

Chairman's Letter

Resounding success in Paris

The EVPA Trustees, Rob John and I are still in awe of the tremendous turnout (quality and quantity) at the EVPA's second annual Conference, which was held on 15 September in the French Senate, in Paris (for a summary, see the article that follows this one, on page 2). We had over 270 participants from 21 countries including Western and Central Europe and from as far away as Australia and the US. The participants were a mixture of VP funds, foundations, private equity groups, private banks, universities, professional service firms and government bodies.

Overall, there was a real thirst for more knowledge and more live examples, as well as for networking with like-minded people. We are very grateful to Natexis Private Equity International for having sponsored the Conference in such a prestigious facility.

The EVPA is working very hard to develop the VP/social enterprise sector of the philanthropy market in Europe and we see this as a long-term effort.



John Kingston addresses a breakout session at the conference

Our continuing focus is to translate this high level of interest into active engagement. Engagement can take many forms from being a donor or an associate, to providing *pro bono* services. It can also include co-investment alongside other participants. It is extremely important that we cut across silos, which is why the EVPA operates as a broad church and why we urge foundations, private equity firms, private banks, and universities all to contribute their efforts. The different skills and experience that each can bring are important complements to each other in venture philanthropy operations and networks. Together, we feel more positive

social impact can be achieved.

While the EVPA will continue to hold an Annual Conference in order to attract and inform the widest possible audience about VP/social enterprise, more and more of our future efforts will be directed towards membership services. In that regard, we will be holding a members' only meeting on 1st – 2nd February 2007 in Venice to explore common problems and to progress the efforts of our three working groups.

During the Conference, we formally launched the new EVPA Directory with hard copies, thanks to the sponsorship of TMF Atlantic Bridge. This directory gives considerable background on venture philanthropy and profiles the 35 existing EVPA members, along with case studies. We intend to issue a new version of this directory on an annual basis. An online version of the Directory can be accessed through our website.

In order to meet the growing interest and provide the necessary services to our members, the EVPA trustees approved at their September meeting, a substantial increase in our budget. Essentially this means we reinforce staff over the course of the next 12 months in order to expand our services. To fund this expansion, we intend

to approach more firms in the PE sector for sponsorship, as well as seeking grants from foundations. As with any membership association, the dues only cover a fraction of the costs.

Lastly, I am pleased to say that the pipeline for prospective EVPA members has grown substantially since the Conference and now numbers almost 30 potential members across the broad spectrum of foundations, universities, private equity funds, etc. We are therefore quite confident of meeting our goal of at least 50 members by this time next year and, of course, hopefully many more.

Please engage with us.

Doug Miller
Chairman



Serge Raicher chairing the first plenary at the Paris Conference

EVPA is indebted for the following account of the proceedings of the Paris conference to its communications partner, Hill and Knowlton (see article, page 3).

Summary of proceedings

The conference was opened by Serge Raicher, Conference Chairman and EVPA Trustee, who, in his remarks, described the aim of the EVPA as being to provide a bridge between European VPs, foundations, venture capitalists and high net worth individuals.

Plenary 1: VP – The winning ingredients: picking the team, financing the deal and knowing when it works

The panellists for the first plenary, Deirdre Mortell (One Foundation), Stephen Dawson (Impetus Trust) and Heiner Baumann (New Profit Inc), agreed that the quality of leadership is absolutely critical to an organization's success and is the most important criterion in due diligence. This means that sometimes a new CEO will be recruited, or a COO installed alongside the existing leader, as a pre-condition for funding. Attracting talent to run an organization is difficult, with many leaders now recruited from the for-profit world. Another point of agreement was that, once a VP investment is made, every effort is made to ensure the organisation's success and investors consider themselves as

having a moral responsibility to avoid failure.

There must also be a performance management system with clear milestones. An adapted Balanced Scorecard (BSC), initially developed by New Profit Inc, is useful in this respect. It aligns the board, management team and investors on targets/milestones. The BSC has also been valuable in measuring VP portfolio success when data can be aggregated.

The plenary was followed by breakout sessions on measuring performance and impact, VP and social entrepreneurs, and starting a VP operation. Among the points discussed at these sessions, was that in framing measurement systems, VPs need to acknowledge the culture of the organization and show that a performance management system is critical to their future growth. It is also crucial to get investors to realize that they are there to support the organisation long-term, which can prove initially difficult. It is equally important to get entrepreneurs and VPs to network to ensure good practice is captured and used to best effect. Credibility is critical to success for a VP fund and needs to be earned through caution and humility.

Plenary 2: Leveraging resources for venture philanthropy

The first part of the panel discussion in the second plenary focussed on how to build a successful fund involving a for-profit

partner. Panellists Jamie Cooper Hohn, whose organization, the Children's Investment Fund Foundation, has built a highly successful fund through a hedge fund partnership and Carlo Bonomi (Invest for Children) discussed their experiences in this connection. The main advantages for the for-profit partner are that it marks them out from others and it motivates staff.

Pilotlight's Fiona Halton then discussed her organization's work in leveraging the resources of senior managers to help develop the work of social entrepreneurs. The obstacles to be overcome, she said, are getting managers and social entrepreneurs to understand each other's language and for managers to be able to dedicate enough time. Pilotlight has developed a best practice model which structures the interaction between managers and social entrepreneurs, and it has proved highly effective for both parties.

EVPA continues to develop in numbers and experience. Representatives from 35 EVPA members came to this year's conference, double the number represented at last year's London event. As David Carrington observed: 'EVPA gets stronger with each meeting as the practical experience grows. The rhetoric of venture philanthropy is now tempered by reality and translated into meaningful work'.

NEW MEMBER & PARTNER

EVPA has welcomed the following new member since the publication of the last newsletter in June.

IESE Business School

Contact: www.iese.edu
Founded in 1958, IESE Business School, the graduate school of management of the University of Navarra, is located in Barcelona and Madrid. Its mission is to create an outstanding learning context for business leaders who direct organizations that are successful in the long-term, develop people around them and contribute to the new challenges that society has to face. In 1964, it established Europe's first 2-year MBA programme, began offering the world's premier bilingual MBA programme in 1980, and pioneered the concept of joint-venture executive education in 1994. In 2000, IESE launched its Global Executive MBA featuring modular residential sessions in Barcelona, Silicon Valley and Shanghai and state-of-the-art distance learning technology

EVPA welcomes Hill & Knowlton as communications partner

The EVPA is delighted to welcome international public relations and public affairs consultancy Hill & Knowlton as its

communications partner. Hill & Knowlton (www.hillandknowlton.com) will work with the EVPA and its members to refine and implement its communications strategy and will also assume the secretariat of the EVPA Public Opinion Task Force.

For further information, contact Amy Spence-Brown (email aspence@hillandknowlton.com) or Christopher Burghardt (email: Christopher.Burghardt@hillandknowlton.com).

MEMBERS' NEWS

Keyfund becomes latest Impetus Trust partner

The Keyfund Federation is the latest charity to enter into a partnership with Impetus Trust. Based in Newcastle, Keyfund is the largest provider of skills development programmes for youth across the North-East region of the UK, with over 20,000 young people having benefited from their programmes over the last three years.

Impetus has committed to a long-term relationship with Keyfund comprising infrastructure funding of £250,000 between 2006 and 2011, £100,000 of which is provided directly by Impetus, £50,000 by The Trust for Education, based in Leeds, and the remaining £100,000 expected to come from other co-investors. This financial investment is combined with ongoing management support and capacity-building

provided by Impetus Trust, which will focus initially on business planning and support for growth. Impetus also leverages *pro bono* support from corporate and individual associates and, as part of the due diligence, Keyfund benefited from a comprehensive sector and competition analysis by strategy firm, OC&C, valued at £90,000.

Hannah Eyres, Chief Executive of Keyfund said that the partnership would bring stability to the organization and added that 'the expertise and investment we receive will help ensure our success as we build the Keyfund Federation and improve the support we offer to the young people and members we work with.'

For more information, contact Charlie Masding at Charlie@impetus.org.uk

Top-rated law firms to provide free legal advice to social entrepreneurs supported by EVPA members

The Lex Mundi Pro Bono Foundation and EVPA have launched a new collaboration whereby *pro bono* legal services are to be provided to grantees of EVPA members who are social entrepreneurs. The Foundation is an affiliate of Lex Mundi, a consortium of 160 top-tier commercial law firms with more than 500 offices in 100 countries throughout the world. The firms in the Lex Mundi consortium are commercial law firms, used to working

with entrepreneurs, so the focus of their *pro bono* initiative on social entrepreneurship is a logical one.

EVPA members are encouraged to let their grantees and partners know about this service. Social entrepreneurs sponsored or supported by EVPA members can access it through their EVPA sponsor or by contacting the Lex Mundi Pro Bono Foundation through Ben Greer (bgreer@alston.com) or Dave Roll (droll@lexmundiprobono.org).

Any request for *pro bono* legal services should include the name of the EVPA member, a brief description of the social entrepreneurs's principal mission or activity, the type of legal services needed, the place where they are needed and relevant contact information.

Social Entrepreneurs Ireland recognizes 31 leading social entrepreneurs at annual awards

Thirty-one leading Irish social entrepreneurs were honoured for their exceptional work in positively changing the future of their communities at the 2006 Social Entrepreneurs Ireland Awards held in Dublin on 27 September. Launched in 2005, the awards programme is designed to provide financial support and capacity building assistance to social entrepreneurs. Among the award winners was Camara, a programme to get unwanted Irish PCs to

African schools and organizations. Camara involves the collection and refurbishment of discarded computer equipment in Ireland and the provision by Irish volunteers of basic computer literacy training to schools in Africa. Launched last summer, the project simultaneously protects the environment by stopping computers being dumped in landfill sites, provides cheap technology to African schools, and motivates Irish computer scientists to share their expertise with people in the developing world.

For more information, contact Social Entrepreneurs Ireland at info@socialentrepreneurs.ie. For more information on Camara, see www.camara.ie

BonVenture increases dealflow

The Munich-based BonVenture group's dealflow of social and/or ecological projects has increased through 2006, with some 40 new project applications having so far been selected for an intensive due diligence process. Existing investments, DialogMuseum and JobTV 24, have successfully completed a new round of financing. In September, BonVenture and the Friedrich-Ebert-Stiftung, joined forces to hold a conference in Berlin on new ways to help the unemployed obtain work. Among many others it drew participants from national and international institutions in Germany and the Netherlands. *For more information contact info@bonventure.de or see www.bonventure.de*

NESsT awards fourth Golden Egg

NESsT has presented its fourth International Venture Philanthropy Award, the NESsT Golden Egg Award, to William Watson, Chief Investment Officer at Société Générale Asset Management. The Award, which was presented at 10th Annual CEE Private Equity Forum on 30 October, recognizes his role as one of the most active advisers, donors and volunteers to the NESsT Venture Fund in Central and Eastern Europe. Both as an individual, and through his former firm, Baring Corilius Private Equity, he has supported NESsT since 2004, providing one of the first donations from a private equity firm to support the NESsT Venture Fund portfolio of social enterprises in CEE. He has also been an active member of the NESsT International Business Advisory Network (IBAN). 'Bill is a great philanthropic role model for his peers. He has been incredibly generous to NESsThe has raised awareness of venture philanthropy among his colleagues and friends across Europe, helping to build confidence in our work among the private equity industry,' said Lee Davis, NESsT's Co-Founder and CEO.

For more information, contact Lee Davis at NESsT, email ldavis@nesst.org, or see http://www.nesst.org/furthering_award.asp

Demeter funds socially-responsible group in Argentina

Fondation Demeter's most recent social investment is Argentine organization *Interrupción*, devoted to socially responsible work, consumption, investment and participation, and founded in 2000. It helps individuals and organizations formulate their goals for social change and challenges them to make a commitment to adapting their practices in order to pursue those goals. It creates micro-enterprises in marginalized communities, generates work by empowering, training and investing in individuals to become entrepreneurial, capable suppliers, and it works with existing producers of farm-fresh agricultural products in rural regions of Argentina. It is also running a responsible consumption campaign, carrying out demonstrations and social responsibility education for consumers in supermarkets and stores in the US. Demeter's investment in *interrupción* is US\$ 30,000 as an interest-free loan over a period of 2-years and active support on additional fundraising for the programme over the same period.

For more information, contact pascal@fondationdemeter.com or see www.interrupcion.net

Large-scale personal philanthropy taking off in the Netherlands, says Factory study

EVPA member Factory has just completed the first published study of large-scale personal philanthropy in the Netherlands. The report, *A Study of Major Gift Potential in the Netherlands*, finds that, while philanthropists are making very large gifts (up to 2.2 million Euros), the expectations of philanthropists and non-profit organizations (NPOs) are often at odds, with NPOs reluctant to provide the levels of service and involvement demanded by the philanthropists. Accordingly, donors are setting up their own foundations, rather than giving to NPOs that do not respond to their needs.

NPOs, meanwhile, are gearing up to raise funds from large scale personal philanthropy but are not yet investing sufficient resources to be able to do so. In particular, there are serious shortages of skilled people, training and information which are delaying the development of the market.

The active philanthropists include 'old wealth' families, the newly rich and entrepreneurs, while women donors play an increasingly important in the Netherlands. The motivations for personal large-scale philanthropy include religion, personal interest, personal connections and a sense of responsibility.

The study, done in collaboration with direct-marketing agency SAZ, was carried out between April and September 2006.

For more information on this study, contact Martine Godefroid at martine@factory.com

SPECIAL FEATURE

Getting awards right

Maximilian Martin
UBS Philanthropy Services



Are awards anything more than an occasion for congratulation and celebration? Yes, argues,

Maximilian Martin, provided that they are rightly conceived and designed.

Recently, we have seen a proliferation of awards – the NESsT ‘Golden Egg’ (see above) and the Skoll Awards for Social Entrepreneurs are notable examples of those aimed at social entrepreneurs. Awards are an expression of the fundamental human desire to excel, celebrate and recognize. But what is their real impact on the recipient and on the

organization that grants them? I would argue that awards could be an attractive tool for venture philanthropists who seek both to influence the growth trajectory of the organizations they invest in, and to disseminate their venture philanthropy model among the wider philanthropic community.

Awards can essentially do three things: they can focus public attention on an individual and the organization he or she leads, endowing it with legitimacy and visibility (symbolic capital); if not purely nominal, they can provide important resources to an individual or organization in pursuit of a mission (economic capital); and they can be deployed to manage a community of stakeholders or funders of an organization, and connect the organization to new networks (social capital). The last point warrants some clarification: many awards do not target the public at large. Rather, they are designed to reward a charity's most generous donors at the annual gala event. However, the awards most commonly referred to seek to confer public recognition on award winners, and it is on these that I want to focus. Ideally, then, awards provide relevant symbolic, social and economic capital to an individual or organization and thus play a major role in accelerating the diffusion of social innovations. They can be used strategically as a social change tool. In order for this to be done effectively, we need to consider two things. First, how can

an award extend an organization's possibilities, enabling it to do more by bringing in additional resources or doing better with the current level of resources? Second, what are the rules of thumb for setting award criteria and conditions, given the objectives?

Enabling growth through awards

How does this play out in practice? Let's take an example from the area of public health. In Brazil, the coverage of the public healthcare system as well as households' health and sanitation conditions vary significantly across regions and socio-economic strata. There are outstanding hospitals and services, but they are not accessible to everyone. In fact, over fifty per cent of the users of public healthcare can access emergency care and basic immunization only. This poses numerous challenges.

Associação Saúde Criança Renascer of Rio de Janeiro, the winner of the UBS Visionaris Social Entrepreneurship Award 2006 in Brazil, works on a very specific public health intervention. Renascer provides post-hospitalization assistance to the families of poor children after being discharged from hospital. There are two reasons for this focus: first, to improve the family's housing, sanitary conditions and nutrition, and second, to make the recovering child a family member who commands valuable access to economic resources, rather than an economic burden. This has resulted in a

dramatic reduction in the incidence of repeat illness of the children in the target population. As a result of Renascer's efforts, pediatric readmissions have dropped by 60 per cent at the Hospital da Lagoa in Rio de Janeiro where Renascer is based.

Renascer's intervention model is demonstrably effective, but the challenge lies in scaling it up eventually to cover most of the over 2,000 public hospitals in Brazil. The organization has won 18 awards since its creation. How has it leveraged the symbolic, social and economic capital of these awards to extend their model?

Crowding in. Renascer's core operation connected to the Hospital da Lagoa remains relatively small, assisting 250 families and 850 children and adolescents. Winning Brazil's prestigious Prêmio Bem Eficiente several times helped the organization to raise additional funds for operations. Renascer also worked hard to perfect and institutionalize its intervention model to enable replication. Over 5,000 pro bono consulting hours from a leading strategy consulting firm have helped to crystallize a model and replication strategy that positions Renascer as the centre of excellence in a whole network of similar operations, the Rede Saúde-Criança. The network covers an additional 16 hospitals in Brazil, having served over 20,000 people so far. In 2006, Renascer won the Skoll Awards for Social Entrepreneurship with an explicit mandate and resources to further replicate its intervention model.

Productivity. Renascer's service process remains relatively labour-intensive. There is no magic IT or other technology-based solution to dramatically expand the number of beneficiaries without sacrificing the quality of the service. Renascer has managed to keep costs down by building an extensive network of volunteers, whose recruitment was, to a considerable extent, enabled by the renown conferred by the awards. The Rio operation alone mobilizes over 160 volunteers, over four times the 37 full-time staff. Legitimacy and visibility (symbolic capital) have helped to build a strong network of volunteers and funders (social capital), resulting in economic capital.

Renascer is an illustration of this argument. Different types of awards have enabled the organization to undertake growth, institution-building and replication initiatives at various points in its development, greatly accelerating the diffusion of the social innovation, and enabling the organization to build some earned income streams. This is exactly what many venture philanthropists seek to achieve – positively influencing the growth trajectory of the organization they support by means of appropriate interventions at different stages of its lifecycle.

Rules of thumb

So which rules of thumb should we consider in developing an award that seeks to recognize the work of an organization that is on a sustainable growth path, and where the award can help to extend its possibilities? I suggest that venture philanthropists would be well advised to heed to the following seven considerations:

- *Clarity.* Be clear about the objectives of the award, your risk appetite and your contribution. Do you want to recognize early-stage or established organizations? How do you want to recognize the awardees – financially, symbolically, and/or through technical assistance?
- *Create choice and quality.* Design a nomination process that brings a sufficiently large pool of candidates into the selection process to allow for real choice. The selection criteria must be such that they can ensure, as far as possible, that the financial and symbolic capital conferred upon the recipient will be able to keep or put them on a sustainable growth path. A good selection process will also have indicators that assess both the down side and the up side. What can go wrong with the recipient organization? What is the likely up side associated with the recognition of the organization through the award?

- *Make sure that the award is unique and sustainable.* An effective award does not simply replicate or imitate other awards. Unique positioning has to do both with identifying a niche that has not yet been taken, and with ensuring that the award can occupy the chosen niche on a sustainable basis, given the unique combination of financial and non-financial resources at hand. Initial enthusiasm may tempt one to discount factors that can erode the value of an award over time. For example, the money involved may become a derisory amount over the course of time. If technical assistance is involved, that technical assistance may be ill-conceived and negatively influence the trajectory of the awardee. Finally, if an award is grounded on a historically contingent idea, it may become irrelevant when the fad moves on, or the pool of applicants may simply dry up.
- *Do not undermine the recipient's business model.* When Donors Choose won the Amazon.com Nonprofit Innovation Award in 2006, the conditions of the Award meant that it could not direct the funds so that donors decided where the money went, yet this is the underlying model of the organization: donors choose which education projects to support.

- *Ensure the integrity of the process.* To build credibility and to ensure procedural justice, clear rules of selection of candidates, committee members, and decision-making are needed, and should be rigidly adhered to.
- *Balance judgement and expediency.* Ensure effective selection criteria that consistently weed out organizations whose intervention model, institutional and financial viability do not make them eligible for the award, given the objectives and criteria specified. But also make sure the selection criteria are reasonable in terms of the transaction costs they impose on applicants and screeners.
- *Be patient, learn and do follow-up.* A good award is like an asymptotic function. Methodology, committee and cast of candidates will mature over time. It is important to track how the prospects of the recipients evolve. As the award gains stature and the parties involved learn and perfect processes, the actual becomes closer and closer to the ideal. As Jakob von Uexkuell, the founder of the Right Livelihoods Award pointed out at a workshop on awards at the UBS Philanthropy Forum 2006, 'if you are in a hurry, do not give an award.'

Awards can be an effective means of social change. When UBS joined forces in 2004 with Ashoka, the premier identifier and nurturer of social entrepreneurs, to create the Visionaris Social Entrepreneurship Award, we entertained these and other considerations – and designed the award with three points of leverage in mind:

Building core skills. Measuring impact and communicating one's results properly is critical for the ability of a social enterprise to grow with quality. We therefore designed a social investor relations workshop for all finalists, where we look at issues of impact measurement, financial management, and investor relations.

Sharing best practice. Philanthropists who seek to reward excellence benefit from a comparative view of best practice and access to cutting edge approaches in the field. Through the selection process and workshops with leading experts and practitioners, we seek to expose leading and emerging philanthropists to the latest trends in philanthropy and excellence in social entrepreneurship.

Celebrating hard work. Addressing deep-seated social challenges requires constant commitment and dedication. Success therefore needs to be celebrated properly once in a while. The Visionaris award ceremony has been explicitly designed to recognize the achievements of some of the leading social entrepreneurs in the Latin American region.

Visionaris' ambition is to help bridge the 'last mile' between philanthropic aspiration and effective action on the ground by bringing together two groups of people who might otherwise never meet – philanthropists and social entrepreneurs – and engaging them in a productive process. If used properly, awards can be a valuable instrument in a more general sense. They can enable venture philanthropists to expand their repertoire by adding symbolic capital and social capital to financial capital and technical assistance.

Maximilian Martin is Global Head, UBS Philanthropy Services. He can be contacted at email maximilian.martin@ubs.com

PHILANTHROPY NEWS IN BRIEF

CAN and Permira combine on Breakthrough initiative

How can the social enterprise sector deliver a greater impact on society and the environment? This was the question posed by journalist David Aaronovitch, who chaired the launch of the new Breakthrough initiative in July, a partnership between The Community Action Network (CAN) and private equity firm, Permira. The two-year initiative is designed to help potentially important social enterprises to scale up their operations. Permira is committing an initial 1million Euros to the initiative and will provide both growth capital and strategic

support to selected social enterprises. Also speaking at the launch were Ed Milliband MP, the new minister for the third sector, and Sir Mervyn Pedelty, former chief executive of the Co-op Bank and senior adviser at Permira.

Breakthrough is looking for social enterprises that have an innovative model of social change, a clear, scalable social impact, primarily in the UK or Europe, supported by a credible business plan. They must be sustainable and profitable and have a minimum turnover of £500,000, and three years' trading history. This is the group, believe the founders, where the greatest impact can be achieved and which currently receives inadequate support and stimulus to growth.

Aspirant enterprises clarify, with CAN, their social mission, business model and plans for growth. Where there is a good fit between the needs of the enterprise and what Breakthrough can offer, development plans are agreed and, once the project is approved by the Advisory Panel, the plan is put into operation which, typically, means a combination of capital and management support, with Permira's staff providing hands-on mentoring, commercial and operational support, where necessary. The plan also includes an agreement on how performance will be measured according to both social and commercial criteria.

The first three beneficiaries of Breakthrough are Green Works which recycles office furniture, selling it at low cost to charities, community groups and businesses through its website and warehouses; Law for All, which provides high-quality advice and representation in the field of social welfare law to those with limited means. Its 30 solicitors handle over 10,000 cases per year for clients who would otherwise lack access to good legal advice; and TimeBank, an entrepreneurial charity whose aim is to modernize volunteering in the UK and which runs volunteer recruitment campaigns, harnesses the power of large corporate brands to inspire people to give time, and develops innovative services that improve the volunteer experience and the quality of public services.

CAN, which promotes and supports social entrepreneurs across the UK, said the need for the initiative rested on the fact that, of the estimated 55,000 social enterprises currently operating in the UK, relatively few have achieved significant scale or brand recognition. According to Adele Blakebrough, CEO of CAN and Chair of the Breakthrough Advisory Panel: 'Some of the work being undertaken by social enterprises is extraordinary. But what we are not seeing is these social innovations being delivered across the country. Those who are capable of doing so need support. We hope Breakthrough will play an important role supporting the social enterprise sector to fulfil its massively untapped potential.'

The forecast is good, according to Damon Buffini, managing partner of Permira and also a member of the initiative's Advisory Panel: 'Although it is still early days for Breakthrough, from our experience, it is quite clear that good business thinking will have a major impact on the social enterprise sector.' Permira specializes in working with businesses that are not fulfilling their potential and says its philosophy is to take an active interest in the whole business, not just in its balance sheet - an approach requiring strong strategic and operational competence as well as financial expertise. Mr Buffini added: 'CAN helped us recognize that we had an opportunity to apply our expertise in growing or transforming businesses in the commercial sector to the social sector.'

For more information, contact Kate Markey, Community Action Network at k.markey@can-online.org.uk or see www.can-online.org.uk or www.permira.com

Using the other 95 per cent

The Bellagio Forum for Sustainable Development (BFSF) and the European Social Investment Forum (Eurosif) have produced PRIME: the Primer for the Responsible Investment of Endowments to help foundations use their endowments in a way that furthers their mission. Foundations typically pay out in grants only around 5 per cent of their assets. The rest is invested to

produce the returns that will maximize that 5 per cent. Increasingly, however, foundations are looking beyond this. On the one hand, they want to invest their capital in ways that produce social benefit as well as financial return. On the other, the risk of endowments being associated with speculative or unethical business practices, or investments that run counter to a foundation's objective is an increasing concern for foundation boards.

PRIME's goal is 'to provide more clarity and greater understanding for all interested parties about how to better implement Responsible Investment practices,' according to Bellagio Forum Chairman Michael Hoelz. The PRIME Toolkit, which is produced in cooperation with the European Foundation Centre, looks at why foundations should be interested in Responsible Investment at all, which Responsible Investment approaches are most appropriate to a foundation's overall mission and goals, whether a Responsible Investment strategy can provide the same kind of returns as traditional investments, and the fiduciary responsibility implications of Responsible Investing.

For more information or to download a copy of PRIME, go to www.bfsd.org.

NPC Newsletter feature on high engagement philanthropy

The Autumn 2006 edition of the New Philanthropy Capital Newsletter includes an article on venture philanthropy, which features EVPA members Pilotlight and the Esmée Fairbairn Foundation. The article, *Getting Engaged*, discusses the origins and varieties of approach of venture philanthropists and concludes that, while there are possible pitfalls to high engagement philanthropy, engaging with charities can lead to a more productive and responsive partnership between charities and donors and to better results for a charity's beneficiaries.

To read the article, go to <http://www.philanthropycapital.org/Newsletter/Autumn2006/engaged.html>

Business giving can create 'win-win-win' situation

Corporate giving can create value for the business itself, for the employees and for the extended community, said Nigel Morris, trustee of New Philanthropy Capital and founder of credit card company Capital One - in short, a 'win-win-win situation'. He was speaking at Executive Philanthropy, a conference in London last month organized by Winmark, a company that runs networks of senior executives, undertakes market research and delivers leadership training.

Corporate giving, he said, has reached a tipping point and concluded 'we have the wind at our back.'

James Blackburn, of stockbroking firm Execution and chair of its charitable trust, explained how Execution aimed 'to be a different and fun place to work. In our charitable giving we involve staff as much as possible, engaging them in decision-making and visits to charities.'

The element of fun was also stressed by Mark Evans, head of the Family Business and Philanthropy team at Coutts & Co: 'The more you enjoy it, the more fun you're having, the more you're likely to give,' he said.

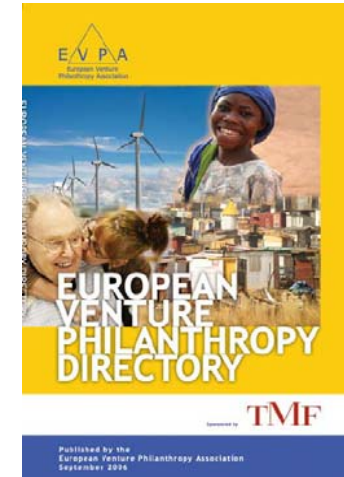
For more information, see www.philanthropycapital.org/html/newsStory121006.php

Private equity firms' philanthropy not courting publicity

Telegraph.co.uk (22 October) has a feature on increasing philanthropy among private equity firms and suggests that publicity does not appear to be among its overt aims. To read the article, *The low-key rise of the smart-trousered philanthropist*, go to www.telegraph.co.uk/money/main.jhtml?xml=/money/2006/10/22/ccpriveq22.xml

Ashden Awards seeks External Affairs Director

The Ashden Awards for Sustainable Energy (www.ashdenawards.org) is seeking to appoint an External Affairs Director to lead the development of its capacity to support the Award winners, assist in the dissemination of its successes and raise the profile of sustainable energy amongst key decision-makers in the commercial, financial and non-profit sectors in the UK and the developing world. The role requires skills in identifying and building partnerships, an understanding of communications strategy and an ability to influence people at the highest level. For a job description and person specification, contact Victoria Hornby at email victoria.hornby@sfct.org.uk



2nd Edition of EVPA's European Venture Philanthropy Directory – available free online at www.evpa.eu.com

The EVPA NEWS appears quarterly. If you have comments or suggestions, please contact the editor, Andrew Milner, at am@andrewmilner.free-online.co.uk

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