

Kiva Capital Management announces final close of Kiva Refugee Investment Fund to scale lending to fragile communities globally

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
Kiva Capital Management →

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SAN FRANCISCO, April 7, 2021 /PRNewswire/ -- Kiva Capital Management, the impact-first fund management subsidiary of non-profit Kiva.org, announced today the successful final close of the Kiva Refugee Investment Fund, LLC, a \$32.5 million facility to scale lending to fragile communities globally.

Capital from the Kiva Refugee Investment Fund ("KRIF") will be invested in partnership with microfinance partners across the Middle East, Africa, and Latin America. KRIF marks the third impact-first investment vehicle closing for Kiva Capital Management in less than a year, following the successful 2020 debut of the California Rebuilding Fund and the Small Business Resilience Fund.

"We firmly believe that the impact from this fund will expand beyond the initial \$32.5 million," said Chad Sterbenz, Kiva Capital's Chief Investment Officer. "Our goal is for this fund to de-risk and promote the idea of financial inclusion for fragile communities as not only the right thing to do morally but also economically."

KRIF brings together leading global impact investors, including the Soros Economic Development Fund, Sobrato Philanthropies, ImpactAssets, Ceniarth, The Missionary Sisters of the Sacred Heart of Jesus, Tiedemann Advisors, The Shapiro Family Foundation, The Dunn 

Family Charitable Foundation and The Fairmount Foundation to launch this impact-first vehicle. The U.S. Development Finance Corporation (formerly OPIC) and Mercy Investment Services also provided significant financing to KRIF. The Fund also received backing from Vanguard Charitable with support from CapShift, at the request of The JMB Charitable Fund and The Todd and Anne McCormack Fund.

"We're excited to partner with Kiva to build out the pioneering work they've done to promote financial inclusion for refugees. Our hope is that together we can lay the foundation for attracting more institutional capital, to scale up the provision of affordable and responsible financial products for displaced populations," says Catherine Cax, Director of Investments at the Soros Economic Development Fund, the impact investment arm of the Open Society Foundations.

Kiva works with a global network of financial service providers united by a strong commitment to facilitating access to critical financial products and services for underserved populations. Since 2005, Kiva has provided these partners with zero-interest, risk-tolerant capital through its Kiva.org crowdfunding platform. In 2016, Kiva piloted with select partners a focus on using this flexible capital to catalyze lending to refugees, a demographic often deemed too risky to lend to by financial service providers. With \$20 million lent to displaced populations in five years, Kiva has seen that refugees in fact can, and do, repay their loans, often at rates similar to or higher than non-refugees. This success has created a pathway to scale this work. KRIF offers investors the opportunity to provide larger sums of much-needed capital to be lent to refugees, internally displaced persons, and impacted host communities.

"As global economies recover from the COVID-19 crisis, democratizing fair access to capital for the most vulnerable and underserved among us is more critical than ever," said Julie Hanna, Executive Chairwoman of Kiva. "As a refugee of war, I have lived and witnessed the hope and dignity that is restored, and the human potential that is unlocked, when we gain fair access, especially fair access to capital. We are grateful to the visionary, purpose-driven investors who have joined forces with Kiva to scale our reach to refugees and look forward to welcoming new investment partners who are compelled by the mission of the Refugee Investment Fund."

"DFC is proud to support the Kiva Refugee Investment Fund, which will expand access to critical financing and training related to financial literacy and business development to refugees and internally displaced persons across 13 countries worldwide," said Vice President of

DFC's Office of External Affairs and Head of Global Gender Equity Initiatives Algene Sajery. "The vast majority of the world's refugees and internally displaced persons reside in developing countries, and the COVID-19 pandemic has disproportionately affected these communities. This critical investment in marginalized communities supports women's economic empowerment, with 70% of loans expected to reach women borrowers, and promotes development through inclusive economic growth in developing countries."

For press inquiries please contact: refugees@kiva.org

Kiva

Systemic barriers prevent more than 1.7 billion people around the world from accessing the financial services they need. Through technology and global partnerships, Kiva is building bridges to an inclusive future. A refugee can open a borderless bank account, a single mother can get the capital she needs to start her own business, and a bank in a rural village can finance emergency repairs for its residents.

Kiva is a global movement for equitable financial access. We unlock capital through crowdfunded loans – \$1.5 billion to date – and invest in innovative technology and solutions for financial access around the world.

Our mission is to expand financial access to help underserved communities thrive.

Kiva Capital Management

As a core part of Kiva's mission and investment strategy, our impact-first asset management subsidiary, Kiva Capital Management, is identifying innovative approaches to harnessing commercial investment for refugees, women's economic empowerment and equality, and COVID-19 recovery globally. Scalable, return-seeking investment in our lending partners is the next step in Kiva catalyzing prosperity for marginalized communities.

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