



Sparking global discussion on catalytic capital

Monday 11 July 2022

Speakers



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Agenda

Welcome and introduction to the speakers	
Catalytic Capital – Setting the scene	
Catalytic Capital – Global perspectives	Africa – AVPA
	Asia – AVPN
	Latin America – Latimpacto
Catalytic Capital – Fostering growth	The role of the Catalytic Capital Consortium
	Being part of a global program
Sparking global discussion	Q&A
	How to engage in future activities?

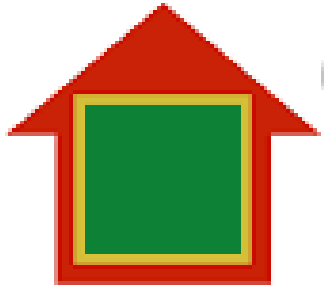
Part 1: Catalytic Capital – Setting the scene

Catalytic Capital – C3 definition

Catalytic capital is a subset of impact investing that addresses **capital gaps** left by mainstream capital, in pursuit of impact for people and planet that **otherwise could not be achieved**.

Catalytic capital accepts **disproportionate risk** and/or **concessionary return** to generate positive impact and **enable third-party** investment that otherwise would not be possible.

Catalytic Capital – Cases



GPAMEEN

Bar

Shifo Foundation – IKARE

For a day when no child dies or suffers from preventable diseases



MyChild Solution © Nargis Rahman / Shifo Foundation

Social Purpose Organisation (SPO): **Shifo Foundation**

Project: **MyChild Solution**

Country: **Uganda, The Gambia**

Sector: **Health**

Final Beneficiaries: **Children, Women**

Venture Philanthropy Organisation (VPO): **IKARE**

Financial instrument: **Grant**

Funding timeline: **2015-2021**

Charter Principle: **1) Solutions-oriented and innovative, 3) Highly engaged for the long term, 8) Enhancing collaboration**

Why does it matter?

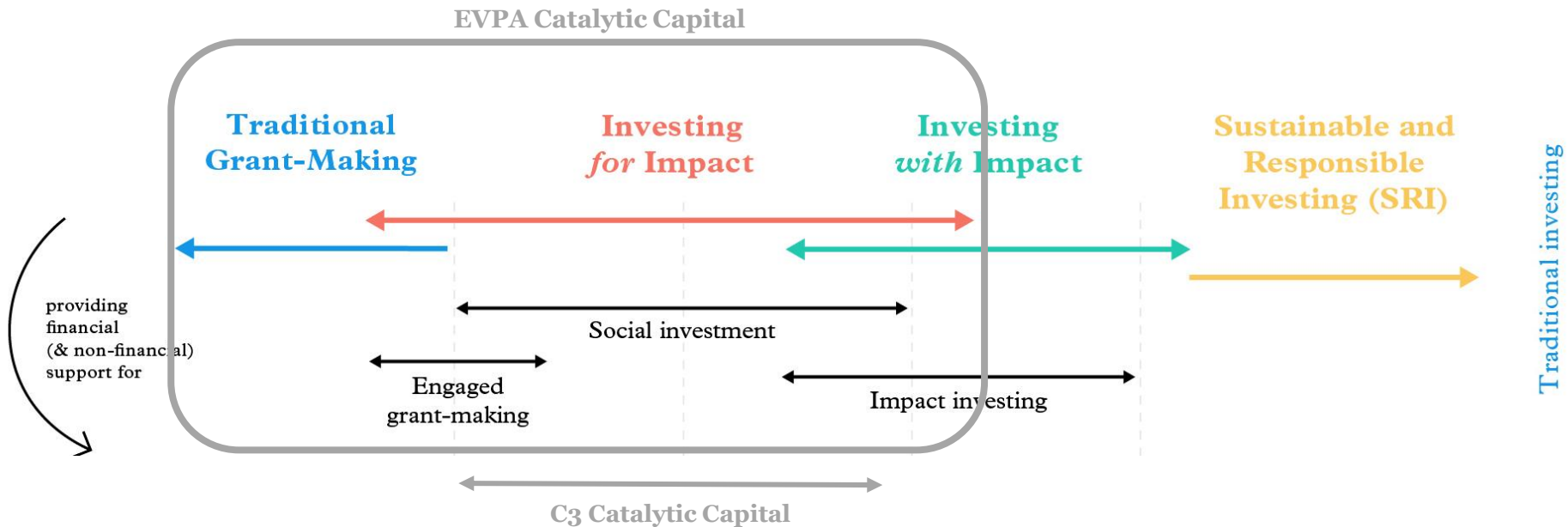
We want more resources deployed in a catalytic way. To change the world for the better.

To do this we need to:

- Clarify what investing catalytically means to an investor
- Prove the existing value of Catalytic Capital
- Highlight what happens without Catalytic Capital [create urgency]
- Provide examples, knowledge pathway and showcase opportunities for new investors to deploy capital catalytic

Investing for impact IS catalytic capital

DISCLAIMER: this slide is aimed to provide a starting point on what catalytic capital means in Europe, but everything needs to be discussed and validated with practitioners



Relevant to members....

QUESTION:

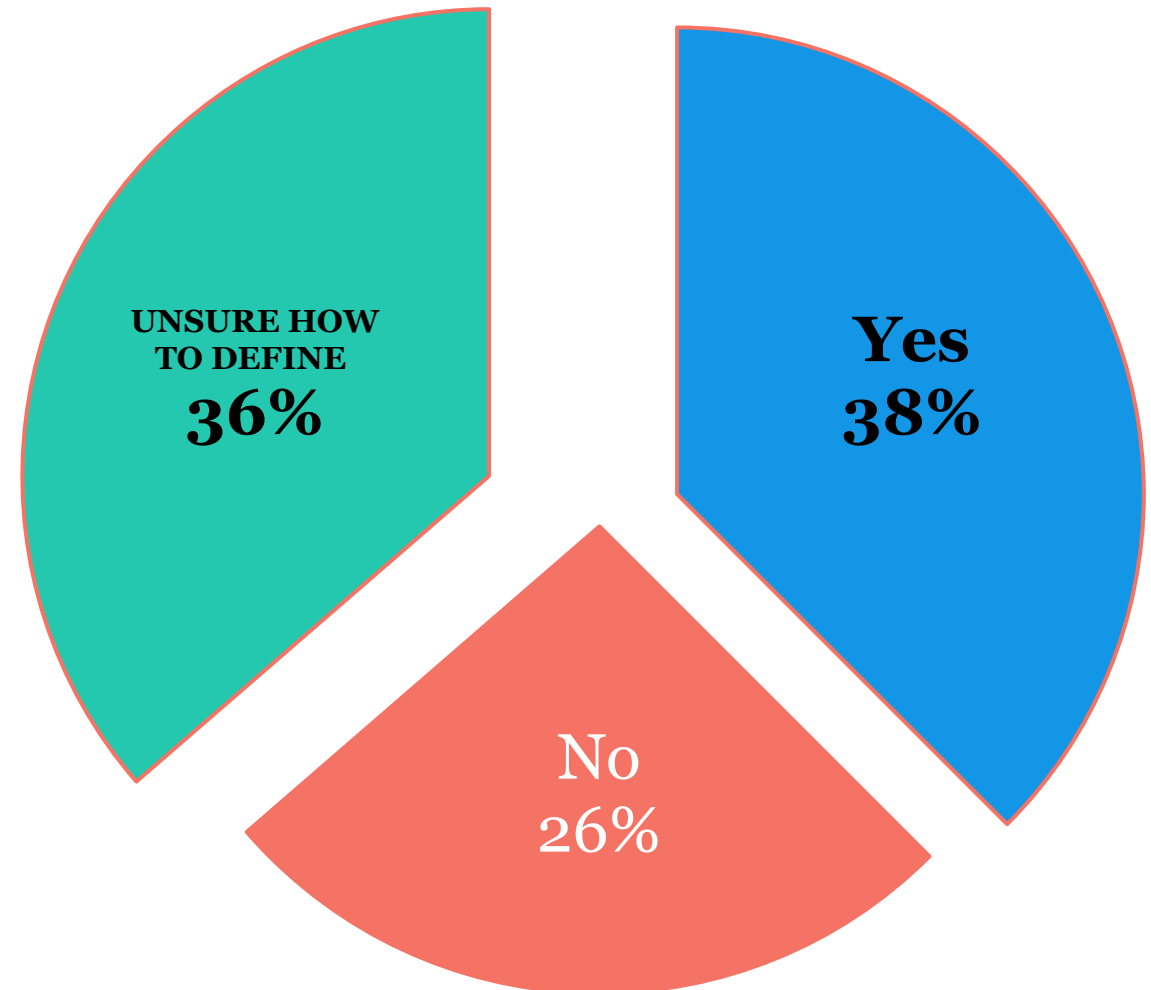
Do you deploy Catalytic Capital within your existing portfolio?

Multiple choice

N = 88

Jan 2022 – MSS

1 of 3 questions asked.



Poll



Do you have enough access to the knowledge, skills and experience necessary to deploy catalytic capital?

28 >

Do you have enough access to the knowledge, skills and experience necessary to deploy catalytic capital?

Too much

0%

About right

36%

Too little

32%

I do not deploy capital

36%

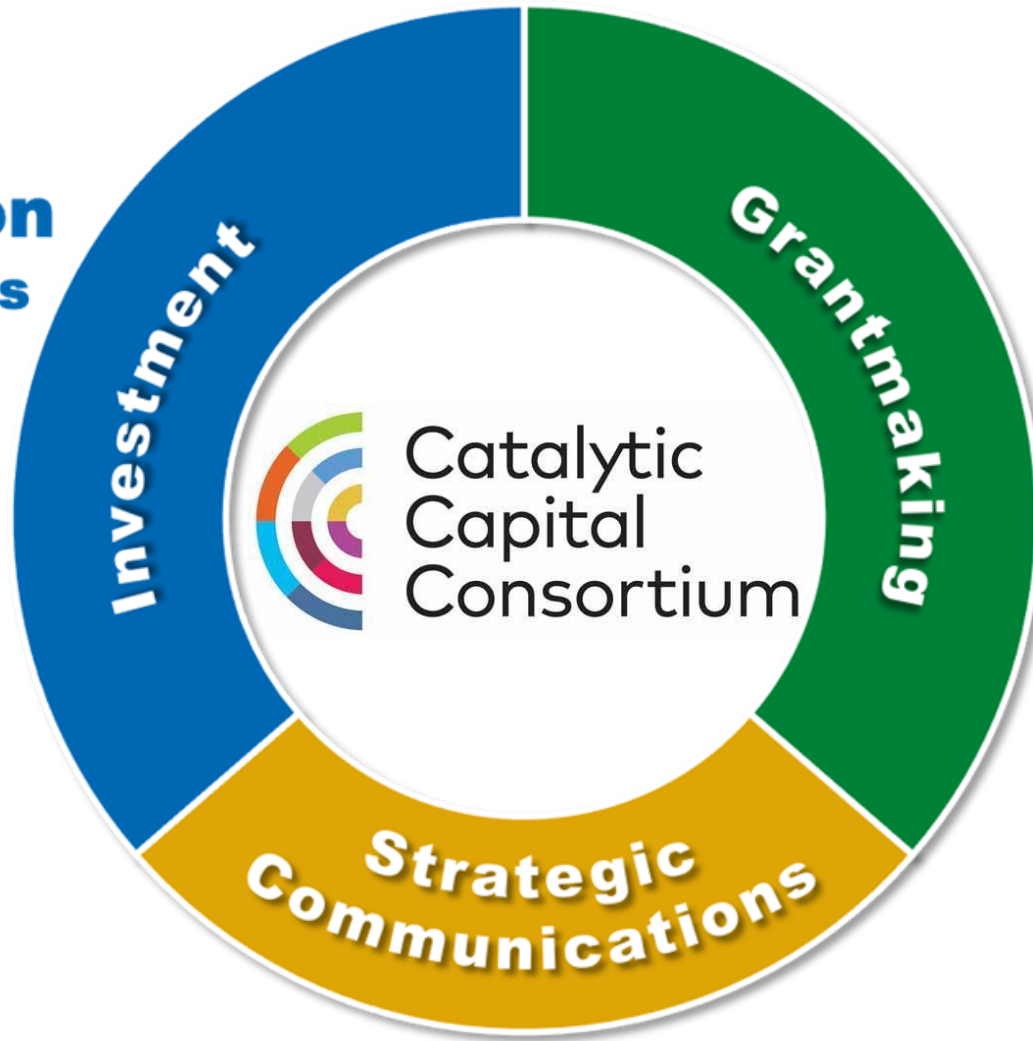
Part 2: Catalytic Capital – Global perspectives

Part 3: Catalytic Capital – Fostering growth

The role of the Catalytic Capital Consortium

Up to \$150 million
10+ Field Partnerships

Demonstrate the power of catalytic capital



\$10 million
Grants over 3 years

- *Build knowledge*
- *Promote awareness*
- *Equip investors*

A PARTNERSHIP OF

MacArthur
Foundation

ON
OMIDYAR NETWORK

The
ROCKEFELLER
FOUNDATION



C3 Grantmaking Workstreams:

Evidence Base- building knowledge about *why* and *where* catalytic capital has been needed, *what* it looks like, *who* has been involved, *how* it has been utilized, and *what* outcomes have been the result, drawing on current and historical experience from around the world.

Advancing Practice - helping practitioners solve technical or practical implementation challenges, focusing on knowledge guides, convenings and other activities that support effective deployment.

Fostering Solutions and Infrastructure - supporting and developing innovative solutions from diverse stakeholders that help address key barriers that do not fall into our other grant workstreams, including the building of infrastructure to facilitate capital flows.

Network Partners - engaging particular investor audiences that provide catalytic capital to further inform the practice of experienced catalytic capital investors, as well as support awareness-building for newer investors.



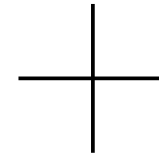
Asian Venture Philanthropy Network



INVESTING FOR IMPACT



AFRICAN
VENTURE
PHILANTHROPY
ALLIANCE



**Being part of a global
program**

Approach and Activities

Approach

- The problem and Context
 - On track to meet 2 of 17 SDGs
 - \$500b - \$1.2t annual SDG financing gap up to 2030
 - Declining aid and growing public debt
 - >\$300t in financial and capital markets
- Create a burning platform on the declining traditional sources of social investment.
- Mainstream profit and purpose - Sell the SDG investment opportunities available to the private sector.
- Show the role of CC in unlocking private capital (Grantmakers)
- Capacitate & enable collaboration within the ecosystem
- Support the adoption, mobilization, deployment and scaling of CC
- Share knowledge

Activities

- Design & sensitize - Webinars
 - Create understanding & awareness of the problem (why)
 - role & business case of CC
 - Understand current baseline use of CC (what)
- Build
 - Customize curriculum to Africa
 - Identify and build a CC COP
- Deliver
 - Deliver CC training master classes (How)
- Practice
 - Learn by doing – Catalytic pooled funds (Do)
- Share
 - Disseminate and acquire CC knowledge
 - Build a CC platform



OUR APPROACH

18-month engagement of thought leadership and bespoke convenings, AVPN will build, develop and expand the learning opportunities, and engagement into deploying catalytic capital in Asia's social investment ecosystem.

1

UNDERSTANDING THE LANDSCAPE

Collating insights on best practice, drivers of, and barriers to the deployment of catalytic capital

2

CAPACITY BUILDING

Developing resources to address knowledge gaps identified

avpn
ACADEMY

3

CROSS-SHARING OF INSIGHTS

Disseminating insights, and working on a collaborative piece with the other networks.

Approach and outputs



Build capacity and understanding

Of what **Catalytic Capital** is amongst network members and the broader Latin American community through general and specialized training, and find ways to intentionally deploy this type of capital.

We will have **master classes** through this year and next, and a **specialized Bootcamp for investors** that want to dive deeper into the practice of CC.



Disseminate knowledge and learnings

Via the development of **local case studies** and the translation of case studies from C3's strategic partners into Spanish and Portuguese, and their dissemination during live and online events.



Deploy catalytic capital towards impact initiatives in the region

Catalyze **willingness to deploy catalytic funds**, through the development of **technical skills in intermediaries** and the identification of **local deals** in need of Catalytic Capital, and their presentation to potential investors.

Approach and activities

Approach

- Clarify what investing catalytically means to a European investor
- Prove the existing value of Catalytic Capital
- Highlight what happens without Catalytic Capital [create urgency]
- Provide examples, knowledge pathway and showcase opportunities for new investors to deploy capital catalytic

Plan of activities

- Gather data and mobilize community on Catalytic Capital (May-July)
- Create a Community of Practice and experts gatherings (Sep-Oct)
- Call for case studies (populating online repository) and draft whitepaper (Nov)
- Impact week session (Dec)
- Engage non-EVPA audiences input (Jan-Apr 23)
- Final whitepaper with all CoP and RMAs (Jun 2023)

Part 4: Sparking global discussion

Q&A

Next steps

Next steps

WHY TO ENGAGE NOW?

- **This is the start of the journey:** right time to learn how to deploy and how to attract catalytic capital
- **This is a unique moment to shape this debate:** foster clarity on the role of catalytic capital in Europe and unleash flexible and impact-centred capital
- **Long term effects:** the outcomes of this work will shape the impact ecosystem moving forward → cannot fail to recognise importance of continuum of capital

HOW TO ENGAGE IN PRACTICE?

- Call for interest to participate in the **Community of Practices (CoPs)** – *priority to EVPA Members*
- Call for practical cases
- Join the discussion during **EVPA Impact Week**

**Any questions?
Get in touch with us!**

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