



incofin
invest for impact

FAIRTRADE
ACCESS
FUND™

From fair price
to fair future

2025

Impact Report

Building farmer resilience in a changing world

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KFW



INCOFIN MICROFINANCE FUND



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the European Union

Letter from the chair

Dear partners,

Recently, I visited Colcocoa in Colombia. It is a cocoa exporter that buys from eight or nine cooperatives across the country and reaches some 1500 smallholder farmers – most working fewer than three hectares of land, many in regions where, not so long ago, coca (the raw material for cocaine) was the more profitable crop. Today, they grow fine cocoa and sell to a company that pays a premium for quality and ties its growth to the wellbeing of the families who supply it.

Colcocoa is the kind of agri-SME the Fairtrade Access Fund was built to support. In 2025, the Fund supported many more like it.

The Fund disbursed USD 100 million across 44 investees in 17 countries – the most in its history. We reached 545,850 smallholder farmers, 86% of whom farm fewer than five hectares of land. Average revenue per farmer from sales to our investees rose by 10%, a tangible step toward a living income.

Behind these figures sits a more sober story. In the aftermath of the economic shocks triggered by the pandemic and the war in Ukraine, FAF and its partners went through a challenging period. The turnaround strategy approved by the Board in 2023 has delivered: portfolio quality has returned, and the Fund closed 2025 with a USD 1.9 million profit, demonstrating that sustainability is the foundation for everything else in this report.



Fairness for farmers, our founding promise, is as urgent as ever, but it now means more than a fair price. We have responded by widening our toolkit – supporting farming that restores the land, infrastructure that reduces risk, diversification that stabilizes income, technology that levels the playing field, and adequate compensation for positive environmental contributions through Payments for Ecosystem Services. The case studies that follow show what each looks like in practice.

The launch of the Payments for Ecosystem Services initiative was our most significant new direction in 2025. With EUR 10 million committed by the German Federal Ministry for Economic Cooperation and Development (BMZ) through KfW, alongside a EUR 5 million technical assistance pledge, the Fund deployed its first USD 5 million to Equation Coffee in Colombia and Aldea Coffee in Nicaragua. The learnings from these pilots will shape a much broader program in the years ahead.

As we look to the year ahead, I want to thank all who make this work possible – BMZ and KfW, our investors, our fund team, the producer organizations and agri-enterprises we work with. Together, we are helping make sure that the people who feed us can build decent lives for themselves and their families.

Sincerely,

LUUK LAURENS ZONNEVELD
Independent Chair of
the Board





02

Why we invest for impact

Our purpose: Fairtrade's evolution

The Fairtrade Access Fund (“the Fund”) was born from Fairtrade International’s founding principles. For over 15 years, we’ve worked to improve smallholder farmer livelihoods through:



Financing that gives cooperatives, farmer organizations, and agri-enterprises access to fair prices and better trading terms.



Hands-on support that builds their capacity, helps them manage risk, and connects them to markets.

We’ve spent 15 years building deep relationships with smallholder producers across dozens of markets. We combine patient capital with the technical support that actually changes farmers’ lives.

The Fund reaches smallholder farmers indirectly, through its investees – producer organisations, agri-SMEs, and agri-MFIs that source from, lend to, or trade with farmers. Every figure in this report on farmer outreach, income and impact reflects work done by these investees, with the Fund’s capital and technical assistance behind them.

What’s changed

Our founding purpose matters more than ever. Smallholder farmers today face pressures that didn’t exist when the Fund began – pressures that threaten everything we’ve built.

CLIMATE

Farmers can’t predict the weather anymore. Harvests fail. Costs spike. Prices swing wildly. The farmers who’ve done the least to cause climate change are paying the highest price.

STRICTER REGULATIONS

New rules on deforestation and human rights are necessary – yet they create costly new barriers. Smallholder farmers often can’t afford compliance, even when they’re already farming sustainably.

CLOSED DOORS TO FINANCING

Banks still perceive smallholder farmers as too risky. Local financial systems often remain weak. Farmers can’t get the capital they need to invest, adapt, or grow.

THE INFORMATION GAP

As the world goes digital and buyers use advanced analytics, smallholder farmers fall further behind. They lack access to the market information and tools they need to compete.

These challenges hit smallholder farmers hardest. They create extra costs, new risks, and mounting complexity. Without support, farmers get pushed to the margins – or out entirely.

Climate matters to us because it directly threatens the income stability and market access we were created to protect. Environmental sustainability and farmer livelihoods aren’t separate goals – they’re inseparable.

Our theory of change

The Fund's objective is to enable smallholder farmers to achieve sustainable, resilient livelihoods even as climate and market pressures intensify. We do this through three pillars: securing market access, ensuring stable and fair incomes, and reducing vulnerability to climate shocks.



MARKET ACCESS: FARMERS CONNECTED TO EVOLVING MARKETS

As global markets raise the bar on sustainability, traceability, and compliance, smallholder farmers risk being left behind – and buyers need confidence their supply chains can keep up. The Fund helps bridge that gap – supporting certification and sustainability adoption, strengthening organizational capacity and risk management, improving access to market information, and enabling investment in climate-resilient value chains.



INCOME: SMALLHOLDER FARMERS' EARNING POWER

By financing responsible companies with smallholder-inclusive business models, the Fund helps farmers earn higher and more predictable incomes – through access to essential services (such as loans, inputs, and transport), knowledge building on climate-smart agriculture, fairer prices and terms of trade, and income diversification through payment for ecosystem services.



RESILIENCE: ENVIRONMENTAL SUSTAINABILITY FOR ECONOMIC VIABILITY

The Fund finances and incentivises practices that regenerate ecosystems and reduce climate risk – promoting and compensating ecosystem services, supporting agroforestry and soil regeneration, and rewarding sustainable practices that contribute to global climate goals.



03

Are we
making a
difference?



Our portfolio in perspective

Since its inception, the Fund has invested over **USD 675 million** and delivered **USD 2.5 million** in technical assistance grants to more than **146 investees** across Latin America, Africa, and Asia.

HISTORICAL NET LOAN PORTFOLIO

USD million	Net loan portfolio	Yearly disbursement
2012	0.5	0.5
2013	8	9
2014	11	15
2015	16	19
2016	28	38
2017	38	46
2018	50	57
2019	56	63
2020	45	50
2021	53	70
2022	59	71
2023	59	63
2024	58	73
2025	71	100



IN 2025, THE FUND SUPPORTED:



545,850
smallholder farmers



across
17
countries



573,021 ha
cultivated using
sustainable practices



3 ha
median farm size



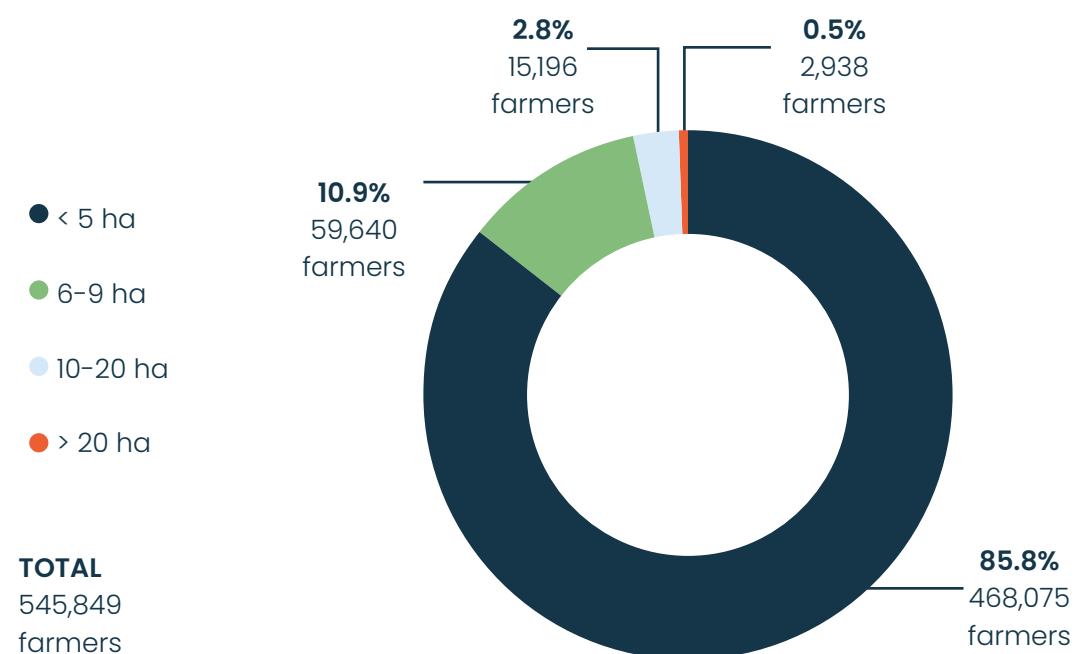
12
crops



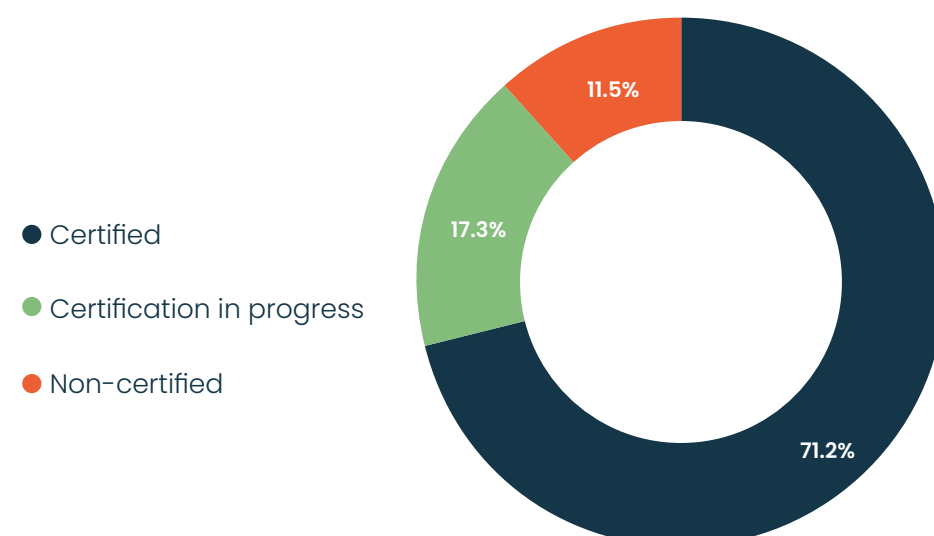
FARMER REACH BY CHANNEL (2025)

Agri SMEs and producer organizations	416,569 farmers
Agri-focused MFIs	129,281 farmers

LAND OWNERSHIP DISTRIBUTION (2025)



SUSTAINABLE CERTIFICATION OF AGRI-SMES (2025)



“Certification establishes the foundation – fair terms, transparency, and access to markets that value sustainability. But for smallholder farmers navigating climate volatility, economic uncertainty, and shifting supply chains, a foundation is only the beginning. Our collaboration with the Fund closes the gap between standards and outcomes: combining the rigour of Fairtrade certification with the financing, technical support, and partnerships that make those standards meaningful in practice. Together, we connect the standards farmers work hard to meet with the capital and support they need to thrive.”



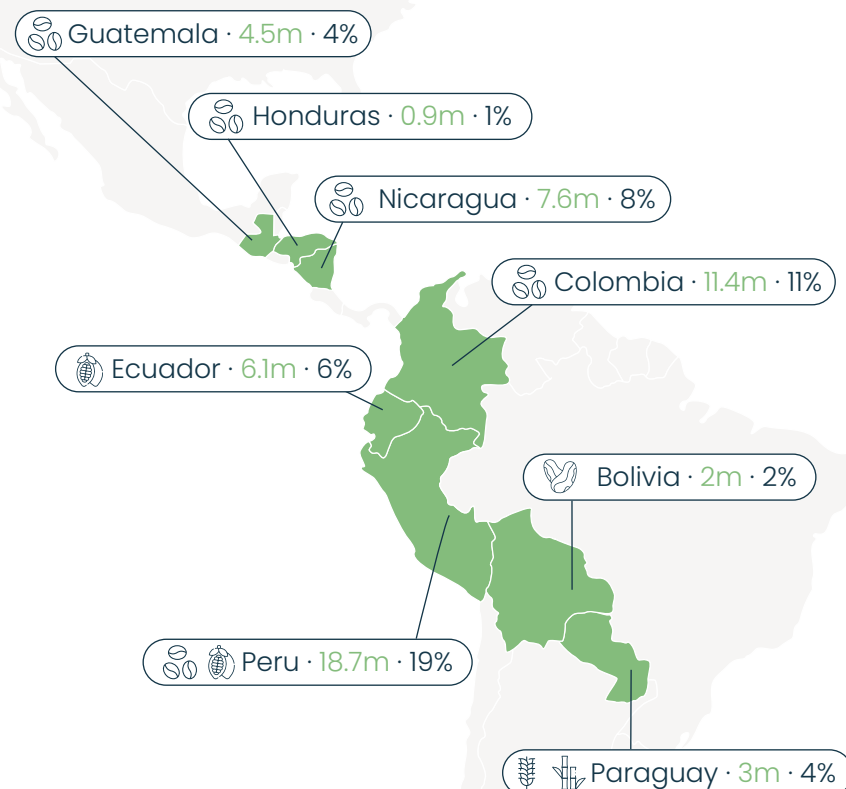
DR. ARISBE MENDOZA

Director Global Impact,
Advocacy & Partnerships,
Fairtrade International; Board
Member, Fairtrade Access Fund

Our investment landscape

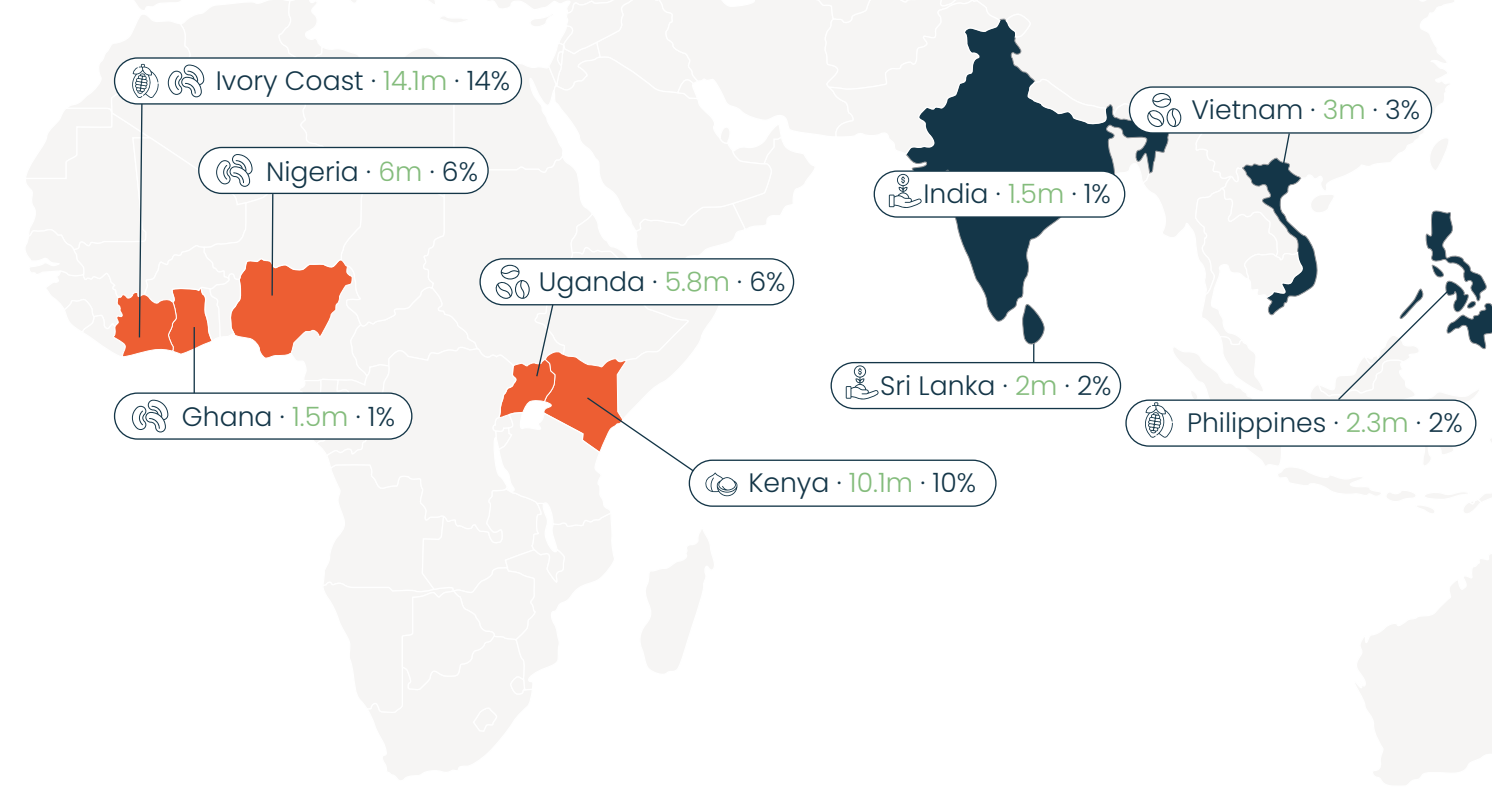
In 2025, the Fund disbursed **USD 100 million** of loans across **44 clients** in **17 countries**.

Country
2025 disbursements in USD million
2025 disbursements in %

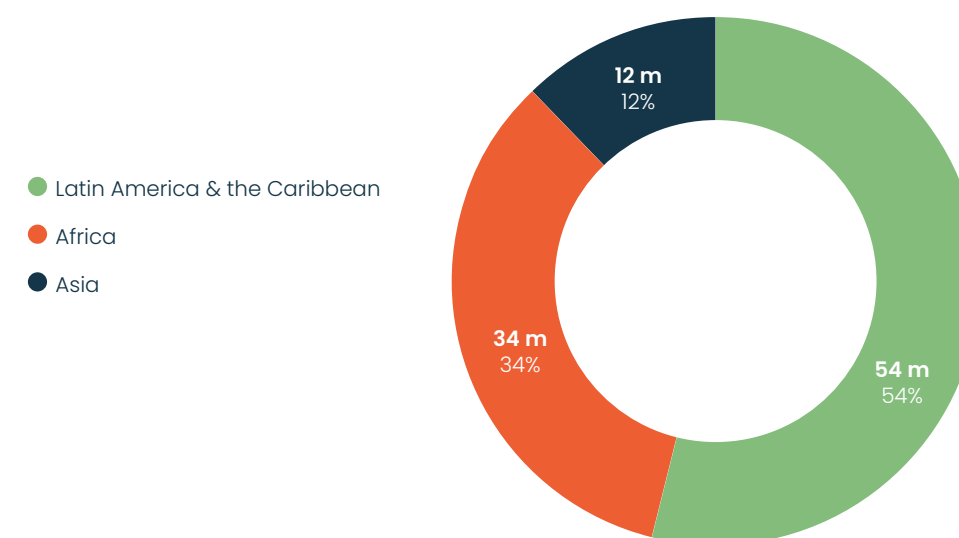


CROPS (2025 DISBURSEMENTS IN USD MILLION AND %)

 Agri-Finance	5m · 5%	 Grains	2m · 2%
 Coffee	42m · 42%	 Brazil nuts	2m · 2%
 Cocoa	21m · 19%	 Sugar cane	1m · 1%
 Macadamia	10m · 10%	 Food security	3m · 3%
 Cashew	11m · 11%	 Fruits & vegetables	3m · 3%



2025 DISBURSEMENTS BY REGION (IN USD MILLION AND %)

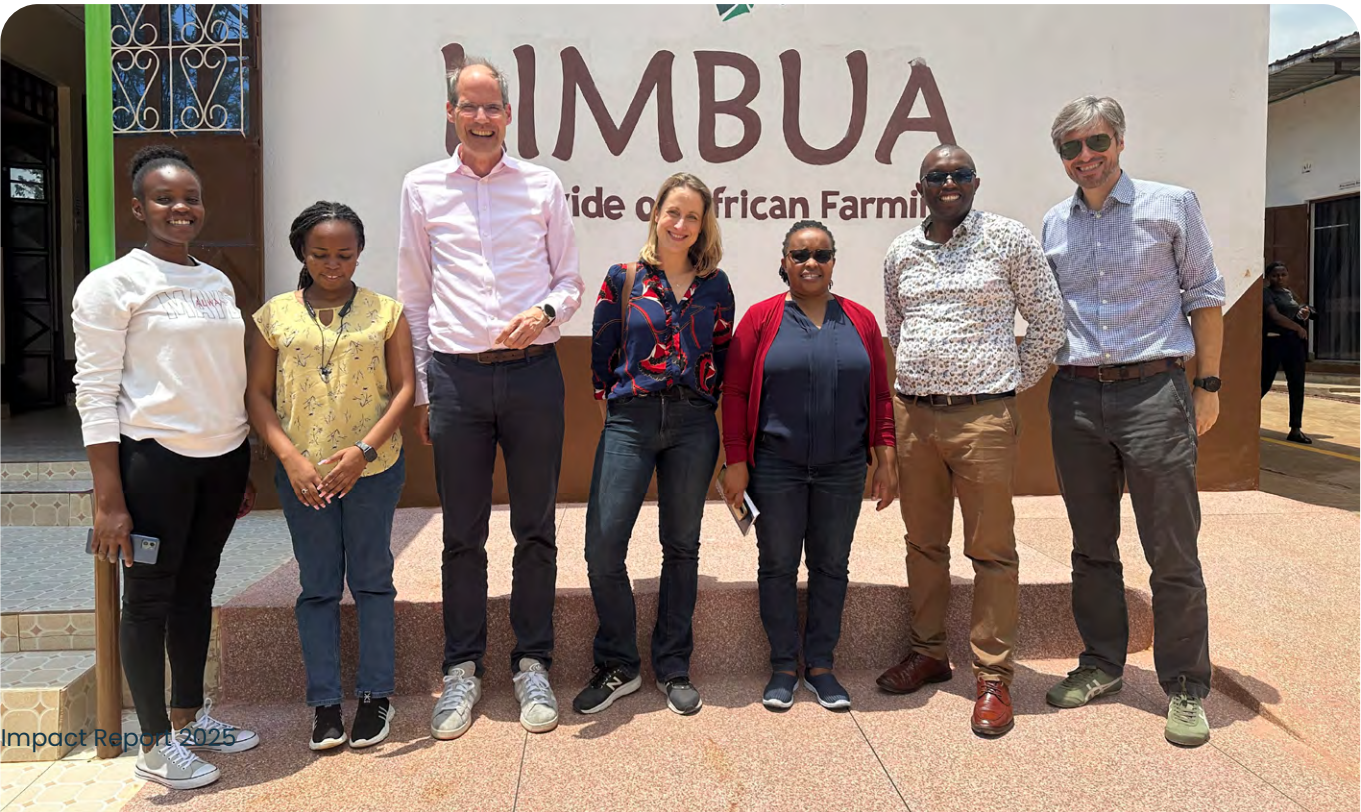


Trade finance enables the timely purchase of crops from smallholder farmers at the start of the harvest season, while **working capital** supports investees with tighter cash flow cycles, particularly those sourcing and trading multiple crops. **Long-term loans** are deployed to unlock structural growth and impact potential, enabling investees to drive more holistic systems transformation across their ecosystems.

TRADE FINANCE 2025 DISBURSMENTS

	2025 disbursements (in %)	(in USD million)
Trade finance	64%	USD 64 m
Working capital	24%	USD 24 m
Long term loans	12%	USD 12.5 m

This allocation reflects the Fund’s focus on providing timely, flexible financing to strengthen the resilience and sustainability of agricultural value chains in the long term.



Impact Report 2025

Amplifying impact through technical assistance

The technical assistance facility translates vision into field-level support.

CUMULATIVE RESULTS SINCE THE INCEPTION OF THE FUND’S TA FACILITY (2016 TO 2025)

USD 2.5 MILLION
deployed to projects (totalling USD 3.2 million including other donors and partner contributions)

42 PROJECTS
in 17 countries

47 INVESTEEES SUPPORTED
(24 producer organizations, 21 agri-SMEs, and 2 agri-focused microfinance institutions)

225,668 MEMBERS
reached indirectly

28,845 MEMBERS + 2,262 STAFF
trained via TA

597,641 UNDERLYING HECTARES
cultivated



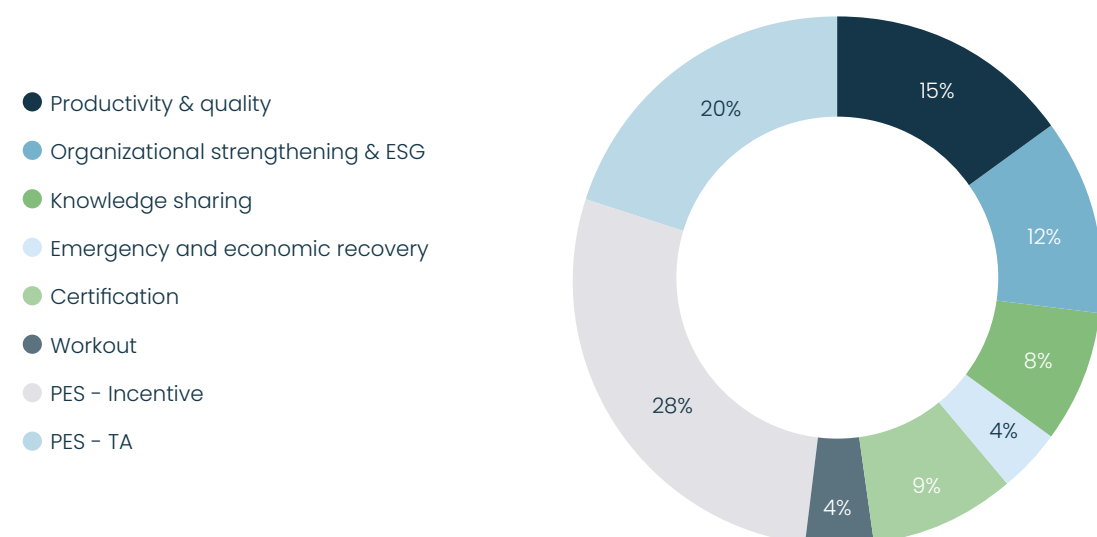
2025 snapshot

USD 522 K
deployed across 5 projects

DESIGN AND LAUNCH
of the Payment for Ecosystem Services (PES) scheme

KEY AREAS
of intervention implemented during the year: PES,
organizational strengthening, sustainable agriculture

ALLOCATED BUDGET PER AREA OF INTERVENTION
SINCE THE INCEPTION OF THE FUND'S TA FACILITY (2016–2025)



Supporting Payments for Ecosystem (PES) Services

With support from KfW and the German Federal Ministry for Economic Cooperation and Development (BMZ), through the CompensACTION framework, the Fund helps ensure smallholder farmers are recognized and paid for the environmental value they create. In 2025, the Fund deployed its first impact-linked loans to two coffee value chain partners – one pilot in Colombia, one in Nicaragua – paired with dedicated technical assistance in partnership with the CGIAR Hub for Sustainable Finance (ImpactSF). Each loan is tied to measurable sustainability KPIs, with financial incentives linked to verified performance.

In Colombia, Equation Coffee is scaling biochar-based soil regeneration across new producer clusters in Huila and Tolima. Biochar is a charcoal-like material made from coffee prunings; applied to soil, it retains water and nutrients, lifts fertility, and locks carbon away for a hundred years or more. The full case is set out in Section 3.

In Nicaragua, Aldea Coffee shows what the model looks like when it is already operating at scale.



PES in action: Aldea Coffee, Nicaragua

Long-term capital for agroforestry, a new income stream from carbon already in the soil, and a pathway into biodiversity markets.

Nicaragua's geographic and ecological conditions give it strong potential for coffee grown under agroforestry, where coffee plants coexist with shade trees that hold soil, regulate water, and provide habitat for biodiversity. The challenge is the production cycle: a farmer who establishes or renovates an agroforestry plot earns no coffee revenue for the first two years, and the trees reach productive maturity only between years four and six. Short-term lending does not bridge that gap. Long-term capital does.



Aldea is one of the largest producer associations in Latin America, representing more than 20,000 smallholders, of whom over 9,300 are coffee growers. Since 2021, Aldea has integrated more than 2,500 producers into voluntary carbon markets through coffee agroforestry, sequestered over 32,000 tonnes of carbon, and channelled more than USD 900,000 in PES payments back to farmers. On average, each participating producer has earned approximately USD 400 in additional annual income from carbon credits – a meaningful margin on a smallholder budget, and one that arrives independently of the coffee price.



The Fund supports the expansion of Aldea's model into new areas so that more rural families can transition toward sustainable agroforestry systems with access to environmental markets. The Fund's six-year loan is aligned with that production cycle, giving Aldea the resources to on-lend to farmers for the maintenance, renovation and expansion of agroforestry coffee systems across Jinotega, Matagalpa, Nueva Segovia and Madriz. The Fund's financing targets 2,200 new producers across 5,500 hectares and the capture of 21,780 tonnes of CO₂, while improving soil health, increasing tree cover and adopting verifiable environmental practices over a six-year period. Technical assistance with the CGIAR Hub for Sustainable Finance focuses on a roadmap for advanced Monitoring, Reporting and Verification (MRV) and on building indicators that can open access to biodiversity markets alongside carbon.



For the farmers, the layering is what matters: coffee income, carbon income today, and biodiversity income on the horizon – all from the same hectare.

Across both pilots, CGIAR brings independent scientific rigour to the measurement of soil, carbon, water and biodiversity outcomes – ensuring that environmental claims are credible and verifiable, and that the financial incentives in each loan are tied to results the market can trust.



“Credible impact measurement requires independent scientific oversight. Our partnership with Incofin shows that blended finance, when grounded in scientific rigor, enables access to credible carbon, biodiversity, and water markets – creating the conditions for closing structural smallholder income gaps.”



CINIRO COSTA JR
PhD – Scientist – Climate and Food Systems – Multifunctional Landscapes, Tropical Forages – Program & CGIAR Hub for Sustainable Finance

Impact in numbers

The Fund continued to make good progress towards its impact goals in 2025.

MARKET ACCESS: MORE FARMERS INTEGRATED INTO HIGHER-VALUE GLOBAL MARKETS

In 2025, the Fund’s investees, with the Fund’s in-depth support, drew more vulnerable farmers into the formal agricultural value chain and helped them stay connected to evolving global markets. The number of smallholder farmers reached through these investees **increased by 3% to 545,850**. A higher share of very small farmers (under 5 hectares) is behind the growth in outreach.

Commercial integration between smallholder farmers and our investees also deepened. Even with production volumes stable, total value of purchases by clients from investees increased by 13%, surpassing USD 2 billion, thanks to a year of exceptionally strong prices, especially in the cacao market. **88% of the Fund’s investees hold or are in the process of acquiring reputable certifications** (which continues to grow annually). As a consequence, **sustainability premiums were also exceptionally strong in 2025, growing by 76%**. This performance promotes equitable benefits and locks in buyers’ confidence.



INCOME: IMPROVED FARMER INCOMES AND JOB STABILITY ALONGSIDE GENDER INCLUSION

The tangible impact of improved market access: the **average revenue per farmer from sales to investees grew by 10%** in 2025 to an estimated USD 4,247, signaling that farmers are earning more from their relationship with the Fund's investees. The growth was most prominent for farmers working with our cacao and coffee exporters.

Income was also generated through the jobs directly created and maintained by our portfolio companies. The **number of permanent employees increased by 106%** in the portfolio, with the main contributor being from our SME partners (61% of employment), followed by financial institution partners (31%) and producer organizations (8%). Investees also provided 25,327 seasonal jobs in the year.

Women's economic inclusion into the formal value chains also improved in 2025, with the **number of women smallholder farmers increasing by 16% and the share of women among farmers growing to 27%**. Within the Fund's portfolio companies, the number of women employed also increased by 16%, and while the share decreased slightly, **women represent a remarkable 44% of the workforce**. Women are notably better represented in partner financial institutions (45%) and SMEs (44%), while improvable in producer organizations (22%).



GENDER LENS: FOOD AND AGRICULTURE

Women are at the core of food and agriculture systems in emerging markets – accounting for over a third of global agrifood employment (and up to 70% in some regions), producing as much as 80% of food in developing countries, and representing nearly half of the agricultural workforce. Yet, structural inequalities persist, with female farmers facing a 20–25% productivity gap due to limited access to land, finance, and inputs.



RESILIENCE: PROGRESS IN LAYING THE GROUNDWORK,
BUT FURTHER MONITORING AND VERIFICATION NEEDED

Six out of ten investees continued to invest in farmer training, strengthening awareness and adoption of climate smart practices among smallholder farmers. Through practical, field-based training, investees supported farmers to improve soil health, manage pests and weather variability, diversify production, and safeguard yields. The efforts range from good agricultural practices and organic inputs to agroforestry, certification, and post harvest quality. They help farmers better anticipate, absorb, and adapt to increasingly volatile climate conditions, reinforcing both livelihoods and long term sustainability.

Although the total coverage of certified hectares declined in 2025 due to the exit of one entity that represented 30% of the hectares last year, the share of land under sustainable certification increased to 61%, demonstrating that **investees increasingly recognize environmental standards and financial performance as going hand in hand in building resilient, future proof businesses.**

But more work is to be done to truly enable smallholder farmers to evolve from victims to champions of the ecosystem. Through the CompensAction pilot, the Fund will implement a more targeted monitoring, reporting and verification (MRV) system to gain deeper insights.



PILLAR	INDICATOR	2025	Y-O-Y CHANGE (%)	SDG
Market access Are smallholders integrated into stable, higher value markets on fair terms?	Number of smallholder farmers	545,850	↑ 3%	
	% of smallholder farmers owning less than 5 hectares of land	86%	↑ 4%	
	Tons of total production of smallholder farmers	997,643.20	↕ 0%	
	Purchases from smallholder farmers (USD million)	USD 2,318 m	↑ 13%	
	Premiums derived from sustainable sales (USD million)	USD 82 m	↑ 76%	
	% of organic or sustainably certified investees (including in process of getting certification)	88%	↑ 1%	
Income Does market access translate into higher, fairer, reliable and more inclusive earnings?	Average revenue per farmer from sales with portfolio company	USD 4,247	↑ 10%	
	Number of women smallholder farmers	149,602	↑ 16%	
	Number of women employees	18,389	↑ 20%	
	% of women smallholder farmers	27%	↑ 13%	
	% of women staff employed by investee companies	44%	↓ -5%	
	Number of permanent employees from direct employment creation	16,928	↑ 106%	
	Number of seasonal employees from indirect employment creation	25,327	↑ 1%	
Resilience Are livelihoods protected and adaptable over the long term?	Land cultivated under sustainable certification (hectares)	573,021	↓ -29%	
	Land cultivated under sustainable certification (% of total hectares)	61%	↑ 3%	
	% of agri-SMEs promoting environmental standards by providing specific training on the topics to their farmer suppliers	63%	↑ 8%	

Y-O-Y: Year-on-year



04

What impact looks like on the ground

We help farmers transition to sustainable agriculture - farming that builds resilience, protects the land, and improves yields. There's no one-size-fits-all approach. Different farmers in different places need different tools.

Across the portfolio, we work on five things: regenerative farming practices that restore the land, infrastructure that reduces risk, diversification that stabilizes income, technology that levels the playing field, and ecosystems improvement.

The following stories show our work in action.

CASE STUDY

Equation Coffee, Colombia Biochar at scale, restoring soils for the long term

IN FOCUS:

FARMING PRACTICES THAT RESTORE THE LAND
PAYMENT FOR ENVIRONMENTAL STEWARDSHIP

CHALLENGES

In Colombia's coffee belt, smallholder producers face thinning soils, more erratic rainfall, and a market that increasingly asks for credible sustainability claims but rarely pays for them up front. Coffee prices alone do not cover what farmers and their families need to live well. The environmental work farmers already do – keeping soils healthy, retaining water, sequestering carbon – largely goes unpaid. Without long-term financing, the agri-SMEs that connect these farmers to international markets cannot invest in sustainable practices.

The opportunity is large. According to Equation's analysis, cultivation and on-farm processing account for around 75% of global coffee emissions – meaning that interventions at the farm level, not downstream, are where most of the climate gain lies. Equation estimates that biochar applied at scale could reduce coffee sector emissions by over 20%.



SOLUTION

Equation Coffee is a Colombian specialty coffee exporter working with more than 1,300 smallholder producers, directly and through small producer associations and cooperatives, promoting a regenerative agriculture model. Together with agri-tech partner Cirkular Origin and field partner Biodiversal, Equation converts coffee prunings into biochar – a stable, charcoal-like product that improves soil fertility and water retention while sequestering carbon for a hundred years or more.

What makes the model distinctive is that biochar is produced at farm and cluster level rather than at a central industrial facility. Biomass is valorised at source, and the char is returned to the farmer who produced it. The approach is CAPEX-light, geographically flexible, and keeps the regenerative benefits with the smallholders themselves. The Fund's five-year loan, paired with technical assistance delivered with the CGIAR Hub for Sustainable Finance, supports the expansion of this model across new producer clusters in the Huila and Tolima regions. Technical assistance focuses on areas where Equation is well-positioned to lead: advancing Monitoring, Reporting and Verification (MRV) systems, soil organic carbon measurement, and a sustainability strategy that quantifies the co-benefits of biochar across soil fertility, micro-fauna, and water-related properties.

The financing model itself is layered. Alongside the Fund's long-term loan, Equation has built a consortium of specialty coffee roasters who contribute five cents per pound of green coffee sold to support the regenerative work at origin. The model connects three parties – farmer, exporter, roaster – around the same outcome.

Looking ahead, Equation's three-year scaling plan (2026–2028) targets more than 7,280 new farmers introduced to regenerative agriculture, over 10,000 hectares of Colombian coffee soil restored, 155,000 tonnes of biomass converted into permanent carbon stores, and over 56,000 tonnes of biochar produced. Projected payments to Colombian smallholders over the period reach USD 2.9 million, with an estimated 68 million litres of water capacity added to Colombian lands and a 22% increase in microbial biomass on treated soil. These are projections, and the early Huila and Tolima clusters are the proof points against which they will be measured.

RESULTS

The model is set to deliver returns on two timescales. In the short term, participating farmers receive premium payments for biochar-grown coffee and, where carbon markets are accessible, a share of carbon credit revenues – both tracked through Equation’s digital traceability platform. Over the longer term, the practices would regenerate the land itself: healthier soils, better water retention, and a production system better adapted to a changing climate. As one of the first two CompensACTION pilots, Equation also serves as a test point for how scientifically credible MRV can connect smallholder soil and carbon work to ecosystem-service markets, so that environmental stewardship becomes a paid layer of farmer income rather than unpaid background work.

IMPACT METRICS



1,853
smallholder
farmers



516
female
farmers



330
certified
hectares



22
employees

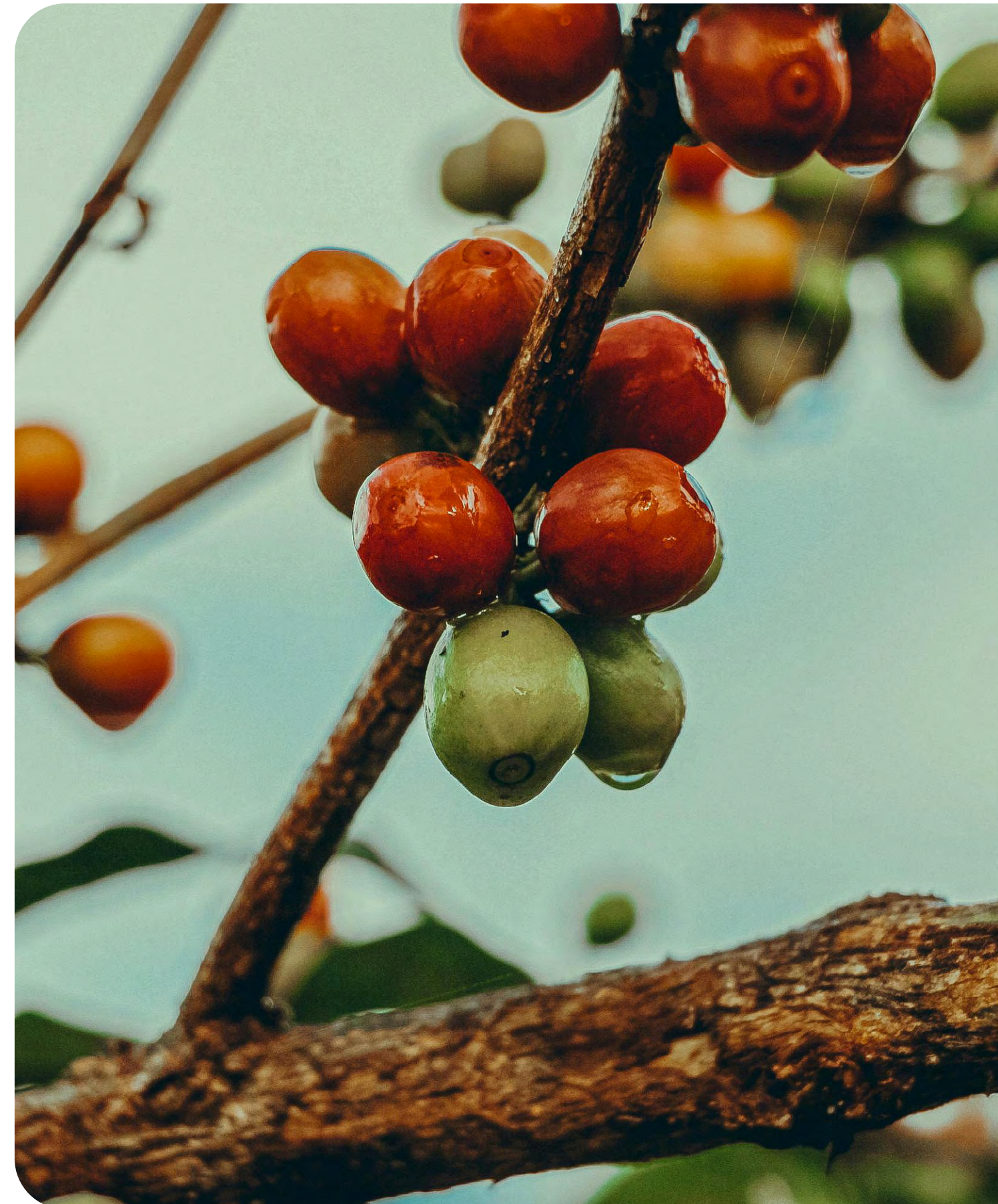


5
women



1,348 T
Production
Volume

[READ MORE HERE >](#)



CASE STUDY

Sarvodaya Development Finance, Sri Lanka Mechanisation and rural infrastructure that cut risk for smallholder farmers

IN FOCUS:

INFRASTRUCTURE THAT REDUCES RISK

TECHNOLOGY THAT LEVELS THE PLAYING FIELD

CHALLENGES

Sri Lanka's agriculture sector faces a familiar trio of problems: traditional methods, low technology adoption, and poor value capture for both inputs and outputs. Manual harvesting causes large post-harvest losses, and labour shortages compound the difficulty. Rural producers also remain distant from the financial system – paying utility bills, reloading phones, and accessing cash all require trips to towns. For smallholder farmers, every step of that infrastructure gap raises risk.

SOLUTION

Sarvodaya Development Finance (SDF) traces its roots to a 65-year-old movement built on a simple idea: keep village money in the village. Today SDF is a listed company with 56 branches, 175,000 clients, and links to over 1,200 village societies. SDF has financed more than 2,800 tractors and combined harvester machines, replacing manual paddy harvesting that takes five people a full day with a process that takes eight minutes. To extend financial reach, SDF has equipped 150 village societies with handheld Pay & Go devices that turn each one into a small financial hub for utility bills, phone top-ups and insurance premiums. Through the LankaPay network, clients also reach 4,500 ATMs nationwide. SDF is now working with regulators to convert the handhelds into mini-ATMs.

RESULTS

The mechanisation programme reduces post-harvest losses, addresses chronic labour shortages, and, in SDF's own assessment, helps smallholders close more than 20% of their food-security gap when paired with better agronomic practices. The handheld devices and ATM network put financial infrastructure within walking distance of rural clients – over 80% of whom in the broader society network are women. SDF's Credit Plus model layers training, market access and exposure on top of credit, so the infrastructure does not stand alone. One illustrative case: when a bumper pumpkin harvest threatened to go to waste, SDF organised a national festival that sold 100,000 pumpkins in a day at roughly 12 times the prevailing market price.

[READ MORE HERE >](#)



IMPACT METRICS



5,097
smallholder
farmers



1,632
female
farmers



617
employees



272
women

CASE STUDY

Danper, Peru

Smallholder integration and crop-level diversification at agri-SME scale

IN FOCUS:

DIVERSIFICATION THAT STABILIZES INCOME

TECHNOLOGY THAT LEVELS THE PLAYING FIELD

INFRASTRUCTURE THAT REDUCES RISK

CHALLENGES

Peru has become the world's number one producer and exporter of blueberries and table grapes, and number two in avocados. Agribusiness is now the country's leading source of employment. Yet poverty still affects about a third of the population, and recent climate shocks have hit smallholders hardest. In a recent heat shock, Peru exported only 5% of its projected mango crop and blueberry yields fell 40-50%. Many smallholders put food on global tables yet lack food security themselves, with limited access to plant material, technology and stable buyers.

SOLUTION

Founded by Rosario Bazán with USD 2.5 million and fewer than 100 workers in 1994, Danper has scaled to roughly USD 400 million in revenue and over 14,000 workers, around half of them women. Danper keeps smallholder farmers in the chain by design, even though it owns farms of its own. It supplies plantlets, agronomy and clear pricing, and respects contracts – paying farmers in line with what Danper itself receives as a producer. To absorb climate volatility, Danper diversifies across markets, processes, products and crop varieties, and is investing in heat-resistant varieties with genetics partners. The shared-value model also runs inward: formal adult schooling inside the plant, transparent performance-linked pay tracked in an

open app, on-site clinics including eight prenatal check-ups for pregnant workers, and twice-daily mandatory active pauses to prevent repetitive-strain injury. Two systems run alongside the agricultural model. Digital traceability and farm-level data tools let Danper monitor production practices, support farmers at scale, and apply precision agriculture techniques that improve yields while using water, fertiliser and inputs more sparingly. In parallel, drip irrigation and water management technology address Peru's defining coastal constraint: water scarcity. In an arid export region, irrigation is the difference between a resilient farming system and one that breaks under each new shock. Irrigation is treated not merely as an operational necessity, but as explicitly linked to environmental protection and long term resource sustainability.



RESULTS

Across Danper's fruits and vegetables, roughly 40% comes from smallholders and 60% from Danper's own fields, varying by season and crop. In artichokes alone, the company coordinates a network of farmers that supplies 75% of the US retail market. Diversification across crops and markets is what lets the model hold through climate-driven seasons that would otherwise wipe out a single-crop business. More than half of field and processing roles are held by women, often their first entry into the formal labour market – meaningful in a country where 36% of households rely on women's incomes.

[READ MORE HERE >](#)

IMPACT METRICS



631

smallholder
farmers



173

female
farmers



41,525 T

Production
Volume



14,148

employees



6,997

women



CASE STUDY

The Village Nut, Kenya The promise in the shell

IN FOCUS:

DIVERSIFICATION THAT STABILIZES INCOME
INFRASTRUCTURE THAT REDUCES RISK



CHALLENGES

In Nyeri, Kenya, a village was losing its future. Opportunities for young people were vanishing. A local retired teacher – known simply as “grandmother” – saw the danger early. She urged neighbours to plant macadamia trees as a future safety net for their children. When she passed away in 2013, the village faced a question: who would carry her vision forward?

SOLUTION

A factory was born from community courage. Her six children returned home and decided to turn their mother’s dream into a real industry. They built a macadamia processing factory – The Village Nut – a bold idea that many outsiders dismissed. Yet when word spread, more than a hundred local youth whom the grandmother had mentored showed up to work on building it: hauling stones, mixing mortar, and raising beams. By 2014, those same youth became the factory’s first employees.

RESULTS

Today, The Village Nut works with 6,000+ smallholder farmers and trains roughly 2,000 of them through field days and hands-on guidance. Food safety is strict, with defect rates kept below 1% through careful processing and year-round refresher training. The company pays farmers on time, every time, because trust is the foundation of its model. It is now the village’s largest private employer.

Working as part of the Afrimac consortium, The Village Nut has built into its model two layers that matter for climate-exposed smallholders. Alongside the processing business, each company in the consortium runs a tree nursery producing improved grafted macadamia seedlings – early maturing and drought resistant – sold to farmers at subsidised prices. And with one consortium member already organic-certified for around 2,000 farmer-members, the same certification model is being extended across the group. For Nyeri’s farmers, this means trees better suited to a hotter, drier climate, and a buyer offering access to premium markets across the US, Europe, Asia and the Middle East.

What began with a grandmother’s handful of trees has become a thriving enterprise employing 180-200 seasonal workers plus a core team of 86 women and 92 men. Nuts arrive in small sacks and leave in export-ready cartons. Income is flowing back into households, opportunity is returning to the youth, and the village’s future is now growing inside every shell.

IMPACT METRICS

[READ MORE HERE >](#)



6,000+
smallholder
farmers



2,550
female
farmers



2,700 T
Production
Volume



173
employees



79
women





05

How we measure and manage impact

The Fairtrade Access Fund applies a disciplined impact management approach aligned with leading frameworks for sustainable investment. Our strategy integrates risk mitigation, ESG performance, and proactive contribution to solutions across all stages of the investment lifecycle.

The ABC model

We use the “ABC” model to classify our role in driving impact:

A – ACT TO AVOID HARM

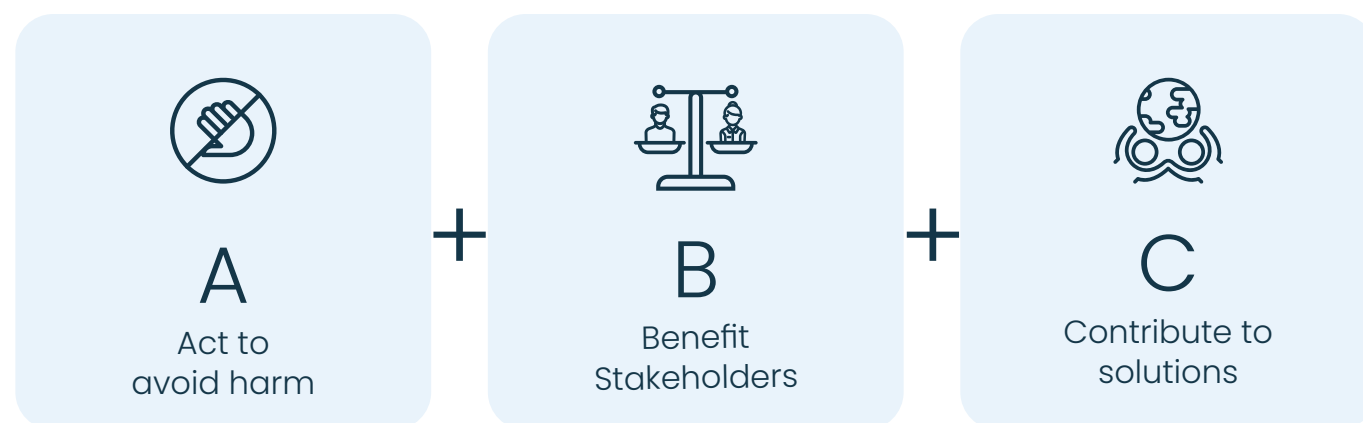
By identifying and mitigating ESG and deforestation risks early, we protect people and the planet.

B – BENEFIT STAKEHOLDERS

We ensure our investments tangibly improve outcomes for smallholder farmers and communities.

C – CONTRIBUTE TO SOLUTIONS

Through deep engagement with portfolio companies to encourage adoption of best practices, provision of technical assistance to enhance know-how, and leadership in industry initiatives, we drive broader systems change and environmental regeneration.



Sustainability Risk Management

Impact Performance Management



Our impact management process

EMBEDDING IMPACT ACROSS THE INVESTMENT LIFECYCLE



1
INVESTING
WITH
INTENT

Clear theory of change and strict eligibility criteria ensure alignment and avoid harm.



2
DUE DILIGENCE THAT
ASSESSES WHAT
MATTERS

ESG and impact risks are assessed using **ALINUS 3.0** and **ECHOS** tools, aligned with global standards.



3
DOUBLE
BOTTOM LINE
APPROVAL

Sustainability insights inform investment decisions and are embedded in legal agreements.



4
DATA-DRIVEN
MONITORING &
VERIFICATION

KPIs, PAIs, and action plans are tracked through structured **quarterly reporting**.



5
ENGAGEMENT

Targeted **technical assistance** strengthens investee capacity and enhances long-term impact.

Aligned with
Global Standards



CFS-RAI PRINCIPLES
for Responsible
Agricultural
Investment



**IFC PS PERFORMANCE
STANDARDS**



SPI-ALINUS



SDGS
Sustainable
Development Goals

MEASURABLE, SUSTAINABLE IMPACT AT EVERY STEP



Impact leadership

The Fund's strongest signal of leadership in 2025 was a paradoxical one: we retired our own ESG assessment tool. After years of running proprietary methodology, we adopted the Responsible Agricultural Investment (RAI) Tool – an open-source framework that brings together the CFS-RAI Principles, IFC Performance Standards, CSAF ESG Principles, FAO SAFA, SPI, SFDR requirements, Fairtrade standards and the SDGs into one coherent system. Developed by IISD and Cerise+SPTF, the RAI Tool is the most rigorous harmonised standard available for sustainable agriculture.

We have done this before. Years ago, in inclusive finance, we replaced our proprietary framework with SPI4-ALINUS.¹ That early move helped tip the market into adoption – and today SPI4-ALINUS is the benchmark across leading impact investors in the sector. The same logic applies now: a credible industry standard is more valuable than a proprietary one, even a good one, because it makes results comparable across funds and across years.

For the Fund, the transition reinforces how ESG and impact risk feed into investment decisions in a year defined by climate disruption, market shocks, and tightening regulation. For the wider sector, it adds one more weight on the scale of consolidation around a shared methodology – which is where credible impact measurement needs to go. Cerise+SPTF, who co-developed the RAI Tool, see Incofin's adoption as part of a longer collaboration to standardise responsible agriculture practices across the food and finance sectors.

¹ SPI ALINUS is the industry standard tool used to assess the social and environmental performance of financial institutions based on the Social Performance Indicators (SPI) framework developed by CERISE and the SPTF. See Link > Tools – SPI Online



“Stronger, shared standards are essential to building credible impact – which is why we chose to adopt the RAI Tool. By moving toward a harmonised framework, we contribute to greater consistency, transparency, and comparability across the sustainable food sector. Our experience shows that early adoption of such standards can help accelerate industry alignment and ultimately raise the bar for everyone.”



DANNET LIV
Head of Risk, ESG and
Impact at Incofin



“We are happy to count on Incofin as a long-term and committed partner to replicate our efforts in the financial inclusion sector towards the agriculture and food sector. Together, we continue working on pilot testing approaches, sharing concrete experiences, and co-building common tools to help push for standardised, harmonised, and solid responsible agriculture practices.”



CÉCILE LAPENU
Managing Director, Cerise

SECTOR INITIATIVES



Council on Smallholder Agricultural Finance (CSAF)



CERISE + Social Performance Task Force (SPTF)



The Smallholder and Agri-SME Finance and Investment Network (SAFIN)



Finance for Biodiversity



06

Who's behind the mission

BOARD OF DIRECTORS



LUUK LAURENS ZONNEVELD
Board Chair
(Independent member)



FRANK BELLON
Advisor
(Nominated by KfW)



PERRINE DUFFAURE
Investment Officer AgriFI,
EDFI MC
(Nominated by EDFI MC)



SIMONE VERBRAEKEN
Senior Investment
Manager, BIO
(Nominated by BIO)



PAUL BUYSSENS
CEO, Incofin
(Nominated by Incofin
Microfinance Fund)



ARISBE MENDOZA
Director, Global Impact,
Fairtrade International
(Nominated by Fairtrade
International)

IC: INVESTMENT COMMITTEE

TA: TA FACILITY COMMITTEE



MARK LUNDY
Chair of the Investment
Committee
Senior Researcher
-International Center for
Tropical Agriculture, CIAT
(Independent member)
IC



CARLOS CASTELLO
Consultant
(Independent Member)
IC



DIAKA SALL
Senior Consultant
Impact- Full
(Independent Member)
IC



MYRTHO VLASTOU
Head of Debt, Sustainable
Food, Incofin
(member nominated by
Incofin Microfinance Fund)
IC + TA



NOÉMIE RENIER
Head of Debt &
Partner, Incofin
(member
nominated by
Incofin Microfinance
Fund) IC alternate +
TA



LARS ZIMMERMAN
Principal Portfolio
Manager, KfW
(Donor Representative)
TA

Incofin Investment Management

Incofin has deployed over USD 5 billion in equity and debt across 80 emerging and frontier markets. Our investor base includes development funds, banks, insurance companies, pension funds, alternative investment funds, foundations, family offices and private investors.

Since the Fairtrade Access Fund's inception, Incofin has served as its dedicated advisor, bringing deep sector expertise and a hands-on, context-aware approach. As an independent, employee-owned investment firm headquartered in Belgium, Incofin is powered by regional teams in Latin America, Africa and Asia – ensuring local knowledge and strong relationships that translate into impact.

We specialize in emerging markets, and our core investment themes include inclusive finance, sustainable food, and access to clean water. Within food, our agriculture-investment team – composed of technical specialists, agronomists, and ESG experts – works across the full value chain to deliver tailored capital solutions. In 2025, this work extended into impact-linked financing for ecosystem services, opening new income streams for smallholder farmers.

With a full-fledged investment and advisory platform, Incofin is proud to support the Fairtrade Access Fund in achieving its mission.





07

The road ahead

Fairtrade Access Fund's purpose is to help smallholder farmers adapt to this new world – grow stronger and deliver impact and results for investors.

We're reducing the risk that farmers get left behind as markets transform. We finance the working capital, infrastructure, and support they need to adapt, comply with new standards, and remain viable suppliers.

Why smallholders are the future

SMALLHOLDER FARMERS MANAGE OVER 500 MILLION FARMS GLOBALLY AND PRODUCE A THIRD OF THE WORLD'S FOOD.

They stand at the frontlines of climate change, yet their contribution to global emissions remains limited. Despite their critical role as stewards of land, biodiversity, and ecosystems, smallholder farmers receive only a marginal share of climate finance and are rarely compensated for the environmental value they create. These farmers are not only vulnerable, they are also solution providers. For generations, they have developed and applied resilient, regenerative practices rooted in a direct dependency on their natural environment. With the right support, they can become frontline agents of climate adaptation and regeneration – not just victims of a broken system. The Fund's mission is to amplify this potential.



Opportunities we're pursuing

Keeping smallholders connected to evolving markets: Support investees to meet rising expectations on traceability, deforestation-free supply chains and human rights, so smallholders can remain competitive suppliers and buyers can source with confidence.

Scaling transition finance for resilient value chains: Provide fit-for-purpose capital – working capital and longer-term financing – so farmer organisations and agri-SMEs can invest in climate-smart, regenerative upgrades (e.g., renovation, agroforestry, water management and post-harvest infrastructure) that reduce risk and strengthen productivity.

Monetising sustainability through Payments for Ecosystem Services (PES): Help farmers and value-chain partners access credible PES and impact-linked finance – backed by robust measurement, reporting and verification (MRV) – so environmental stewardship translates into additional, more reliable income.

IN THE YEARS AHEAD, THE FUND WILL:

KEEP TRADE JUST

as the climate shifts and regulations tighten

SUPPORT FARMERS

as stewards, not victims of environmental change

TURN RISK INTO OPPORTUNITY

where sustainable farming restores both land and livelihoods

Because fairness for farmers was never just about price. It was always about ensuring the people who feed us can have a fair future – building decent lives for themselves and their families.

From the fund leadership

The Fairtrade Access Fund has reached a new level of maturity, establishing itself as a proven, robust platform delivering measurable impact at scale. Sustainability is our foundation, enabling us to expand outreach, strengthen value chains, and deliver innovative, investable solutions to our partners and their farmer networks.

The 2025 results reflect both scale and depth. We deployed USD 100 million across 17 countries, reaching 545,850 smallholder farmers – the largest annual volume in the Fund’s history. Total purchases from smallholders surpassed USD 2 billion, and sustainability premiums grew by 76% to USD 82 million. Average revenue per farmer from sales to our investees rose by 10% to USD 4,247, a concrete step toward a living income. Behind these headline figures sits the asset that defines us: fifteen years of close relationships with cooperatives, agri-SMEs and agri-MFIs, and the regional teams in Latin America, Africa and Asia who carry that knowledge into every transaction.

Uncertainty is the operating environment we know best. Climate volatility, evolving regulation, market shocks and tighter local financing are now structural features of smallholder value chains, not departures from a stable norm. Managing through them is what we do. We act as a partner through transition – supporting investees in strengthening traceability, raising governance standards, and piloting approaches that make value chains more transparent, inclusive, and future-proof. Where others see risk to be priced out, we see relationships to be deepened.

Capital alone is not enough. Through the Payments for Ecosystem Services programme, smallholder farmers are now being compensated for the environmental work they already do – protecting forests, restoring soils, preserving biodiversity. Two-thirds of our investee partners promote sustainable agricultural practices that contribute to more resilient food systems over the long term. Environmental sustainability and farmer livelihoods are not separate goals; they are inseparable, and the Fund is built around that conviction.

The work ahead is the work of widening this approach. In 2026, we expect to expand the PES programme well beyond the first two pilots, deepen our presence across geographies where smallholder demand is strongest, and continue to push the boundaries of what impact-linked finance can do. Our conviction is simple: investing in sustainability is the most effective way to build resilience, and resilient value chains are the backbone of sustainable food systems. We are positioned to deliver on both – and farmers are the central actors in that work, the frontline agents of change, not its bystanders.

We are grateful to the sponsors, investors and partners who make this work possible at this scale and with this discipline. And to the producer organizations and agri-SMEs we work alongside: thank you for the trust you place in us, and for the work you do every season – it is the substance of everything in these pages.

Co-Signed by



NOÉMIE RENIER

Head of Debt, Incofin
FAF Fund Manager

MYRTHO VLASTOU

Head of Debt, Sustainable
Food, Incofin



incofin
invest for impact

FAIRTRADE
ACCESS
FUND™

2025

Impact Report

Building farmer resilience in a changing world

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