



Impact finance for refugee inclusion

KOIS Presentation

28th of October 2022, Dublin

Agenda



About KOIS



How can impact finance work for refugee inclusion?



Case studies: DUO for a JOB, MHM DIB, Refugee Impact Bond

KOIS is an impact finance specialist with a 10-year track-record

KOIS is a leading international **impact investment** and **impact finance advisory** firm. We turn projects with high societal & environmental impact into tangible investment propositions for public & private sector clients.



We are a pioneer in providing **end-to-end support in impact investing and impact finance, from concept to launch.**

We follow & support our clients from start to end, or wherever they need us in their process, **from advising to implementing successful impact strategies.**



Impact finance advisory services

Design, structuring, and implementation of innovative financial solutions responding to key societal issues

30+

Impact finance advisory projects

11

Impact Bonds

US\$ 76m+

Structured and placed



Impact investing

Deploy capital in social enterprises delivering meaningful and positive impact on society and the environment

4

funds co-managed

44

investments

US\$ 430m

under management

KOIS has an extensive track record in designing and launching projects supporting refugees, migrants and other vulnerable populations



DUO FOR A JOB SIB

Objective	Supporting young immigrants in finding jobs through DUO's mentorship program
Duration	3 years (2014 - 2018)
Stakeholders	Actiris, DUO for a JOB, HNWI
Amount	€347,000
Achieved return	4% per year
Impact	<ul style="list-style-type: none"> • 320 duos created, in line with targets • ~40% of the SIB's first 2 cohorts worked 90 days+ after the intervention, beating the targeted re-employment objective • 38,400€ government savings /job reinsertion/year



BeCode SIB

Objective	Training vulnerable job seekers to the digital jobs of tomorrow, with a focus on women and non-EU immigrants
Duration	5 years (2019 - 2023)
Stakeholders	Actiris, Brussels Unemployment Agency, BeCode
Amount	€2.5m
Expected return	Up to 6% IRR
Expected impact	<ul style="list-style-type: none"> • 284-400 trained job seekers have found a job within 12 months • €38,400 - total cost of a job seeker for the government/ year • €4,630 - total cost invested via the SIB for each person trained



Inclusio - social housing fund

Objective	Improving availability of affordable and social housing. The impact fund buys, builds or renovates housing units and rents them to public social real estate agencies. These in turn rent the housing units to low-income tenants on long-term lease. Approximately 25% of Inclusio's units are reserved for particularly vulnerable populations. Inclusio achieve greater impact thanks to the involvement of social partners who support certain occupants (people in difficulty: reintegration, employment, etc.).
Portfolio	1200 affordable housing units under management & 546 under construction
AUM	€153m
Stakeholders	Degroof Petercam and real-estate developer Revive

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Labour dignity bond – a world's first

The labour dignity bond seeks to improve working conditions among migrant labour in construction sector by offering loans and business orders to micro-contractor against ethical behaviour.

GFEMS



Supporting and assisting employment and social inclusion

Helping identify an innovative economic model that to ensure the sustainable development of affordable housing in a context where public resources are becoming scarce



Scaling-up solar energy for health centres in SSA

Designing an innovative finance facility to support the installation of solar infrastructures in healthcare centres in Sub-Saharan Africa



WASH Blended finance facility

Design of a blended financing facility supporting sustainable WASH infrastructure across fragile contexts together with UNICEF.



Impact investing fund for the WFP

Provided support by developing the strategy and operating model of WFP's innovation impact fund.



Unlocking private capital for development

Building an innovative finance roadmap and identifying countries and opportunities for potential investment



Agenda



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What is impact finance ?

Impact finance refers to a range of approaches used to:

- Mobilise additional resources (“more financing”)
- Increase effectiveness & efficiency of financing (“better financing”) to address sustainable development challenges

BENEFITS OF IMPACT FINANCE



IMPROVE SUSTAINABILITY

Play a transitional role by catalysing investments that the private sector can scale and replicate even after the exit of donor capital

Support and de-risk investments in high-impact sectors that require innovation in products and services to reach underserved segments of the population.

STIMULATE INNOVATION



IMPROVE EFFECTIVENESS

Ensure that donations and investments have a real impact and that resources are used in the most efficient way possible

Catalyse flow of private capital into emerging sectors to advance the growth, capacity, and sophistication of businesses and solutions.

SCALE SOLUTIONS



KEY CATEGORIES OF IMPACT FINANCE



Impact Investment



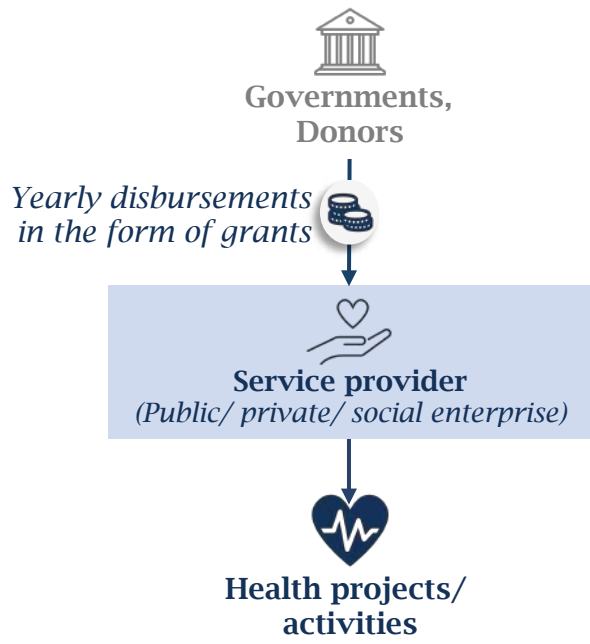
Blended Finance

Zoom on blended finance: definition

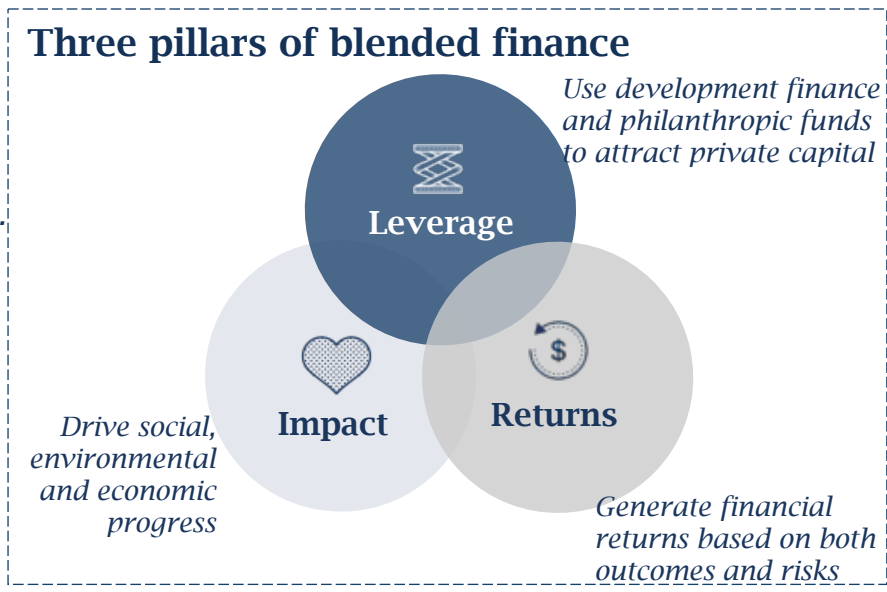
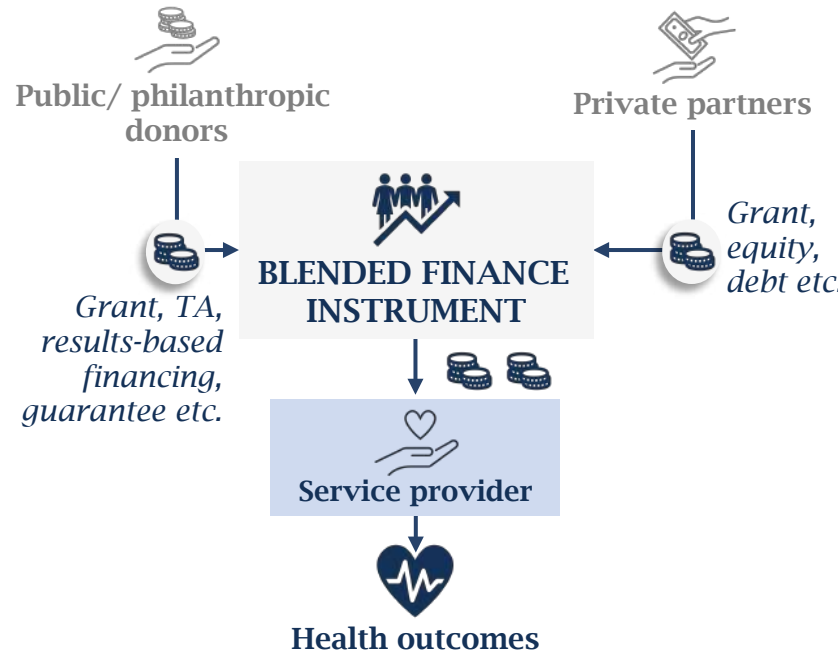
? Blended finance is the strategic use of **public and/ or philanthropic funds** to mobilise new **private capital flows** channelled towards development outcomes. Blended finance helps e.g., **mitigate early-entrant costs or project risks, re-balancing risk-reward profiles** for pioneering investments and enabling them to happen.



TRADITIONAL GRANT FUNDING



BLENDED FINANCE



Source: Blended Finance Taskforce, Convergence | Redesigning Development Finance Initiative, World Economic Forum & OECD, 2015 | International Finance Corporation.

Main financing tools

MAIN FINANCING TOOLS

Blended finance uses public and philanthropic capital to improve the risk-return profile of investment opportunities through:



Concessional funding



Risk mitigation



Support mechanisms



Result-based incentives

There exists a range of results-based finance mechanisms



Performance-based contracts

Funding (loans, grants) is provided upon achievement of pre-agreed impact targets or specific actions



Social/ Development impact bonds

Investors provide upfront funding for development programmes, and are later remunerated by donors if programmes achieve pre-agreed results



Outcome funds

Funds that create a common pool of outcome funding for multiple impact bonds or RBF projects, simplifying the process of securing outcome funding and lowering overall transaction costs



Social Impact Incentives (SIINC)

Donors reward enterprises with premium payments for achieving social impact, providing additional revenues and improving profitability to attract investment to scale



Social Success Notes (SSN)

Donors provide additional returns to a mainstream investor, if and only if the social business investment delivers pre-agreed social outcomes



Outcomes marketplace

A digital marketplace which validates and/or certifies and publishes outcome results for donors/outcome funders to purchase unique results at a given pre-defined price

The relevance of impact bonds for refugee inclusion and Community Sponsorship



Innovation and flexibility

Allow to test, catalyse and scale innovative solutions. Similarly, by specifying outcomes rather than activities, service providers are free to innovate and adjust the way they deliver a service throughout the contract

Case study: DUO for a JOB



Foster stakeholder partnerships and coordination

Enable collaboration between funders and providers to meet beneficiaries' needs, overcoming fragmented delivery and siloed budgets

Case study: MHM DIB



Pay for outcomes

Allow funders to pay for the outcomes of interest rather than activities

Allow for funders to pay only for successful and efficient initiatives

Case study: Refugee DIB

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DUO for a JOB SIBs – an innovative job market integration program in Belgium and France

Young refugees and recent immigrants face strong barriers to entering the labour market

The difficulties of young people to enter the labour market ...



9% unemployment rate in France
France has one of the highest unemployment rates in the EU



14% unemployment among 20-29 year-olds



74% of activity rate among 20-29 year olds



14% 14% of "NEETs" among 18-24 year olds

... are exacerbated among those foreign born¹



19% unemployment among 20-29 year olds born outside the EU



57% of inactivity rate among 20-29 year olds born outside the EU



24% of "NEETs" among 18-24 year olds are born outside the EU

... due to multiple and specific factors

- Migration pathways and arrival conditions
- Recognition of diplomas and suitability for the labour market
- Discrimination in hiring
- Language skills
- Weak social and professional network
- Lack of knowledge of the codes and functioning of the labor market
- Precariousness (housing, debt, isolation...)

The potential of retirees and people over 50 is insufficiently valued



Often victims of prejudice, their activity rate is low and they have few opportunities to continue to develop and value their experience in a stimulating environment.



The 50+ age group represents
4 out of 10 French people



Only 23% of French employees
over the age of 55 think they have
opportunities for development
within or outside the company¹



53% of 55-64 year olds are
active compared to an
average of 59.1% in the EU²

The development of intergenerational mentoring is a powerful lever for social transformation that values the potential of people over 50

Important commitment that
reinforces self-esteem

Transmission of professional
experience

Integration into a network of
active seniors

Deconstruction of age
prejudices

Development of new skills

Link with youth and
openness to the world

¹ OCDE, 2020 2. Les salariés seniors français parmi les moins heureux en Europe, Baromètre Edenred-IPSOS (2015)..

DUO for a JOB is an innovative mentoring program for young immigrants based on intergenerational solidarity

More than a mentoring program...



DUO for a JOB organizes intergenerational and intercultural mentoring to facilitate the employment of young people from diverse backgrounds or refugees, while enhancing the experience of the 50+.



A volunteer, "the mentor", shares his or her knowledge and experience with a young person, "the mentee", in order to help him or her identify and achieve professional goals. This relationship ("duo") is based on an exchange, a learning process and a permanent and reciprocal trust.



The young person and his or her mentor meet for two hours a week for six months. Each duo is supervised and accompanied by a team coordinator throughout this period.

pursuing 3 key objectives...

1

Promote the socio-professional integration of young people

2

Valuing the skills and experience of 50+ people

3

Strengthen social cohesion and local solidarity

... by mobilizing a mentor to accompany a young person who is often discriminated against in accessing employment



The mentor

- Is a volunteer
- Is over 50 years old
- Has professional experience to enhance
- Is available for 6 months

The mentee

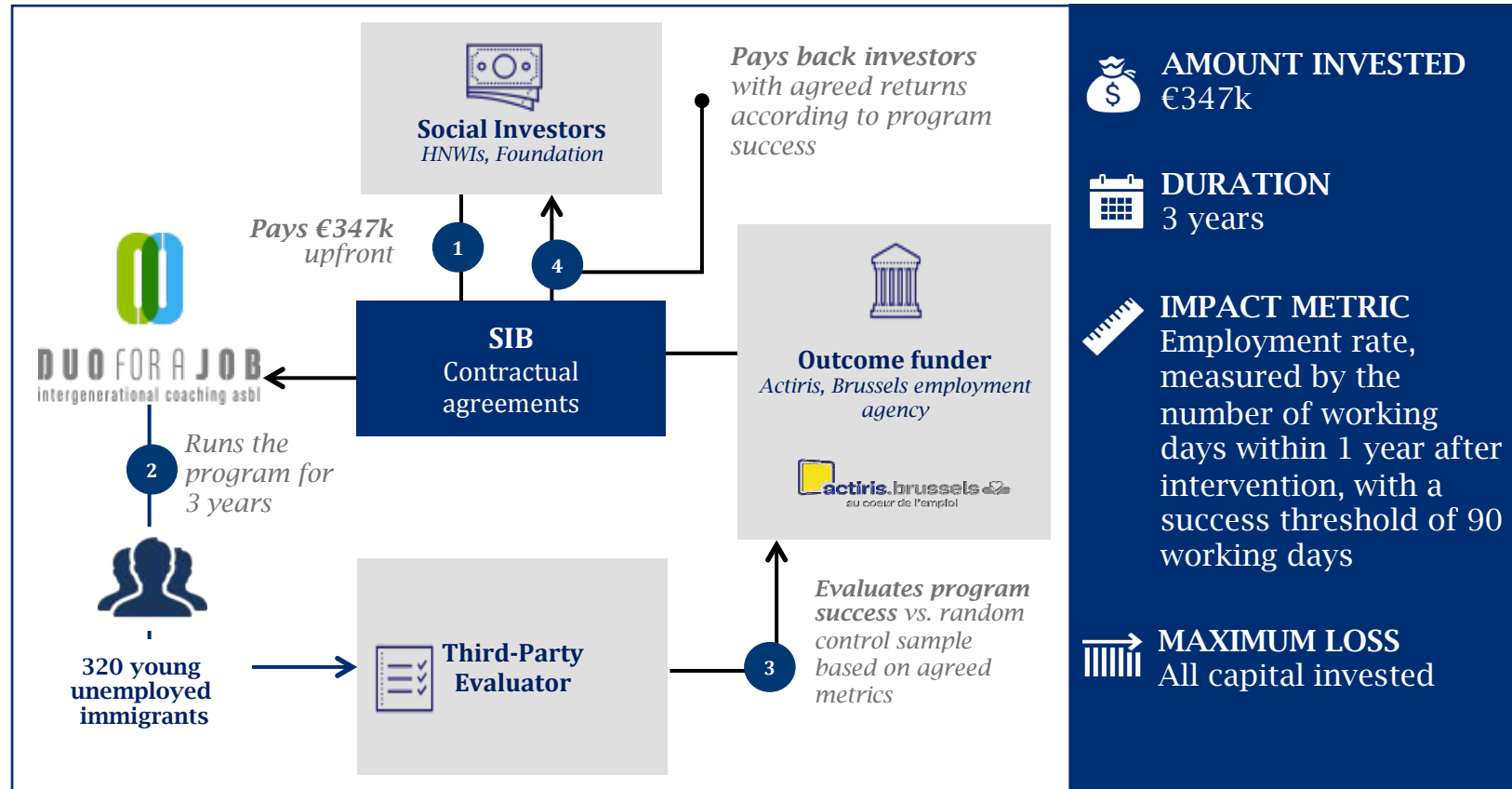


- 18 to 33 years old
- Is looking for a job
- Is from an immigrant background (outside the EU)
- Has the right to work in France
- Speaks French or English

DUO for a JOB's first Social Impact Bond was launched in 2014

In 2014, KOIS successfully structured, launched and managed one of the first SIBs in Continental Europe, helping young unemployed immigrants in Belgium find their first job.

The Impact Bond mechanism & terms



AMOUNT INVESTED
€347k

DURATION
3 years

IMPACT METRIC
Employment rate, measured by the number of working days within 1 year after intervention, with a success threshold of 90 working days

MAXIMUM LOSS
All capital invested






Expected impact

- 322** duos created, in line with targets
- ~42%** of the SIB's three cohorts work 90 days+ the year following the intervention, doing better than the targeted employment objective¹
- €38,400** total cost of a job seeker for the government/ year²
- €2,700** total cost invested via the SIB for each of DUO's mentees who found a job (i.e. worked 90 days+ within one year of the intervention)

Snapshot on the successful results achieved by DUO for a JOB

DUO for a JOB vs. control group results

- Three cohorts benefitted from DUO's 6-month mentorship program between 2014 and 2017.
- DUO's mentees employment results were compared to those of 3 control groups, composed of 4,000+ randomly selected individuals, recently registered at Actiris and with similar characteristics (i.e. age and nationality).

	 1st cohort	 2nd cohort	 3rd cohort
Number of DUO's mentees	70	110	142
Employment rate of DUO's mentees	42.9%	43.6%	38.7%
Employment rate of control group	33.7%	30.5%	33.4%
Overall employment ratio	1.28		


On average, the employment rate of DUO's mentees, weighted by the number of participants per cohort, was **28% higher than control groups**.



Achieved social and economic impact

 **322**
Duos created

 **€2,610**
Cost of program per job created

 **133**
Job placements for DUO's mentees

 **€763k**
Total savings generated via the SIB (i.e. 2,1x total program cost)

 92% for the government
 8% for investors

Financial return

 **4%**

Average annual financial return for investors

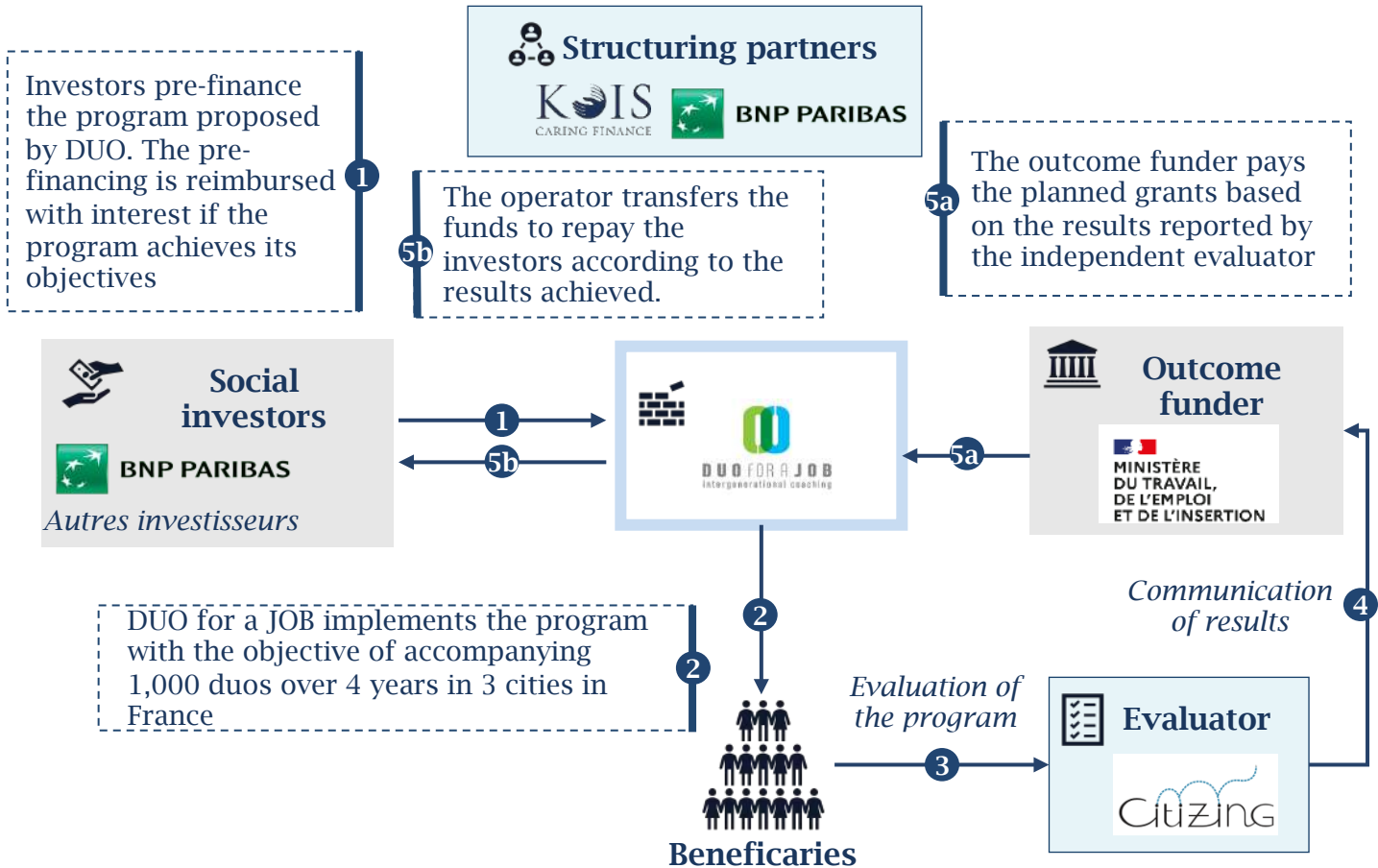
Benefits perceived by DUO about SIBs

- **Growth accelerator:** Transforming a high-risk idea into a fast-growing social enterprise (€3mn budget today).
- **Building credibility** for public and private investors through a rigorous impact measurement system
- **Access long-term financing** from Actiris which became a structural partner of DUO.
- **Increased visibility** to investors (50+ organisations today) but also to mentors (850 active mentors today, with a retention rate of 90%).



Following this success, KOIS is now structuring a second SIB for DUO for a JOB in France

STRUCTURE



AMOUNT INVESTED
 €2.5m

DURATION
 6.5 years

IMPACT METRIC

- Number of duos launched by DUO in France over the 4 years of intervention, target **1,000 duos**
- Rate of positive exits into employment or training recorded 12 months after the end of the support program maximum objectives of 68% of positive exits and 51% of exits into employment

MAXIMUM RETURN
 IRR 6.7%

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Case study: MHM DIB



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The multidimensional issue of Menstrual Hygiene Management (MHH)

Problem statement



250mn

girls between 10 and 14 years old in less developed countries face difficulties accessing sanitary products¹



500mn

women worldwide do not have infrastructures to change their menstrual protection products²

In Ethiopia



80%

of women and girls in rural areas use alternative home-made hygiene products³



70%

of girls in Ethiopia don't know about menstruations before they occur for the first time⁴



Copyrights: Be Girl

Three types of interventions needed



Raising the awareness of populations on MHH to change negative perceptions associated to menstruations and improve practices



Providing access to high-quality menstrual hygiene products that fit the women and girls' needs and preserve the environment



Providing access to MHH-friendly facilities: clean and maintained single-sex latrines with access to water, soap and a safe place to change and rest

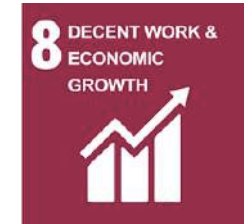
Development opportunities



Improvement of the health, lifestyle and well-being of adolescent girls



- Adolescent girls empowerment
- Economic integration
- Ending stigma



Increase of employment opportunities and reduce the gender pay gap

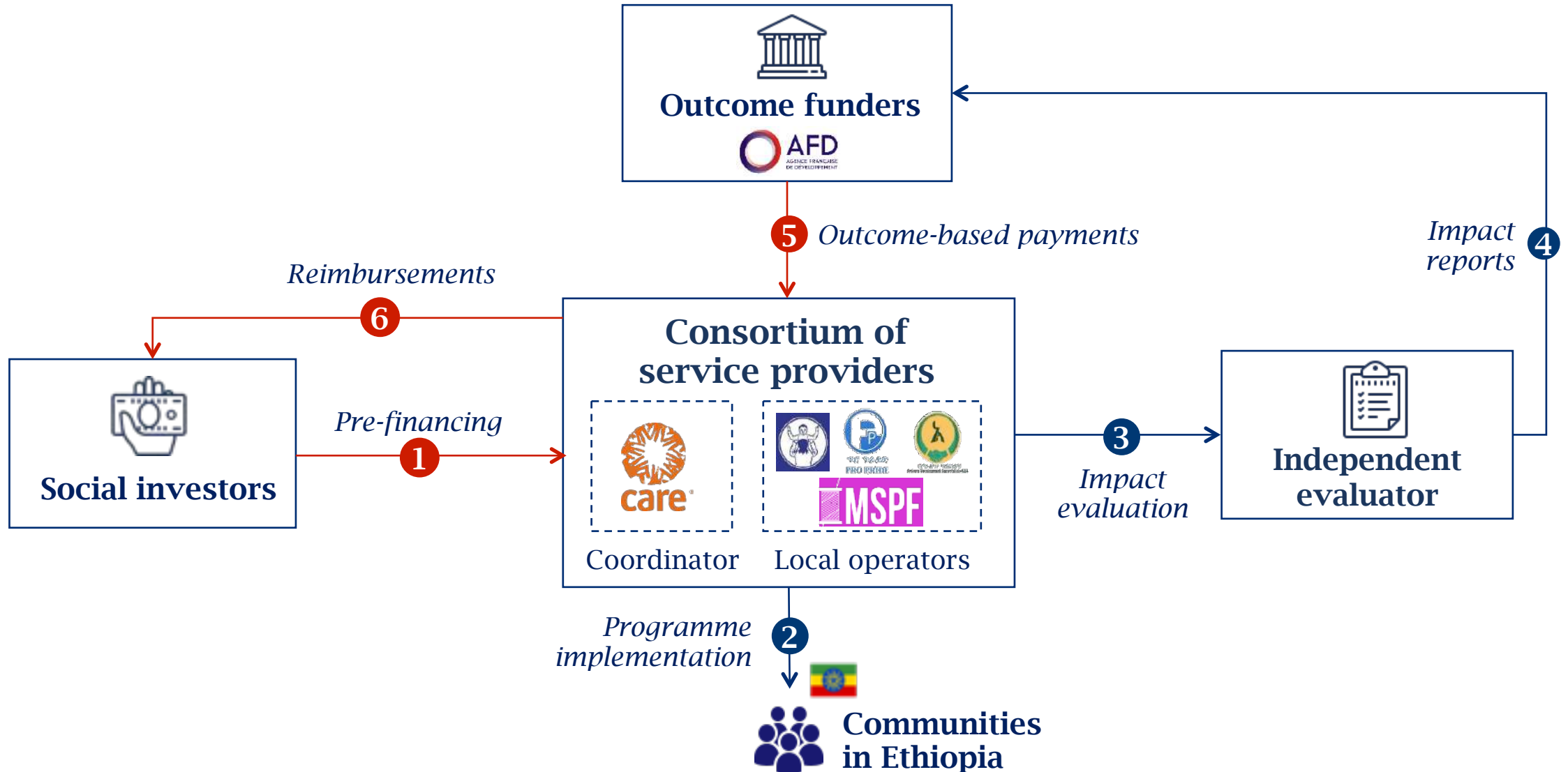


Inclusive and equitable education for adolescent girls



Access to clean water, sanitation and hygiene

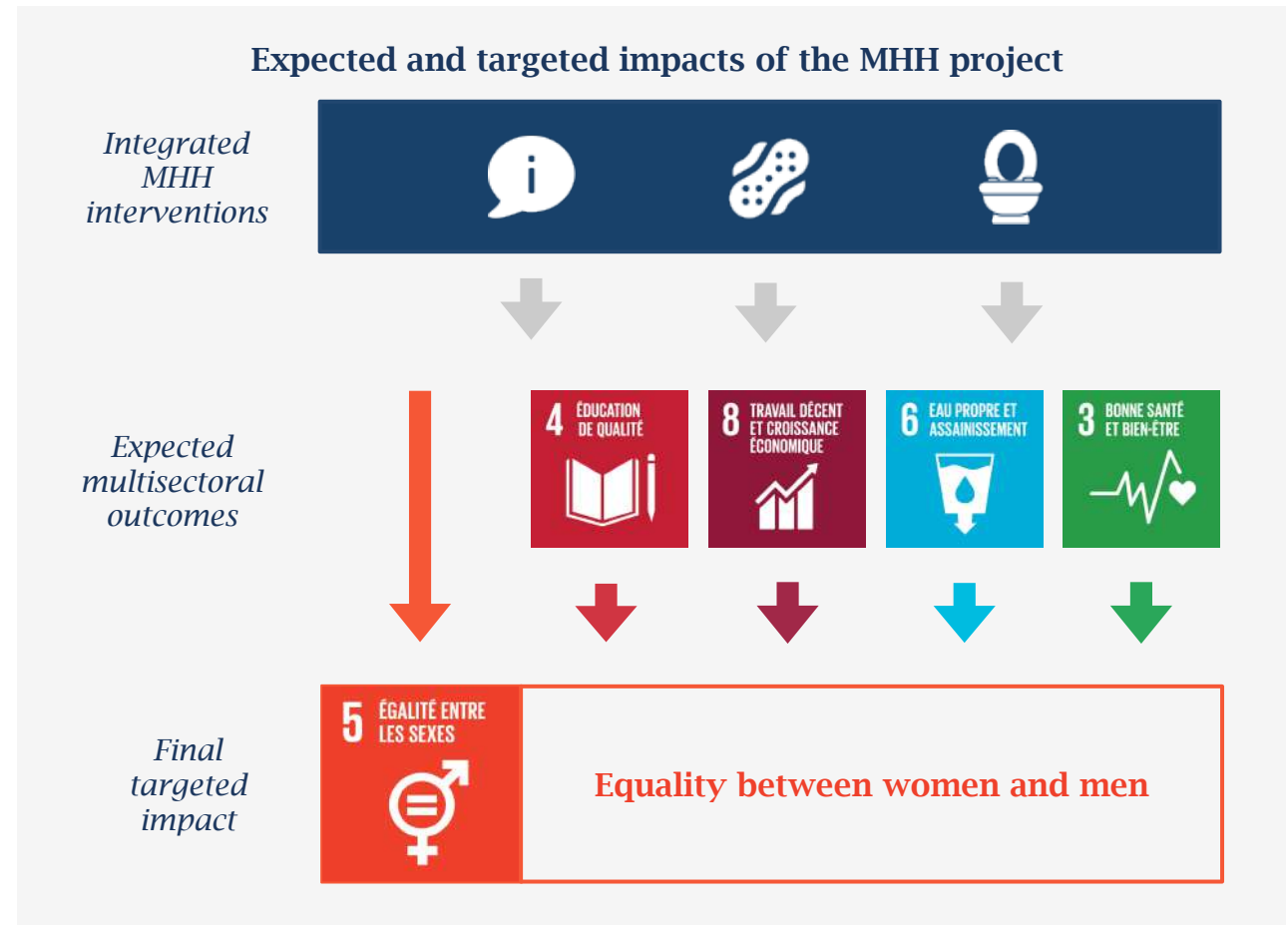
The Menstrual Health and Hygiene (MHH) DIB funds a consortium of service providers



 Financial flows
  Non-financial flows

The integrated MHH interventions, coordinated by the NGO CARE enables the DIB to address several development goals simultaneously

- The DIB will rigorously assess the impact of an **integrated programme** which combines the three pillars of MHH, whereas most studies to date focus on single-pillar interventions and use non-robust evaluation methods.
- Given the **multidimensional nature of MHH**, the DIB will use a **“nexus approach”** whereby gender, health, education, WASH, economic and, to some extent, environmental sustainable development goals are addressed simultaneously.
- The MHH DIB will be the first with a **development objective focused on gender equality**, by changing the beliefs of communities related to menstruation and encouraging the adoption of MHH practices, in order to empower girls and women and improve their place in society.
- The **payment metrics will target overall gender equality indicators** (e.g. mobility of women during menstruation, MHH knowledge of the community) rather than specific sectoral indicators (e.g. school performance, urogenital infections, access to water).



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Inclusive livelihood programmes help refugees and host communities build resilience



ENABLING PEOPLE AFFECTED BY CONFLICT TO BECOME SELF-RELIANT

Being able to earn a safe, dignified, and stable income is vital for displaced people and their host communities to improve their wellbeing. Despite the formidable efforts of host countries and foreign donors, 7 out of 10 Syrian refugees in Jordan and 9 out of 10 in Lebanon live below the poverty line.



CONTRIBUTING TO ECONOMIC RECOVERY AND SOCIAL COHESION

Economic resilience and inclusion have the potential to transform a host country's demographic boost into an economic opportunity. They can also support the economic reconstruction of the home country, if and when refugees are able to return



REFUGEES BECOME ACTIVE CONTRIBUTORS IN THEIR HOST COMMUNITY

When refugees can earn an income, they become consumers in their host communities. A recent study in Lebanon found that for every \$1 spent on refugee programming, \$2.6 was put back into the Lebanese economy.

But securing funding at scale to make a meaningful impact remains a challenge



LIVELIHOOD PROGRAMMES REQUIRE LONG-TERM FUNDING COMMITMENTS

Effective livelihood interventions typically require **3 to 5 years to see outcomes materialize and are thus outside of many traditional donors' and all humanitarian donors' timeframes and budgets.**



ADAPTABILITY IS KEY

Livelihood programmes are often deemed to be too risky for traditional grant funding due to the **limited evidence base and complex, non-linear, relationship between inputs/activities and desired outcomes.** This is exacerbated in dynamic operating environments, where flexibility and adaptability is key.



NO "ONE-SIZE-FITS-ALL" APPROACH

Livelihood programmes should respond to the diverse needs of the people they support. Adopting top-down or "one-size fits all" approaches can lead to disappointing results. **Solutions must be holistic and tailored to the local context to be successful.**

The Refugee Impact Bond funds the Near East Foundation UK (NEF) to deliver an evidence-based micro-enterprise and resilience-building programme

OBJECTIVE: Sustainably improve household ability to meet basic needs, and to improve confidence, bargaining power, and agency among women.

APPROACH: The Refugee Impact Bond funds the Near East Foundation UK to deliver a **vocational, entrepreneurship, and resilience-building programme for Syrian refugees and members of their host communities**. The programme focuses on helping participants **develop micro-enterprises¹**.

BENEFICIARIES



75% women supported and 30% youth, both groups that are disproportionately impacted by the crisis



Aim is for 50/50 split of beneficiaries between **refugee and host populations**, current regulatory environment only allows 30/70 split in Jordan.



Working in **urban and peri-urban areas**.

ACTIVITIES

The intervention model has been designed by NEF and is delivered in partnership with **Community Based Organizations** with strong connection to local populations

- **Training** in financial literacy, resource management, business planning and management
- **Vocational and technical** skill building (demand-driven)
- **Cash grants** to support the creation or expansion of to support the creation or expansion of MSMEs/IGAs²
- **Acceleration services** to support sustainability and growth through mentorship, coaching etc.

EXPECTED IMPACT IN JORDAN

4,380 refugees and Jordanian aspiring entrepreneurs supported

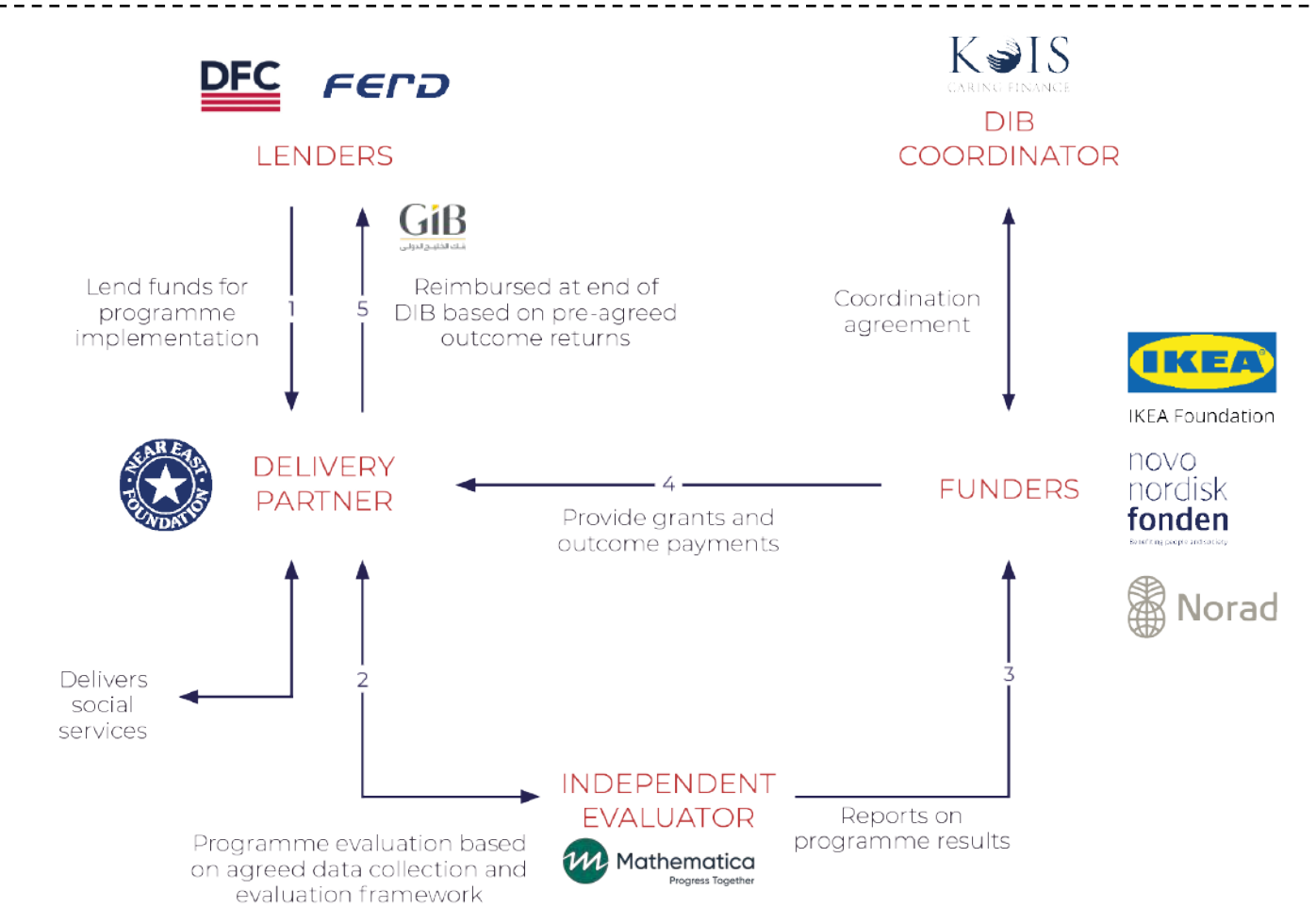
+17% expected increase in household consumption



1. Micro-enterprise development is one of the most effective ways to create new businesses, jobs, wealth, and economic independence for disadvantaged communities, while contributing to more dynamic and stable economies. 2. Small income generating activities

The first tranche of the Refugee Impact Bond was launched in Jordan in 2022

DIB structure and parties



Terms

- Investment size: **\$9.8m**
- Maximum capital loss: **20%**
- Maximum investor return: **5.1% ARR**
- Target population: **Refugees and vulnerable host communities (75% women and 30% youth)**
- Payment metrics:
 - # of businesses created & still active after 10 months**
 - Increase in household consumption 2 years after business creation**
- Non-payment metrics: **Women's agency, bargaining power, self-confidence, and household savings**

Metrics & Evaluation (M&E) framework

1 The main metric is outcome based ...

Payments to investors will be triggered only if the number of businesses created or expanded thanks to the program **that still exist after 10 months is higher than the past performance of NEF's intervention.**

➤ 2/3rd of returns

2 ... while the impact metric will trigger subsidiary payments

The effect of the intervention on household consumption levels will be tracked to verify the sustainability of the intervention and its positive effect on household welfare¹.

➤ Additional return, up to 1/3rd

3 Other outcome goals:

Capitalizing on the fixed costs of the outcomes verification process, the DIB will also assess the impact of other outcome goals of interest embedded in the program's theory of change:

Women's agency

Mobility, freedom of movement and freedom from family domination. *(e.g. confiscating assets, forbidding work or travel)*

Bargaining power

The extent to which female beneficiaries make decisions in the household *(e.g. on health, spending)*, exercise influence at community level, and practice economic bargaining.

Self-confidence

Qualitative assessment via the Rosenberg Self-Esteem Scale, a 10-point item scale that measures both positive and negative feelings towards the self.

Household savings

As stated by survey respondents. *(household income - consumption)*

Finally, the evaluation will **assess important elements of the program results chain** (including key assumptions and program implementation fidelity) **to support learning and adaptation for NEF.**

1. Household consumption is used instead of activity profits because the evaluation design report led to the conclusion that precise tracking of profits was very complex in the context of the DIB, and that the probability of collecting sufficient reliable data was low (full report available).

Impact metric – program’s effect on aggregated household consumption

Household consumption will be captured **24 months** after the end of the first cohort.

- Aggregated value of a household’s
 - ✓ **consumed food items, housing, and consumer durables**
 - ✓ **purchased non-food items.**
- **Level of debt** will also be captured as it is a widespread burden in middle-income countries and is more likely to affect refugees.

Quasi-experimental evaluation with creation of a counterfactual control group

Data will be collected at the beginning of each cohort to create the baseline.

DIB targets were set on the basis of external benchmarks results¹.

Under the condition that the minimum target for the outcome metric has been reached, i.e. 1798 surviving enterprises

- **Payments will be triggered when the program outperforms the midpoint of the upper and lower bounds reported by the benchmark group, which is 0.225 standard deviation.**
- **Maximum repayment will be triggered if the program performs as well as the external benchmark program with the highest reported effect size (0.38).**

Lower bound	Upper bound	(effect sizes)
0.23	0.38	→ 2% IRR

1. Three similar programs in Uganda, one in Liberia, one in Sri Lanka and one in Bangladesh.

Questions?

Thank you!

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75004 Paris

The impact bond structure displays multiple advantages for all parties involved

<p>For all stakeholders</p> 	 <p>Foster social innovation</p> <p>Test, catalyse and scale innovative solutions to social and development issues</p>	 <p>Increase accountability</p> <p>Increase transparency and accountability of service providers through robust impact measurement frameworks</p>	 <p>Bridge the social sector financing gap</p> <p>Bring new resources from the private sector at the crossroads of philanthropy and venture capital</p>	 <p>Enhance performance</p> <p>Improve efficiency by incentivising service providers to focus on impact, performance and quality of service</p>
 <p>Outcome funders</p>	 <p>Externalise risk Transfer execution and financial risks associated to innovation to social investors</p>	 <p>Increase Value-for-Money Allow to pay only for successful and efficient initiatives.</p>	 <p>Influence public policies Allow to capitalise on programmatic learnings to facilitate replication</p>	
 <p>Social investors</p>	 <p>Generate double bottom line Create meaningful social impact alongside attractive financial returns</p>	 <p>Diversify investment risk Allow to invest in a financial product that is uncorrelated with traditional asset classes</p>		
 <p>Service providers</p>	 <p>Diversify funding Increase multi-year funding and diversify sources from non-traditional donors</p>	 <p>Experiment innovation Participate actively to the design of innovative programmes without incurring financial risk</p>	 <p>Improve management Develop a performance-driven culture given the reporting requirements inherent to IBs</p>	

Key success factors of impact bonds



Innovation and flexibility

- As opposed to traditional grants, IBs finance **innovative programmes** by focusing on pre-defined impact targets rather than pre-determined activities.
- The programme should include a dimension of risk, **by testing an unproven model** or scaling a successful pilot, in order to justify the transfer of this risk to social investors.
- The service provider needs to demonstrate flexibility and pragmatism in running interventions, by continuously **adapting to the reality of the field** and taking corrective actions when needed, so as to maximise the level of impact.



Measurable outcomes












- The credibility of the mechanism depends on the **robustness of performance metrics** (*i.e. reliably and accurately measured*) and the evaluation method (*i.e. attribution of impact*).
- The ability to collect data within the **DIB timeframe** (*i.e. 2 to 5 years*) is key to determine **not** only the success of the intervention but also to enable course correction.
- The service provider should have a strong track record in collecting, measuring and assessing its performance to maximise the potential impact of interventions.



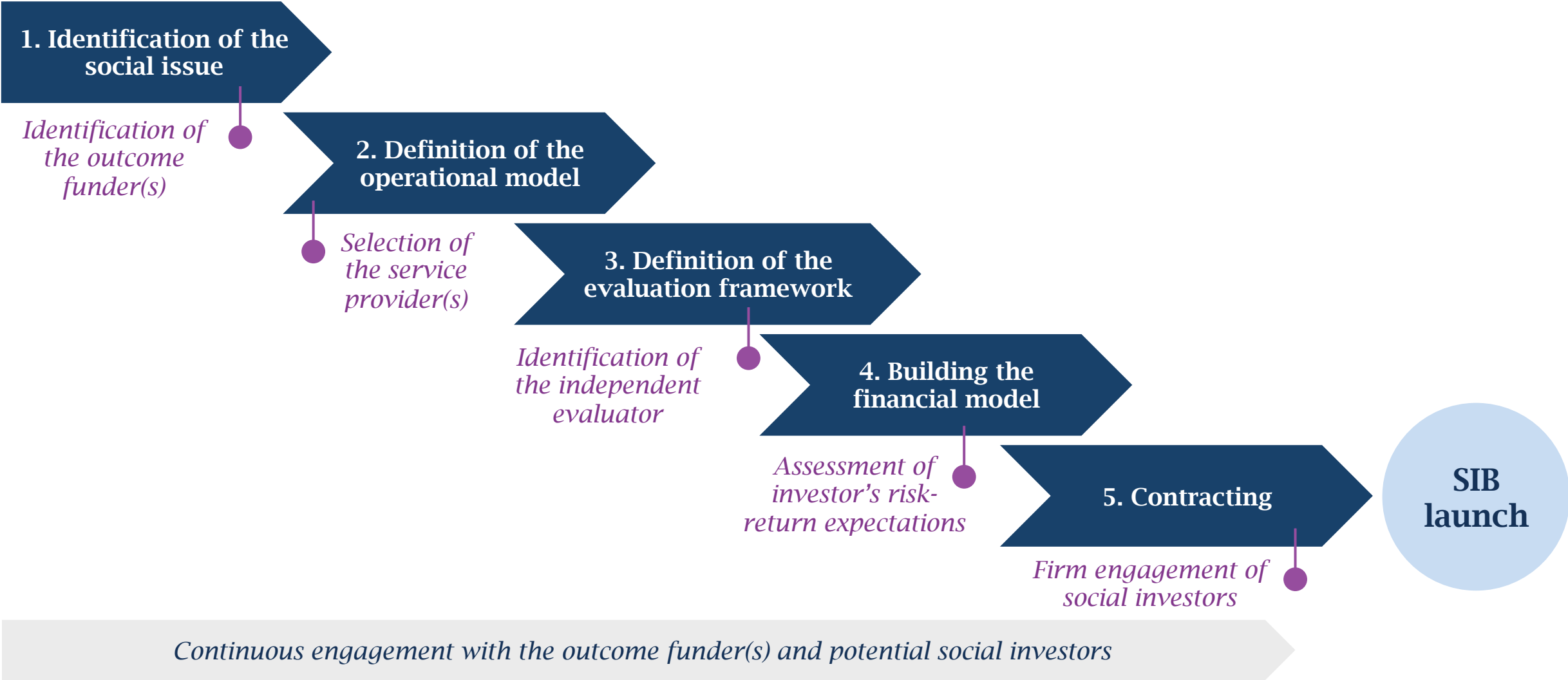
Alignment of stakeholders

- DIBs bring together public, private and non-profit stakeholders who are not used to working together, creating a space for creativity and cross-learning.
- A strong engagement is required from all parties to collaboratively design and manage an instrument that fits and aligns all interests at stake.
- A solid and flexible governance is necessary throughout the DIB's life to coordinate stakeholders and facilitate decision-making processes in a timely and appropriate manner.

Zoom on KOIS's DIB feasibility and relevance assessment framework

RELEVANCE CRITERIA		FEASIBILITY CRITERIA	
 Execution risk justifying use of external capital	<p><i>An uncertainty related to the implementation of the interventions has been identified and justifies the opportunity to transfer the execution risk to investors.</i></p>	 Measurability and attribution of outcomes	<p><i>A causal link between the interventions implemented and the metrics chosen to play the role of payment metrics can be established.</i></p>
 Need for additional working capital at service provider level	<p><i>Service providers do not have the necessary funds to finance their interventions over time or to set up the monitoring & evaluation framework required to assess and improve their impact.</i></p>	 Reasonable time horizon to see impact	<p><i>The selected payment metrics are measurable within a short time horizon (1 to 2 years) in order to ensure the potential repayment of investors within a reasonable time frame.</i></p>
 Potential efficiency gains from interventions	<p><i>Tangible improvements in the efficiency of interventions are expected. Coordination between service providers, as well as the roll-out of a monitoring & evaluation framework has strong potential to help generate expected efficiencies.</i></p>	 Existence of an ecosystem of reliable service providers	<p><i>Service providers with a strong track record in intervention deployment and Experience in monitoring results exist in the countries under consideration and are able to adapt to the complex realities on the ground.</i></p>
 Innovative and/or scalable interventions	<p><i>The interventions are innovative in the countries under consideration (generally interventions at the pilot stage or post-pilot, with the potential to be scaled up).</i></p>	 Favorable policy environment	<p><i>Interest of the local government in the thematic - both at central and relevant local level - creating a favorable environment for action.</i></p>
 Partnership and collaboration opportunities	<p><i>The interventions to be financed require the collaboration of several key players - service providers, investors, international donors, local governments - whose interests need to be aligned.</i></p>	 Private capital availability  International donor interest	<p><i>Potential outcome funders and social investors show an interest in both the development issue to be solved, the targeted geographies, as well as the impact bond mechanism.</i></p>

Key steps in building a Social Impact Bond



Menstrual Health and Hygiene (MHH) DIB in Ethiopia

We launched in November 2021 a DIB to MHH interventions in Ethiopia in collaboration with the French Development Agency, the NGO CARE International and French banking group BNP Paribas.

Context & objectives

- Menstruation is a key component of a woman's life. Yet it remains a **taboo in many culture**. MHH is **underestimated and underfunded** in the developing world.
- **70% of girls in Ethiopia** don't know about menstruations before they occur for the 1st time.¹
- Academic literature tends to show that **MHM has a positive influence on education and performance, health and gender equality**, but interventions need to be better monitored to reveal their effective impact.
- Intervention packages includes three components: **awareness-raising** on menstrual hygiene management; **construction and maintenance of sanitary infrastructures** and **production and distribution of sanitary products**.

Terms of the bond

Feasibility → Structuring → Execution



AMOUNT
\$3m



DURATION
3 years



EXPECTED RETURN
5-6% IRR

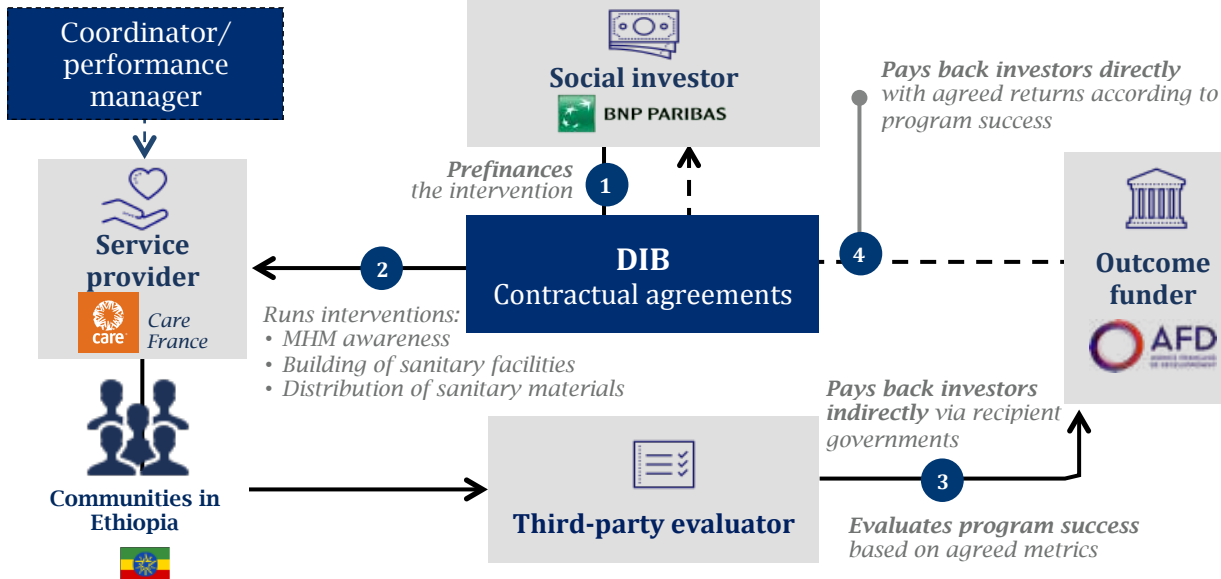


PAYMENT METRICS

Increased mobility of women & girls during their menstruations; increased knowledge of communities about menstruations; MHH needs met of women and girls; % of schools with MHH-friendly infrastructures; % of vouchers converted into reusable sanitary pads purchases



MAXIMUM LOSS
100%



300k+
Beneficiaries served in Ethiopia

Increased access to MHH-friendly sanitary infrastructures

Increased knowledge, self-esteem and confidence of girls

Increased access to sanitary products via local production sites

¹UNICEF Ethiopia