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## **IDH Farmfit Fund partners with Oikocredit to provide a syndicated loan of US \$2.9 million to Unispice**

*The long-term investment will support the sustainable growth and expansion of Unispice, a family-owned Guatemalan producer of fresh gourmet vegetables.*

Utrecht — July 5th, 2022 — **IDH Farmfit Fund has partnered with Oikocredit to offer a syndicated loan of US \$2.9 million to Unispice. The syndicated loan will support Unispice in its ambitions to satisfy the growing global demand for fresh vegetables, plus have a lasting impact on farmers' incomes and make smallholder farming a profitable and viable economic activity for future generations. The family-owned Guatemalan business produces, processes and exports fresh gourmet vegetables — like French beans, sugar snaps, snow peas — to North America, Europe and Japan. It employs over 2,000 workers and generates significant employment in rural areas to support smallholder farmers.**

“We are proud to partner with Oikocredit in supporting Unispice growth plans while continuing impacting the lives of thousands of smallholder farmers in Guatemala by training smallholder farmers in the production of high value export crops and incorporating them in a formal supply chain” explains Miguel Tamayo – Investment Director IDH Farmfit Fund

Unispice will use the syndicated loan towards CAPEX investments for increasing its processing capacity and for sustainably increasing sourcing and development of the supply chain. Overall, the investment will accelerate Unispice’s strategy to double its volume of pounds sold in the next three years, plus expand the size of its supply chain — from roughly 4,000 to 7,000 smallholder farmers.

“Unispice will continue with its mission to support the growth of smallholder producers in Guatemala. This cooperation and alliance with IDH Farmfit Fund and Oikocredit will allow us to catalyse this growing process so that more smallholder producers can have access to technology and markets, which will positively impact their business and livelihoods” says Allan Safieh – Founder and CEO of Unispice.

Transitioning from low yield crops to high value export products, is what Unispice supports farmers with, adding security, formal contracts, and fixed prices for the entire year. This enables them to increase their annual income in a sustainable way. Various services for farmers, from access to seeds and fertilizer to technical advice or support for obtaining certifications is also part of Unispices’ offerings.

Roughly half of its vegetables Unispice sources from its own rented farms and half from smallholder farmers across Guatemala. The Company’s commitment to work with smallholder farmers is critical to lift farmers income and improve livelihood.

For the past 10 years, Oikocredit has supported Unispice in its growth, with long term loans for working capital. IDH Farmfit Fund has contributed US \$870,000 to the syndicated loan.

“We are glad to continue our long-term relationship with Unispice that started in 2010, now under this excellent partnership with IDH Farmfit Fund that enables to provide more long term funds to



Unispice and opens the door for future collaborations.” Says Jose Augusto Cordon – Senior Investment Officer Oikocredit.

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#### **About IDH Farmfit Fund**

The IDH Farmfit Fund is a public-private impact fund for smallholder farmers, many of whom are amongst the poorest people in the world. The Fund takes on the highest-risk positions in farmer related investment transactions, to reduce liabilities for borrowers and lenders. In turn, smallholder farmers can access long-term financing that allows them to invest in their farms, increase productivity, and adopt best practices for climate-smart agriculture. The IDH Farmfit Fund is facilitated by IDH - The Sustainable Trade Initiative, and supported by a unique coalition of partners including commercial banks, development banks, government bodies and value chain companies. [www.idhsustainabletrade.com](http://www.idhsustainabletrade.com)

#### **About Oikocredit**

Social impact investor and worldwide cooperative Oikocredit has 45 years of experience funding organisations active in financial inclusion, agriculture and renewable energy. Oikocredit's loans, equity investments and capacity building aim to enable people on low incomes in Africa, Asia and Latin America to improve their living standards sustainably. Oikocredit finances 508 partners, with total outstanding capital of €1,015.2 million (31 March 2022). For more information: [www.oikocredit.coop](http://www.oikocredit.coop).