

# Clarmondial Food Securities Fund

**Critical transitions:**



**Innovation:**

Blended finance funds

**Geographic focus:**

Global emerging markets (initial focus Sub-Saharan Africa)

**\$:**

Open-ended fund, target \$750m in 8 years



The Food Securities Fund provides season-long working capital loans to agricultural aggregators (cooperatives, processors, traders) in emerging markets, addressing the common gap of timely and affordable credit. Structured and launched by Clarmondial, the fund combines an innovative investment approach with a regulated open-ended fund structure suitable to institutional investors, allowing it to deliver impact at scale.

Credit assessment favours supply chain relationships over the traditional focus on collateral availability. It allows the Fund to support aggregators prior to harvest and throughout the agricultural cycle. In addition to financial criteria, the loans are linked to sustainable management practices and monitoring of social and environmental standards, including deforestation-free supply chains, climate-smart agriculture, smallholder engagement and improved transparency.

Conservation International and WWF are founding members of the Fund’s Impact Advisory Board. Clarmondial also received support from Convergence, Good Energies Foundation and Climate KIC. The risk blending of the fund comes from a USAID commitment of \$37.5 million in credit guarantees, through the Bureau for Food Securities and the DFC, and from value chain partners e.g. larger corporates. The Global Environment Facility (via Conservation International) has committed \$15 million to the initiative.<sup>73</sup>

The fund has been approved by the Luxembourg regulator. Public and private sector investors have confirmed their interest and initial investor on-boarding processes are taking place. The fund expects to make its first investments in 2020.

**Stakeholders:**

Clarmondial;  
Citibank; Vistra Fund Management; USAID / US DFC including the Bureau for Food Security (BFS)

**Status:**

● Pilot / In development (imminent start)