



Save the Children Global Ventures leads US\$1 Million investment in affordable education providers through USAID CATALYZE EduFinance fund in Rwanda

The fund leverages capital under USAID CATALYZE EduFinance to improve access to financing options for providers serving children and youth from disadvantaged families.

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Oct. 4, 2023: Save the Children Global Ventures (SCGV) has led the first US\$1 million commitment (of an anticipated US\$ 6 million) to USAID's CATALYZE EduFinance Rwanda fund. The fund helps improve access to capital for affordable education providers in Rwanda to enhance their education offerings and improve learning and education outcomes for students.

Early childhood development (ECD) is a key focus area for the CATALYZE EduFinance Rwanda fund. Greater investment in ECD is critical to ensuring all young children reach their potential for primary school education. However, children and families in Rwanda lack access to basic ECD services with only one out of every five children between 3- to 6-years of age having the opportunity to attend a preschool, daycare, or other early learning facility.

“Save the Children knows that traditional development approaches alone are not enough to achieve our ambitious goals for children. To make a meaningful difference in children's lives for the next 100 years, more effort and money need to flow to innovative and entrepreneurial approaches like this early childhood education initiative in Rwanda,” says Paul Ronalds, CEO of SCGV.

“In Rwanda, ECD spaces not only provide a quality early learning environment; they protect children, improve their nutritional intake, and allow mothers to re-engage in the workforce. They also create employment for those working in them, which is why investing in ECDs can have such a deep impact,” adds Maggie Korde, Country Director at Save the Children Rwanda.

CATALYZE EduFinance mobilizes blended finance through the strategic use of USAID funds in Rwanda. Private capital leveraged with USAID funding addresses the substantial funding gap in the education sector and improves learning outcomes. In addition to capital, beneficiaries of the fund also receive training that helps to strengthen their viability while continuing to serve low-income families.

The fund builds on successful initiatives implemented in India and South Africa by education investment firm, Kaizenvest, who manages private equity and debt funds and invests in companies that drive learning innovation. Kaizenvest has invested their own funds into the CATALYZE EduFinance programming.

“We are thrilled to receive this endorsement for CATALYZE EduFinance Rwanda from Save the Children Global Ventures,” says Sandeep Aneja, Founder and Managing Partner of Kaizenvest. “Non-state education is an important complement to public education in developing countries, and Kaizenvest is committed to bringing affordable credit and other value-additions to the sector.”

CATALYZE EduFinance Rwanda furthers education outcomes improvement through its complementary Rewards and Recognition model, which uses cash and non-financial incentives to ensure that high-performing ECD centers can benefit directly from improved learning outcomes.

“The United States, through USAID, has been working in partnership with the Ministry of Education for over ten years, investing in foundational literacy and youth development. We are proud to be a trusted partner working together for the benefit of all Rwandan children,” says Jonathan Kamin, USAID Rwanda Mission Director. “We call on business leaders to partner with us and invest in education for a brighter, prosperous and more resilient Rwanda.”

About CATALYZE EduFinance

CATALYZE EduFinance (September 2019–2024), implemented by Palladium, uses a blended-finance approach to test models that improve and sustain learning outcomes for children and youth globally, particularly those who are most vulnerable. CATALYZE implements multiple models in 14 countries across Latin America and the Caribbean and Africa, supporting local education stakeholders in state and non-state education in ECD; primary and secondary education; technical and vocational education; and improving enabling environments. Pilot activities implemented by EduFinance are complemented by a global community of practice, the Education Finance Network.

About Save the Children Global Ventures

Save the Children Global Ventures (SCGV) oversees the first of their kind investment funds with a child-lens, deep-impact focus to prioritize positive outcomes for children while minimizing harm. SCGV’s team brings diverse experience in innovative finance and impact investing combined with a deep understanding of what it takes to achieve impact for children in the world’s most challenging places. SCGV also benefits from the global reach and resources of Save the Children, operating in over 110 countries, which provides pipeline opportunities and support for the companies in its portfolio. More information can be found at scgv.org.