



NORTHERN ONTARIO

# Impact Report

**Nourishing Northern Communities:**  
Social Finance Building a New North



## MESSAGE FROM THE FUND

2022 was a banner year. The year began explosively, as we doubled applications and loans in a few short months. Investments climbed steadily; putting us closer to the target \$3 million in Assets Under Management. The Fund is proud to report that 36 loans have been issued by February 2023; and about 25% have been issued to enterprises in northern Ontario.

The Fair Finance Fund has mobilized accessible and equitable capital to local farms and food enterprises across Northern Ontario since 2019. The Fund helps strengthen the region's economic growth while bringing social and environmental benefits into their communities. Northern Ontario has specific regional challenges and opportunities; capital remains the most significant challenge among small to medium-sized food and farm businesses. Agriculture already plays a significant role in northern economies. With greater access to funding and capital through programs better tailored to northern conditions, there is the potential to strengthen northern businesses and drive even greater growth and development in this sector.



## BUILDING RESILIENT FOOD SYSTEMS IN NORTHERN ONTARIO

The Fund recognizes the importance of supporting values-based and place-based food systems, from agriculture and fisheries to wild harvest and local markets and processors. Using a value chain coordination approach, the Fund aligns its investments to address the challenges facing the food system, such as food security and supply chain issues, while also driving social, economic, and environmental benefits.

As the Northern Ontario Agri-Food Strategy noted,<sup>1</sup> agriculture already plays a significant role in northern economies and has the potential to have even more impact in years to come. The strategy notes that there are 884,000 acres of farmland in the north (with a loss of over 170,000 by 2021). About 3/4 of that land was in production according to the 2016 census, including beef, maple syrup and fish. Challenges remain; processing for livestock is limited. Egg grading is dependent on southern facilities. The impact is growing as southern producers move north in search of affordable land and agricultural communities. These producers are in the forefront of creating an economic climate to capitalize on the full capacity of Northern Ontario in the agri-food sector.

Support at the scale that the Fund provides is particularly relevant to Northern Ontario, where the average farm size in 2021 is only 399 acres.<sup>2</sup>

The 2018 North-Central Food and Agriculture Market Study, conducted by the Rural Agri-Innovation Network at the Sault Ste. Marie Innovation Centre,<sup>4</sup> identified opportunities in a range of products that were sourced outside the study area (Algoma, Sudbury, Manitoulin), highlighting gaps in the local food ecosystem. The study indicated that (almost) 200 local food businesses in Northern Ontario showed a strong interest in buying locally grown produce, driven by a desire to support the local economy. Markets in the region are often at the end of long delivery chains from large companies and the food terminal, resulting in reduced food quality due to lengthy travel at suboptimal temperatures. The situation creates an opportunity for local producers to meet the demand for fresh, locally grown produce.

Agri-food tourism is a rapidly growing sector in Northern Ontario; promoting the opportunity for consumers to learn about the farm while accessing delicious food has helped the businesses thrive, including our clients.



## AS THE THUNDER BAY AND AREA REPORT CARD<sup>3</sup> NOTES,

“The Thunder Bay District Agricultural Economic Impact Study (2009) found that farmers in the District reported a total of \$32.3 million in gross farm receipts and directly supported 605 on-farm jobs, and many more in related industries. Employment in agriculture between 2001 and 2006 also remained relatively stable compared to other sectors of the economy, such as forestry and manufacturing, which experienced combined losses of over 2,500 jobs. Producing more food in the area for sale in local markets would mean creating jobs, generating tax dollars, and having an impact on the wider economy through connections with other businesses, such as retail, manufacturing, construction, and transportation.”

Drawing visitors to farms supports key marketing options such as weekly CSA programs with on-farm pick-up and farm-gate sales, both marketing sectors that are relatively low maintenance and low cost for the farmers. Pick-your-own programs and farm tours can also be effective for farmers who enjoy engaging with the public; promotion of new trends and new methods for Northern agriculture increases the public interest in engaging with these innovative farm businesses.

Interest continues in developing co-operatives, food hubs and other community-led food initiatives that share resources to create new opportunities, including in the capital, infrastructure, marketing and distribution options throughout Northern Ontario. This has led to important collaborations such as the Northern Foodways Development Network that operates across most regions of Northern Ontario. The lead organization, Local Food and Farm Co-ops, is a long-time partner of the Fair Finance Fund. The Local Food and Farm Co-ops has been innovator in value chain coordination in the north. As a partner of the Fund that is well established in northern Ontario, LFFC provides expert knowledge of trends and business practices to ensure the promotion is developed to align with northern trends.



The Fund has had a significant role to play in facilitating success for northern food entrepreneurs. The Fund's northern clients include Indigenous and LGBTQ2+ producers. They produce beef, diverse fruits and vegetables, vertically grown vegetables, pork, and fish. As the recent Thunder Bay & Area Food Strategy<sup>5</sup> Community Report Card shows, there remain significant food security and supply chain challenges as well as unrealized opportunities for local production and processing, culturally appropriate indigenous foodways, and foraged and freshwater foods.

## IMPACT ON NORTHERN ONTARIO

### OPERATIONS

The Fair Finance Fund has tracked jobs and secondary economic impact since it launched in 2019. From a few clients in the first year, the Fund has grown to over 36 clients and a dozen REAL Assist Advisors. As the Fund reaches standard operations this year (2023) with 20-25 new clients annually, the impact will increase correspondingly.

Since 2019, the Fund has invested in 10 Northern Ontario clients, supporting 60 new or maintained jobs, over \$2.16 million in local food sales, and at least 25 regional suppliers in Northern Ontario. These investments contribute to decent work and economic growth of the region and include social entrepreneurs who may have faced barriers to entry. Altogether clients committed \$518,000 in equity to the projects triggered by the Fund's funding.

### MENTORSHIP

The REAL Assist Program provides clients and other social enterprises with mentorship and technical business assistance.

The program provides clients with guidance and support from advisors with sector and sub-sector knowledge and experience who are actively involved in food and farming. Clients can overcome a challenge, scale their business or receive coaching on a specific business area. 25% of the advisors registered for the REAL Assist Mentorship Program are located in or have years of experience in northern Ontario.

Capacity-building workshops are also hosted throughout the year. These workshops bring social educators and entrepreneurs to help clients gain new skills, tools and resources to thrive. Education and capacity-building contribute to Northern Ontario's communities and build and increase economic vitality and resilience.

### DIVERSITY, EQUITY & INCLUSION

The team, Board and committee planned and implemented the FAIR report card, tracking Diversity, Equity and Inclusivity (DEI) in our organization as well as in our portfolio. 50% of the Fair Finance Fund's Northern Ontario clients work with and/ or identify as BIPOC and/or women, or LGBTQ+.

FAIR FINANCE FUND

# Impact in Northern Ontario

in Northern Ontario

**76+**

Community-minded Investors

**2.76M+**

Assets Under Management

**2.16+M**

In Local Food Sales into Northern Ontario

**10**

Loans Disbursed in Northern Ontario

**25+**

Regional Suppliers Supported

**60+**

New Jobs Maintained or Expanded

## VISION FOR 2023 AND BEYOND

Over the last year, the team launched the Inclusive Prosperity Project to consult with experts, access training, and develop a feasibility study on ways to increase access to farmland for equity-deserving farmers across the geographic area that is served.

The Fund exceeded targets for 2023, and set its sights on a \$10 million fund to meet the overall demand by 2025. The average return is around 2%, with some investors offering 0%. With these targets and through community-minded investments the Fund will bring significant economic, social and environmental benefits into Northern Ontario while generating financial returns for investors. Opportunities include investing in distribution and infrastructure, Indigenous food sovereignty, sustainable, regenerative agriculture and agroforestry.

The average impact based on the Fair Finance Fund's mission, vision, values and alignment with the SDGs show over 70%, while the impact in northern Ontario is 81.43% of a possible 100% impact. The relevant UN Sustainable Development Goals with the Fair Finance Fund objectives are shown in the table below.





## SUSTAINABLE DEVELOPMENT GOALS

The average impact based on the Fair Finance Fund’s mission, vision, values and alignment with the SDGs show over 70%, while the impact in northern Ontario is 81.43% of a possible 100% impact. The relevant SDGs with the Fair Finance Fund objectives are shown in the table below.

13 CLIMATE ACTION	15 LIFE ON LAND	7 AFFORDABLE AND CLEAN ENERGY	2 ZERO HUNGER	1 NO POVERTY	5 GENDER EQUALITY	2 ZERO HUNGER	8 DECENT WORK AND ECONOMIC GROWTH	2 ZERO HUNGER	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	
Climate Change Adaptation			Food Insecurity		Supporting Underserved Communities		Job Creation		Support Creation of Local Food Economies and Distribution Networks		
<p>The mission of the organization is oriented around mitigating climate disturbance. Techniques used are either new or proven methods. This can be done in many ways, such as increasing biodiversity, reducing or eliminating GHG, reducing or eliminating waste and water usage etc.</p>			<p>The organization's mission is to directly or indirectly decrease food insecurity. They involve activities such as; reducing dependence on global supply chains, increasing access to affordable and nutritious food etc.</p>		<p>Activities of organizations support marginalized communities. This can be through increased access to food, food and agriculture education, support networks, employment, resources or community activism.</p>		<p>The organization focuses on creating employment with living wages, fair working conditions, benefits, training and apprenticeship opportunities etc. The organization is increasing the number of local jobs.</p>		<p>Organizations increase the local circular economy and strengthen regional distribution and supply chain networks. This can be through local markets, supporting local suppliers, participating in local community groups, creating co-operatives or other methods which strengthen the communities' independence.</p>		
12 RESPONSIBLE CONSUMPTION AND PRODUCTION						5 GENDER EQUALITY		17 PARTNERSHIPS FOR THE GOALS			
Community Engagement and Education						Democratic Governance					
<p>Customers, community stakeholders and affected groups are engaged in a meaningful manner. This could be through facilitating workshops, educational programs, on-site tours, webinars and more. Engagement seeks to help understand the community's needs and bring awareness to the organization's work and impact.</p>						<p>The organization has a systematic method for sharing the decision-making processes among stakeholders. This could be formal employee feedback programs, cooperative voting models, working groups and external stakeholder meetings.</p>					

## IMPACT INVESTING IN NORTHERN ONTARIO

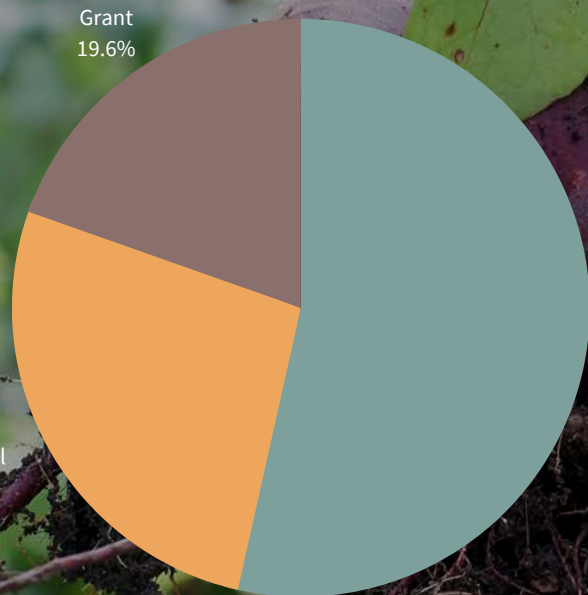
Good farms need good markets; good markets need excellent suppliers, both fresh product and processed. Good food processors need a strong ecosystem too, of stable farms and scale-appropriate distributors and retailers. The Fund supports them all, building resilience and crisis proofing for Ontario food systems. The Fair Finance shows ongoing success in Northern Ontario as we move into a new phase of growth and established practices. We look forward to the future as we grow and expand!



FAIR FINANCE FUND

# Investment Portfolio

in Ontario



**76+**

Community-minded Investors

**2.76M+**

Assets Under Management

**1.98%**

Average Rate of Return with Zero Interest Investors

**0 - 4%**

Returns on Investment

**53.5%**

Individual Investors

**35+**

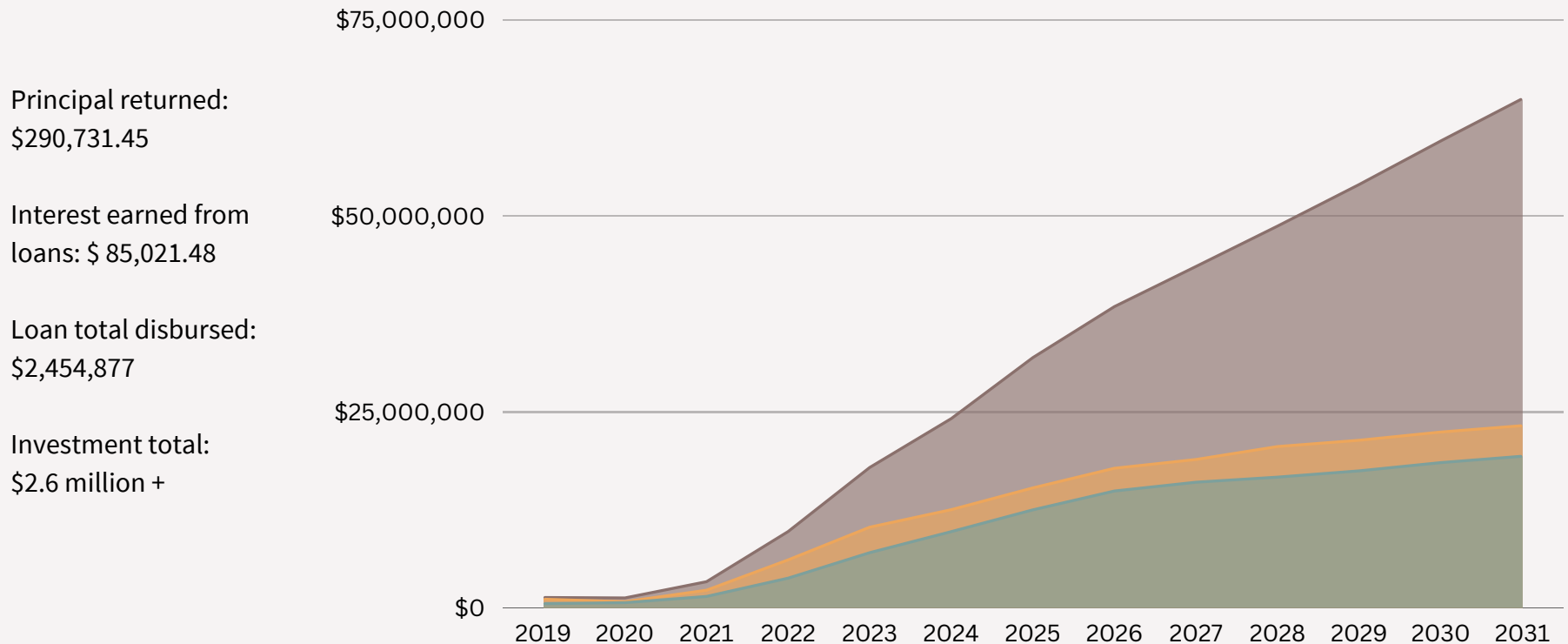
Loans Disbursed in Ontario



## TYPES OF BUSINESSES INVESTED IN

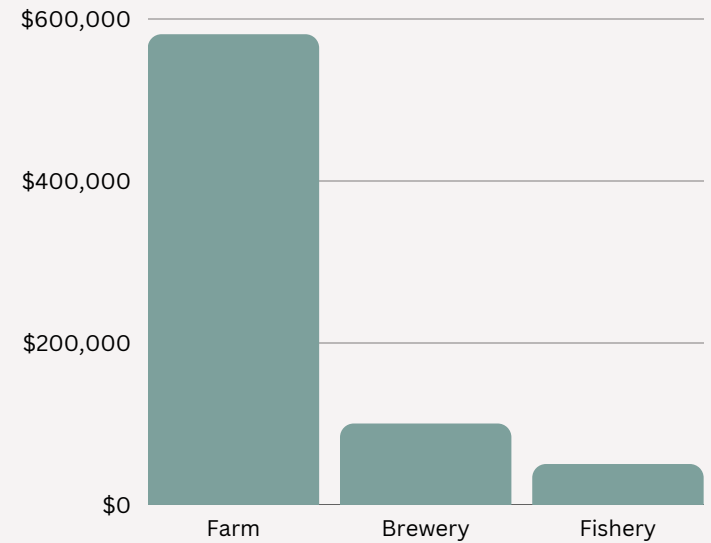
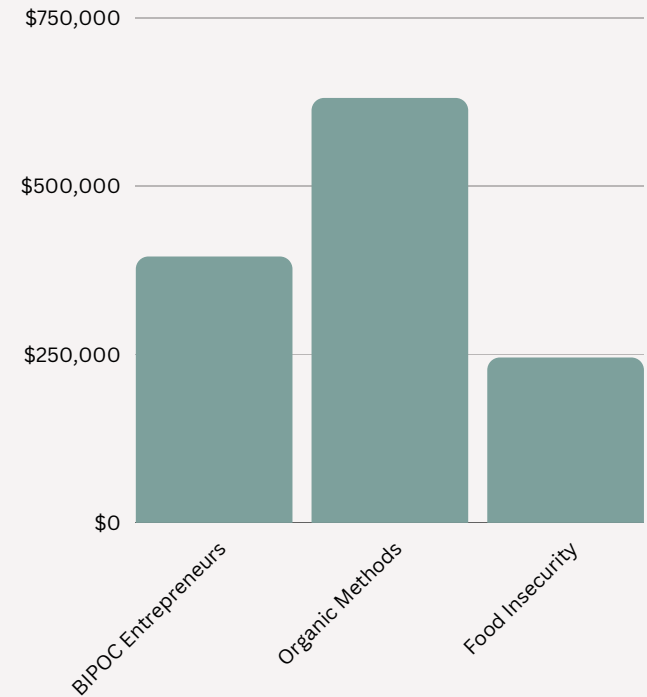
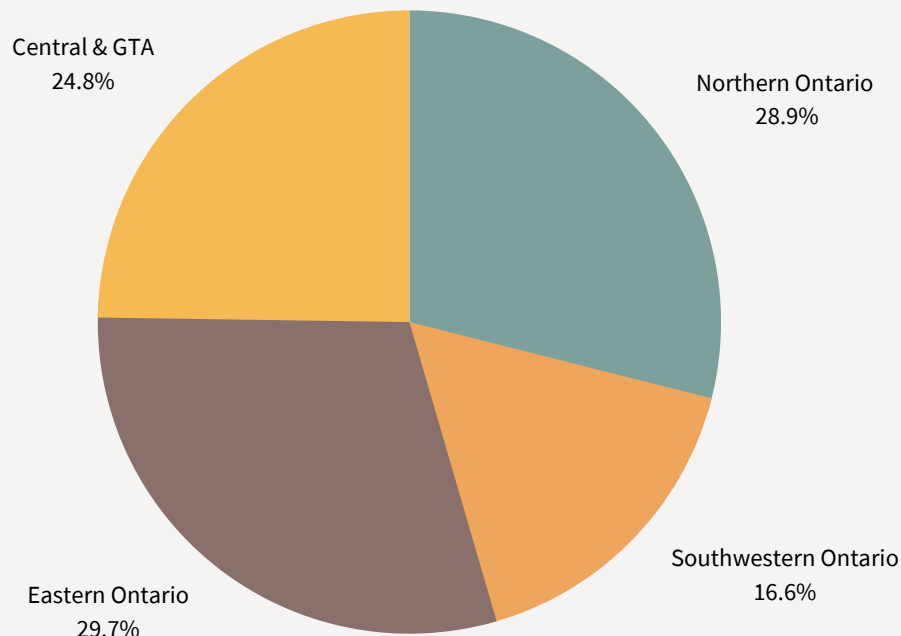
The Fund balances investments with loans to ensure a low amount of idle capital. Our long-term forecast shows Assets Under Management growing steadily as the cumulative impact from loans expands. All repaid principal is placed with a new client; operational funding comes solely from interest on loans, minus the bond interest to investors.

The bond interest rates and loan interest rates are not market dependent; they are set based on the minimum amount needed for operations. Operational funding comes from the difference between the loan interest and the bond interest rate. In 2023, the Fund will be able to be self-sufficient for core activities, a year earlier than predicted.

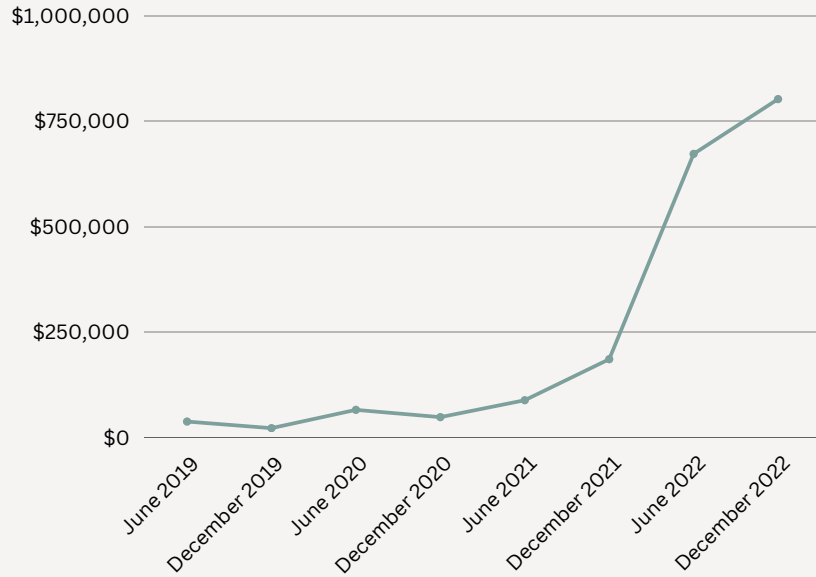


## INVESTMENTS IN NORTHERN ONTARIO

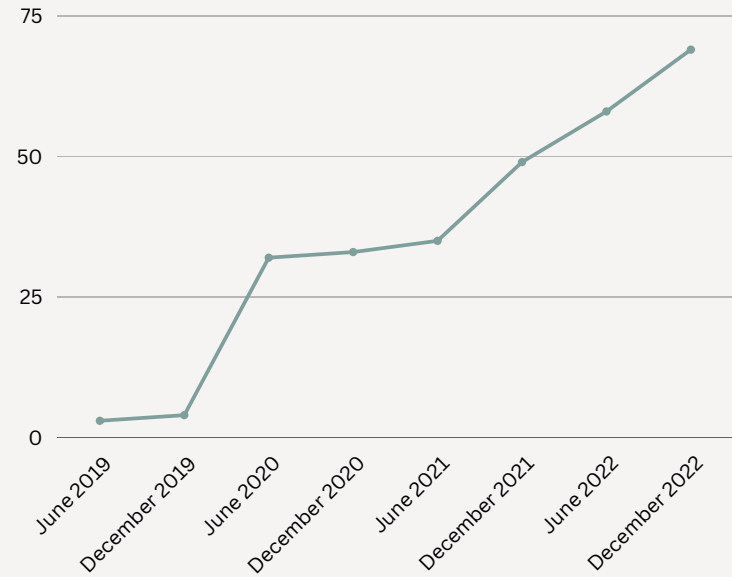
Financial returns are only a small part of the Fair Finance Fund’s contribution to the Ontario economy. The following charts show the significant economic and social impact our clients make in Northern Ontario. Our investors receive a modest financial return while doing good in Ontario: improving people’s work lives, increasing the resilience of our local food system, reducing water and energy use on farms and food processors, and reducing waste from the food ecosystem from farm to fork.



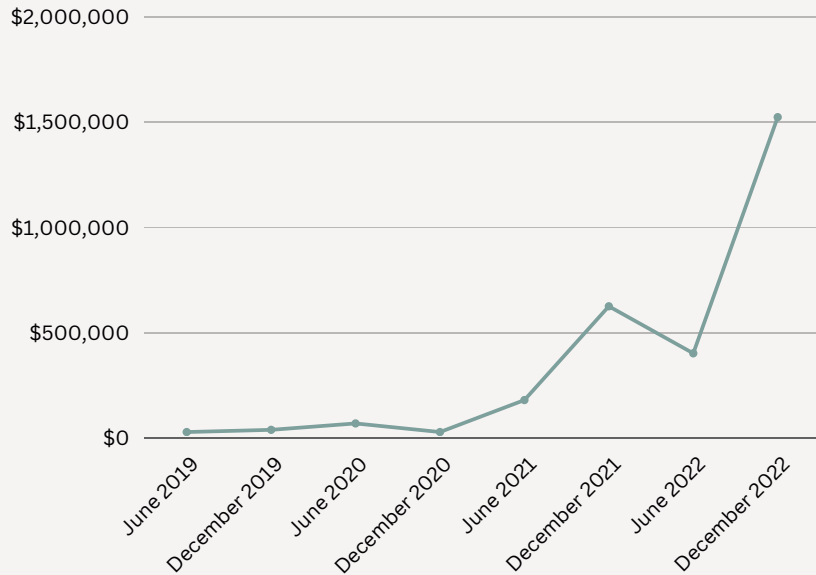
## Regional Suppliers Supported (\$)



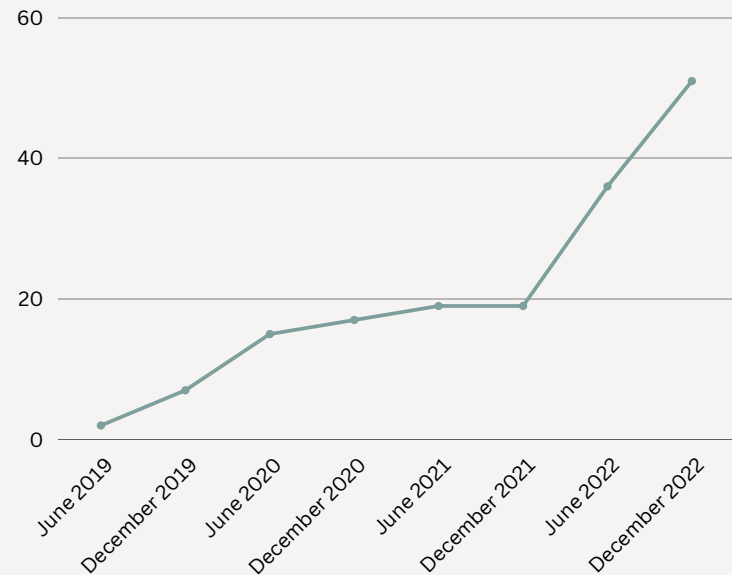
## Regional Suppliers Supported (#)



## Local Food Sales (\$)



## Jobs Supported or Maintained (#)





## Kipling Ridge

Kipling Ridge Farms is a diversified, regenerative farm in Verner, Ontario, using ecological practices to raise livestock and grow fruits and vegetables for customers throughout Northeastern Ontario.

**Impact:** Increases soil healthy, regenerative practices to reduce environmental impact, ecosystem restoration through pasture-raised meat and permaculture orchard.

[Learn More >](#)



## Black River Co-operative (Completed Loan)

Black River Co-operative is a worker co-op made up of five local, land-based businesses working and living regeneratively in near Timmins, Ontario. They are northern farmers and foragers, builders and planners on the front line of climate and social action.

**Impact of Loan:** Land and water preservation and regeneration, permaculture practices improving soil health, community regeneration through education and food access, and more.

[Learn More >](#)

## Split Rail Brewing Co.

Split Rail is Manitoulin Island's first craft brewery, founded by two women entrepreneurs, Andrea Smith & Eleanor Charlton. The brewery produces high-quality, small-batch craft beer.

**Impact:** Increases job security through living wages and decent work benefits, new local supply chains, significant reduction in Scope 2 and 3 GHG emissions

[Learn More >](#)



## Eat the Fish

Eat the Fish is a community-focused fishery of five generations partnering with fisheries on Lake Superior, Lake Nipigon, Lake of the Woods and the Canadian Arctic.

**Impact:** Increases economic prosperity through paying a fair wage to fishers, improved food security within Northern Ontario, reduced carbon footprint by offering local fish, which historically is processed and packaged outside of Canada.

[Learn More >](#)







## Agri-Tech North (Completed Loan)

Agri-Tech North an Indigenous-(Métis), -disabled-and LGBTQ-owned indoor farm located in Dryden, Ontario. They focus on growing fresh produce year-round, helping contribute to food security throughout Northwestern Ontario.

**Impact:** Increases access to healthy, nutritious food through Northwestern Ontario, including far North Indigenous communities, improving food security in the region.

[Learn More >](#)



## MacFarlane Farm

MacFarlane Farm is a northern beef farm located in Desbarats, Ontario. In 2016, the farm began with 30 cattle and had grown into one of the largest cow-calf herds by numbers and acreage in Algoma.

**Impact:** Improves soil health, reduced GHG emissions, and increase in community access to locally raised beef.

[Learn More >](#)

## We Will Plant Lodge

The Ga Gitigemi (We Will Plant) is a project to empower Indigenous women and 2SLGBTQQIA+ people to reclaim their place as the traditional agricultural leaders in their communities by helping them repatriate land and (re)learn their ancient traditions.

**Impact:** Increases knowledge-sharing of plants' spiritual, ecological, biological, and chemical needs to rebuild Indigenous foodways.

[Learn More >](#)



## Homestead North

Homestead North is a farm and ecotourism destination rooted in sustainability owned by Matt and Caycee Fitton in Goulais, Ontario. Matt and Caycee are passionate about community, connection and living in harmony with nature.

**Impact:** Supports community building and engagement through educational workshops and events, and supports community well being through providing spaces to connect to the land.

[Learn More >](#)





## Pitch Creek Farm

Pitch Creek Farm is a highly innovative market garden in Nolalu, Ontario. The farm has been growing vegetables since 2017 and is committed to utilizing organic growing practices that minimize the impact on the local environment.

**Impact:** Contributes to community resilience and food security in northern Ontario by increasing access to locally-grown produce.

[Learn More >](#)



## Ewenique Acres

Ewenique Acres is a local farm located in Chisholm, Ontario. They are dedicated to increasing access to food for individuals, families and their community. Through their CSA program and on-site farmstand, they have embraced a regenerative approach to their farming in the market garden, orchard and pastured-raised livestock.

**Impact:** Reduce water and energy use through target watering crops and on-farm biodiversity through increasing wildlife habitats.

[Learn More >](#)

## MEET OUR TEAM



**Sally Miller**



**Deirdre Fehr**



**Jessica Cherry**

## BOARD OF DIRECTORS



**Sarah Bakker**



**Sophie Duncan**



**Courtney Miller**



**Keshiv Kaushal**



**Mike Degagne**

## Footnotes

- 1 <http://omafra.gov.on.ca/english/northernagrifood/noas.htm>. Retrieved February 23, 2023.
- 2 OFA snapshot from 2021 Census of Agriculture. Ontario Ministry of Agriculture, Food and Rural Affairs (2021) County Profiles.
- 3 Kerk, K., Levkoe, C.Z., Roy, R. (2023). Thunder Bay and Area Community Food System Report Card. Thunder Bay + Area Food Strategy. <https://foodsystemreportcard.ca>
- 4 Rural Agri-Innovation Network/ SSMIC. 2018. <https://rainalgoma.ca/marketstudy/>. Retrieved February 23, 2023.
- 5 Kerk, K., Levkoe, C.Z., Roy, R. (2023). Thunder Bay and Area Community Food System Report Card. Thunder Bay + Area Food Strategy. <https://foodsystemreportcard.ca>