

## FROM THE CHAIRMAN

It is my pleasure to welcome you to the 6th issue of EVPA's newsletter. We've now been operational for 18 months and have built up a membership of 35 from 11 countries. This puts us considerably ahead of our initial start-up plan and we are therefore in process of revising our plan for the next 3 years.

The EVPA operates as a broad church and our membership extends from venture philanthropy funds to private equity groups, foundations, business schools, and professional service firms. As part of our strategic planning process, we're presently conducting an online survey of our members to help us shape the services we provide (and intend to provide) along with our broader development strategy. If you're not presently an EVPA member, but would like to participate in this survey, please contact us at [info@evpa.eu.com](mailto:info@evpa.eu.com)

As you can see from our newsletter, it's been a busy and productive quarter for EVPA. The highlights are:

- ▶ We have published the first edition of our European Venture Philanthropy Directory in time to make it available at the European Foundation Centre (EFC) and European

Venture Capital & Private Equity Association (EVCA) annual conferences. The Directory will be updated over the summer and formally launched at our Paris conference in September, with copies available to our members and others interested in venture philanthropy. An online version will also

### MARK YOUR DIARIES!

#### EVPA 2<sup>nd</sup> Annual European Conference

Paris, 15<sup>th</sup> September 2006

At the French Senate

Keynote speakers, roundtable panels, breakouts and networking

By invitation: if you are interested in attending please contact

[conferences@evpa.eu.com](mailto:conferences@evpa.eu.com)

soon be available on the EVPA web site. The Directory lists all known venture philanthropy groups in Europe, including case studies from our members' operations.

- ▶ We enjoyed high visibility at the recent EFC conference in Brussels, running a session entitled 'Venture Philanthropy: the art of the deal'. Some 70 foundation participants

attended the session and contributed to a lively debate.

- ▶ In mid-June, we will hold a roundtable discussion at the EVCA annual conference being held in Monte Carlo, and will staff an information table at the venue, engaging private equity executives in discussions about philanthropy.
  - ▶ I was joined by another trustee, Luciano Balbo, and our advisor, Rob John, at a Philanthropy Forum held in Geneva by UBS Bank for a number of their private clients.
  - ▶ Our second annual EVPA conference will be held this year in Paris at the French Senate (see following article). We urge any of you who have an interest in VP to come join us for both networking and learning about our activities.
  - ▶ Our 3 working groups are still in their start-up mode and gaining traction. The groups will be sharing some of their initial findings in Paris.
- ▶ In April, we were very pleased to receive an offer of both a grant and collaboration from the Charities Aid Foundation (UK). We're very grateful for their support and in particular, the benefits we can receive from a close collaboration by tapping into both their

---

network and wide experience in the non-profit sector.

- ▶ We welcome new members from six countries – Arab Learning Initiative (UK), Oliver Twist Foundation (Italy), Invest for Children (Spain), Charities Foundation (Estonia), ESSEC Business School (France) and wise (Switzerland).

As stated in previous newsletters while we're very pleased with our progress, we recognise that considerable work still remains, particularly in moving the organisation from an entrepreneurial start-up into a more sustainable phase. In this regard, we are looking for additional financial sponsors, particularly from the private equity community. If you have an interest, please get in touch!

Sincerely

Doug Miller

---

## **EVPA WELCOMES NEW MEMBERS**

EVPA has welcomed four new full members and two associate members since the publication of the last newsletter in January.

### ***Full Members***

#### **Fondazione Oliver Twist Onlus**

Contact: [www.fondazioneolivertwist.org](http://www.fondazioneolivertwist.org)

Based in Milan, the Foundation began operations in late 2005 and in January 2006, its Board approved

the first projects. It will fund both short-term and continuing projects and, as well as making grants, it will be involved as participant in certain projects, offering its management skills and other expertise. Its preference will be to fund specific, discrete projects, but it does not rule out core funding to target organizations. The foundation has close links to Kairos Partners, a group of companies specializing in hedge fund and private equity management, which have contributed extensively to its start-up funding and will continue to provide support. The foundation expects to raise €1.5 million in 2006.

#### **Arab Learning Initiative (ALI)**

Contact: [www.arablearninginitiative.org](http://www.arablearninginitiative.org)

Founded by Tarek Ben Halim, a UK-based investment banker, who has provided start-up funding and funding for the first three projects himself, ALI will take a portfolio approach of providing capacity building funding coupled with advice to a small number of non-profit organizations. His philanthropy is aimed at issues concerning young Arabs, and will take the approach of providing funding and advice in equal measure to a small number of high potential, innovative organizations. Initially active in Egypt, ALI, a registered UK charity, expects to be in five Middle Eastern countries over next 5 years.

#### **Invest for Children**

Contact: [www.investforchildren.org](http://www.investforchildren.org)

Based in Spain, Invest for Children (i4c) is an international NPO whose purpose is to help disabled children and young adults to achieve a better quality of life. Its main focus is on those diagnosed with Downs syndrome. Its main

functions are helping to increase awareness of integration issues that disabled people face; developing sustainable revenue streams for foundations working in the area of disability; developing innovative marketing tools for foundations; providing support for employment integration initiatives; and connecting foundations and business to promote integration. Among its projects, it has published a report on labour integration in Spain.

Invest for Children is closely linked with the private equity firm Invest Industrial.

#### **The Charities Foundation, Estonia**

Contact: [www.heategu.ee](http://www.heategu.ee)

The Charities Foundation was established in 2003 to promote a culture of charitable giving in Estonia, making giving a natural part of peoples' lives and making it easier for people to volunteer. It launches one or two innovative projects each year which have the ability to tackle important social issues. Criteria for selection are impact, feasibility and sustainability. Its projects to date include A Child for Every Eating House, in which volunteers find cafes and restaurants to provide a free meal for a child in need, a recycling centre opened in Tallinn in 2004 and a Classmates project which pairs NGO managers with business managers for a year to exchange expertise.

### ***Associate Members***

#### **ESSEC Business School, France**

Contact: [www.essec-entrep-social.com/fr/index.html](http://www.essec-entrep-social.com/fr/index.html)

---

ESSEC is one of France's leading business schools with a chair in social entrepreneurship, founded in 2003, with research interests in the non-profit capital market.

### **wise**

Contact: [www.wise.net](http://www.wise.net)

Wise is a Swiss organization, launched in 2004. It aims to connect people with money to invest (wealthy individuals – 'wi') with social entrepreneurs ('se') and others involved in social development projects. Key areas of expertise include childhood, education, health, women and advocacy. It provides both professional advice to philanthropists and technical support to social entrepreneurs in achieving their goals. Though based in Switzerland and having a leading role in promoting philanthropic there, its scope is international and two of its supported projects include the training of young people from disadvantaged areas in South East Asia and a health and nutrition project among children in the Andean region of Latin America.

---

## **MEMBERS' NEWS**

---

### **Impetus appoints new CEO**

Impetus Trust has appointed Daniela Barone Soares as its new chief executive. She brings considerable experience in both venture capital and in fundraising for a major charity. Impetus Chair Stephen Dawson commented: 'Her experience and enthusiasm will be of enormous value as we seek to further develop our profile, particularly in the business world.'

Earlier this year, in January, Impetus also appointed three new trustees: Shaks Ghosh, chief executive of homelessness charity Crisis, investment banker, Guy Dawson, founding partner of Tricorn Partners and non-executive director of The BOC Group plc and Boots Plc, and Adrian Beecroft, Chief Investment Officer at Apax Partners and former chairman of the British Venture Capital Association.

For more information, contact [charlie@impetus.org.uk](mailto:charlie@impetus.org.uk)

### **BonVenture: Group stocks up on funds**

The German based BonVenture Group has recently added another 2.6 million Euros to the capital stock of the BonVenture I GmbH & Co KG (BV I), the investment arm of the BonVenture Group, which also includes the foundation BonVenture gemeinnützige GmbH and BonVenture Management GmbH. BonVenture uses an investment approach to fund both for-profit and non-profit organizations with a social and/or ecological purpose in German-speaking countries. The foundation seeks projects that are innovative with a strong social impact, are led by motivated and committed social entrepreneurs, and will be financially self-sustaining in the long-term. For more information, contact tel +49 89200012530, fax +49 89200012539, or see [www.bonventure.de](http://www.bonventure.de)

---

### **King Baudouin Foundation: Five years on: full TGE potential still untapped**

*With a more mobile population, the potential for cross-border giving is growing, but few EU countries provide incentives for donors wanting to support a foreign beneficiary and most place impediments in their way. There is no tax deductibility for such donations, in fact cross-border donations and legacies are often taxed at the highest applicable rates. Two initiatives from the King Baudouin Foundation, the Transnational Giving Europe (TGE) network and the [www.givingineurope.org](http://www.givingineurope.org) website aim to improve the environment of cross-border philanthropy in Europe.*

The principal obstacles to cross-border generosity are the absence of equivalent gift and inheritance taxes among EU member states and non-discriminatory tax deductibility for the donors. Whether or how soon either of these will be achieved is debatable, but, in the current absence of legislation, the Transnational Giving Europe (TGE) network is the only practical and secure solution for tax-effective, cross-border cash donations. The TGE network, a partnership between the Charities Aid Foundation, the King Baudouin Foundation, the Fondation de France, Oranjefonds, Maecenata International and, fairly recently, the Foundation for Poland, enables individual and corporate donors resident in one of the participating countries to financially support non-profit organizations in other member countries and to benefit from the tax advantages provided for in the legislation of their country of residence.

### **How it works**

A donor who wishes to make a gift to a public interest organization in another member country can contact the foundation in the country of his/her residence. This foundation contacts the TGE member foundation in the recipient country for an assessment of the beneficiary, and if the evaluation

---

is positive, the donor makes the gift to his resident-country foundation, which provides the donor with a tax receipt and pays the gift through the recipient country foundation.

This facility means TGE is of particular interest to national organizations with prospective donors abroad. The network enables organizations to raise funds in other EU member states, without having to set up branches or sister organizations or to engage with the complexities of different national laws.

The statistics illustrate its value. The transnational gifts made through the network have grown steadily from €315,843 in 2002 to €1,395,217 last year. However, according to Ludwig Forrest of the KBF, its potential is much greater. First, many beneficiaries and donors across Europe are not yet aware of the TGE. Secondly, TGE does not yet operate in all or even most of the EU member countries. It is currently only operational for donations from and to Belgium, the United Kingdom, France, the Netherlands, Germany and Poland. Promotion and extension of the Network, therefore, to new donors and new EU states is a key task and TGE is actively seeking membership among interested foundations and associations in new Member States.

### **The Giving in Europe website**

The work of TGE is supported by the Giving in Europe website. Launched at the end of 2004 it contains practical advice and information on how to deal with the legal and fiscal aspects of cross-border philanthropy. It covers the 15 European Union countries before enlargement as well as Switzerland and, by the end of 2006 or early 2007, it will also extend its coverage to the 10 new EU Member States and will develop a transatlantic giving section

for donors in the US wanting to support an organization based in Europe and to European donors wanting to support a beneficiary in the US.

*For more information, contact Ludwig Forrest, Project Manager, King Baudouin Foundation E-mail: [forrest.l@kbs-frb.be](mailto:forrest.l@kbs-frb.be) or see [www.givingineurope.org](http://www.givingineurope.org)*

### **The Skoll Centre for Social Entrepreneurship: Harnessing different forms of finance for social change**

#### *Caroline Hartnell*

This year's Skoll Forum in Oxford at the end of March attracted over 600 participants from around the world to discuss building social capital markets and using the full range of financial mechanisms, from grants to commercial instruments, to support social change. Sir Ronald Cohen, Chair of the UK Social Investment Taskforce, who gave the keynote address, said: 'What happened in business entrepreneurship over the last 30 years is happening now with social entrepreneurship.' He talked of the need to measure social return, but, more important, of the need for organizations that can work with capital markets in each country and build the social sector into an asset class. He cited the Local Initiative Support Corporation in the US as an organization that gathers capital and redistributes it. It can do this because it understands both community development and capital markets. Bill Drayton of Ashoka and Maximilian Martin of UBS felt that what was needed to make the sector into an asset class were low transaction costs, low risk and high volume. Jed Emerson, meanwhile, cautioned against going too fast for fear of undoing what progress had

been made and urged the need to recognize that not all non-profits could cope with debt. Another problem several speakers mentioned was assessment of impact. Melissa Berman of Rockefeller Philanthropy Advisors pointed out that, unlike the business world, 'We don't have indicators people are comfortable with.'

Another idea discussed was the creation of a social stock exchange. Problems associated with this were liquidity – who sets the price if you want to sell 'stock' and on what basis? – and the fact that such an arrangement would inevitably favour NGOs who are producers above advocacy organizations. Matthew Bishop of *The Economist* felt the whole idea was misguided. In the market, people invest money and know what they're going to get back. This isn't true in the social sector. While intermediaries (city analysts, etc) are the most disliked aspect of capitalism, in fact they're its drivers and need to be developed for the social sector.

The Forum also heard from Artur Taevere (Charities Foundation, Estonia), who argued that impact was crucial for funders. Given there isn't enough money to go round, it's worth being sure that those supported are as good as possible. 'Funders should be concerned with impact rather than innovation,' he said. Olga Alexeeva of CAF Russia warned that, unless local donors could be induced to invest, social entrepreneurship would remain a 'fancy toy of foreign aid'.

*Caroline Hartnell is editor of Alliance. A full report of the Forum will appear on the Alliance website ([www.alliancemagazine.org](http://www.alliancemagazine.org)) in June. The special feature of the September issue of Alliance will be developing social capital markets.*

---

## SPECIAL FEATURE

Tim Joss

### The Rayne Foundation



#### Philanthropy's starting point: the need not the tool

*Philanthropy plays an important role in addressing need, says Tim Joss of the Rayne Foundation. However, he suggests, in its preoccupation with means, rather than needs, it can miss its mark. He argues that philanthropic organizations need to use all the means at their disposal, from venture philanthropy to grantmaking, to fulfill their potential.*

Needs are everywhere but in utopia. In the future, social, educational, cultural and other needs will surely be present, ever-changing and pressing for attention. Governments will persist in shying away from some of them - the current, wicked disregard for the destitution of UK asylum seekers comes to mind - and so philanthropy will always have a role, using its resources and independence to do valuable work. Today's enthusiasm for throwing off the sleepy image and engaging with new approaches, including venture philanthropy, is palpable. Yet something is wrong. We have tended to be preoccupied with the tool, be it grantmaking or

venture philanthropy, at the expense of focussing on the need it is meant to address. It is the need itself that should be our starting point. We must acquire a wider range of tools, old and new, adapted to circumstances, and used singly or in combination as appropriate. Only then will we achieve our full potential. At the moment – as far as we measure it all - our social return on investment is often poor.

The Rayne Foundation is in the thick of these challenges. Part of 'old philanthropy', it has been on a journey of fast-track evolution for the last year. Our new starting point is the aim to understand and engage with the needs of UK society – not grantmaking, not venture philanthropy, nor any other tool. From there, we set out to help address those needs using a range of tools. We have decided never to work alone, but always in partnership with organizations and individuals who share our objectives. The Foundation's particular focus is on work which is nationally important or which has potential for wider than local and immediate application. Its areas of interest are broad: arts, education, health and medicine, and social welfare and development.

#### Tools for change

So, what are the tools? The Rayne Foundation has identified five.

*Rayne Research* recognizes that wise social investment is built on thorough intelligence and a creative problem-solving approach. Initial explorations from networking to commissioned research are crucial when engaging with a need. As work progresses, research loops back into the

practical activity and at the end of an engagement, draws out lessons. It can point to further needs and possible further work.

*Rayne Grants* is the Foundation's only established tool and it is the only one which accepts unsolicited applications. It has hitherto been used in the traditional way, but a start has been made on new aspects such as mission-related investment and loans. As well as supporting valuable organizations, it is our barometer. Through this means, the Foundation works with a variety of organizations that share its general perspective and its views and that can bring fresh insights. These insights are, as it were, the pieces of a puzzle. From them, a new and unfamiliar picture can emerge, highlighting further needs.

*Rayne Initiatives* are targeted programmes of support, the first of which is the recently launched Rayne Fellowship programme. A response to our more complex and diverse society and the growth of incomprehension, insularity and intolerance, Rayne Fellows will develop as 'bridge-builders' who can help to heal divisions, enlarge sympathies and promote understanding. The first wave is for choreographers, co-funded with Arts Council England (the first four Fellows were appointed last month), the second will be for refugees and research is under way into a third wave for inter-faith workers.

*Rayne Ventures* signals the Foundation's adoption of the venture philanthropy tool. We start with an identified need rather than an organization. With our partners, we then select an organization with the potential to meet that need and work with it to build its capacity.

---

The final tool is *Rayne New Enterprises*. It is for those occasions when a need emerges and no organization exists to meet it. This has happened, for instance, with the architecture and interior and landscape design of schools. The UK's largest investment in school buildings since Victorian times is under way, which presents an opportunity to design and deliver buildings in tune with current educational thinking and the needs of children, teachers and communities. The danger is that past mistakes will be repeated. There is a need for greater mutual understanding, sharing of experiences and cooperation across the client side (children, teachers, other school staff, communities, local authorities and government) and the supply side (architects, building contractors, engineers, interior designers, quantity surveyors, and so on). Following wide consultation, the Foundation co-founded with the Royal Institute of British Architects, the Building Research Establishment and charity called School Works, the British Council for School Environments, a new independent, membership organization to champion excellent architecture and design of schools. I am founding chairman, and will step down as soon as a well-respected figure from the client side has been appointed.

The Foundation has settled on these five tools. As society changes and as the Rayne Foundation evolves, the toolbox may be augmented. Two possibilities are Rayne Campaigns, still on the drawing board, which could, for instance, seek to affect local, regional and national policy in the public, private and voluntary sectors; and Rayne

Mergers and Acquisitions could make sense of cluttered sectors. Why, for example, does the UK have over ten national organizations working in the dyslexia field?

### **Tools in the hands of craftsmen**

The value of the EVPA and its network lies in helping the Foundation learn how to handle these tools with precision and grace. Venture philanthropy has the energy and the curiosity of youth. It is a rallying point for new ideas. It says that funders can be creative and entrepreneurial. It breaks with traditions of the foundations sector and brings active engagement with the whole organization; support for organizational development and core costs; and a strong emphasis on performance measurement and impact evaluation.

*“Venture philanthropy has the energy and curiosity of youth”*

We are aiming to be expert craftsmen – in fact, a hybrid of craftsman, social entrepreneur and executive producer. Experience of handling all the tools is a great teacher, as this story from the arts shows.

Prompted by the Trustees' interest in supporting the individual artist, the Foundation did a quick two-step thought process: it concluded that creative artists have it tougher than re-creative artists, and that, of creative artists, choreographers have it toughest of all. Rayne Research revealed three needs. These were agreed with senior figures in the dance world (several of whom now form an informal advisory group).

The first was that choreographers were too caught up in making steps. They were insufficiently aware of audiences and how to make successful performances. The Foundation's response was to create the Rayne Fellowships for Choreographers, with the further aim of achieving an impact on the way choreography is taught.

The second was the discovery that Britain is a leading player in dance film, spanning everything from recordings of live performances to intriguing collaborations between choreographers and film directors. The problem is that, while supply is of high quality, distribution is very poor: the DVD-buying public has virtually no access to this work. A Rayne Venture seemed the best tool and further research suggested the answer might be specially curated DVDs and downloads. We selected and are now working with a social enterprise, Screen Dance. We have carefully established that this does not involve mission drift for Screen Dance.

The collaboration is about empowerment, not micro-management, and other partners have joined us to disseminate across the creative industries the results of this new distribution mechanism. The potential prizes include a higher profile for dance film with an expanded and more engaged market; greater partnerships between dance companies; a higher profile for dance and increased crossover between DVD buyers and audiences for live dance; greater integration between live and recorded arts; a new revenue stream for Screen Dance and dance film makers; and Screen Dance's increased expertise in the market of international dance film.

Finally, choreographers face unique problems when making new work. The tradition is for them to

---

create straight on to live dancers. This is costly. The logistics of rehearsal spaces and bringing dancers together can be complex. Architects have computer-aided design and composers have Sibelius software. Could software be developed for choreographers to sketch and create work on their own? While the need was recognized, feedback indicated that it was an idea before its time. It would be worth revisiting in about five years.

### Which needs?

Foundations enjoy many freedoms, which give choice and power, but unfortunately also include the freedom to make bad choices and to use power ineffectively.

Grantmakers and venture philanthropists have chosen to become expert craftsmen in the use of their respective single tools. The Rayne Foundation, by contrast, has decided to adopt a jack of many, if not all, trades approach - doing the job that's needed, using a range of tools - yet, we are aware of the concomitant risk of becoming master of none. Our focus has been diffuse. After all, a small team supported by modest funds for Rayne Research cannot be experts across such a vast swathe of human endeavour as the arts, education, health and medicine, and social welfare and development.

What the Foundation is therefore devoting all its energies to is 'bridge-building', scaling up from the Rayne Fellowships. So the Rayne Research tool needs to be taken up again. How can the concept be elaborated in ways that are robust and not open to misunderstanding and opportunism? (After all, two strangers meeting could be said to be 'bridge-building'.) What types of bridge-building will be

priorities for the Foundation? Do the tools we have need to be adapted? Are new tools needed?

Another chapter begins.

*Tim Joss is Director of the Rayne Foundation. He can be contacted at [tjoss@raynefoundation.org.uk](mailto:tjoss@raynefoundation.org.uk)*

---

## PHILANTHROPY NEWS IN BRIEF

---

### **'The Art of the Deal' – European Foundations learn about venture philanthropy in Brussels.**

From 26<sup>th</sup> to 28<sup>th</sup> May the European Foundation Centre held its 17<sup>th</sup> Annual Conference, in Brussels. Over 400 participants, drawn from



EFC's member foundations and others from outside Europe, focused on the role of grantmakers in bridging the gap between Europe's political institutions and the needs and expectations of citizens. EVPA ran a workshop session on venture philanthropy, and under the title 'Art of the Deal' explored, from conception to implementation, how a venture philanthropist (Impetus Trust) and a foundation (CAF) collaborated to invest in Naz Project London, an entrepreneurial non-profit

organization. Naz Project London is a UK-based sexual health charity focused on minority ethnic groups.

As the longest established and largest pan-London charity working in BME sexual health and HIV service provision, Naz Project London was faced with issues of professionalising its organization and scaling up to meet growing demand. Impetus Trust, a member organization of EVPA, is the UK's first general purpose VP fund. In collaboration with the Charities Aid Foundation, Impetus invested in the growth and development of Naz Project London through grants totalling £275,000 and a package of consulting support. The collaboration was critical in providing the resources needed to build a strong management team and drive through an ambitious step change in the organization's growth.

The PowerPoint slides used in the session are available on request by contacting [impact@evpa.eu.com](mailto:impact@evpa.eu.com)

---

### **New publications on VP**

EVPA adviser, Rob John has produced two new contributions to the literature on venture philanthropy. He has written a chapter entitled *The Rise of Venture Philanthropy: Private Capital and Public Benefit* in a new book published by Euromoney called *Structuring European Private Equity*. Edited by Iggy Bassi and Jeremy Grant, the book guides readers through sophisticated private equity products, performance measurement, risk management, fund structures and market dynamics.

---

Rob has also produced a working paper for the Skoll Centre in Oxford entitled *Venture Philanthropy: The evolution of high engagement philanthropy in Europe* which will be published soon on the Skoll Centre website.

---

### **New strategic funding from UK government to support philanthropy infrastructure organizations**

Five organizations have received strategic funding from the UK government's Home Office under a new initiative to promote philanthropy support organizations. The funds, awarded by the Volunteering and Charitable Giving Unit (VCGU) of the UK government's Home Office, constitute the first round of funding under the initiative in which the five organizations together received approximately £3 million in multi-year, core funding. The beneficiaries were Association for Charitable Foundations (ACF), for Philanthropy UK, a project originally co-funded by EVPA member, the Esmee Fairbairn Foundation, the Beacon Fellowship, the Citizenship Foundation, Community Foundation Network (CFN) and the Institute of Fundraising. VCGU says that these 'strategic partners' were chosen because of their demonstrated 'ability to contribute to the national debate on charitable giving and a proven track record in this area.' The funding scheme is a key element of the Government's efforts to increase charitable giving in England, particularly in its priority areas of democracy of giving, tax-effective giving, corporate community involvement, and young people.

*For more information, see  
[www.acf.org.uk/eletter/mar\\_06/leaders2.html](http://www.acf.org.uk/eletter/mar_06/leaders2.html)*

---

### **Philanthropists pioneering new directions in venture investing markets**

An event which showcased venture capital investment opportunities with both high financial return potential *and* high social return potential, was organized by boutique consultancy P3 Capital on 8 May. A growing number of philanthropists is taking a more critical look at their investing activities to see how social mission and investment objectives can be aligned, as instanced by emerging venture philanthropy and other 'social investment' strategies. However, according to P3 Capital, this still only affects a small proportion of funds available, while the rest remains invested in mainstream markets. Their P3 Pioneers Day events are an attempt to remedy this.

'Venture philanthropists tend to have come out of the venture capital markets and bring investment disciplines into the social markets. We are now offering them the opportunity to bring social thinking back into their venture investing activities,' said Charlie O'Malley, founding director of P3 Capital.

'We have targeted private philanthropists in particular,' said O'Malley, 'because they understand the social issues, but they also tend to be savvy investors. Most of the companies we work with

have thoroughly commercial propositions, but they are also serious about their social and environmental missions, so they want investors who don't just tolerate that viewpoint but actively support it.'

Ten businesses presented at the event, seeking a total in excess of £10 million. Perhaps the best-known of them, The Ethical Property Company was looking for funding for further roll-out of its commercial property portfolio, which is exclusively dedicated to non-profit and social sector tenants. Generating the most interest was Yellowikis, a revolutionary business in the Yellow Pages market, which combines great commercial potential with a social mission to encourage entrepreneurship and economic empowerment in the developing world and elsewhere. It has already attracted the attention of mainstream venture capitalists, but is looking for investors who support its social mission as well.

Many of the presenting companies are now in negotiation with potential investors they met on the day. P3 Capital intends to run three or four Pioneers Days during the year, with the next one planned for the Autumn. They would be interested in hearing from private investors, funds and foundations and also from companies who are seeking funding and who have a strong commercial proposition combined with a clear social or environmental mission.

*Contact Charlie O'Malley at [charlie@p3capital.com](mailto:charlie@p3capital.com) or see [www.p3capital.com](http://www.p3capital.com).*

## EVPA publishes first European venture philanthropy directory

EVPA published in May the first edition of the European Venture Philanthropy Directory. The Directory, which was well received at the European Foundation Centre annual conference, includes background and contact information for all EVPA members, as well as investment case studies for each full member. Additional content includes a venture philanthropy primer and recommended resources for venture philanthropists. The Directory, which was made possible by the generous support of TMF Atlantic Bridge, will be available free on the EVPA website, [www.evpa.eu.com](http://www.evpa.eu.com), as part of a library of resources for EVPA members and others interested in venture philanthropy.

A second edition will be issued in August 2006, ahead of the EVPA 2nd annual conference. Members will be given an opportunity to update their entries. The deadline for new content is 30 June 2006.

EVPA NEWS readers are encouraged to recommend venture philanthropy resources – such as organizations, websites, publications, and research – for inclusion in the Directory. These may be general, country-specific or sector-specific. To suggest a resource for the Directory, or to



submit an entry for your organization, please contact Susan Mackenzie, the Directory's editor, at [susan@susanmackenzie.com](mailto:susan@susanmackenzie.com)

## EVPA and CAF launch collaboration

EVPA and the Charities Aid Foundation have announced a three-year partnership under CAF's collaborative fund.

EVPA Chairman, Doug Miller, comments 'We are very pleased to have received this capacity building grant from CAF. We envisage this collaboration as strengthening each other's missions, as both organizations are committed to fostering innovative philanthropy. EVPA and its members anticipate significant mutual benefit from this relationship.'

Headquartered in the UK, CAF has offices in Belgium, South Africa, Bulgaria, USA, Australia, Russia and India.

<http://www.cafonline.org/charity/default.cfm>

EVPA helped organize a study tour to the UK by staff from CAF Russia. During 3 days, visits were made to EVPA members in London to see first hand how venture philanthropy is developing in the UK.

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

The European Venture Philanthropy Association is registered in the UK as a Charity, Registration No 1105785