



At the forefront of impact investing

Blended Finance



Blended finance is the strategic use of development finance and philanthropic funds to mobilize private capital flows to emerging and frontier markets, resulting in positive results for both investors and communities.

Innpact is proud to leverage more than 10 years of experience in enabling impact investing to play an active role in the achievement of the Sustainable Development Goals. We have unrivalled expertise in designing and structuring impact investment funds and blended finance vehicles. We support promoters and fund managers around the world in impact investing projects totaling more than USD 5 billion.

Our blended finance services



1

Strategic Approach

(Co) Identify how **Blended Finance** enables you to **deliver on your Theory of Change and impact investment strategy**.

(Co) Design your **Blended Finance approach on the liability side** (e.g. first loss, senior tranche) **or on the asset side** (mix of investment instruments).



2

Governance & Legal Structure

Design your **governance structure to accommodate different types of risk investors and protect strategic mission**.

Assess and recommend **suitable legal form and jurisdiction**.

Structure your **evergreen or limited duration vehicle**.



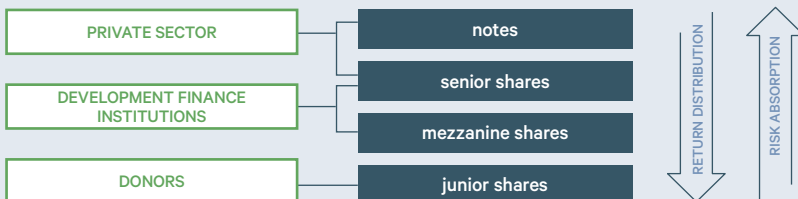
3

Capital Structure & Financial Model

Design your **capital structure** based on financing needs, actual or potential investors, leverage and viability.

Develop or vet your **Financial Model to identify the appropriate blending - develop scenarios and stress test for viability**.

Typical design of a blended finance fund



Our expertise and advisory services

We provide strategic advice or hands-on support from design to deployment for your blended finance venture. We have structured more than 15 blended

finance funds in various sectors such as microfinance, agriculture, renewable energy, reforestation, SME financing.

Lessons learned from structuring blended finance funds

1

Identify and engage as **early** as possible with your **anchor junior** investor

2

Involve **Private investors** gradually after ramp up but also in the fund design

3

Keep the **Capital** and **Governance** structure **simple**

4

Define precise **Theory of Change** and impact targets and **realistic reporting** framework

5

Design **appropriate incentive schemes** focusing on financial and impact objectives

6

Leverage **existing solutions** supporting the creation of blended funds

Our complete range of services



1

Strategy & Structuring



2

Management Services



3

Investment Services



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