

# Regional Investment Support for Entrepreneurs

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## RISE

A technical assistance platform for high growth  
social impact companies and investors



# CONTENTS

- I. Entrepreneurs Face Challenges ..... 1
- II. RISE Supports Entrepreneurs and the Ecosystem..... 2
- III. Project Partners..... 3
- IV. Investor Partners..... 4
- V. Strategic Partners..... 5
- VI. Unique Features ..... 6
- VII. RISE’s TA Facility..... 7
- VIII. Products and Services..... 8
- IX. Priority Areas of Technical Assistance..... 9
- X. Gender Lens Investing..... 10
- XI. Revolving Fund for TA..... 11
- XII. Partnership Benefits..... 12
- XIII. Flexible Platform Enables Expansion and Scale ..... 13
- XIV. Fundraising to Scale Impact..... 14
- XV. Emerging Impact..... 15
- XVI. Feedback from Clients and Partners..... 16



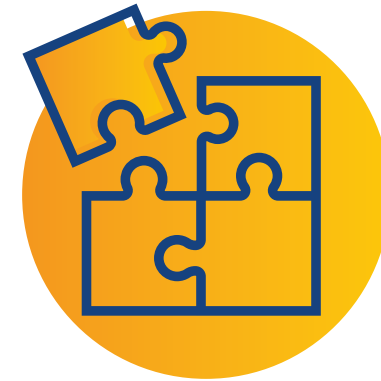


I.

# ENTREPRENEURS FACE CHALLENGES

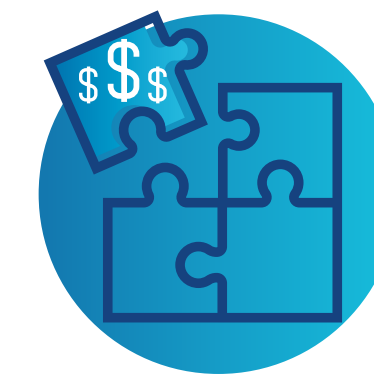
There is a clear market demand for quality, affordable services tailored to social impact companies and the investors who want to work with them.

## NON-FINANCIAL CHALLENGES



- Underdeveloped leadership.
- Lack of business management strategies.
- Poor governance and structures.
- Insufficient technical knowledge and skills.
- Lack of investment readiness.

## FINANCIAL CHALLENGES



- **50%** of all ASEAN SMEs are **either unserved or under-served in terms of access to finance**, translating into a credit gap of \$52.8 billion.
- **Private investment capital** are primarily channeled towards more established markets.
- **Majority of SMEs fall within the “missing middle”** – they are “too risky / small” to receive bank credit, but “too established / large” to receive grant or angel investments.
- As a result, entrepreneurs **rely on internal funds to fund their businesses** – **at least 40%** of ASEAN SMEs source capital from “friends and family”.

## II.

# RISE SUPPORTS ENTREPRENEURS AND THE ECOSYSTEM

## Objective

RISE aims to create impact for the base of the pyramid in the ASEAN region by providing inclusive technical assistance (TA) to enterprises with high potential for positive social and environmental impact and by mitigating risk for investors.

## Priority Sectors

Agriculture, digital solutions, energy, health, water and sanitation.



## Geographic Focus

RISE currently operates in Cambodia, Indonesia, the Philippines, and Vietnam, but expects to expand to Laos PDR and Myanmar.





### III. PROJECT PARTNERS



as the convener provides overarching vision and seed capital for RISE and supports the platform through its regional and institutional relationships.



is the implementer, establishing and managing RISE's TA Facility while seeking new funds for additional intervention areas.

## IV. INVESTOR PARTNERS

RISE partners with investors to support growth-oriented companies that have positive social and environmental impact. Current partners are mostly impact investors; however, RISE is exploring opportunities with angel investor networks, brokers, and venture capital firms. RISE's services improve investors' pipeline, help mitigate risks during growth, and support investees successful transition from one round of fundraising to the next.



Damson Capital

INSITOR PARTNERS



PHITRUST  
Asia



As a hands-on investor, Insitor Partners worked closely with KWSH over the past year to identify and problem-solve for obstacles that may hinder scaling. The need for a more advanced CRM system emerged as crucial for KWSH to achieve its long-term objectives and grow in a sustainable manner. RISE has offered KWSH a repayable grant to fund the tech project so that they don't have to divert resources from pipeline expansion projects at this critical juncture. RISE's repayable grant is a great innovation in the TA delivery space.

**Nicholas LAZOS**

*Partner & Chief Investment Officer,  
Insitor Partners*



Alterfin invests in early-stage social businesses and co-operatives in agri-value chains. We are very grateful to RISE as this collaboration will help our partners in the region achieve social, environmental and financial sustainability. We look forward to further expanding it.

**Jean-Marc DEBRICON**

*General Manager, Alterfin*



## V. STRATEGIC PARTNERS

RISE forms strategic partnerships with organizations in order to expand technical assistance services to a wider range of social impact companies. RISE supports the investment readiness program of AVPN, for example, and links potential clients to pro- and low-bono service programs such as Cross Fields, Rippleworks, and the Swisscontact Senior Expert Contact. We also partner with incubator and accelerator programs to provide TA to their graduates.

For the latest list of strategic partners, go to:

### RISE Platform



CROSS FIELDS





## VI. UNIQUE FEATURES

RISE is unique in its regional, multi-investor, multi-sector, and multi-donor approach.

Core features include:

### Flexible & Fast One-stop Shop

In addition to core business development areas, RISE can source uniquely qualified consultants as needed. We can even source the company or investor's preferred provider after a simple vetting process. The process is lean, allowing us to meet needs quickly.

### Tailored TA Products

From the areas of TA coverage to the models of matchmaking and repayment, RISE's TA products have been crafted to serve the needs of entrepreneurs and investors.

### Quality TA Providers

Finding a quality consultant can be challenging for companies. RISE's consultancy pool is vetted, open source, and dynamic. Only consultancies with consistently positive reviews will remain in the pool.

### Matchmaking Services

We do not prescribe one consultant; we offer multiple options and create space for the company management team in conjunction with the investor to choose the best fit based on skill, approach, price, and personality.

### Sustainable Model

The RISE Platform operates through a blended revolving fund model. Through RISE, donor grant funding is catalytic, establishing a platform that generates revenue as SMEs pay back a cost of the TA they receive, plus concessionary operating costs.



# VII. RISE'S TA FACILITY

As a one-stop regional facility, RISE can drive efficiency, coordination, and opportunities within the market. In partnership with donors, investors and intermediaries, and TA providers, RISE enables social impact entrepreneurs to access a combination of finance and affordable, right-fit business support.





## VIII. PRODUCTS AND SERVICES

In collaboration with its investor partners, RISE has developed products and services tailored for investees and those who support them.



### INVESTMENT READINESS

- Short-term consultancy or medium-run coaching support to companies seeking investments from RISE partners and other investors.
- Repayable grant requires a small down payment, then company repays a small portion of value after successful fundraising and the remaining value over several years.



### POST-INVESTMENT

- Short- to medium-term consultancies to companies who have received investments from RISE partners.
- Repayable grant requires a small down payment, then company repays the remaining value over several years.



### NETWORKING

- Facilitation of linkage between social impact companies on a path to investment readiness and strategic partners who offer free or deeply discounted services.



### GENDER LENS INVESTING

- Short- to medium-term coaching for companies seeking to raise capital from gender lens investors (GLI).
- Available for RISE clients accessing investment readiness, post-investment and networking support.



## **IX.** PRIORITY AREAS OF TECHNICAL ASSISTANCE

Through a pool of vetted consultants, RISE can provide quality services in core TA areas. Additionally, RISE can source new consultants to address specialty areas based on sector, technology, and business type. If investors or companies wish to work with their own preferred providers, RISE can vet those consultants and contract them for TA assignments.





## X. GENDER LENS INVESTING

Looking forward, RISE aims to develop products and services to support gender lens investing (GLI) in the region.

Two of the tools RISE can leverage to support GLI are GIIN's IRIS+ and the USAID-supported Gender Equality Mainstreaming (GEM) Framework.

The GEM Framework tracks 31 “gendered” environmental, social and governance (ESG) indicators for SMEs. If interested, RISE investment partners can apply the GEM Framework across their portfolio or with a select group. This allows investors to track the inclusion of women as leaders, managers, employees, consumers, and suppliers of a portfolio company.

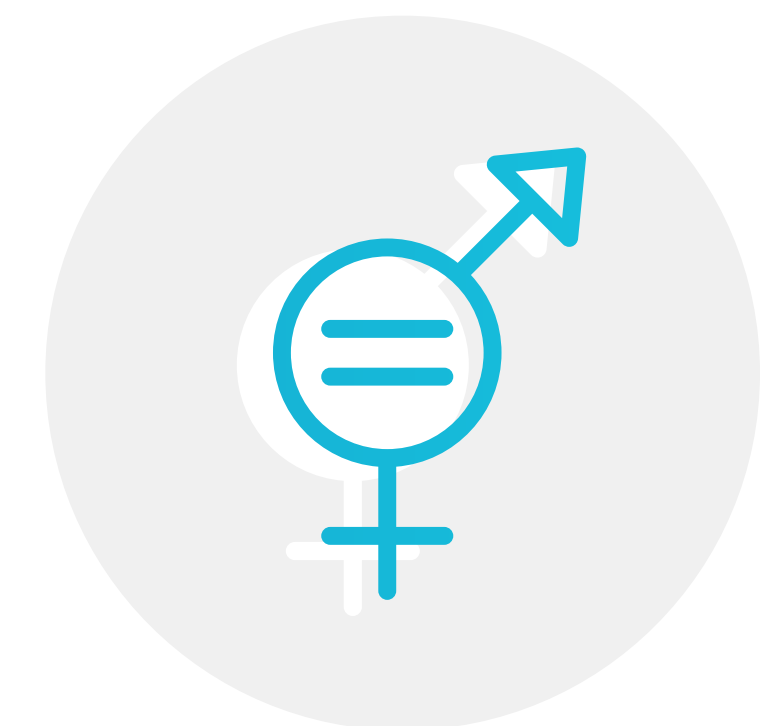
### GEM Theory of Change



Gendered ESG frameworks mainstream **inclusion** of women in policies and practices



**Inclusive ESG practices** promote women's (economic) **empowerment**



Women's empowerment contributes to **gender equality**

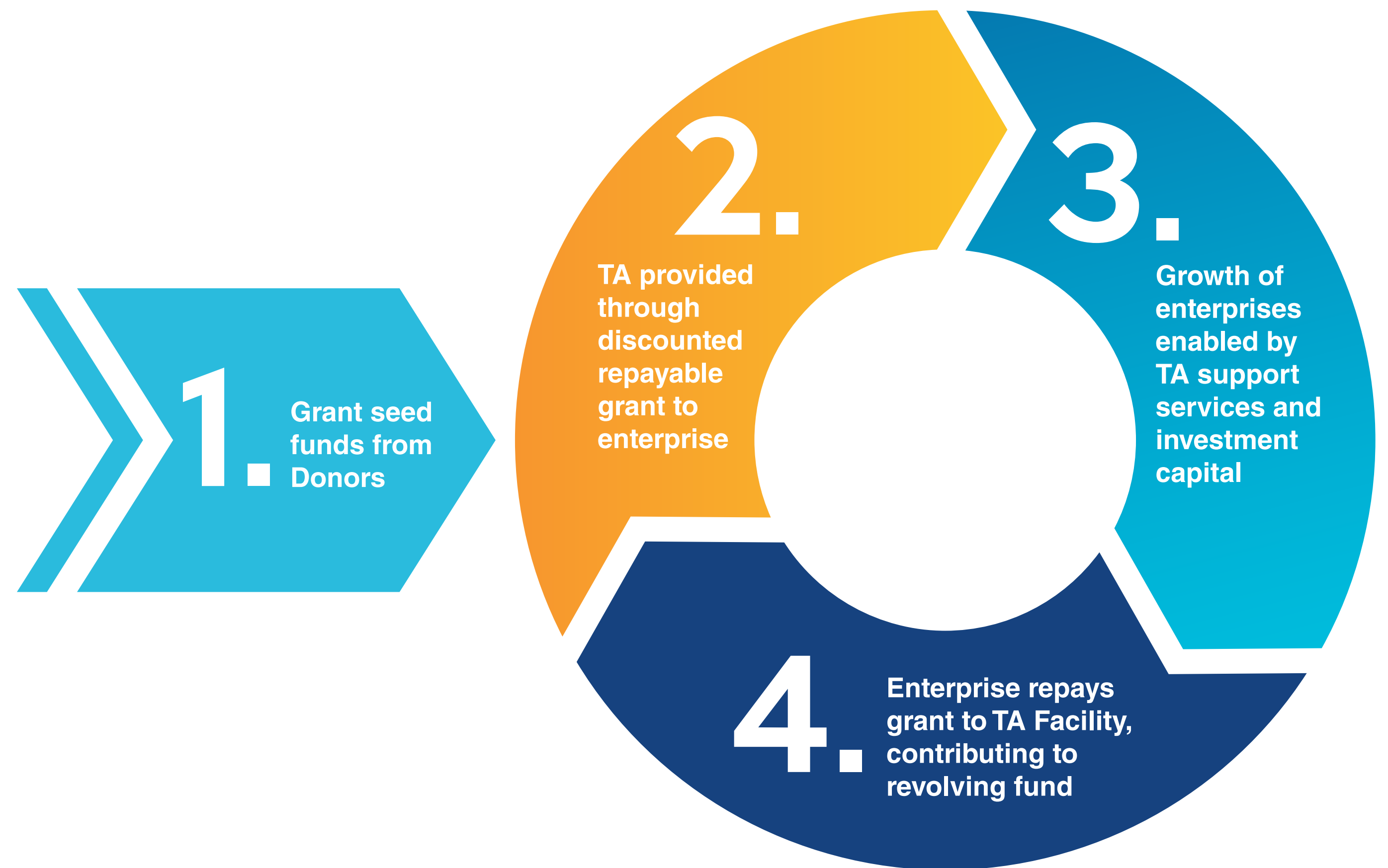


## XI. REVOLVING FUND FOR TA

The RISE TA Facility gives **discounted repayable grants** but requires a down payment to generate ownership.

Delayed repayments are based either on forthcoming investments or business growth, which increases accessibility and affordability.

Through RISE, donor grant funding is catalytic, establishing a platform and revolving fund to support an increasing number of SMEs and intermediaries.





## XII. PARTNERSHIP BENEFITS

### DONORS

**An established structure** through which resources are channeled to support social impact entrepreneurs, investors, and other ecosystem actors (accelerators, networks, and business information centers).

**A flexible structure** that allows for bespoke, demand-driven interventions.

**Focus resources on important challenges** such as employment for lower income communities, pro-poor products and services, missing middle finance, gender equality and empowerment, and environment.

### INVESTORS

TA packages **address the needs of your investees**, beyond the core areas supported by your team.

**Investees repay** the cost of TA, but after cash flow improves.

A vetted pool of consultants **ensure quality** of TA delivery.

### CONSULTANCIES

Matchmaking with **social impact** entrepreneurs in need of TA.

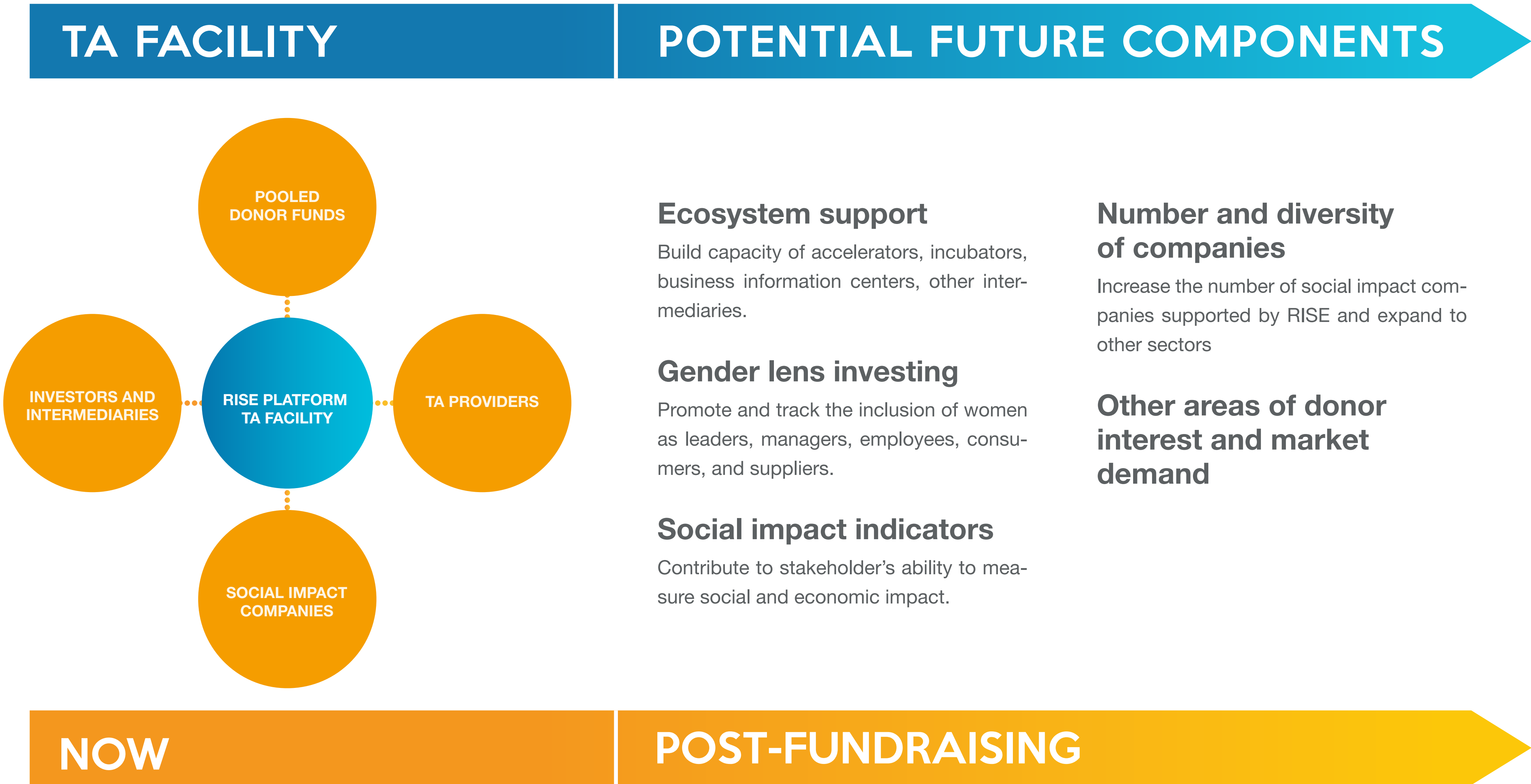
**Introductions to relevant investors** and intermediaries across the ASEAN region.

**Branding opportunities** through RISE communication materials.





# XIII. FLEXIBLE PLATFORM ENABLES EXPANSION AND SCALE





## XIV. FUNDRAISING TO SCALE IMPACT

RISE is currently seeking funds to sustain the project and support inclusive growth of ASEAN SMEs.

2017-2019

Seed

**\$1.1 MILLION**

USAID funds establish the platform, test TA products and services with a selection of companies and investors, and support fundraising.

2020-2021+

Fundraising

**\$5+ MILLION**

**Expand** to support additional investors and companies in the region.

**Generate economies** of scale that would allow RISE to channel an increasingly larger portion of funding into TA delivery.

**Design, test, refine, and brand** a portfolio of tailored products for investors and entrepreneurs.

**Expand work** in the ecosystem support space, especially gender lens investing.

## XV. EMERGING IMPACT

**In 2019, RISE launched TA services with six social impact businesses as its first clients.** Over the course of 2020 we will track growth and impact of these businesses plus the effect of technical assistance. In 2020 RISE will expand services through additional partnerships and clients.

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INVESTOR  
PARTNERS

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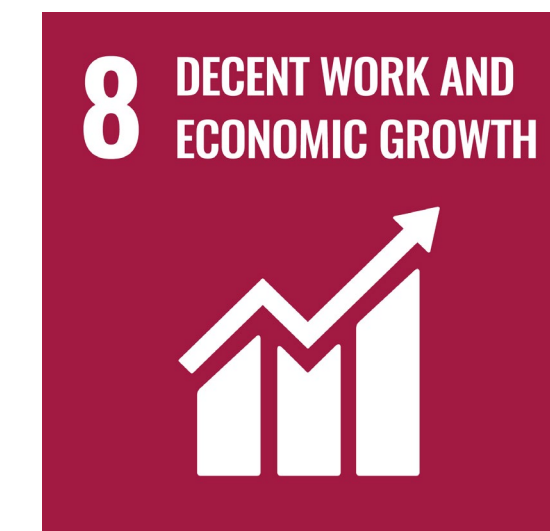
IMPACT  
BUSINESSES

USD  
120,000+

VALUE OF TA

2,000+

HOURS OF TA





## XVI. FEEDBACK FROM CLIENTS AND PARTNERS



We've known that we needed a CRM system to grow our company, but we couldn't afford such high-cost support with our current cash flow. Also, our team isn't plugged into a network of consultants, so it was going to be hard to find the right expert. Through RISE we've found a way to finance this support plus access quality consultants.

**William PUYO**

*General Manager, KWSH*



We have been working hard to grow our company and fundraising is an important next step for us. Through RISE, we were able to hire a great local firm called Empassion who will support our fundraising efforts, including improved business strategy, company valuation, and pitch materials. This is a huge help for us and we would not be able to afford it without the creative financing provided by RISE.

**Larasati WIDYPUTRI**

*CEO, Ecodoe*



For 7 years we have been catalysing growth and impact for high-potential social entrepreneurs. A key success factor is our integrated approach combining technical assistance and financial resources. Sevea is very excited to work with RISE to provide technical assistance to drive sustained catalytic growth. Programs like RISE that support companies at the valley of death stage are essential, providing high potential startups with quality technical assistance towards being investment ready and being able to raise the funds that will enable them to scale.

**Cecile DAHOME**

*Executive Director, Sevea Consulting*



# THANK YOU!

For more information, please visit our website:  
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