



Exploring Innovative Finance: New Opportunities for NGOs

Learning session

April 9th

13.30 – 17.30



samen werkt.



**SOCIAL
FINANCE**
NL

IN COLLABORATION WITH



AGENDA

13:30 - 14:00

Arrival and Welcome

14:00 - 14:20

Introduction by Social Finance NL and Partos

14:20 - 14:50

Keynote

Alison Bukhari – International Director, Educate Girls

Vijaylakshmi Saxena - Chief Financial Officer, Educate Girls

14:50 - 15:20

Panel Discussion

15:20 - 15:30

Break

15:30 - 16:15

Interactive Break-out Sessions

16:15 - 16:30

Summary and Closing

16:30 - 17:30

Networking Drinks

SOCIAL FINANCE NL

WE DESIGN AND IMPLEMENT MORE EFFECTIVE SOLUTIONS FOR SOCIETY'S MOST PRESSING CHALLENGES BY CONNECTING AND ENABLING THE RIGHT STAKEHOLDERS

IMPACT FIRST

Social Finance NL is a social enterprise with the mission to mobilise capital and talent for impact. Starting at the core, we ask: how can the most vulnerable in society be helped?

INNOVATIVE SOLUTIONS

We work on new solutions and partnerships that fit the social issue at hand. In order to deliver these, we use our breadth of experience with outcome-based financing, Social Impact Bonds and outcomes funds

DATA-DRIVEN

Based on analysis and research on the target audience, we contribute insights on the status quo as well as the understanding of broader needs. For this, we rely upon previous work and research on issues such as youth care or unemployment.

CONNECTING

Social Finance NL plays a bridging role by connecting governments, social enterprises, investors, the non-profit sector and other stakeholders in order to solve society's most pressing challenges more effectively.



SOCIAL FINANCE NL: OUR TEAM

OUR TEAM BRINGS EXPERTISE AND EXPERIENCE IN EXPLORING INNOVATIVE FINANCING OPPORTUNITIES FOR(I)NGOS



BJÖRN VENNEMA
CO-FOUNDER & MANAGING
DIRECTOR

Björn is Co-Founder and Managing Director of Social Finance NL. He was involved in the first Social Impact Bond in the Netherlands, and has since worked on several Social Impact Bonds, both within the Netherlands and abroad. Björn worked for the ABN AMRO Social Impact Fund, Monitor Deloitte and Social Finance UK, before co-founding Social Finance NL in 2018.

He has broad experience in data analysis for social issues and developing business cases for outcome-based finance in international contexts. Björn studied at Delft University of Technology, where he obtained a bachelor's degree in Mechanical Engineering and a master's degree in Management of Technology, culminating in a thesis on the evaluation methods of SIBs.

bjorn.vennema@socfin.nl, +31 (0)6 2006 1617



STEFANIA KNECHT-
TURKANIK, PHD
ASSOCIATE

Stefania has been involved in various projects at Social Finance NL as an Associate, including work with Maatschappelijke Diensttijd and ActionAid, with an increasing focus on exploring innovative financing opportunities for international organisations focused on development and humanitarian aid.

Prior to her work at Social Finance NL, Stefania was a consultant at the Good Faith Partnership (UK). She earned her PhD in International Relations from the University of St Andrews (UK) and previously studied at universities in Germany, Italy, and Jordan. A native German-Polish speaker, Stefania speaks four languages, is a published author (2023), and a certified mediator.

stefania.knecht@socfin.nl | +31 (0)6 19596235



NINA BERCULO
ASSOCIATE

As an Associate, Nina is involved in various projects at Social Finance NL, including work for Oxfam (together with Social Finance UK), ActionAid International on innovative financing, and for Maatschappelijke Diensttijd (MDT), a national program for young people in which they volunteer for society, discover their talents, and connect with others.

Nina earned her Bachelor's degree in Earth Sciences, Economics, and Sustainability and a Master's degree in Spatial Economics from Vrije Universiteit Amsterdam. She also completed a second Master's degree in International Development at the University of Amsterdam.

nina.berculo@socfin.nl | +31 (0)6 42525689

GROWING NEED FOR AID AS GOVERNMENTS ARE CUTTING SUBSIDIES

Nieuws **Het Parool**

Minister Klever wil subsidie voor ngo's verlagen met een miljard euro

B B C

NOS Nieuws • Donderdag 20 februari, 08:13 •
Aangepast donderdag 20 februari, 10:20

Bezuinigingen Klever bekend: alleen nog ontwikkelingshulp in direct Nederlands belang

More than 80% of USAID programmes 'officially ending'



Developing countries face \$4 trillion investment gap in SDGs

The Guardian

'This will cost lives': cuts to UK aid budget condemned as 'betrayal' by international development groups

Widespread alarm at Keir Starmer's decision to slash funds, amid warnings of dire consequences for world's poorest

News | Poverty and Development

USAID's demise raises fears for millions of lives across the Global South

US President Donald Trump's administration has abolished 83 percent of aid agency's humanitarian programmes.

THE NEED FOR MEASURABLE IMPACT IS DRIVING THE SHIFT TO INNOVATIVE FINANCE

NGOs must optimize limited resources by while maintaining accountability, agility, and transparency

Donors and philanthropists increasingly seek immediate, tangible impact

Impact investors are seeking to demonstrate impact alongside financial returns

**INNOVATIVE
FINANCE**

The **localization of aid** (Grand Bargain) calls for decentralized, adaptable financial models that are responsive to local needs

MENTIMETER



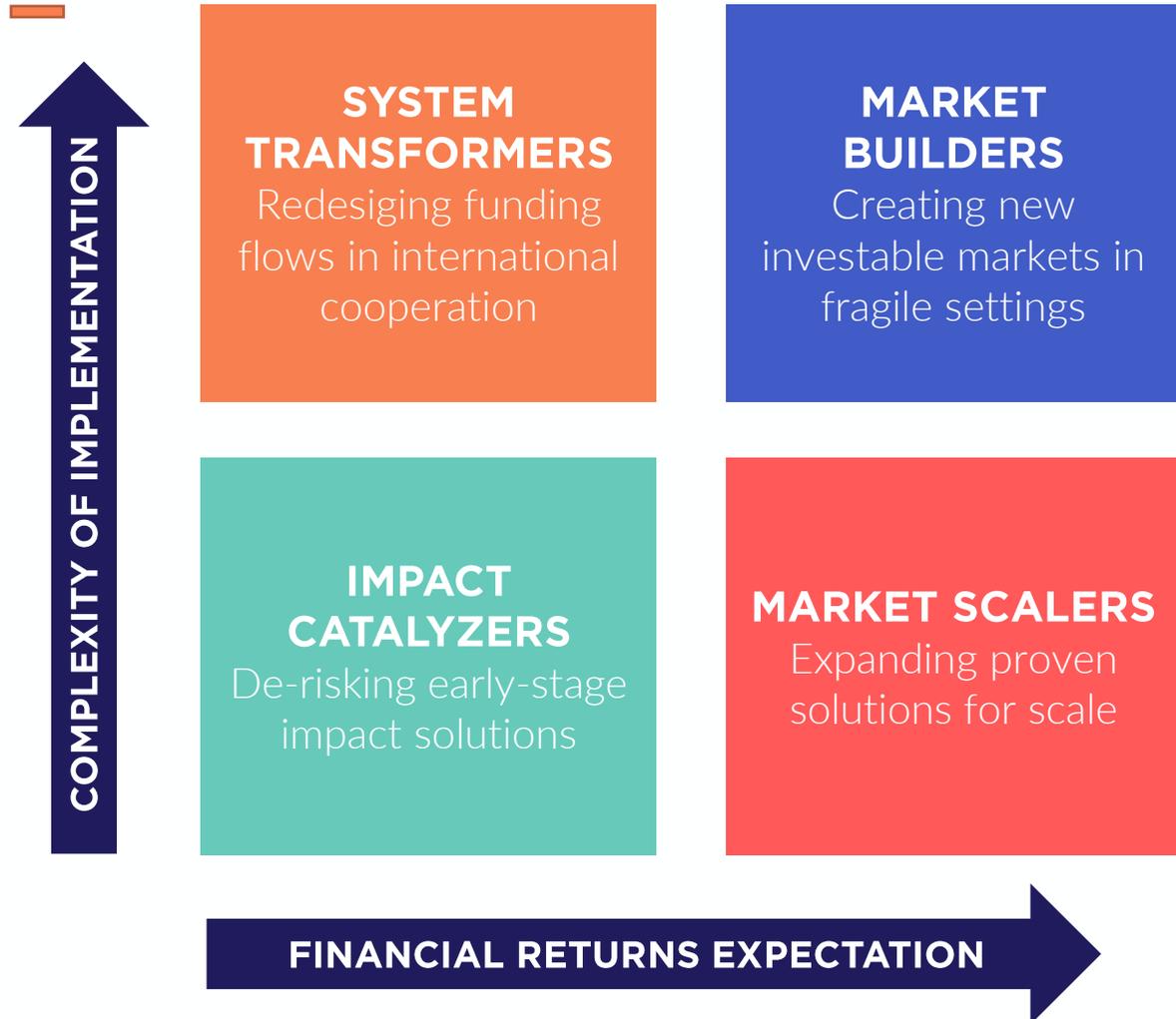
INNOVATIVE FINANCE: A DIFFERENT SET OF TOOLS

FINANCIAL INSTRUMENTS
THAT GO **BEYOND**
TRADITIONAL GRANTS

ENGAGES **NON-TRADITIONAL PARTNERS**
(PRIVATE SECTOR, IMPACT INVESTORS,
FOUNDATIONS, GOVERNMENTS)

FOCUS ON **MEASURABLE OUTCOMES** RATHER
THAN ACTIVITIES OR OUTPUTS

THERE ARE A MULTITUDE OF INNOVATIVE FINANCE INSTRUMENTS



Types of innovative finance

- **Outcome-Based Finance** (e.g., Development Impact Bonds, Outcomes Funds)
- **Blended Finance** (combining public/philanthropic funding with private capital)
- **Impact investing** (investing with concessional or competitive return on investment with a focus on impact)
- Many, many others...

Roles as NGO

- **Receiving investments:** NGOs as social enterprises
- **Making investments:** NGOs as impact investors
- **Creating value:** NGOs as service providers in innovative finance (impact bonds, funds)
- **Focus on outcomes:** NGOs as outcome payers

EXAMPLE: EDUCATE GIRLS' DEVELOPMENT IMPACT BOND

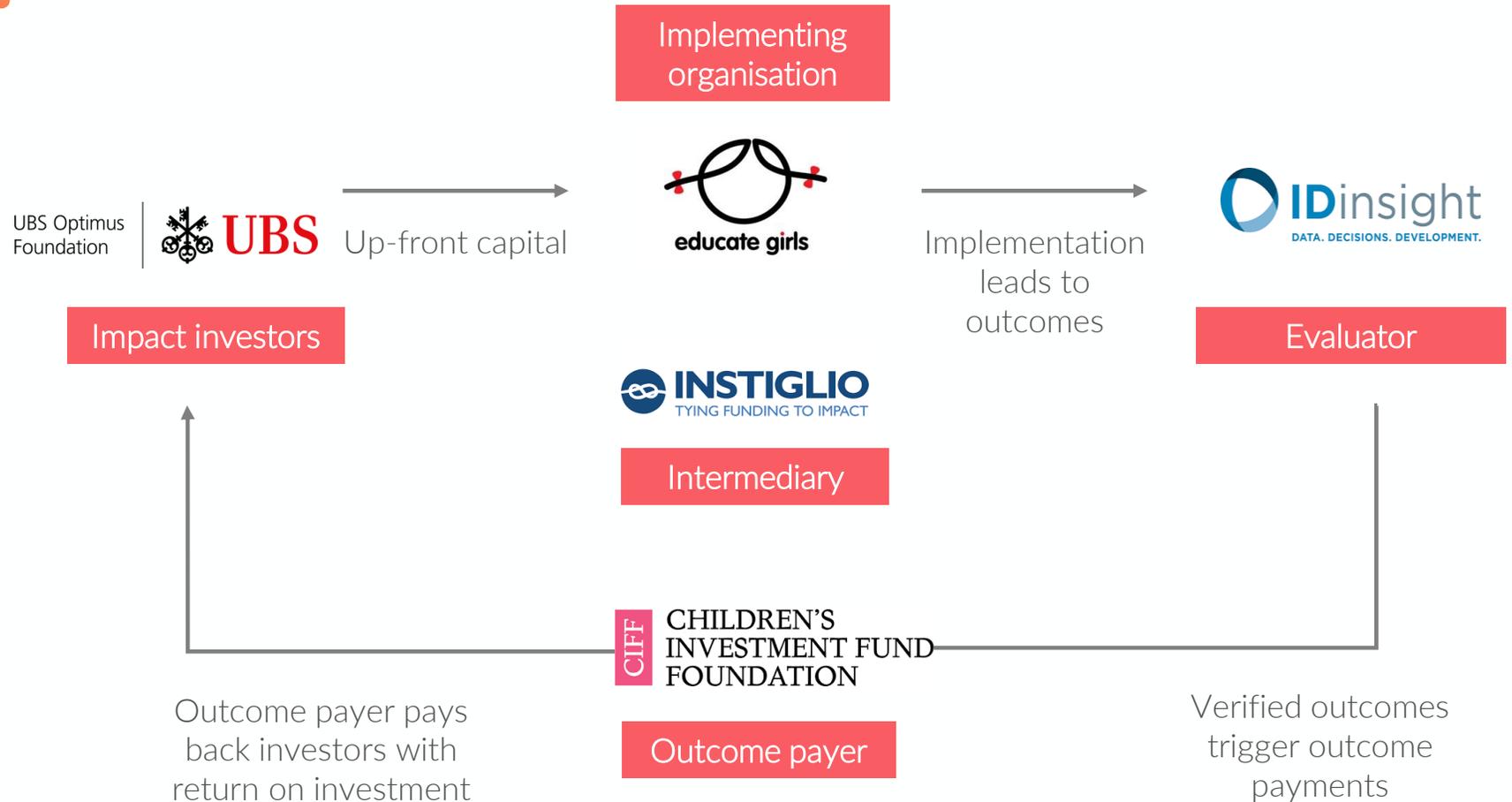
FACTS & FIGURES

Project:
Educating girls in Rajasthan (India),
3-year pilot

Up-front capital:
USD 270,000

- Outcomes :**
- 116% of the final enrolment target achieved
 - 160% of the final learning target achieved

Outcome payment:
Up-front capital + 15% IRR
USD 144,085 reinvested in UBS
Foundation grantee programme



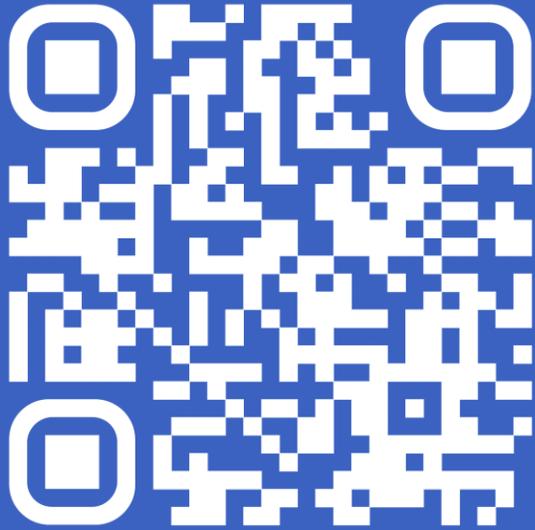
UNLOCKING OPPORTUNITIES AND NAVIGATING CHALLENGES

OPPORTUNITIES

- More strategic partnerships
- Flexible & adaptive funding
- Local ownership & empowerment
- Greater efficiency & focus on impact
- Possibility of decolonizing funding
- Scaling potential

CHALLENGES

- Need to build up knowledge & expertise
- Cultural shift required
- Perceived risks vs. reality
- Finding the right fit
- Ethical considerations



SCAN FOR GLOSSARY

TAKEAWAYS

- International cooperation (development & aid) needs a **wider toolbox**—traditional grants alone won't close the funding gap.
- Innovative finance is not the holy grail but can be a **new way of enabling and scaling impact**.
- Innovative finance begins with **relationship building** - invest in long-term partnerships.



KEYNOTE SPEAKERS



ALISON BUKHARI

INTERNATIONAL DIRECTOR

EDUCATE GIRLS



VIJAYLAKSHMI SAXENA

CHIEF FINANCE OFFICER

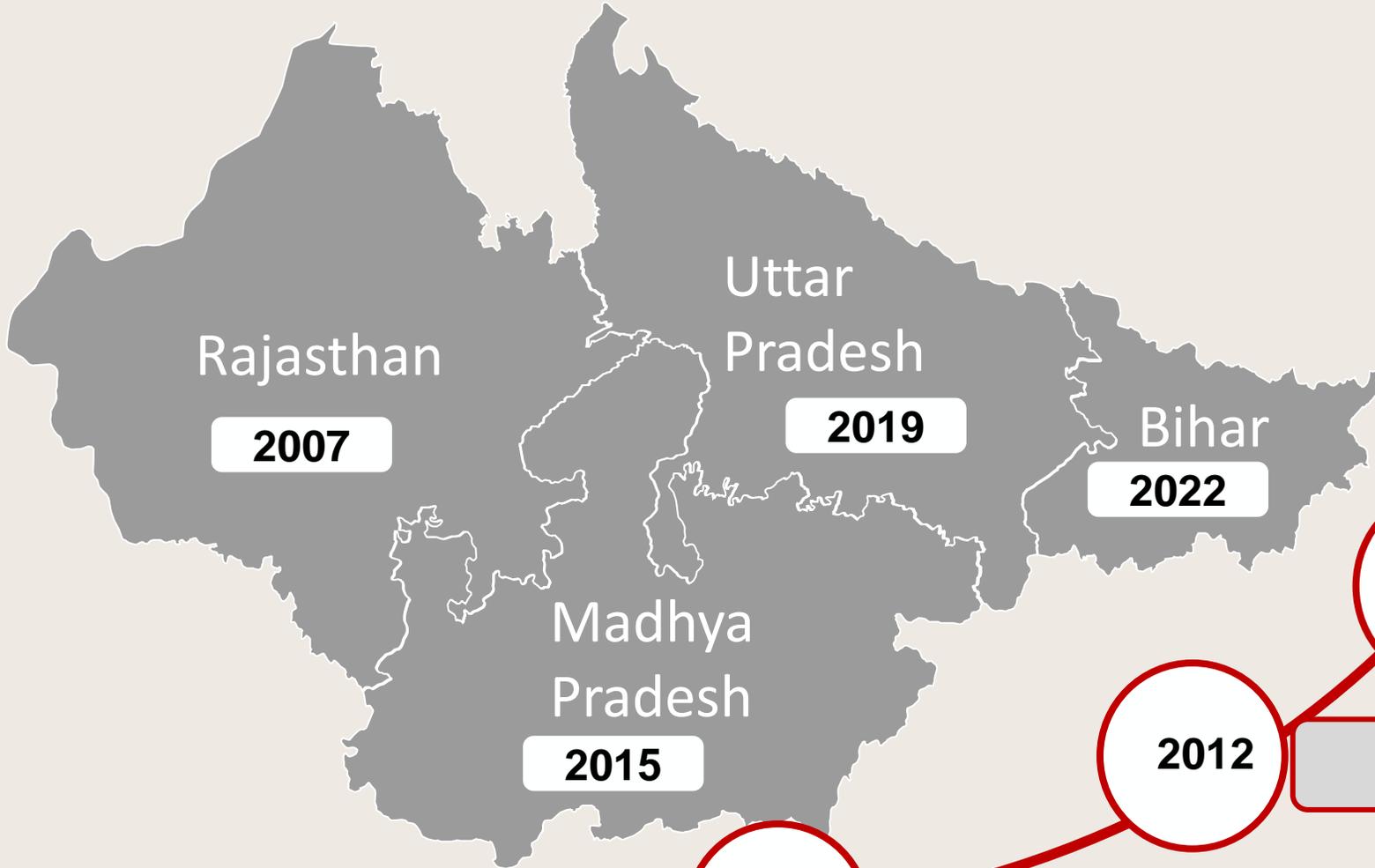
EDUCATE GIRLS



Investing in girls' education

Lessons from the first Development Impact Bond in Education

Educate Girls' Journey



2007 50 schools

2012 5,000 schools

2015-2018

DIB – 345,000 in 10 years

2019 38,000 schools

2023 80,000 schools

17 years:
1.8+ million girls
enrolled



What we learnt about funding

- **A grant offered up-front:** We had little to do with the transaction between the investor and the outcome payer
- **Patient capital:** Because educational and gender outcomes take time to accrue
- **Flexible/unrestricted funding:** Because earmarked/line-item specific financing does not offer any room for innovation
- **Risk tolerant funding:** Because there is always a likelihood of zero/less than targeted IRR)
- **Local leadership & Hands off donors:** Because we understand what is best for our children/geography)



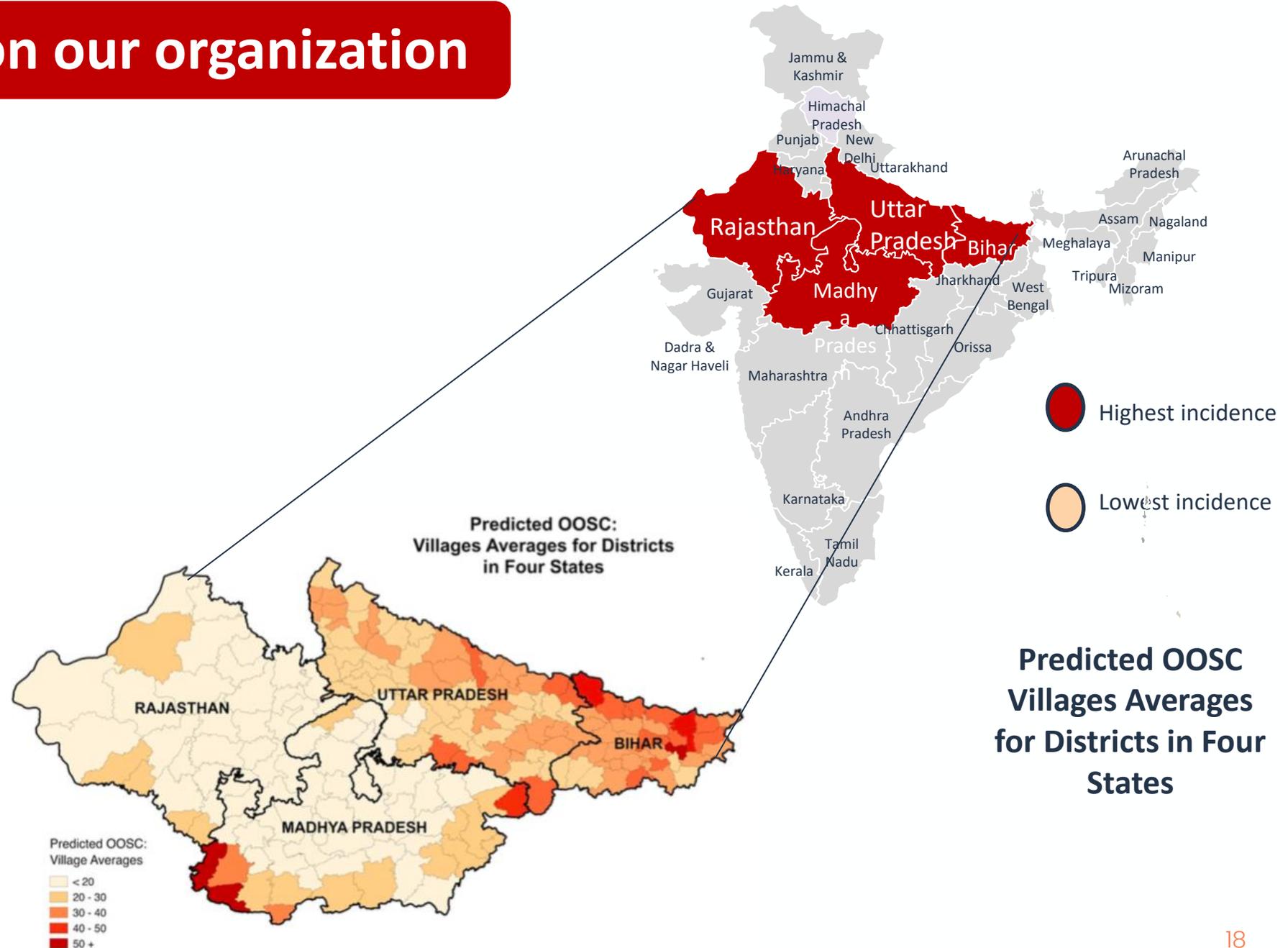
What we learnt about impact bonds

- Need a pre-implementation year (Y0)
- Service provider must be involved intimately in the program and evaluation design
- Need to budget for innovation / adaptation premium & senior leadership time
- Costly, but at scale savings possible, as demonstrated by QEI DIB (evaluation, design etc.)
- Need to use universal outcome measures and align with national Government priorities
- There is a higher likelihood of its acceptance if there is explicit buy-in from the State Government



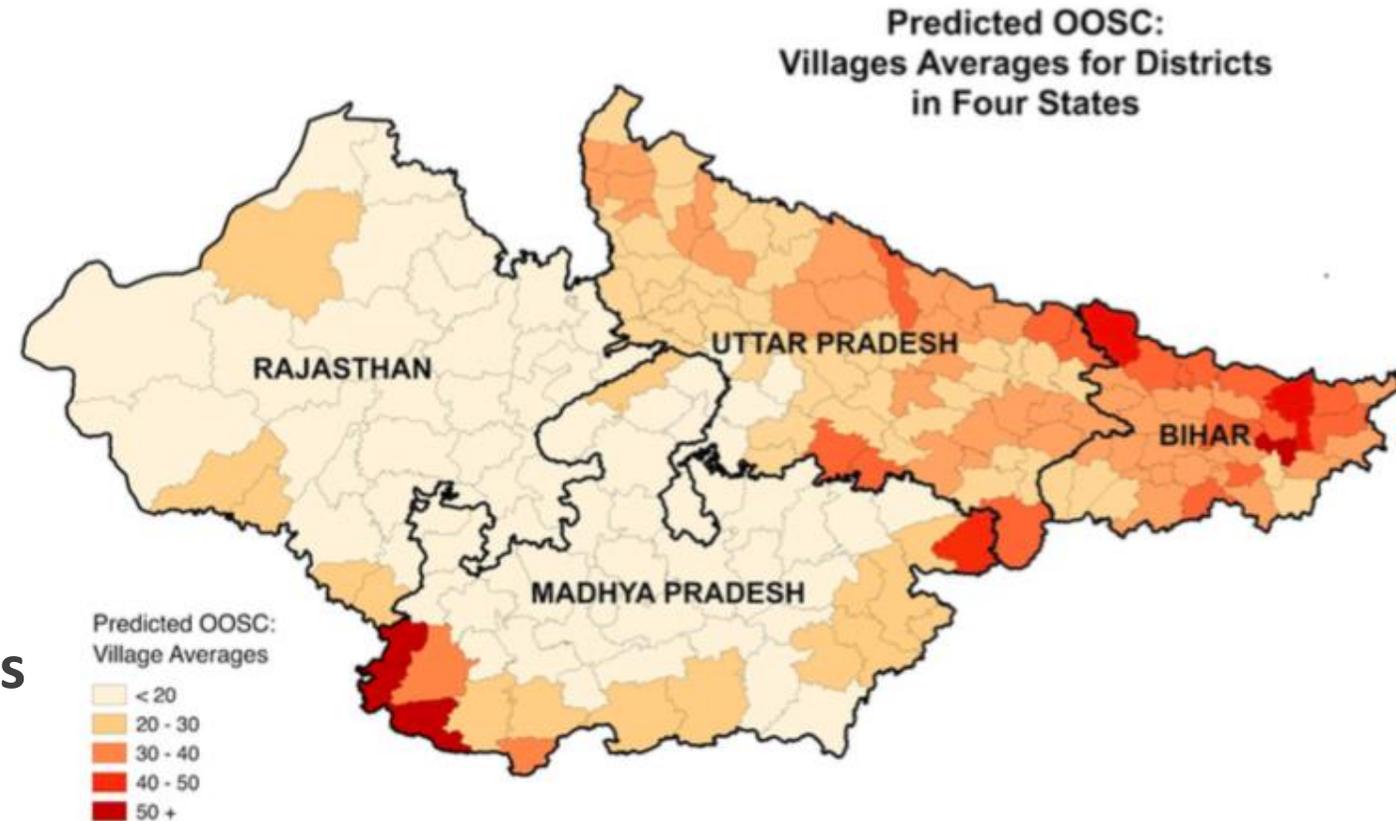
Impact of the DIB on our organization

- Altered the DNA of the organization
- Data driven strategy and operations
 - Precision targeting instead of carpet bombing of resources
 - 5% villages across RJ + MP + UP + BH hold up to 40% of out-of-school girls



Impact of the DIB on our organization

- From input/activities-driven, we shifted to an outcomes-focused organization
- Less about training sessions, visits made, distance traveled but about girls' enrollment and grade gains of children
- Remedial learning curriculum focuses exclusively on individualized micro-competencies of children
- Raised a 5-year fund to scale 2.5x and delivery 7x impact





PANEL DISCUSSION

MODERATOR



**NINA
BERCULO**

ASSOCIATE
SOCIAL FINANCE NL

PANELLISTS



**WOUTER
SOETAERT**

BUSINESS DEVELOPMENT
MANAGER
**TRIODOS INVESTMENT
MANAGEMENT**



**LAURE WESSEMIUS-
CHIBRAC**

FOUNDING MANAGING
DIRECTOR & CEO
NAB



**COOPER
RENFRO**

ASSOCIATE
DIRECTOR
SOCIAL FINANCE UK



**NADA VAN
SCHOUWENBURG**

PROGRAMMES
MANAGER
WOMEN WIN

INTERACTIVE BREAKOUT SESSIONS

IMPACT INVESTOR -

How can NGOs co-create blended finance solutions that meet the goals of investors, donors, and fund managers?

WILLOW (3RD FLOOR)



WOUTER SOETAERT
TRIODOS INVESTMENT
MANAGEMENT

IMPACT INVESTOR -

How to navigate opportunities and risk in impact investing: 3 examples of possible structures

PARTOS OFFICE (4TH FLOOR)



**LAURE WESSEMIUS-
CHIBRAC**
NAB

INTERMEDIAR –

How can you build effective (internal) cross-team partnerships?

CURRENT ROOM (BACK-SIDE)



COOPER RENFRO
SOCIAL FINANCE UK

NGO -

What are the main challenges of working with the private sector, and how can they become opportunities for impact?

CURRENT ROOM (FRONT-SIDE)



**NADA VAN
SCHOUWENBURG**
WOMEN WIN

SUMMARY AND CLOSING

MENTIMETER





samen werkt.

HELP US HELP YOU: SCAN TO LEAVE FEEDBACK!



IN COLLABORATION WITH

