TA expert team currently manages TA facilities totaling USD 14 million for several leading agri- and biodiversity impact funds. The team has managed over 100 projects ranging from designing outgrower schemes around climate-smart practices for smallholders to the implementation of business improvement practices for investee SMEs.

ACT's Fund Management team:

The ACT team is already in place and includes the required skills and experience.

- Michaël van den Berg – **ACT Investment Director**. Michaël comes with two decades of experience in impact investing and financial management with a focus on mobilizing, managing and deploying funds in food and agriculture across Africa, Asia and Latin America.
- Peter Nielsen – **Investment Manager and Carbon Specialist**. Peter has a strong track record in agribusiness investing and carbon economics.
- Ernesto Daza-Lacouture – **Investment Manager**. Ernesto has an extensive background in circular business models, innovative finance and social enterprise investments in Latin America and Africa.
- Eva Johansson – **TA Manager**. Eva leads the CFC TA Team managing TA facilities. Before joining CFC she built up a wide experience of managing complex programs for USAID and Sida.
- Hector Besong – **Risk Manager**. Hector is a seasoned investment and risk management expert. Prior to joining CFC he has worked for over a decade in corporate risk management and project finance.

Access to specialist knowledge:

A range of in-house expertise at the CFC will provide ACT with access to specialists in cross-commodity issues including climate finance, carbon markets and supply chain management as well as broader management support. They include:

- Nicolaus Cromme – **Chief Operations Officer**. Nicolaus is CFC's investment and TA team director. Nicolaus has 23 years of investment experience with KfW and the CFC.
- Michele Schwarz – **Head of Accounting & Administration**. Michele has over 20 years of experience in financial administration in private and public financing institutions.
- Tia Sudjarwo – **Treasury & Back Office Specialist**. Tia has 25 years of treasury experience and is an ACAMS certified associate in KYC/CDD.
- Annemarie den Tex – **Head of Legal affairs**. Annemarie oversees all legal affairs at CFC and its investment portfolios. She comes with an extensive background in corporate law practice.

SDG-aligned impact is at the centre of ACT

ACT is classified as dark green in alignment with Article 9 of the Sustainable Finance Disclosures Regulation (SFDR), combining impact with securing a financial return on investments. ACT targets investments that contribute to the United Nations' Sustainable Development Goal (SDG) #1 No poverty, SDG #5 Gender equality, SDG #8 Decent work and economic growth, SDG #13 Climate action and SDG #15 Life on Land.

Sustainability risks management

The CFC's Social and Environmental risk Management System (SEMS) was co-designed with the International Labour Organization (ILO). ACT will use SEMS to identify and manage social and environmental risks associated with an investment prior to a transaction and during the lifetime of the investment.

Impact assessment

Each investment will be benchmarked against key indicators at the beginning and end of each investment, with a bespoke approach for investee companies, financial institutions, traders and processors. In addition, investee companies will report their impact on an annual basis to identify areas for impact growth during the investment period and to continually mitigate risks.

Photo: Tea Picker, Sri Lanka. Adobe stock

The Fund in numbers

The ACT Fund will be an AIF registered in the Netherlands, issuing Notes, Mezzanine and Junior shares to investors.

Act Fund Mission	Act Fund Indicators	Act Fund Targets*
Catalyse financing to agri-SMEs chains to create income, increase climate resilience and have positive effects on biodiversity	Funds Employed	USD 100 million investment finance + USD 10m in technical assistance
	Income improvement	USD 216 million of farmer payments supported
	Climate adaptation	1.6 million Mt CO_2 sequestered and > 80,000 farmers trained in regenerative agriculture practices
	Biodiversity	275,000 Ha under regenerative agricultural and forest-preservation practices
Improving livelihoods	Farmer livelihood	> 275,000 farmers reached; > 30% women
	Employment	> 23,000 formal jobs supported; > 30% women
Capital proposition for investors	Return On Capital	Return targets ranging between 1%-5% with carefully managed downside risk
	First-loss Provision	USD 20 million from CFC (sponsor/General Partner)
SME and farmer capacity building	Technical Assistance Employed	USD 10 million of TA to ACT investees; TA Facility structured separate and alongside of the ACT Fund

Impact targets are provisional and calculated at a fund level of USD 100 million

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III

Humanising value chains through the **power of digital innovation**

Photo: Cocoa plantation. Adobe stock

At the CFC we are continually searching for effective ways to improve the lives of smallholder farmers, this includes supporting digital innovation that enables them to earn more from the commodities they grow and/or services they provide.

We believe digitising value chains has huge potential to address some of the stubborn challenges that smallholders continue to face, by connecting them to the growing conscious consumer market.

A commodity value chain encompasses the journey from farmer to consumer, including processors, traders and retailers. At each stage value is added until it reaches the consumer. Innovation can play its part in humanising value chains, so they prioritise the wellbeing of every person involved from production to consumption. This includes treating workers fairly, promoting diversity and inclusion, minimising environmental impact and, critically, enabling smallholder farmers to retain more of the value created along this journey.

It's vital we take decisive steps towards humanising value chains so that smallholder farmers can overcome barriers to prosperity. Economic, political and climate-related disruption in recent years have highlighted just how vulnerable smallholders are to price volatility. In addition, there continues to be a huge disparity between the farm gate price farmers receive and the final price of the products their commodities make.

This is true across numerous commodities, but I have picked out three sectors in which the issue is particularly severe and where digital innovation could make a difference.

Cocoa

Chocolate is a huge industry and a profitable one for many brands. Cocoa recently hit highs of more than 12,000 USD per metric ton[1] on the New York exchange, which is 12 USD per kilo. But it's not so lucrative for farmers in Ghana or Côte d'Ivoire who earn around 2.50 USD per kilo for their cocoa beans.

[1] https://tradingeconomics.com/commodity/cocoa (accessed on April 28, 2024)

A study by the Wageningen University & Research (WUR)[2] and Mondelēz International also showed that nearly 75% of smallholder cocoa farmers in Ghana and Côte d'Ivoire do not earn a living income. One third of those farmers are not expected to overcome poverty without support. The study suggests additional income of around 10 billion USD per year is required for all farmers to earn a living income. This amount is more than three times the total 2018 cocoa export earnings for Ghana and Côte d'Ivoire.

Coffee

The livelihoods of twenty-five million households depend on the production of coffee. It is a global drink that influences the economic and cultural histories of so many countries. But few consumers understand how it is produced and the lack of fairness in the process. From a 2.50 GBP latte in a London café, just one penny[3] gets back to coffee farmers.

On a national level, this has profound consequences. The Financial Times reported[4] that producing countries retain less than 10 per cent of the retail value of coffee, in an industry valued at between 200bn USD and 500bn USD annually! According to the World Intellectual Property Organization most of that value is retained by big businesses in the global north. The same applies to commodities such as tea, cashew, sesame and macadamia.

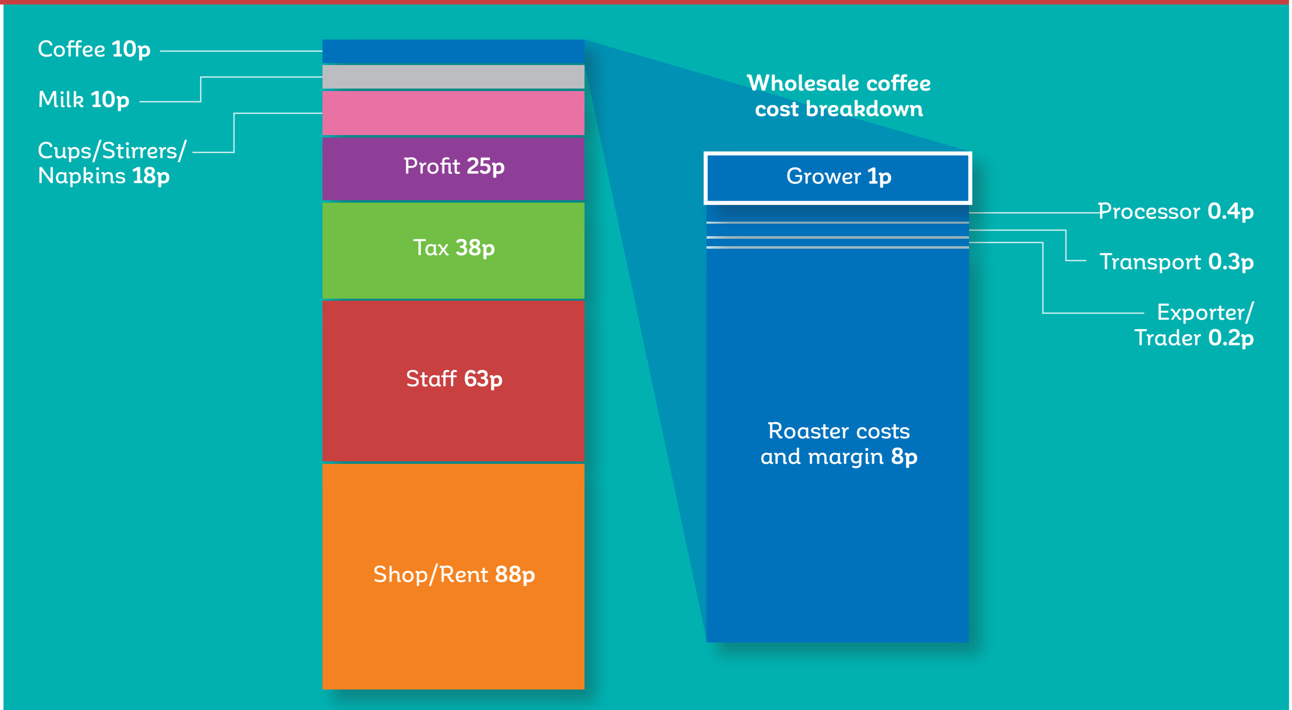
Clothes

The situation doesn't improve as you move from raw commodities to semi-processed ones. Take the case of garment workers, who struggle on extremely low wages. It's easy to blame the owners of the factories they work in, but we need to look at the entire value chain from the fashion brands to the textile workers and cotton farmers.

In an industry that generates 2.5tn USD it should be possible to provide a living income for everyone in the value chain. It takes the average CEO of a fashion business just 28 minutes to amass the amount a Bangladeshi garment worker earns on average in a year[6], that's why we need to turn to boardrooms in London, Paris, Rome and New York for solutions first.

Farmers get a fraction of the money you spend on your morning coffee[5]

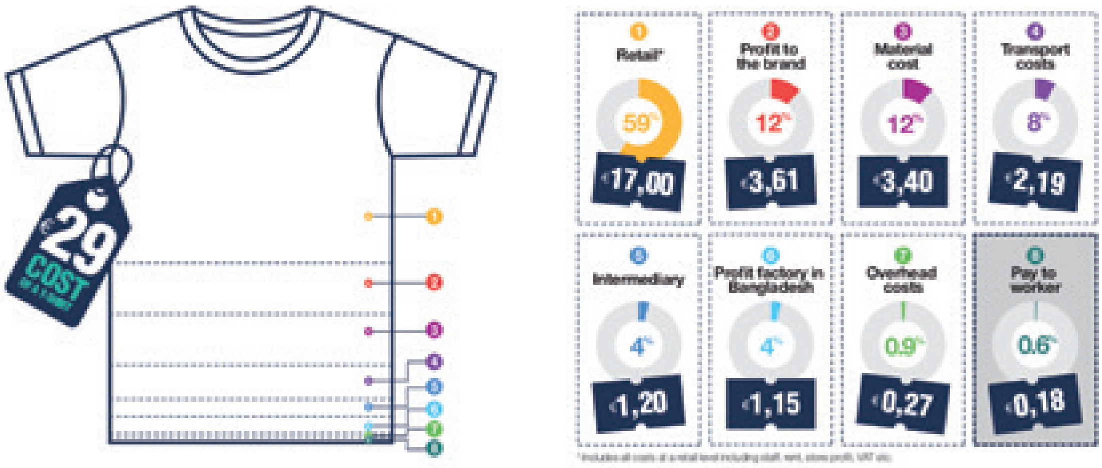
Cost breakdown for a £2.5 cup of coffee*



**May not add up to total due to rounding*
Sources: Allegra Strategies; International Trade Centre; FT calculations; ©FT

[2] Living income in cocoa – WUR. (https://www.wur.nl/en/newsarticle/living-income-in-cocoa.htm) (Accessed on 07, 2022)
[3] From bean to cup, what goes into the cost of your coffee? | Financial Times (ft.com) (Accessed on June 06, 2022)
[4] Have we reached peak coffee? The Financial Times, 17 August 2023. (Accessed on September 17, 2023)
[5] From bean to cup, what goes into the cost of your coffee? | Financial Times (ft.com) (Accessed on June 06, 2022)
[6] https://tansyhoskins.org/bangladesh/ (accessed on 17 February 2024)

Breakdown of costs of a t-shirt



Source: Clean Cloth Campaigns

Empowering consumers and smallholders with technology

Reducing these kinds of disparities is central to our work. As I noted above, one way to achieve this is by humanising value chains – connecting consumers with the people who work hard to produce the chocolate bars, lattes and t-shirts they take for granted. Increasingly consumers want to buy products that are produced sustainably from both an environmental and social perspective, this includes paying people fairly.

Rapidly developing technologies such as blockchain and AI have a key part to play by channeling more of the money we pay for products and services to reach smallholder farmers and workers. Digital traceability tools equip consumers with knowledge about the origins of products, who made them and how. The same technology could also give consumers the option to tip farmers, just as they tip delivery workers, cab drivers and waiters[7].

Clear guardrails need to be set to ensure the money reaches farmers and support provided to help them manage it effectively and safely. If harnessed effectively, technology has the power to create an emotional and financial connection between consumers and famers on different sides of the world, enabling consumers to invest directly in boosting the livelihoods of impoverished smallholders.

Leading brands have a crucial role. By adopting technological advances and prioritising the farmers they rely on, they can provide value-chain insights to consumers while protecting farmers from the whims of the market.

Farmers are in a uniquely vulnerable position in the value chain. They do not determine the price of their goods and have little power to adjust it if their costs of production rise or their harvest falters. Conversely, if a trader suddenly increases their wholesale price, the retailer has the option to raise menu or item prices. If a brand is told by their importer to expect a cost increase, the brand has the option to raise prices for their wholesale customers.

Alongside providing traceability and value chain insights for brands, smart tools can help farmers minimise costs, enhance production processes, predict yields and prepare for approaching challenges, which also strengthens their position when it comes to negotiating prices.

We are at a pivotal moment, as advancing tech capabilities converge with an increasingly influential conscious consumer market. Bringing these elements together has the potential to unlock significant benefits for smallholder farmers and workers.

For more ethically-minded younger generations, habits such as digital tipping are already a part of life, extending this to farmers/workers in an accountable and transparent way isn't a huge leap for them. The financial firepower of millennials and gen Z is also set to grow substantially[8] as baby boomer wealth is passed on, which means they'll have greater resources to contribute to ethical and sustainable value chains.

Beyond the financial benefits for smallholders, technology also supports human connections. When consumers can see who is

[7] In the US food industry alone, Azar (2011) estimates that annual tips reach $47 billion. The Treasury Inspector for Tax Administration (2018) estimated a total of $44 billion of individual tip income in 2006 in the United States (including unreported tips, and not only in the food industry). Ref: The Economics of Tipping by Ofer H. Azar, Journal of Economic Perspectives, Vol.34, No.2, Spring 2020. (pp.215-36).

[8] Boomers, Gen X, Gen Y, Gen Z, and Gen A explained By Kasasa | 07/06/2021 (https://www.kasasa.com/exchange/articles/generations/gen-x-gen-y-gen-z) (Accessed on 07 June 2022)

Humanizing Coffee value chain using Innovations

3 Billion cups of coffee consumed per day worldwide
Produced by ***25 million*** farmers

Increase in price (cents)

	1¢	1¢ 1¢	1¢ 1¢ 1¢	1¢ 1¢ 1¢ 1¢	1¢ 1¢ 1¢ 1¢ 1¢
Yield	$30,000,000	$60,000,000	$90,000,000	$120,000,000	$150,000,000
Farmer/day	$1.20	$2.40	$3.60	$4.80	$6.00
Farmer/month	$36	$72	$108	$144	$180
Farmer/year	$432	$864	$1,296	$1,728	$2,160

toiling to grow the crops that go into their morning coffees and afternoon snacks, they are more likely to make buying decisions and support initiatives that benefit those people.

It is vital these technologies and habits are embedded now, as the intelligence revolution accelerates and the potential of generative AI to transform economies begins to be realised. If smallholders are left behind, as they so often are, inequality will grow rather than recede. However, if innovation is truly shaped around their needs, we can create a fairer, more balanced system in which all sides win.

Small steps, big impact

As an example of the positive impact tech could have on smallholder incomes, I want to turn back to coffee. As I mentioned earlier, there are around 25 million coffee farming households, many farmers exist on less than 2 USD a day according to Fairtrade.

Yet every day the world drinks about three billion cups of coffee. This is an imbalance we need to correct. If each consumer paid just one cent extra, in the form of a digital thank you to those who grew the beans that made the coffee, we could generate 30 million USD per day for smallholders. Split between 25 million smallholder households, it would bring in $1.20 per day, $36 per month or $432 per year. That's enough to lift many above the poverty line.

This is a simple example that is, perhaps, easier said than done, but it shows the potential to radically improve lives by linking consumers to farmers using digital innovation. It's an approach that can also play its part in driving solutions to the climate crisis and addressing social injustices, by creating connected, global movements for change.

In an uncertain and unstable world, it is critical that business and society work together to 'do well by doing good'. We are constantly seeking to collaborate with innovative businesses and entities that can help smallholders access the benefits of technology, so we can humanise value chains and build a more prosperous future for all. At a time, when new generation of conscious consumers are not only willing, indeed eager, to 'do well by doing good', the idea of humanizing the value chains is worth your serious consideration.

To discuss how we could work together, contact us on managing.director@common-fund.org

Author: Sheikh Mohammed Belal, Managing Director, Common Fund for Commodities (CFC)

Photo: Coffee tree. Adobe stock

IV

IV.1 Report on progress of **projects under implementation**

Whether natural resources are a blessing or a curse depends on how a country uses and manages them. The Common Fund for Commodities (CFC) is mandated to make use of a country's commodities in ways that will bring income and prosperity for its people and the planet. CFC works to bring more income and productivity for the smallholders through a nexus between smallholders and the SMEs (small and medium enterprises) to localize the development through alleviation of poverty. In doing so, we try to provide priority to countries where poverty is widespread as are in LDCs (Least Developed Countries) and Landlocked Developing Countries (LLDCs).

CFC implements projects in partnership with governments, international organisations, and other development partners from both private and public sectors. These partnerships support commodity development measures and actions that promote and accelerate the development, expansion, and modernisation of commodity sectors so that elements of commodity dependence can be addressed.

A country is considered to be commodity dependent when more than 60 per cent of its total merchandise exports are composed of commodities. Given that commodity dependence can have a negative impact on a country's economic development, it is important to monitor the evolution of such dependence in countries throughout the world.

The CFC supports innovative commodity development financial interventions aimed at improving the structural conditions in markets and at enhancing the long-term competitiveness and prospects of particular commodities *inter alia* including:

- increasing earnings to sustain real incomes;
- enhancing sustainability in commodity value chain activities;
- promoting value addition and enhance the competitive position of marginalized participants in the value chain;
- contributing to enhancing food security; and
- promoting production, productivity, trade, quality, transfer and use of technology and diversification in the commodity sector.

The CFC exercises due attention to the fact that agriculture is a place-based activity and the strategies that reflects the local innovation clusters need to be acknowledged and factored in. As price takers, smallholders remain vulnerable to the fluctuation of the market and thereby making our job even harder.

Commitments, financing and disbursements

The operational guidelines of the Common Fund were originally adopted under the Agreement Establishing the Common Fund for Commodities and entered into force in 1989. They remained in force until 31st December 2012. Under these operational guidelines, the Fund approved financing for 217 Regular projects, plus a further 150 Fast Track projects, totalling 367 projects, with an overall cost of USD 606.5 million. The Fund financed USD 247.4 million of this total (excluding cancelled projects)*. CFC financing accounts for about 40% of the overall project cost. The balance of the project costs was co-financed by other institutions and by counterpart contributions, either in cash and/or in kind (USD 359 million or about 60%), provided by the Project Executing Agencies, collaborating institutions, governments, or International Commodity Bodies (ICBs). Financing of projects by the Common Fund under the original operational guidelines comprises USD 233.4 million in grants (96%) and USD 13.9 million (4%) in loans*.

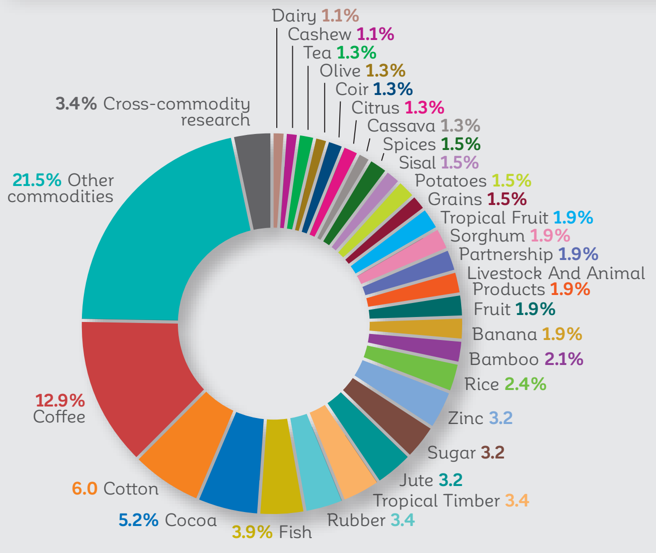
Recognizing the new challenges and opportunities facing the CFC Member Countries, led to adoption of the reform package of the CFC, including updated operational guidelines which became effective on 1 January 2013. Under the new operational guidelines, the Fund currently has 73 Regular projects plus a further 26 Fast Track projects, (a total of 99 projects) at various stages of preparation and implementation, with an overall cost of USD 421.4 million. In addition, the Fund is participating in 9 Investment Funds with Equity and partnership financing, which together have the total assets under management of USD 723 million. Of the total project cost of USD 421.4 million, CFC contribution totals USD 83 million or about 20%*. The balance was paid as co-financing and/or counterpart contribution by the proponents under the new operational guidelines. The Fund financing comprise of USD 79.1 million in loans/equity etc. (95%) and USD 3.9 million in grants (5%)[1].

According to the Fund's audited statements, the direct project related disbursements in 2023 (unaudited) stood at USD 0.17 million as grant and USD 9.92 million as loan/equity etc. (for both Capital Account and Operations Account)[2]. Special efforts are in place to streamline the components of the Agreements between the Fund and the Recipient of resources to reduce the delays between the approval of project and commencement of actual implementation on the ground and more of these efforts will be in place in 2023.

The CFC has funded projects addressing over 70 different commodity products, in partnership with investment funds and equity investors. The commodities funded include abaca,

Distribution of Project per Commodity

as of 31 December 2023*



Total number of commodities reported – 70 commodities (excluding research and miscellaneous others)

arachis, bamboo and rattan, bananas, cashews, cassava, castor seeds, citrus, cocoa, coconuts, coffee, coir, copper, cotton, fish, fonio, groundnuts, gum arabic, hides and skins, jute, lead, maize, meat and livestock, medicinal herbs and plants, olives, palm oil, paprika, potatoes, rice, natural rubber, shea nuts, sisal, sorghum and millet, soybean, cane sugar, tea, timber, tropical fruits, spices, and zinc. Most of these are produced almost entirely in developing countries and in partnership with investment funds, among which are the Africa Agriculture & Trade Investment Fund (AATIF), African Agriculture SME Fund, EcoEnterprises Fund, Moringa Agroforestry Fund, SME Impact Fund, and agRIF Cooperatief U.A.

CFC-supported Regular Projects by Type

The types of projects have been reclassified following the reform of the CFC in 2014, reflecting a greater emphasis on public-private sector cooperation. The focus is on the commodity value chain, and to monitor its integration into various related activities, the CFC classifies its funded projects into the following categories. The table below presents the classification of 66 regular projects at various stages of implementation or in the preparatory phase.

As of 31 December 2023, a total of 223 regular projects had been financially closed. The financial resources recovered from

[1] As reported to the 35th Meeting of the Governing Council (CFC/GC/35/4)
[2] For the year ending 31 December 2023

completed CFC grants/loans projects are returned to the pool of Second Account resources or the First Account Net Earning Initiative once the project account is closed and are available to finance new projects.

Participation of Private Sector: Private companies provide social, technical, commercial, and financial contributions to projects funded by the CFC, driving greater innovation. Furthermore, to promote and assess the developmental impact, replicability, and sustainability of project results, both within and across countries, relevant private companies are required to document, report, and communicate their findings. This includes both operational and financial performance, as well as the impacts achieved. In the past, over 150 private firms have shared the results of their CFC projects at dissemination workshops, whilst many other operating companies are actively involved in recording, establishing, and maintaining consistent and systematic reporting of impact in projects or interventions that receive CFC financial support. The private sector's interest in technical cooperation with CFC projects is growing daily. Proposals from the private sector seeking finance for specific commodity development activities are also on the rise.

CFC works with the UN agencies: As an organization born out of the UNCTAD (UN Trade and Development) process, CFC always remain engaged with UNCTAD, the United Nations Industrial Development Organization (UNIDO), Food and Agricultural Organization (FAO), the UN High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS) Office of Special Adviser on Africa (OSAA), UN Department of Economic and Social Affairs (UN DESA) etc. Our aim is to identify and implement innovative measures to enable the sustainable contribution of the commodity sector to economic development, including ways to reduce vulnerability to volatility in commodity prices, as well as to enhance activities in developing countries to improve access to markets.

CFC for innovation: With our base in the innovation rich the Netherlands, It is natural that CFC will endeavour to act as a bridge between the developing and the developed world to transfer technology and innovations. It is expected that a good number of portfolios are enriched by Dutch/European entrepreneurs and businesses, which we wish to present as an example of win-win enterprises in our quest to create agripreneurs in the developing world. Countries in the developing world face significant technological challenges, but they also have increased access to a larger pool of scientific and technical knowledge than was previously available. CFC endeavours to take advantage of this innovation and scientific knowledge as it explores local innovations as well as indigenous knowledge.

Overall, the state of commodity dependence remains as sticky, if not more, as it was years ago. As per latest UNCTAD report on commodity dependency 2023, between 2019 and 2021, only 12% of advanced economies were on the list, compared to a staggering 74% of the world's least developed countries. A total of twenty-nine out of the thirty-two nations classified as having low human development in 2021 were commodity dependent, according to the UN's Human Development Index. This gloomy update not only makes a strong case for the continuity of the CFC, it also makes a much stronger case for significant enlargement of CFC's impact and reach.

Distribution of regular projects by value chain*

*Since 2013

IV.2 Operational & completed projects in 2023

	EB Meeting	Project Title	Country(ies)/Area Involed	Page
Year 2013				
1	EB55	Commercial Farm Development, Ethiopia – CFC/2012/01/0030	Ethiopia	39
2	EB61	Commercial Farm Development, Ethiopia – CFC/2012/01/0030 FT	Ethiopia	39
3	EB55	SME Agribusiness Development in East Africa – CFC/2012/01/0076 FA	Tanzania, Kenya, Rwanda, Burundi, Malawi, Zambia	39
4	EB55	Partnership with the Africa Agriculture & Trade Invest. Fund – CFC/2012/01/0268 FA	Africa	40
5	EB56	Commercial Meat Processing/Marketing in Lagos – CFC/2013/02/0042 FT	Nigeria	40
6	EB56	Partnership with the Africa Agriculture SME Fund – CFC/2013/02/0084 FA	Africa	40
7	EB56	Partnership with the EcoEnterprise II Fund – CFC/2013/02/0085	Latin America	41
8	EB56	Partnership with the Moringa Agro/forestry Fund – CFC/2013/02/0086 FA	Africa; Latin America	41
Year 2014				
9	EB57	Rural Injini Inclusive Maize Trading and Processing – CFC/2013/03/0120	Uganda	41
10	EB58	Modern processing Prosopis Charcoal & Animal Feeds – CFC/2014/04/0107 FT	Kenya	42
Year 2015				
11	EB59	Scaling Smallholders based Premium Coffee Production – CFC/2014/05/0079	Congo	42
12	EB59	Scaling Smallholders based Premium Coffee, Congo & Rwanda – CFC/2014/05/0079 FT	Congo; Rwanda	42
13	EB60	Tolaro Global Factory Expansion #2 ('Cashew Benin') – CFC/2015/06/0032	Benin	42
Year 2016				
14	EB61	Intensified Livelihoods Improvement and Environmental Conservation through Social Business Activities (Natural Fertilizer, Myanmar) – CFC/2015/07/0020 FT	Myanmar	43
15	EB61	Accelerating Lending to Food & Agri sector in East Africa Supply Chain Financing – CFC/2015/07/0028	Kenya, Uganda	43
16	EB61	Irrigated Perfumed Rice, Senegal – CFC/2015/07/0030	Senegal	43
17	EB61	Upscaling the Integrated production Oilseeds/Oil Seeds, Nigeria – CFC/2015/07/0032	Nigeria	44
18	EB61	Commerical Farm, Uganda (Kapanua Project) – CFC/2015/07/0078	Uganda	44
19	EB62	Start-up of Innovative Agriculture Finance Company for Cocoa, Philippines – CFC/2016/08/0064	Philippines	44
Year 2017				
20	EB63	agRIF Cooperatief U.A., The Netherlands – CFC/2016/09/0089	The Netherlands	45
21	EB63	Acquisition of a processing plant for the aquaculture sector, Peru – CFC/2016/09/0122	Peru	45
22	EB63	Africa Food Security Fund, Ghana – CFC/2016/09/0124	Ghana	45
23	EB64	EcoEnterprises Fund III – CFC/2017/10/0066	Latin America	46
24	EB64	Formulation and fertilizer distribution for smallholder farmers, Côte d'Ivoire – CFC/2017/10/0111	Côte d'Ivoire	46
Year 2018				
25	EB65	Integrated Lime Production in Bahia, Brazil – CFC/2017/11/0005	Brazil	46
26	EB66	Expanding the Vanilla Value Chain, Tanzania – CFC/2018/12/0066	Tanzania	47

Completed

Operational Projects as of 2023 under the old rule

	EB Meeting	Project Title	Country(ies)/Area Involed
1	EB12	Reviving Banana Cultivation – Guinea – CFC/FIGB/04	Guinea

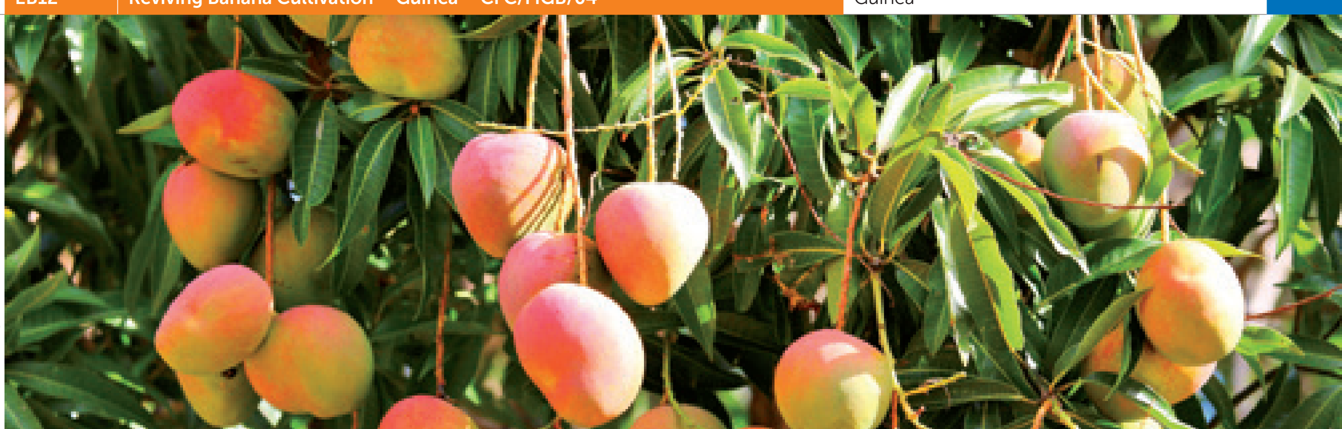


Photo: Mango tree. Adobe stock

Photo: Cowpeas, Guinea Bissau. © FAO/Eva Gilliam

Photo: Zimbabwe © FAO / Giulia Calcagnini

IV.3 **Active projects** in 2023

1 and 2. Commercial Farm Development in Central and Northern Ethiopia – CFC/2012/01/0030 and CFC/2013/01/0030 FT

Submitting Institution	Solagrow plc.
Location	Ethiopia (LDC)
Commodity	Potatoes and others
Total Cost	USD 6,255,000
CFC Financing	USD 1,100,000 (loan, of which USD 750,000 financed by the Dutch Trust Fund) USD 120,000 Liquidity support under Fast Track
Counterpart Contribution	USD 5,155,000

Project Description

Solagrow provides seed potatoes supplemented by seeds from other crops and mechanization services to organized outgrowers and other small farmers. The company works together with the Ethiopian Institute of Agricultural Research (IAR) for new potato varieties and technologies. In addition, the company produces quality food crops for local and export markets on its own nucleus farms, thereby integrating Ethiopian smallholder farmers through the provision of inputs, cropping technology and market access.

The CFC supports Solagrow in equipping further nucleus farms with machinery and equipment. It is anticipated that 1,600 new jobs will be created, and 2,500 new farmers will be involved on around 3,000 ha of land. Further, the company expects to offer its services to another 25,000 farmers around its farms.

3. SME Agribusiness Development in East Africa – CFC/2012/01/0076 FA

Submitting Institution	MatchMaker Fund Management (MMFM)
Location	Burundi, Kenya, Malawi, Rwanda, Tanzania, Zambia
Commodity	Miscellaneous
Total Cost	Euro 10,000,000
CFC Financing	USD 520,000 (Loan – First Account Net Earnings Initiative (FANEI))
Co-financing	Balance to be sourced from other consortium partners

Project Description

The SME Impact Fund (SIF) provides meso-level financing to SMEs in agribusiness in East Africa. SIF provides financing as loans, from USD 65,000 to USD 650,000, with an average loan size of USD 200,000. SIF provides financing for SMEs in local currency, at competitive rates.

Project partners are currently Dutch NGOs like Hivos and Cordaid, and private investors including MatchMaker Associates (MMA). The CFC holds a permanent position on the fund Advisory Committee.

The fund has now completed its investment period and will be divesting in the coming years. However, through the investments, SIF has reached 28,824 smallholder farmers and supported 4,377 jobs. SIF estimates that it has supported the livelihood of 150,165 beneficiaries through its investments according to the most recent impact figures available.

4. Partnership with the Africa Agriculture and Trade Investment Fund (AATIF) – CFC/2012/01/0268 FA

Submitting Institution	Africa Agriculture and Trade Investment Fund (AATIF)
Location	Africa
Commodity	Miscellaneous
Total Cost (Target Fund Size)	N/A (Evergreen Fund)
CFC Financing	USD 2,000,000 (Equity – First Account)
Co-financing	Main other current investors are the EU, KFW and Deutsche Bank. The associated grant based Technical Assistance (TA) Facility is being financed by the German Ministry for Development Cooperation and Economic Development (BMZ)

Project Description
The Africa Agriculture and Trade Investment Fund (AATIF) is an innovative public-private partnership dedicated to realising the potential of Africa's agricultural production and related manufacturing, service provision and trade through sustainable investments across the entire value chain. AATIF investments foster agricultural value chain enhancement and is complemented through a TA Facility that provides grant funding for projects to strengthen the developmental aspects of individual investments. This TA Facility is managed by the CFC under a service agreement.

AATIF was established in 2012 and thus far the TA Facility develops an average of eleven TA projects per year with project budgets ranging from EUR 6,000 to EUR 500,000. The TA Facility is providing support to investee companies that focus on enhancing direct impact beyond the company itself, specifically targeting lower-income communities. This type of TA support assists AATIF investee companies to create local economic opportunities and employment, for example through the establishment of a smallholder farmer outgrower scheme. The TA Facility also supports investee companies with advisory and technical support that improve business operations and efficiency, as well as capacity development of staff.

Since inception, the CFC, as the AATIF TAF Manager, has developed 116 TA projects in seventeen countries across Africa and Latin America.

5. Commercial Meat Processing/Marketing in Lagos – CFC/2013/02/0042 FT

Submitting Institution	ESOSA Investments Ltd.
Location	Nigeria
Commodity	Livestock
Total Cost	USD 250,000
CFC Financing	USD 120,000 (Zero interest loan)

Project Description
ESOSA Investments Ltd. is a small-scale meat processor operating in Lagos, Nigeria. In 2015, the CFC provided a USD 120,000 loan to support ESOSA in (i) acquiring additional processing equipment, (ii) increasing its profit and product diversification by introducing a range of new snacks, pastries etc., and (iii) strengthening its local supply chains by providing 100 pig farmers with improved breeds and training in improved animal husbandry.

The intervention is expected to create new employment opportunities for about 500 farmhands while the Fulani nomadic cattle herdsmen are also expected to benefit from the advantages of an enhanced commercial beef production.

6. Partnership with the Africa Agriculture SME Fund (AAF-SME) – CFC/2013/02/0084 FA

Submitting Institution	Africa Agriculture SME Fund (AAF-SME)
Location	Africa
Commodity	Miscellaneous
Total Cost (Target Fund Size)	USD 80,000,000
CFC Financing	USD 2,000,000 (Equity)
Co-financing	Other main investors: Agence Française de Développement (AFD), PROPARCO, Spanish Government (AECID) and African Development Bank (AfDB)

Project Description
The AAF-SME Fund is Africa's first Impact Investing Fund with a focus solely on food producing and processing Small and Medium-Size Enterprises (SMEs) throughout the continent. AAF-SME is being complemented through a Technical Assistance Facility (TAF) that provides grant funding with an emphasis on the establishment of out-grower schemes. The CFC joined the Fund on the second close in May 2014.

The fund has invested in eight different agricultural SMEs across Sub-Saharan Africa (SSA) that focus on different value chain segments, from mixed farming operations to organic fertilizer production. The proceeds are mainly used for follow-on investments for existing portfolio companies, till the fund is scheduled to close.

Through its investments, the AAF-SME fund has supported local employment and strengthened commercial relations of smallholders with AAF-SME funded companies, which source their raw materials for processing.

7. Partnership with the EcoEnterprises II Fund (EcoE II) – CFC/2013/02/0085 FA

Submitting Institution	EcoEnterprises Partners II L.P. (EcoE II)
Location	Latin America
Commodity	Miscellaneous
Total Cost (Target Fund Size)	USD 40,000,000
CFC Financing	USD 500,000 (Equity)
Co-financing	Main other investors: Dutch Development Financial Institution (FMO), Interamerican Development Bank (IADB) and European Investment Bank (EIB)

Project Description

The CFC joins the EcoE II fund to invest in small companies with a proven business model at expansion stage which are active in the sustainable agriculture and forestry (products) sector in Latin America. The targeted investee companies supply into a growing market for organic food products and certified wood predominantly in the US.

Since its first closure in 2011, the fund has disbursed in debt and equity investments across different portfolio companies, which are engaged in eco/organic niche products such as tea, juices, baby food and dried fruit. Overall, the fund has supported local employment and connected raw material smallholder suppliers. In addition, EcoE II's portfolio companies manage land in either a sustainable or conserved manner.

The fund has completed its investment cycle and is currently in the process of divesting.

8. Partnership with the Moringa Agroforestry Fund – CFC/2013/02/0086 FA

Submitting Institution	Moringa Agroforestry Fund S.C.R.
Location	Latin America/Africa
Commodity	Miscellaneous
Total Cost (Target Fund Size)	Euro 100,000,000
CFC Financing	USD 1,349,613 (Equity)
Co-financing	Main other current investors: FMO, PROPARCO, Spanish Government (AECID) and Latin American Development Bank (CAF)

Project Description

The CFC provides equity to the Moringa Agroforestry Fund (Moringa) which seeks to invest agroforestry projects in Africa and Latin America. These projects are expected to commercially compete with deforestation drivers such as cattle ranching, crop farming and timber harvesting. At the same time, Moringa investments are required to have a demonstrable positive impact on the environment and the livelihoods of local populations, while generate a clear positive impact on local populations and the environment. Moringa investments are complemented through a Technical Assistance (TA) Facility managed by the CFC.

Through its investments, Moringa targets a total of 8,000 new jobs created with an income effect on 35,000 dependents. In addition, about 60,000 out-growers are expected to be associated to commercial investments of Moringa, with a development impact on 340,000 dependents.

9. Rural Injini (Engine) Inclusive Maize Trading & Processing – CFC/2013/03/0120

Submitting Institution	Joseph Initiative Ltd. (JI)
Location	Uganda (LDC)
Commodity	Maize
Total Cost	USD 1,929,000
CFC Financing	USD 500,000 (Financed by the Dutch Trust Fund)

Project Description

The project aims to support Ugandan smallholder farmers to efficiently bulk and process maize to sell to regional wholesalers. Joseph Initiative Ltd. (JI) takes an integrated approach to trading, combining rural collection centres with village buying agents to collect maize in small quantities from remote farmers and making payments to them on the spot.

JI's business model concentrates on 'bottom of the pyramid' farmers producing 1 metric ton or less per year, as they are below the aggregation thresholds for commercial traders. A reliable market and access to inputs and finance will increase farmers' incomes. Inclusion of many producers, increasing productivity and potentially reducing the current 40% post-harvest losses could lead to substantial improvement in Uganda's food security.

Photo: Joseph Intitative

10. Modern Processing & Value Chain Development for Prosopis Charcoal and Nutritious Animal Feeds, Kenya – CFC/2014/04/0107 FT

Submitting Institution	Start!e Limited (Social Enterprise)
Location	Kenya
Commodity	Timber
Total Cost	USD 214,000
CFC Financing	USD 100,000 (Zero interest loan, financed from the Dutch Trust Fund)
Co-financing	USD 15,000
Start!e Limited (Contribution)	USD 99,000

Project Description

In 2014, Start!e Ltd presented a proposal to turn the unwanted spread of the tree *Prosopis Juliflora* in Kenya's semi-arid areas into an income opportunity for the affected communities by setting up value chains for sustainable charcoal animal feed from the Prosopis fruit pods.

The CFC support the initiative with a USD 100,000 loan disbursed in December 2014. The investment aims to: (i) enhance the collection of Prosopis; (ii) improve the carbonisation process; (iii) build customer relationships with a few, higher volume consumers and wholesalers; (iv) improve logistics; and (v) increase fundraising.

11 and 12. Scaling Smallholder based Premium Coffee Production in Congo and Rwanda – CFC/2014/05/0079 and CFC/2014/05/0079 FT

Submitting Institution	COOPAC Holding Ltd.
Location	Congo DRC (LDC), Rwanda (LDC)
Commodity	Coffee
Total Cost	USD 3,931,880
CFC Financing	USD 1,500,000 loan (of which USD 750,000 by the Dutch Trust Fund)
Counterpart Contribution	USD 2,194,660 – Root Capital; USD 87,220 – COOPAC Holding Ltd.

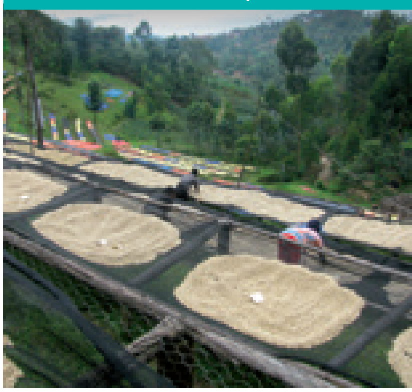


Photo: COOPAC

Project Description

COOPAC is an enterprise dealing in coffee production, processing, and export of premium specialty coffee. Founded in 2001 with 110 coffee farmers in the Gisenyi region in Rwanda, coffee beans are sourced from over 9,000 smallholder farmers in Rwanda and 7,000 in the Democratic Republic of the Congo (DRC). COOPAC is among the few Rwandan coffee suppliers benefiting from 3 major coffee production standards: Fairtrade (FLO), Organic, and Rainforest Alliance.

Financing from the CFC allows COOPAC to increase its wet coffee-washing capacity in the DRC, a critical technique in producing quality coffee, and by adding value through processing and certification. Part of the loan is used for working capital purchases to scale sourcing of its organic coffee from smallholders in both countries. With the goal of scaling coffee production up to 16,600 farmers by 2024, COOPAC hopes to create much-needed jobs and improve smallholders' yield and net income.

13. Tolaro Global Cashew Factory Expansion, Benin – CFC/2015/06/0032

Submitting Institution	Tolaro Global
Location	Parakou, Benin (LDC)
Commodity	Cashews
Total Cost	USD 5,464,000
CFC Financing	USD 1,500,000
Co-financing	Tolaro Global USD 464,637, other financiers USD 3,500,000

Project Description

Tolaro Global is the leading cashew processing company in Benin. Founded in 2010, the company processes and exports more than 3,500 metric tons (MT) of cashews to premium markets in Europe and the United States, with a value of almost USD 4 million. The company buys raw cashews from 7,000 smallholder farmers and employs more than 650 workers, thus creating significant economic impact in Benin.

The CFC is financing the company's expansion plans. The project entails the acquisition of equipment to increase the processing capacity of Tolaro from 3,500 MT in 2018 to 20,000 MT by 2023. The number of farmers delivering raw cashew nuts to Tolaro is expected to increase from 7,000 to 15,000 by 2023. The number of factory jobs is expected to increase from 650 to 1,500 over the same period.

14. Intensified Livelihoods Improvement and Environmental Conservation through Social Business Activities (Natural Fertilizer, Myanmar) – CFC/2015/07/0020 FT

Submitting Institution	**Swanyee Group of Company**
Location	**Myanmar (LDC)**
Commodity	**Fertilizer**
Total Cost	**USD 236,171**
CFC Financing	**USD 117,600 (Loan)**
Counterpart Contribution	**USD 118,571**

Project Description

There are many distributors of chemical fertilizers in Myanmar, but only a few of them are engaged in the supply of natural and bio fertilizers. The Swanyee Group is active in selling organic agricultural inputs mainly to smallholder farmers in Myanmar. It has a research department that has been experimenting with the production of natural fertilizers, in the form of vermiculture. The core of the project is to expand the current levels of vermiculture-based liquid and compost fertilizer. The project aims to demonstrate that organic fertilizers can be offered at lower costs than chemical fertilizers with effective social, economic, and environmental impact.

The development impact of the project is the reduction in fertilizer costs for farmers from USD 60/acre to below USD 50/acre.

15. Accelerating Lending to Food & Agri sector in East Africa Supply Chain Financing – CFC/2015/07/0028

Submitting Institution	**Financial Access Commerce and Trade Services (FACTS)**
Location	**Kenya, Uganda (LDC)**
Commodity	**Miscellaneous Commodities through Supply Chain**
Total Cost	**USD 7,000,000**[1]
CFC Financing	**USD 1,200,000 (of which USD 200,000 by Dutch Trust Fund)**
Counterpart Contribution	**USD 10,300,000**

Project Description

Factoring, as a form of supply chain finance, can play a critical role in injecting much-needed short term liquidity in value chains. The demand for factoring services, which support producers and traders to scale activities, however, remains largely unmet in many developing countries. Since 2015, FACTS has worked to counter this by servicing the factoring needs of SMEs in Kenya and Uganda. In 2018, the CFC and FACTS East Africa B.V. signed a USD 1,200,000 loan agreement to support and scale FACTS' impact on agricultural value chain participants. FACTS continued service to its portfolio of clients through the COVID-19 pandemic with the backing of shareholders and creditors.

16. Irrigated Perfumed Rice and Normal Rice Production in Thiagar, Senegal – CFC/2015/07/0030

Submitting Institution	**Coumba Nor Thiam (CNT)**
Location	**Senegal (LDC)**
Commodity	**Rice**
Total Cost	**Euro 3,150,000**
CFC Financing	**USD 1,459,800**
Counterpart Contribution	**USD 1,690,200**

Project Description

Coumba Nor Thiam (CNT) is the third largest rice processing company in Senegal, with 30 years' experience in the production and processing of normal and perfumed rice. Since 1987, CNT has been growing into a successful rice company, currently employing 2,500 outgrowers on 3,000 hectares (ha) of land and running a 500 ha own plantation in the Northern River Valley region. With a milling capacity of 120 ton/day, CNT is currently processing 15,000 ton/year of paddy rice.

CFC financing, part of which provided by the OPEC Fund for International Development (OFID), will be financing the purchases of farming and irrigation equipment, necessary for the upscaling of CNT's profitable rice milling business. After the investment, the company is expected to increase its processing capacity to 40,000 tons by 2025, while adding 500 smallholders to its outgrower network bringing the total to 3,000 farmers. In total 16 new processing jobs are expected to be created.

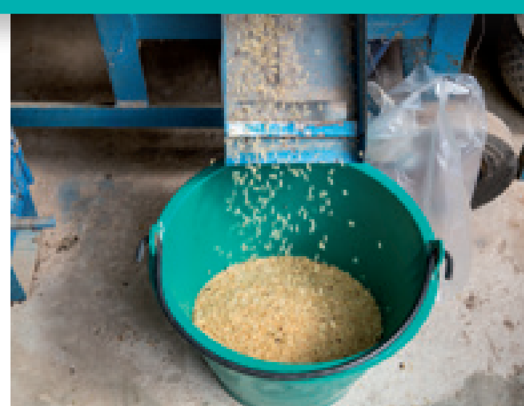


Photo: © FAO/Alisa Suwanrumpha

[1] Total Project cost is the outstanding factoring portfolio of the Company. In particular, since the CFC entered into a 9-month facility, the total project cost is considered for the outstanding factoring portfolio for the year 2019 only. The factoring portfolio for the year 2019 amounted to EUR 3.2 million.

17. Upscaling the Integrated Production and Processing of Selected Estranged Oilseeds, Nigeria – CFC/2015/07/0032

Submitting Institution	EFUGO Farms Nigeria Ltd.
Location	Nigeria
Commodity	Oilseeds
Total Cost	USD 3,893,500
CFC Financing	USD 1,500,000
Counterpart Contribution	USD 2,393,000

Project Description

Efugo Farms Limited (EFL), is an agro-industrial company producing various crop and livestock products, established in 1987 and based in Abuja, Nigeria. The company has focused on the production of edible oils (from groundnuts, soybeans, sesame) and non-edible oils (from castor beans, shea butter and neem seeds), responding to the high domestic demand for such products. Having already established a modern processing plant, Efugo sought financial support for the acquisition of crucial processing machinery and the procurement of seeds from smallholder farmers.

In line with Central Bank of Nigeria (CBN) financing, the CFC term loan provides Efugo with both the necessary working capital for its sourcing activities and the funds needed for its CAPEX expansion. In the lifecycle of this project, Efugo will engage with more than 20000 smallholder farmers, while creating 110 additional processing jobs and providing a significant income source to about 500 youth/women engaged in the harvesting of neem seeds and shea nuts.

18. Commercial Farm, Uganda (Kapanua Project) – Asili Farms Ltd., Uganda – CFC/2015/07/0078

Submitting Institution	Asili Farms Masindi Ltd.
Location	Uganda (LDC)
Commodity	Maize
Total Cost	USD 3,361,229
CFC Financing	USD 1,200,000
Counterpart Contribution	USD 2,161,299

Project Description

Asili Farms is a mechanized farming company that manages dual-season production of high-quality maize and soybeans for supply to regional food processors. Asili became operational in January 2014 and is farming under a conservation agriculture and precision farming approach to maximize yields. The ultimate strategic goal of Asili is to have commercial farming operations on around 6,500 ha. As part of the Agilis Partners Ltd. Holding, Asili Farms (AF) benefits from the guaranteed demand from the sister-company Joseph Initiative Limited (JI), also a borrower of a CFC loan), which is marketing Ugandan grains and pulses with extensive regional market access.

CFC resources are used to further expand commercial farm operations as well as to scale out Asili's engagement in training small-scale farmers in commercial maize and soya production.

19. Start-up of Innovative Agriculture Finance Company for Cocoa, Philippines – CFC/2016/08/0064

Submitting Institution	Kennemer Foods International Inc.
Location	Philippines
Commodity	Cocoa
Total Cost	USD 11,600,000
CFC Financing	USD 1,400,000
Counterpart Contribution	USD 10,200,000

Project Description

Kennemer Foods International, is an agribusiness company specialized in the production, processing, and trading of high-quality cocoa, sourced directly from smallholder farmers. Capitalizing on the knowledge and technology transfers, through its long-standing partnership with Mars, Kennemer sought to enhance its sourcing activities by enabling the plantation of new cacao trees, ensuring higher yields and better livelihoods for smallholders.

Nevertheless, access to finance remains a challenge for smallholder farmers in the Philippines, limiting their ability to undertake the essential investments for such an expansion. To alleviate this problem, Kennemer set up an affordable smallholder financing mechanism, through its subsidiary, Agronomika Finance Company.

Partnering with other impact investors, such as FMO, CFC provided the necessary funding for the operations of Agronomika. Smallholder beneficiaries are expected to improve their yield from 0.5MT/ha to 2MT/ha, increasing their average annual income from USD 625 to USD 3,750, while more than 50,000 hectares of new cacao trees will be planted.

20. agRIF Cooperatief U.A., Netherlands – CFC/2016/09/0089

Submitting Institution	agRIF Cooperatief U.A.
Location	Netherlands
Commodity	Partnership
Total Cost (Target Fund Size)	USD 200 million
CFC Financing	USD 1,000,000

Project Description
AgRIF is an impact investing fund that focusses on debt and equity investments into financial intermediaries who are active in, and have a clear commitment towards, financing the agricultural sector. The fund addresses the scarcity of financial services in developing countries and seeks to enhance financial inclusion in the agricultural value chain, with a focus on smallholder farmers and rural Micro, Small & Medium Sized Enterprises (SMEs).

AgRIF invests globally in countries classified as eligible by the Development Assistance Committee (DAC) of the OECD. While microfinance institutions are to be the major group of clients, agRIF will also invest in small banks, agricultural leasing companies and other financial intermediaries to the agricultural sector down to subsistence farmer level with individual loan size below USD 1,000. Up to 10% of its funds are allocated to debt financing of producer organizations and SMEs working in the agricultural value chains. agRIF is managed by Incofin Investment Management.

21. Acquisition of a processing plant for the aquaculture sector, Peru – CFC/2016/09/0122

Submitting Institution	Acuacultura Tecnica Integrada del Peru S.A. (ATISA)
Location	Peru
Commodity	Shrimp
Total Cost	USD 4,000,000
CFC Financing	USD 1,500,000 (Loan)
Co-financing	Acuacultura Tecnica Integrada del Peru S.A. (ATISA): USD 200,000 Owner: USD 1,850,000

Project Description
ATISA, is a shrimp aquaculture company located in Tumbes area, North Peru, led by a female entrepreneur who co-founded the business with her husband in 1997. Specialized in breeding, production, and distribution of premium shrimps, ATISA farms produces shrimps for both local and international markets and is recognised through its own brand called COOL!. ATISA is the first Peruvian company that obtained the GLOBALG.A.P. Aquaculture certification in 2016.

By investing in modern shrimp cultivation techniques and sustainable farming practices, the CFC supports ATISA's ambition to introduce organic shrimps and compliance with new social and environmental aquaculture certification standards. ATISA also intends to expand into shrimp processing to increase its offering of peeled shrimps, a high value product with less volatile commodity prices than unprocessed whole or headed shrimps.


Photo: © FAO/Giuseppe Bizzarri

22. Africa Food Security Fund, Ghana – CFC/2016/09/0124

Submitting Institution	Zebu Investment Partners
Location	Africa
Commodity	Partnership
Total Cost	USD 100 million
CFC Financing	USD 1,000,000 (Equity)

Project Description
The Africa Food Security Fund (AFSF) is an impact investing fund that seeks to invest in small and medium size businesses (SMEs) active along the agricultural value chains across Africa with a focus on Sub-Saharan Africa. The fund's investment mainly focuses on primary production, agricultural input, and service providers, as well as agro- and food- processing companies.

AFSF finished its second closure in 2020. The target capitalization has been set at USD 100 million and AFSF's lifetime is set for 10 years. The fund is the follow-up fund of the AAF-SME Fund that commenced its operations in 2014 of which CFC invested USD 2 million. Main partners are Zebu Investment Partners (ZIP, previously known as Databank Investment Partners) as AFSF Fund Manager, and CDC, DGGF, EIB, African AFDB, BOAD and BIDC as key institutional investors into AFSF.

23. EcoEnterprises Fund III – CFC/2017/10/0066

Submitting Institution	EcoEnterprises Fund
Location	Latin America
Commodity	Partnership
Total Cost (Target Fund Size)	USD 100,000,000
CFC Financing	USD 1,000,000

Project Description
The EcoEnterprises Fund III (EcoE III) is an impact investing fund that invests in Latin American SMEs which source raw material from collectors or smallholder farmers for value added processing. The target sectors are sustainable agriculture, agro-forestry, aquaculture, and wild-harvested forest products. EcoE III seeks to invest in growing companies that cater for increasing demands for organic food products and certified wood in the US.

The CFC has become a shareholder of EcoE III at its first closure in late 2018. EcoE III is expected to make 18 long-term investments, size between USD 2-6 million, within an average duration of 6-8 years. EcoE III aims at the creation of at least 5,000 jobs and to connect 25,000 small-scale producers.

24. Formulation and fertilizer distribution for smallholder farmers, Côte d'Ivoire – CFC/2017/10/0111

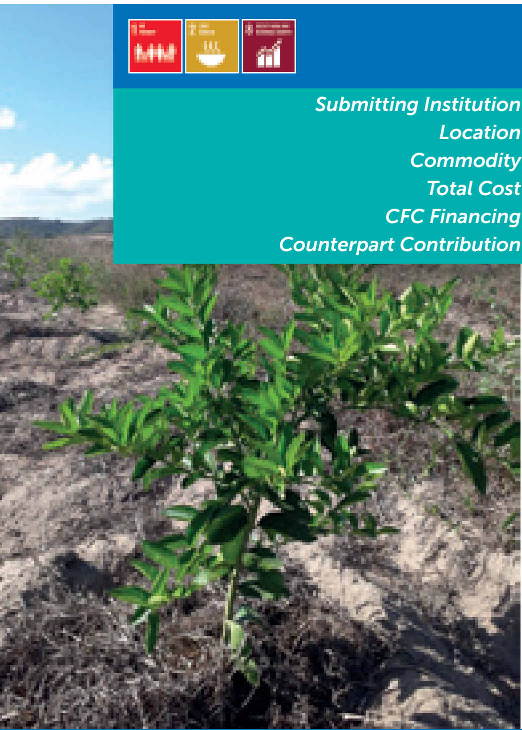
Submitting Institution	AGRITEC S.A.
Location	Côte d'Ivoire
Commodity	Fertilizer
Total Cost	Euro 2,003,000
CFC Financing	USD 1,100,000
Co-financing	Coris Bank: Euro 530,000
Counterpart contribution	Euro 530,000

Project Description
Founded in 2010, AGRITEC S.A. is a distributor of agricultural inputs (insecticides, herbicides, and fungicides) and equipment (irrigation and spraying systems), based in Abidjan. The company has established a network of 60 sales outlets reaching up to 300,000 farmers across the country, providing them with crucial products for the increase of their productivity. To improve access to fertilizers for smallholder farmers located in remote areas, AGRITEC sought to build a dry bulk fertilizer blending and packaging station in Yamoussoukro.

Partnering with Coris Bank, CFC provided a USD 1,100,000 loan, of which USD 350,000 is financed by the OPEC Fund for International Development (OFID). This will provide resources for capital expenditures associated with the factory building and the purchase of relevant equipment. The successful project completion is expected to create 120 new jobs, while it is estimated that smallholders' productivity, accessing AGRITEC's inputs, will increase by 38%, resulting in a significant increase of their incomes.

25. Integrated Lime Production in Bahia, Brazil – CFC/2017/11/0005

Submitting Institution	Jan Stap B.V.
Location	Brazil
Commodity	Citrus Fruits
Total Cost	Euro 2,375,000
CFC Financing	Euro 1,000,000
Counterpart Contribution	Euro 1,375,000



Project Description
In 2012, the Torres group established its production of Tahiti limes in the municipality of Pojuca, in Bahia State, Brazil. The group entered the production business with the goal to vertically integrate and control its supply chain to obtain the Fair Trade and Global Good Agricultural Practices (GAP) certification.

In December 2018, the CFC signed a loan agreement with the subsidiary Jan Stap B.V., to support the expansion of the group's sustainable lime plantation. While providing an environmental alternative to consumers in Europe, the plantation also contributes directly to local income generation and economic conclusion in one of the poorest municipalities of Brazil.

Photo: Lime plant. Torres

26. Expanding the Vanilla Value Chain, Tanzania – CFC/2018/12/0066

Submitting Institution	**Natural Extracts Industries Ltd.**
Location	**Tanzania**
Commodity	**Spices**
Total Cost	**USD 1,800,000**
CFC Financing	**USD 500,000 (Loan)**
Counterpart Contribution	**Other impact financiers USD 1,300,000**

Project Description
Natural Extracts Industries (NEI) is a for-profit social enterprise producing, processing, and exporting green vanilla into vanilla pods and extracts to international traders and retailers in the flavours industry. NEI has created a vertically integrated vanilla chain since 2011 by directly sourcing from 5,000 smallholder farmers. Its team of agronomists and field officers are assisting the farmers with trainings in good agricultural practices and other services throughout the full cycle from planting of the vines, pollination of the flowers to harvest of green vanilla. NEI has planted over 200,000 vines to date and using mobile-based technologies to reliably trace the quality and origin of vanilla on farmer level.

The CFC has extended a USD 500,000 working capital loan ensuring its farmers direct access to markets amid the challenges of COVID-19 and declining global vanilla prices. More than 5,000 farmers are expected to benefit from NEI's inclusive sourcing model over the facility's 5-year tenor.

27. East African Nuts & Oilseeds, Kenya – CFC/2018/12/0056

Submitting Institution	**Ten Senses Africa Ltd.**
Location	**Kenya**
Commodity	**Nuts**
Total Cost	**USD 4,200,000**
CFC Financing	**USD 1,500,000 (Loan)**
Counterpart Contribution	**USD 600,000**
Co-financing	**USD 2,100,000**

Project Description
Established in Kenya in 2008, Ten Senses Africa Ltd. (TSA) was created by the Integra Foundation, as the world's first fair-trade certified macadamia nut company. Macadamia exports started in 2010. TSA sources nuts from farmers throughout Kenya and processes them in Nairobi, supporting the local production of high-quality export products.

Joining impact investors such as DOB Equity and Incofin, CFC provided a 5-year trade finance loan giving TSA the ability to scale up and accelerate its business model to include more farmers and improve the quantity and quality of nuts. With CFC's support, TSA expects to reach an additional 10,000 of smallholder suppliers, of which 30% women. The average annual net income of smallholders is expected to increase from USD 750 to USD 980 with about 400 new jobs created.

28. Finding Opportunities for Niche Commodities from Developing Countries in the Health Food Market – CFC/2019/14/0001 FT

Submitting Institution	**UNCTAD**
Location	**Selected Least Developed Countries and Landlocked Developing Countries**
Commodity	**Other stimulant crops**
Total Cost	**USD 240,000**
CFC Financing	**USD 120,000 (Grant)**
Co-financing	**USD 120,000**

Project Description
This project, implemented in partnership with UNCTAD, aims to explore how LDCs and LLDCs can better harness their biodiversity and traditional knowledge about health foods or nutraceuticals to create jobs, expand exports, and achieve inclusive growth. In particular, the project will study the potential of selected LLDCs as suppliers of health enhancing foods and identify the policy measures needed to expand their exports in this sector.

The findings from the country-case studies and the assessment of the demand of nutraceuticals in advanced markets have been compiled in a comprehensive policy publication, released in early 2023. During the year 2023 several dissemination events are expected to take place.

In addition to indicating how products could link to potential markets, the publication also makes recommendation for regulatory and institutional capacities of LLDCs to meet the demands of importing countries and assess measures that need to be taken to attract impact investors to the sector. A feature article summarising the findings has been published in 2023.

29. Livestock Farming, Cameroon – CFC/2018/12/0022

Submitting Institution	West End Farms
Location	Cameroon
Commodity	Livestock
Total Cost	USD 2,000,000
CFC Financing	USD 1,000,000
Counterpart Contribution	USD 1,000,000

Project Description

West End Farms is an integrated mixed farming SME company, based in Yaounde, Cameroon. Established in 2001, WEF has gradually developed to the largest commercial pork producer of the country adding to local food security. The company also grows maize, cassava and soya on a 300ha fully mechanized farm to produce feed for its porkers.

Operating in a country which traditionally has been a net pork importer and where the efforts of local farmers to increase domestic production are hindered by poor infrastructure and high cost of feed, WEF endeavoured to upscale its business model. Joining the Africa Agriculture SME Fund (AAF-SME), CFC provided WEF USD 1 million for the financing of the construction of a modern finishing facility in Douala and of its increasing working capital needs. CFC financing will enable WEF to increase its annual production from 8,000 to 20,000 animals, while 60 new jobs will be created, 40% of which female.

30. Working Capital, Kenya – CFC/2019/14/0027

Submitting Institution	Olivado
Location	Kenya
Commodity	Fruits
Total Cost	Euro 1,500,000
CFC Financing	Euro 500,000
Co-financing	AgriFI Kenya: Euro 1,000,000

Project Description

Olivado EPZ ('OEPZ') is a Kenyan fresh avocado trader and the world's leading producers of organic extra virgin avocado oil. It operates an integrated farmer-to-market model sourcing the avocados directly from over 2,800 smallholder farmers. The avocado oil is sold for export to traders and retailers in over 30 countries. In 2019, the company installed a biogas plant to utilize all waste and by-products from the avocado oil production to produce energy and fertilizer.

The CFC has extended a trade finance loan to accommodate the increasing international demand for responsibly farmed organic avocado oil. The loan will be used to buy more avocados from the existing farmers and to integrate some 160 new smallholders into Olivado's value chain each year. Every farmer who sells avocados to Olivado joins the certified organic and fair trade program, gaining access to extensive agronomic training programs, 95% guaranteed offtake agreements, and cash advances.

31. Fruits and Spices, Madagascar – Working Capital – CFC/2019/15/0010

Submitting Institution	SCRIMAD GROUP
Location	Madagascar
Commodity	Fruits
Total Cost	Euro 2,400,000
CFC Financing	Euro 1,200,000
Co-financing	Euro 1,200,000

Project Description

Created in 1993 and based in a Least Developed country (LDC)-Madagascar, Scrimad is focused on aggregating and processing organic fruits and spices, sourced from local smallholder farming cooperatives. Over the last 5 years, SCRIMAD has been transformed from a small family business to a leading processor and exporter of fruit and spices from Madagascar, establishing significant strategic partnerships with actors such as Ethiquable, a French cooperative specialized in fair trade products.

The CFC financing to Scrimad provides the company with the working capital necessary to meet the growing demand for its products and increase its overall operational capacity and profitability. During the duration of this facility, the number of Scrimad smallholder suppliers is expected to increase from 2,000 to 3,000.

32. Goldtree, Sierra Leone – CFC/2019/15/0022

Submitting Institution	**Goldtree Sierra Leone Ltd.**
Location	**Sierra Leone**
Commodity	**Organic palm oil**
Total Cost	**USD 2,400,000**
CFC Financing	**USD 1,200,000**
Co-financing	**USD 1,200,000**

Project Description

Goldtree Sierra Leone is an organic palm oil producer established in Sierra Leone in 2007. With organic palm oil, Goldtree is targeting a market which, because of shifting consumer demand and the non-substitutability of palm oil in many products, has grown significantly in recent years and for which sustainable sources are greatly needed.

Since 2019, the former conventional palm oil producer initiated a fundamental restructuring process of the business, which includes full RSPO and organic certification of production involving upwards of 10,000 smallholder suppliers and the expansion of nucleus production.

To assist in the increased sourcing of deforestation free and sustainably produced palm oil from smallholder suppliers and the nucleus farm, the CFC has made available a trade finance facility to meet the company's working capital needs.

33. High quality cocoa from communities, Colombia – CFC/2020/16/0021

Submitting Institution	**Cafexport Colombia S.A.R.L.; Hacienda la Tentación SAS**
Location	**Colombia**
Commodity	**Cocoa**
Total Cost	**USD 2,518,630**
CFC Financing	**USD 1,384,630**
Co-financing	**USD 1,134,000**

Project Description

Cafexport's cocoa trading business was established in 2012 under the brand name *Colcocoa* to export fully traceable and certified sustainable cocoa beans to. At the time, Cafexport already exported coffee to major corporate buyers. With support of the CFC, Cafexport is looking to expand its own cocoa trading activities and cocoa production in Colombia. For this, the CFC has committed both a trade financing facility and an investment loan.

The project aims at reaching over 1,500 additional smallholders and providing them with off-take opportunities to significantly boost incomes. The additional income generated for smallholders is estimated to amount to USD 1,905 per year. Besides, by providing agronomic advice, reached smallholders can significantly increase crop yields and improve diets. In a region with very scarce formal employment opportunities, the project targets creating 20 permanent jobs, of which 40% are planned for women.

34. Scaling-up export of natural & handmade home decoration products, Bangladesh – CFC/2020/16/0036

Submitting Institution	**Classical Handmade Products**
Location	**Bangladesh**
Commodity	**Natural Fiber**
Total Cost	**USD 2,000,000**
CFC Financing	**USD 1,000,000**
Co-financing	**Incluvest BV: USD 1,000,000**

Project Description

Classical Handmade Products BD ('CHP') is a privately held company producing home decoration products from indigenous raw material such as seagrass, elephant grass, jute. The Company was incorporated in 2008 by Mr. Tauhid. Finished goods are exported to Europe and the USA.

CHP operates a decentralized business model. CHP is operating in the Northern part of Bangladesh, with 20 decentralized units in Rangpur and Bogra, with a primary production facility in Nilphamari. Jessore is the only location in the South of Bangladesh. The Company employs 1,500 people, and provides regular work to about 2,500 people, mostly women, located in various rural villages.

The market of handmade home decoration is dominated by developing countries. The competitive advantage of the Company is its decentralized business model that promotes economic inclusion.

The Company intends to scale up its operations, and the intended investments aims at increasing its production capacity and current volumes of sales by 3x in the next 6 years.

Photo: Macadamia nuts. Adobe stock

35. Scaling processing and export of macadamia oil and nuts (Exotic) from smallholder farmers – CFC/2020/16/0038

Submitting Institution	Exotic EPZ limited
Location	Kenya
Commodity	Macadamia Oil and Nuts
Total Cost	USD 2,200,000
CFC Financing	USD 1,100,000
Co-financing	USD 1,000,000

Project Description

Exotic EPZ Limited ('Exotic') is a female owned agribusiness from Kenya, processing and exporting macadamia nuts and oils to the European market. The company sources unprocessed macadamia nuts-in-shell directly from over 1,300 smallholder farmers. The nuts are aggregated in over 10 collection points distributed in over 10 counties in Kenya. In the factory in Nairobi the nuts are dried, processed and then exported. The company's main customer is Red Rivers Foods, a leading U.S. supplier of premium and ethical nuts and specialty snacks.

Kenya is currently the third-biggest producer of macadamia nuts, after South Africa and Australia. The growing global demand for the nuts stems from their versatility, as it can be used in various food products such as cakes and sweets. It can also be converted into oil to be used in food, pharmaceutical and cosmetics products.

Exotic was acquired by current 3 female owners mid-2017 and is the sole women-owned processor and exporter of macadamia nuts in Kenya, in a sector being traditionally male dominated. The company's mission is to source, produce and supply the finest quality products in the nuts and oils value chains whilst empowering small-scale producers, particularly rural women farmers.

The CFC approved a total of USD 1,100,000 loan financing to Exotic. In February 2022, a USD 600,000 n trade finance loan agreement with Exotic was signed for the purpose of pre-financing macadamia nuts with certain buyers including Red Rivers Foods. The remaining USD 500,000 loan financing from the CFC is not yet signed and its purpose is for increasing production capacity at Exotic processing facility in Nairobi.

36. Carbon-neutral processing of avocados and avocado oil – CFC/2020/17/0008

Submitting Institution	Olivado EPZ Ltd.
Location	United Republic of Tanzania, Kenya
Commodity	Avocado
Total Cost	Euro 2,000,000
CFC Financing	Euro 1,000,000
Co-financing	Euro 1,000,000

Project Description

Olivado EPZ ('OEPZ') is a Kenyan fresh avocado trader and a leading producer of organic extra virgin avocado oil. It operates an integrated farmer-to-market model sourcing the avocados directly from over 2,800 smallholder farmers and installed a biogas plant in 2019 to produce biogas and fertilizer from the avocado waste generated through the oil processing.

Ensuring complete traceability from farm to bottle, Olivado has a rigorous farm-to-market system reliably tracing the quality and origin of avocado on farmer level. A dedicated team of field officers regularly visit the farms and support the farmers during cultivation. To exploit unmet market demand for avocados and avocado oil, the company is expanding its carbon-neutral business model to Tanzania. The Tanzanian oil extraction plant, Olivado Tanzania EPZ Limited, commenced operations in 2020.

The loan will allow Olivado to further grow its farmer-to-market model based on a Fairtrade and Organic certification scheme and pay smallholders in advance. Through this strengthened relationship with the CFC, Olivado expects to include up to 5,000 smallholder farmers in its inclusive small farmer program in Kenya and Tanzania, enjoying premium prices and a secure income. Olivado will be one of the few, if not the only, carbon positive Agri-processor in Kenya.

37. Mercon Coffee Group – CFC/2020/17/0047

Submitting Institution	Mercon Coffee Group
Location	Brazil, Guatemala, Honduras, Nicaragua, Vietnam
Commodity	Coffee
Total Cost	USD 50,000,000
CFC Financing	USD 5,000,000
Co-financing	USD 45,000,000

Project Description
Headquartered in the Netherlands, Mercon B.V is a vertically integrated group active in the origination, processing, and wholesale trading of green coffee. Mercon is one the largest coffee traders in the world, sourcing raw green coffee from all major coffee producing regions and supplying leading coffee roasters such Starbucks, Nespresso, and Lavazza.

Mercon has recently initiated LIFT, an innovative, sustainable production platform that provides tools, training and services to smallholder farmers improving their productivity and raising their quality of life.

In 2021, CFC signed a USD 5 million revolving working capital loan agreement with Mercon, to fund the necessary cash advances to LIFT farmers in Nicaragua, Guatemala, Honduras, and Brazil. During the duration of the credit facility, the number of farmers participating in the LIFT program will increase from 3,200 to 5,800, with coffee sourcing increasing to 670,000 60 kg/bags from 370,000 per year. The overall number of certified farmers will increase to 6,700 from 4,736.

38. Enimiro Integrated Value Chains, Uganda – CFC/2021/18/0027

Submitting Institution	Enimiro
Location	Uganda
Commodity	Coffee
Total Cost	USD 1,800,000
CFC Financing	USD 800,000
Co-financing	USD 1,000,000

Project Description
Enimiro is a privately owned, organically certified exporter of vanilla, coffee, and dry fruits from Uganda. Through its vertically integrated supply chain, it sources raw materials directly from over 1,100 farmers in 5 Ugandan regions. Founded in 2019, it has built a unique model of organic certification schemes with full digital traceability and monitoring software to allow for transparency of the supply chain and data for certification in the smallholder farming sector. Its traceability technology enables the end consumers to have visibility of the supply chain from farm-to-fork and confidence to meet the social responsibility standards. The company holds various sustainability certifications.

The company has built several collection points for the farmer network to deliver their product directly, reducing concerns of contamination and increasing quality assurance. Smallholder farmers working with the company benefit from access to a direct market for their produce, agro-inputs, agronomical training, and a quality premium. The collection points also act as agro-hubs, where several products such as fruit, vanilla and coffee can be commercialized.

39. Coffee Planet, United Arab Emirates – CFC/2021/18/0014

Submitting Institution	Coffee Planet LLC
Location	United Arab Emirates
Commodity	Coffee
Total Cost	USD 10,000,000
CFC Financing	USD 2,000,000
Co-financing	USD 8,000,000

Project Description
Headquartered in Dubai, United Arabic Emirates, Coffee Planet LLC was established in 2005 as a provider of freshly ground coffee/fresh milk vending machines for highway convenience stores. In 2008, Coffee Planet opened, in Dubai, a new UTZ, BRC, HACCP and ISO 22000 certified roaster of over 4,320 tonnes roasting capacity per annum. This enabled the company to become the largest specialty coffee roaster in the Middle East, with over 200 employees.

Coffee Planet is focused on end-to-end coffee solutions for diverse local and international customers. Currently, Coffee Planet provides a wide range of B2B and B2C coffee solutions. Coffee Planet serves 800+ local and international customers and operates over 5,000 coffee machines across the UAE.

In 2022, CFC signed a USD 2 million trade finance loan agreement with Coffee Planet to finance the sourcing, roasting and export of conventional and certified coffee for 2 strategic partners. The loan will allow Coffee Planet to increase its indirect sourcing of coffee beans from 2,000 additional producers by 2027.

40. Gulu Agricultural Cotton, Uganda – CFC/2021/19/0055

Submitting Institution	Gulu Agricultural Development Company
Location	Uganda
Commodity	Cotton and Sesame
Total Cost	USD 15,000,000
CFC Financing	USD 1,500,000
Co-financing	USD 13,500,000

Project Description

Gulu Agricultural Development Company (GADC) is an aggregator, processor, and exporter of cotton and sesame. It was established in Gulu, northern Uganda, in 2009 by its owner and CEO Bruce Robertson with the encouragement of the Ugandan government, following the end of the civil war. Based out of three ginneries and a sesame processing facility in the region, GADC operates an outgrower network through which it offers a market as well as inputs and training on best agricultural practices for approximate 50,000 smallholders. Of these, GADC has direct contractual relationships with more than 30,000 farmers that have been certified organic and fair trade to obtain a premium on their supply. Among the direct beneficiaries are many refugees from conflict zones in the region.

41. MUTA, Oilseeds, Colombia – CFC/2022/20/0057

Submitting Institution	MUTA (Reaceico SAS)
Location	Colombia
Commodity	Used Cooking Oil (UCO) – Oilseeds
Total Cost	USD 1,070,000
CFC Financing	USD 450,000
Co-financing	USD 620,000

Project Description

Muta (Reaceico SAS) is a Colombian circular economy company that collects and recycles Used Cooking Oil (UCO) produced from vegetable seeds. With operations in 10 cities in Colombia and a central warehouse in northern Colombia, Muta processes, cleans, packages, and exports the UCO mainly to the United Kingdom, where recycled UCO is transformed into biofuel. The company is fully owned by Mr. Alejandro Caiaffa, a known actor of environmental and social change in the North region of Colombia with more than eight years' experience in the recycling industry. While a relatively young company, the company had received capex and working capital from main banks in Colombia to support company growth an increase capacity for processing and storage UCO for export. Harris Tobias Ltd. its main client based in the United Kingdom, is a known buyer of recycled fats and oils and has been buying to Muta for the past years. The client had also provided advances for sourcing more UCO, showing a strong commitment between both parties.

The company collects UCO mainly from hotels, restaurants, and café's using a mobile app end to end throughout its value chain. The operational model starts with the generators request for collection where a collection date is set (through an app), and the UCO is collected at the generator premises with a company truck. Muta certifies the orderly collection of UCO to the generator as the company itself is officially certified to do so. Once collected, the UCO is cleaned/filtered to remove impurities, and a moisture check is performed. The recycled oil is stored in tanks and exported. As of 2021, Muta collected from more than 2,000 generators, mainly restaurants. International clients use refineries that allow UCO as raw material to produce biodiesel or other complementary bioenergy products.

42. Meridia Netherlands, Ghana, Indonesia, Côte d'Ivoire – CFC/2022/20/0123

Submitting Institution	Meridia Land B.V.
Location	Netherlands, Ghana, Indonesia, Côte d'Ivoire
Commodity	Land Mapping & Titling
Total Cost	Euro 1,350,000
CFC Financing	Euro 300,000
Co-financing	Euro 1,050,000

Project Description

Meridia is a SaaS (Software as a Service) provider that utilizes GIS (geographic information system) technology to facilitate land mapping and land rights documentation. Established in 2015 in The Netherlands, the company provides its services to agribusinesses to map their commodity supply chains, making them more transparent, while eliminating environmental and social risks such as deforestation and forced/child labor, and to drive land security for smallholder farmers in developing countries. The CFC is providing working capital financing to bridge the long payment cycles from the signature of contracts to final payment after delivery of services. The loan repayment will be based on the cash flow from Meridia's service agreements contracts with about 13 global food and beverage companies like Unilever, Cargill, Mondelez among others. To date, Meridia has mapped over 100,000 land parcels, provided legal land documentation to over 10,000 farmers, and registered over 50,000 shade trees in Ghana, Ivory Coast, and Indonesia. Meridia has about 160 employees, of whom 65 are full-time employees and 95 are freelance contractors.

43. Fairtrasa, Fruits, Peru – CFC/2022/20/0132

Submitting Institution	Fairtrasa Perú S.A.
Location	Peru
Commodity	Fresh fruits
Total Cost	USD 2,000,000
CFC Financing	USD 1,000,000
Co-financing	USD 1,000,000

Project Description
Fairtrasa Perú sources sustainably produced fresh fruit (mango, avocado, ginger, and others) from smallholder farmers across Peru, including rainforest regions.

The Fairtrasa Group has been among the pioneers in supporting socially and environmentally sustainable production methods among smallholders in Latin America.

It sources from smallholders which it assists in setting up cooperatives for the purpose. These cooperatives receive market access, training, prepayments, assistance in obtaining and managing certifications among others. Where possible, Fairtrasa Perú assists the cooperatives in developing their capacities to a level where they can independently manage exports to Fairtrasa's European sales offices. It was the first Latin American company to export Fairtrade avocados.

In addition to its work on improving livelihoods of smallholders, Fairtrasa differentiates itself as an environmental and climate pioneer. Its products hold various organic certifications and several products hold additional certifications such as Demeter biodynamic. Recently, it has started promoting regenerative agricultural practices among its smallholder suppliers and has achieved the Regenerative Organic Agriculture certification for part of its supply.

44. Organic Africa Holdings, Herbs, Spices, Zimbabwe – CFC-2022-20-0257

Submitting Institution	Organic Africa Holdings
Location	Zimbabwe
Commodity	Spices
Total Cost	USD 3,000,000
CFC Financing	USD 850,000
Co-financing	USD 2,150,000

Project Description
Organic Africa was established as a Zimbabwean social enterprise by its CEO Dominik Collenberg in 2007. Organic Africa produces certified herbs, spices, essential oils, and indigenous medicinal plants, such as basil, calendula, cornflower, ginger, paprika, devils' claw, baobab powder, baobab seed oil, marula oil, ximenia oil, and mafura butter. The company sources raw materials from its own farms, smallholder farmers and wild collectors. Over 60% of its employees and suppliers are women.

Organic Africa sources most herbs, spices, and medicinal plants from the farms owned by its two subsidiaries, Stevia Zimbabwe, and La Rochelle Organics. After sourcing the raw material is centrally dried, sorted and packed for shipping. B'Ayoba and KaZa, two other subsidiaries of the group, collect baobab fruits, oil seeds and plants from wild collectors, and process into baobab fruits powders, baobab dry fibres and natural oils.

45. Coffee Planet, United Arab Emirates – CFC/2022/21/0105

Submitting Institution	Coffee Planet LLC
Location	United Arab Emirates
Commodity	Coffee
Total Cost	USD 13,200,000
CFC Financing	USD 1,000,000
Co-financing	USD 12,200,000

Project Description
Based in Dubai, UAE, Coffee Planet LLC was established in 2005 as a provider of coffee solutions at convenience stores. In 2008, Coffee Planet opened a new UTZ, BRC, HACCP and ISO 22000 certified processing facility of over 4,320 MT coffee roasting capacity per annum. This enabled the company to become the largest specialty coffee roaster in the Middle East, with over 200 employees. As a certified roaster in the specialty segment of the market, its business model is focused on complete coffee solutions for diverse local and international customers. The company provides full traceability and control over its value chain.

Currently, it provides a wide range of B2B and B2C coffee solutions, serving 800+ local and international customers, operating over 5,000 coffee machines across the UAE. It has signed coffee bean and consumables supply agreements with several major blue-chip companies.

Coffee Planet follows an integrated value chain operating model (crop to cup model), which involves the complete in-house management of its value chain, from the sourcing of coffees beans to the in-house roasting and packaging of coffee products and finally the distribution of coffee, relevant consumables, and related equipment as well as staff training, machine servicing and maintenance. The business model of Coffee Planet is focused on complete coffee solutions for diverse local and international customers.

Projects Completed in 2023

1. Moringa Agroforestry Technical Assistance Fund – CFC/2014/04/0103 FT

Submitting Institution	Moringa Agroforestry Fund
Location	Africa/Latin America
Commodity	Agroforestry
Total Cost	USD 2,200,000
CFC Financing	USD 100,000 (Grant)

Project Description
The Moringa Agroforestry Technical Assistance Fund (ATAF) is a grant-based fund that supports the development impact of investments made by the Moringa Agroforestry Investment Fund. ATAF develops and finances projects for training, capacity development, and sustainable land management.

ATAF was established to mitigate risks and to increase the development impact of Moringa Fund investments. The TA support aims to strengthen the capacity of Moringa investee companies to include and integrate interested members of the local population into agroforestry production systems to improve their standard of living, agricultural practices, and, thus, to protect the environment.

ATAF commenced operations in 2016, after a service agreement was signed with the CFC. The CFC, as the ATAF Manager, has developed 18 TA projects in ten countries across Africa and Latin America.

Photo: Moringa

2. Addressing Vulnerabilities of CDDCs to Achieve the SDGs – CFC/2019/15/0003FT

Submitting Institution	UNCTAD
Location	Land Locked Developing Countries (LLDCs) and Least Developed Countries (LDCs)
Commodity	Cross commodity
Total Cost	USD 160,000
CFC Financing	USD 120,000 (Grant)
Co-financing	USD 40,000

Project Description
The project looks at the preparation, presentation, and discussion of technical reports on the impact of commodity related vulnerabilities on the efforts in achieving the SDGs. The studies for the reports will be organized by UNCTAD in commodity dependent developing countries selected to be representative of the typical challenges facing Commodity Dependent Developing Countries (CDDCs).

The studies propose measures rebalancing global value chains in commodity markets and come up with ideas that would further enhance the role of international organizations, CFC, and International Commodity Bodies in assisting CDDCs to reduce vulnerabilities and shake off their dependence on commodities. Another focus is on adaptation of the commodity sector to climate change, mitigating climate related vulnerabilities of CDDCs. The outcome of the paper is to come up with evidence-based policies, strategies, and actions to help CDDCs overcome those challenges.

The study has concluded with recommendation regarding potential opportunities for CDDCs, drawing on their existing comparative and competitive advantages and natural endowments. The outcomes guide further UNCTAD deliberations on providing policy support to new employment and income opportunities in the commodity sector.

Photo: Raw cashew nuts are sorted by size before mechanical dehulling. AATIF TA Facility Manager

IV.4 Technical assistance facility overview

Photo: AATIF

For the last decade, the CFC Technical Assistance (TA) Facility team stands at the forefront of collaboration with impact investment funds. While our assistance predominantly targets the agricultural commodities sector, we strive to pivot our interventions by providing tailored capacity development and advisory services for investees, ensuring that commodities work for all. By combining financial support with technical expertise, CFC's development efforts are designed to achieve greater impact and contribute to lasting positive change in developing countries, ultimately alleviating poverty and hunger.

The expertise of CFC's TA Facility includes tropical agriculture, agroforestry, project management, finance, Environmental, Social, and Governance (ESG) and impact assessment. The multidisciplinary team works in tandem with CFC's financial and administrative colleagues to ensure seamless coordination and implementation of services. Harnessing this collective expertise, the TAF team is committed to enhancing the operational capacity and profitability of targeted agribusinesses and financial institutions while enhancing the businesses' contributions to improved livelihoods of the smallholder farmers in their supplying networks.

At present, the CFC provides TA Facility management services for the Africa Agriculture and Trade Investment Fund (AATIF)[1] and for the Agroforestry Technical Assistance Facility of the Moringa Fund.[2] By the end of 2023, CFC's dedicated TA Facility team has developed 136 TA projects with an aggregate approved budget reaching Euro 9.7 million. These initiatives have provided indispensable support to 46 agribusinesses and financial institutions, fostering growth and resilience across diverse agricultural value chains spanning 23 countries throughout Africa and Latin America.

Additionally, the CFC TA Facility is spearheading the launch of a new EUR 10m TA Facility for the Agricultural Commodity Transformation (ACT) Fund[3], a new impact investment fund developed by CFC and presently in inception phase.

[1] https://www.aatif.lu/home.html
[2] https://www.moringapartnership.com/agroforestry-technical-assistance-facility/
[3] https://www.common-fund.org/ACT-Fund

Case study AATIF – Breaking Ground: Pioneering Rainforest Alliance certified cashew in Mozambique

The cashew sector holds a vital role in Mozambique's agricultural landscape, serving as a significant source of income for many smallholder farmers. With its ideal climate and fertile soils, Mozambique boasts favourable conditions for cashew cultivation. Smallholder farmers, often operating on modest plots of land, contribute substantially to the country's cashew production. However, challenges such as limited access to resources, fluctuating market prices, and vulnerability to climate change persist, affecting both the livelihoods of farmers and the overall sustainability of the sector. Despite these obstacles, initiatives aimed at enhancing productivity, improving market access, and promoting sustainable practices offer promising pathways for empowering smallholder farmers and fostering growth within Mozambique's cashew sector.

In 2023, the AATIF TA Facility, managed by the CFC, embarked on a mission to bolster the cashew sector's sustainability by supporting Export Trading Group (ETG), an AATIF investee, in executing a groundbreaking climate-smart cashew project aimed at transforming sourcing models within the sector while catalysing broader social, environmental, and economic improvements. By implementing advanced farm management systems, introducing resilient cashew varieties, afforesting, exploring carbon sequestration methods, experimenting with biochar application, and imparting extensive training in agricultural best practices, the project seeks to elevate cashew tree productivity and uplift farmer incomes significantly.

A pivotal outcome of this endeavour has been the introduction of the world's inaugural Rainforest Alliance certified cashew, marking a milestone in sustainable agriculture. This pioneering effort enhances traceability in the cashew supply chain and extends its benefits to approximately 5,000 smallholder farmers across Mozambique. Emphasising the livelihoods and wellbeing of smallholder producers within the cashew value chain, the Rainforest Alliance certification process offers robust mechanisms for evaluating and tackling issues such as child labour, forced labour, inadequate working conditions, low wages, gender disparities, and encroachment upon indigenous land rights.

Moreover, the incorporation of climate-smart practices into the agricultural training offered through the certification program equips farmers to enhance their resilience against droughts, floods, and other climate change-induced environmental impacts. This approach underscores the interconnectedness between ecosystem health and the economic well-being of rural communities. Elevating sustainable livelihood prospects for smallholder farmers through certification, training and improved extension services can bring quantifiable financial benefits through premiums and increased yields while safeguarding the surrounding natural environment.

Collaboratively set up with the AATIF TA Facility, this project received crucial support through the provision of technical expertise and advisory services, facilitated by an in-house team and a network of seasoned consultants. The involvement of the AATIF TA Facility underscores a steadfast commitment to transparent and scalable sustainability standards, with a core focus on linking farmers to retail and consumer markets while nurturing positive environmental outcomes.

17 Countries in Africa where AATIF TA Facility projects are implemented*

7.7 Total TA funds pledged to AATIF TA projects (in million EUR)

35 Total number of agribusiness and financial institutions that have received AATIF TA support

116 Total number of AATIF TA projects approved

* Benin, Botswana, Côte d'Ivoire, Ghana, Kenya, Malawi, Mozambique, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, Tanzania, Tunisia, Uganda, Zambia, Zimbabwe

Based on shape, colour and size, the cashew kernels are categorised in different grades, all of them ready to be enjoyed by the end-consumer

Photo: AATIF TA Facility Manager

ATAF – Looking back at 7 years of ATAF

Photo: Moringa

Launched in 2016, the Agroforestry Technical Assistance Facility (ATAF) has been the instrument from which the CFC as ATAF Manager, in close collaboration with the Moringa Fund, has developed and implemented 20 technical assistance projects aiming to support the Moringa investee companies to amplify its positive environmental and social influence in the communities in which they operate. Impact assessments relating to three of the investments have also been carried out by the ATAF team, seeking to understand how the financing and technical support have been useful and fit for purpose. ATAF has been supported by donors such as the French Facility for Global Environment (FFEM), the French investment and support fund for businesses in Africa (FISEA), CFC, and the Fund for African Private Sector Assistance of the African Development Bank Group (FAPA/AfDB). In addition to the grant funding, the investee companies have directly co-contributed to the costs of the ATAF projects as well.

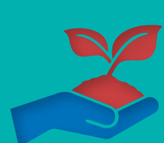
The various ATAF projects implemented have all centred around supporting the investee companies in ensuring sustainable sourcing models while exploring possible business ventures that may have been unreachable without the TA funding and the accompanying advisory support. The core of ATAF has been to focus its TA support on the design, roll-out and scale up of viable agroforestry systems that include and further support smallholder farmers, for instance through capacity development measures and training. To name a few, ATAF projects have assisted the various investees to:

10 Countries where ATAF projects are implemented*

2.1 Total TA funds pledged to ATAF projects (in million EUR)

10 Total number of investees

20 Total number of ATAF TA projects approved



* Benin, Belize, Brazil, France, Germany, Ghana, Kenya, Mali, Nicaragua, Togo

- Rehabilitate **coffee** orchards and integrating smallholder farmers into an agroforestry cluster.
- Explore how to valorise **coconut** and **cashew** residues by transforming the waste into viable end-uses (such as for manufacturing purposes or for energy generation), thus enhancing the processing companies' sustainability endeavours.
- Support the organic conversion of **cashew** farmers and achieve industry best practice food safety certification of its end-product.
- Access tailored strategies for **pineapple** product diversification designed to also be of benefit to the supplying farmers, ultimately aiming to offer hands-on support to the investee for potential new product development while at the same time reducing farmer vulnerability by providing the farmers with reliable options for crop and income diversification coupled with a reliable off-taker of their new produce.
- Identify how to **reduce plastic waste** in packaging solutions by proposing viable packaging alternatives adapted to the investee's existing packaging facility, thus requiring minimal investment by the investee to make the swap.

Through the technical and advisory support delivered through the ATAF projects, the CFC TAF team has supported innovative solutions and endeavours in numerous value chains across several countries in Latin America and Sub-Saharan Africa. In the coming years, the CFC will continue to manage and implement the remaining operational ATAF projects, focussing on exploring sustainable ways to support West African vegetable oil production through improving traceability in the supply chain and increasing crop quality, ultimately fostering sustainable growth.

With implementation of such grassroot initiatives, CFC's TAF empowers local stakeholders to take ownership of development initiatives, implement projects effectively, and sustain progress over the long term.

Photo: Indian farmer on bullock cart. Adobe stock

"At the heart of the CFC's work is its mission to strengthen the economic resilience of developing nations. Its financing and expertise empower people to grow their agribusinesses and adopt sustainable methods of working, so they are better placed to overcome supply chain disruption, climate shocks and price volatility. The CFC's track record of success, highlighted by the Annual Report, speaks for itself."

Datuk Dr. Ramle Hj. Kasin (CC Chair)

As an impact investor, the CFC finances investments that can generate a greater social and economic impact in developing countries. To be a credible and effective impact investor, the CFC recognises the need for a robust and efficient system for measuring and managing impact. To this end, the CFC's Executive Board approved a new impact strategy in October 2018. This chapter provides further information on the strategic focus, implementation, and impact highlights of the CFC's loan portfolio in 2023. For impact stories from the CFC's portfolio please see section II.

V CFC's Impacts in 2023

Photos: Adobe stock

V.1 **CFC's Impact Strategy Framework:** Championing the Sustainable Development Goals

The CFC's Impact Strategy Framework is rooted in the Sustainable Development Goals (SDGs), a universal call to action to end poverty, protect our planet, and ensure prosperity for all. Building upon the foundation laid by the Millennium Development Goals (MDGs), the SDGs integrate economic, social, and environmental dimensions of sustainable development, targeting the root causes of poverty and fostering global growth.

While each nation bears primary responsibility for its own economic and social development, collaborative partnerships are paramount. By uniting governments, civil society, and the private sector, we can take bold and transformative steps towards a sustainable and resilient future. In response to this call to action, the CFC has adopted the SDGs as the cornerstone of its impact framework.

Recognising the pivotal economic role of commodities, CFC-financed projects have the potential to advance all 17 SDGs. However, the CFC's impact management strategy emphasises its direct and measurable contributions to select core SDGs, where the impact is most significant and demonstrable across its project portfolio. This targeted approach enables the CFC to maintain a clear and comprehensive view of its contributions towards achieving the SDGs on a portfolio-wide basis.

By investing strategically in commodity value chains, the CFC aims to harness the immense value created in global commodity markets. This investment approach not only drives economic growth but also ensures that the benefits of this growth are equitably distributed. By enhancing productivity, improving market access, and fostering innovation within commodity sectors, CFC investments empower local communities, create sustainable jobs, and build resilient economies.

Through such investments, the CFC supports sustainable agricultural practices, promotes fair trade, and encourages responsible resource management. This reduces poverty, ensures food security, and promotes economic inclusivity. By focusing on value addition and local capacity building, the CFC helps communities capture a greater share of the value created, thus fostering long-term economic stability and prosperity.

Together, through strategic focus and collaborative efforts, the CFC is committed to driving meaningful progress towards a sustainable and prosperous world for all. Investing in commodity value chains is a powerful lever for economic transformation, enabling communities to benefit fully from global markets and advancing the collective achievement of the Sustainable Development Goals.

Our six core Sustainable Development Goals (SDGs) are:

SDG 1 – No poverty – end poverty in all its forms everywhere

SDG 1 is more critical now than ever before. The global extreme poverty rate increased for the first time in more than two decades in 2020 due to the pandemic. With double-digit inflation and the war in Ukraine, an estimated 198 million additional people were plunged into extreme poverty in 2022. Poverty perpetuates a cycle of limited access to basic services, education, and healthcare, impeding individuals' ability to contribute to their communities. Achieving SDG 1 requires investment in social protection systems, empowering marginalised communities, supporting small businesses, and creating sustainable job opportunities. The CFC contributes to SDG 1 by investing in businesses that improve livelihoods throughout the supply chain, including training and providing stable demand to smallholder farmers in developing countries. By enhancing productivity and market access, these investments help break the cycle of poverty and promote economic resilience.

The UNCTAD Commodities and Development Report 2023[1] emphasises the urgency of addressing SDG 1, which aims to end poverty, in the context of commodity dependence. Several critical issues and recommendations are relevant to the impact strategy of the CFC today, including addressing Economic Vulnerability and Inequality of commodity-dependent developing countries (CDDCs). The impact of global decarbonisation is another significant challenge that commodity dependent countries will have to face due to the rapid decarbonisation of the global economy. This transition could lead to economic hardships and exacerbate vulnerabilities if not managed carefully. In this context, a significant contribution to addressing SDG 1 can come from the diversification of economies in CDDCs to reduce their reliance on a narrow range of commodities. This strategy is crucial for fostering economic stability and reducing poverty, as it would make these countries less susceptible to commodity price volatility. The CFC is also aware of the need to support green industrial policies and enable CDDCs to move up global value chains, particularly in sectors relevant to the energy transition, such as critical minerals. The CFC continues to develop its understanding of impact investing that drives economic diversification, supports green policies, and promotes inclusive growth strategies that lead to a sustainable reduction of poverty and enhanced economic resilience in the face of global challenges.

SDG 2 – Zero hunger – end hunger, achieve food security and improved nutrition and promote sustainable agriculture.

Impact investment in commodity value chains plays a crucial role in addressing SDG 2, which aims to end hunger, achieve food security and improved nutrition, and promote sustainable agriculture. The combined challenges of the pandemic, soaring food prices, and the war in Ukraine, make achieving SDG 2 even more urgent. Rural households, heavily reliant on small-scale farming for their sustenance and income, are particularly vulnerable. As of 2023, between 702 and 828 million people worldwide are suffering from hunger, a number exacerbated by the continued legacy of the COVID-19 pandemic and other global crises. More than 2.3 billion people experienced moderate to severe food insecurity, and the estimated number who faced acute hunger in 2023 is 349 million across 79 countries. Hunger and malnutrition lead to severe impacts, including stunting, health problems, reduced cognitive development, lower productivity, and decreased economic growth. The CFC supports a world in which everyone has access to safe, nutritious and sufficient food, by investing in SMEs that increase smallholder productivity and build farmers' resilience to external risks. By focusing on improving access to credit, technical assistance, and other resources, the CFC aims to enhance the capacity of smallholder farmers and SMEs within these value chains, thereby contributing to global food security and supporting livelihoods.

The essential instrument of the CFC's investments, enhancing access to credit, is vital for smallholder farmers and SMEs as it enables them to invest in better agricultural practices, purchase necessary inputs such as seeds and fertilizers, and adopt innovative technologies. This financial support helps increase agricultural productivity and sustainability, which are essential for ensuring food security. By providing loans and financial instruments, impact investors can help bridge the gap in funding that many farmers face, especially in developing

[1] https://unctad.org/news/unctad-sets-out-pathways-ease-commodity-dependence-greener-inclusive-growth

countries. This is supported by technical assistance activities which involve sharing knowledge and skills training to farmers and enterprises within the commodity value chains. This can include educating them on modern farming techniques, sustainable practices, pest management, and efficient water use. Such training helps improve crop yields and quality, which not only contributes to local and national food supplies but also increases the marketability of the produce. Technical assistance also helps farmers meet international standards, which can open up new markets and increase their income.

By investing in commodity value chains, the CFC helps build a more robust and resilient agricultural sector with improved agricultural practices, higher productivity and greater sustainability, ensuring a stable food supply throughout the year. This stability is crucial for combating vulnerabilities that lead to food insecurity, especially in regions prone to climate variability and economic shocks. Moreover, enhancing the economic well-being of farmers through increased productivity and market access directly contributes to poverty reduction and improved nutritional outcomes. As farmers' incomes improve, they have more resources to invest back into their farms and communities, creating a positive cycle of growth and development.

SDG 5 – Gender Equality – Achieve gender equality and empower all women and girls

Despite efforts to achieve gender equality by 2030, progress has been hindered by the socioeconomic impacts of the pandemic. Women and girls have been disproportionately affected by job loss, interrupted education, increased unpaid care work, and domestic violence. In agriculture, where women comprise 43% of the labour force in developing countries, gender disparities persist in access to productive resources such as land rights, technology, finance, and income distribution. By prioritising investments that promote gender equality – such as women-led enterprises, employment creation for women, and higher representation of women in senior positions – the CFC contributes to achieving SDG 5.

Ensuring that women have equal access to resources, opportunities and decision-making positions in commodity value chains is a critical strategy for promoting gender equality. This approach not only addresses fundamental rights and equity issues but also catalyses broader economic and social development.

For example, when women gain equal access to resources such as land, credit and inputs, they can increase their productivity and incomes. This economic empowerment is crucial because women are more likely to reinvest their earnings in their families and communities, leading to improvements in child nutrition, health and education. Our experience demonstrates that providing women with the necessary skills and resources leads to increased involvement in commodity value chains, which in turn enhances their economic status and decision-making power within their households and communities.

Women play a significant role in agriculture, yet they frequently face barriers that limit their efficiency, such as restricted access to high-quality seeds, fertilizers and technology. By investing in women and enabling equal access to these agricultural inputs and services, they can match or surpass the productivity of men, leading to overall increases in agricultural output. This boost in productivity contributes to other SDGs such as SDG 1 and SDG 2, particularly in regions where hunger and malnutrition are prevalent. Incorporating a gender perspective into commodity value chains fosters more sustainable and resilient agricultural practices. Women, when empowered, often prioritise sustainable approaches to farming that enhance biodiversity, reduce waste and conserve resources. These practices not only mitigate the impact of agriculture on the environment but also build resilience against climate change, benefiting entire communities.

Promoting gender equality in commodity value chains fosters social inclusion and enhances community well-being while strengthening livelihoods. When women are given equal opportunities to participate in and benefit from these chains, it challenges entrenched gender norms and stereotypes, triggering positive change. This cultural shift can lead to greater social cohesion and reduced gender-based violence, contributing to the overall health and stability of communities.

SDG 8 – Decent work and economic growth – promote inclusive and sustainable economic growth, employment, and decent work for all

The pandemic's impact on informal employment was devastating, preventing labour reallocation and forcing many workers to leave the labour force altogether. The global unemployment rate remains high. In addition, almost 1.4 billion workers are in vulnerable forms of employment without job security, regular incomes, social protection, or opportunities for social dialogue. The CFC recognises the critical importance of creating decent jobs and supports investments that generate employment with decent working conditions, particularly in SMEs.

The CFC's investments in sustainable commodity value chains directly contribute to the creation of higher quality jobs. By focusing on sectors such as agriculture, mining and textiles, which are labour-intensive and prevalent in developing countries, the CFC generates employment opportunities that strengthen communities. We aim to create jobs that are decent as well as numerous, offering fair wages and safe working conditions, which are the building blocks of quality employment. The CFC's approach to investment is inherently inclusive, targeting the upgradation of value chains in which smallholder farmers and SMEs play significant roles. This inclusivity overlaps with other SDGs as it helps reduce inequalities within and among countries by empowering underrepresented groups, including women and young people, thus fostering inclusive economic growth.

By focussing our impact investments on diversifying products and enhancing value chains in commodity-dependent developing countries, the CFC creates jobs that address economic vulnerabilities related to the reliance on a limited range of exports. This strategic focus not only delivers sustainable jobs, it helps to stabilises local economies and reduces the vulnerability of communities to external shocks.

SDG 10 – Reduced inequalities – reduce inequality within and among countries

Progress in reducing income inequality and lowering remittance transaction costs was made before the pandemic, but COVID-19 has amplified existing inequalities within and between nations. The negative impact of global crises does not impact everyone in the same way, with the most vulnerable people and the poorest countries experiencing the greatest loss of development. To combat this inequality, the CFC supports investments in the world's most vulnerable regions. By enabling individuals to earn a fair share of the global value generated from commodities, the CFC's investments work to decrease inequality and foster greater equitable opportunities for all. In turn, this supports the sustainable economic development of the commodity sector.

The CFC specifically targets interventions that benefit clearly identified vulnerable groups, such as smallholder farmers and indigenous, tribal and ethnic communities. By focusing on these groups, we help to elevate the economic status of marginalised populations, thereby reducing inequalities within countries. This approach ensures that the benefits of economic growth and development are more evenly distributed among different societal groups.

Placing investments at the grassroots of commodity value chains advances inclusive economic growth through the SMEs which operate in developing countries. The CFC's investments fill an essential niche, supporting the *missing middle*. This refers to SMEs that often struggle to access financing, which is crucial for their expansion and integration into larger markets. By providing the necessary financial support, we enable these enterprises to grow and create jobs, which contributes to reducing economic disparities. Enhancing the capabilities of SMEs and smallholder farmers to access broader markets helps these stakeholders to achieve better prices for their products and integrate more effectively into the global economy, leading to increased incomes and reduced economic inequalities.

SDG 13 – Climate action – take urgent action to combat climate change and its impacts

Climate change profoundly impacts commodity production and trade, and the livelihoods of smallholder farmers in developing countries. SMEs face challenges from extreme weather events, which disrupt agricultural production and value chains. To thrive in international markets, SMEs must also demonstrate environmentally responsible production.

The CFC supports SMEs that combine climate action with business sense, promoting sustainable value chains. This approach is aimed at enhancing climate resilience and promoting sustainable agricultural practices, thereby contributing to the broader objectives of SDG13. In particular, the CFC's impact investment strategy involves channelling funds into projects that improve the sustainability and resilience of commodity value chains. This includes investments in agricultural practices that are both environmentally sustainable and economically viable for smallholder farmers. By doing so, the CFC helps mitigate the impact of climate change on these communities and enhances their ability to adapt to changing environmental conditions. A particular focus of the CFC is to invest in projects that foster climate resilience among smallholder farmers. This includes the introduction of drought-resistant crops, improved irrigation techniques, and sustainable land management practices. These initiatives help farmers maintain productivity and stabilise incomes when they face adverse climate conditions.

We also recognise the importance of promoting low-carbon technologies and practices in commodity production, to reduce the greenhouse gas emissions of activities we invest in. This includes recent investments in renewable energy sources for agricultural operations, which not only reduce carbon footprints but also enhance energy security for rural communities. The CFC also focuses on capacity building and knowledge sharing to empower farmers and SMEs to implement sustainable agricultural practices, particularly through training programmes, workshops, and the dissemination of best practices in climate-smart agriculture. To this end, the CFC provides financial and technical assistance to SMEs that source from smallholders, helping them to implement sustainable practices that align with climate action goals. This support is crucial to enable these enterprises to invest in climate resilience measures and to adopt environmentally friendly technologies.

SDG 13 is the most recent addition to the CFC's list of core SDGs. By including SDG 13, the CFC seeks to bolster the economic prospects of smallholder farmers through climate finance to SMEs.

Measuring CFC impact across its portfolio

Measuring the total impact of the CFC's investment portfolio using the SDG framework presents several challenges, primarily due to the global and national scales at which SDG targets are monitored. This scale issue makes it difficult to link the contributions of individual organisations or projects to the advancement of specific SDGs.

The inherent complexity of attributing specific outcomes to particular interventions complicates the process of impact measurement and reporting. To navigate these challenges, the CFC has adopted the Impact Reporting and Investment Standards (IRIS+) as its principal reporting tool. IRIS+ serves as a comprehensive catalogue that consolidates the most useful metrics from the impact investing industry, thereby facilitating the measurement of performance against impact goals. This approach allows for a more structured and standardised method of reporting, which is crucial for comparing and aggregating impact across different projects and sectors.

The CFC continues to work on a process to map the most relevant IRIS+ metrics to the SDGs that align with its mission and investment focus. By identifying and selecting key indicators for monitoring, the CFC aims to ensure that its projects contribute meaningfully to the SDGs. This process involves a detailed assessment to determine which IRIS+ metrics best capture the essence of the SDGs that the CFC targets through its investments. As a result, the CFC is better equipped to address the reporting difficulties associated with the SDG framework and to demonstrate the positive impact of its projects on sustainable development.

However, the challenge of measuring impact is not solely a matter of selecting the right metrics. The complexity also lies in the nature of impact investing itself, which seeks to generate social and environmental benefits alongside financial returns. This dual-purpose approach necessitates a nuanced understanding of how investments influence outcomes in the real world, which can be influenced by a myriad of factors beyond the control of any single investor or project. Moreover, the dynamic and interconnected nature of global challenges addressed by the SDGs adds another layer of complexity to impact measurement.

The difficulties of measuring impact, stemming from the broad scope of the SDG framework, the challenge of attributing specific contributions to global and national targets, and the complexity of capturing the multifaceted nature of impact, therefore means assessing the total impact of the CFC's investment portfolio remains very much a work in progress.

Recent developments in SDG reporting

Recent changes in SDG reporting practices[2] have been influenced by a global call for more effective and transformative approaches. The United Nations conducted a second open call for SDG good practices, success stories, and lessons learned, which concluded on March 14, 2021. This initiative aimed to collect more than 700 submissions that could be replicated or scaled up globally to enhance the implementation of the 2030 Agenda. A dedicated inter-agency team of experts from the UN system reviewed these submissions, resulting in a publication that showcases 21 selected SDG Good Practices. These practices are intended to share valuable insights and encourage broader adoption of successful strategies[3].

Corporate reporting on SDGs has also seen significant developments. According to the World Business Council for Sustainable Development's 2022 annual review, 94 percent of member companies referenced the SDGs in their reports. This included an increase from 6 percent in 2019 to 16 percent in 2022 of members linking their key performance indicators (KPIs) to the SDGs. Despite this progress, the issue of *SDG washing*, where companies superficially map their activities to the SDGs without meaningful impact, remains prevalent. To combat this, research has highlighted best practices such as aligning SDGs with company revenues and integrating SDGs into corporate strategy, which can serve as models for other companies[4].

Furthermore, the UN Global Compact emphasises the need for improved and promoted practices in corporate SDG reporting. While specific details on the latest practices were not provided in the search results, the UN Global Compact is known for guiding and supporting companies in aligning their strategies and operations with universal principles on human rights, labour, environment, and anti-corruption, and taking strategic actions to advance broader societal goals, such as the SDGs[5]. This suggests that an ongoing effort is required, including from the CFC, to refine and enhance how contributions to the SDGs can be recorded, ensuring that reporting is transparent, comparable across projects and to the baseline data, and impactful[6].

The European Union (EU) also seeks to roll out new legislation and directives for large companies, listed companies, and funds. Notable examples of legislation and directives include the EU Deforestation Regulation (EUDR), Sustainable Finance Disclosure Regulation (SFDR), and the Corporate Sustainability Reporting Directive (CSRD), among others. The EU is actively pursuing regulatory measures related to social sustainability in general, as well as due diligence and environmental protection. These developments could have implications for organisations involved in the agricultural commodity markets, including the CFC and the smallholder farmers we serve.

The EUDR covers seven commodities: cattle, cocoa, coffee, oil palm, rubber, soya and wood, as well as products derived from these commodities. It requires companies trading in these commodities to conduct extensive diligence on the value chain to ensure that the goods do not result from recent deforestation or breaches of local environmental and social laws. The regulation applies to goods produced on or after June 29 2023, with some exceptions, and companies are advised to carefully check which products are covered. The EUDR is part of the EU's efforts to curb the EU market's impact on global deforestation.

The EUDR may have both positive and negative effects on smallholder farmers. The regulation's stringent requirements and complex traceability standards could pose challenges for smallholders, potentially excluding them from the EU market and increasing their compliance costs. Many smallholder farmers lack the resources, secure land access, and information to comply with the EUDR, which may hinder their market access and livelihood. However, the regulation also presents opportunities for smallholders to access environmentally conscious markets, double their income, and drive innovation and technological adoption in farming practices. Empowering smallholder farmers to meet the EUDR requirements through rigorous awareness campaigns and other enabling measures such as improved land titles and sustainable practices, are seen as a long-term positive impact of the regulation. Nevertheless, the challenges in demonstrating compliance with the EUDR requirements, especially for independent smallholders, remain a concern. Overall, while the EUDR may create barriers for smallholder farmers, it also holds the potential to incentivise sustainable practices and improve market access in the long run.

[2] https://unctad.org/publication/core-indicators-sustainability-and-sdg-impact-reporting-training-manual
[3] https://sdgs.un.org/sdg-good-practices
[4] https://ssir.org/articles/entry/putting_the_sdgs_back_on_track
[5] https://unglobalcompact.org/take-action/action-platforms/sdg-reporting
[6] https://reliefweb.int/report/world/global-sustainable-development-report-2023-times-crisis-times-change-science-accelerating-transformations-sustainable-development

The SFDR has been in application since March 2021 and sets out how financial intermediaries, such as asset managers, must communicate sustainability information to investors. The SFDR has implications for asset managers and investment firms, who are required to overhaul their investment processes, product strategies and reporting operating models, to comply with the regulation. While the specific impact of the SFDR on the livelihoods of smallholder farmers remains unclear, the regulation's focus on sustainable finance and disclosures is part of the broader EU efforts to promote environmental and social sustainability in the financial sector. As such, the SFDR and similar regulations could indirectly influence the investment landscape for sustainable agricultural practices, which may have implications for smallholder farmers in the long run. **The CFC does not have an obligation to report on the SFDR as an international organization. However, the direct impact of the SFDR on smallholder farmers will depend on how the regulation shapes investment decisions and capital flows in the agricultural sector. The CFC therefore will have to pay due attention to the requirements of SFDR in its work.**

The EU's Corporate Sustainability Reporting Directive (CSRD) aims to hold companies more accountable for their environmental and social impacts and to accelerate the EU's transition to a sustainable and climate-neutral economy. The CSRD is a new mandatory sustainability reporting framework that requires companies to disclose their material environmental, social and governance (ESG) impacts and risks throughout their value chain, in a standardised digital format as part of their annual reports. The directive is designed to provide investors with a reliable and comprehensive dataset on which to evaluate companies' sustainability performance and climate impact. The directive's focus on corporate sustainability and environmental impact is part of broader EU efforts to promote sustainability and climate neutrality. The CSRD's implications for smallholder farmers would depend on how it shapes the reporting and sustainability practices of companies involved in agricultural production and value chains. The directive's potential indirect influence on the agricultural sector could have implications for smallholder farmers, particularly in terms of promoting sustainable and climate-resilient agricultural practices. **However, understanding the direct impact of the CSRD on smallholder farmers would require a more detailed analysis of its implementation and its effects on the agricultural value chain.**

These factors combined have contributed substantially to the breadth and depth of sustainability reporting among various stakeholders. International impact reporting standards are still very much in the formative stage, and the CFC is looking to adopt best practices which accurately reflect our impact while not creating an excessive burden for the target beneficiaries. The CFC is acutely conscious of the impact of commodities and their value chains on the lives and livelihoods of those who work so hard to produce them. We constantly seek to support smallholders to increase their incomes in a people and planet friendly way.

Impact measurement: an ongoing work

The CFC acknowledges that the impact investing sector lacks a well-established and robust system that enables all investors to manage and track their impact effectively. While the sector has risen to the task of assessing social and environmental impact, substantial advancements in new tools, frameworks and standards have emerged in recent years. Despite this progress, the development of comprehensive and dependable parameters that match those utilised for risk and return in the traditional financial markets is still a long way off.

The selection of proposals that receive support from the CFC is largely based on their potential development impact. For this reason, each investment proposal submitted through the Open Call for Proposals is expected to provide indicators of the intended impact. Since the 13th Call for Proposals in 2018, the CFC has required prospective investees to present the estimated impact of their projects using the SDG framework. Specifically, proponents must explain how their project will contribute to the advancement of the core SDGs and provide target impact indicators for each year of the project, as well as baseline values using the IRIS+ metrics. Projects that fail to provide this information are typically not recommended for further consideration during the screening stage.

At the due diligence stage, the CFC reviews the impact indicators and incorporates them into the project agreement between the CFC and the project proponent. The agreement ensures that the project strives to accomplish its intended outcomes and reports specific impact indicators, as agreed upon with the CFC. This data is submitted to the CFC annually along with financial reporting. The CFC’s Impact Strategy is characterised by regular and consistent impact reporting in addition to financial indicators.

In the past five years, the CFC primarily disclosed *self-reported* data in its annual reporting. Where data was missing, a proxy from previous years is used to estimate the CFC’s impact figures. However, reporting standards have since evolved significantly due to (a) the greater awareness of global challenges (such as climate change and the pandemic), (b) new mandatory reporting requirements enforced by governments, and (c) the

Photo: Coffee picker. Adobe stock

increased willingness of corporations and investors to leverage sustainability reporting to their benefit.[7]

Our experience as an impact investor clearly shows that SMEs have significant difficulties in measuring their impact consistently and in line with sustainability reporting standards, which are becoming increasingly more complex and costly to implement. Neither the SMEs, nor the CFC, can allocate resources for impact measurement in accordance with complicated standards due to the small size of projects. The environment in which SMEs operate is challenging enough without the added costs and administrative burden of impact reporting obligations. As a result, the quality and timeliness of self-reported data increasingly falls short of CFC requirements, but adding to the reporting burden of CFC investees could undermine our core mission to serve the poor. The CFC therefore faces the challenge of constructing a framework that uses specific project contexts and case-specific assumptions to derive project impact evaluation from the routine project performance indicators.

To address the situation requires us to refine our assumptions and estimation analysis. This is a common approach to achieving concrete results with incomplete information, to increase the practical value of impact reporting. It involves making estimations about certain variables, quantities or outcomes based on available information, experience and reasoning. Below is a breakdown of the typical steps involved in the process:

- **Understanding the problem:** First, thoroughly understand the project and indicator for which an estimate is needed. This involves clarifying the relevant factors, constraints and objectives.
- **Identifying key variables:** Next, identify the key variables or factors that influence the outcome or quantity being estimated. This may involve breaking down the problem into its constituent parts and understanding how each variable contributes to the overall result.
- **Gathering information:** Gather relevant data, information and context to inform the estimation process. This may involve researching historical trends, industry benchmarks or other sources of data that provide insights into the problem at hand.
- **Making assumptions:** In many cases, certain aspects of the problem may be uncertain or unknown. Strategy consultants often need to make assumptions to fill in these gaps. These assumptions should be reasonable and based on the available information.
- **Using analogies and models:** Drawing on past experiences, analogies or mathematical models can help in making educated guesses. Strategy consultants may leverage similar scenarios or patterns observed in the past to inform their estimates.
- **Iterating and refining:** The estimation process is often iterative, involving multiple rounds of analysis and refinement. As more information becomes available or as the problem is better understood, the estimate may be adjusted accordingly.
- **Communicating the estimate:** Help stakeholders understand the basis of the estimate and its reliability by communicating the estimated value along with the assumptions, uncertainties and limitations involved in the estimation process.

Box 1 provides an illustration of how we derived the impact number from the reporting numbers of an investee company. The investee, Coffee Planet, purchases and markets coffee beans from farmers in Ethiopia. The model shown in the box illustrates how impact can be derived from the reported financial indicators using a set of assumptions from public sources. The CFC continues the compilation of impact evaluation assumptions and relevant methodologies, based on the project documents and specific commodity and regional focus. Portfolio impact indicators are reviewed and updated with appropriate methodology accordingly.

Social and Environmental Management System

In addition to measuring the positive impact of its projects, the CFC recognises the significance of evaluating the potential social and environmental risks associated with its activities. As a result, the CFC has collaborated with the International Labour Organization's Social Finance Programme to establish its Social and Environmental Management System (SEMS).

Systems of this nature are intended to empower financial service providers to identify social and environmental hazards linked to a specific transaction. These systems also allow them to take these risks into account when determining whether to provide funding. Furthermore, these systems assist in identifying prospects to enhance social and environmental performance.

[7] More information is available here: https://www.sustainability.com/globalassets/sustainability.com/thinking/pdfs/2022/costs-and-benefitsof-climate-related-disclosure-activities-by-corporate-issuers-and-institutional-investors-17-may-22.pdf

When evaluating a project, the CFC has always considered the ESG risks associated with it. This assessment is part of the entire process of evaluating a new proposal, starting with the initial screening of applications, and continuing with the ongoing monitoring of active projects. Despite this, given the significance and intricacy of the matter, the CFC has decided to go beyond its existing practices by aligning its procedures with the industry's current best practices in impact investment. To accomplish this, the CFC developed its own SEMS.

The CFC has partnered with the ILO to create various tools and procedures that methodically evaluate the social and environmental risks associated with potential projects. These bespoke tools consider the CFC's specific configuration and the sectors in which it operates, encompassing all phases of the CFC's investment process. The main result of this initiative was the endorsement of the CFC's Sustainability Policy by the Executive Board. This policy sets the criteria for evaluating the social and environmental risks of the CFC's operations. SEMS is already integrated in the CFC's due diligence and monitoring processes.

Box 1 | Improving Impact Reporting: Coffee Planet

This framework allows CFC to estimate number of people reached and hectares cultivated

Small farmer Frank from Ethiopia produced approximately 1430 kg of fresh coffee cherry[8]. After drying these cherries, the weight may change by a third[9] from 1430 kg to appr. 953 kg.

During transport, picking, processing and drying, Frank's beans will lose roughly 1/4th of their weight[10]. This means that Frank's original 953 kg of dried cherry, now weighs 715 kg in green bean.

During the export process, Frank's beans may lose another 10% in weight.[11] This means that Frank's original 715 kg, now weighs 643 kg.

Based on this value chain analysis, it is estimated that for each 643 kg of green coffee bought by Coffee Planet[12], *one farmer was reached*, and *1 hectare* is indirectly cultivated.[13]

Reported productivity level of 0.84 ton or 726 kg/ha. The figure of 0.84 ton/ha is equivalent to 762 kg. The metric 'ton' in American publications (see source below) should not be confused with 'tonne'. A ton is an imperial unit of mass equivalent to 1,016.047 kg or 2,240 lbs.

A tonne is a metric unit of mass equivalent to 1,000 kg or 2,204.6. Source: lbs.https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Coffee%20Annual_Addis%20Ababa_Ethiopia_ET2023-0014.pdf, page 2.

[8] This estimate is taken from page 4 of this publication: https://files.fairtrade.net/Fairtrade-Living-Income-Reference-Price-Ethiopia-coffee-explanatory-note.pdf. See 'Baseline results show very low coffee productivity with an average yield of 1,430 kg of red cherry* per hectare, based on sales figures.' The figure in this publication was calculated by converting dried cherry (jenfel) sales to fresh red cherry production. As coffee farmers in Ethiopia are primarily small farmers (https://www.ifpri.org/blog/ethiopias-coffee-farmers-struggle-realize-benefits-international-markets), no correction for the number of hectares was needed.

[9] Abrar Sualeh, Jafer Dawid: Relationship of Fruit and Bean Sizes and Processing Methods on the Conversion Ratios of Arabica Coffee (Coffea arabica) Cultivars. Time Journals of Agriculture and Veterinary Sciences, Vol. 2(2):70-74, February 2014. p. 4 Table 3. (accessed 21-03-2024). Weight change factor averaged from the seven Arabica cultivars in the paper. Value change factor is its inverse.

[10] This assumes weight loss of 16% for dry, semi-washed, and washed processing method, as referenced here: https://www.researchgate.net/figure/Weight-loss-percentage-of-coffee-affected-by-processing-method-variety-and-roasting_tbl1_303102572. An additional 7% is added for transport loss from the farm to the cooperative and picking/selection (no source available). Combined, the weight loss from picking, processing, and drying is estimated at 25% or a fourth.

[11] Estimate is a placeholder and may be revised when further inputs are gathered.

[12] This estimate is reasonable considering that green bean coffee productivity in Ethiopia is 668.9 kg/ha (FAOSTAT, 2022): https://www.fao.org/faostat/en/#home

[13] It is assumed that in Ethiopia, the average small farm size is roughly 1 hectare: https://www.sciencedirect.com/science/article/pii/S0306919214000220#:~:text=3.1%2C%20average%20farm%20sizes%20in,correlate%20closely%20with%20population%20density.

V.2 CFC's investment portfolio impact

The CFC's primary focus is to increase the income of smallholder farmers so that they can lift themselves up from the pit of poverty. Accordingly, we always strive to bring maximum impact in a sustainable way in accordance with the mission of the CFC. We, therefore, remain focussed on assisting the world's most impoverished populations in commodity-dependent member states, including Least Developed Countries (LDCs), Landlocked Developing Countries (LLDCs), and Small Island Developing States (SIDS). The Fund's investment portfolio is designed to advance Sustainable Development Goals (SDGs) deemed most relevant to CFC's mission, notably SDG 1 (No Poverty), SDG 2 (Zero Hunger), SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), SDG 10 (Reduced Inequalities), and SDG 13 (Climate Action).

The evaluation of impact across CFC portfolio serves to better focus the activities of the Fund and to guide future project selection. The specific numbers produced by the CFC so far are based on self-reporting by the investee companies, to minimize the administrative burden on the SMEs in which have limited resources to follow more elaborate impact evaluations schemes. Reported data are latest available and not all projects have provided updated impact reports for 2023. The reports are updated continuously and reported to the governing bodies of the CFC. In the interest of maintaining consistency in the reporting of portfolio-wide impact, only the projects which remain operational in 2023 are included.

The CFC follows a minimalist and robust approach covering impact indicators and impact measurements essential for reporting under the core SDGs of the CFC (See Section V.1). This means that all investee companies are expected to provide for the following in their investment proposals:

- **Target indicators:** Indicators should clearly demonstrate the intended level of achievements for each year of the investment. The CFC expects that these will be systemically assessed and reported by the investee company, demonstrating that the implementation plans are feasible and not based on unrealistic assumptions;
- **Baselines:** Baseline levels for impact indicators should be included in the investment proposals. The CFC reviews and compares baseline data with other sources, e.g., similar investments;
- **Data on achievements:** The CFC systematically follows up on the achievements of its investments to ensure timely and accurate reporting of the progress and impact. The follow-up procedures are introduced, and investee companies are informed of the consequences of incomplete or late reporting on the implementation and eventual success of the investment;
- **Monitoring and Evaluation:** Selective monitoring and evaluation of individual investments may be included but is constrained by the financial and human resources made available by the investee companies.

Photo: Adobe stock

Total estimated impact of CFC project portfolio[14]

446,000
people reached

(Additional) net income ranging from
USD 124 to **USD 2,750**
per annum

60,000
hectares of land cultivated for food and cash crops

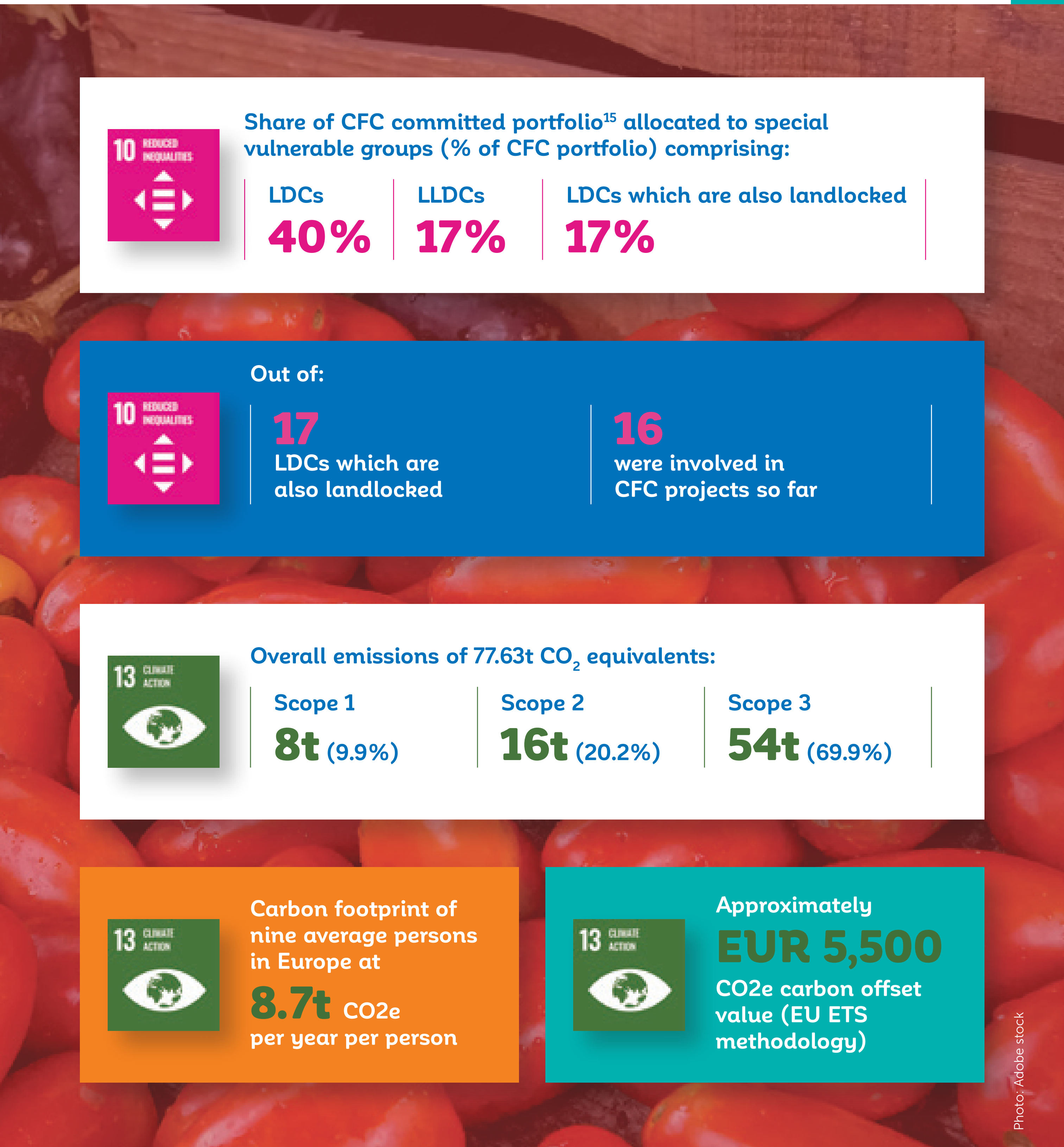
33%
of women among the people reached

11,000
investee jobs supported

117
permanent new jobs in 2023

Annual wage per job ranges from
USD 2,350 to **USD 29,525**

[14] The estimation methodology for these impact measures is being updated through 2022-23 for greater accuracy and comparability with impact peers, e.g. the Council for Smallholder Agriculture Financing (CSAF) and the Global Impact Investment Network (GIIN). The numbers may not be directly comparable to those in the 2021 Annual Report.



Share of CFC committed portfolio[15] allocated to special vulnerable groups (% of CFC portfolio) comprising:

LDCs	LLDCs	LDCs which are also landlocked
40%	**17%**	**17%**

Out of:

17
LDCs which are also landlocked

16
were involved in CFC projects so far

Overall emissions of 77.63t CO_2 equivalents:

Scope 1	Scope 2	Scope 3
8t (9.9%)	**16t** (20.2%)	**54t** (69.9%)

Carbon footprint of nine average persons in Europe at
8.7t CO2e
per year per person

Approximately
EUR 5,500
CO2e carbon offset value (EU ETS methodology)

Photo: Adobe stock

[15] The committed portfolio refers to total investments approved by the Executive Board. This sum may differ from contractual commitments and/or outstanding investments.

Photo: Wholesale market at Waterloo, Sierra Leone. © FAO/Peter DiCampo

"For agribusinesses navigating the complexities of global supply chains, the CFC's combination of financial support and technical expertise is a lifeline. In the face of unprecedented recent challenges, the CFC has enabled numerous businesses and the smallholder farmers they work with, to both survive and thrive. This creates the economic stability that is so crucial to building prosperity where it is most needed."

H.E. Dr. Eniola Ajayi (GC Chair)

Photo: CFC

VI

VI.1 35th Meeting of the Governing Council **calls for greater investment**

The 35th Annual Meeting of the Governing Council (GC) was held on 21 and 22 November 2023, in The Hague. GC members gathered in person to discuss the challenges smallholders face and how new investment opportunities can be developed to provide access to funding that could drive economic growth. Overcoming funding constraints and the potential for innovative investment strategies to lift people out of poverty, were key topics for discussion at the Council.

Chairperson of the GC, H.E. Dr. Eniola Ajayi, opened the meeting by underscoring the critical role of organisations such as the CFC in mobilising resources to address global economic and environmental concerns.

In his keynote address, Dr. Akinwumi Adesina, President of the African Development Bank Group, highlighted the critical importance of addressing global food insecurity amid geopolitical tensions and climate change, particularly in Africa.

He emphasised the need for comprehensive strategies to support agriculture, reduce commodity dependence, and promote value addition within Africa. Key initiatives such as the African Development Bank's Feed Africa strategy and the CFC's Agricultural Commodity Transformation Fund were highlighted as essential steps towards achieving food security and economic prosperity.

CFC Managing Director Amb. Sheikh Mohammed Belal drew attention to the critical challenges faced by African agriculture, the need for broader engagement with the African Development Bank, and the opportunities presented by the Africa Continental Free Trade Agreement.

Amb. Belal also introduced the CFC's first agri-investment Development Impact Bond which aims to promote sustainable agricultural practices and tackle the issue of deforestation through measures such as land mapping. His address also highlighted the urgency of addressing poverty, gender equality, volatile commodity prices, and environmental concerns while advocating for increased funding and cooperation among member states to meet growing demand for financing.

He reiterated the CFC's commitment to supporting smallholders – the backbone of supply chains across developing countries – to achieve prosperity through equitable and sustainable commodity trade.

Governing Council highlights

During the meeting 35 delegations delivered national statements, including on behalf of the OECD and Asia Group, provided by the representative of Sweden and Sri Lanka. All highlighted the importance of investing in agribusinesses and smallholders to alleviate poverty.

The GC noted that 18 investments were approved by the CFC in 2023, totalling USD 279.17 million, including USD 13.98 million of CFC contributions. Combined, these investments are expected to reach around 174,000 smallholder farmers, including fishers and beekeepers. The approved projects create and/or maintain 2,534 fulltime permanent jobs, of which 1,139 (45%) are held by women. The income per job created per annum will range from USD 1,560 to USD 6,310. The projects cover commodities such as herbs and spices, vegetable oil, organic macadamia, coffee, soybeans, organic honey and fishery products etc.

Together, the investments target: SDG 1 (No poverty), SDG 2 (Zero hunger), SDG 5 (Gender equality), SDG 8 (Decent work and economic growth), SDG 10 (Reduced inequalities), SDG 12 (Responsible consumption and production), SDG 13 (Climate action), SDG 14 (Life below water) and SDG 17 (Partnerships for the goals).

Re-election of Amb. Belal for second term at CFC

We are delighted to confirm that our current Managing Director, Ambassador Mohammed Belal, was re-elected by the GC for a second four-year term in office, with a two-thirds majority in the first round of voting.

Amb. Belal was first elected MD at the CFC in 2019 after being elected by consensus at the 31st Annual Meeting of the GC. Before assuming his position at the CFC he served as Ambassador of Bangladesh to the Kingdom of the Netherlands with concurrent accreditations to the Republic of Croatia, and Bosnia and Herzegovina from March 2014 to February 2020.

During his career, he has also served in Bangladesh Missions in Washington, Canberra, Kuala Lumpur and Tashkent in different capacities, and was the Permanent Representative of Bangladesh to the Organization for the Prohibition of Chemical Weapons (OPCW). During his tenure at the OPCW, Amb. Belal took on a range of roles including Chairperson of the Executive Council from 2017 to 2018.

Amb. Belal has been a member of the Board of Directors of the Trust Fund for Victims of the International Criminal Court since December 2018. Furthermore, the Bureau of the Assembly of

Photo: CFC

States Parties appointed Amb. Belal as Facilitator for the Trust Fund of Victims for the term 2015-2016. He is also a member of the International Gender Champions and is committed to its Panel Parity Pledge.

Amb. Belal has a Master's in Public Administration from Harvard University in the USA, a Master's in International Relations and Trade from Monash University in Australia and completed a degree in forestry at Chittagong University in Bangladesh.

His mission is to put humanity at the heart of commodity value chains.

Chairperson and Vice-Chairpersons of the Governing Council for 2024

The GC elected a new Chairperson at the meeting: H.E. Ms. Margaret Shava, Ambassador of Kenya, who represents a commodity-rich country and brings invaluable expertise. The Council thanked outgoing Chairperson H.E. Dr. Eniola Ajayi, Ambassador of the Federal Republic of Nigeria to the Kingdom of the Netherlands and the CFC's Alternate Governor for Nigeria, for her outstanding contribution to the CFC's work.

The Chairperson and Vice-Chairpersons of the Governing Council for 2024 are as follows:

Chairperson for 2024

H.E. Ms. Margaret Shava (Kenya)

Vice-Chairpersons for 2024

African Region Group:
H.E. Mr. Hatem Elsayed Mohamed Kamaleldin (Egypt)
Asian and Pacific Region Group: H.E. Ms. Aruni Ranaraja (Sri Lanka)
Latin American and Caribbean Region Group:
Mr. Diego Sadofschi (Argentina)
OECD Group: Ms. Anna Tofftén (Sweden)
China: Mr. JIN Yuan
The Russian Federation: Mr. Alexander Dyukarev

VI.2 **CFC side event** highlights best practices in **commodity value chains**

The Common Fund for Commodities (CFC) demonstrated its commitment to improving smallholder farmer livelihoods and strengthening food security in vulnerable countries, at a side event during the 35th meeting of the Governing Council (GC).

The event, which took place on 21 November 2023 in The Hague, Netherlands, was proposed by the Republic of Kenya during the 34th Governing Council in 2022. It aimed to show participants, including member states, civil society representatives and members of the media, how enhancing the production, processing and trading of commodities has the power to increase incomes for local farmers and processors. This was proposed to encourage member states to do their part to bridge the gap between final and farm gate prices so that farmers could lift themselves up from the poverty.

Several leading voices in the agricultural development sector contributed to the session, which was led by H.E. Ms. Margaret Shava, Ambassador of Kenya, who also delivered the welcome address. H.E. Amb. Riaz Hamidullah, Ambassador of Bangladesh, emphasised the transformative potential of innovation in his insightful opening remarks, while H.E. Ms. Miriam Black Sow, Ambassador of Uganda, highlighted the CFC's role as a catalyst for change in the commodities sector. She underscored the importance of pragmatism in addressing issues of commodities and poverty, particularly in rural communities.

Another highlight of the session was a presentation by Dr. Peter Gildemacher, Executive Director of the Netherlands-based Sepia Potato Foundation, titled 'State-of-the-art Science for Productive Agribusiness in Africa'. Dr. Gildemacher shared several innovative scientific advances in the African potato sector.

Photo: Training of potato farmers, Jos, Nigeria. Peter Gildemacher

Businesses driving impact

We also took the opportunity to showcase several CFC investees who are transforming the lives of smallholder farmers.

- **Exotic EPZ** – One of the company's founders, Jane Maigua, discussed how the Kenyan business aims to provide eco-friendly, high-quality products for global consumers. In particular, how the sustainable production of macadamia nuts plays a key role in building a profitable agribusiness.
- **Classical Handmade Products** – Managing Director, Tauhid Bin Abdus Salam, explored how the Bangladesh-based business uses non-traditional fibre sources, such as bamboo, jute, and banana leaf, to create handcrafted products that provide additional income for rural communities and economic opportunities for women.
- **Meridia** – Chief Revenue Officer, Beatrice Moulianitaki, outlined how Meridia provides traceability and transparency for regenerative agriculture in rural areas. The company's focus on accurate land mapping across Ghana, Indonesia, and Cote d'Ivoire, underscores the importance of land documentation in advancing agricultural development.
- **Shalem** – Co-founder Ruth Kinoti shared firsthand how CFC investments have helped develop Shalem into a high-value grain processing business, showcasing the potential of agro-processing to bolster food security and income generation.
- **Moyee Coffee** – Jasper Meewis, Moyee Coffee's Project Manager for Impact, introduced the Dutch social enterprise which is dedicated to fair trade and sustainable coffee production. He highlighted Moyee's commitment to retaining a significant portion of the coffee's value within the country of origin through practices such as local roasting and packaging, in contrast to typical distribution models dominated by large multinational corporations.

Stepping towards a sustainable future

The speakers, presentations and the businesses showcased, emphasised the importance of reshaping the commodity sector to benefit producers and farmers. By adding value locally and retaining more income in the country of origin, it can play a pivotal role in driving sustainable development, economic growth and inclusive prosperity.

We hope the innovative solutions and productive conversations that were shared, inspired everyone present to continue working towards a future that is sustainable and prosperous for everyone.

Photo: Kakuma, Turkana County, Kenya. © FAO / Vincent Tremeau

VII Financial Reports

Photo: Adobe stock

Statement of Financial Position – First Account, as at 31 December 2023

(expressed in United States Dollar and Special Drawing Rights)

	2023 USD	2022 USD	2023 SDR	2022 SDR
ASSETS				
Non-current				
Right of Use Asset	444,300	574,900	331,100	432,000
Promissory Notes	33,212,800	31,958,900	24,747,300	24,014,100
Debt Securities	63,887,600	68,172,300	47,603,400	51,225,000
Participations in Investment Funds	1,432,400	1,555,200	1,077,900	1,168,600
Non-current assets	**98,977,100**	**102,261,300**	**73,759,700**	**76,839,700**
Current				
Debt Securities	10,754,900	6,941,500	8,013,600	5,215,900
Participations in Investment Funds	105,900	687,200	68,300	516,400
Prepayments and other short-term assets	269,100	131,700	200,500	99,000
Amounts receivable from Members -/- provision	852,300	821,200	635,000	617,000
Cash and Cash equivalents	1,584,100	1,122,200	1,180,400	843,200
Accrued Income on Investments	932,500	754,800	694,800	567,200
Recoverable Taxes on goods & services	32,100	48,100	23,900	36,100
Other current assets	4,130,700	3,100,000	3,077,800	2,329,400
Other receivables	1,385,200	1,309,500	1,032,100	984,000
Current assets	**20,046,800**	**14,916,200**	**14,926,400**	**11,208,200**
Total assets	**119,023,900**	**117,177,500**	**88,686,100**	**88,047,900**
EQUITY AND LIABILITIES				
Equity				
Paid-in-shares of Directly Contributed Capital	102,371,700	101,086,700	76,278,400	75,957,100
Net Earning Programme	13,090,800	13,901,200	9,754,100	10,445,400
Accumulated Surplus/(Deficit)	1,963,400	486,100	1,463,000	365,500
Total Equity	**117,425,900**	**115,474,000**	**87,495,500**	**86,768,000**
Liabilities				
Non-current				
Operating lease Obligations	382,100	521,600	284,600	391,800
Turkey settlement	156,600	156,600	116,700	117,700
Accrued liabilities	147,500	147,500	109,900	110,800
Non-current liabilities	**686,200**	**825,700**	**511,200**	**620,300**
Current				
Operating lease Obligations	159,700	159,700	119,000	120,000
Accured liabilities	752,100	718,100	560,400	539,600
Current liabilities	**911,800**	**877,800**	**679,400**	**659,600**
Total liabilities	**1,598,000**	**1,703,500**	**1,190,600**	**1,279,900**
Total equity and liabilities	**119,023,900**	**117,177,500**	**88,686,100**	**88,048,000**

Statement of Financial Position – Second Account, as at 31 December 2023

(expressed in United States Dollar and Special Drawing Rights)

	2023 USD	2022 USD	2023 SDR	2022 SDR
ASSETS				
Non-current				
Promissory Notes	5,312,100	5,118,900	3,958,100	3,846,400
Debt Securities	53,254,100	57,159,900	39,680,300	42,950,200
Participations in Investment Funds	2,270,100	1,927,700	1,691,500	1,448,400
Loan Receivable -/- provision	3,045,300	5,294,800	2,269,100	3,978,600
Non-current assets	**63,881,600**	**69,501,300**	**47,599,000**	**52,223,600**
Current				
Debt Securities	10,550,400	7,023,500	7,861,200	5,277,500
Amounts receivable from Members -/- provision	0	0	0	0
Loan Receivable -/- provision	6,154,600	8,138,700	4,585,900	6,115,500
Cash and Cash equivalents	5,730,200	4,299,100	4,269,600	3,230,400
Accrued Income on Investments	1,540,700	1,247,600	1,148,000	937,500
Other current assets	5,001,500	3,000,000	3,726,700	2,254,200
Current assets	**28,977,400**	**23,708,900**	**21,591,400**	**17,815,100**
Total assets	**92,859,000**	**93,210,200**	**69,190,400**	**70,038,700**
EQUITY AND LIABILITIES				
Equity				
Paid-in-shares of Directly Contributed Capital	24,728,100	24,534,900	18,425,200	18,435,600
Accumulated Surplus/(Deficit)	66,159,700	66,812,600	49,296,400	50,203,400
Total Equity	**90,887,800**	**91,347,500**	**67,721,600**	**68,639,000**
Liabilities				
Non-current				
Belgium settlement	347,300	334,700	258,800	251,500
Luxembourg settlement	3,500	3,500	2,600	2,600
Turkey settlement	234,900	234,900	175,000	176,500
Non-current liabilities	**585,700**	**573,100**	**436,400**	**430,600**
Current				
Other payables	1,385,500	1,289,600	1,032,400	969,100
Current liabilities	**1,385,500**	**1,289,600**	**1,032,400**	**969,100**
Total liabilities	**1,971,200**	**1,862,700**	**1,468,800**	**1,399,700**
Total equity and liabilities	**92,859,000**	**93,210,200**	**69,190,400**	**70,038,700**

Statement of Profit or Loss – First Account, for the year ended 31 December 2023
(expressed in United States Dollar and Special Drawing Rights)

	2023	2022	2023	2022
	USD	USD	SDR	SDR
Income				
Net Income from Investments	1,988,700	1,789,200	1,490,700	1,336,900
Other Income	1,740,000	1,708,300	1,304,300	1,276,400
Unrealized (loss)/gain on participations in investment funds	-738,300	-144,300	-553,400	-107,800
Realized Exchange (loss)/gain on Operations	8,700	13,600	6,500	10,200
Unrealized Exchange (loss)/gain on translation of Balance Sheet items	1,142,400	-2,334,700	856,300	-1,744,500
Total income	**4,141,500**	**1,032,100**	**3,104,400**	**771,200**
Expenses				
Staff Salaries & Benefits	2,698,500	2,422,400	2,022,700	1,810,000
Operational Expenses	372,200	282,400	279,000	211,000
Meeting Costs	121,900	84,400	91,400	63,100
Premises Costs	209,900	211,900	157,300	158,300
Total expenses	**3,402,500**	**3,001,100**	**2,550,400**	**2,242,400**
(Loss)/Profit for the year	**739,000**	**-1,969,000**	**554,000**	**-1,471,200**

Statement of Comprehensive Income – First Account, for the year ended 31 December 2023
(expressed in United States Dollar and Special Drawing Rights)

	2023	2022	2023	2022
	USD	USD	SDR	SDR
(Loss)/Profit for the year	739,000	-1,969,000	554,000	-1,471,200
Items that will not be reclassified to profit and loss	0	0	0	0
Items that will be reclassified to profit and loss	-72,100	0	-54,000	0
Total comprehensive income for the year	**666,900**	**-1,969,000**	**500,000**	**-1,471,200**

Statement of Profit or Loss – Second Account, for the year ended 31 December 2023
(expressed in United States Dollar and Special Drawing Rights)

	2023	2022	2023	2022
	USD	USD	SDR	SDR
Income				
Net Income from Investments	2,138,800	1,817,100	1,603,200	1,357,700
Income from Loans	771,400	896,700	578,200	670,000
Contribution DTF I	0	0	0	0
Unrealized (loss)/gain on participations in investment funds	212,200	75,200	159,100	56,200
Realized Exchange (loss)/gain on Operations	-7,700	-43,200	-5,800	-32,300
Unrealized Exchange (loss)/gain on translation of Balance Sheet items	75,000	-403,900	56,200	-301,800
Total income	**3,189,700**	**2,341,900**	**2,390,900**	**1,749,800**
Expenses				
Project Payments	100,900	29,100	75,600	21,700
Administrative fee on investment portfolio	1,302,000	1,254,400	975,900	937,300
Provision for overdue loan	2,439,700	833,700	1,828,700	622,900
Total expenses	**3,842,600**	**2,117,200**	**2,880,200**	**1,581,900**
(Loss)/Profit for the year	**-652,900**	**224,700**	**-489,300**	**167,900**

Statement of Comprehensive Income – Second Account, for the year ended 31 December 2023
(expressed in United States Dollar and Special Drawing Rights)

	2023	2022	2023	2022
	USD	USD	SDR	SDR
(Loss)/Profit for the year	-652,900	224,700	-489,300	167,900
Items that will not be reclassified to profit and loss	0	0	0	0
Items that will be reclassified to profit and loss	0	0	0	0
Total comprehensive income for the year	**-652,900**	**224,700**	**-489,300**	**167,900**

Directly Contributed Capital, as at 31 December 2023 (USD)

	First Account			Second Account		
	Outstanding Contributions[1]	Payments		Outstanding Contributions[1]	Payments	
		Cash	Promissory Notes		Cash	Promissory Notes
Afghanistan	0	399,412	361,825	0	0	0
Algeria	0	862,744	0	0	0	0
Angola	0	61,786	0	0	339,823	403,176
Argentina	0	0	372,135	0	635,460	43,481
Bangladesh	139,906	95,062	0	0	308,154	344,595
Benin	4,824	344,491	344,595	0	0	0
Bhutan	0	3,424	3,446	0	338,969	341,149
Botswana	4,824	344,491	344,595	0	0	0
Brazil	0	1,692,815	0	0	701,208	0
Bulgaria	733,319	284,202	0	0	0	0
Burkina Faso	4,824	344,491	344,595	0	0	0
Burundi	0	34,239	34,459	0	308,154	310,136
Cameroon	0	990,853	0	0	0	0
Cape Verde	0	342,393	344,595	0	0	0
Central African Republic	9,648	346,588	344,595	0	0	0
Chad	14,473	364,254	344,595	0	0	0
China	0	3,807,113	3,828,452	0	0	0
Colombia	0	1,060,568	0	0	0	0
Comoros	0	342,393	344,595	0	0	0
Congo	1,045,945	0	0	0	0	0
Dem.Republic of Congo(Zaire)	0	1,213,098	0	0	0	0
Costa Rica	0	833,938	0	0	0	0
Cote d'Ivoire	0	1,273,830	0	0	0	0
Cuba	0	291,399	292,947	0	393,960	291,232
Denmark	0	599,933	394,217	0	718,430	0
Djibouti	0	388,206	344,595	0	0	0
Ecuador	0	126,968	0	0	699,028	0
Egypt	0	616,445	506,555	0	0	0
Equatorial Guinea	0	734,443	0	0	0	0
Eswatini (former Swaziland)	0	94,101	358,377	0	262,885	0
Ethiopia	38,595	187,975	172,298	0	171,197	172,297
Finland	0	586,004	589,258	0	154,611	25,476
Gabon	300,859	455,118	0	0	0	0
Gambia	9,649	346,588	344,595	0	0	0
Germany	0	5,954,753	5,927,037	0	657,485	96,087
Ghana	0	1,085,935	0	0	0	0
Greece	0	347,901	344,595	0	0	0
Guatemala	0	423,346	0	0	408,621	0
Guinea	24,122	13,911	3,446	0	338,969	341,149
Guinea-Bissau	0	342,393	344,595	0	0	0
Haiti	14,473	348,685	344,595	0	0	0
Honduras	37,906	37,758	0	341,149	339,823	0
India	0	370,828	368,717	0	560,088	89,445
Indonesia	0	449,328	113,717	0	579,573	132,592
Iraq	1	878,501	0	0	0	0
Ireland	0	3,455	3,446	0	615,094	102,700
Italy	0	2,558,455	2,570,680	0	612,520	113,180
Jamaica	0	48,056	48,243	0	612,816	123,854
Kenya	0	906,469	0	0	0	0
Dem. People's Republic of Korea	716,758	0	0	0	0	0
Republic of Korea	0	517,919	520,339	0	0	0
Kuwait	0	941,579	0	0	0	0
Lao People's Dem. Republic	0	387,130	348,041	0	0	0

Directly Contributed Capital, as at 31 December 2023 (USD)

	First Account			Second Account		
	Outstanding Contributions[1]	Payments		Outstanding Contributions[1]	Payments	
		Cash	Promissory Notes		Cash	Promissory Notes
Lesotho	0	342,393	344,595	0	0	0
Madagascar	0	48,209	0	0	703,374	0
Malawi	14,473	348,685	0	0	0	344,595
Malaysia	0	832,788	854,596	0	0	0
Maldives	0	34,239	0	0	308,154	344,595
Mali	14,473	40,531	34,460	0	308,154	310,136
Mauritania	38,595	395,774	344,595	0	0	0
Mexico	0	170,697	0	0	770,650	148,631
Morocco	0	471,279	3,446	0	375,021	127,221
Mozambique	0	439,549	324,988	0	0	0
Myanmar	19,297	342,665	347,352	0	0	0
Nepal	4,824	310,251	310,136	0	34,239	34,459
Netherlands	0	752,209	1,481,759	0	730,118	0
Nicaragua	0	98,166	0	0	653,459	0
Niger	4,824	344,491	0	0	0	344,595
Nigeria	0	124,171	120,608	0	624,220	93,005
Norway	0	347,901	354,933	0	608,489	97,605
Pakistan	0	871,363	0	0	0	0
Papua New Guinea	0	120,151	0	0	699,703	0
Peru	0	1,074,903	0	0	0	0
Philippines	0	614,978	0	0	785,857	0
Portugal	0	171,346	0	0	447,097	101,535
Russian Federation	6,426,700	6,368,048	0	0	0	0
Rwanda	14,473	348,685	344,595	0	0	0
Samoa	0	342,393	344,595	0	0	0
Sao Tome and Principe	0	734,443	0	0	0	0
Saudi Arabia	0	360,373	361,825	0	0	0
Senegal	0	959,157	0	0	0	0
Sierra Leone	14,473	348,685	344,595	0	0	0
Singapore	0	227,143	230,879	0	411,896	61,005
Somalia	349,420	344,491	0	0	0	0
Spain	0	2,547,890	0	0	619,883	0
Sri Lanka	0	422,309	427,298	0	0	0
Sudan	115,784	290,011	241,217	0	102,718	103,379
Sweden	0	874,180	909,731	0	640,618	98,474
Syrian Arab Republic	0	916,910	0	0	0	0
United Republic of Tanzania	62,716	198,462	172,298	0	171,197	172,297
Thailand	0	485,578	472,095	0	0	0
Togo	0	763,530	0	0	0	0
Trinidad & Tobago	0	680,870	0	0	0	0
Tunisia	0	959,840	0	0	0	0
Uganda	86,838	380,145	344,595	0	0	0
United Arab Emirates	1,025,636	0	0	0	0	0
United Kingdom	0	3,166,031	2,855,649	0	664,193	0
Venezuela	0	878,775	0	0	0	0
Yemen	9,649	688,981	689,190	0	0	0
Zambia	186,454	912,100	0	0	0	0
Zimbabwe	0	725,106	0	0	0	0
TOTAL	11,488,755	68,306,642	33,212,807	341,150	19,415,954	5,312,086

[1] *As stated in Schedule B of the Agreement Establishing the Common Fund for Commodities, Members in the category of least developed countries as defined by the United Nations shall pay only 30% of the number of shares exceeding 100, over a period of three years. The remaining 70% (of shares exceeding 100) shall be paid as and when decided by the Executive Board. This remaining 70% is also included in the Outstanding Contributions.*

Voluntary Contributions, as at 31 December 2023 (USD)

	Pledge (3rd 5YAP)		Payments Cash up to 31 Dec. 2022	Payments Cash 2023	Payments Total 31.12.2023	
Country	Currency	USD[1]	USD	USD	USD	SDR
Austria[3]	USD	2,000,000	2,000,000	0	2,000,000	1,490,224
Belgium[3]	EUR	3,000,000	3,235,542	0	3,235,542	2,410,842
Cameroon	USD	0	7,994	0	7,994	5,956
China	USD	2,000,000	2,000,000	0	2,000,000	1,490,224
Denmark	DKR	2,188,064	794,987	0	794,987	592,355
Ecuador	USD	0	45,311	0	45,311	33,762
Finland	USD	2,000,000	2,011,089	0	2,011,089	1,498,487
France[3]	USD	15,000,000	2,385,648	0	2,385,648	1,777,575
Germany	USD	22,549,790	22,549,790	0	22,549,790	16,802,120
India	USD	5,000,000	5,000,000	0	5,000,000	3,725,560
Indonesia	USD	1,000,000	1,000,201	0	1,000,201	745,262
Ireland	USD	250,000	250,000	0	250,000	186,278
Italy	USD	15,000,000	14,999,999	0	14,999,999	11,176,680
Japan[3]	USD	27,000,000	32,231,940	0	32,231,940	24,016,408
Luxembourg[3]	USD	150,000	149,989	0	149,989	111,759
Madagascar	USD	8,643	8,616	0	8,616	6,420
Malaysia	USD	1,000,000	999,922	0	999,922	745,054
Netherlands	USD	17,000,000	19,560,207	0	19,560,207	14,574,546
Nigeria	USD	150,000	150,000	0	150,000	111,767
Norway	USD	22,490,000	22,446,462	0	22,446,462	16,725,130
OPEC Fund[4]	USD	29,250,000	29,250,000	0	29,250,000	21,794,528
Papua New Guinea	USD	0	70,055	0	70,055	52,199
Republic of Korea	USD	300,000	300,000	0	300,000	223,534
Singapore	USD	250,000	250,000	0	250,000	186,278
Sweden	USD	2,345,996	2,345,996	0	2,345,996	1,748,030
Switzerland[3]	USD	6,000,000	3,000,000	0	3,000,000	2,235,336
Thailand	USD	1,000,000	1,000,000	0	1,000,000	745,112
United Kingdom[2]	STG	5,438,060	7,399,909	0	7,399,909	5,513,762
Total		**182,370,552**	**175,443,658**	**0**	**175,443,658**	**130,725,188**

[1] Amounts pledged have been converted to USD equivalent using the IMF rates of 23/12/23
[2] Payment of MOU of GBP 4,270,000 received considered as contribution under Article 18.1.(e)
[3] Not a member of CFC
[4] Observer

2023 Administrative Budget, Summary

	2023	2023
	USD	EUR
Staff Costs	2,945,600	2,805,400
Operational Costs	582,200	554,500
Meeting Costs	137,600	131,000
Contingency	10,500	10,000
Total	**3,675,900**	**3,500,900**

To: the Governing Council of the Common Fund for Commodities

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REPORT OF THE INDEPENDENT AUDITOR ON THE ABBREVIATED FINANCIAL REPORTS

Our opinion

The summary financial statements 2023 (hereafter: 'the abbreviated financial reports') of the First Account and Second Account of the Common Fund for Commodities, based in Amsterdam, is derived from the audited financial statements 2023 of the First Account and Second Account of the Common Fund for Commodities.

In our opinion the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements 2023 of the First Account and Second Account of the Common Fund for Commodities.

Abbreviated financial reports

The abbreviated financial reports do not contain all the disclosures required by the International Financial Reporting Standards. Reading the abbreviated financial reports and our report thereon, therefore, is not a substitute for reading the audited financial statements of the First Account and Second Account of the Common Fund for Commodities and our auditor's report thereon. The abbreviated financial reports and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our auditor's report on those financial statements of June 27, 2024.

The audited financial statements and our auditor's report thereon

We expressed an unmodified audit opinion on the audited financial statements 2023 of the First Account and Second Account of the Common Fund for Commodities in our auditor's report of June 27, 2024.

Responsibilities of management board for the summary financial statements

Management is responsible for the preparation of the abbreviated financial reports in accordance with the accounting policies as applied in the 2023 financial statements of the First Account and Second Account of the Common Fund for Commodities.

Our responsibilities
Our responsibility is to express an opinion on whether the abbreviated financial reports are consistent, in all material respects, with the audited financial statements based on our procedures, which we conducted in accordance with Dutch law, including the Dutch Standard 810, "Engagements to report on summary financial statements".

Amsterdam, June 27, 2024

Grant Thornton Accountants and Adviseurs B.V.

Sabreena Thakur-Rana RA

--this document is signed digitally--

Photo: Harvesting rice in Nong Khiaw. Adobe stock

ANNEX I

Governors and Alternate Governors as of 31 December 2023

Photo: Adobe stock

Chairperson of the Governing Council during 2023:

H.E. Dr. Eniola Ajayi (Nigeria)

Vice-Chairpersons during 2023:

Africa: H.E. Ms. Margaret Shava (Kenya)

Asia and Pacific: H.E. Ms. Aruni Ranaraja (Sri Lanka)

China: Mr. JIN Yuan

Latin America and Caribbean: Mr. Diego Sadofschi (Argentina)

OECD: Ms. Anna Tofftén (Sweden)

Russian Federation: Mr. Alexander Dyukarev

Country	Governor	Alternate Governor
Afghanistan	H.E. Mr. Mohammed Asif Rahimi	Mr. Sayed Mahdi Alawi
Algeria	H.E. Ms. Salima Abdelhak	Ms. Wahiba Boutibane
Angola	H.E. Ms. Maria I. Resende Encoge	Mr. Anatólio Mikotene Domingos
Argentina	H.E. Mr. Mario Javier Agustín Oyarzábal	Mr. Diego Emilio Sadofschi
Bangladesh	Mr. Tapan Kanti Ghosh	H.E. Mr. M. Riaz Hamidullah
Benin	H.E. Ms. Corinne Brunet	Amb. Angelo Dan
Bhutan	H.E. Mr. Tenzin R. Wangchuk	Mr. Passang Dorji
Botswana	H.E. Ms. Mmasekgoa Masire-Mwamba	Ms. Nancy Neo Chengeta
Brazil	Mr. Luiz Fellipe Flores Schmidt	Mr. Juliano Rojas Maia
Bulgaria	Mr. Petar Dimitrov	-
Burkina Faso	H.E. Mr. Léopold Tonguenoma Bonkoungou	Mr. Hadi Honoré Yonli
Burundi	Hon. Marie Chantal Nijimbere	Mr. Sébastien Nzimana
Cabo Verde	c/o H.E. Mr. José Filomeno de Carvalho dias Monteiro	-
Cameroon	Mr. Luc Magloire Mbarga Atangana	H.E. Ms. Madeleine Liguemoh Ondoua
Central African Republic	c/o H.E. Mr. Daniel Emery Dede	-
Chad	Mr. Moutaye Whoor Hamit	-
China	Mr. ZHAO Chunfeng	Mr. JIN Yuan
Colombia	H.E. Ms. Carolina Olarte Bácares	Mr. Marco A. Velazquez Ruiz
Comoros	c/o Ambassador	-
Congo	Mr. Randy Aymand Noël Kamba	-
Costa Rica	H.E. Mr. Arnoldo Brenes Castro	Mr. Manuel Ignacio Morales Ovares
Côte d'Ivoire	Mr. Kobenan Kouassi Adjoumani	Mr. Aly Toure

Country	Governor	Alternate Governor
Cuba	Mr. Carlos Fidel Martín Rodríguez	H.E. Ms. Anet Pino Rivero
Democratic People's Republic of Korea	c/o H.E. Mr. HAN Tae Song	c/o Counsellor
Democratic Republic of the Congo	c/o H.E. Mr. Paul Empole Efambe	Mr. Jean-Claude Omba Olenga
Denmark	Ms. Anne Møller Ege	-
Djibouti	H.E. Mr. Aden Mohamed Dileita	-
Ecuador	H.E. Mr. Andrés Terán Parral	Mr. Oscar Felipe Izquierdo Arboleda
Egypt	H.E. Mr. Hatem Elsayed Mohamed Kamaleldin	Ms. Dahlia Tawakol
Equatorial Guinea	c/o H.E. Mr. Juan Ndong Nguema Mbengono	c/o Director General de Comercio
Eswatini	Mr. Newman S. Ntshangase	Mr. Mluleki S. Dlamini
Ethiopia	H.E. Mr. Hirut Zemene	Amb. Molalign Asfaw Ayana
Finland	Mr. Antti Piispanen	-
Gabon	c/o H.E. Mr. Serge Thierry Mickoto Chavagne	-
Gambia	H.E. Mr. Pa Musa Jobarteh	Mr. Ousainou Senghore
Germany	Dr. Peer Hoth	Mr. Marcus Hicken
Ghana	Hon. Kobina T. Hammond	H.E. Mr. Francis Danti Kotia
Greece	Mr. Evangelos Dairetzis	Ms. Eleni Karagianni
Guatemala	H.E. Mr. Eduardo Sperisen Yurt	Ms. Débora Maria Cumes Mariscal
Guinea	Mr. Emile Yombouno	Mr. Housseine Bangoura
Guinea-Bissau	c/o Ambassador	-
Haiti	Mr. Hervey Day	H.E. Mr. Pierre André Dunbar
Honduras	Mr. Mauricio Guevara Pinto	Mr. David Ernesto Wainwright
India	Dr. M. Balaji	Mr. Satya Pinisetty
Indonesia	Mr. Tri Tharyat	Ms. Dian Lestari
Iraq	Mr. Riyadh Fakher Al-Hasani	Mr. Munther Abdulameer Asad
Ireland	H.E. Mr. Brendan Rogers	-
Italy	Mr. Lucio Loiero	Mr. Simon Carta
Jamaica	The Honourable Floyd O'Brian Green	H.E. Ms. Cheryl Spencer
Kenya	H.E. Ms. Margaret Shava	Amb. Judith Sijeny
Kuwait	H.E. Mr. Ali Ahmad Ebraheem S. Aldafiri	-
Laos	Mr. Buavanh Vilavong	H.E. Mr. Kingphokeo Phommahaxay
Lesotho	The Honourable Lejone Mpotjoana	H.E. Dr. Pontšo Susan Matumelo Sekatle
Madagascar	H.E. Mr. Jean-Omer Beriziky	Mr. Eric Ratsimbazafy
Malawi	H.E. Dr. Naomi A. Ngwira	Mr. Richard Chiputula
Malaysia	Ybhg. Dato' Haji Mad Zaidi bin Mohd Karli	Mr. Pubadi a/l Govindasamy
Maldives	H.E. Mr. Ibrahim Ameer	H.E. Mr. Ahmed Khaleel
Mali	H.E. Mr. El Hadji Alhouseini Traore	Ms. Mama Mininian Bore
Mauritania	c/o Ambassador	Mr. Mohamed Moctar Alaoui
Mexico	H.E. Mr. Rogelio Ramírez de la O	H.E. Ms. Alicia Bárcena Ibarra
Morocco	H.E. Mr. Mohamed Basri	Ms. Sanaa Ziati
Mozambique	Mr. Claire Mateus Zimba	Ms. Joaquina Gumeta
Myanmar	H.E. Mr. Htun Ohn	Mr. Myint Thura
Nepal	H.E. Mr. Gahendra Rajbhandari	Mr. Suresh Adhikari
Netherlands	Mr. Robert-Jan Sieben	Ms. Merel van der Ven
Nicaragua	Mr. José de Jesús Bermúdez Carvajal	H.E. Mr. Carlos J. Argüello Gómez
Niger	H.E. Mr. Idé Alhassane	Mr. Issoufou Garba
Nigeria	Dr. Evelyn N. Ngige	H.E. Dr. Eniola Olaitan Ajayi
Norway	Ms. Elisabeth Walaas	Mr. Inge Hausken Thygesen
Pakistan	H.E. Mr. Suljuk Mustansaar Tarar	Mr. Rao Rizwan-ul-Haq
Papua New Guinea	Mr. William Dihm	c/o Ambassador
Peru	H.E. Ms. Marisol F. Agüero Colunga	Ms. Sandra Luisana Rodríguez Sánchez
Philippines	H.E. Mr. J. Eduardo Malaya	Ms. Kristine Jeanne A. Yap
Portugal	Mr. Fernando Medina	Mr. José Carlos Azevedo Pereira
Republic of Korea	H.E. Mr. Kyungho Choo	Mr. Chang Yong Rhee

Country	Governor	Alternate Governor
Russian Federation	Mr. Alexander Dyukarev	Ms. Anastasiia Kalenova
Rwanda	Mr. Richard Niwenshuti	Mr. Antoine Kajangwe
Samoa	c/o Deputy Prime Minister	-
Sao Tome and Principe	c/o Ambassador	-
Saudi Arabia	Mr. Ahmad S. Alteraifi	Mr. Saeid M. Alkahtani
Senegal	H.E. Mr. Momar Gueye	Mr. Henry Pierre Sarr
Sierra Leone	Mr. James Vibbi	Mr. Didan Sankoh
Singapore	H.E. Mr. Hung Seng Tan	-
Somalia	c/o H.E. Ms. Ebyan Mahamad Salah	-
Spain	Mr. Daniel Cascales Núñez	Mr. Oscar Vía Ozalla
Sri Lanka	Ms. Gilma Dahanayake	H.E. Ms. Aruni Ranaraja
Sudan	Mr. Marwan Ahmed Mohamed Khier Mohi Eldin	Ms. Rasha Beshir Ahmed Yousif
Sweden	Ms. Anna Tofftén	-
Syrian Arab Republic	H.E. Mr. Milad Atieh	Mr. Loai Al Oja
Thailand	Mr. Sedthakiat Krajangwongs	Mr. Chantanon Wannakejohn
Togo	Mr. Kommabou Fandjinou	Mr. Seyiram K. Amefian
Trinidad & Tobago	Senator the Honourable Kazim Hosein	Mr. Farook Hosein
Tunisia	H.E. Mr. Skander Denguezli	Ms. Haifa Ben Alaya
Uganda	Mr. Emmanuel Mutahunga	H.E. Ms. Mirjam Blaak Sow
United Arab Emirates	Ambassador	-
United Kingdom of Great Britain and Northern Ireland	Mr. Paul Whittingham	-
United Republic of Tanzania	Dr. Hashil T. Abdallah	H.E. Ms. Caroline Kitana Chipeta
Venezuela	Mr. Rubén Darío Molina	H.E. Mr. Calixto Ortega Rios
Yemen	H.E. Ms. Sahar Mohammed Abduljabbar Ghanem	Mr. Mohammed Fakher
Zambia	H.E. Mr. Sylvester Mundanda	Ms. Lina Mutandwa Chambwe
Zimbabwe	Amb. James Manzou	H.E. Mr. Ammon Mutembwa
Andean Community (CAN)	c/o Dr. Jorge Hernando Pedraza	-
African Union (AU)	c/o H.E. Ms. Josefa Leonel Correira Sacko AU Commissioner for Agriculture, Rural Development, Blue Economy, and Sustainable Environment (ARBE)	c/o H.E Albert M. Muchanga AU Commissioner for Economic Development, Tourism, Trade, Industry, Mining (ETTIM)
Caribbean Community (CARICOM)	Dr. Carla Natalie Barnett	Ms. Desiree Field-Ridley
Common Market for Eastern and Southern Africa (COMESA)	Ms. Chileshe Kapwepwe	Mr. E.A. Mohammed
East African Community (EAC)	Hon. Dr. Peter Mutuku Mathuki	Director for Trade
Economic Community of West African States (ECOWAS)	c/o H.E. Dr. Omar Alieu Touray	-
European Union (EU)	Mr. Regis Meritan	-
Southern African Development Community (SADC)	c/o H.E. Elias Mpedi Magosi	-
West African Economic and Monetary Union (WAEMU/UEMOA)	c/o Mr. Abdoulaye Diop	-

Photo: Belita Maleko of the Mwansambo extension planning area, Nkhotakota zone, central Malawi. © T. Samson/CIMMYT

ANNEX II

Member States, Institutional Members and Votes as of 31 December 2023

Country	Region	No. of votes	LDC
Afghanistan	Asia	357	X
Algeria	Africa	395	
Angola	Africa	391	X
Argentina	LAC	496	
Bangladesh	Asia	426	X
Benin	Africa	347	X
Bhutan	Asia	343	X
Botswana	Africa	347	
Brazil	LAC	1,024	
Bulgaria	Europe	417	
Burkina Faso	Africa	347	X
Burundi	Africa	343	X
Cameroon	Africa	389	
Cabo Verde	Africa	343	
Central African Republic	Africa	349	X
Chad	Africa	351	X
China	Asia	3,000	
Colombia	LAC	490	
Comoros	Africa	343	X
Congo	Africa	351	
Costa Rica	LAC	393	
Côte d'Ivoire	Africa	476	

Photo: Habanero hot pepper plant. © FAO/Giorgio Cosulich

Country	Region	No. of votes	LDC
Cuba	LAC	584	
Democratic People's Republic of Korea	Asia	355	
Democratic Republic of the Congo	Africa	476	X
Denmark	Europe	643	
Djibouti	Africa	343	X
Ecuador	LAC	391	
Egypt	Africa	476	
Equatorial Guinea	Africa	347	
Eswatini	Africa	355	
Ethiopia	Africa	366	X
Finland	Europe	535	
Gabon	Africa	368	
Gambia	Africa	349	X
Germany	Europe	4,362	
Ghana	Africa	426	
Greece	Europe	309	
Guatemala	LAC	401	
Guinea	Africa	357	X
Guinea-Bissau	Africa	343	X
Haiti	LAC	353	X
Honduras	LAC	372	
India	Asia	621	
Indonesia	Asia	575	
Iraq	Asia	376	
Ireland	Europe	309	
Italy	Europe	2,065	
Jamaica	LAC	380	
Kenya	Africa	387	
Kuwait	Asia	351	
Lao People's Dem. Republic	Asia	345	X
Lesotho	Africa	343	X
Madagascar	Africa	360	X
Malawi	Africa	351	X
Malaysia	Asia	768	
Maldives	Asia	343	
Mali	Africa	351	X
Mauritania	Africa	366	X
Mexico	LAC	469	
Morocco	Africa	449	
Mozambique	Africa	360	X
Myanmar	Asia	355	X
Nepal	Asia	345	X
Netherlands	Europe	1,086	
Nicaragua	LAC	382	
Niger	Africa	347	X
Nigeria	Africa	440	
Norway	Europe	549	
Pakistan	Asia	407	
Papua New Guinea	Asia	389	
Peru	LAC	445	
Philippines	Asia	580	
Portugal	Europe	309	

Country	Region	No. of votes	LDC
Republic of Korea	Asia	490	
Russian Federation	Europe	4,257	
Rwanda	Africa	351	X
Samoa	Asia	343	
Sao Tome and Principe	Africa	345	X
Saudi Arabia	Asia	357	
Senegal	Africa	382	X
Sierra Leone	Africa	351	X
Singapore	Asia	441	
Somalia	Africa	347	X
Spain	Europe	1,126	
Sri Lanka	Asia	413	
Sudan	Africa	413	X
Sweden	Europe	929	
Syria	Asia	382	
Thailand	Asia	449	
Togo	Africa	358	X
Trinidad and Tobago	LAC	353	
Tunisia	Africa	380	
Uganda	Africa	395	X
United Republic of Tanzania	Africa	380	X
United Arab Emirates	Asia	347	
United Kingdom of Great Britain and Northern Ireland	Europe	2,550	
Venezuela	LAC	401	
Yemen	Asia	544	X
Zambia	Africa	505	X
Zimbabwe	Africa	343	
EC	Europe	0	
AU	Africa	0	
COMESA	Africa	0	
EAC	Africa	0	
CAN	LAC	0	
CARICOM	LAC	0	
SADC	Africa	0	
ECOWAS	Africa	0	
WAEMU/UEMOA	Africa	0	
TOTAL		**57,364**	

LDC: Least Developed Country
LAC: Latin America and the Caribbean Countries

Institutional Members of the Common Fund for Commodities

African Union (AU) – Addis Ababa, Ethiopia
Andean Community (CAN) – Lima, Peru
Caribbean Community (CARICOM) – Greater Georgetown, Guyana
Common Market for Eastern & Southern Africa (COMESA) – Lusaka, Zambia
East African Community (EAC) – Arusha, Tanzania
Economic Community of West African States (ECOWAS) – Abuja, Nigeria
European Union (EU) – Brussels, Belgium
South African Development Community (SADC) – Gaborone, Botswana
West African Economic & Monetary Union (WAEMU/UEMOA) – Ouagadougou, Burkina Faso

Designated International Commodity Bodies (ICBs)

1 International Cocoa Organization (ICCO)
2 International Coffee Organization (ICO)
3 International Copper Study Group (ICSG)
4 International Cotton Advisory Committee (ICAC)
5 International Grains Council (IGC)
6 International Lead and Zinc Study Group (ILZSG)
7 International Bamboo and Rattan Organisation (INBAR)
8 International Nickel Study Group (INSG)
9 International Olive Council (IOC)
10 International Rubber Study Group (IRSG)
11 International Sugar Organization (ISO)
12 International Tropical Timber Organization (ITTO)
13 FAO – Intergovernmental Sub-Group on Bananas
14 FAO – Intergovernmental Group on Citrus Fruit
15 FAO – Intergovernmental Sub-Committee on Fish Trade
16 FAO – Intergovernmental Group on Grains
17 FAO – Intergovernmental Group on Hard Fibres
18 FAO – Intergovernmental Sub-Group on Hides and Skins
19 FAO – Intergovernmental Group on Meat and Dairy Products
20 FAO – Intergovernmental Group on Oils, Oilseeds and Fats
21 FAO – Intergovernmental Group on Rice
22 FAO – Intergovernmental Group on Tea
23 FAO – Intergovernmental Sub-Group on Tropical Fruits

Institutions with Memoranda of Understanding

The Common Fund for Commodities has concluded Memoranda of Understanding with the following institutions:

1 African Development Bank (AfDB)/African Development Fund
2 African Export-Import Bank (AFEXIM)
3 Arab Organization for Agricultural Development (AOAD)
4 Authority for Integrated Development of the Liptako-Gourma Region (ALG)/L'Autorité de Developpement Integré de la Region du Liptako-Gourma
5 Food and Agriculture Organization of the United Nations (FAO)
6 Grupo de Paises Latino Americanos y del Caribe Exportadores de Azúcar (GEPLACEA)
7 Inter-American Institute for Cooperation on Agriculture (IICA)
8 International Atomic Energy Agency (IAEA)
9 Islamic Centre for Development of Trade (ICDT)
10 OXFAM
11 Sistema Económico Latino Americano (SELA)
12 United Nations Conference on Trade and Development (UNCTAD)
13 United Nations Convention to Combat Desertification (UNCCD)
14 United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)
15 United Nations Economic and Social Commission for Latin America and the Caribbean (ECLAC)
16 United Nations Human Settlements Programme (UN-HABITAT)
17 United Nations Industrial Development Organization (UNIDO)
18 United States Agency for International Development (USAID)
19 West African Economic and Monetary Union (WAEMU)/Union Economique et Monétaire Ouest Africaine (UEMOA)
20 Dutch-Bangla Chamber of Commerce and Industries (DBCCI)
21 Council on Smallholder Agricultural Finance (CSAF)

Abbreviations

AAF-SME	Africa Agriculture SME Fund
AATIF	Africa Agriculture Trade and Investment Fund
ACAMS	Association of Certified Anti-Money Laundering Specialists
ACT	Agricultural Commodity Transformation Fund
AECID	Spanish Agency for International Development Cooperation
AfCFTA	African Continental Free Trade Area
AFD	Agence Française de Développement
AfDB	African Development Bank
AFEXIM	African Export-Import Bank
AFSF	Africa Food Security Fund
AIF	Alternative Investment Funds
ALG	Authority for Integrated Development of the Liptako-Gourma Region
AOAD	Arab Organization for Agricultural Development
ATAF	Moringa Agroforestry Technical Assistance Fund
AU	African Union
BMZ	German Ministry for Development Cooperation and Economic Development
CAF	Andean Development Corporation
CAN	Andean Community
CARICOM	Caribbean Community and Common Market
CDD	Customer Due Diligence
CDDCs	Commodity Dependent Developing Countries
CFC	Common Fund for Commodities
COMESA	Common Market for Eastern and Southern Africa
COOPAC	Coffee Production Congo & Rwanda
CSAF	Council on Smallholder Agricultural Finance
CSRD	Corporate Sustainability Reporting Directive
DAC	Development Assistance Committee
DBCCI	Dutch-Bangla Chamber of Commerce and Industries
DGGF	Dutch Good Growth Fund
DIB	Development Impact Bond
DRC	Democratic Republic of Congo
EAC	East African Community
EB	Executive Board
ECLAC	United Nations Economic and Social Commission for Latin America and the Caribbean
ECOSOC	United Nations Economic and Social Council
FfD	Financing for Development Forum
ECOWAS	Economic Community of West African States
EIB	European Investment Bank
ESCAP	United Nations Economic and Social Commission for Asia and the Pacific
ESG	Environmental, Social and Governance
ETS	Emmissions Trading System
EU	European Union
EUDR	EU Deforestation Regulation
FAO	Food and Agriculture Organization of the United Nations
FFEM	French Facility for Global Environment
FISEA	French Investment and Support fund for businesses in Africa
FMO	The Netherlands Entrepreneurial Development Bank
GAP	Global Good Agricultural Practices
GBP	British pound sterling
GC	Governing Council
GCF	Green Climate Fund
GEPLACEA	Grupo de Paises Latino Americanos y del Caribe Exportadores de Azúcar
GIIN	Global Impact Investing Network
GIS	Geographic Information System
Ha	Hectares
HACCP	Hazard Analysis Critical Control Point
HQ	Headquarters
IADB	Interamerican Development Bank
IAEA	International Atomic Energy Agency
ICAC	International Cotton Advisory Committee
ICB	International Commodity Body

ICCO	International Cocoa Organization
ICDT	Islamic Centre for Development of Trade
ICO	International Coffee Organization
ICSG	International Copper Study Group
IFC	International Finance Corporation
IGC	International Grains Council
IICA	Inter-American Institute for Cooperation on Agriculture
ILO	International Labour Organisation
ILZSG	International Lead and Zinc Study Group
IMF	International Monetary Fund
INBAR	International Bamboo and Rattan Organization
INSG	International Nickel Study Group
IOC	International Olive Council
IRIS+	Impact Reporting and Investment Standards
IRSG	International Rubber Study Group
ISO	International Sugar Organization
ITTO	International Tropical Timber Organization
JPO	Junior Professional Officer
KfW	Kreditanstalt für Wiederaufbau
KYC	Know Your Customer
LAC	Latin America and the Caribbean
LDC	Least Developed Country
LLDC	Land Locked Developing Country
MD	Managing Director
MDG	Millennium Development Goal
MT	Metric Tonne
NGO	Non-Governmental Organization
OACPS	Organization of African, Caribbean and Pacific States
OECD	The Organisation for Economic Co-operation and Development
OFID	OPEC Fund for International Development Public Private Partnership
OPCW	Organisation for the Prohibition of Chemical Weapons
OPEC	Organization of the Petroleum Exporting Countries
OSAA	Office of the Special Adviser on Africa
PCAF	Partnership for Carbon Accounting Financials
RSPO	Roundtable on Sustainable Palm Oil
SADC	South African Development Community
SDG	Sustainable Development Goal
SELA	Sistema Económico Latino Americano
SEMS	Social and Environmental Management System
SFDR	Sustainable Finance Disclosure Regulations
SIDA	Swedish International Development Cooperation Agency
SIDS	Small Island Developing States
SIF	SME Impact Fund
SME	Small and medium sized enterprise
SSA	Sub Saharan Africa
TA	Technical Assistance
TAF	Technical Assistance Facility
UEMOA	Union Economique et Monétaire Ouest Africaine
UN	United Nations
UNCCD	United Nations Convention to Combat Desertification
UNCTAD	United Nations Conference on Trade and Development (UN Trade and Development as of 2024)
UNDESA	UN Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UN-HABITAT	United Nations Human Settlements Programme
UNIDO	United Nations Industrial Development Organization
UN-OHRLLS	United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States
USAID	United States Agency for International Development
USD	US Dollar
WAEMU/VEMOA	West African Economic & Monetary Union
WEF	World Economic Forum
WTO	World Trade Organization
WUR	Wageningen University and Research

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common fund for commodities

Mission & Vision Statement

Mission
"To contribute to poverty alleviation by strengthening the income-generating capacity of commodity producers and mitigating vulnerability to their economic well being"

Vision
"To strengthen and diversify the commodity sector in developing countries and transform it to be a major contributor to poverty alleviation and sustained economic growth and development"