

# PROGRAM RELATED INVESTEMENTS (PRIs)

A possible source of funding for Efs  
Sustainable Finance for Conservation in  
Africa

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(Abdoulaye Ndiaye)

# What is a PRI

- PRIs are a form of development lending - *the use of capital to achieve social goals*.
- PRIs usually help the borrower **attract other, conventional sources of capital**, thereby reducing dependence on grant funds.
- Terms of PRIs are determined case by case. Most investments have a term of **5-10 years** with a *below-market rate of interest*

# Purpose of PRIs

- The purposes for which Foundations make PRIs are essentially the purposes of their grantmaking programs.

# How are PRIs Implemented

- Foundations invests in intermediary organizations that subsequently make loans to individual projects.
- Direct investments in projects is also used when there is no intermediary organization active in a given field of interest.

# Selection Criteria

- The criteria for evaluating proposals for PRIs include the project's **potential impact**, its **financial feasibility**, and the extent to which it is related to the **Funder's program interests and goals**.

# PRIs Examples from MacArtur

- Environmental Enterprises Assistance Fund, \$1,000,000 to promote the use of photovoltaic energy in developing countries.
- National Housing Trust-EPC, \$4,000,000 in support of a revolving loan fund to preserve affordable rental housing in the USA.
- Organic Commodity Project, \$2,000,000 to promote the environmentally sustainable production of cacao in developing countries.