



# Fuelling Change: Broadening Foundations' Catalytic Toolbox

Tuesday, 9 April 2024

EVPA becomes **Impact Europe**  
*The* Investing for Impact Network



# Welcome from Impact Europe!



**Peter Cafferkey**

Philanthropy/ Foundations Market  
Development Lead,  
*Impact Europe*



**Alessia Gianoncelli**

Director of Knowledge and Programs,  
*Impact Europe*

---

EVPA becomes Impact Europe, *the* Investing for Impact Network



# Our speakers



**Amy Gutcher**

Sumerian Foundation



**Bridie Layden**

The END Fund



**Caroline Broadhurst**

The Rank Foundation



EVPA becomes Impact Europe, *the* Investing for Impact Network



**Growing your toolbox**

# A snapshot

Sharing best practices and creating safe spaces for peer learning!



## Sharing spaces

**Capital Ideas & Business of Impact 2024,**

12-13 June, The Hague



## Sharing learning

Additionality and investor contribution in practice (22 May),

IMM Fundamentals (16 Oct),

Strategic Alignment: Impact and Business Synergies (6 Sep)



## Sharing with others

"What is the impact investing journey for foundations?"

Phenix Impact Summit Europe, 26-27 March, Amsterdam



## Sharing insights

**Three Insights on Investing Foundation Endowments**

Following our Impact Week workshop

EVPA becomes Impact Europe, *the* Investing for Impact Network



# Working together to support you



**Hanna Hanses**

Policy Manager,  
*Philea*



---

EVPA becomes Impact Europe, *the* Investing for Impact Network



# **Case #1: The End Fund**

THE **END** FUND







# The Problem





### Intestinal Worms

Hookworm, roundworm and whipworm, which live in the intestines and cause malnutrition, anemia, stunted growth, and impaired cognitive function.

**914 million people in need of treatment.**



### Lymphatic Filariasis (Elephantiasis)

Parasitic roundworm infection that can cause swelling of parts of the body due to fluid build-up. This can lead to severe disfigurement and disability.

**794 million people in need of treatment.**



### River Blindness (Onchocerciasis)

Eye and skin infection caused by parasitic worms that leads to extreme itching, rashes, skin nodules, and vision impairment.

**244 million people in need of treatment.**



### Schistosomiasis

Parasitic worm infection that can cause malnutrition, impair growth and cognitive development, and damage the bladder, kidneys, liver, and intestines.

**251 million people in need of treatment.**



### Trachoma

Bacterial infection of the eye. Repeated infections can cause the eyelid to turn inward and eyelashes to scratch the cornea, leading to extreme pain and irreversible blindness.

**116 million people in need of treatment.**



### Visceral leishmaniasis

Parasitic worm infection that causes irregular bouts of fever, weight loss, spleen and liver enlargement, and, if untreated, it is 95% fatal within 2 years.

**40,000 – 90,000 new cases a year.**



# How We Started



# The Story of an Investment



**Your investment is combined with capital from peer investors.**



**Pharmaceutical companies donate drugs/medicines worth millions of dollars.**



**The END Fund's holistic view of the NTD landscape enables strategic leveraging of funds.**

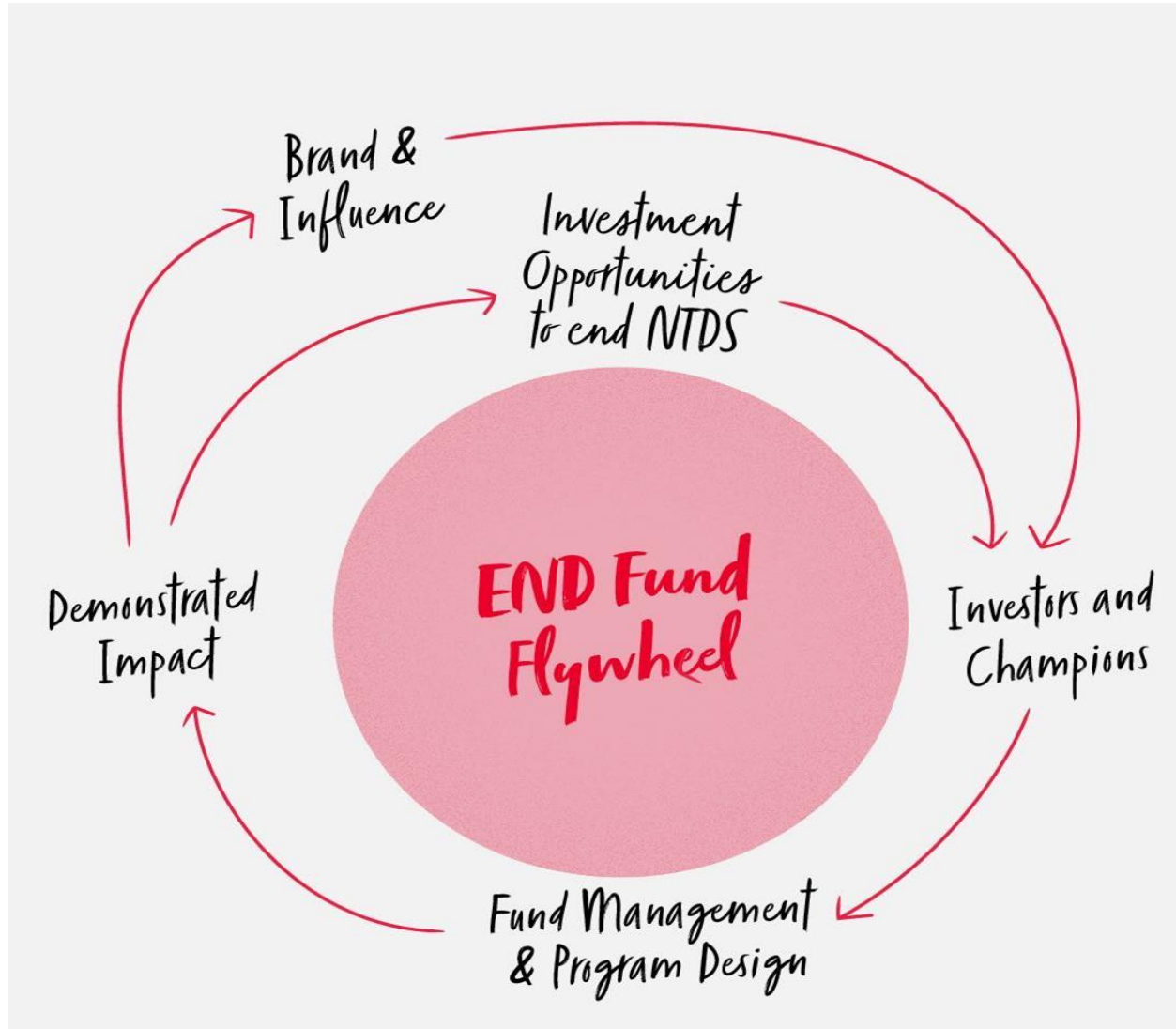


**The END Fund directs funds and pharmaceuticals to local governments and in-country partners for the greatest possible ROI.**



# The END Fund exists to ensure people at risk of NTDs can live healthy and prosperous lives

2030 Vision: Enable 500 million people to live free of the burden of NTDs



## Investment Funds:



**Flagship**  
Fund



**REACHING** *the*  
**LAST MILE**  
**FUND**



**Deworming**  
Innovation  
Fund



**ARISE**  
Fund

## Core Functions:

- Mobilize private philanthropic funding for NTDs
- Deploy funding in alignment with country-led NTD priorities
- Amplify and support disease endemic country leadership for NTD programs
- Support the NTD sector through advocacy, story-telling, thought leadership, convenings



# How We're Doing



## Where We Invested

### OUR FUND MODEL

The END Fund manages a portfolio of investment funds to control and eliminate the most prevalent NTDs. Currently, the END Fund offers four funds as investment opportunities for private philanthropists, foundations, corporations, and others.



- Flagship Fund
- Reaching the Last Mile Fund
- Deworming Innovation Fund
- ARISE Fund

# Over Ten Years of Impact

## Since our founding in 2012:



1.5 billion  
treatments  
delivered



31 countries  
supported



5.7 million  
health  
workers  
trained



96,018  
surgeries  
performed

## Impact in 2022:



201.8 million  
people treated



25 countries  
supported



1 million  
health  
workers  
trained



27,161  
surgeries  
performed






## Advantages

- Strategic and highly effective, with a focus on measuring and evaluation. High ROI of the model keeps delivery costs low
- Educational. Staffed by leading experts in their field. Investors can learn from peers and build community
- Systems approach. A fund model can take a macro view of the landscape and works where the funding is most needed



## Challenges

- Managing investor demands and dynamics
  - Balancing keeping partners involved without over burdening them, and elevating their voices in global fora
  - Cross-sector collaboration
- 

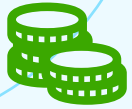
# **Case #2: Rank Foundation**

# Catalytic Grantmaking

## Investing with Impact

- Rank Foundation – What is it? What do we do?
- Place-based programmes – Plymouth
- Relational philanthropy

# Rank Foundation



**Endowment:** £270m



**Distribution:** £10m/year



**Operating Foundation,** more than grants



**The Rank Network:** over 1200 members on RankNet



**Proactive** Flagship Programmes, including Time to Shine, Profit for Good, Rank

Aspire Programme and Place-based Programmes

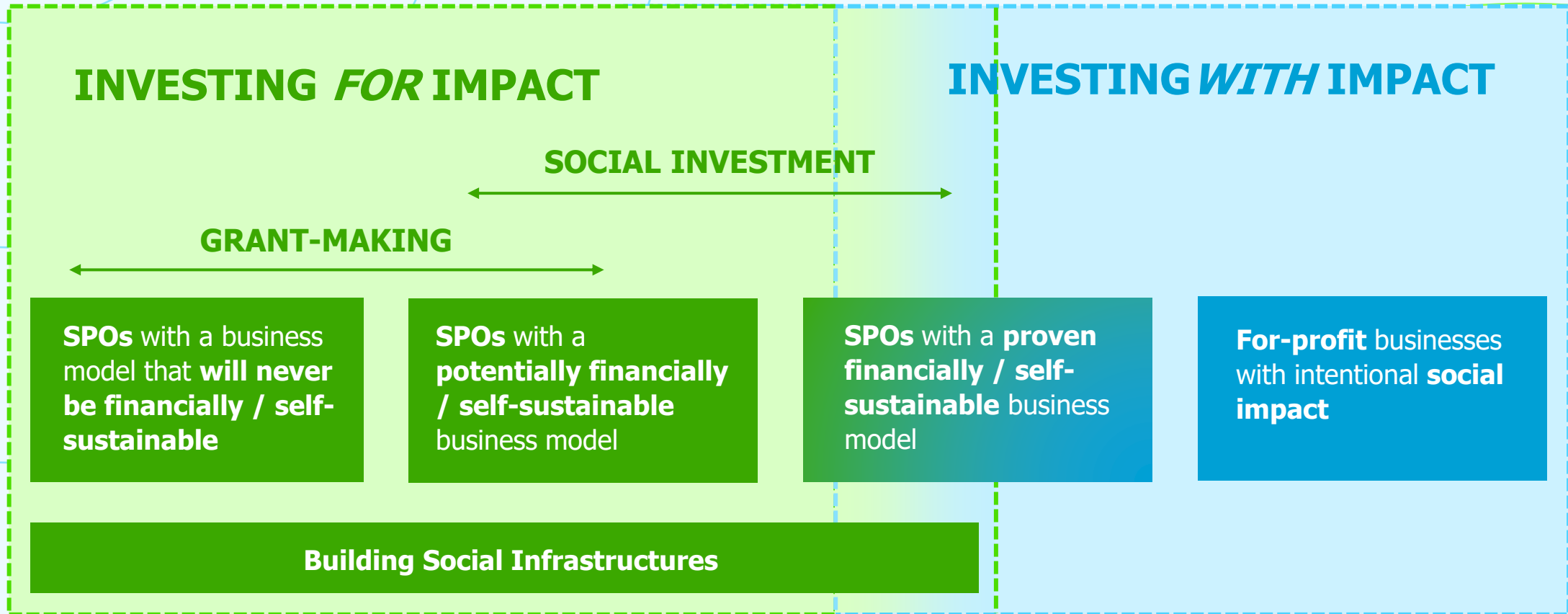
# Relational philanthropy & Place:

Catalytic Grantmaking - beyond conventional grant-making



## Unified mission and Social Purpose:

Our thriving network tackles inequality to improve life in the communities they cherish



### INVESTING *FOR* IMPACT

### INVESTING *WITH* IMPACT

SOCIAL INVESTMENT

GRANT-MAKING

**SPOs** with a business model that **will never be financially / self-sustainable**

**SPOs** with a **potentially financially / self-sustainable** business model

**SPOs** with a **proven financially / self-sustainable** business model

**For-profit** businesses with intentional **social impact**

**Building Social Infrastructures**

# Valuing place:

The Rank Foundation's approach to place-based funding



“

We know that funding a number of projects within a local community, backing great leaders and spending time within that community, before and throughout the funding period, creates a 'magnifying effect', where the sum of our investment is much greater than the individual part...

However, we see each place as unique, with grassroots leaders addressing local and systemic problems within different statutory, voluntary, commercial and faith-based structures.

”

## OUR 'CRUST' MODEL

### CAPITAL

Financial, intellectual and social

### RELATIONAL

Based on detailed reconnaissance, building relationships and leadership in place

### UNIQUENESS

Valuing, respecting and understanding what is special about a place

### STRENGTHS-BASED

Looking for what's working, and building on it

### TRUST

Building mutual trust

# Plymouth

“

Rank Inclusive Growth Social Enterprise (RISE) programme is designed to improve the potential of the city's people, communities and institutions by building capacity, promoting enterprise, developing leadership and encouraging a collaborative, cross-sector approach to inclusive growth.

”

# Plymouth



- 5 years - £5M
- Funded a core of anchor organisations
- Developed 30+ new social enterprises
- Employed local Associate Director
- £1.5m participative grant-making programme
- Over 50 leadership placements- T2S, RAP
- Repayable grants and matched trading



# The Tools for Impact

- Time on reconnaissance, getting to know the people and the place, collective aspirations and inward opportunities
- Identify a local leader, to guide the programme, connect social sector leaders and encourage collaboration
- Shared monitoring and evaluation tool (Upshot)
- Social contract, peer support and leadership development
- Invest using a range of activities
- Delegated decision-making and budgets
- Regular evaluation and learning reports

# What's the difference...

- Greater collaboration and strong social sector voice
- Effective distributed grantmaking and repayable grants
- Less dependency on grant funding, increase in social finance
- Measurable financial and social outcomes

## And for Rank...

- Robust local network of social leaders and entrepreneurs
- Collectively addressing entrenched societal challenges
- Addressing strategy through levers of leadership and enterprise (the who and the how)

# The Challenges...

- Relational philanthropy takes time, a form of patient capital
- Be mindful of joining an existing place with existing players
- The newly formed network members are part of other systems
- Capturing (the right and best kind of) data. What matters most? Quantitative, qualitative or behaviour change?
- Working (and respecting) other investors in a place
- How to lighten the footprint, over three, five or ten years
- Sharing the story, and learning from it

# **Case #3: Sumerian Foundation**



SUMERIAN  
FOUNDATION

**Our toolbox for catalysing change**

Amy Gutcher

April 2024



# Who are Sumerian



- Small UK team, all with small business experience
- Started making impact first investments in 2017, focused on social inequality in the UK
- We have a kind of ‘bespoke toolbox’ – we tailor it to whatever our investee needs for them to thrive
- We’ve invested in 18 organisations so far; we intend to invest in up to six organisations this year



# Why are we doing this?



# How are we doing this?



## Pre-Investment Skills Support

We build trust with social entrepreneurs through working with them to understand the organisation and identify support needs.



## Patient & Flexible Finance

We typically offer funding between £70k-£200k with significant flexibility and long term repayment of around 7-12 years.



## Post-Investment Mentorship

We offer bespoke guidance and support to help social entrepreneurs achieve growth, increase their impact and mitigate risks.

## We use a range of tools

As a small team we work with an organisation at their pace, the business support is all done in-house, and we have a range of small business skills and experience to offer

We will use whatever is the most appropriate instrument for the organisation (debt, equity, revenue share, etc.) and make sure it is affordable and appropriate – we will work with whatever their legal structure is

We continue to support them – whether it is strengthening their governance, their financial management, or building networks – again, the team has experience of growing their own social businesses





# Upsides and downsides



## The upsides....

We can be quick and we are approachable, we can be hands on so can give what our investee needs and manage risks

We can meet a gap in the market for those organisations that may appear to not be 'investment ready' as they need extra support

We can be bespoke, flexible, and long term

## The downsides...

We can only do a few investments, maybe up to six per year, so a low volume

It is a high-cost way of working as we are so hands on and these organisations need support

The organisations who want us only ask for small amounts (£50k to £200k) for investment

They are high impact but low margin businesses – so the financial return is low (impact return is high!)



# What we've learnt so far

- **Building trust** is crucial for social entrepreneurs who may be wary of funders – it takes time and can be done by providing useful and practical pre investment skills support
- Diverse communities have not had **equitable access** to social investment, and power imbalances between funders and these organisations needs to be addressed to be inclusive
- **People are important**, social enterprise is not for the faint hearted, they need the right support
- Supporting an organisation to strengthen its **governance** is needed to ensure long term sustainability
- Investing/funding is about **more than money** – it is about helping to navigate the challenges ahead, being a cheerleader, sharing your networks and power



**Q&A**

**Closing remarks**

# Get involved!



> **Your inputs are invaluable to us! Share your feedback** in the evaluation survey.



> **Join our informal members' only gathering** with the speakers on **Tuesday 16 April 2 PM CEST**



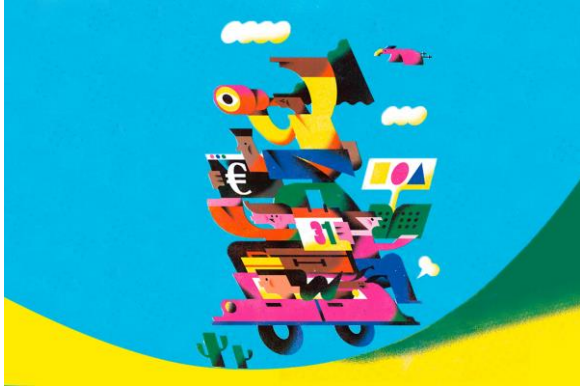
> Reach out to us if you are a member wishing to **showcase your experience** on future events!

> **Not a member yet? Learn more** about our community and how to join at: [www.evpa.ngo/join](http://www.evpa.ngo/join)

EVPA becomes Impact Europe, *the* Investing for Impact Network



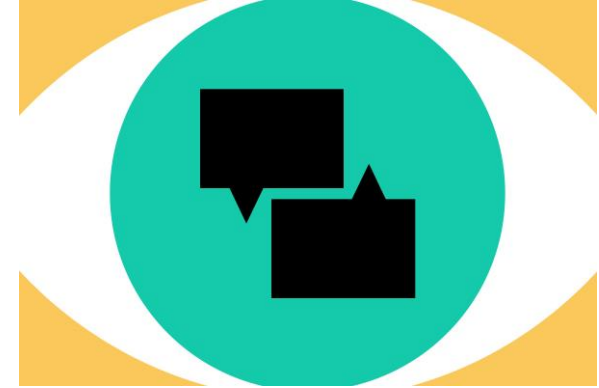
# Expand your horizons!



> **Catalysing Impact**, our whitepaper on catalytic capital in Europe, and **Catalytic Capital 101**, the report summary.



> **Additionality along the Continuum of Capital**, an introduction of the launch of a new research series showcasing capital providers' additionality



> **Focus on INGOs**, a new podcast of our **Focus on Impact** podcast, featuring Paul Ronalds, CEO of Save the Children Global Ventures.

---

EVPA becomes Impact Europe, *the* Investing for Impact Network



# Keep learning!

## > **Members' only online offer (subscription model):**

1. Tailoring financial and non-financial support (6 Mar)
2. Additionality and investor contribution in practice (22 May)
3. IMM Fundamentals (16 Oct)
4. Corporate members: Strategic Alignment: Impact and Business Synergies (6 Sep)

## > **Tailored capacity building:** for foundations teams

> **Impact Finance Crash Course:** 27 November in Bilbao (prior to our Impact Week 2024)



More here: <https://www.impacteurope.net/stream/learning>

EVPA becomes Impact Europe, *the* Investing for Impact Network



# Thank you!

With the contribution of:



With the support of:



Co-funded by the  
European Union

---

EVPA becomes Impact Europe, *the* Investing for Impact Network





# Any questions? Get in touch with us!



**Peter Cafferkey**  
[pcafferkey@evpa.ngo](mailto:pcafferkey@evpa.ngo)



**Alessia Gianoncelli**  
[agianoncelli@evpa.ngo](mailto:agianoncelli@evpa.ngo)



**Funded by the  
European Union**