



# BLENDING FINANCE ACCELERATOR FOR ASSET AND FUND MANAGERS (A4FM)

VIRTUAL LAUNCH

August 19th, 2025

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# AGENDA

<b>8:30 am ET</b>	Welcome Remarks	<b>Leah Pedersen</b> , <i>Senior Director, Convergence</i> <b>Jared Klassen</b> , <i>Senior Analyst Innovative Finance and Impact Investing, Global Affairs Canada</i>
<b>8:35 am ET</b>	Overview of the Accelerator for Fund Managers	<b>Kanwal Rathi</b> , <i>CFA Senior Associate</i>
<b>8:45 am ET</b>	Deep Dive: Call for Proposal	<b>Arusha Latif</b> , <i>CFA Associate</i>
<b>8:55 am ET</b>	Panel Discussion <i>Moderated By Leah Pedersen</i>	<b>Christiane Würdemann</b> , <i>Head of Emerging Markets Energy Transition, Mirova</i> <b>Ellen Van</b> , <i>Investment Director, Mekong Capital</i> <b>Faisal Khan</b> , <i>Managing Partner and Chief Investment Office, Acre Impact Capital</i>
<b>9:20 am ET</b>	Q & A and Closing Remarks	<b>A4FM Team</b> , <i>Convergence</i>

# WHO WE ARE?

## Convergence is the global network for blended finance

We exist to increase private investment in emerging markets and developing economies (EMDEs) to advance the UN Sustainable Development Goals (SDGs) and Paris Agreement.

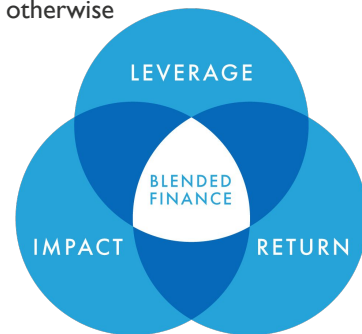
Traditional development aid from public and philanthropic sources must be used catalytically to draw in private investors and drive capital into EMDEs.

## Our Vision

We envision a world where blended finance makes the SDGs investible in emerging markets and developing economies.

Blended finance transactions should have three signature markings:

- 1 **RETURN:** Intended to yield
  - 1 an overall financial return and
  - 2 risk-return for private investors in line with market
- 2 **IMPACT:** Underlying activities drive capital towards SDG-aligned sectors in EMDEs.
- 3 **LEVERAGE:** Public/philanthropic parties leverage catalytic capital to make a deal happen that would otherwise attract little or no private capital



# WHY EMDEs?

## Demographics and Consumption

*Over 85% of the population resides in developing countries.*

## Urbanization and Rising Demand

*Urban population in EMDEs to reach **60%+ by 2050**, boosting consumption and infrastructure needs.*

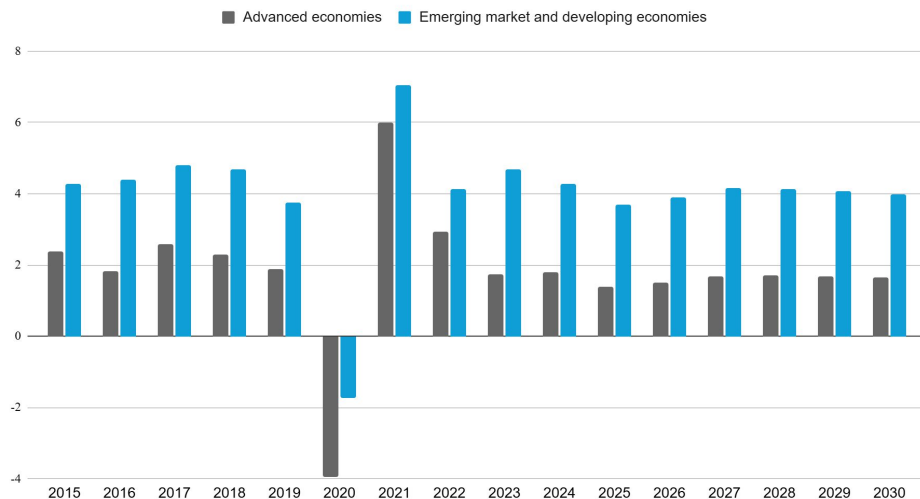
## GDP Growth Advantage

*GDP Growth outpacing developed markets (~4.5% v.s. 1.5%)*

## Digital & Fintech Expansion

*Abundant natural resources and energy transitions (renewables, critical minerals, etc.)*

## GDP Growth Forecast



# EMDE SUSTAINABLE PRIVATE INVESTMENTS VS. DEVELOPED MARKET



## Comparable and Competitive Returns

Highlighting the strength of public vs private market exposure in EMs, **IFC's private equity portfolio<sup>1</sup> demonstrates overperformance of 16% relative to MSCI Emerging Markets index.**

When benchmarked against developed public markets, the IFC's private equity portfolio has shown comparable risk-adjusted returns to the S&P 500



## Double Bottom Line Achievement

Impact investing globally has demonstrated market-aligned returns, with the 2024 GIIN Impact Investor Survey<sup>2</sup> reporting **74% of investors achieved at market or above market returns**



## Diversification and Resilience

EMDE investments offer **meaningful portfolio diversification**, supported by their low correlation with developed markets and benefits from long-term growth drivers such as population growth, urbanization, and the climate transition.

From a risk management standpoint, **private sector lending in EMDEs has proven resilient**, with an average default rate of 3.56%, according to the GEMs<sup>3</sup> database.

# HIGH GROWTH, HIGH RISK: WHY BLENDED FINANCE MATTERS IN EMDEs

## Top 10 Fastest-Growing Economies = All EMDEs

- Strong GDP growth but challenged by **below investment grade** and **perceived high macro risks**

## Key Challenge for Investors

- Macro risks, **currency volatility, political instability, and market fragility**, limit institutional and commercial capital flows
- **Sustainable growth** depends on continually attracting and scaling additional private capital beyond current levels

## Blended Finance as a Solution

- Combines concessional / public capital with private investments to present a risk-adjusted way for private investors to invest at scale in **EMDEs**.
- Based on Convergence Market Data, **\$1 of concessional capital attracted over \$5 of commercial capital** for larger transactions (>100Mn)
- With only ~21% of blended finance deals involving **asset managers, PE, and VC firms** in a lead structuring role or a General Partner to date, there is a clear opportunity to scale their participation

# OVERVIEW OF THE INITIATIVE

## What is Blended Finance Accelerator for Fund Managers (A4FM)?

This initiative aims to **strengthen the capacity of Canadian and global fund and asset managers by equipping them with the knowledge, catalytic grants, and acceleration support** necessary to design, launch and scale-up blended finance transactions that mobilize capital towards the emerging and developing markets.



**CAD 10 M (~USD 7.3 M)**

PROGRAM SIZE

**8 YEARS**

TENOR

**VEHICLES TARGETING EMDEs  
FOR DEVELOPMENT IMPACT**

**~15**

VEHICLES TO BE SUPPORTED



# COMPONENTS OF A4FM

A4FM is a blended finance accelerator designed to provide wrap around services with the support of 3 components:

## 1 SKILLS BUILDING FOR ASSET AND FUND MANAGERS

Curated training sessions to enhance capacity of Canadian and global asset and fund managers



## 2 CATALYTIC GRANTS

Award grant funding up to CAD 500,000 for the design, launch and scale-up of a blended finance solution

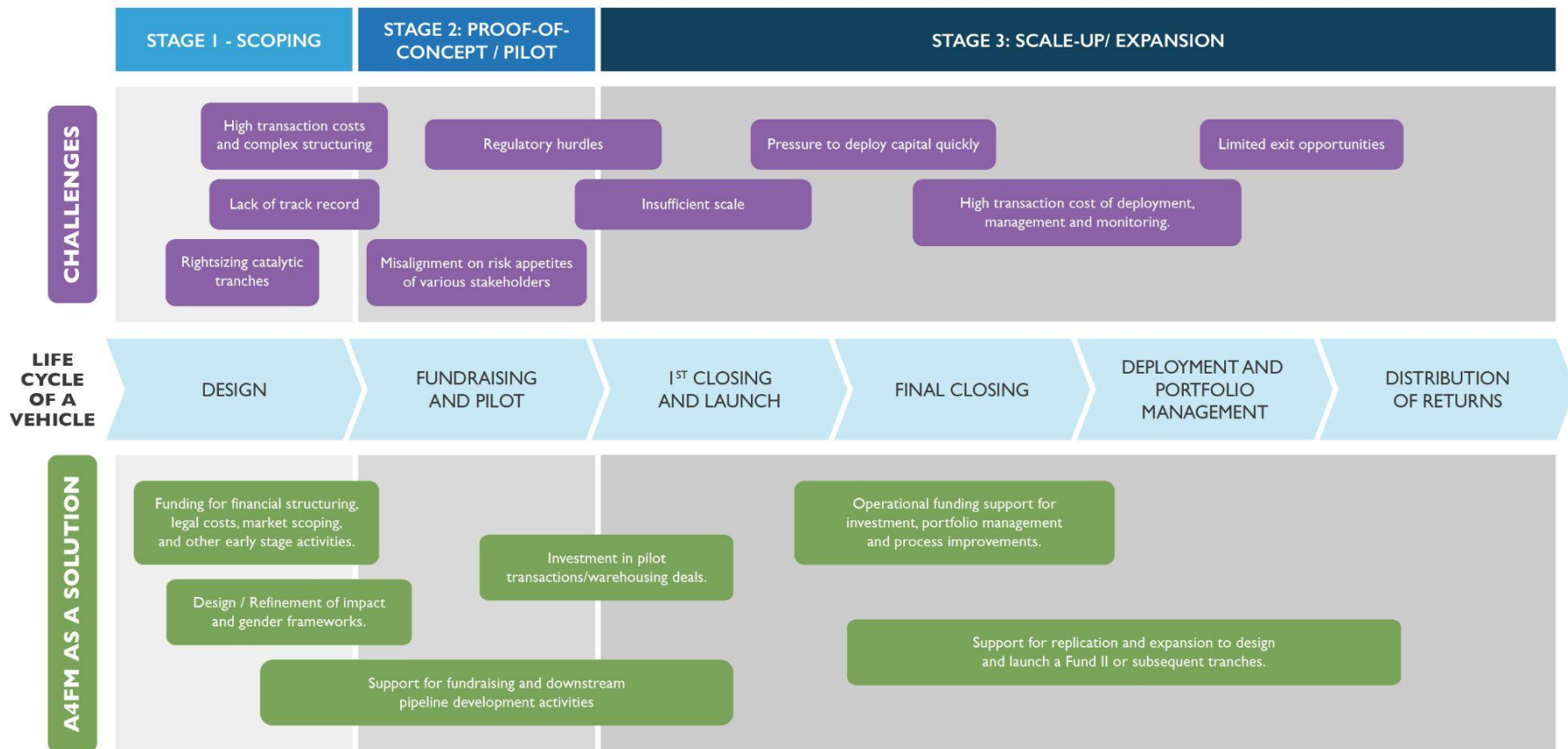


## 3 ACCELERATION SUPPORT

Access to tailored training, strategic market engagement and matchmaking, and expert capacity building resources to fast track the design and launch process



# NAVIGATING THE CHALLENGES IN DESIGNING A BLENDED VEHICLE



# UPCOMING EVENTS

- **1st Call for Proposals for Catalytic Grants and Acceleration Support:** [Live now!! Accepting concept notes until October 13th.](#)
- **Additional Information Session on 1st Call for Proposals:** [September 4th at 8.30am ET: Learn the do's and don't's and ask your burning questions about the 1st Call for Proposals.](#)
- **Two in-Person Trainings for Canadian Audience:** [Expressions of interest for in-Canada training sessions for Canadian fund and asset managers \(fall/winter\)](#)



DEEP DIVE INTO THE CALL FOR PROPOSALS

# WHO CAN APPLY FOR A4FM CATALYTIC GRANTS?

## ELIGIBILITY CRITERIA

- 1 Applicant:** Private legal entities\* including emerging and established fund or asset managers, and investment management/advisory firms working in partnership with licensed fund/asset managers to design, launch, or scale blended finance vehicles
- 2 Purpose:** To support the design, pilot, launch, scale-up and/or expansion of blended finance vehicles (e.g. Fund, Facility etc.)
- 3 Geography:** Global emerging and developing markets (EMDEs) as per the [OECD-DAC List of ODA Recipients](#). Vehicles targeting least developed countries(LDCs) and lower middle income countries (LMICs) are encouraged to apply
- 4 Sector:** Vehicles must target development impact by addressing one or more [sustainability- aligned sectors](#) with a focus on gender inclusivity
- 5 Mobilization:** Vehicle must demonstrate potential to drive private investment at scale for development impact in EMDEs.

\*Only legal entities or consortiums of legal entities are eligible, individuals are not eligible to apply

# WHICH GRANT TYPES ARE WE OFFERING?

## STAGE 1: SCOPING

**Funding to explore the feasibility of a new solution and validate its potential**

Example activities:

1. Refine design and structure of the vehicle (legal and financial)
2. Market scoping and stakeholder consultations
3. Impact analysis and governance mechanism

Objective and Possible activities funded

## STAGE 2: PROOF-OF-CONCEPT/PILOT

**Funding to support the design and structuring activities to prepare for the vehicle's possible launch.**

Example activities:

1. Fundraising and investor outreach
2. Refine and prepare legal documents
3. Investment pipeline development and warehousing or piloting investments

Prerequisites for this stage

Developed initial design and structure of the blended finance vehicle, the theory of change and early stakeholder engagement

Refined the financial model, capital structure, impact analysis and governance with advanced engagement with potential investors

Amount and Type of Funding

Non-repayable funding available up-to CAD 260,000 (~USD 190,000)

Conditionally repayable funding available up-to CAD 500,000 (~USD 360,000)

Size of Vehicle

Capacity and potential to scale the financial vehicle to an avg. target size of at least US\$50 million, first close could be less than US\$50 million, supported with a roadmap for scaling up vehicle

## STAGE 3: EXPANSION/ SCALE-UP

**After an initial pilot or launch, funding support for:**

1. Operational funding for a expansion. For e.g. 2nd, 3rd, or final closes of the fund OR
2. Operational funding to replicate/improve the successful blended finance solution in new contexts or new geographies. For example, fund II or III

Vehicle launched, achieved first close and initiated capital deployment, compelling case and concrete investor interest for expansion

Conditionally repayable funding available up-to CAD 500,000 (~USD 360,000)

# WHAT WE LOOK FOR IN AN APPLICATION?

## EVALUATION CRITERIA

Eligible applications will be evaluated on the below criteria:

### Track Record and Capabilities

- Organization and core team commitment, and expertise
- Ability to design and manage investment vehicles
- Local presence or strong partnerships in target markets

### Target Size and Potential to Scale

- Clear capital structure and fundraising strategy
- Participation from institutional/private capital
- Defined pathway to scale-up, reach target size, and replicate

### Commercial Viability and Path to Financial Close

- Bankable structure aligned with investor risk-return profile
- Progress towards closing with clear next steps
- Robust risk management and governance framework

### Market Opportunity and Additionality

- Addresses a clear market gap
- Strong rationale for blended structuring approach
- Potential to drive capital into EMDEs with A4FM support

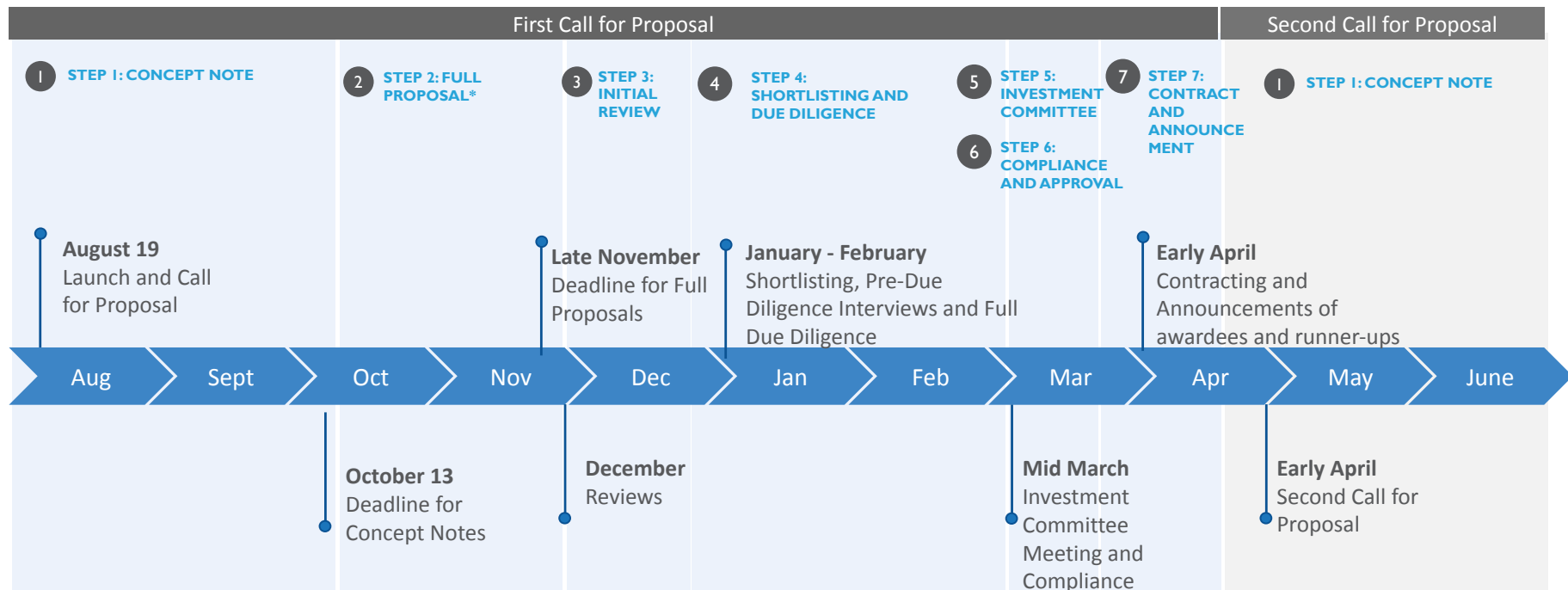
### Development Impact

- Development impact thesis and value creation lens
- Targets underserved communities with a gender lens
- Defined KPIs using global measurement and monitoring standards

### Strategic Partnerships and Stakeholder Support

- Support from key internal and external partners
- Well-defined roles and engagement strategy

# WHAT IS THE APPLICATION AND REVIEW PROCESS?



\* Only a select high-quality concept notes will be invited to submit a full proposal



# WHAT DOES THE ACCELERATION SUPPORT INCLUDE?

The acceleration support is designed to help fund and asset managers successfully design, structure, and launch blended finance vehicles:



## CURATED KNOWLEDGE & INSIGHTS

- Specialized blended finance curriculum and training tailored for fund and asset managers.
- Targeted bootcamp sessions addressing awardees' specific interests and needs.



## ENHANCED MARKET ENGAGEMENT

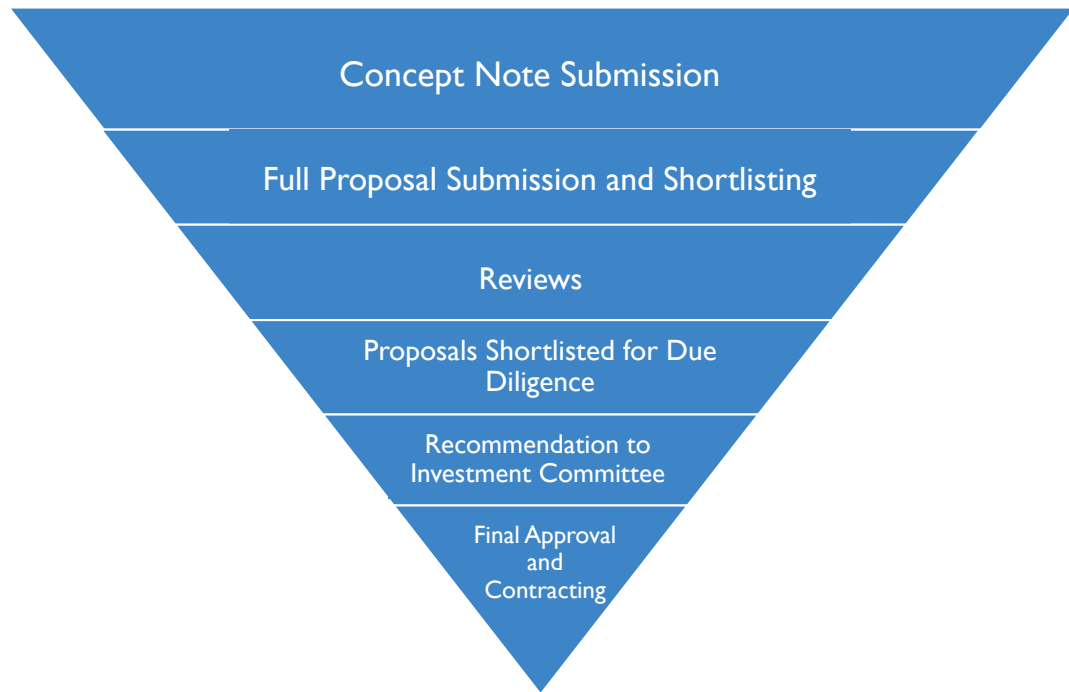
- Strategic matchmaking with investors and ecosystem partners and showcasing opportunities.
- Access to general knowledge products and valuable market insights from Convergence.



## STRATEGIC CAPACITY BUILDING

- Peer-to-peer learning sessions, expert feedback from seasoned blended finance professionals
- Investor readiness & strategic positioning with expert feedback on critical design and related deliverables
- Access to a curated and vetted list of technical service providers and/or TA partners.

# WHAT TO EXPECT FROM A4FM's 1ST CALL FOR PROPOSALS?



- **Target Awardees:** 3-5 applications to be awarded catalytic grants and acceleration support by April 2026
- **Timeline of Support:** A4FM will provide support for over 12-24 months and provide milestone based grant disbursements.
- **2nd Call for Proposals:** Next cycle of A4FM is expected to launch in April 2026



**Christiane Würdemann**

Head of Emerging Markets  
Energy Transition,  
Mirova



**Ellen Van**

Investment Director,  
Mekong Capital



**Faisal Khan**

Managing Partner  
Acre Impact Capital



Moderated by:

**Leah Pedersen**

Senior Director, Blended Finance  
Accelerator, Convergence

## PANEL DISCUSSION



Q & A

# THANK YOU

Learn more about the accelerator:

<https://www.convergence.finance/accelerator>

Register for the [Information Session on A4FM](#)

Expression of Interest for [in-person trainings for Canadian Asset and Fund Managers](#)

For any questions please contact:

[accelerator@convergence.finance](mailto:accelerator@convergence.finance)



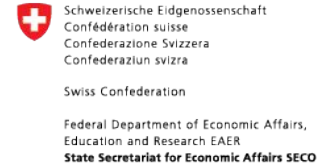
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