



Organic  
Development  
Finance

Managed by: **FOUNT**  
SHAPING IMPACT SOLUTIONS



# Organic Development Finance: Introduction

**ODF offer:** Timely, affordable and standardised pre-export finance loans to SME's in emerging markets

**Purpose:** Scale the supply side of the organics market and achieve impact for smallholder farmers and the environment.

## Unique value proposition:

- First of it's kind fund set up to prove these organizations can be funded directly
- Innovative and market-led approach to pipeline generation and funding
- Leveraging a partnership model to ensure (cost) efficiency
- Managed by Impact Fund manager and advisor FOUNT



## Organic Agriculture: A Proven Force for Impact

Climate change and environmental degradation pose significant risks to global food supply chains and disproportionately affect emerging markets. By scaling organic farming in emerging markets, the benefits are multiple:



# SMEs in Emerging Markets Lack Access to Finance

SMEs in origin **miss opportunities** to improve yields or scale their sourcing capabilities due to **lack of accessible finance:**

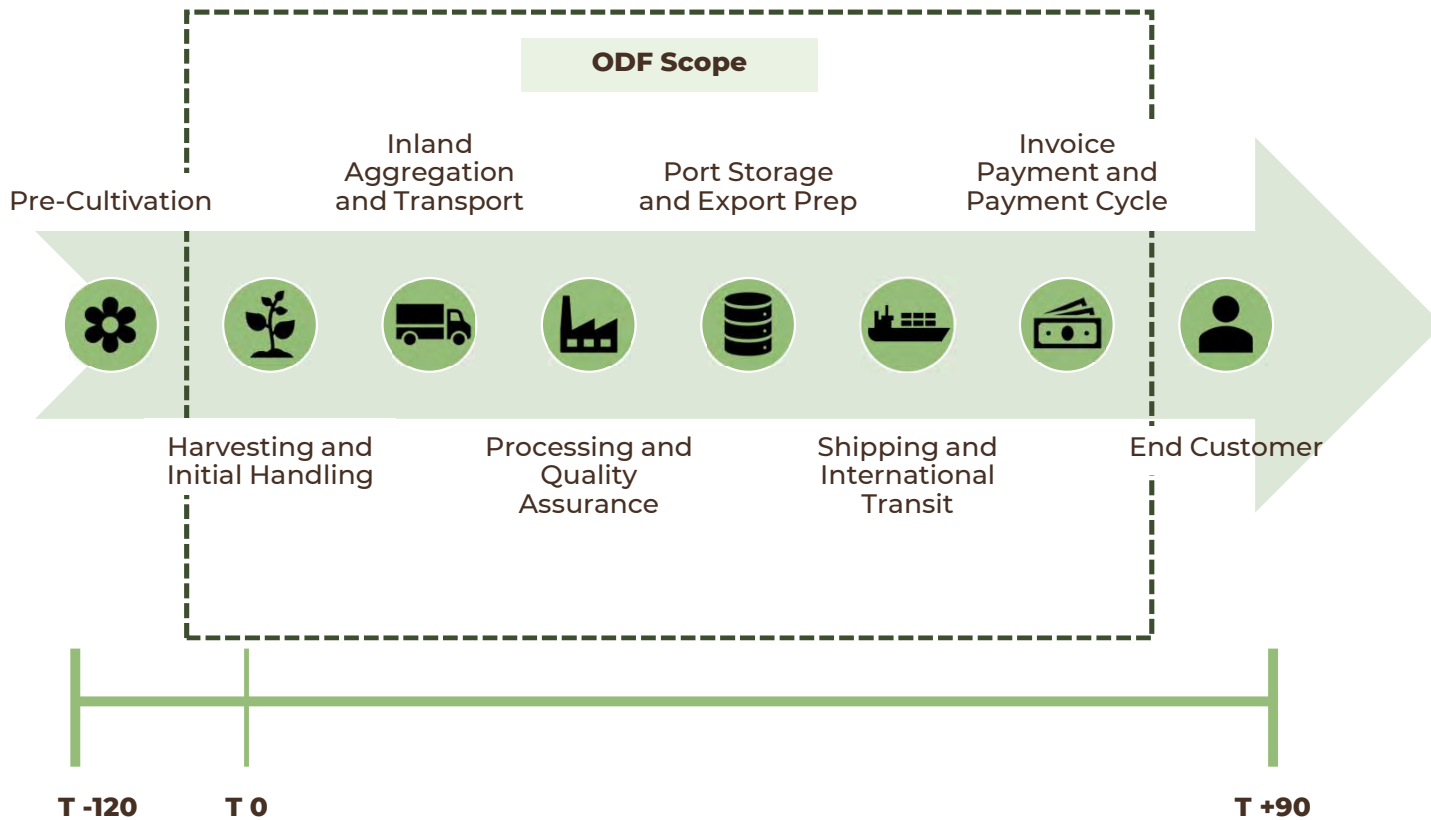
**International buyers** do not have the **resources or risk appetite** to pre-finance goods at scale.

**Local Banks** charge **high interest rates** and require **collateral** to be placed under banks' control.

**DFI's/investors** struggle to access local projects and operate too slow for working capital requirements.



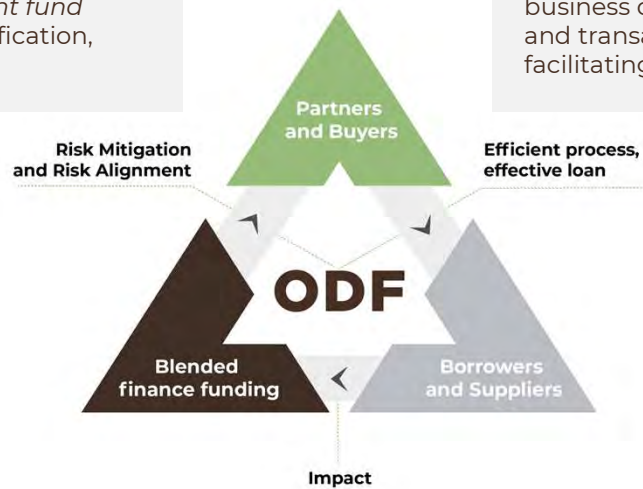
# From Harvest to Payment: ODF's Key Role in the Supply Chain



## ODF's Unique Solution

Blended finance vehicle managed by *experienced and independent fund manager FOUNT*: risk diversification, leverage and affordability

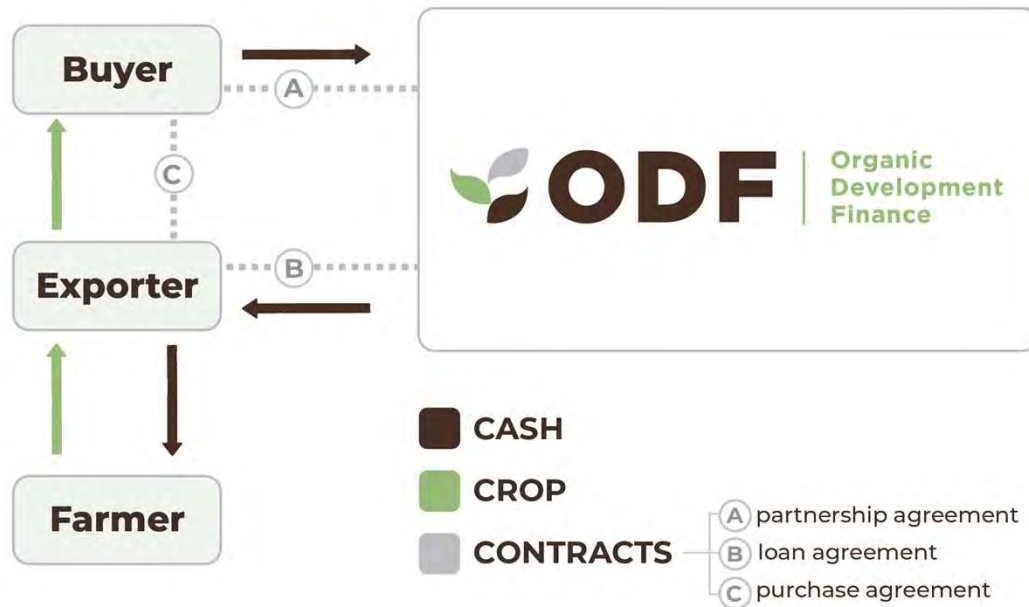
Partnership with buyers: efficient business development, due diligence- and transaction structuring process, facilitating technical assistance



Impact driven support to Suppliers with the aim to increase land under organic practice and improve farmer income



## ODF Offers Timely, Affordable And Accessible Working Capital



- Currency:** EUR/ USD
- Tenor:** Flexible to match period from procurement to delivery (e.g. 3-9 months)
- Collateral:** Pledge on receivables (contracts) with Buyer
- Size:** Based on collateral value, typically between 0.5-1.5mIn
- Structure:** Revolving loan facility
- Interest:** Base rate + margin (5-7%) per annum - Charged per day the loan is outstanding
- Guarantee:** Risk mitigation provided by the Buyer

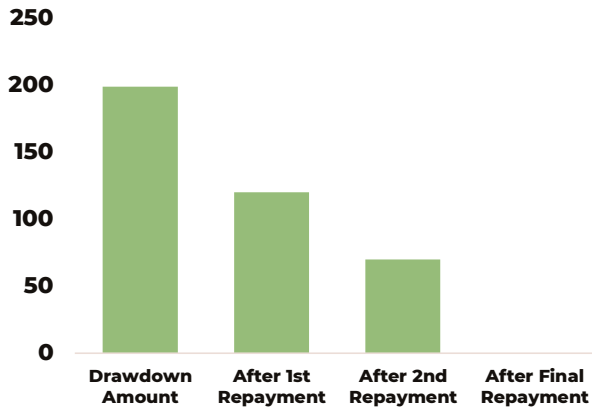
Pre-financing from ODF is secured on the Buyers sales contracts. Repayment of the seasonal loan facility is managed by ODF through invoice payments from the Buyers. ODF facilities can be renewed for multiple seasons, creating a long term partnership between the supplier, ODF and the buyer.

## ODF Case Study with a Peruvian supplier

Our client is a Peruvian SME, which focuses on organic agriculture, sustainability, and agroforestry. ODF provided the Company with 2 loans in 2024. One loan was a standard facility for ginger of USD 200k, while the second loan was a revolving facility for cacao of USD 400k.

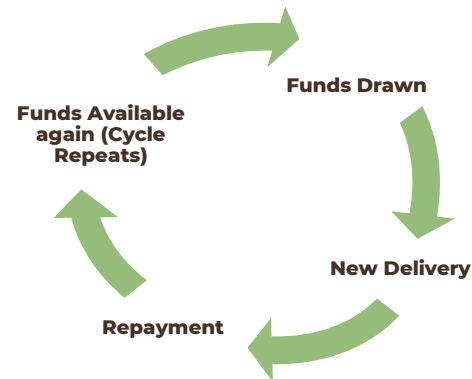
### Ginger

Example of a **Standard Facility**: A one-time loan of USD 200k, disbursed upfront with repayment(s).



### Cacao

Example of a **Revolving Facility**: A USD 400k flexible credit line that can be drawn, repaid, and reused multiple times.





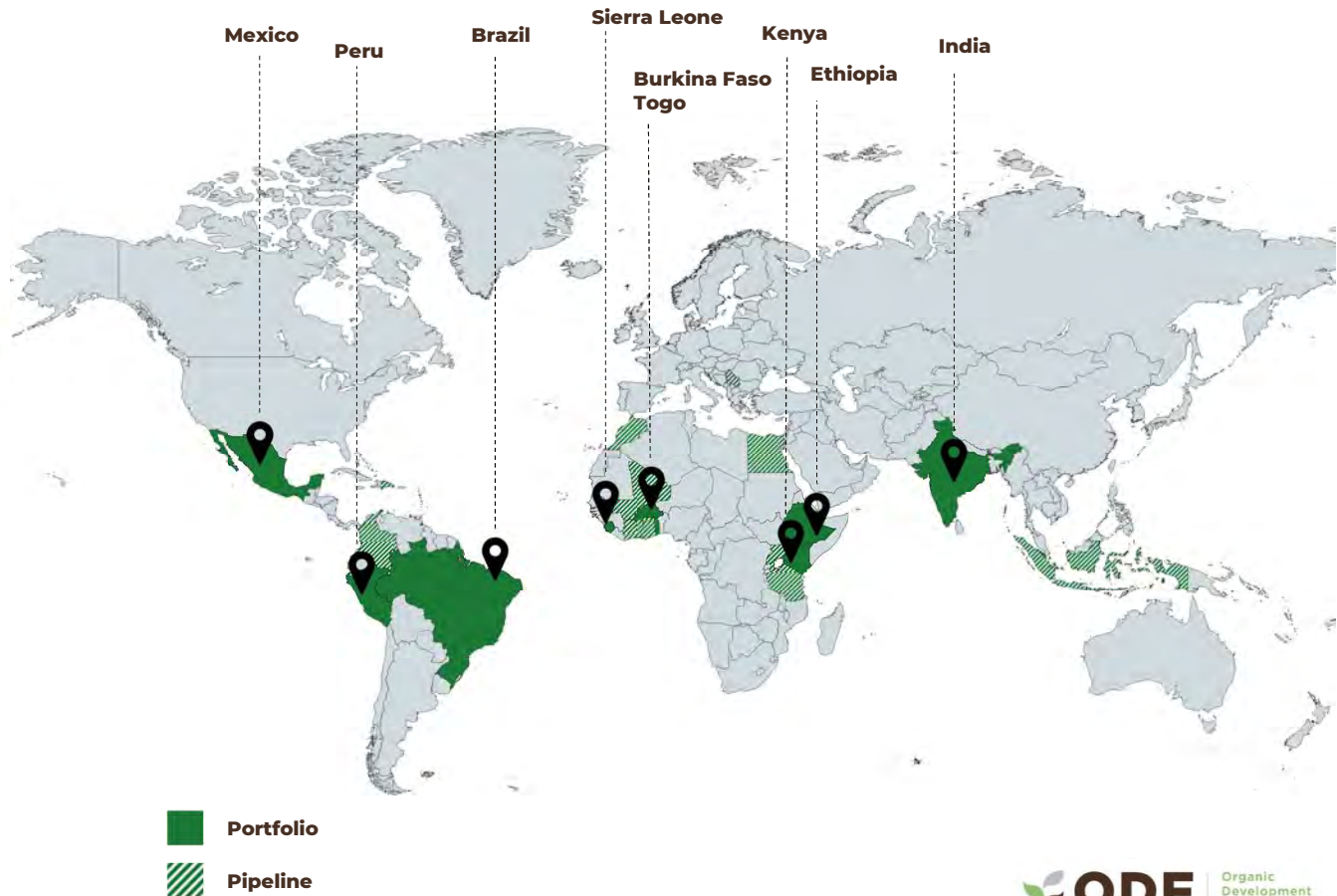
# Global Reach: Investing in Emerging Markets

<b>12</b> Deals concluded	<b>12</b> Origin Markets	<b>4x</b> Mobilization multiplier of funds
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## Organic Commodities invested in



<b>48,046</b>	Hectares under management
<b>45,399</b>	Farmers Reached
<b>507</b>	Jobs Sustained



## Capital Structure and Partnerships

### Investing Partners



### ODF is currently structured as a Dutch Stichting:

- ODF has a blended capital structure including first loss, mezzanine and senior debt capital.
- ODF has commitments for grant/first loss provided by **USAID**, **Tradin** concessional debt, and **Invest International** senior debt. Current Capital: EUR 13.4M.

FIRST LOSS CAPITAL	→	€ 3 MILLION
CONCESSIONAL LOAN	→	€ 4 MILLION
SENIOR DEBT	→	€ 23 MILLION
TARGET FUND SIZE	→	€ 30 MILLION

### Facilitating Partners



## The Buyer Partner model

ODF partners with international organic commodity traders to provide financing to their local suppliers entities sourcing from farmers or cooperatives and selling globally. By working with 4-5 strategic Buyer Partners, ODF ensures a balanced, diversified portfolio across products, harvest seasons, and regions.

Strategic Buyer Partner	ODF	Additional Benefits for Strategic Buyer Partners and their suppliers:
Invest minimum EUR 1M in ODF (as concessional loan)	Leverage this amount up to 3-5 times, i.e. minimum EUR 3M available funding to its suppliers	1 Access to expert knowledge/ Technical Assistance
Offer supplier base as pipeline to ODF, suppliers able to accelerate sales	ODF manages client risk at arms' length, overall portfolio risk diversified	2 ODF will independently measure impact data to be used in reporting Buyer Partner
Avoid non-core activity and potential conflict of interest in case of pre-funding purchase contracts	ODF manages due diligence and investment process based on standard formats	3 Further development of the sector as a whole
Partial credit or buy back guarantee on transaction level =Non-cash off balance sheet instrument	Aligned interest to manage credit risk	4 Be part of a first-of-its-kind fund, with potential to scale

ODF undertakes a thorough assessment of Buyer Partners in terms of financial strength, management, impact and ESG, deal potential etc. In addition to these Strategic Buyer Partners, to a limited extent ODF will also work with a number of transaction-based Buyer Partners on a case by case basis.

## FOUNT Investment and Fund Management Mandates

*FOUNT is a leading impact investment firm, providing Strategic Advisory and Investment Management services, to drive social and environmental impact, alongside reasonable financial returns in emerging markets.*

**GOOD  
FASHION  
FUND**

Enabling textile manufacturers to make their supply chains more sustainable by investing in best-in-class innovative solutions.

  
**AGRI3  
FUND**  
ORUST AFMARSIT 2023

A blended finance initiative to improve livelihoods, tackle deforestation and support the transition to sustainable agriculture.

  
**BIX**  
CAPITAL

Impact receivable finance for SMEs, to promote products, services and solutions for base of the pyramid households. BIX has been fully invested.

**FOUNT**  
SHAPING IMPACT SOLUTIONS



## Join Our Journey

Do you share ODF's vision and are interested to hear more?  
Are you a supplier, buyer, or investor in organic agriculture?  
Please get in touch with us:

@ **Robert Pothoven- Investment Lead**  
Robert@organicdevelopmentfinance.org

@ **Gemma Verhoeven - ODF Management Board**  
Gemma@organicdevelopmentfinance.org

@ **Connor Barette – Impact and Investment Analyst**  
Connor@organicdevelopmentfinance.org



 [organicdevelopmentfinance.org](https://organicdevelopmentfinance.org)  [fount.eu](https://fount.eu)