

Food Security – Noteworthy Investments

- **Armajaro Trading:** IFC's \$55 million financing to Armajaro Trading, a global agri-commodities supply chain manager, is helping the company offer value-added services to cocoa and coffee farmers and co-operatives, and lead the sector in traceability and sustainability. The ethical sourcing of coffee and cocoa allows consumers to access sustainably cultivated commodities while contributing to the long-term social and economic development of farming communities.
- **ECOM, Latin America, Africa, and South Asia:** IFC provided \$40 million financing to ECOM, a global commodities trader that channels microcredit to small coffee producers in Latin America, Africa, and South Asia. With IFC's support, ECOM reached about 140,000 small farmers. In addition, the ECOM-IFC advisory program helped farmers improve yields and enhance environmental management practices and production quality, leading to increased incomes and access to export markets.
- **Ethiopia Coffee:** IFC provided a \$10 million risk-sharing facility to local Nib International Bank to encourage lending to coffee cooperatives that receive training on better production and processing by U.S. non-governmental organization, Technoserve. IFC's guarantee enabled financing to 45,000 small farmers to purchase milling equipment that led to better quality coffee and 50 percent higher incomes.
- **Ghana Palm Oil Development Corporation, Ghana:** IFC's \$13 million financing to GOPDC is expanding palm oil production on 8,000 ha of plantations in Ghana and is an example of how IFC reaches many smallholders through the right partner. The company, which employs 2,300 local residents, sources palm oil fruit bunches from an additional 7,500 smallholder farmers (totaling 13,000 ha) and provides them with technical and financial support.
- **Salala Rubber, Liberia:** IFC's \$10 million financing to the Salala Rubber plantation in Liberia is helping create job opportunities in poor rural communities. The company employs 1,000 people and buys rubber from 120 farmers. Perhaps more importantly, Salala Rubber is also restoring to local residents essential social infrastructure (housing, water, sanitation, power, roads, clinics, schools) which was left in disrepair during years of conflict.
- **Jain Irrigation, India:** IFC provided \$74 million financing to Jain Irrigation, a producer of drip irrigation equipment. The technology cuts water usage by 40 percent, resulting in water savings equal to the annual consumption of more than 10 million households; it has also helped to raise the annual incomes for small farmers by up to \$1,000. Jain has tailored its business model to include the poor, creating a supply chain of 25,000 small farmers, 90 percent of whom have less than one hectare of land.
- **Mriya, Ukraine:** IFC's \$65 million financing to Mriya, a leading primary agriculture company in Ukraine, is helping fund the inputs required to optimize yields during variable growing seasons. Mriya has improved its environmental and social performance with IFC support and is implementing a water efficiency program at its sugar factories. The company has opened a school to prepare staff for higher-skilled positions and has achieved nearly 50 percent gender balance among its employees.
- **Pran Limited, Bangladesh:** The Global Agriculture and Food Security Program invested \$5 million in Pran Group, a Bangladesh-based diversified food producer and an IFC client, to support the upgrading of its processing facility. The project is expected to reach up to 600 additional farmers and will create up to 1,800 jobs in the agribusiness sector.

- **Raiffeisen Aval-Bayer, Ukraine:** IFC partnered with Raiffeisen Bank Aval and agri-chemicals industry leader, Bayer, to develop a \$140 million risk-sharing facility that will enable farmers to buy quality crop-protection products on credit from Bayer. IFC is guaranteeing up to half the value of the facility and hopes to replicate this model in other countries.
- **National Collateral Management Services, India:** To address bottlenecks in agriculture-related logistics and infrastructure, IFC provided \$7 million to India's National Collateral Management Services which currently manages 500 agricultural commodity warehouses in more than 100 locations. The company will build up to 40 new warehouses, three cold storages, and one warehouse for storing industrial and consumer products. Access to improved storage helps reduce post-harvest waste and increases access to finance for farmers. The company issues receipts for commodities stored in its warehouses and the owners of the stock can use the receipts as loan collateral for banks.
- **Agriculture Price-Risk Management Product:** IFC launched this product in 2011 to protect consumers and agricultural commodity producers from price volatility and protect buyers from price rises. IFC has committed \$200 million (with \$100 million each to **JP Morgan** and **Société Générale**) in credit exposure for clients that use specific price-hedging products while JP Morgan and Société Générale take on an equal amount of exposure to them. These combined credit exposures are expected to enable up to \$4 billion in price protection for emerging-market agricultural producers and buyers.
- **Global Warehouse Finance Program:** Launched in 2010, this program increases liquidity in the agribusiness sector by making commodities in warehouses available as collateral. This is beneficial for farmers and small businesses that cannot secure loans because of a lack of conventional collateral. The first project with **Paraguay's Sudameris Bank S.A.E.C.A.** consists of a \$15 million short-term loan for up to 12 months, renewable twice for up to three years. Two more projects were signed in FY12 with **Techcombank, Vietnam** and globally with **BNP Paribas**. The program also provides advisory services to banks to promote the use of warehouse receipts as collateral.