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# Hybrid Finance

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EVPA REPORT

# FINANCING FOR SOCIAL IMPACT

The Key Role of Tailored  
Financing and Hybrid Finance



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# PART 1. INTRODUCTION



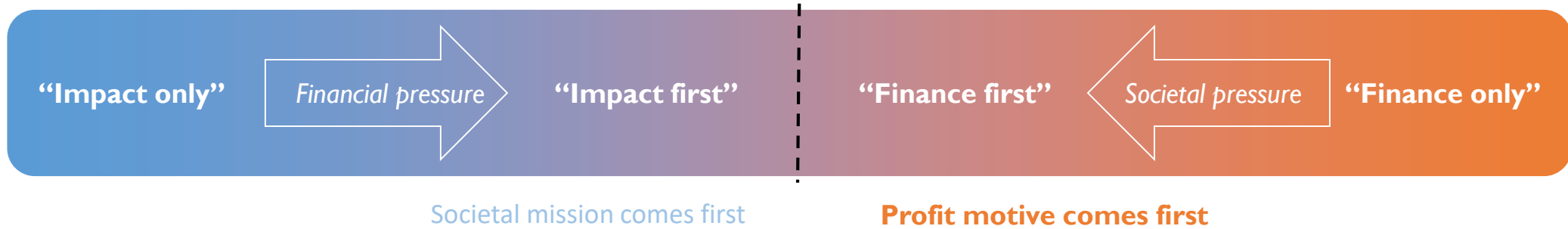
## From NGO's to social enterprises



*Spectrum of Organisations*



# HOW TO COLLABORATE: MULTIPLE SOCIAL IMPACT VEHICLES



## CORPORATE SOCIAL IMPACT VEHICLES



## CORPORATE

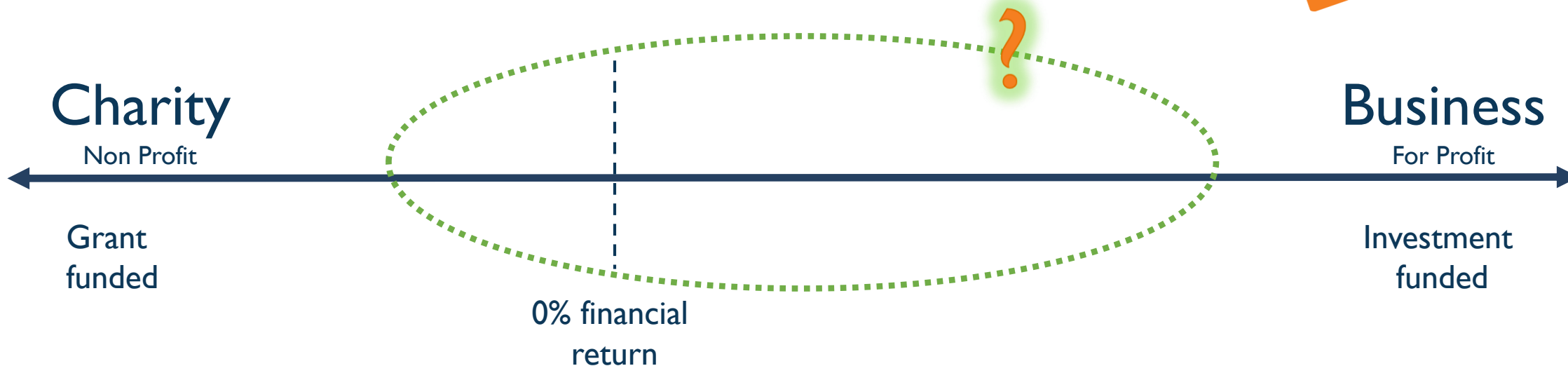
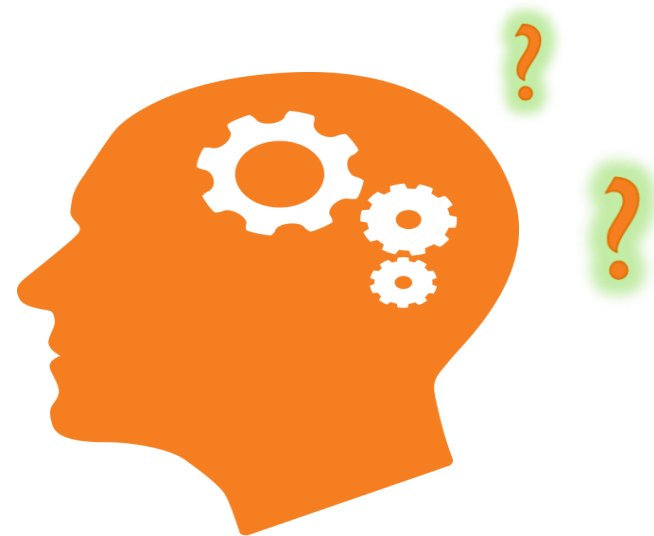


### PRE-CONDITION:

- MARS versus VENUS
- ALIGNMENT of PURPOSE



# Actief in de ruimte tussen volledig eigen inkomsten en donaties





## VERSCHILLENDE FINANCIERING VOOR VERSCHILLENDE MODELLEN



### Goede doelen

- “return” niet nodig
- Korte horizon (3-5j)
- onbetrouwbaar
- Managen verschillende geldstromen

### Impact + verdienmodel

- bescheiden returns
- Weinig “exit” opties
- Niet 1 oplossing te vinden

### Commercieel

- Ongelabeled geld
- (Meestal) juridische bindend – moet terugbetaald worden
- Lange termijn/ strategisch + grotere bedragen

# Most social entrepreneurs operate hybrid businesses



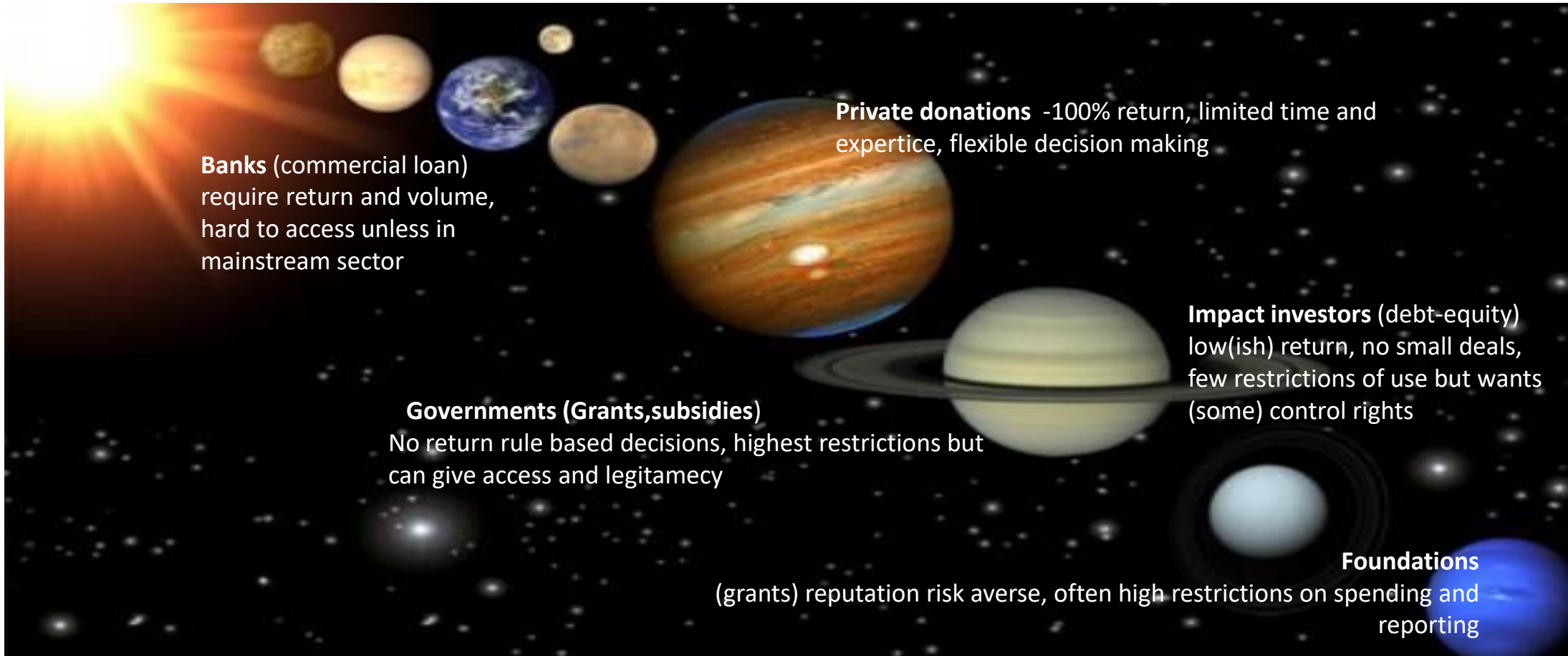
# Korte uitleg over eigenschappen lening en aandelen

	<b>Equity</b>	<b>Debt</b>
<b>Ownership</b>	Yes	No
<b>Financial Return</b>	% of profits	Fixed interest rate
<b>Investors influence</b>	Voting rights Board Seat	Covenants Security
<b>How repaid?</b>	Dividends or Sale of shares	Fixed repayment schedule
<b>Exit</b>	Shares sold	Loan repaid

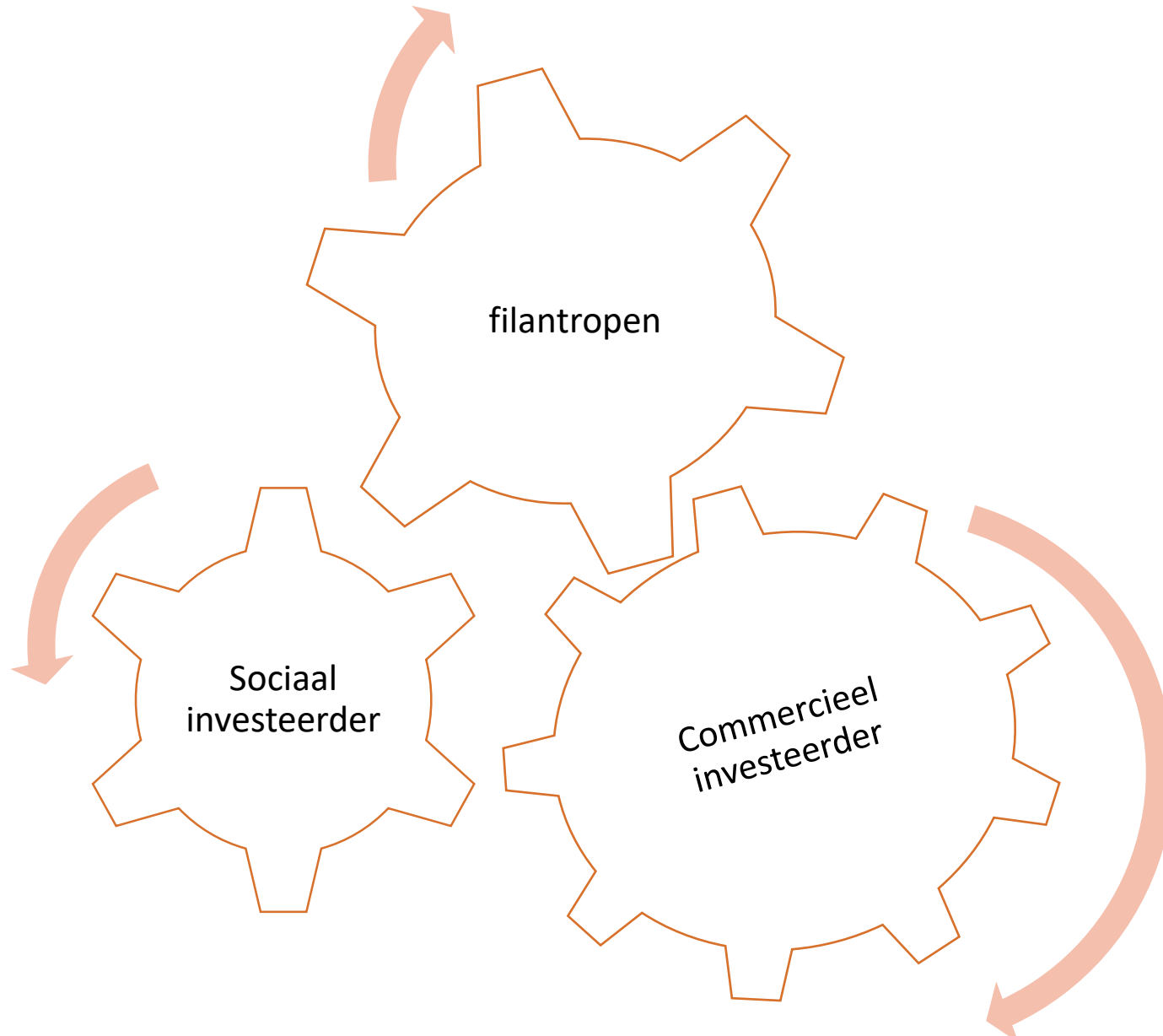
# Eigenschappen en verschillen tussen lening en aandelen

	<b>Equity</b>	<b>Debt</b>
<b>Risk</b>	High	Low
<b>Cashflow</b>	Volatile	Stable, predictable
<b>Growth potential</b>	High	Low
<b>Development stage</b>	Early	Mature

# Financierders op verschillende planeten

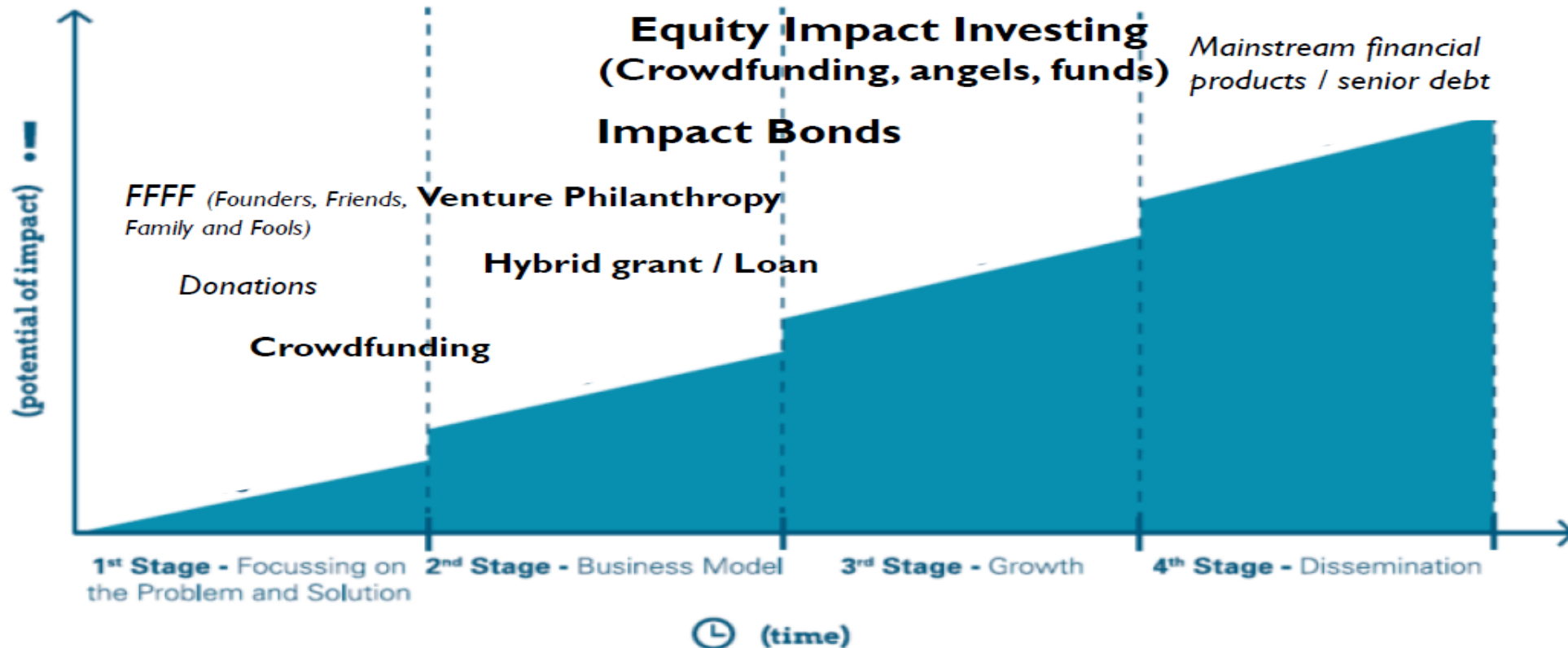


## AFSTEMMEN FUNDERS



# Social Investment: Bridging the Financing Gap for Impact Projects

## Financing the Scaling of Social Innovations





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