

# CIDA Empowerment Fund



## Diamond Fund

In just seven short years CIDA City Campus has become known as one of the most widely recognised and effective responses to the issue of poverty alleviation in Africa. It has established an outstanding series of programmes and an international support network of influential companies and individuals.

CIDA believes that outstanding programmes require consistent funding. To achieve this, CIDA now seeks to safeguard its future by ensuring its long-term sustainability. Further, CIDA has enormously exciting plans to replicate self sustaining campuses, which it is in a position to do, once the future of the Johannesburg campus is secured to educate over 3000 students per year.

To this end CIDA's Diamond Fund was initiated on 12 August 2006 with the donation of R20m from founder member, Claas Daun, and R10m from the Kellogg Foundation. The Diamond Fund is an endowment fund that aims to secure a sustainable source of annuity funding for the university by accumulating a capital base of R300 million through donations. This capital will be invested in a diversified portfolio of assets so as to generate a low risk high yield return, prioritizing capital preservation whilst providing investment income to fund operational costs and scholarships for students.

CIDA's Diamond Fund offers donors a unique opportunity to transform a once off donation into a lifelong investment in the development of South Africa, and more specifically its youth by securing financial sustainability for CIDA City Campus and its programmes. CIDA seeks 30 exclusive donors (individuals, groups of individuals, foundations or companies) to invest in a CIDA Diamond by contributing R10 million each to create this endowment fund. These gifts will be invested into perpetuity, creating a permanent Diamond Partner legacy to fund the delivery of tertiary business education through CIDA.

"The education offered at CIDA City Campus is designed to make students relevant, truly empowered, integrated citizens and leaders that are skilled and equipped to build the South African economy and society."

- President Thabo Mbeki, addressing Parliament, 2001

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- Edward De Bono

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**The CIDA Diamond Fund offers two distinct opportunities to Diamond Investors:**

1. Donations to CIDA Empowerment Limited, a 100% black owned and controlled investment company with 100% of its profits being channelled to CIDA university, will be used to acquire stakes in a mixture of high growth, highly cast generative small-to-medium sized unlisted businesses at very attractive valuations. The South African Government's imposition of a top-down Black Economic Empowerment (BEE) Strategy, which requires traditionally white-owned business to introduce BEE partners at an equity level, has afforded CIDA an excellent opportunity to secure financial sustainability by generating superior capital and dividend returns from a high-yielding investment portfolio comprising equity stakes in businesses operating in South Africa.

2. Donations to the CIDA Diamond Fund will be held as capital reserves, invested in a balanced portfolio by Investec Asset Management, from which interest or investment income will be generated and used for CIDA's long-term sustainability.

If you wish to become a Diamond Investor, please contact the CIDA Empowerment Fund.

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