



Norfund

BUSINESS SUPPORT

Annual report 2025



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Introduction

Funded by the Norwegian Ministry of Foreign Affairs, Business Support strengthens the development effects of Norfund's investments through tailored technical assistance.

In a year in which development aid has sharply reduced and investments in developing countries fell, Norfund went against the tide with record investments of NOK 8.4 billion. Norfund's Business Support portfolio has followed, and is experiencing increasing demand, currently serving over a quarter of Norfund's direct investments.

Norfund is a responsible owner across all investment sectors, contributing with expertise, establishing sound corporate governance, and setting high standards for financial, environmental and social (E&S) practices. Business Support continues to be an important contributor for value addition, assisting Norfund in providing non-financial value to investees that capital markets cannot, resulting in improved development outcomes. Norfund requires strong commitment from the receiving investee, which typically is achieved through 50% co-financing, to ensure ownership and prioritization of high value add projects.

A few highlights from the year, that can be found in the report, includes concluding FISDE - the Sustainable Finance for Development initiative, that has strengthened the resilience of financial systems in Latin America. Another highlight is how supporting Technical Assistance Facilities managed by Norfund's fund managers continue to deliver strong results for companies and farmers supplying them, like the case from Hatch, an investee of AgDevCo.

Key figures

In 2025, Business Support maintained a consistent level of project approval activity, with 21 new projects with a total value of 10.0 MNOK. Compared to 2024, the average grant size for each project was moderately reduced to 476.000 NOK. The overall portfolio grew to 67 active projects during the year, comprising 80.9 MNOK in approved funding.

The activity in 2025 reflects both the continued high level of project engagement, and demand for technical assistance in Norfund's portfolio, and the impact of financial constraints on individual project funding.

Despite uncertainty and reduction in funding, Business Support still managed to reach over one quarter of Norfund's direct investees, prioritizing smaller projects and initiatives.

Active projects

67

New approvals

21

Direct investees supported

89

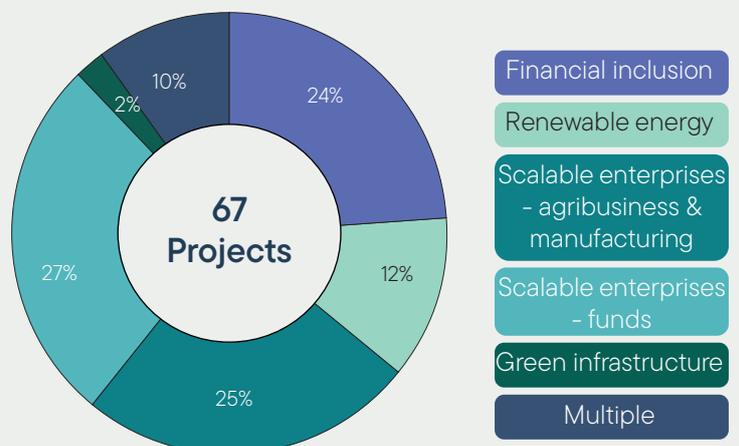
Indirect investees supported

181

Investment areas

In 2025, the active portfolio demonstrated a balanced distribution of technical assistance (TA) deployment across all Norfund's investment sectors.

Additionally, projects classified under "Multiple" primarily consist of training programs and cross-department initiatives, which are designed to be accessible to all companies within Norfund's portfolio, independent of which department.

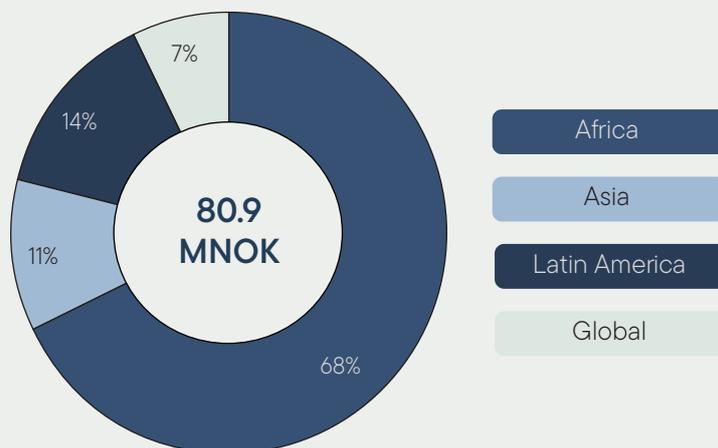


Geographical split

With regards to TA distribution per investment region, Sub-Saharan Africa continued to be the principal recipient of TA, accounting for 68% of the active portfolio. This distribution aligns with Norfund's priorities and [the Norwegian Government's strategy for engagement with African nations.](#)

Beyond Sub-Saharan Africa, Business Support observed a growing interest in TA within Norfund's Asian portfolio. In 2025, 9 new project approvals (2.0 MNOK) were allocated to Asia, indicating a notable uptake of TA utilization in this region. A key example of this change is a new project in collaboration with other DFI's, focusing on establishing a network for female talent in Asia, similar to The Boardroom Africa initiative. The program is dedicated to building a community of female senior and diverse executives and connecting them with companies and funds seeking qualified candidates for boards, investment committees, or C-suite roles.

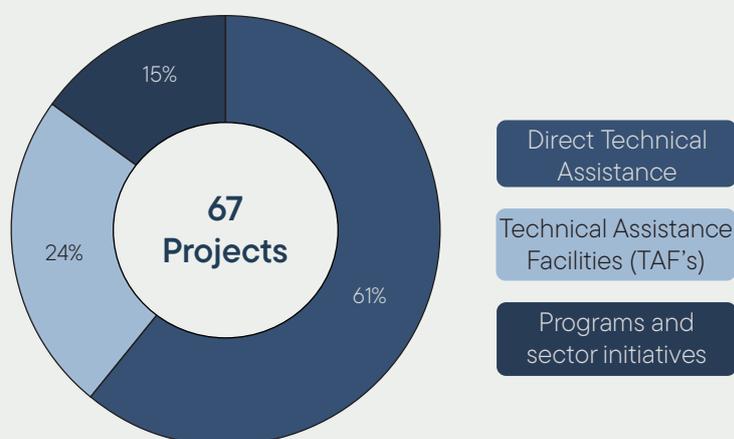
Furthermore, 71% of approved funding for projects to direct investees (excluding multilateral TA-support) went to Least Developed Countries (LDCs) as defined by OECD DAC. This shows a strong focus on directing limited resources where demands and additionality are greatest.



Project type

When considering the number of active projects per project type, 61% are allocated to Direct Technical Assistance (Direct TA) for Norfund's direct and indirect investees. A further 24% are channeled through Technical Assistance Facilities (TAFs), while Programs and Sector Initiatives, which are cross-departmental efforts addressing recurring portfolio needs, account for the remaining 15%.

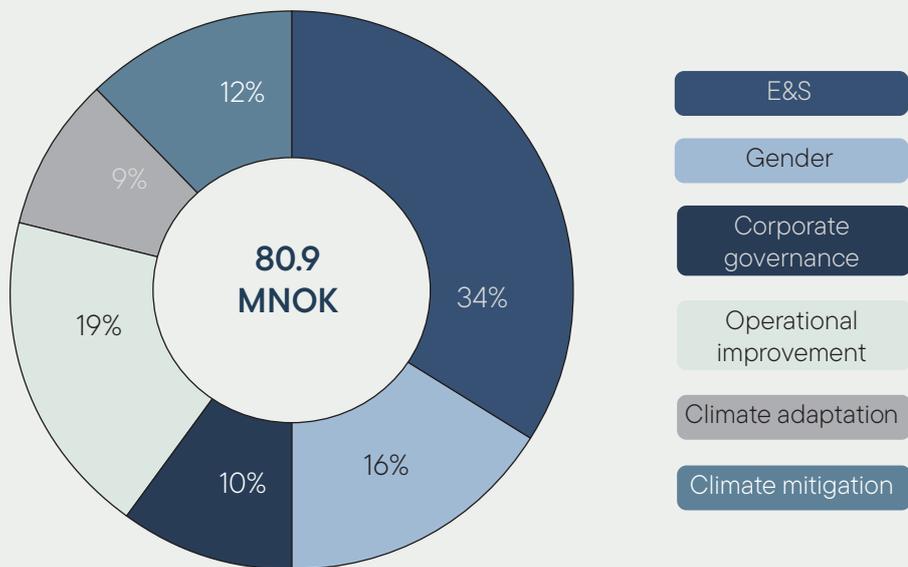
While most projects are direct interventions tailored to specific investee needs, TAFs makes up fewer projects, but typically involves larger grant sizes, representing a larger share of approved funding. This reflects a balanced approach where Business Support delivers both targeted support to individual companies and scaled impact through supporting fund investments.



Results 2025

Of the 67 active projects in Business Support’s portfolio, the funding has been distributed across different thematic areas. These thematic areas are well aligned with the Norwegian Government’s four cross-cutting issues; Climate, gender equality, human rights and anti-corruption. The following section aims to detail what has been achieved within the different thematic areas. To be able to aggregate data, we separate between the three categories of project types, namely Direct TA, TAFs, and Programs and Sector Initiatives.

Active portfolio per thematic area



Direct technical assistance

Direct TA is Business Support’s approach to addressing specific, company-level demands across E&S, governance, gender, climate and operational areas within Norfund’s portfolio. Of the 67 active Business Support projects, 41 projects (32.8 MNOK) are delivered as Direct TA.

Direct TA projects typically follow a structured and phased approach. Interventions may often begin with an assessment of a company’s current practices or status, such as carbon footprint measurements, climate risk analyses, OHS standards, or HR systems. These assessments are followed by a prioritized action plan, and in most cases, support to implement and operationalize the identified improvements will follow.

16

assessments
conducted

12

implementations
executed

In 2025, Norfund supported 16 assessments and assisted with executing 12 implementations across its thematic areas. A significant share of these were concentrated within E&S/OHS, where 8 assessments were conducted. These included, for example, reviews of companies' Environmental and Social Management Systems (ESMS) and evaluations of existing HR management practices. Building on the findings from the assessment, Norfund supported the implementation of 6 projects within E&S/OHS, focusing on strengthening systems, processes, and frameworks for the investee. Typical outputs include the development and rollout of policies, monitoring and reporting systems, evaluation tools, and other mechanisms to embed improved practices.

To ensure that these interventions lead to lasting change and do not remain one-off deliverables, there is a strong emphasis on capacity building across these projects. Direct TA is designed to equip companies with the systems, skills, and ownership needed to manage ESG and operational risks independently over time. This reduces reliance on external expertise and supports the long-term sustainability of the company.

Example from the portfolio

An example of how Business Support leverages Direct TA to address company-specific needs is a renewable energy company in India. The company operates more than 2,000 solar installations across 24 states and, due to its geographically dispersed footprint and extensive use of contractors, is exposed to elevated safety risks, particularly during construction, installation, and maintenance activities. As the company continues to scale, strengthening safety systems, leadership accountability, and on-site practices is critical to ensuring safe operations across its workforce and value chain.

Through Direct TA, Business Support co-financed a comprehensive safety culture assessment. The assessment combined leadership engagement, site visits, and employee surveys to evaluate existing systems, safety culture, and on-site practices. It identified both strengths and areas for improvement and provided a clear, prioritized roadmap for strengthening safety performance.

Building on these findings, the investee can proceed to the next phase of the intervention, focusing on implementing targeted measures.



Photo: Worker inspecting solar panels.

Technical assistance facilities

Funds that Norfund have invested in, and their portfolio companies, are also eligible for TA. For these funds, Technical Assistance Facilities (TAFs) enable efficient deployment of grant funding to underlying portfolio companies, extending reach across sectors, regions, and fund sizes. No new TAFs were approved in 2025 due to uncertainty around available funding. Nevertheless, TAFs still account for 16 of the projects (37.1 MNOK) of the active Business Support portfolio, underscoring their continued importance in delivering TA to Norfund's indirect investees.

101

**assessments
conducted**

116

**implementations
executed**

In 2025, Business Support funded TAFs collectively supported 101 assessments and execution of 116 implementations across portfolio companies. A substantial share of these interventions focused on climate mitigation and climate adaptation, with 59 assessments, and 44 subsequent implementations.

Supporting companies with climate-related interventions typically combine either carbon footprint or climate risk assessments with targeted follow-on support to identify and implement practical mitigation and adaptation measures. Across several funds, this has also been applied at portfolio level, enabling companies to measure, manage, and act on emissions and physical and transitional climate risks in a structured and comparable way. Similarly to Direct TA, TAFs emphasize capacity building, ensuring that portfolio companies are equipped with the systems, skills, and ownership needed to carry out these activities independently over time.

Example from the portfolio

A portfolio-wide example of TAF support is Phatisa Food Fund II, a fund investing across the Sub-Saharan African food value chain, where carbon footprint assessments were conducted across multiple investees with diverse operations, from foodservices to processing and logistics.

This provided a comparable emissions baseline across the portfolio and highlighted where the largest reduction opportunities exist, enabling more targeted prioritization of decarbonization efforts at both company and fund level.

Despite collecting data on “assessments conducted” and “implementations executed”, aggregating results across TAFs remains challenging, as fund managers apply different reporting frameworks and levels of detail. Moreover, these two metrics do not fully capture the breadth of results achieved through TAFs. In practice, TAFs also support interventions such as training programs, capacity building for end-users, digitalization, and improved access to finance. The case below illustrates this through a project supporting smallholder farmers with training, financing, and improved production practices, leading to increased incomes and food security.

Supporting AgDevCo's TAF reaching smallholder farmers – the case of Hatch Africa strengthening poultry farming

Through Business Support, Norfund has supported agents and smallholder farmer customers in poultry farming with capacity building, which has had positive impacts through improved livelihoods, nutrition and inclusion of women.

Hatch's purpose is to make farmers healthier and wealthier. The company distributes dual-purpose (for meat and eggs) breeds of day-old-chicks through a large network of more than 30,000 agents, who breed the birds for four to five weeks, before selling them to smallholder farmer (SHF) customers. Hatch chickens are well-suited to being raised in "backyard" conditions and smallholder customers typically own between 5 and 40 birds each. Compared to indigenous breeds, Hatch chickens grow faster, lay more eggs and are more resistant to diseases. Founded in 2010, Hatch Africa reaches over 2 million customers in rural Africa, with major benefits in terms of higher incomes and improved nutrition, and with women playing a significant role in the poultry sector. Among women smallholder farmers, most report increased income and improved food security, reinforcing women's agency in household decision-making. To read more about how AgDevCo's investments are strengthening protein supply for nutrition and livelihoods in Africa refer to [this publication](#).

AgDevCo, a Norfund investee, has had Hatch Africa as a portfolio company since 2016. During this time AgDevCo supported the company's expansion from Ethiopia to five new markets across Africa. As a long-term partner its support goes beyond capital, with technical assistance being provided across all Hatch's six markets, i.e. Ethiopia, Uganda, Rwanda, Ghana, Kenya and Côte d'Ivoire.

AgDevCo's Technical assistance support to Hatch Africa

AgDevCo's Technical Assistance Facility (TAF), which is funded by Norfund, BII, DFC, FCDO and other funders, has provided technical assistance to Hatch across its six markets, and includes:

- Training on good poultry practices for agents and SHF customers, having reached over 7,000 agents (19% women) and nearly 12,000 SHF customers (33% women) as of the end of 2025
- Digitalisation of field operations, the ordering process as well as production reporting, helping to improve decision making and efficiency
- Animal welfare assessments/improvements as well as feed/nutrition expert advisory to improve feed quality and performance of parent stock and day-old-chicks
- Job quality assessments and support with ESG capacity building as well as strengthening the Environmental and Social Management System (ESMS)

About the Uzima Uganda TA project

In 2021, AgDevCo's TAF commenced a project with Uzima Uganda, a subsidiary of the wider Hatch Africa Group, aimed at enhancing the capacity and sustainability of SHF customers and agents involved in poultry farming. The TA project included district training for agents and SHF customers. This was an extensive training programme across various districts to improve skills in poultry rearing, including the importance of quality feed, disease management, and marketing strategies. As a result, 2,898 rural agents (35% women) and 6,383 rural SHF customers (37% women) were trained. On average, there was also a 53% increase in day-old-chicks ordered by agents after they attended a poultry nutrition training, with feed sales of 0.3 kg per chick sold.

"We need to increase the frequency of these trainings because I have learned a lot; before the trainings, my profits from brooding were small because I was not feeding my birds correctly. Currently I save close to 220,000 UGX (≈ USD 61) per cycle (there are four cycles per year) on feeding, because I was taught how to use and mix concentrate feeds after the first two weeks," said Namatovu Eva, agent in Kayunga.

Another component of the project was the expansion of the breeding agent network through improved access to finance. Uzima partnered with FINCA, a microfinance organisation in Uganda, to provide small loans for 177 agents, with 44% women, enabling them to purchase day-old-chicks and other necessary inputs such as feed. This financial support led to 87 of these “loan agents” transitioning to “cash agents” after three loan cycles, demonstrating increased financial independence.

“One of the main reasons I started the poultry project was to increase my income so that I could be able to meet my family’s basic needs like children’s school fees. After acquiring some knowledge from a poultry management training, I joined poultry. I started by buying one-month-old chicken from Uzima agents,” said a female Cash Agent, Gomba

Uzima’s interventions had significant positive impact

Through collaboration with Bath Social & Development Research, AgDevCo conducted a qualitative study that revealed significant positive impacts and provided qualitative evidence that Uzima’s interventions (e.g. selling vaccinated chicks and feed), including training, helped to improve income, food security, diet and wellbeing of SHF customers.

Both women and men reported positive outcomes, with increased income from poultry leading to increased empowerment and engagement in other income-generating activities. The study found that Uzima’s training programmes were crucial in improving poultry rearing practices and marketing skills. The comprehensive training led to better poultry health, higher production rates, and more effective marketing strategies, primarily for agents. The TA project also highlighted key challenges, including barriers that prevent women from attending training sessions. One important recommendation going forward is to hold the training sessions closer to where the farmers live, making it more accessible for women in the household to participate.

Due to the ‘blindfolding’ method of the study, where respondents are provided limited information to reduce bias, it was complex to isolate the specific outcomes attributable to the TA-supported training from the broader positive effects resulting from clients’ overall engagement with Uzima. Nevertheless, given the scale and resources involved in the district trainings supported through the TA intervention, it is likely that the TA generated additionality and delivered value-add beyond what Uzima’s core commercial services alone would likely have achieved.



Photo: Agent Namatovu Eva, a beneficiary of the Trainings from Luweero with one of her smallholder farmer customers



Photo: Solomon Yeshewaleul with newly hatched chicks

Programs and sector support

Cross-departmental projects to address recurring needs across Norfund's portfolio represented 10 projects (11.0 MNOK). Throughout the year, Norfund has taken initiative in developing training courses and supported participation in various topics like E&S, gender equality and road safety, that are important for Norfund, its investees, and the local community surrounding them. The reach have been in line with Business Support's ambitions, and in total 219 employees have attended training, representing 112 companies in Norfund's portfolio.

219

participants

112

**participating
companies**

Gender-related training and capacity building has been a key priority, and 125 employees, representing 67 of Norfund's portfolio companies have participated. The key objective is to assist companies address gender equality and promote equal opportunities for men and women across all levels in companies. Examples are training female talent in Norfund's portfolio for board representation and capacity building on Gender Based Violence and Harassment (GBVH).

Participants report their experiences and output after completed training sessions, and it is evident that several companies explain that they have implemented new policies and changed practices after participating in the training reflecting an impact that extends well beyond the individual participants.

"This training was very useful for me. It helped provide me with a clear direction on what we can do to go beyond what is already in place in tackling harassment and human rights issues to the inclusion on GBVH issues." Participant feedback, GBVH training, Accra, November 2025



Photo: ANB employee in one of their citrus packing facilities in South Africa

Beyond regular trainings, Business Support also supports Sector Initiatives. The case of FISDE, which is a regional initiative to promote sustainable finance in Latin America is a good example of how Business Support also works with broader ecosystems and sectors. More details can be found in the case study below.

FISDE: A regional effort for sustainable finance

After four years of collaboration, the Central American Council of Superintendents of Banks, Insurance Companies and Other Financial Institutions (CCSBSO), IFC, FMO and Norfund have concluded the Sustainable Finance for Development (FISDE) initiative, aimed at strengthening the resilience of financial systems in Central America, Colombia and the Dominican Republic.

Through FISDE, eight national supervisory authorities now have access to tools and roadmaps aligned with international standards and adapted to local contexts – enabling the integration of ESG criteria into regulation, supervision and financial management.



“We’re proud to have contributed through our Business Support facility to strengthen regulatory frameworks and promote ESG in financial systems, helping lay the groundwork for more resilient financial markets in the region,” said Maria Fernanda Morales Dada, E&S Manager at Norfund.

One of the key outcomes of the FISDE initiative is the development of a regional green taxonomy. This taxonomy enables the classification of environmentally positive investments in a consistent way across countries in the region. It provides a shared framework for defining sustainable economic activities, facilitating harmonization of criteria across jurisdictions. While tailored to local contexts, the taxonomy is aligned with international standards and will serve as a vital tool for both regulators and financial institutions in advancing green finance and mitigating greenwashing risks.

The initiative also delivered tangible capacity-building results: Over 100 supervisory staff participated in technical training, and several countries conducted pilot exercises to test climate risk integration in supervision. A regional platform for knowledge exchange and coordination has also been established.

FISDE has helped embed sustainable finance as a strategic priority across the region. The development of ESG roadmaps required a consultation process with external stakeholders, which generated key recommendations and findings to strengthen supervisory capacities and support the design of public policy tools for sustainable finance. These roadmaps are now in place across supervisory authorities, with mechanisms for continued collaboration between technical teams and strategic partners in motion beyond the project’s conclusion. Importantly, they also send clear signals to the market to encourage further progress.



The closing event in the Dominican Republic brought together supervisory authorities, private banks and multilateral institutions to reflect on progress in sustainable finance. Several Norfund investees shared their experiences and lessons learned on ESG integration and risk management. Grupo Promerica, Grupo BAC, and BHD openly reflected on their approaches to E&S risk management, financial inclusion, and climate risk assessment. Their contributions brought valuable real-world insights to the dialogue and helped bridge perspectives between supervisory authorities and the financial sector. Norfund's Regional Director Federico Fernandez shared reflections on the power of strategic partnerships to accelerate a just transition.

“This is a strong example of how good collaboration across the usual silos combined with targeted technical assistance can strengthen institutions and lay the groundwork for more resilient, inclusive financial systems,” said Morales Dada.

Capacity building that transforms the region's financial system

The Sustainable Finance for Development (FISDE) initiative has trained people across its three components through strategic partnerships:



66 OFFICIALS

from CCSBSO member supervisory institutions learned how to accelerate the transition towards green banking, strengthening the banks' business and contributing to a more sustainable world, through training sessions totaling



300 PARTICIPANTS

from the eight CCSBSO member supervisory institutions were trained in climate risk supervision methodology, completing a total of



of collective learning.



151 OFFICIALS

from Colombia, Guatemala, El Salvador, Honduras, Nicaragua, Panama and the Dominican Republic participated in



Roadmap training sessions.



37 OFFICIALS

from CCSBSO member supervisory institutions completed the training process led by UPF on social risk in the financial sector, addressing its implications, management strategies and mitigation mechanisms.



957 EXPERTS from supervisory

and financial institutions, and leaders from the public and private sectors in Energy, Transport, Construction, ICT, Manufacturing, Waste and Water, strengthened their knowledge on green taxonomies through workshops and technical roundtables. These also facilitated the adaptation of taxonomies to local contexts and regional priorities.



FISDE empowers individuals and organizations to drive change by creating enduring capacity that transcends.

