Acumen's Araf secures $90 Mn to expand climate-resilient agriculture investments across Africa

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Fresh commitments from global development finance institutions will help scale climate-smart agribusinesses and strengthen resilience for millions of smallholder farmers

Acumen's Acumen Resilient Agriculture Fund (ARAF) has secured US$90 million in new committed capital to expand investments in climate-resilient agribusinesses across Africa, strengthening support for smallholder farmers facing increasing climate-related risks.

The latest fundraising marks the next phase of ARAF's investment strategy, building on the fund launched in 2020 as the world's first equity vehicle dedicated to strengthening the climate resilience of smallholder farmers. The additional capital will enable the fund to broaden its footprint beyond East and West Africa into North Africa while backing businesses that help farmers adapt to a changing climate.

The new commitments are backed by a consortium of development finance institutions and impact investors, including returning investors Green Climate Fund (GCF), FMO and Proparco, alongside new partners Swedfund, BIO, FASA and a family office investor.

ARAF invests in high-growth agricultural and food businesses that improve farmers' access to finance, quality inputs, markets, technology and climate-smart farming solutions. The fund targets enterprises capable of delivering both commercial returns and measurable social and environmental impact across Africa's agricultural value chains.

Since its launch, ARAF has invested in 12 portfolio companies, directly reaching more than three million smallholder farmers across Africa. According to the fund, over 80 per cent of participating farmers have reported improvements in both farm incomes and crop yields. With the additional capital, ARAF aims to extend its direct impact to at least four million more farmers in the coming years.

Smallholder farmers produce nearly 80 per cent of Africa's food supply but remain among the most vulnerable to climate-related disruptions, including prolonged droughts, floods and increasingly erratic rainfall. Limited access to financing, agricultural inputs, advisory services and reliable markets has further constrained their ability to adapt, creating significant risks for regional food security and rural livelihoods.

By investing in scalable agribusinesses that provide climate adaptation solutions, ARAF seeks to strengthen the resilience of agricultural production while improving income opportunities for farming communities. The fund's blended finance model is also designed to attract private investment into climate-smart agriculture, an area that continues to face a significant financing gap despite growing demand.

The latest capital raise reflects increasing confidence among development finance institutions that climate adaptation in agriculture can deliver both measurable development outcomes and long-term investment value. As climate risks continue to intensify across Africa, blended finance vehicles such as ARAF are expected to play a growing role in scaling private-sector solutions that strengthen food systems, improve rural livelihoods and enhance agricultural resilience.