



AGRIBUSINESS & FORESTRY

Agribusiness plays an important role in poverty reduction. The agricultural sector often accounts for at least half of GDP and employment in many developing countries. For that reason, it is a strategic priority for IFC.

We help the private sector address rising demand and escalating food prices in an environmentally sustainable and socially inclusive way. We also support global initiatives for sustainable production of agricultural commodities.

To help clients finance inventories, seeds, fertilizers, and chemicals for farmers, IFC offers working capital facilities. To ease trade and lower costs, we pursue investments in infrastructure, such as warehouses and cold storage. To bring land into sustainable production, we work to improve productivity by transferring technologies and making the best use of resources. We also help companies set benchmarks for responsible production, in line with industry best practices.

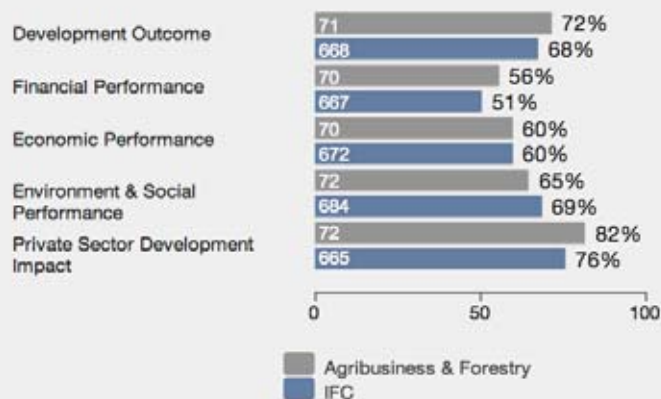
In FY12, our new commitments in agribusiness and forestry totaled slightly more than \$1 billion, accounting for about 7 percent of commitments for IFC's own account.



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FY12 Development Outcome Scores**Project Financing and Portfolio, by Industry**

Agribusiness & Forestry

\$ millions, for the years ended June 30

	FY12	FY11
IFC commitments	1,021	512
Loans	897	352
Equity	64	101
Guarantees and risk management	60	58
Core Mobilization Commitments*	330	175
Total commitments	1,351	687
Committed portfolio for IFC's account	3,556	3,095
Committed portfolio for Loan Syndications**	346	372
Total portfolio	3,902	3,467

*Including Loan Syndications (B-Loans, Parallel Loans and ALPS), IFC Initiatives, AMC, and Other Mobilization by Decision, as applicable for this Industry.

**Including B-Loans, ALPS and Agented Parallel Loans.

Development Reach

	Agribusiness & Forestry		New Business FY12
	CY10	CY11	
Employment	366,457	386,145	8,629
Female Employment	107,933	116,987	3,679
Number of Farmers*	2,512,370	3,296,544	467,771
Number of MSMEs Reached (#)*	804,610	1,020,564	NA
Domestic Purchase of Goods and Services (\$ million)	2,629	4,560	1,960
Payments to Government (\$ million)	1,431	1,006	497

*Including all reach in IFC.



MEETING THE CHALLENGE OF FOOD SECURITY

By 2050, food production will need to increase by 70 percent to meet the world's population demands. The private sector will need to invest an additional \$83 billion to support these needs.

Through the Global Agriculture and Food Security Program—an IFC-led multilateral funding mechanism focusing on IDA countries—IFC will meet the challenge of food security by financing local companies and improving the lives of poor farmers.

GAFSP is a multilateral mechanism that assists in implementing pledges made by the global community to support investments in agriculture and food security. These investments will improve governance, productivity, and competitiveness in poor countries. With a total of about \$200 million, GAFSP has the critical mass necessary to leverage IFC's expertise. The Netherlands government contributed €100 million, while Canada and the United States contributed \$50 million and \$25 million, respectively.

GAFSP made its first investment of \$5 million in PRAN Group, Bangladesh, which will also receive \$10 million from IFC to expand capacity of its packaged food products for domestic and export markets. The investment will integrate small farmers into retail supply chains.

Because of GAFSP's support, affordable and high-quality food products will be more readily available; fruit and vegetables will be sourced directly from 1,700 small farmers; 1,200 direct jobs will be created, mostly in rural areas; and the livelihoods of 600 additional farmers and their communities will be improved by ensuring consistent demand and fair pricing for their produce.