



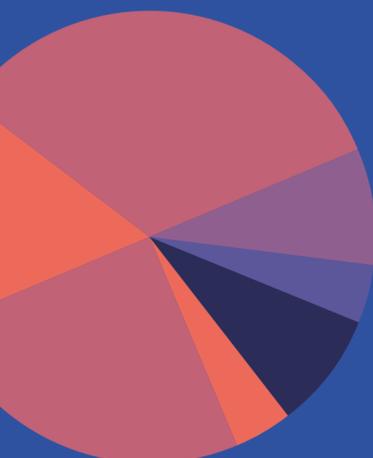
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With the financial support of
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An interactive journey through Venture Philanthropy and Social Investment in Europe

The EVPA Survey 2015/2016



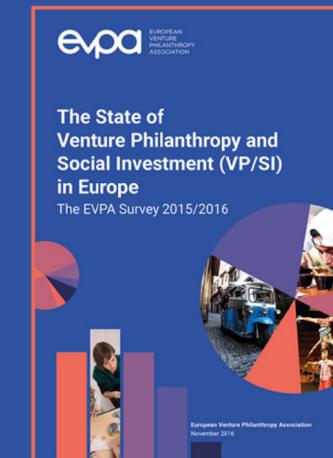
November
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- Part 2** Resources of European VP/SI
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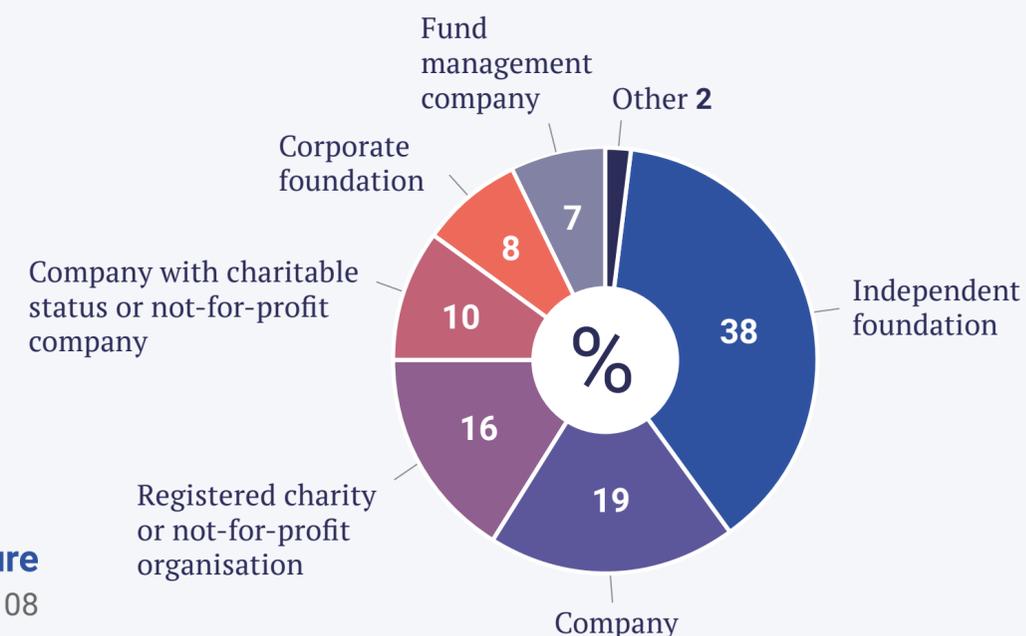
Part 1 Who are the VP/SI organisations? ✨▲

The survey respondents are mainly based in **the UK, the Netherlands and Germany**. The total number of countries represented is 21: fourteen Western European and seven in Eastern Europe.



Non-profit structures still dominate the organisational set up. The majority of respondents are structured as foundations (either independent or linked to a corporation), charities or companies with a charitable status.

Organisational structure
n=108



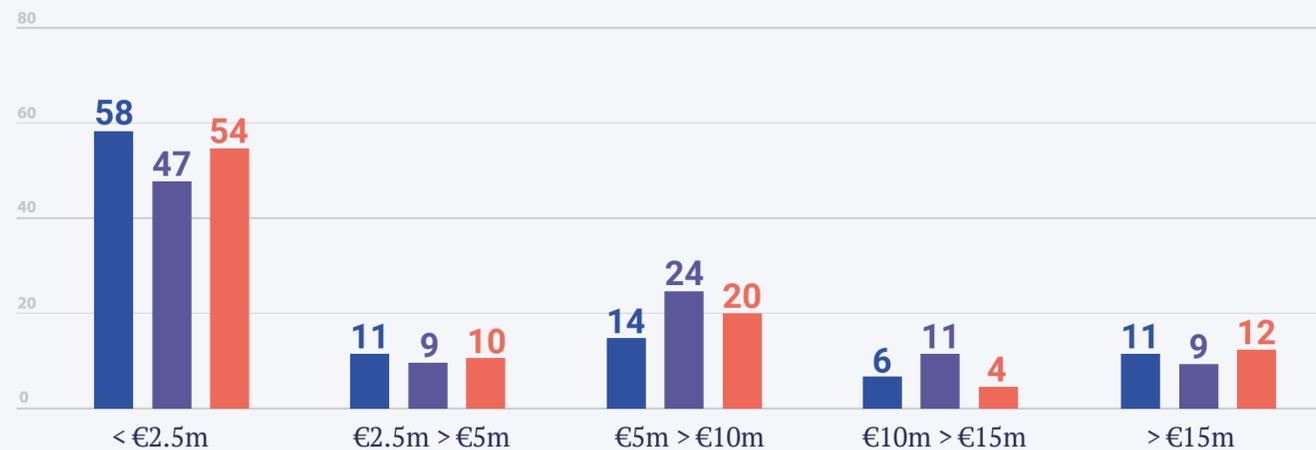


Part 2 Resources of European VP/SI ✨▲

Size of VP/SI budgets in FYs 2012-2015

2015 n=97
2013 n=86
2012 n=71

numbers in %



The average budget allocated by each respondent to VP/SI activities in Fiscal Year (FY) 2015 was €9.8m, a 2% increase compared to the previous survey.

The majority of the surveyed VPOs still have annual budgets lower than €2.5m. But, at the same time, the proportion of organisations with the largest budgets has increased by 3 percentage points.

A large pool of professionals work in VP/SI and the most relevant human resources categories are paid employees and pro-bono contributors. The latter are crucial for VPOs, as they bring external expertise to help investees in a more professional way, being able to provide more targeted and higher level support as opposed to volunteers.

Human Resources by count (average per VPO)

n=107

Paid employees



Paid external contributors



Pro-bono contributors

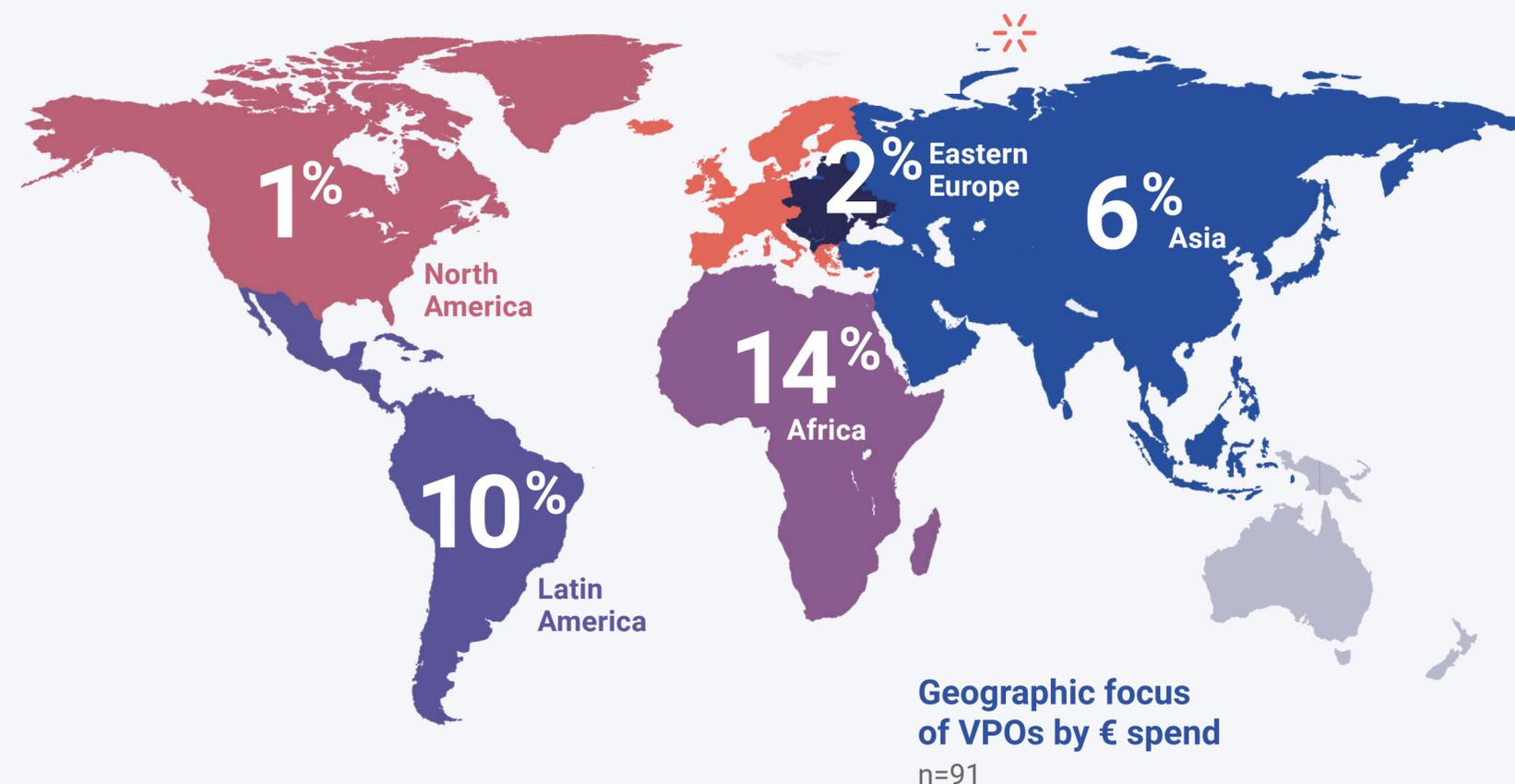


Unpaid volunteers



Part 3 The VP/SI Investment Strategy ✨▲

VPOs invest in a wide range of geographies, focusing primarily on their home countries. In FY 2015, Africa was the second recipient region, attracting 14% of the total VP/SI spend.



Top five sectors –
€ spent in FY 2015
n=77
% of total spend

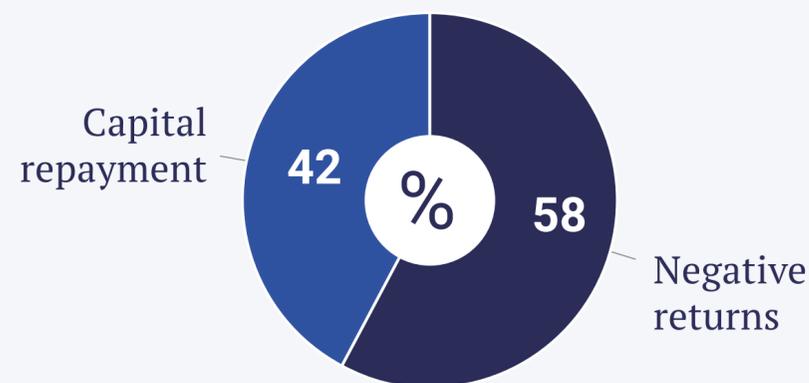


Top five beneficiary groups targeted
n=108
multiple choice



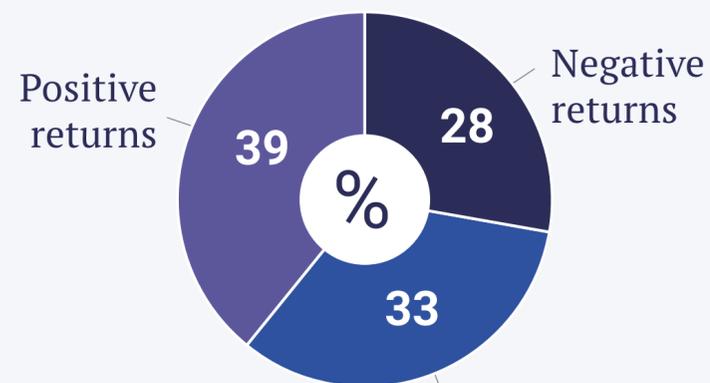
VPOs vary across a large number of sectors, supporting a wide range of beneficiaries. Economic and social development topped the list of sectors and children and youth were the most targeted beneficiaries in FY 2015.

Part 3 The VP/SI Investment Strategy ✨▲



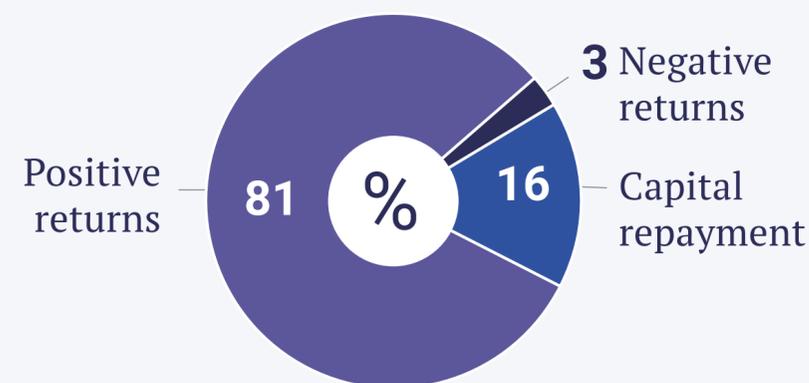
Societal return only, no financial return possible

n=33



Societal return is priority, and financial return is accepted

n=39



Societal and financial return on equal footing

n=32

VPOs' investment priorities by return expectations

n total = 104



Combining the VPOs'

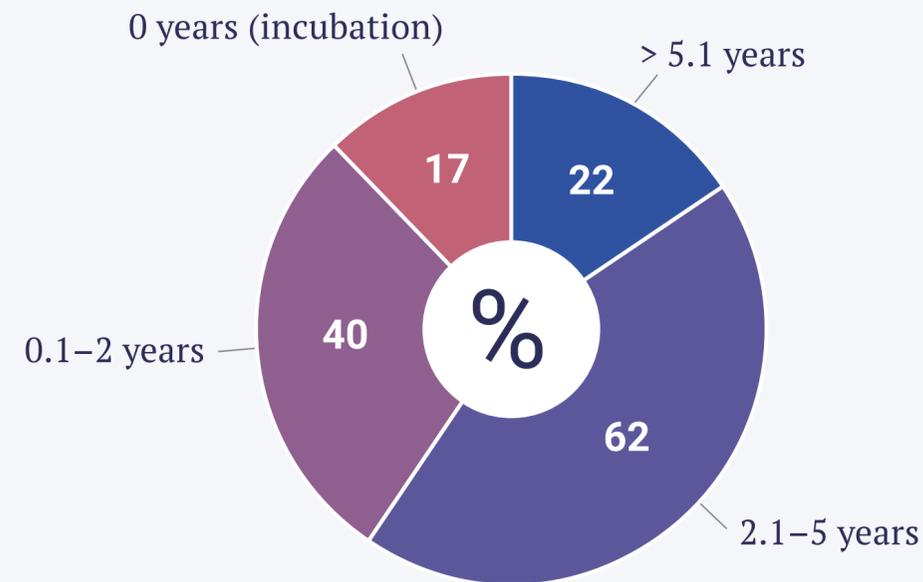
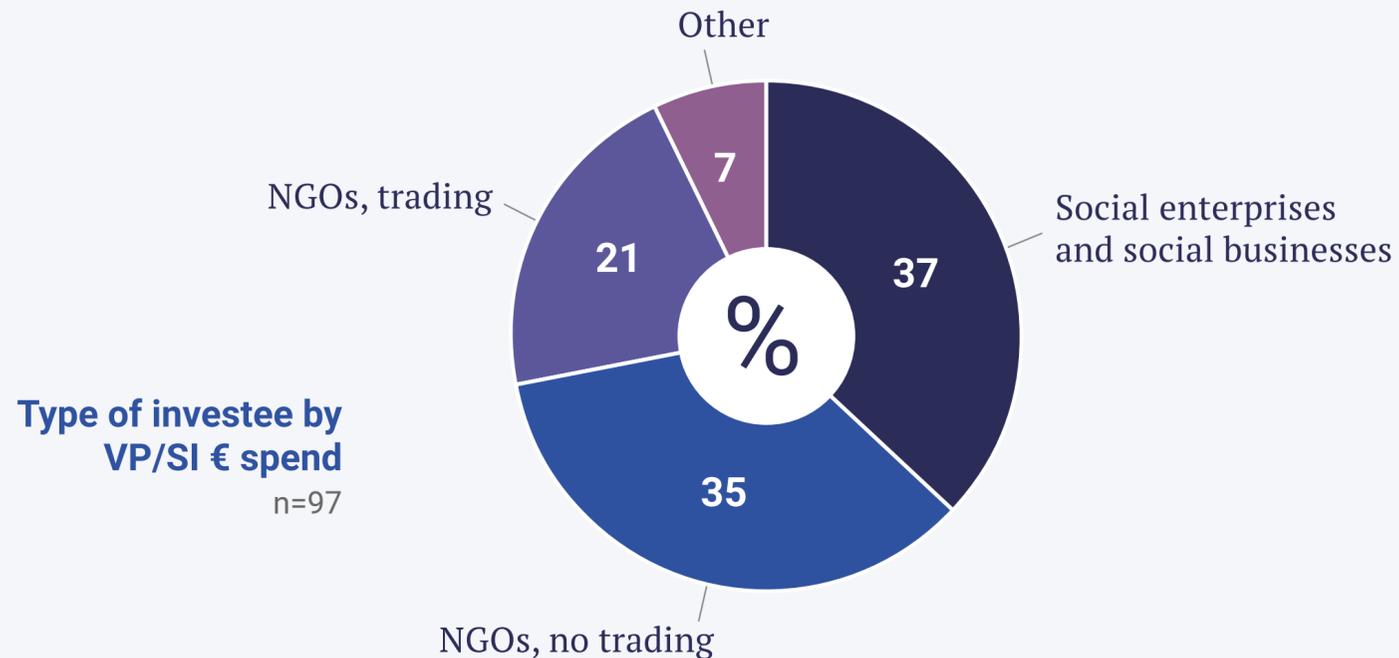
- VPOs that look only for a societal return mainly seek negative financial returns.

with their financial return expectations, we see that:

- VPOs that consider societal return a priority but accept a financial return, expect financial returns equally distributed through the three categories of return expectations.
- VPOs that consider societal and financial return as equally important mostly seek positive financial returns.

Part 3 The VP/SI Investment Strategy ✨▲

VPOs support different types of investees. Social enterprises and NGOs without trading activities are the key target of the surveyed organisations.



As the European VP market matures, **VPOs increasingly invest in organisations with a proven track record.** The most common age of investee organisations is 2.1–5 years.

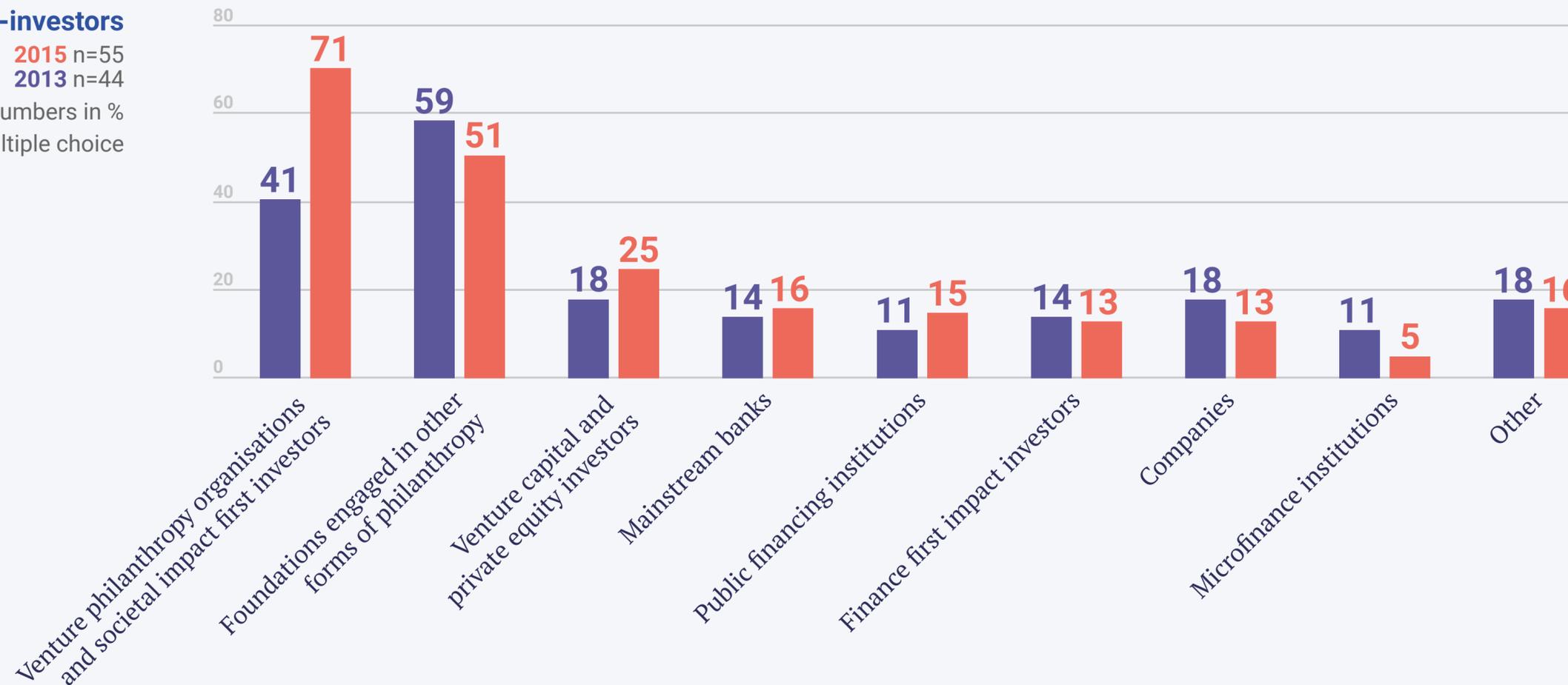




Part 3 The VP/SI Investment Strategy ✨▲

Types of co-investors

2015 n=55
2013 n=44
numbers in %
multiple choice



A growing number of organisations co-invest, and do so increasingly and primarily with their peers.

In FY 2015, there has been an increase of 30 percentage points in co-investment between or within VPOs and societal impact first investors, pointing towards a greater collaboration in the VP/SI sector.

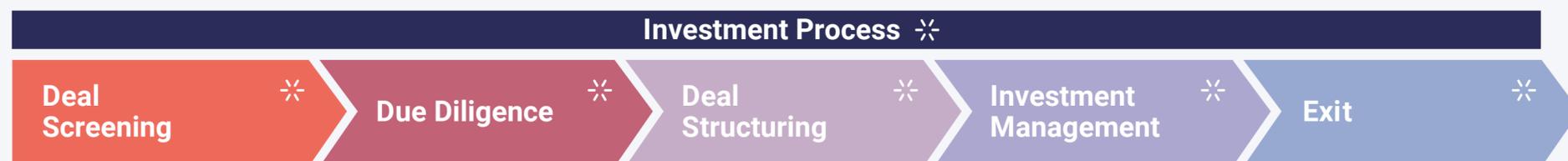


Part 4 Highlights from the VP/SI Investment Process ✨▲



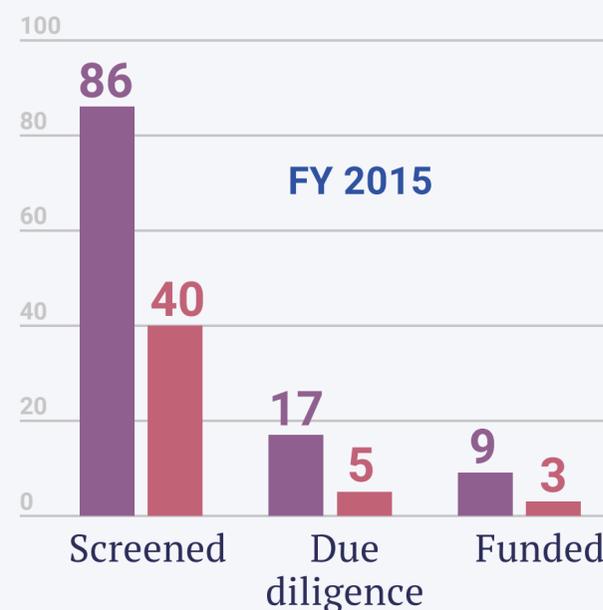


Part 4 Highlights from the VP/SI Investment Process ✨▲



Average and median number of SPOs screened, under due diligence and funded per VPO

Average
Median
n=87



VPOs improved their selection process.

On average, each VPO screened 86 organisations in FY 2015, with a total of 7,520 potential opportunities screened. Further due diligence was conducted in 20% of the cases (on 17 organisations), and 9 investees ended up being supported. The share of the organisations funded after due diligence (53%) has increased compared to the past, a result that may indicate a higher quality of the deal screening process in the VP/SI sector.



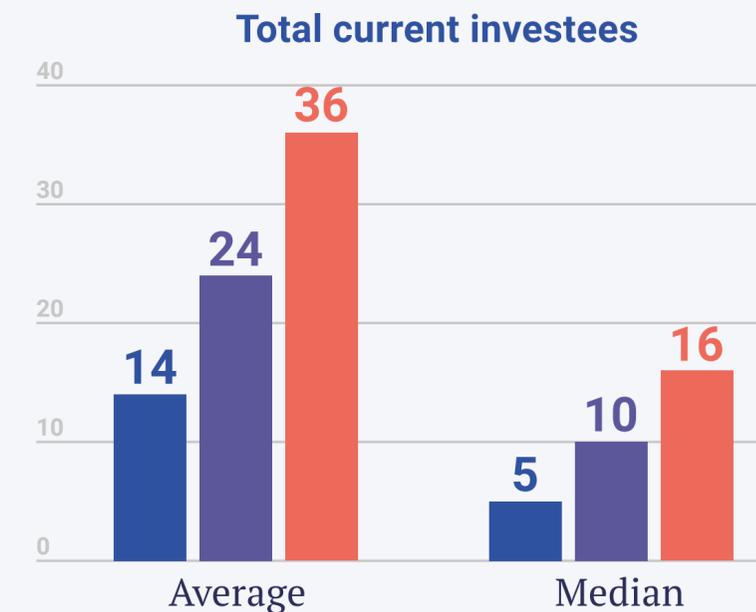
Part 4 Highlights from the VP/SI Investment Process ✨▲



Part 4 Highlights from the VP/SI Investment Process ✨▲

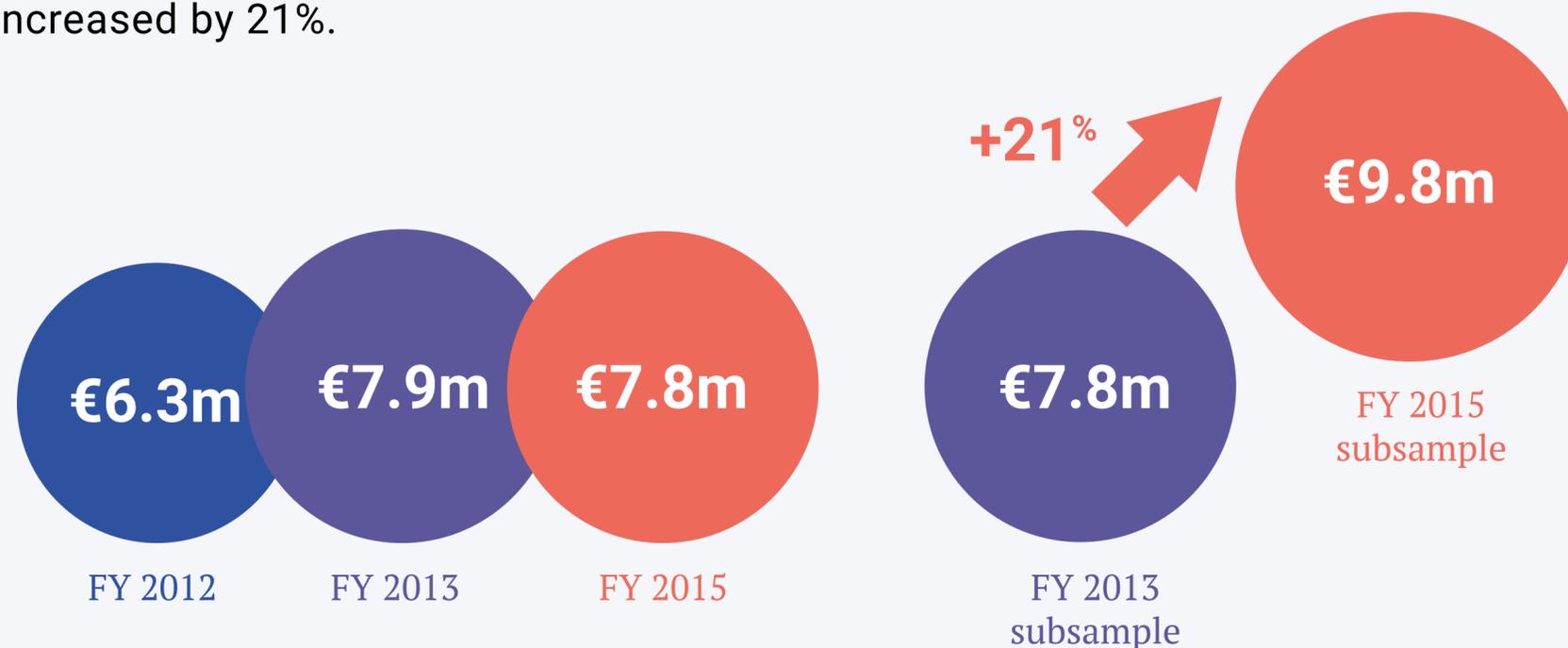


Median and average investees per VPOs in FYs 2012–2015
 2015 n=87
 2013 n=78
 2012 n=72



The average financial investment per VPO remained stable compared to the past. However, if we consider only the VP/SI organisations that replied to this question both in 2014 and 2016 (the “subsample”), the average financial investment per VPO increased by 21%.

Average financial support provided by VPOs to investees in FYs 2012–2015
 2015 n=97
 2013 n=86
 2012 n=66
 2015 subsample n=50
 2013 subsample n=50



In fiscal year 2015, the average number of total investees in the portfolio of a VPO was 36, a 50% increase compared to FY 2013.

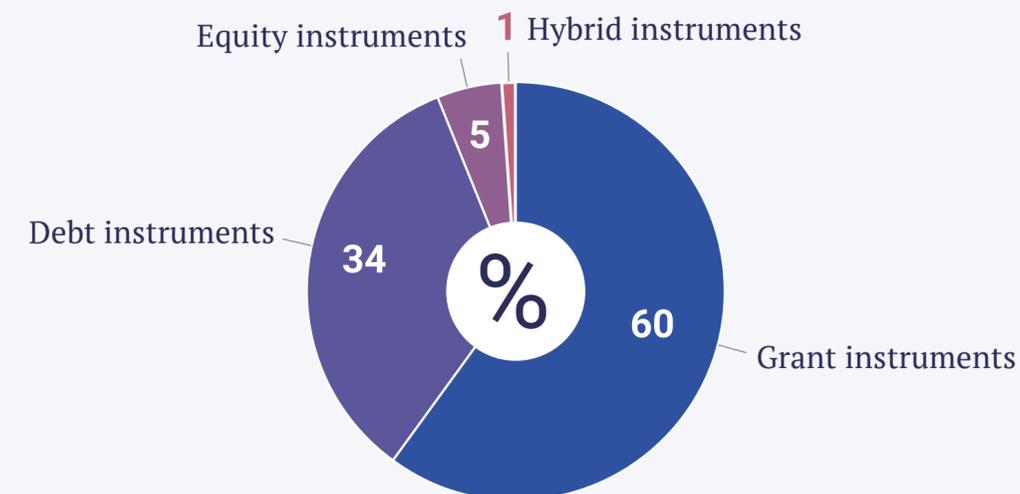


Part 4 Highlights from the VP/SI Investment Process ✨▲



Exited investments by type of financing instrument in FY 2015
n=35
representing 384 exits

384 exits happened in FY 2015, and most of the investments exited were either grants or loans. Exited equity investments represented only a small percentage, which could indicate either that equity is more “patient” or that equity investments are more difficult to exit.





Part 5

Social (Impact) Investment Funds ✨▲

Investment funds are becoming increasingly important
in the venture philanthropy landscape.





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For more information



Read the full publication [“The State of Venture Philanthropy and Social Investment \(VP/SI\) in Europe. The EVPA Survey 2015/2016”](#)



[Learn more about how to practise VP](#)



Questions? Contact Alessia Gianoncelli at agianoncelli@evpa.eu.com



[See the full list of our respondents](#)

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