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Catalysing change: how innovative financing can fuel humanitarian progress

Welcome to this session



Webinar co-hosts



Pawel Mania
Deputy Director
Impact & Influence
HLA



Elise Baudot Queguiner
Head of Humanitarian Financing
ICVA

Our expert panel



Ragia Amr

Program Director
Flat6 Labs Start Mashreq



Ellen Brooks

Director, Innovative Finance
International Rescue Committee



Carolina Douek


Associate Director for
Innovative Finance
Save the Children Global Ventures

Agenda

- Welcome and introductions
- Panellist presentations: Carolina, Ellen & Ragia
- Panel discussion
- Submit your questions using the Zoom Q&A function



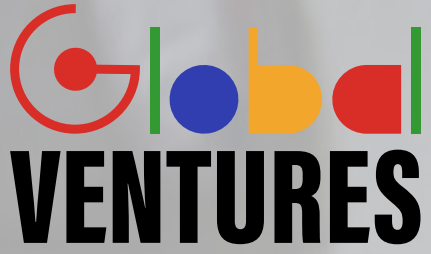
Housekeeping

- This webinar is being recorded: the slide deck and recording will be shared via post event email. An HPass digital badge is available for attendees.
- Type your questions in the Zoom Q&A function for discussion at the end
- Use chat for reflections & reactions
- Reminder: please keep questions and comments respectful and on-topic
- You can turn on captions (including translated captions) by clicking on 'More' at the bottom of your screen and then  ...and selecting your language

Carolina Douek

Associate Director for
Innovative Finance
Save the Children Global Ventures





Innovative Finance in Humanitarian Settings

September 2024

WHO WE ARE



SCI Staff holding a girl at Child Friendly Space in Mykolaiv, Ukraine

The world's original and largest, independent children's rights organization.

We create positive, lasting change for and with children.

Every child deserves:

A childhood free from violence

Protection from violence and freedom to be who they want to be.

Help to cope in future shocks

Support to build resilience to climate disasters and other emergencies.

Quality learning

A safe, inclusive, quality education, so they can shape their future.

A healthy start in life

Essential healthcare and nutritious food to grow into healthy adults.

IMPACT



105 MILLION
CHILDREN SUPPORTED
IN 94 COUNTRIES



33.7 MILLION
CHILDREN WITH
HEALTH & NUTRITION



8.5 MILLION
CHILDREN WITH
EDUCATION



3.8 MILLION
CHILDREN WITH
POVERTY REDUCTION



3.3 MILLION
CHILDREN WITH
CHILD PROTECTION



99
POLICY CHANGES
THROUGH OUR
ADVOCACY AND
CAMPAIGNS

For example, in 2023:



45,000 community health workers and carers trained in evidence-based ways to prevent and treat childhood illnesses and under-nutrition.



8.5 million children were enrolled and attended safe, inclusive quality learning.



25 government and global institutions influenced to make 57 policy changes that will protect children from violence.



8 million people supported to maintain their livelihoods, including 1.2 million people who received cash assistance.



31.4 million children and adults supported in emergencies in 63 countries.

Save the Children Global Ventures

The specialist team dedicated to leveraging innovative finance and taking new technologies to scale.



STRATEGY, PARTNERSHIPS & EXPERTISE

Combining Save the Children's global delivery platform, our extensive relationships with institutional and private donors and our deep local knowledge and expertise, **Save the Children Global Ventures** will:

- Catalyse large **blended finance opportunities** in education, health and child protection
- Support a **family of impact-first investment funds** that provide a source of patient capital to take child-focused innovation to scale
- Leverage **loan mechanisms** to improve humanitarian response and organisational efficiency
- Secure **climate financing** to reduce carbon emissions, improve the environment & provide a source of SDG funding
- Support Save the Children's **portfolio of social enterprises** to increase their impact for children

What is Innovative Finance?

It is the use of traditional private sector tools and strategies in Humanitarian and Development settings

| CROWD IN PRIVATE SECTOR | IMPROVE EFFICIENCIES | RAISE ADDITIONAL FUNDS |
|---|--|--|
| <ul style="list-style-type: none"> • Microfinance Investment Funds • Impact Investment Funds • Direct equity • Concessional loans • Guarantees • Catalytic Grants • Bonds  | <ul style="list-style-type: none"> • Performance-based contracts • Impact Bonds (SIBs/DIBs) • Debt-swaps/Buy-downs • Conditional Cash Transfers • Awards and Prizes • Advance Market Commitments • Insurance Schemes  | <ul style="list-style-type: none"> • Innovative taxes • Crowdfunding • Voluntary Contributions  |

Impact Investment Funds

Provide a patient source of capital to take innovation to scale

Impact Funds make investments with the intention to generate positive, measurable social and environmental impact alongside a financial return.

The Global Impact Investing Network estimated that more than \$1T was invested in impact funds globally in 2022.

In 2023, Save the Children launched **a second, commercial fund, seeking to raise A\$25m** ('Fund II'). The fund's geographic focus is Asia and the Pacific.

We also have a '**venture philanthropy**' fund, the Children's Impact Multiplier Fund.

We plan to launch an **African focused fund** (Fund III) in 2024.



EXAMPLE: SAVE THE CHILDREN AUSTRALIA'S IMPACT FUND

In 2020, Save the Children Australia raised A\$7.5m to establish the first commercial impact fund operated by a development NGO.

Since then, we have deployed more than 60% of this capital into seven investments: [Ngutu College](#); [Inquisitive](#); [Dataro](#); [ThinkMD](#); [Oho](#); [Zeraki](#), [ATEC](#) and [Intellischool](#).

We believe if we invest in health, education and child protection – the thematic areas where we have deep technical expertise and global networks – we can help start-ups have much greater social impact, faster, as well as making strong financial returns



Results-Based & Blended Finance Products

Drive strong, measurable outcomes for children

Results-based financing (or RBFs) is the name given to a broad range of approaches where the payment of at least a portion of development assistance is dependent on verified achievement of results.

RBF is sometimes called *outcomes-based contracts* and includes *development impact bonds* and *social impact bonds*. RBF can be contrasted to the traditional way of providing development assistance where the funder pays an implementing partner like Save the Children exclusively based on eligible incurred costs (expenses).

Blended Finance is the use of 'catalytic' capital from public or philanthropic sources to increase private sector investment in sustainable development. The catalytic capital could be funding from: state-owned development finance institutions ('DFIs') and from multilateral development banks (like the World Bank and African Development Bank); from philanthropists; or from specialist funds, like our Children's Impact Multiplier Fund.

EXAMPLE: SIERRA LEONE EDUCATION INNOVATION CHALLENGE

A \$10m results-based finance project, seeking to increase literacy and numeracy of primary school children in **Sierra Leone**.

The Education Outcomes Fund (EOF) aims to improve learning outcomes by tying funding to measurable results. Save the Children is one of the selected implementation partners for delivery.



Climate Finance

Carbon credits with 'co-benefits'

Climate finance is local, national or multilateral funding that seeks to support climate change adaptation and mitigation. It includes funding from the **Green Climate Fund**, the **Global Environment Facility** and from the sale of carbon credits.

Save the Children is currently the *only* development NGO accredited to the Green Climate Fund. We have two approved projects and another 12 in various stages of development.

We are also developing projects that leverage high quality **carbon credits** to generate co-benefits such as education, employment or health outcomes.

We have created the **NbS4Children Accelerator** to scale community led NbS projects that deliver for children & their communities.

EXAMPLE: OLKOLA AJIN FIRE PROJECT

The Olkola Ajin Savannah Burning Project involves Australian Aboriginal traditional owners burning their traditional lands early in the dry season to reduce carbon emissions from wildfires.

In 2022, the Olkola people sold 55,000 Australian Carbon Credit Units at A\$30 each, netting A\$1,468,500. This funding was used to enhance livelihoods for the Olkola people.

Carbon Markets Partner

To help us accelerate nature-based carbon projects, Save the Children has partnered with **Carbon Neutral**. Carbon Neutral provide carbon reduction and offset solutions to clients across the globe. We are working with Carbon Neutral on a range of nature-based carbon projects in Asia and Africa.

Thematic Pillar and Geography - Ukraine



In Kind Food Assistance

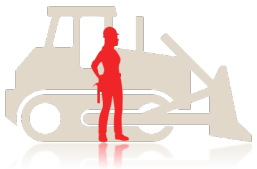


Household Economic & Recovery

THE
POSSIBLE



Resilient Agriculture



Youth Economic Empowerment

THE POSSIBLE

THE

POSSIBLE

DESIGN

Objective

To support impact-driven entrepreneurs so they are empowered and at the forefront of the long-term recovery and renewal of the Ukraine

Target Group

SMEs that contribute to the community recovery with in-demand socioeconomic impact.

Approach

- Outreach and self-application of SMEs
- Determining impact and its value.
- Establish clear impact indicators.
- Provide grants (+ 0% in 2024)
- Monitoring and reporting on impact.

RESULTS

People and Businesses

120 Entrepreneurs received technical support

18 organizations fostering impact-driven movement

Assets and Finance

51 Social Enterprises Supported

Average Grant **\$3,000**

Collective Results

35 profitable social impact enterprises.

The Possible Alliance: Alliance of organizations committed to Social Entrepreneurship in Ukraine

The Possible Fund (concept): mixed financing grant + 0% loan, by the end of 2024.

civic

 Save the Children

Contact

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Useful Links

<https://scgv.org/>

<https://savethechildreninvestments.org.au/>

<https://thepossible.org.ua/en/>





A GLOBAL NGO NETWORK
FOR PRINCIPLED AND EFFECTIVE
HUMANITARIAN ACTION

Ellen Brooks

Director, Innovative Finance
International Rescue Committee



Innovative Finance: Humanitarian-investor partnerships to deliver outcomes to communities in need



**Airbel
Impact Lab**



Current humanitarian need gap is immense:
New paradigm needed to unlock private capital

- Average annual **funding gap for humanitarian priorities: \$40B USD**
- AUM of **global capital markets: \$100T USD**
- \$10T in emerging markets; existing capital not indexed towards humanitarian outcomes
- *It's not a money problem.*
- **Investors lack market knowledge in acute contexts**, creating uncertainty in risk assessment and effective implementation

*Investors can increase allocations to these contexts
with the advisory support of humanitarians, serving as 'boots on the ground'*

IRC Innovative Finance provides investment implementation support through humanitarian-investor partnerships

IRC

Possesses **deep humanitarian expertise** over decades of solution implementation and results tracking, alongside our robust footprint in acute contexts

Investors

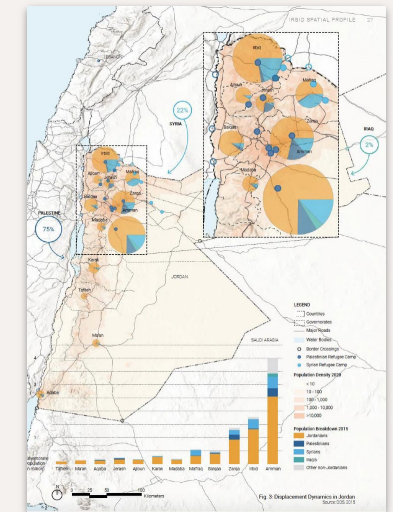
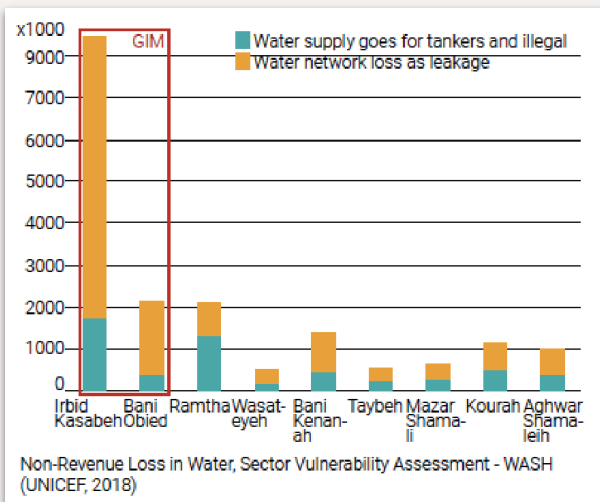
Possess **significant capital & the desire to drive social outcomes**, but lack experience & market knowledge to invest in acute contexts

Humanitarian-investor partnership

Leverages partners' complementary skill sets & goals to de-risk humanitarian investments, closing implementation gaps and driving significant financial & social returns

EBRD & IRC partnership for humanitarian blended finance: West Irbid wastewater infrastructure project

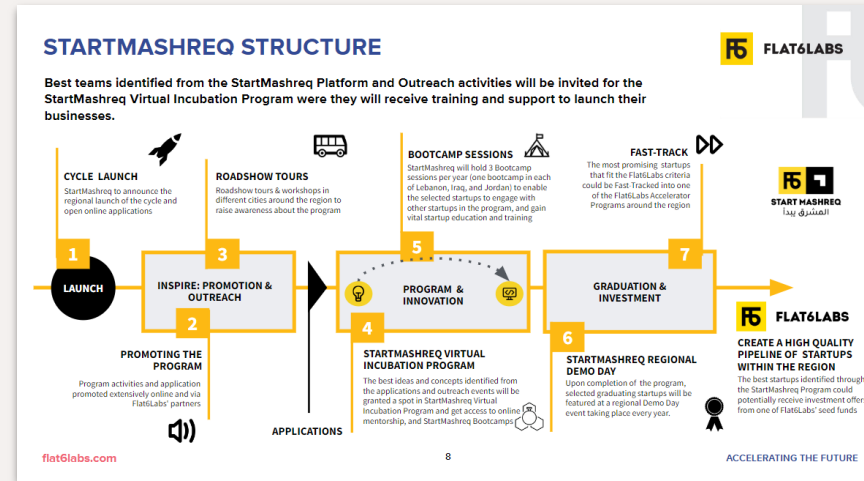
| Investor | Type of investment | Country | Investment size | Type of advisory provided |
|--|--|---------|-----------------|---|
| European Bank for Reconstruction & Development | Wastewater infrastructure financing for west Irbid; first time sewerage for 15 towns | Jordan | EUR 65M | Oversight on community engagement to ensure inclusion of humanitarian beneficiaries |



Key outcome: Introduction of treated wastewater connections / services to 15 towns for first time; expected benefit of **200K individuals**

Flat6Labs & IRC accelerator pilot: Catalyzing the startup ecosystem in the Mashreq region

| Investor | Type of investment | Country | Investment size | Type of advisory provided |
|--|--|---|-----------------|---|
| Flat6Labs: Mission-driven investment firm | Building a transaction facility to raise capital for private sector businesses | Mashreq region (Lebanon, Iraq, Jordan) | \$150M USD | Providing 'humanitarian due diligence' on investment committee to ensure credible social outcomes achieved through investment |



Key outcome: Hosted 2 in-person events with over 100 participants, driving community engagement for **\$10M in capital pledged by Flat6Labs**

Our resources



Advisory Model Partnership Playbook
for Investors & Humanitarian Partners

LEVERAGING PARTNERSHIPS FOR IMPACT

Airbel.Rescue.org

Access our Playbook [here](#)

Read our Op-Ed [here](#)

GLOBAL VIEWS | SPONSORED BY INTERNATIONAL RESCUE COMMITTEE

Opinion: Investors need a 'humanitarian in residence' to scale impact

By tapping humanitarians as consultants, cross-sector partnerships can bridge gaps between investors and the humanitarian sector. International Rescue Committee's Ellen Brooks Shehata weighs in.

By *Ellen Brooks Shehata* // 16 January 2024



Ragia Amr

Program Director
Flat6 Labs Start Mashreq





FLAT6LABS



**ACCELERATING
THE FUTURE**

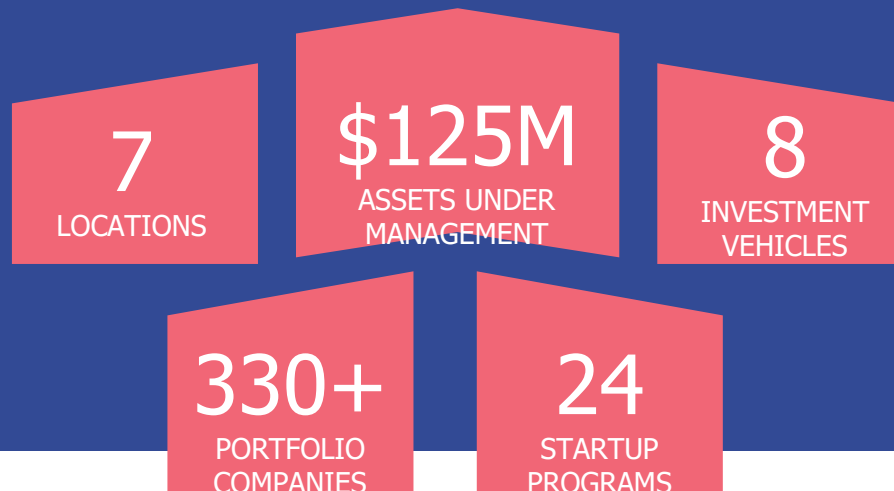
About Sawari & Flat6Labs



Who We Are

Flat6Labs is the MENA's leading seed stage VC platform & manager of the most renowned startup programs in the region.

Since 2011, we have been enabling thousands of passionate entrepreneurs to achieve their daring ambitions and ultimately becoming their institutional co-founders. We work with our investors and partners to support startups from idea-stage all the way to Series A.



What We Do



Flat6Labs manages venture capital seed funds and runs programs throughout the entire lifecycle of the entrepreneur.



STARTUP PROGRAMS

Flat6Labs' exceptional programs accelerate the growth of startups by providing them with a plethora of support services and connecting them to unparalleled opportunities.



SEED FUNDS

Flat6Labs manages a number of seed funds with a total AUM in excess of \$85M. Flat6Labs provides a wide range of investment ticket sizes ranging from \$50k to \$500k.



CORPORATE INNOVATION

Flat6Labs is the go-to partner for corporates looking to innovate from within by offering bespoke innovation and community-led startup programs.

Our Locations

Launched and headquartered in Cairo since 2011, Flat6Labs has 7 offices across the MENA region, with ongoing plans to expand into other emerging markets.



EG Egypt **2011**

The largest¹ market in MENA by population and Flat6Labs' headquarters since 2011.

SA Saudi Arabia **2013**

The fastest growing market for tech and digital investments and Flat6Labs' first expansion outside of Egypt.

AE UAE **2014**

Ranked 1st in terms of total funding for startups in MENA and the 3rd market Flat6Labs enters.

TN Tunisia **2017**

One of the fastest-growing startup ecosystems in the MENA region. Flat6Labs established the first seed program backed by a VC fund in the country.

LB Lebanon **2017**

Flat6Labs established the first seed fund backed by BDL's Circular 331 in the country.

BH Bahrain **2018**

Ranked among the world's top five fastest-growing and friendliest startup ecosystems and Flat6Labs' 3rd location in the GCC region.

JO Jordan **2021**

One of the most established and renowned startup ecosystem in region and Flat6Labs' 7th location.

Our Institutional Investors & LPs



25+ institutional investors across the world and the region with belief in the flourishing MENA startup ecosystem have invested in our funds, to provide capital and support to our startups

DFIs & HOLDING COMPANIES

GOVERNMENT FUNDS & ENTITIES

VCs & DEVELOPMENT ENTITIES



FAMILY OFFICES & HNIs



COMMERCIAL BANKS



Our Startup Programs



SEED PROGRAMS

SEED PROGRAM CAIRO
EG | Flat6Labs Cairo Seed Program

SEED PROGRAM TUNIS
TN | Flat6Labs Tunis Seed Program

SEED PROGRAM BEIRUT
LB | Flat6Labs Beirut Seed Program

SEED PROGRAM BAHRAIN
BH | Flat6Labs Bahrain Program

SEED PROGRAM ABU DHABI
AE | Flat6Labs Ignite AD Seed Program

SEED PROGRAM AMMAN
JO | Flat6Labs Amman Seed Program

SOME OF OUR PARTNERS



ACCELERATOR PROGRAMS

FLAT6 LABS JEDDAH
SA | Flat6Labs Jeddah Accelerator

FLAT6 LABS ABU DHABI
AE | Flat6Labs AD Accelerator

1864 accelerator
EG | Barclays 1864 Accelerator

مسرعة فنتك Fintech Accelerator
SA | Fintech Saudi Accelerator

SOME OF OUR PARTNERS



ECOSYSTEM DEVELOPMENT PROGRAMS

START EGYPT
EG | Start Egypt Initiative

MISK INNOVATION
SA | Misk Startup Bootcamps

IGNITE TUNISIA
TN | Ignite Tunisia Program

ابدئي Ebdai
EG | Ebdai

future innovators academy
AE | Future Innovators Academy

Innovation Champion
TN | CRC Innovation Champion

GreenWorks Program
TN | GreenWorks Tunisia

برنامج ريادة الأعمال و الشاملة DICE Egypt
EG | DICE Egypt

SOME OF OUR PARTNERS



StartMashreq





START MASHREQ

المشرق يبدأ

STARTMASHREQ ENTREPRENEURSHIP INITIATIVE

Flat6Labs proposes a strategic partnership to launch a unique innovation & entrepreneurship virtual incubation platform focused on startup ecosystem development and capacity building throughout the Mashreq region (specifically Lebanon, Iraq, Jordan and displaced populations) in partnership with the IFC.

Entrepreneurship Platform

Flat6Labs will launch an **online educational platform** and online community to support entrepreneurship and innovation within the Mashreq region. **StartMashreq will offer startup tools, content, courses and programs in Arabic and English**, targeting people who want to learn how to start a business. Access to the StartMashreq platform will be offered **for free for the public**

Outreach & Incubation Programs

Flat6Labs will create a blended (online and in-person) **virtual incubation program and outreach activities for aspiring entrepreneurs within the Mashreq Region**. StartMashreq will support selected startups by providing access to the Flat6Labs network throughout the MENA region, group training sessions, and startup bootcamps. **At the end of the program, the top performing teams from the program will be offered a fast-track route to**

START MASHREQ ONLINE PLATFORM



StartMashreq will aim to inspire and support displaced entrepreneurs, empower female-led startups in the Mashreq Region, create more investment-ready startups, and integrate the regional startup ecosystem.



Incubation Track

A blended (online and offline) virtual incubation program and outreach activities for aspiring entrepreneurs within the Levant Region.



Education Track

Access for thousands of potential entrepreneurs all year long to learn more about starting a business with hundreds of hours of content, videos, and educational material on business and entrepreneurship concepts.



Growth Track

A myriad of activities, exposure and legal support connecting top tier growth startups with millions in funding from accredited investors & VC's in exchange for no equity or fees.

STARTMASHREQ ONLINE PLATFORM

StartMashreq program consists of 3 diverse tracks which aims to reach more than 10,000 users on the platform, develop 300 educational content to inspire the community into the entrepreneurship field. The program will incubate 100 startups to ensure advancing into the market to reach the growth level and create a social and economic impact.



EDUCATION TRACK

Tutorials & Seminars

Workshops

Podcasts

Articles & Blogs

Infographic Videos

Q & A Sessions & Webinars



INCUBATION TRACK

Bootcamps & Workshops

Roadshows

Exposure to Business Opportunities

Mentorship & Coaching

Educational Content w/ no fees and equity

Annual Demo Day Event



GROWTH TRACK

Workshops by International Experts

Business Networking Events

Investor Mixers

Participation in International Events

Legal Support

International Roadshows



START MASHREQ OUTREACH EVENTS

Flat6Labs will utilize online regional roadshows and info sessions, online 'Pitchathons' and Female Founder workshops to inform, educate and drive applications to the StartMashreq Platform.



ONLINE PITCHATHON

DRIVE APPLICATIONS

An online competition targeting startups to pitch their ideas and the accepted ones will be fast tracked to Flat6Labs program



UNIFIED SESSIONS FOR FDPs

These hyper-targeted workshops and info sessions are going to focus on solely on FDPs, the challenges they face, how StartMashreq is poised to support them as to ideate, grow and scale their businesses. These workshops and sessions will be hosted by successful entrepreneurs, relevant trainers and coaches.

INFO SESSIONS & ROADSHOWS

INFORM, EDUCATE AND DRIVE APPLICATIONS

Flat6Labs online roadshows and Info Sessions are events that take place online where our team present the program and answer questions about the initiative and tell more about the exciting opportunities it offers during the Outreach duration.



FEMALE FOUNDERS WORKSHOP

INFORM, EDUCATE AND DRIVE APPLICATIONS

A series of workshops that will be led by a seasoned guest-speakers and entrepreneurs and designed to help Female founders take the first steps towards actualizing their business idea or startup.



info@flat6labs.com

flat6labs.com



Panel discussion



Elise Baudot Queguiner
ICVA



Pawel Mania
HLA



Ragia Amr
Flat6 Labs Start Mashreq



FLAT6LABS



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Thank you & next steps

- Please share any feedback via quick Zoom survey
- Keep your eye on your inbox for two emails: post-event email & HPass badge email
- Share any suggestions for future sessions with us

With thanks to ICVA, our speakers and all attendees!



**HX Webinar Series | Catalysing change:
how innovative financing can fuel
humanitarian progress**

Webinar attendee