

The Outcome of Investing **with Purpose**

2024

FiNAPOP

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INTRODUCTION

introduction

It is with great satisfaction that we present this document highlighting **FINAPOP's activities in 2024** to our investors, partners, cooperatives, and associations. Over the course of this period, our efforts have facilitated connections between investors and organizations of settled farming families, amplifying the impact of these families on healthy food production while fostering cooperation, agroecology, productive inclusion, education, health, and solidarity.

The current situation in Brazil and around the world reveals a profound crisis in the production model,

exacerbating social inequality and worsening the hunger problem. High interest rates and the prioritization of commodity production for export directly impact food production, undermining food security. The year 2024 has further exposed the effects of the climate crisis, challenging governments, nations, and civil society to confront this harsh reality.

In this context, advancing toward a food production model based on the principles of agroecology, food sovereignty, and natural resource preservation is imperative. These values offer a direct response to the environmental crisis and the drastic

climate changes that disproportionately affect vulnerable and impoverished populations. Addressing this reality requires a reassessment of production systems, challenging the current exploitative logic and agribusiness model that threatens all forms of life on the planet. In this scenario, FINAPOP is emerging as an alternative, promoting new approaches in the financial market with a focus on humanity, environmental preservation, and cooperation.

In this annual report, we provide a comprehensive overview of the progress and innovations we have achieved — results of collaborative and dedicated efforts that reflect our **commitment to transparency and transforming investment practices with purpose**. We hope you find this report insightful and would greatly appreciate your feedback and suggestions, which will undoubtedly help us continue contributing to a fairer and more equitable world.

WHO WE ARE

Popular Financing for the Production of Healthy Food:

Sustainable, Healthy, and Secure Investment

FINAPOPOP was born out of the initiative and organization of cooperatives in agrarian reform settlements, aiming to create **alternative financing and credit options to support production** development. As a movement coordinated by cooperatives and investors, it seeks to enable access to financing and credit for organizations of settled families, facilitating the implementation of projects

focused on the production, agro-industrialization, and commercialization of healthy food nationwide.

Operating across Brazil, **we coordinate more than 180 initiatives that produce a wide variety of food**, sold through short supply chains, institutional programs such as the National School Feeding Program, retail networks, industries, and export channels.

Our goal is to connect investors with projects that create a positive impact on society and the environment, while also facilitating access to financing for farmers who face challenges within the financial system. In doing so, we ensure that the production of healthy food benefits both producers and consumers.

Our Goals in 2024

- I. Create and manage investment lines that positively impact farming families.
- II. Select cooperatives and agricultural associations committed to sustainable practices and social impact.
- III. Raise funds through transparent dialogue, strengthening trust with our investors.
- IV. Promote transformative financing that drives agroecological practices, protects the environment, and ensures economic, environmental, and ethical sustainability.

Our ethical principles are grounded in transparency, credibility, fairness, and responsibility, ensuring the reliability of FINAPOP's structure.

Our political guidelines emphasize the value of collective and democratic organization, cooperation, and the empowerment of women and young people. We believe that **Sustainability** is achieved through projects that promote environmental preservation, reduce social inequalities, and ensure the economic viability of organizations.





OUR CORE PRINCIPLES

Healthy food production: We prioritize financing projects that aim to transform productive and technological models, with agroecology as a guiding principle, method, and way of interacting with nature.

Cooperation: Through cooperatives and associations—i.e., social enterprises—we ensure engagement at various stages of the production chain, optimizing resources for production, management, agro-industrialization, and commercialization. Cooperation

is the key organizational tool in family farming.

Fair trade: We view fair trade as the foundation of relationships between producers and consumers, as well as between rural and urban areas, promoting food sovereignty. Fair trade should also extend to large-scale food production, ensuring equitable prices for both producers and consumers.

Transparency: We ensure that information for investors and social enterprises is shared openly and accessibly.

Who We Finance and How We Transform *lives*

WHO WE FINANCE:

We provide financing to cooperatives, associations, and commercial structures such as Armazéns do Campo ("country barns"), which operate based on collective cooperation principles aligned with FINAPOP's values and the United Nations Sustainable Development Goals (SDGs). The projects we fund focus on environmental preservation, reducing social inequalities, ensuring economic viability for communities, and supporting agroecology or agroecological transition with clear planning and objectives.



Photos: Wellington Lenon



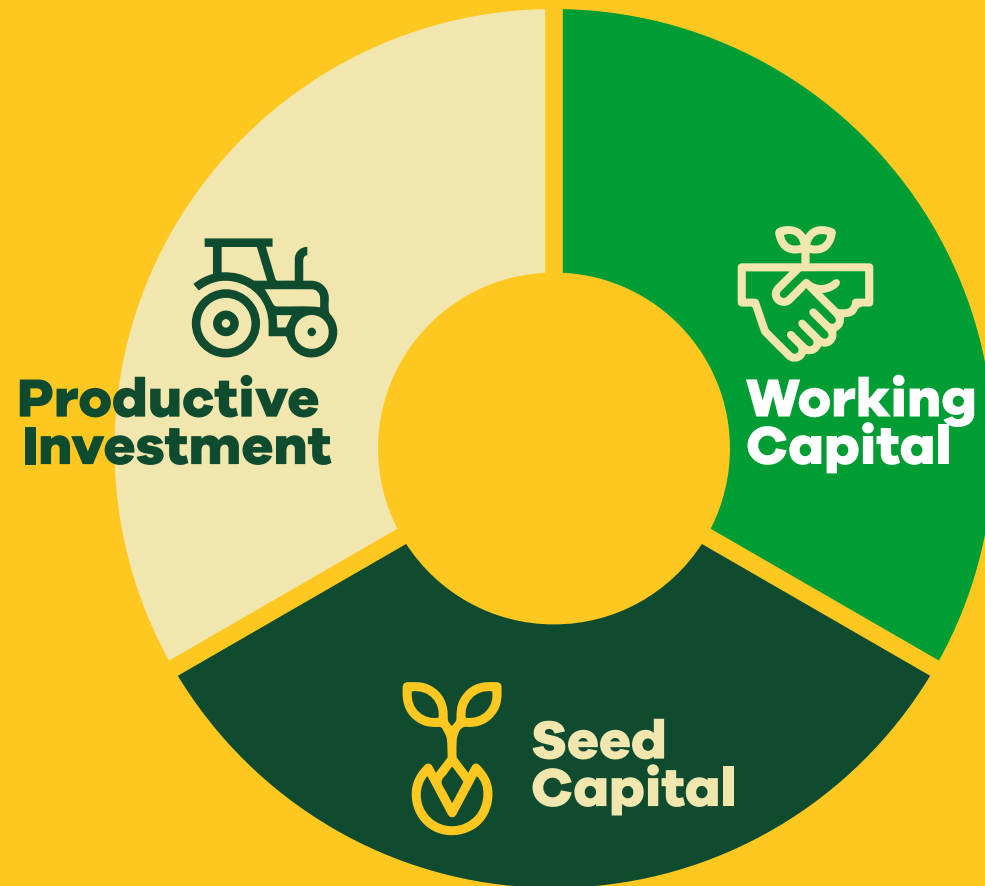
Cooperatives and associations in family farming within agrarian reform areas unite people to work collectively in various forms, including production, commercialization, labor, and credit. Their primary goal is to **organize members' work in a way**

that benefits everyone, requiring high levels of organization, collaboration, and responsibility. In addition to fostering economic development in rural areas, these cooperatives prioritize well-being and social justice, **placing people at the center of their activities.**

How *we finance*

OUR FINANCING IS STRUCTURED INTO THREE MAIN CATEGORIES:

Productive Investment, Working Capital, and Seed Capital. Each of these financing lines employs distinct mechanisms, working with a variety of partners to facilitate both fundraising and the execution of funding for projects. To access resources, we conduct a project qualification process that evaluates not only economic viability but also technical, social, environmental, and governance factors. This process is carried out collaboratively with the organizations, recognizing that farming families—who are at the heart of daily healthy food production—are the true protagonists of these businesses.



AND IN THE FUTURE?

What will the financing of agroecology look like?

It is difficult to draw a definitive scenario to answer this question. However, at present, we can respond as follows: the **financing of agroecology** (and, consequently, the production of healthy food) **is minimal compared to the actual need**. As established in analyses of the Brazilian agri-food system, family and peasant farmers are the ones who produce the food that ends up on Brazilian plates. This segment of rural Brazil has restricted access not only to credit for financing its production but also to a range of structures and incentives, which has led to the systematic and historical marginalization of family farming, further impoverishing it with each development cycle of the country.

But before continuing, what is agroecology? And why is it important to discuss and take action on it?

Agroecology is a scientific and programmatic approach for producing, consuming, and organizing the agri-food system. It offers an alternative to conventional agriculture by proposing the production of healthy food, building

new human relationships, and integrating the cultural and political aspects of rural communities and society as a whole. In the face of nature and population destruction caused by the current modes of consumption and production in capitalist society, agroecology

presents a path forward. It is, even today, instrumental in confronting the climate emergency, alongside the efforts of the peoples of the waters and forests.

Looking at data from the National Program for Strengthening Family Farming (PRONAF)—the main financing policy for agricultural production available to family and peasant farmers—we can confirm this reality: **this vital sector, which practices agroecology, lacks access to sufficient credit, both in quantity and quality.** A detailed article from O Joio e o Trigo ¹ ("Chaff and Wheat") highlights the disparity in subsidized credit availability (with interest rates equalized by federal government resources) between agribusiness (R\$ 364.22 billion) and family farming (R\$ 186.4 billion) in the 2023/2024 harvest plan.



Photos: Dowglas Silva

¹ <https://ojoioetrigo.com.br/2023/07/agro-nao-e-tudo/>

We recognize that credit alone cannot solve all the challenges facing family farming, but without it, cooperation and agroecology lose essential support.

Focusing specifically on the financing of agroecology within the family farming sector, data from the Central Bank of Brazil (2015 to the first quarter of 2017) show that only R\$ 9,963,027.95 were invested through the PRONAF agroecology line, distributed across 488 contracts² nationwide. **These figures are alarming, highlighting how minuscule the accessed funding is—just a few million over several years—compared**

to the billions allocated to agribusiness each harvest.

Agribusiness is not just a theoretical concept of “the agriculture business”; it is the systematization of a national development model—an economic and political project driven by financial capital, large landowners, and capitalist agro-industries. As key contributors to the climate emergency—through pesticide contamination, deforestation, indiscriminate water use, and other practices—they exert significant influence, alongside the mining sector, to shape policies in their favor.

In this context, beyond the scope of public policies, alternative financing for agroecology has historically

been even scarcer, reinforcing the importance of initiatives like FINAPOP. Over four years of operation, FINAPOP has allocated R\$ 76.3 million to agroecological production, and, especially, to strengthening the transition in the territories. We recognize that credit alone cannot solve all the challenges facing family farming, but without it, cooperation and agroecology lose essential support. These approaches are among the few capable of addressing the climate emergency and promoting food security, ensuring that rural populations remain protectors of life rather than becoming climate refugees.



Photo: Maiara Rauber

² <https://cadernos.aba-agroecologia.org.br/cadernos/article/download/394/1355/3312>

Our RESULTS IN 2024: Growth, Partnerships, and Impact

In 2024, **we strengthened our nationwide presence**, forged new partnerships with international investment groups that share our values, and expanded our funding capacity through the launch of a new engagement tool for national investors.

In May 2024, we reached our goal of financing 100 projects, closing the year with a total of



Each loan granted represents not only a financial investment but also a catalyst for the economic and social development of various communities across Brazil. By the end of 2024, credits had been allocated to **36 projects under the Seed Capital line**, supporting cooperatives and associations that accessed resources to either launch new social enterprises or enhance existing initiatives. The remaining projects benefited from our Working Capital line, which is crucial for the operation of cooperatives' business plans. This includes, for example, ensuring the timely availability of resources to purchase raw materials, which better compensates cooperative members and secures the



acquisition of their production. It also enables the execution of commercialization contracts in the institutional market.

The results speak for themselves: the majority of the resources were allocated to the production of essential foods such as milk, beans, rice, and coffee. These foods not only nourish our tables but also play a crucial role in programs like the Food Acquisition Program (PAA) and the National School Feeding Program (PNAE). They are distributed to public institutions, including schools, hospitals, and the armed forces, as well as to individuals facing food and nutritional insecurity, social assistance networks, and public food security facilities.




Photo: Wellington Lenon










**PROJECTS
UNDER THE SEED
CAPITAL LINE**



The results speak for themselves: the majority of the resources were allocated to the production of essential foods such as milk, beans, rice, and coffee.

Production Chains	Social Enterprise	Value
 Milk	6	R\$ 4,300,000.00
 Grains	6	R\$ 1,977,013.40
 Fruit	4	R\$ 1,900,000.00
 Coffee	3	R\$ 1,353,000.00
 Sugar Cane	3	R\$ 752,000.00
 Rice	1	R\$ 650,000.00
 Commercialization	3	R\$ 470,000.00
 Vegetables	3	R\$ 430,700.00
 Seeds	1	R\$ 350,000.00
 Others	2	R\$ 208,000.00
 Brazil Nut	1	R\$ 237,500.00
 Country Warehouse	2	R\$ 219,242,20
 Cassava	1	R\$ 100,000.00
Total:	36	R\$ 13,019,455.60

The largest portion of investments made during the year was directed towards the Working Capital line, which provided resources for the purchase of raw materials for production and processing. These funds facilitated the acquisition of:

	Milk	960.000 liters
	Beans	390 tons
	Corn *	250 tons
	Fruit	870 tons
	Coffee	75 tons
	Sugarcane	430 tons
	Rice	280 tons

**non-GMO corn*

In addition to supporting cooperatives and associations involved in food production, we also financed projects focused on commercialization strategies, which serve as the crucial link between rural producers and consumers. For organizations working with food production from family farming and agrarian reform settlements, access to fair and efficient sales channels not only boosts income but also strengthens the local economy, preserves agricultural traditions, and fosters sustainability.

Organizing sales through cooperatives and associations offers a viable alternative for small producers, who often face challenges such as lack of infrastructure and the dominance of large intermediaries in the market. Efficient commercialization also plays a crucial role in food and nutritional security by ensuring access to fresh, high-quality food. This is why our efforts focus on supporting all stages of the supply chain.

We strengthen this process through credit and continuous monitoring of the funded social enterprises. These activities aim to mitigate risks by identifying potential threats and challenges in accessing credit, minimizing their impact on social enterprise operations and investor returns. Throughout the year, we monitored 32 social enterprises through virtual and in-person meetings, as well as field visits, to ensure the success of these initiatives.

Our work since 2020:

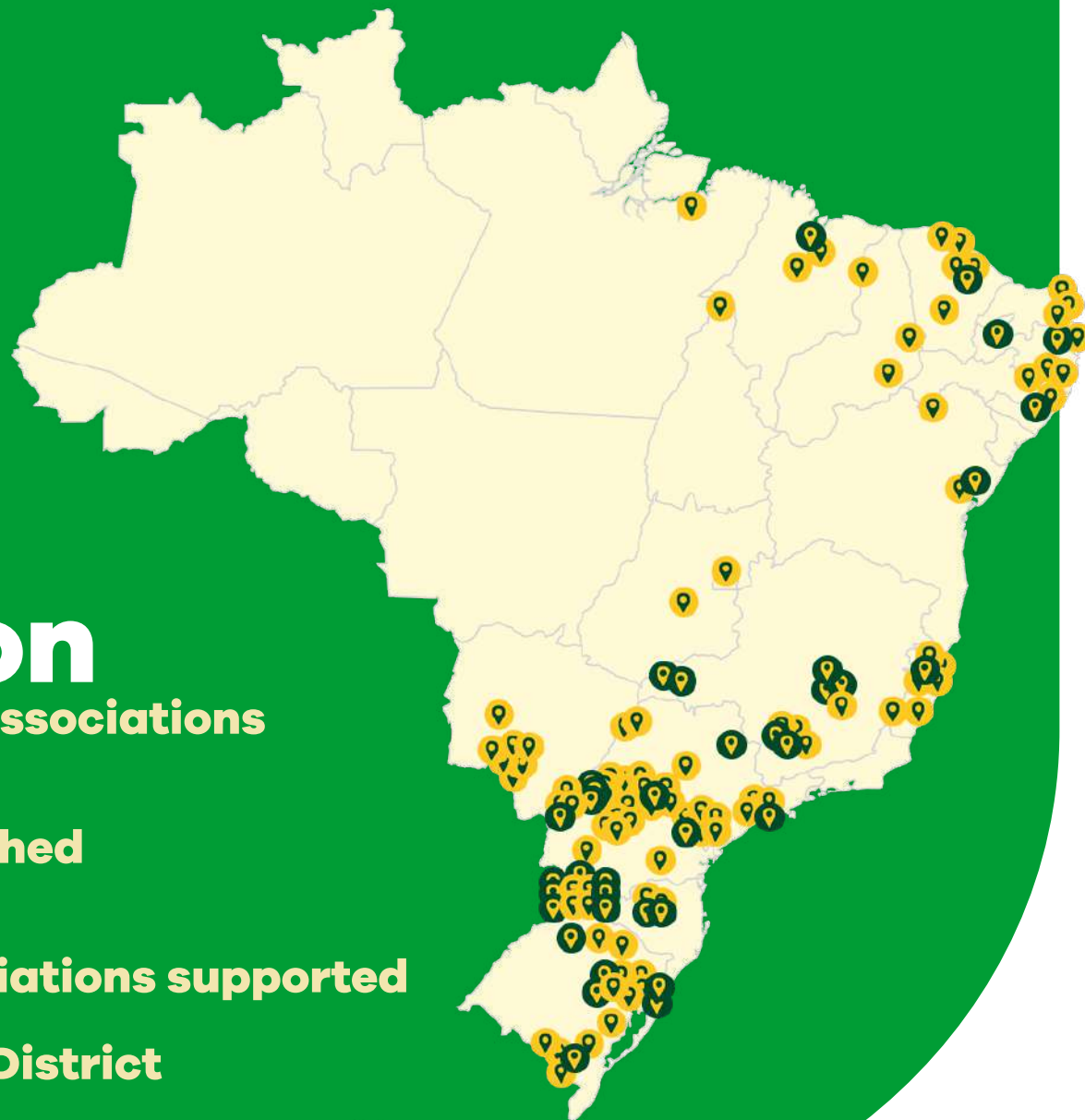
127 projects financed

R\$ 76.3 million
in credit for cooperatives and associations

25,000 families reached

64 cooperatives and associations supported

Presence in 18 states + Federal District



 2024 projects

Well-beyond Credit:

The Journey with CONCENTRA in 2024

For those who closely followed FINAPOP throughout 2024, the Camponesa Central Cooperative of Minas Gerais (CONCENTRA) is already well known. It was the second investment offering launched on the FINAPOP Platform. CONCENTRA is a central cooperative that unites eight individual cooperatives from agrarian reform areas in the state of Minas Gerais. Its mission is to strengthen cooperation, commercialization, and the production of healthy food among its member organizations. Through intercooperation, CONCENTRA has played a pivotal role in fortifying the cooperative system in Minas Gerais, driving significant growth since its foundation.

Meet the **8 cooperatives** that **Concentra** encompasses:



In 2024, our journey with CONCENTRA began even before any credit was established with FINAPOP. Recognizing that we could be an important partner, the cooperative's management invited us to contribute to the planning of its activities for the year. This initiative followed CONCENTRA's participation in a commercial planning meeting hosted by one of its affiliates, the Cooperative of Sul Mineiros Peasants (Camponesa), a cooperative with a long-standing relationship with FINAPOP.

The first planning meeting with CONCENTRA took place in April 2024 during the General Assembly, which gathered the associated cooperatives from Minas Gerais. At that time, we defined **strategic actions** for the year within a context that initially seemed challenging for the cooperative, with the possibility of a decrease in sales. However, by August, the situation fortunately changed, and the need **to adjust the previously planned perspectives** emerged. To address this, CONCENTRA called for another assembly to reorganize internally and, once

One of the goals set in April was **to enter**

the institutional market with the production of beans from the associated cooperatives. To facilitate the purchase of beans from the cooperatives, CONCENTRA requested **working capital** from FINAPOP. In August, it integrated our platform with the

second published offer, which was successfully completed.

The processes evolved, and the teams organized themselves to meet the established goals. Another goal defined was the development of a **commercial plan** focused on the



Through intercooperation, CONCENTRA has played a pivotal role in fortifying the cooperative system in Minas Gerais, driving significant growth since its foundation.



conventional market (wholesale and retail sales of products). Our team collaborated in creating the executive summary through virtual meetings. In October, CONCENTRA invited us once again to participate in an activity aimed at presenting the commercial plan, which was directed towards the retail market and expansion into bars and restaurants.

For the upcoming period, CONCENTRA will focus on **advancing the organization** of the bean production chain. It has already accessed credit for this purpose and is qualifying its business plan through a workshop promoted by FINAPOP, in partnership with the Crehnor credit cooperative. These actions reinforce our commitment to the development and strengthening of social enterprises, contributing to the creation of a context aligned with financial sustainability and generating a positive impact.

Participatory Investment PLATFORM FINAPOP



In 2024, we finalized the structuring of our FINAPOP Participatory Investment Platform, a crowdfunding tool regulated by CVM Resolution 88/2022 from the Securities and Exchange Commission (CVM).

The FINAPOP Participatory Investment Platform is the result of a collective effort— a dream that began to take shape four years ago. This vision materializes in the idea of fostering fair and transparent financing, bridging the gap between rural and urban communities, from the fields to the dinner table, from caring for the land to the growing awareness of food quality and origin. The platform enables investments starting at R\$100, allowing the general public to invest with purpose.

The FINAPOP Platform was conceived to address two key challenges: the limited access cooperatives have to adequate

credit—both in terms of quantity and quality—and the lack of democratic financial products for investors that generate impact beyond just economic returns.

Cooperatives often face significant barriers when trying to access credit through conventional financial institutions, despite their clear need for investment to expand and improve production. Qualifying for financial support is already a major hurdle, and securing an adequate credit limit is even more challenging. When they do obtain credit, the

amounts are frequently insufficient for the diverse needs of agroecological and family farming—vastly different from the standardized investment packages tailored to large-scale monoculture reliant on heavy machinery and chemical inputs. Additionally, high-interest rates and hidden fees imposed by banks—disguised as service charges or unnecessary financial products—further hinder cooperatives' ability to invest, often pushing them into unsustainable debt cycles.



By enabling anyone to become an investor, starting with affordable amounts...

On the other hand, a significant portion of the population, when looking to save or invest, finds few alternatives beyond traditional savings accounts or the standard investment products offered by banks. Many lack access to clear and comprehensive information about how these financial products operate, and even fewer are aware of where their money is being allocated and who ultimately benefits from it while it remains under the bank's management.

The key differentiator of our platform is its innovative approach to financing for the working class. We are breaking away from traditional structures that often limit access to credit, especially for small cooperatives and agrarian reform associations that foster fair, collective, and environmentally regenerative production models.

With FINAPOP, we have established an accessible pathway that decentralizes and

democratizes investment power, linking individuals eager to invest in the production of healthy food with organizations dedicated to generating positive impact.

This model not only enhances community autonomy but also fosters a network of mutual support, where workers take the lead in shaping their own economic initiatives.

By enabling anyone to become an investor, starting with affordable amounts, we are forging a new financial paradigm—one that prioritizes people and nature in decision-making. This marks a departure from traditional financial logic, where profit takes precedence over collective well-being. Here, returns are measured not only in economic gains but also in social and environmental impact.

Our platform launched in August 2024, and since then, we have successfully raised R\$ 970,100.00, supporting three cooperatives and engaging over 600 investors.

Our goal is to keep projects continuously open for funding, as the demand for financing remains constant and aligns with the production cycle. If you're interested in learning more, visit the FINAPOP website to explore active fundraisers. This is an opportunity for the working class—both in the countryside and the city—to grow and prosper together!

**...we are forging
a new financial
paradigm—one that
prioritizes people
and nature in
decision-making.**

International *fundraising*

In 2024, we strengthened key connections with international foundations and investors who trust our mission. These partnerships have been instrumental in supporting initiatives that foster healthy food production, environmental preservation, a fair economy, and the empowerment of local communities.

We were honored to be selected by the Collective Action for Just Finance initiative as **one of the 25 international**

funds that make finance work for people and the planet. The Transformative 25 is a global curatorial group recognizing funds that stand out for the transformative impact of their investments. It brings together a collective of funds, intermediaries, investors, and individuals committed to reshaping the financial system to prioritize social and environmental well-being.

Since our inclusion in this group, we have participated in meetings and webinars, connecting with various entities from other countries. In Brazil, we face one of the highest and most unjust base interest rates in the world, making credit inaccessible to a large portion of the population. The funds raised abroad allow us to offer credit at lower interest rates, promoting more equitable conditions and enabling projects that transform lives.

We are thrilled to be alongside other extraordinary projects in this ecosystem of learning and financial innovation.

The Transformative 25 | 2024



[Learn more about T25 and the partnership with FINAPO](#)

PATHS TO FINANCING THE PRODUCTION OF HEALTHY FOOD

and

Commitments to a Fairer and More Equitable Future



Photo: Douglas Silva

In light of the climate emergency and the expansion of agribusiness over territories, cooperation plays a central role in ensuring the production of healthy food.

Beyond the cooperation that settled families engage in through cooperatives and associations, FINAPOPOP has established itself as a tool that facilitates cooperation between investors and purpose-driven projects. Today, more than ever, it is crucial for society to do its part in building a new way of producing, consuming, and engaging with investments.

For 2025, we plan to consolidate our efforts with a comprehensive range of fundraising vehicles for investors and increasingly tailored lines of credit to meet the needs of those requiring resources for healthy food production.

Our challenges include building a loan guarantee fund, raising resources for monitoring and preparing for access to credit, and expanding fundraising efforts.

In addition to the historical challenges already faced by family and peasant agriculture, we are also grappling with the effects of the climate emergency.

Therefore, FINAPOPOP, always committed to innovation and developing the best financing methods for organizations producing healthy food in agrarian reform areas, proposes **a new product for investors: loans repaid in non-monetary resources**. In the face of the increasing financialization of life, it is essential to experiment with alternative ways of organizing production and consumption.



Photo: Manuela Hernandez



Photo: Noemi Pacheco

Thus, we propose a model where:



1 The investor contributes resources to be invested in the production of healthy food with an annual interest return.



2 The social enterprise receives the loan and repays 70% of the total amount in monetary form to the investor.



3 The remaining 30% is repaid in non-monetary form such as products directed—within a governance structure—toward vulnerable populations or used for planting trees in settlement areas.

We concluded 2024

with gratitude for the partnership we've built with thousands of national and international investors, as well as the many peasant families in the cooperatives and associations that stand by us.

For 2025, we renew our commitment to promoting a fairer economy, grounded in agroecology principles and cooperation. May this next period bring even more achievements, strengthening our collaboration and expanding the impact for both people and the planet.

We already have a pilot project for this model. If you are reading this and are interested, please contact us.

**We remain steadfast
in our commitment
and
count on your
continued support.**

**A big thank you to all of you for
believing in us and walking alongside us!**