

# PROJECT IMPLEMENTATION REPORT

Project ID:	10497
Project Name:	AGRI3 A Forest Conservation and Sustainable Agriculture Fund for Developing Countries
Countr(ies):	Global
Implementing Agency:	CI

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## I. Overview

### A. Description

Project name

AGRI3 A Forest Conservation and Sustainable Agriculture Fund for Developing Countries

Country

Global

GEF ID

10497

Implementing Agency

CI

Executing Entity

Cardano Development

Trust Fund

GET

Project Type

FSP

PIR Submission

9/11/2025

Fiscal Year , PIR Number

FY 2025 , 2nd PIR

Objective

AGRI3 will de-risk USD 1 billion of private sector financing and provide USD 15 million in technical assistance for forest conservation, restoration and sustainable agriculture in developing countries and emerging markets to address climate change and land degradation.

### B. Ratings and Disbursements

Implementation Progress

Satisfactory

Development Objective

Satisfactory

Overall risk

Low Risk

Project Financing

14,673,000.00

Cumulative Disbursement

13,461,468.00

### C. Key Dates

CEO Endorsement/Approval

10/5/2022

Agency Approval

10/5/2022

Implementation Start	First Disbursement
Expected MTR	Actual MTR
Expected Completion	Actual Completion

## II. PROGRESS STATUS AND ISSUES

### A. Progress: Information on progress and outcomes of project implementation activities

As per end of June 2025, the Fund has 26 active transactions, with its total committed portfolio value growing from US\$68 million in 2023/2024 to US\$111 million in 2024/2025. Since its inception, the Fund has mobilized over US\$292 million from commercial banks, protected 100.252,65 ha, and restored 1275.6 of tropical forests and savanna, safeguarding biodiversity, and launched community-led projects benefiting thousands of farmers, sequestering CO2 emissions by + 2,954,272 tons. The Fund has also supported sustainable practices across +69k hectares.

Through these initiatives, it has provided US\$2.7 million in technical assistance, equipping farmers with the resources and knowledge to implement sustainable practices.

In 2024/2025, in Asia, the Fund completed its first transaction in Pakistan (USD 8M), setting up a vertically integrated agri-based manufacturing facility to produce broken rice derivatives. The Fund expanded its portfolio in India with the investment in SAEL Ltd a bioenergy company producing energy from paddy straw waste.

In Brazil, expanding the Delegated Authority (DA) portfolio was challenging this year, however, the fund further expanded its collaboration with its initial origination partner Rabobank in Brazil, closing three deals for large farms mainly active in the livestock, soy and sugarcane sector.

In Africa, the fund expanded its portfolio in Botswana supporting an irrigated farming company with produce ranging from wheat, lucerne, maize, and soya beans. Additionally, the fund extended the existing transaction various other African countries lending to a large trader ETG.

Activity	Expected output	Update June 2025
Origination, assessment and execution of eligible transactions from partner financial institutions (PFIs)		There was no new capital included in 2024/2025. The conversations with new senior participant for ~USD 3mln and 2 <sup>nd</sup> loss capital (~USD 150mln) from EU commission are ongoing. As of end of June 2025, the fund finalized the terms of the EU guarantee (EFSD+) to be provided through Cardano Development Guarantee Company (CDGC). The Agreement between CDGC and AGRI3 is expected in Q4 2025. Additionally, SDG Impact Finance Initiative (SIFI) has

	<p>In Ten years, 48 company plans are developed for forest conservation/restoration and the transition to sustainable and climate smart agriculture in a gender inclusive manner</p> <p>US\$ 1bln of PFI financing for sustainable agriculture and forest conservation/restoration mobilized through de-risking and/or delivered with specific conditions related to these themes.</p> <p>300,000 farmers and farm workers, trained in sustainable agriculture and forest management practices</p>	<p>completed the due diligence and awaiting final T&amp;Cs to finalise the subscription.</p> <p>To date, the Fund has mobilized US\$ 292mln private credit for land restoration and sustainable agricultural practices.</p> <p>As per end of June 2025, the Fund has 26 active transactions with US\$292mln funding mobilized for the forest, food systems and farmers.</p> <p>The initiative supported by the Fund benefited people with improved livelihoods, with +1,300 individuals receiving non-financial benefits such as training in sustainable practices and +21k participants experiencing financial benefits such as increased income.</p>
<p>Delivery of a) pre-investment and b) post investment technical assistance to support transaction development delivery</p>	<p>A total value of US\$ 15mln of technical assistance to implement the transition is made available from the Technical assistance Facility (TAF)</p>	<p>The Fund has provided US\$2.7 million in technical assistance, equipping farmers with the resources and knowledge to implement sustainable practices.</p> <p>Transaction TA completed 4 new pre- and post- investment Tas in 2024/5.</p> <p>TAF developed the Colombia Market assessment TA project, supporting the Fund with local intelligence of agricultural agri-finance and impact finance market in the country.</p> <p>TAF also conducted a social opportunity analysis across six farms within the responsible commodities facility (RCF's) client portfolio, identifying actionable pathways to enhance social impact and address key labor and community related risks.</p>

		Under the EFSD+ program by the European Commission we are expecting an additional TA budget of around EUR 7M
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## B. Challenges: Information on challenges of project implementation activities

Following the 2024 evaluation, the Fund revised its Impact themes—retaining key performance indicators at the Fund level and making the livelihood indicator independent from the other two. The latter does not imply a change in the GEF core indicators to be reported to the GEF.

Additionally, the Fund has commenced a review of its Terms & Conditions. The updated T&Cs include:

- Removal of the reference to Mirova;
- Inclusion of EFSD+ as second loss capital within the Fund’s capital structure;
- Updates to the waterfall mechanism by including EFSD+;
- Strengthening of the governance framework.

The initial draft of the revised T&Cs is currently under review by existing participants and other stakeholders. CI-GEF has been actively revising the T&C and is doing due diligence again of all the fund documents that will be updated, including any policies and frameworks. Since this is work on progress, CI- GEF will inform the GEF in case this generates a minor or major amendment.

During the reporting period, the Fund encountered several implementation challenges related to data, attribution, and stakeholder engagement in the context of its blended finance operations. These are outlined below, along with the strategies adopted to mitigate their impact:

### Data Gaps and Reporting Delays:

Ensuring timely, consistent, and accurate data collection from Partner Financial Institutions (PFIs) and end borrowers remains a key challenge. Differences in internal systems, capacity, and ESG maturity among PFIs often result in delays or inconsistencies in the reporting of environmental and social performance indicators. Agri3 is working on enhanced collaboration with PFIs to improve reporting protocols and build ESG capacity, with technical assistance deployed where needed. This is needed to expand the scope of the PFI engaged.

### Attribution of Impact:

In complex agricultural landscapes with multiple overlapping initiatives, attributing specific environmental or social outcomes to AGRI3-supported interventions is not always straightforward. This is especially true where the Fund provides credit enhancement through intermediaries rather than direct financing. Attribution of impact should also be measured on PFI level. Agri3 aim to focus their efforts on moving the needle at the PFI level – supporting them in ESG Risk and impact management and providing TA in case of gaps per the AGRI3 requirements on PFIs. This will apply a pragmatic impact evaluation approach that triangulates multiple sources of data to better account for attribution complexities, especially in mixed-result environments.

### Limited Visibility at the Farm Level:

Due to the Fund’s structure—where investments are channeled through PFIs—there is limited direct interaction with borrowers. This, coupled with the fact that many target clients are large-scale commercial

farms with relatively small labour forces, can reduce the visibility of social impacts and limit opportunities for broader stakeholder engagement.

#### Remote Sensing Verification Limitations:

While remote sensing remains a core tool in monitoring land use change and forest impacts, its accuracy depends heavily on proper validation. Discrepancies between satellite data and actual on-the-ground conditions (e.g., in vegetation type or land tenure status) pose challenges for robust impact measurement. This year we collaborated with CGIAR – Impact SF to verify our impact data. A well-known research agency in the market that can also support the fund with validation of data on the ground if needed. Agri3 continues to refine its remote sensing methodology, including prioritising ground-truthing and cross-checks with local land use and legal data, to strengthen deforestation and conservation assessments.

### C. Stakeholder Engagement

Agri3 recognizes that its greatest potential impact lies not only in individual transactions, but in shaping broader financial systems. By sharing lessons learned, promoting proven innovations, and contributing to sectoral knowledge, the Fund aims to catalyze wider adoption of finance for sustainable food systems, forests and improved (rural) livelihoods. In 2025, the Fund and its Technical Assistance Facility actively collaborated with partners to develop knowledge products and convene events, with the goal of informing peers, financial institutions, and policymakers, and scaling approaches that work. The Fund participated in online and physical events with partner organizations to contribute to the broader conversation about financing forest conservation and sustainable food systems, assessing risks and measuring impacts in addition to disseminating lessons learned from transactions and engagement processes. Over the past year, AGRI3 has maintained a strong global presence, participating in and hosting high-impact events that advanced climate-smart agriculture, biodiversity, and sustainable finance.

- Q3 2024: Featured by HSBC at the Regenerative Agriculture Summit in Amsterdam, highlighting its work with HSBC India to empower women farmers through MFIs.
- Q4 2024: Co-hosted a stakeholder networking evening during the GIIN Annual Impact Forum; held Investor Days; hosted a biodiversity and water investment session at Biodiversity COP in Colombia; and delivered a keynote at Building Bridges 2024 in Geneva.
- Q1 2025: Attended the OECD’s Mobilising Private Finance for Biodiversity in Paris; featured at the Nature Investment Lab’s Nature-Based Solutions conference; and attended the Environmental Finance Natural Capital Investment EMEA conference in London.
- Q2 2025: Co-led a UNEP roundtable at the Nature Finance Forum Europe on impact measurement; attended the Sustainable Investment Forum Europe; and showcased the Fund at a high-level event in Berlin hosted by the Swiss Embassy, SDC, and SIFI.
- London Climate Week 2025: Participated in multiple flagship events, including WEF’s Financing the Food Systems Transformation roundtable, CPI’s Global Landscape of Climate Finance launch, and sessions on financing deforestation-free supply chains, regenerative agriculture, and climate finance, alongside events with major partners such as HSBC, IDH, and Brazil’s Ministry of Agriculture.

#### Coalitions and partnerships:

- The Innovative Financing for the Amazon, Cerrado and Chaco (IFACC initiative), jointly managed by TFA, TNC and UNEP – active member
- The Tropical Forest Alliance (TFA) – active member

- Climate Bonds Initiative – Industry Working Group Member to advise on the sector specific eligibility criteria for the new Food Value Chain Industry which sets climate change benchmarks that are used to screen debt instruments, assets and/or entities.
- Finance for Biodiversity (FfB) Foundation – active member, participation in three working groups (Impact Assessment, Positive Impact and Engagement with Companies). Also, signatory to the FfB pledge.
- Climate Policy Initiative (CPI) – active contributor
- The Netherlands Advisory Board – associate member through Cardano Development

In 2025 the AGR13 Technical Assistance Facility (TAF) continued to play a critical role in supporting the Fund’s investment pipeline and portfolio. Working in close collaboration with the Fund team and external partners, the TAF delivered sector-specific and transaction-level support, helped de-risk prospective investments, and contributed to maximizing the Fund’s impact across its core objectives. Its activities are categorized under a) Learning and knowledge sharing, b) market reconnaissance, and c) pre- and post- investment technical assistance.

Challenges related to the KPI MRV remain. Collecting timely and reliable KPI data from the borrowers of our- and via our PFIs continues to be complex, particularly as many PFIs and borrowers are still building internal capacity for impact reporting. To support this methodological upgrade, AGR13 engaged CGIAR Hub for Sustainable Finance (ImpactSF), part of the world’s foremost agricultural research network for sustainable development. ImpactSF provided critical input on refining our indicator methodologies and enhancing the robustness of our KPI verification protocols. In addition to supporting the revision process, ImpactSF played a central role in reviewing and analysing the Fund’s 2024 impact data.

#### D. Gender Equality

As part of its E&S Due Diligence and impact assessment on transaction level, The Fund assesses gender-related risks and opportunities. Several projects set specific targets to maintain or increase the participation of women in the workforce, with some aiming for a higher share of female employees. Additionally, training and capacity building activities within the projects actively included women, which some programs reporting that up to 65% of participants were women. Nevertheless, the Fund operates in diverse legal, regulatory and cultural environments, which causes challenges in effectively implementing and assessing gender-related objectives. As an example, in Brazil the agricultural industry is still very male dominated and it can be challenging as an investor to make systemic changes. Therefore, in Brazil through TA we have performed a gender analysis across six key value chains in Brazil that was commissioned to identify barriers and opportunities for advancing gender inclusion. The study informed a set of actionable recommendations, and a Stakeholder Engagement Plan aimed at guiding investors, PFIs, and value chain actors. Recommendations for financial institutions included to i) offer legal, financial and administrative advisory services for women in farm succession processes, ii) creation of dedicated credit lines for women to pilot sustainable agricultural innovations, iii) Offer guidance to borrowers for implementing gender commitments and via TA or iv) Require borrowers to adopt formal equal pay policies and align wage reporting with international standards, while supporting them with strengthening internal capacity on gender and wage equity. Aligned with global standards such as the 2X Criteria and the Women’s Empowerment Principles, this work positions AGR13 to implement a gender-transformative approach across its portfolio through setting gender related targets with the borrowers, ESAPs or by supporting TA.

#### E. Knowledge Management

Objective of the KM Plan	Description	Status
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<p><b>support the development and effectiveness of the transaction portfolio</b></p>	<p>The Fund will raise awareness amongst PFI, their clients and other transaction developers that the Fund exists, what its impact objectives are, the type of transactions it is seeking to support and how to engage with AGRI3. It should also help AGRI3, PFIs and their clients reflect on lessons learnt and continually improve to enhance the performance of the Fund and the transactions it supports.</p>	<p>The Fund is expanding its network of PFIs with ABSA, BBVA, Banco Pichincha, Citibank, FINAGRO, FNG Colombia, Standard Chartered, Standard Bank, Axis Bank, Deutsche Bank, BNDE Senegal.</p> <p>We are doing a Market Study in Colombia and PAN Africa to build our pipeline in these countries.</p> <p>The Fund participated in online and physical events with partner organization to contribute to the broader conversation about financing forest conservation and sustainable agriculture, assessing risks and measuring impacts in addition to disseminating lessons learned from transactions and engagement processes. Some of the events where AGRI3 was a speaker / panelist include:</p> <p style="padding-left: 40px;">AGRI3 participated in the Tagus Roundtable on 8 and 9 May 2025.</p> <p style="padding-left: 40px;">Is an active member of CBI, Finance for Biodiversity (FfB) Foundation, CPI, TFAWas speaker and Panelist at London Climate Week 2025 Participated in multiple flagship events, including WEF’s Financing the Food Systems Transformation roundtable, CPI’s Global Landscape of Climate Finance launch, and sessions on financing deforestation-free supply chains, regenerative agriculture, and climate finance, alongside events with major partners such as HSBC, IDH, and Brazil’s Ministry of Agriculture.</p> <p style="padding-left: 40px;"><a href="#">the Biodiversity COP in Cali</a>: At the Dutch pavilion, the team organised and hosted a session on aligning biodiversity and water investments across food value chains. AGRI3 also participated in <a href="#">Building Bridges 2024 in Geneva</a>, where it delivered a keynote address during the Action Day event titled Private Investments in Emerging Markets: Solutions to Scale and Impact</p>
<p><b>market the Fund to new investors and potential PFI</b></p>	<p>The Fund will communicate the Fund’s value proposition to new investors and potential PFIs, its credibility, additionality in the marketplace, commercial proposition for investors and the benefits of</p>	<p>We are actively fundraising for the senior tranches of our capital structure, engaging with DFIs, philanthropic organizations, and institutional investors—particularly from the insurance sector—while also working closely with new prospective financial institutions (PFIs) that are strongly</p>

	<p>using AGR13 guarantees to offset risks in their transactions.</p>	<p>interested in developing Task Force on Climate and Nature-Related Financial Disclosures -aligned agrifood value chain portfolios and financing solutions.</p> <p>The key finding is that there is clear appetite for climate solutions, and when combined with robust methodologies and credible MRV frameworks, investors are increasingly willing to allocate capital and actively learn from these emerging financing models.</p> <p>The Funds’ public reports also support sharing learnings and knowledge with new investors and potential PFIs. The Fund has launched its <a href="https://agri3.com/opportunity-analysis-for-indian-mfis-to-support-climate-smart-agriculture/">https://agri3.com/opportunity-analysis-for-indian-mfis-to-support-climate-smart-agriculture/</a> on financing climate smart agriculture in India and will publish its Gender study in Brazil before the end of 2025.before the end of 2025.</p>
<p><b>Promote the Fund concept, progress and lessons learnt more generally</b></p>	<p>The Fund aims to highlight the broader need for change in the finance sector towards sustainable agriculture and forestry and how the methods used by AGR13 may be more broadly applicable and adopted by industry peers. This is combined with raising general awareness of the Fund and its impact objectives, achievements and lessons learnt to date.</p>	<p>The Fund and TA facility are also members of a part of a number of initiatives and coalitions, where the Fund aim to contribute to the broader sectoral dialogue on financing for sustainable land use. This included, amongst other knowledge pieces:</p> <p>Biochar Webinar — Centered on the role of biochar in sustainable cocoa and coffee production.</p> <p>Little Book of Nature Startups — A Global Canopy publication that highlights investment opportunities in nature-positive business models. Supporting the Global Biodiversity Framework, the book forms part of The Little Nature Accelerator, set to launch in 2025. This contribution reflects the TAF’s ongoing commitment to fostering innovation in nature-based solutions and sustainable value chains.</p> <p>GIIN Side event support — AGR13 organized a networking side event at the GIIN Global Meeting in September 2024 for various Financial Intermediary stakeholders, supporting the organization of invitees and a dedicated networking dinner. This engagement helped strengthen relationships among key stakeholders in the impact investment space and</p>

		<p>reinforced AGR13's position within the global sustainable finance community.</p> <p>Colombia Market Assessment — the comprehensive study of the Colombian market, aimed at identifying potential partners in the financial sector and mapping key opportunities within the agri-finance and impact investment landscapes.</p> <p>PAN Africa Market Study —In 2025 the TAF will deliver in-depth analyses of the agri-finance and impact finance landscape in PAN Africa across six priority countries identified by the Fund to build its pipeline.</p>
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### III: Minor Amendments

CONTEXT	
Result Framework	The Theory of change revised in 2024, but all the outcomes and outputs remain unchanged.
Components and Cost	
Institutional And Implementation Arrangements	
Financial Management	
Implementation Schedule	
Executing Entity	
Executing Entity Category	
Minor Project Objective Change	A decrease in 10% of Objective Indicator targets from approved Project Document Targets of the Fund are currently under review.
Safeguards	
Risk Analysis	
Increase of GEF Financing up to 5%	
Co-Financing	
Location of Project Activity	

others	For the moment no minor amendment is taking place. CI-GEF will review the updated terms and conditions and will update the due diligence, if this triggers a minor/major amendment will notify the GEF.
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#### IV: Geographic Coordinates of Project Activities

Location Name	Latitude	Longitude	GeoName ID
Brazil	-10.3333	-52.3	

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Uganda	1.5333355	32.216658	

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
India	22.351115	78.667743	

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Nicaragua	12	-85	

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Malawi	-13.55	33.47	

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Mauritania	-20.18	57.35	

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Bostwana	-23.50	25.17	

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Pakistan	24.45	67.19	

Location Description:

Activity Description:

## V. ANNEX

Uploaded Document