

## CARE USA Program Related Investment Policy

### Policy

**CARE USA** promotes a policy of creating locally governed, self-sufficient enterprises that can provide sustainable services to the poor. Program Related Investments can be initiated for the purpose of establishing enterprises that expand CARE USA's mission in a country. A Program Related Investment (PRI) represents a financial investment or substantial governance role in a partner enterprise. In most instances this will be an entity created by CARE USA that allows CARE USA to further its vision and mission of overcoming poverty.

CARE USA Country Offices should view PRIs as short-to-medium-term investments. While every PRI will be unique, each should be established with a legal and governance structure that is appropriate for the eventual termination of substantial involvement and investment from CARE USA. It would be

A photograph of a man wearing a blue cap and a striped shirt, working in a field of young plants. He is using a tool to tend to the plants. The background shows a large tree and hills under a blue sky.

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acceptable and appropriate in some cases for CARE USA to maintain a long-term ownership or board presence in enterprises.

As the reason for developing a PRI is the establishment of a sustainable enterprise, investment in the enterprise should be protected and leveraged for the purpose that the initial investment was intended. Income flows from the enterprise should primarily be utilized to reinvest in the enterprise and to cover CARE USA's costs in oversight and governance.



### Investment Committee

In order to facilitate the process of developing a Program Related Investment, CARE USA will establish a Program Related Investment Committee. The Investment Committee will consist of the Director of the Economic Development Unit, the General Counsel and the Finance Controller. The Regional Management Units will be represented as appropriate.

The purpose of the Program Related Investment Committee will be to review, approve and track PRIs. Country Offices will be required to submit a PRI plan to the Investment Committee and receive

approval before proceeding with the investment. Country Offices will then be expected to report to the Investment Committee on the status of the investment on a regular basis. Standards for receiving approval and reporting requirements are included in the following Program Related Investment Guidelines.