

The Catalytic Capital Consortium (C3) is an investment, learning, and market development initiative bringing together leading impact investors to encourage greater impact and use of catalytic capital, which we define as investment capital that is patient, risk-tolerant, concessionary, and flexible. In order to develop and grow a broader understanding of catalytic capital, the C3 strategic partners have compiled a set of introductory resources on catalytic capital and how it has been deployed effectively.

The brief list below is not designed to be comprehensive but instead seeks to serve as a springboard for further investigation.

### OVERVIEW

#### [Catalytic Capital: Unlocking More Investment and Impact \(2019\)](#)

This report from Tidelive provides foundational information on catalytic capital and the many ways it has been used by a variety of impact-oriented investors to fill financing gaps, enable third-party investment, and generate impact that would not otherwise be possible. It also introduces the Pathways to Impact framework, created to guide investors who deploy catalytic capital in a variety of contexts in clarifying the rationale for their catalytic investments.

#### [Across the Returns Continuum \(2016\)](#)

This report presents the framework used by the Omidyar Network to categorize the expected financial return of its investments, inclusive of market-rate investments, catalytic capital investments, and grants. The framework is intended to demonstrate the range of possible investment profiles, highlighting that while explicit tradeoffs between social return and financial impact may be required in some cases, this is not the case in many others.

#### [Beyond Trade-Offs: Investor Perspectives Across the Continuum of Impact Investing \(2018\)](#)

This series, developed by the Omidyar Network, makes the case that impact investing is hindered by an increasingly polarized debate about whether deep impact requires tradeoffs between financial

return and social or environmental impact, and it needs to move beyond the notion of trade-offs to embrace all types of capital along a continuum of financial returns. Eight articles from leading impact investors explore how institutional investors, family offices, and foundations each match their capital with expectations for risk, return, and impact across the impact investing returns continuum.

#### [Catalytic Capital: An Essential Tool for Impact \(2017\)](#)

In this blog, MacArthur's Debra Schwartz describes the vital role that catalytic capital can and should play as the field of impact investing grows. Using the examples of MacArthur's work in supporting community development financial institutions and in preserving affordable housing, she makes clear that the use of catalytic capital not only enabled significant impact but also helped build new networks of essential impact capital providers.

#### [ImpactAlpha: Catalytic Capital](#)

ImpactAlpha, a leading digital media site for business journalism focused on social and environmental value, tracks catalytic capital as one of its six core themes. Regularly updated, this curated hub for catalytic capital articles covers a wide range of geographies, sectors, and investors who are utilizing catalytic capital to create impact.

### **An Investor's Journey: How CDC Group Is Innovating with Catalytic Capital (2019)**

This article details efforts by the CDC Group's Catalyst Strategies, a \$1.5 billion catalytic capital commitment, offering insightful reflections for others also looking to increase their deployment of catalytic capital.

## **CASE STUDIES**

### **Catalytic Capital at Work (2019)**

This document highlights eight different examples of investments made by the C3 Strategic Partners (the Rockefeller Foundation, the Omidyar Network, and the MacArthur Foundation) where catalytic capital leverages additional actors and achieves deep impact.

### **The Forest Resilience Bond (2020)**

This case study details the investors (including Zero Gap, a C3 Field Partnership managed by The Rockefeller Foundation), the capital structure, return details, and expected impact of the Forest Resilience Bond, which uses upfront investment from private and philanthropic investors to fund forest restoration activities and increase the pace and scale of restoration activities across the western U.S. The study also describes key insights on how this market can be further developed and notes how catalytic capital made this investment viable.

## **VIDEOS ABOUT CATALYTIC CAPITAL**

### **SOCAP19 Conference Panel Recording – Fighting Climate Change while Growing Markets (2019)**

At the 2019 SOCAP Conference, panelists, including MacArthur's John Balbach, discuss the importance of catalytic capital in climate change mitigation. The panelists discuss Terra Silva Investments, a \$90 million catalytic capital initiative and C3 Field Partnership to support sustainable forestry, as well as the use of catalytic capital to accelerate climate-relevant technology innovation.

### **SPECTRUM Virtual Video—Putting Capital to Work for People (2020)**

At the 2020 SPECTRUM Community Gathering, MacArthur's Debra Schwartz moderated a conversation with Kesha Cash, Founder and General Partner of Impact America Fund II, and Diishan Imira, CEO of Mayvenn, Inc., one of the Fund II's largest investments. This conversation focuses on the ways limited partners, fund managers, and entrepreneurs are using catalytic capital to accelerate the development of power within low- and moderate-income communities of color in the U.S.