



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET



CATALYST FUND

Powered by BFA GLOBAL

Fintech-enabled climate adaptation

Accelerating ventures for climate resilience

The Intervention

Accelerating and de-risking climate adaptation innovation in frontier markets

- **Pre-seed fund and venture building**, plus eco-system support
- Focus on **fintech-enabled ventures with impact on climate resilience**
- Delivered by **Catalyst Fund**
- With funding from **Global Environment Facility (GEF)** and **10x co-financing** from private and public
- Proposal as **winner** of GEF Challenge Programme for Adaptation Innovation
- **Kenya, Nigeria, Rwanda, South Africa and Uganda**
- Timeframe: 2023-2025

Startups in Emerging Markets

Challenges for growth and impact



Access to capital, especially pre-seed and seed capital, and diversified funding options for entrepreneurs at different points in their journeys



Access to talent, due to a young and inexperienced labor market, and lack of appropriate connections between young professionals and tech startups



Limited infrastructure, including challenges with internet connectivity, mobile data, information infrastructure, physical infrastructure, logistics, electricity and access to quality market data



Unclear laws and regulations; existing regimes are not adapted to support early-stage innovators; no legal recourse

Catalyst Fund

Service offering



Patient capital: Financing so startups have the runway to test and refine their products and market strategies



Customized venture building: Tailored, hands-on technical support delivered by fintech and emerging market experts to help startups build AAA services for the underserved and find product market fit



Investor readiness and connections: Investor-readiness bootcamps and 1:1 connections with global and local investors via our Circle of Investors to facilitate follow-on investments



Growth mentoring and coaching: Matching with expert coaches who provide advice, guidance, and business connections to support scale



Networking and peer learning: Connections with each other, investors, and potential partners via regional and global events, particularly in the UK, such as the Africa Fintech Forum



Customer impact measurement: Lean data impact measurement of low income customers' improvement in financial health, in partnership with 60 Decibels



Talent acquisition support: Paid interns through the Catalyst Fund Internship Program and facilitation of connections with talent networks to sources the highest quality talent



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Transformative changes

Intersection between digitalization and climate adaptation

- Leveraging **digitalization** to enhance climate resilience
- Bringing **innovative solutions** with climate adaptation impact **to commercialization**
- Introducing climate resilience as **opportunity for fintech**
- Deployment of **catalytic funding** through innovative instrument
- Paired with venture building services and eco-system support for **lasting changes**
- Solutions engineered for **vulnerable communities**

Catalyst Fund

Short description

- Pre-seed **high-impact fund** backing **tech startups**
- Seeks to improve the resilience of **underserved, climate-vulnerable communities** in Africa
- Supporting mission-driven, local and women founders offering **climate adaptation solutions, enabled by fintech**
- **Active, hands-on venture-building** approach that leverages experience as founders and operators in emerging markets, supporting startups on tech, product and data challenges
- Over past 7 years, backed 61 startups across 15 emerging markets
- Our unique venture-building support led to >\$650M **follow-on funding raised**, an 88% **portfolio survival rate** and an estimated 25% **IRR**
- With significant **opportunity to scale**



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THANK YOU!

Theory of Change

