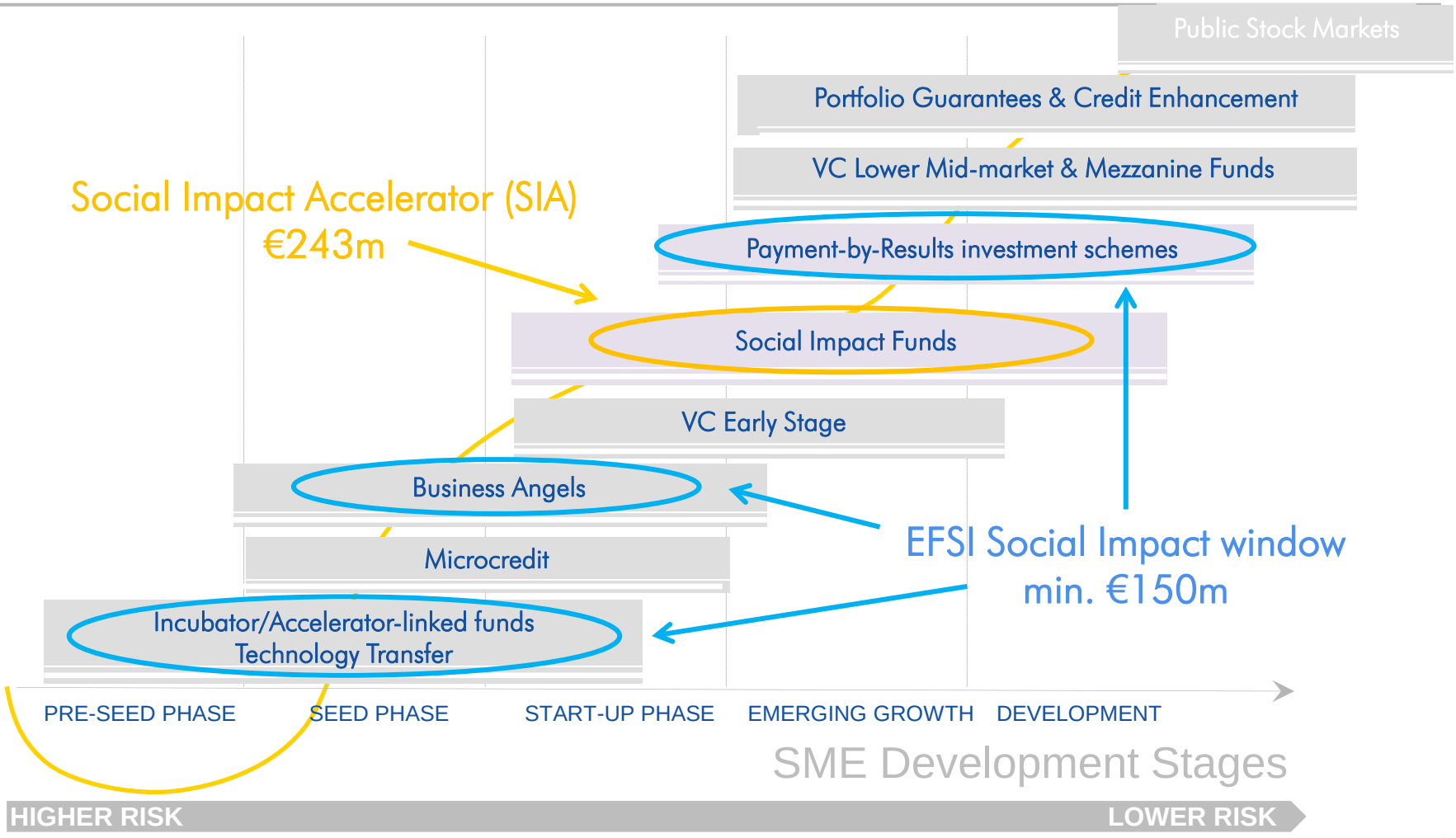
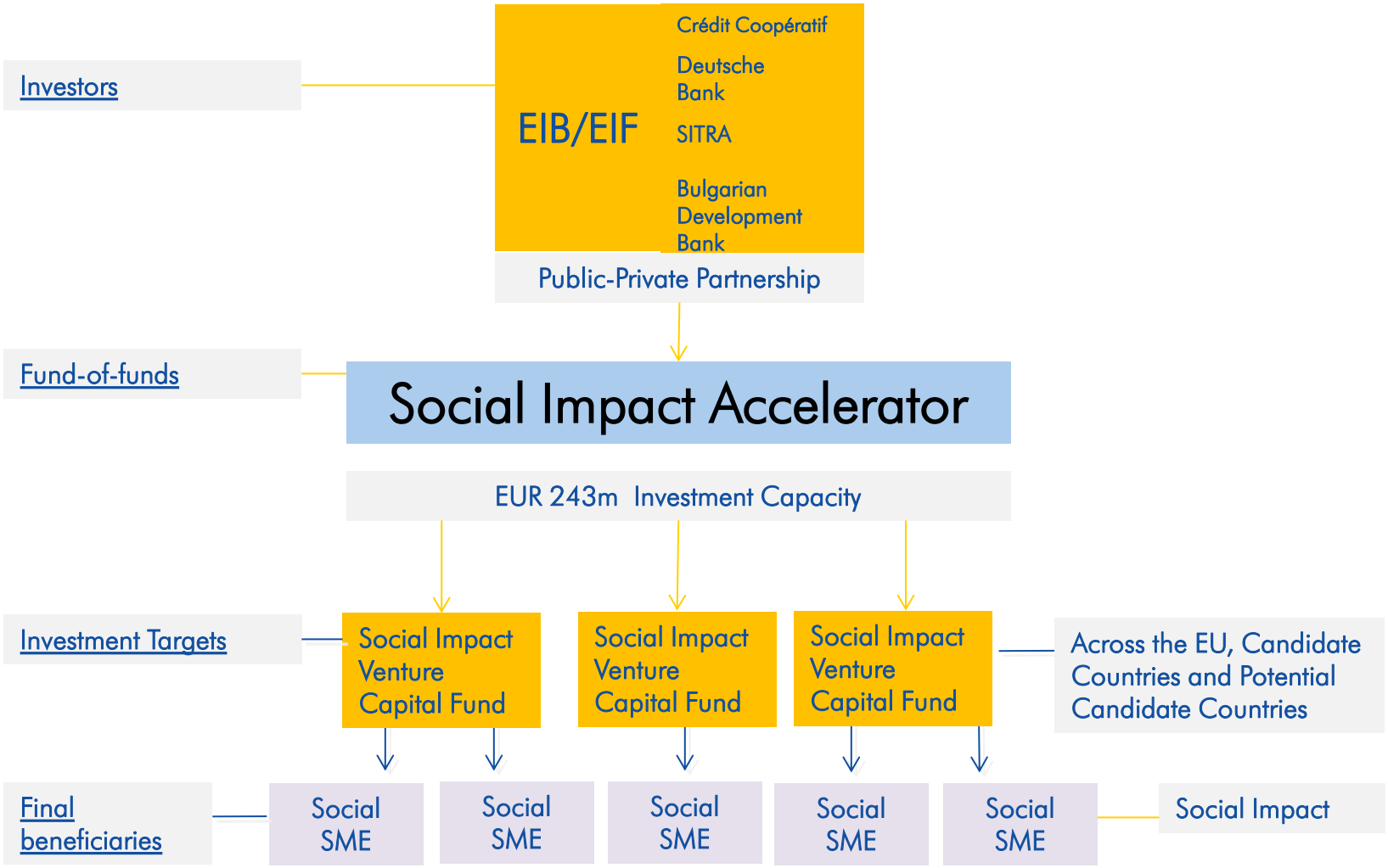
EIF - Impact Investing Tools

5 September 2017 - Social Impact Challenges and Opportunities for Latvia

Impact Investing: Mainstream Activity at EIF

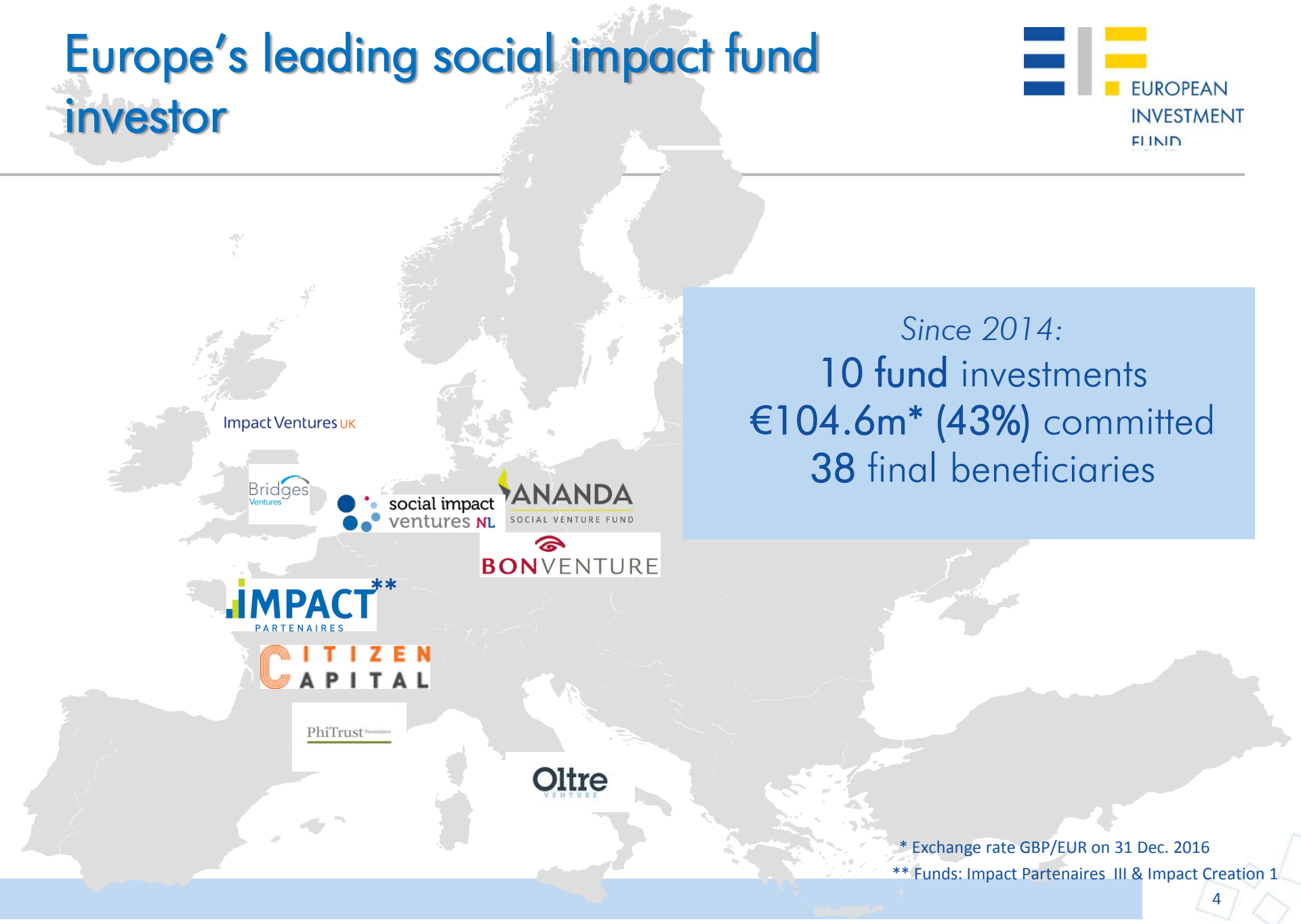


Social Impact Accelerator (SIA) – Structure



Europe's leading social impact fund investor

EUROPEAN INVESTMENT FUND



Since 2014:

10 fund investments

€104.6m* (43%) committed

38 final beneficiaries

* Exchange rate GBP/EUR on 31 Dec. 2016

** Funds: Impact Partenaires III & Impact Creation 1

New tools for impact investing: EFSI Equity Instrument

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New tools for impact investing

Investments in/alongside intermediaries **linked to incubators/accelerators** targeting social enterprises	Investments in business angels funds or co-investments **alongside business angels** targeting social enterprises	**Payment by Results investment schemes** targeting social sector organizations at large

EFSI Investment Criteria(*)

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Independent Management team

EIF ranks (at least) *pari passu*

Max commitment: € 50m

7.5% ≤ ticket size ≤ 50% (typically)

2X – 2/3 rule

Eligible beneficiaries: SMEs, Small mid-caps, SocEnt

15 years +3

(*) non-exhaustive list

Investment in/alongside Financial Intermediaries linked to incubators/ accelerators

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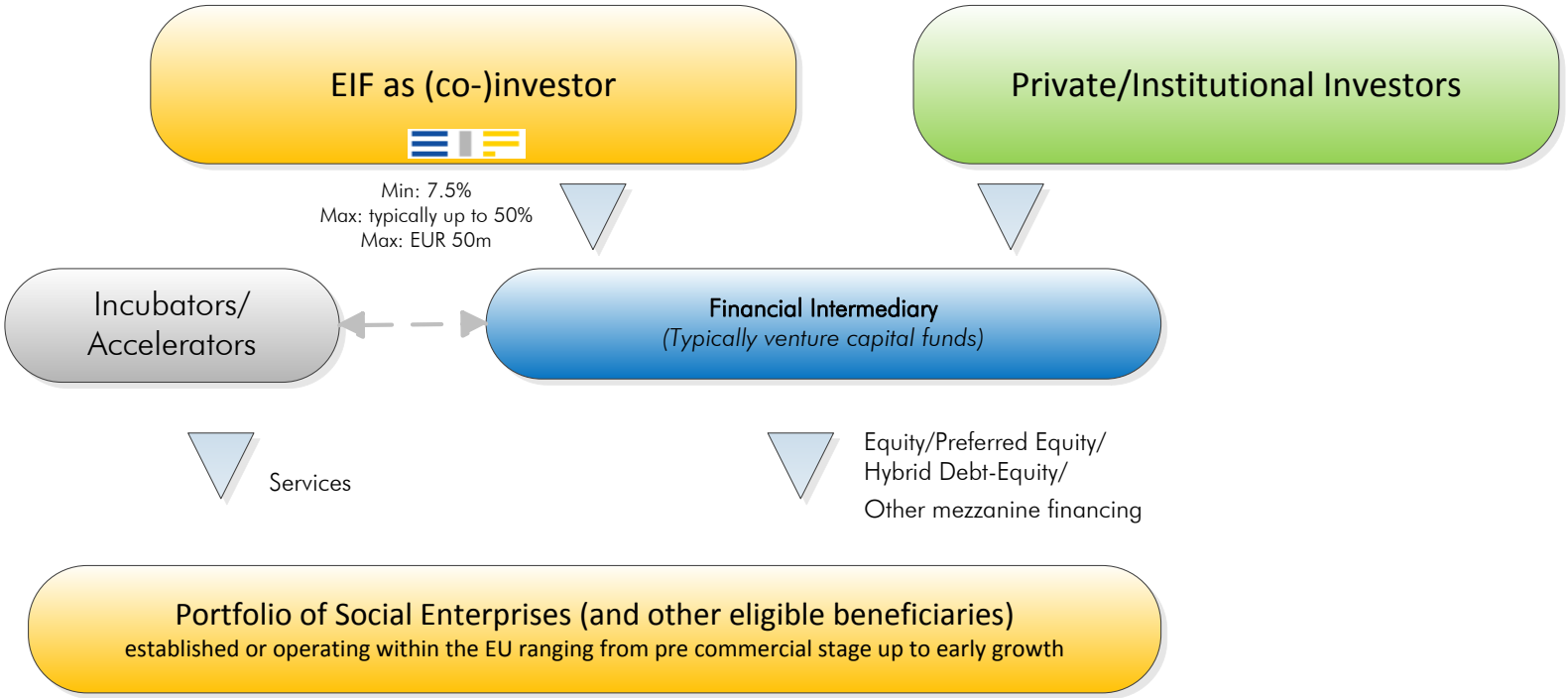

New instruments for impact investing

Investments in/alongside intermediaries linked to incubators/accelerators targeting social enterprises	Investment in business angels funds or co-investments alongside business angels targeting social enterprises	Payment by Results investment schemes targeting social sector organizations at large

Co-investment with Business Angels

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EIF as (co-)investor

Business Angels/
Business Angels Funds

Min: 7.5%
Max: typically up to 50%
Max: EUR 50m

Co-investment vehicle/agreement with Business Angels

Equity/Preferred Equity/
Hybrid Debt-Equity/
Other mezzanine financing

Portfolio of Social Enterprises (and other eligible beneficiaries)
established or operating within the EU ranging from early stage to growth stage

New instruments for impact investing

Investments in/alongside intermediaries linked to incubators/accelerators targeting social enterprises	Investment in business angels funds or co-investments alongside business angels targeting social enterprises	Payment by Results investment schemes targeting social sector organizations at large

Payment-by-Results

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EIF as (co-)investor

Private/ Institutional Investors/ PbR Manager

Min: 7.5%
Max: typically up to 50%
Max: EUR 50m

Financial Intermediary
(Typically through special purpose vehicles)

Equity/Preferred Equity/
Hybrid Debt-Equity/
Other mezzanine financing/
Debt

Social Enterprises/Social Sector Organisations
established or operating within the EU

New instruments for impact investing

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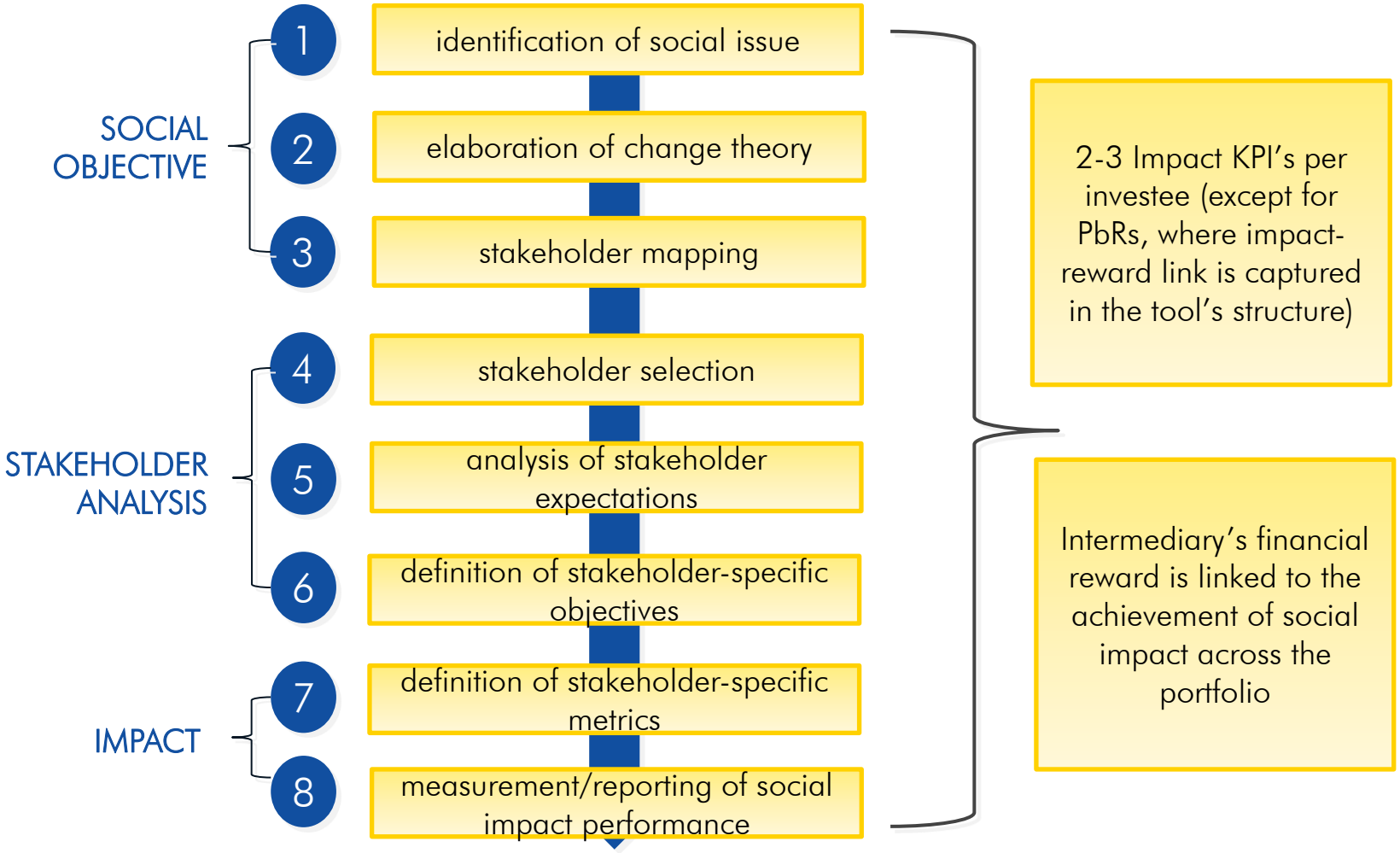
Impact measurement



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Social Enterprise Business Models

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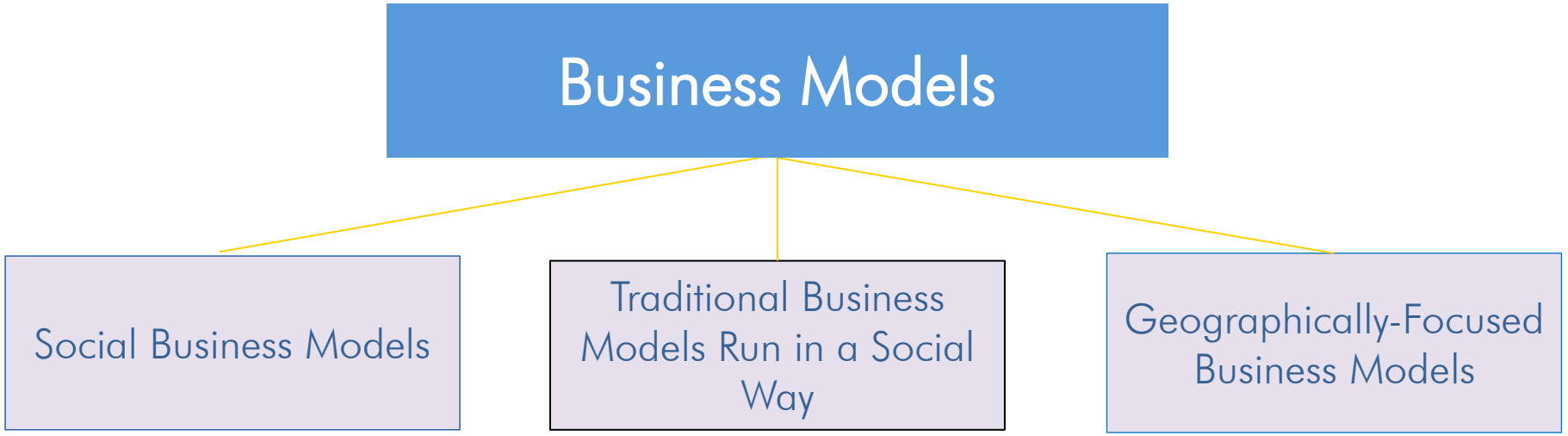
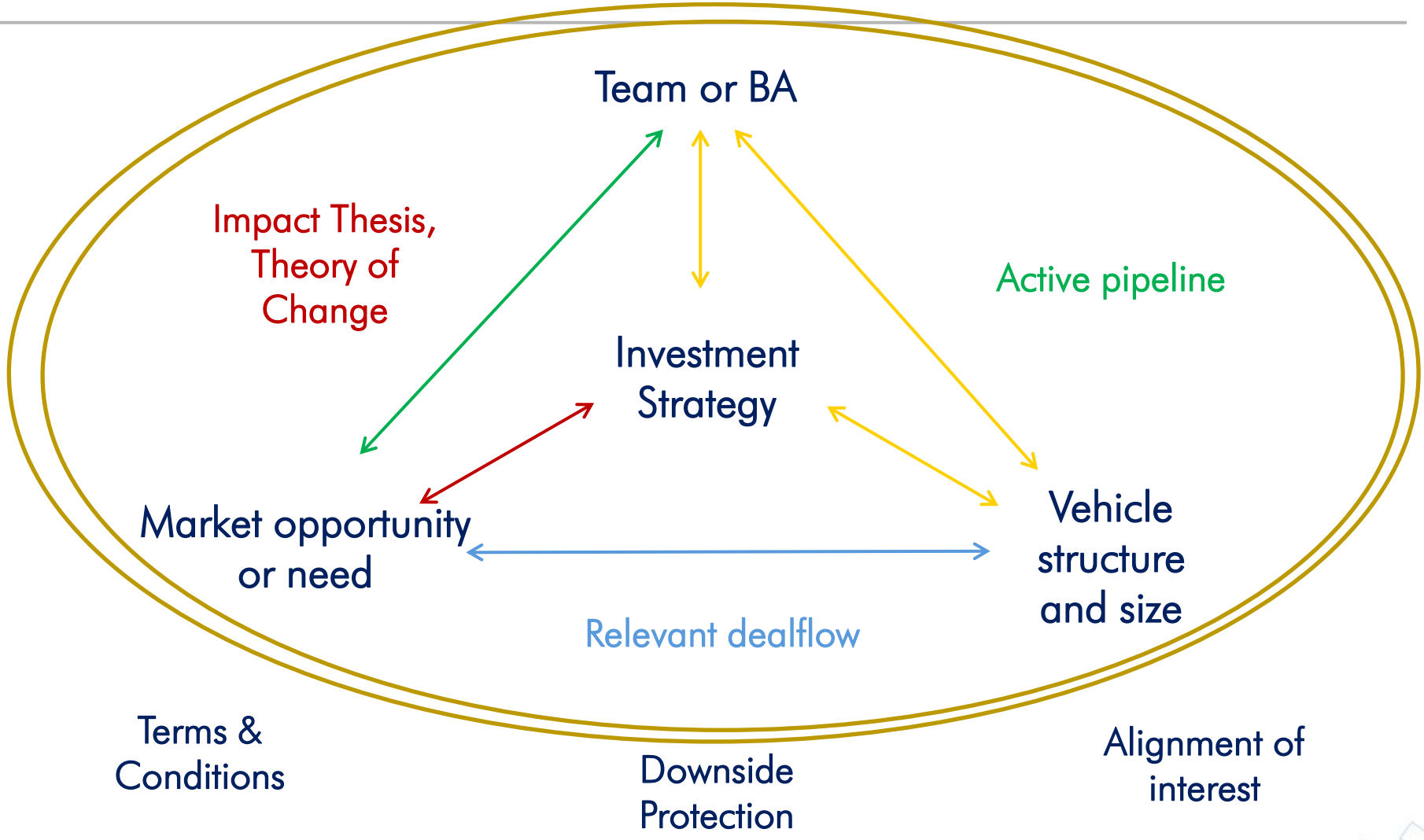


What do we look for?



Contact Details

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For further information on SIA, EaSI and EFSI Equity for social impact please visit:

http://www.eif.org/what_we_do/equity/sia/index.htm
http://www.eif.org/what_we_do/microfinance/easi/index.htm?lang=-en
http://www.eif.org/what_we_do/efsi/equity/index.htm

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