

IFC Agribusiness

April 2025

Industry Context

A strong agribusiness sector is necessary to meet the global challenges of food insecurity, environmental changes, and surging demand from growing populations and changing diets.

Agribusiness provides smallholder farmers and women with economic opportunities, creates jobs throughout the value chain, and contributes to overall economic prosperity, human development, and a healthy planet.

With food demand projected to increase by 50% and limited potential for expanding arable land, productivity improvements must be prioritized. By 2050, the global population is expected to grow by 32%, while agriculture, forestry, and land use currently account for approximately 24% of global greenhouse gas emissions.

The agribusiness sector, responsible for nearly one-third of total emissions, significantly impacts crops and biodiversity. However, it also holds immense potential to contribute to a stronger planet through sustainable practices and innovation.

IFC Strategy and Portfolio

IFC supports private sector solutions to address global food demand and rising prices sustainably.

By empowering smallholder farmers and fostering effective value chains, IFC drives impactful change across the agribusiness sector.

An effective value chain approach requires multisectoral and multistakeholder engagements within the WBG and with partners.

IFC focuses on three key strategic objectives:

- Enhancing food and nutrition security by strengthening supply chains and improving market access.
- Advancing growth and value addition with inclusive business models for smallholder farmers and agribusinesses.
- Embedding sustainability as core business drivers.

To address these priorities effectively, IFC employs new platforms, partnerships, and tools. An extensive toolbox of advisory, upstream, and finance offerings helps address the complex challenges faced by our clients.

Our approach centers around:

- **Scaling Supply:** Helping private sector players expand into new markets, enhance production sustainability, and integrate into global value chains with financial and advisory support.
- **AgTech & Sustainability:** Investing in agricultural technology to boost productivity, market access, financing, and environmental sustainability while enhancing supply chain efficiency.
- **Strengthening the Planet and Women's Opportunities:** Prioritizing environmental resilience and women's opportunities to promote sustainable agribusiness practices and create equitable food supply chains.

**IFC's Agribusiness
and Forestry Portfolio**
As of December 2024



\$4.8B

**Total LTF
Commitments**



\$2.3B

Investment and Advisory Examples



PEARL DAIRY, UGANDA

In Uganda, IFC has invested in Pearl Dairy which is the East-African nation's largest milk processing plant. Pearl buys raw milk from some 10,000 small-scale farmers in rural areas and sells processed products to marginalized communities. Over the past ten years, Pearl's small-scale supplier farmers have adopted IFC's trainings to produce better quality milk and increase productivity by 63%. The incomes of small-scale farmers have risen by 44%, and they are providing affordable, high-quality dairy products to a growing regional population in need of better nutrition. For farmers supplying to Pearl Dairy, the technical support has also led to a 17% drop in GHG emission per liter of milk.



PRAN GROUP, BANGLADESH

IFC supported PRAN Group in enhancing food safety and agricultural practices across its operations. This involved a comprehensive food safety assessment and the implementation of international standards, along with consulting and coaching for five processing companies on food safety management systems and good agricultural practices for key crops like tomato, mango, cassava, turmeric, and potato. Additionally, IFC helped build the capacity of PRAN's extension services and established a farmer training and auditing program, the PRAN Assurer Scheme, focusing on good practices and integrated pest management. A gender diagnostic was also conducted for five crops, with training provided to lead women farmers. As a result, PRAN achieved significant outcomes, including a \$233 million incremental increase in sales, a \$920K increase in farmers' sales, and \$1.5 million in cost savings. Five PRAN companies (AMCL, PFL, PDL, NAL, and PAL) were certified against international food safety management standards, including BRC Food. Additionally, around 3000 PRAN staff were trained by 199 IFC-trained trainers, about 5.6K farmers underwent audits and training, 77 new training modules and products were developed, around 4.3K farmers passed the PRAN Assurer Scheme audit, five gender diagnostics were conducted, and 64 lead women trainers were trained, contributing to PRAN's expansion into 134 export countries.



HACIENDA SAN JOSE, COLOMBIA

In 2018, IFC began working with sustainability-focused ranching company Hacienda San Jose, in the easternmost Orinoquía, to develop a business model for sustainable beef production that included improved forage varieties and species, rehabilitation of degraded pasture and rotational grazing.

Through this partnership, IFC has helped Hacienda San José to conduct several foundational studies, including a greenhouse gas assessment, an economic feasibility analysis, and a land protection plan. These studies helped the company to transition to a climate-smart livestock supply chain and improve production standards. With further support from the International Center for Tropical Agriculture (CIAT) and the World Bank, Hacienda San Jose has then significantly improved grassland conditions under grazing. Through the implementation of Brachiaria grass deep-rooted forages, developed by CIAT, Hacienda San Jose has recovered more than 7,000 ha of degraded pasture lands, which has been able to significantly improve beef production along with reductions in greenhouse gas emissions through soil carbon sequestration. According to the life cycle-based model developed by CIAT to calculate the annual and cumulative climate impact of HSJ operations for the period 2017 to 2023, HSJ reduced GHG emission intensity by 46% compared to other cow-calf farms in Meta, a department near Vichada. Further studies report that, in the region, nitrous oxide emissions are 10 times lower in the improved grassland compared to the permanent grassland, and soil organic carbon stocks are significantly higher in the latter. In 2021, the &Green Fund - a climate investment fund that follows IFC Performance Standards established to de-link tropical commodity production from deforestation - invested \$7.7 million in the company, supporting the plans to expand their ranch.



CARIBBEAN BOTTLING COMPANY (CBC), HAITI

The water and flavored drinks company in Haiti received support from IFC in developing and implementing a food safety management system based on HACCP principles. CBC demonstrated reduced food safety risks, improved its operations, developed 28 procedures and instructions, trained 30 staff in different aspects of Food Safety, saved costs, increased sales, and opened new export markets.