



# STATE OF THE SMALL & GROWING BUSINESS SECTOR

2015 IMPACT REPORT







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# LETTER FROM THE EXECUTIVE DIRECTOR

Dear ANDE Friends and Colleagues,

Since ANDE's founding in 2009, we have seen a transformation of the small and growing business (SGB) sector. ANDE launched after a series of conversations among like-minded organizations, and since then the sector of organizations that support emerging market entrepreneurs has grown, developed new methods, and attracted new actors.

In 2015, we saw increasing interest in emerging market entrepreneurship as a development strategy and investment opportunity. ANDE membership grew to 238 organizations in 2015, and of those new members that joined last year, almost 50 percent were headquartered in emerging markets.

## GLOBAL PROGRESS

2015 was a year for global progress in development policy. The ratification of the Paris Agreement marked the first unified, global effort to set targets to combat climate change. In 2015, UN member states also agreed on the Sustainable Development Goals (SDGs): 17 universal targets that will guide policies, investments, and political agendas across the globe. The SDGs explicitly focus on economic development and reducing inequality, as well as specific sectors like energy, water, and agriculture.

At ANDE, we see this as an opportunity for the small and growing business sector. Recognition has grown that the private sector can contribute positively to development, and in fact is necessary to achieve these ambitious targets. Small and growing businesses are in a unique position. They are typically embedded into communities, and have strong links to the last mile of distribution or sourcing that can be so challenging for larger organizations.

The SDGs also unite the public with the private sector, and international bodies with national governments, around the same goals.

## MOMENTUM OF IMPACT INVESTING

In 2015, approaches to aligning investments with social values became more prominent. According to the Forum for Sustainable and Responsible Investment, capital invested in the US in socially responsible strategies nearly doubled from 2012 to \$6.6 trillion in 2014.<sup>1</sup> Mainstream

media and niche bloggers alike have highlighted the momentum of impact investing, where “more and more people are demanding strategies that are conscientious and contribute to social or environmental good while also achieving a return.”<sup>2</sup>

More capital will flow to asset managers who seek a social or environmental return, and we believe the SGB sector plays a critical role in placing that capital. ANDE members build entrepreneurs’ capacity to become investment-ready, develop investor pipeline, and structure deals. We cannot ignore the fact that important work in strengthening the entrepreneurial ecosystem needs to happen in order for individual deals and transactions to succeed.

## FILLING GAPS

2015 saw important progress in addressing some of the critical issues that ANDE has seen in the sector since our inception. We were encouraged that the number of early stage deals continued to grow, and the higher number of new investment vehicles launched in 2015. Additionally, more actors have launched efforts to provide women entrepreneurs with capital, or to invest through a gender lens.

Accelerators hold great promise in building pipeline for early stage investors, but there is scant data on their effectiveness and which components of the process are most important. In 2015, ANDE, Emory University, with founding sponsors the U.S. Global Development Lab at the U.S. Agency for International Development, Omidyar Network, The Lemelson Foundation and the Argidius Foundation launched the Global Accelerator Learning Initiative (GALI), which marks an important step towards improving the effectiveness of acceleration programs.

Talent is another issue that ANDE members have raised since our founding. A key reason that many SGBs do not grow is the lack of skilled managers to lead those companies to receive investment or enter new markets. We have seen some solutions emerge, but little has been done to scale them. To address this we were proud to partner with the Argidius Foundation to launch the Argidius-ANDE Talent Challenge in 2015.

## EMERGING MARKET ECONOMIC SLOWDOWN

Despite these positive SGB sector trends, the global financial slowdown impacted its growth. 2015 was a particularly tough year in emerging markets, with low growth and even recessionary conditions in some countries. The strength of the US dollar, sharp declines in local currency values in several regions, and decline of global commodity prices put additional stress on these economies. ANDE members have felt this impact, especially as local currencies continued to depreciate against the funding supplied by investors in hard currencies.

## STATE OF THE SGB SECTOR 2015

This report focuses on the state of the emerging market SGB sector and also dives into regional market insights. First, we provide an overview on intermediaries in 2015, including data on capacity development services, direct investments into SGBs, and donor funding. Next, we highlight trends and activities at ANDE’s six most established regional chapters: Brazil, Central America/Mexico, East Africa, India, South Africa and West Africa.

The report paints a mixed picture of the state of the SGB sector. At ANDE, we are still encouraged by the growth and confident that investment in emerging market entrepreneurship remains an important tool in driving prosperity in emerging markets. Our mission continues and we invite you to join us.



Randall Kempner  
Executive Director

# ABOUT ANDE

The Aspen Network of Development Entrepreneurs (ANDE) is a global network of 250 organizations that propel entrepreneurship in emerging markets. ANDE members provide critical financial, educational, and business support services to small and growing businesses (SGBs) based on the conviction that SGBs will create jobs, stimulate long-term economic growth, and produce environmental and social benefits. Ultimately, we believe that SGBs can help lift developing countries out of poverty.

## ABOUT SMALL AND GROWING BUSINESSES

SGBs are commercially viable businesses with between five and 250 employees that have strong potential for growth. Growth is key to this definition. It is what differentiates SGBs from the broader term micro, small, and medium enterprises (MSMEs).

Unlike the vast majority of microentrepreneurs, entrepreneurs who start SGBs have the ambition to scale. They create jobs for the local economy, make connections to regional and global markets, and often increase access to critical goods and services for underserved communities. In contrast to larger enterprises, SGBs often lack access to the financial or knowledge resources they need to grow.

## ABOUT SGB INTERMEDIARIES

Intermediaries include organizations that work directly with SGBs, such as investors and capacity development providers. They also include organizations that often support SGBs indirectly, such as development finance institutions, private foundations, and research institutions. Intermediaries support SGBs on their path to scale, and they tend to focus on the four major challenges that present barriers to growth: access to talent, access to capital, access to markets, and the enabling business environment.

## SNAPSHOT OF THE SECTOR



### ANDE Members

In 2015, ANDE grew to **238 members** active in **150 countries**. Collectively, those members have invested **\$12 billion** directly into SGBs, and supported over **415,000 entrepreneurs** with capacity development services.

**42 members** supported over **40,000 SGBs** with **\$72 million** in capacity development services

**32 members** invested **\$330 million** in over **1,000 SGBs**

**26 members** deployed **\$49 million** in philanthropic capital to SGBs and intermediaries



### Broader Landscape

Nearly **500 investment vehicles** have launched in the past 10 years that invest in emerging market SGBs, with an estimated **\$26 billion** in committed capital

**\$1.5 billion** in donor support for SME development disbursed in 2014, and **\$400 million** deployed in grants focused on entrepreneurship in developing countries between 2010 and 2013.

Approximately **130 accelerators** operate in **over 30 emerging market countries**



“

**ANDE MEMBERS  
HAVE INVESTED  
\$12 BILLION  
DIRECTLY INTO  
SGBS, AND  
SUPPORTED  
OVER 415,000  
ENTREPRENEURS  
WITH CAPACITY  
DEVELOPMENT  
SERVICES.”**





# CAPACITY DEVELOPMENT SERVICES

## THE QUICK READ

ANDE has verified approximately

**130**  
**ACCELERATORS**  
**THAT ARE BASED**  
**IN OVER**

**30**  
**EMERGING MARKETS.**

Preliminary data on accelerator performance has shown that fundraising by companies that went through acceleration programs is significantly higher than companies that applied but were rejected.



**60%**

Organizations are offering a more diverse set of capacity development services. In particular, training in financial management has become increasingly common. Among ANDE members, it has increased 60 percent since 2011.



**TALENT**

More capacity development providers are developing solutions to address the talent gap for SGBs.



## SCALING ACCESS TO TALENT

Leveraging the financial and intellectual support of the Argidius Foundation, the Argidius-ANDE Talent Challenge (AATC) was launched in 2015 as the first major global effort aimed at talent in the SGB sector. The goal of the challenge is to identify five promising solutions to human capital constraints that are past the idea stage, and provide funding to test each methodology on a larger scale. The AATC received 85 applications, and in early 2016 awarded five finalists with grants up to 200,000 Euros each.

## WOMEN ENTREPRENEURS

Women own about one third of SGBs, but face significant systemic challenges that impede their success. Data from GALI, for example, highlights that while ventures with women on the founding team are more likely to report revenue, they are significantly less likely than male-only founders to attract equity investors.<sup>3</sup> Gender imbalance at investment firms may be one contributing factor. One analysis of top venture capital firms found only 7 percent of investment decision-makers are women.<sup>4</sup>

Despite this, momentum has been growing around increasing support for women entrepreneurs. At the end of 2015, 63 percent of ANDE members include a focus on women entrepreneurs, up from 50 percent in 2011. Gender lens investing has become a significant area of focus for impact investors and others – especially in light of research that demonstrates the benefits that gender diversity has on business performance.<sup>5</sup>

Corporations are also more actively engaged in sourcing from women-owned businesses. For example, WeConnect International certifies businesses as women-owned in order to connect them to multinational corporate buyers, and has seen increasing interest in their services.

*“Over the past three years, our network of entrepreneurs has grown from 20 countries to 100, showing women business owners everywhere are eager to scale and compete for contracts. We’ve also seen a marked growth in reported spend with women-owned businesses, demonstrating stronger multi-million and billion dollar corporate commitments to inclusive sourcing.”*

– Elizabeth A. Vazquez, WeConnect International



## ACCELERATORS

There has been a boom in the business accelerator model. In the United States, based on one calculation, the number of accelerators and incubators has increased by an average of 50 percent each year between 2008 and 2014.<sup>6</sup> Much less is known about accelerators in emerging markets, but through the Global Accelerator Learning Initiative (GALI), ANDE has verified over 130 that are headquartered in over 30 countries. We are continuing to identify more as the project continues.

The growth in these programs has risen in tandem with the growth of venture capital. Accelerators have the potential to serve an important role in developing a robust pipeline of investment-ready companies. Initial data shows that these programs are, on the whole, successful in connecting their cohorts with capital. Based on data from the initial 28 accelerator programs that partnered with GALI's Entrepreneurship Database Program at Emory University, the average year over year increase in total investment capital for the accelerated ventures was over \$34,000, 70 percent more than ventures that were not accepted into programs.<sup>7</sup>

## OTHER CAPACITY DEVELOPMENT APPROACHES

The accelerator model is only one approach to providing nonfinancial support to entrepreneurs. ANDE members provide capacity development through direct consulting services (70 percent), online or mobile training (30 percent), and one-on-one mentorship (66 percent), for example.

ANDE has tracked the type of capacity development services that our members provide for five years. We have found that in general, members are providing a more diverse set of services in 2015 compared to 2011. The emphasis on financial management in particular has increased, shifting from 54 percent of members in 2011, to 88 percent in 2015.

This shift may be related to the realization that while there is an increasing amount of growth stage capital available to emerging market entrepreneurs, lack of investment-ready companies presents a bottleneck. Investors often cite the challenge in finding quality deals as an explanation for the slow pace of investment.



**ACCELERATORS ARE, ON THE WHOLE, SUCCESSFUL IN CONNECTING THEIR COHORTS WITH CAPITAL”**

## TALENT

Once SGBs have reached a certain size and maturity, often their biggest challenge is building a team that is able to manage their next step to scale. Recruiting the right candidates, developing current staff, and retaining the team are all key challenges. Entrepreneurs and SGB managers recognize the difficulty of building a strong team, ranking it as second only to fundraising, yet the vast majority of SGBs do not have a staff person dedicated to HR.<sup>8</sup>

Hiring senior-level positions such as CFO can be critical in fundraising and positioning the company for growth. Hiring mid and entry level positions, and providing them with growth opportunities internally, requires that small businesses create systems and invest in professional development.

We have seen an increasing number of sector intermediaries taking up talent as an area of focus. Twenty-two percent of ANDE members that provide nonfinancial support include talent placement and development as one of their services. This includes ANDE members that also invest directly, such as LGT Impact Ventures, NESsT, and the Omidyar Network. It also includes members whose business model is built around fellowship placement or recruiting, such as Impact Business Leaders and Edge.



# SGB INVESTING

THE QUICK READ



485

Investment vehicles have launched in the past 10 years that invest in emerging market SGBs, with an estimated \$26 billion in committed capital.

58

Investment vehicles launched in 2015, and raised over \$2.7 billion in committed capital.



\$253M

According to EMPEA, \$253 million was invested in emerging market deals \$2 million and under in 2015. This represents 25 percent of the total emerging market deal volume in 2015.



69%

This has likely been driven by investments in the tech sector. In Latin America, for example, 69 percent of the deals \$1 million and under were in tech, according to LAVCA.









### OPTIMISTIC FUND MANAGERS

Fundraising for emerging market private capital as a whole declined in 2015 to \$44 billion total, down from \$53 billion in 2014. But emerging market venture capital fundraising continued to rise, up 9 percent from 2014 to \$7.3 billion in 2015. For the SGB sector, 2015 saw a renewed uptick in the number of vehicles launched, and higher target fundraising. Encouragingly, many of these fund managers are able to demonstrate a track record. In 2015, one third of new vehicles were launched by firms that already manage at least one fund focused on this sector, compared to the full dataset in which only 15 percent of firms manage more than one.

### Target Sectors by Inception Year

Table 1.

Increased focus on ICT, agriculture, and financial services

VEHICLES LAUNCHED IN:	2006-2010	2011-2015
 ICT	36%	50%
 Agriculture	18%	24%
 Financial Services	16%	23%
 Health	25%	21%
 Education	14%	18%
 Energy	15%	12%
 Water	08%	05%
 Environment	10%	05%

Source: ANDE research

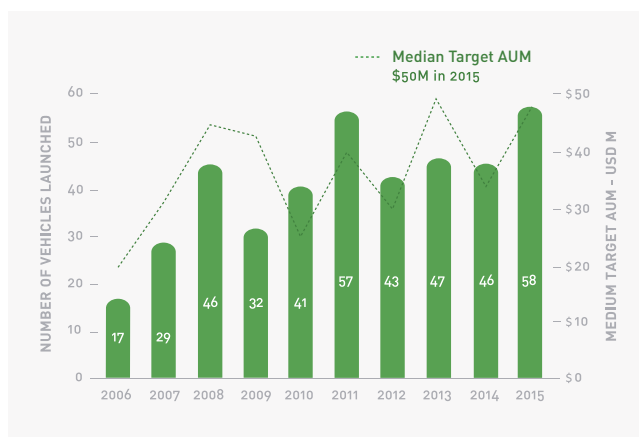
### GEOGRAPHIC & SECTOR FOCUS

Among vehicles launched in 2015, 34 percent target deals in South Asia, and 33 percent target deals in the East Asia/Pacific region. The number of vehicles launched that target sub-Saharan Africa and Latin America was halved in 2015 compared to 2013 and 2014.<sup>9</sup> Total private capital fundraising in those regions declined as well, down 40 percent in Latin America and 16 percent in sub-Saharan Africa.<sup>10</sup>

50 percent of vehicles launched between 2011 and 2015 focused on the tech sector, compared to 36 percent that launched between 2006 and 2010. There was also increased focus in the agriculture sector: almost a quarter of investment vehicles that launched in the last five years focus on agriculture.

Figure 1.

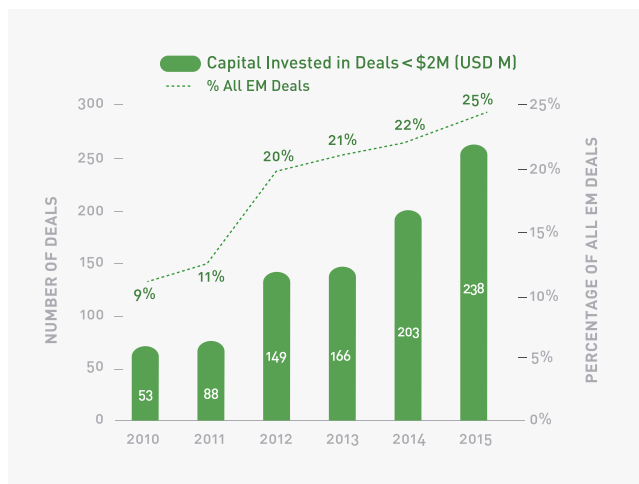
58 SGB Investment Vehicles launched in 2015, more than any year in the past decade



Source: ANDE research

Figure 2.

Steady Increase in Deals \$2 Million and Under



Source: EMPEA

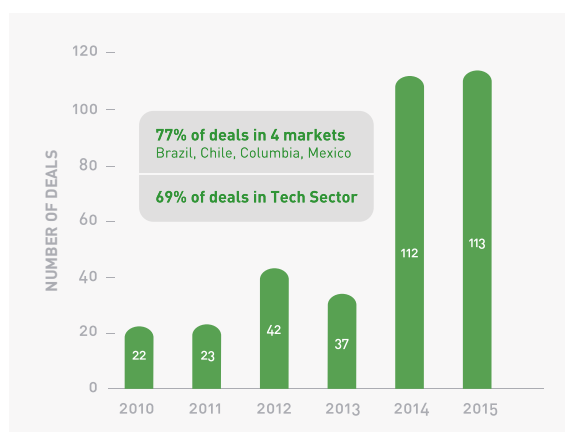
### DEALS UNDER \$2M ON THE RISE IN 2015

According to data collected by EMPEA, total capital invested in emerging market deals \$2 million and under rose 34 percent in 2015, to \$263 million, which was a quarter of all deals by volume. The increase is likely driven by the startup tech sector. For example, according to LAVCA there was a surge in Latin American deals \$1 million and under in 2014 and 2015. 70 percent of those deals were in the tech sector.

### SEED STAGE INVESTING

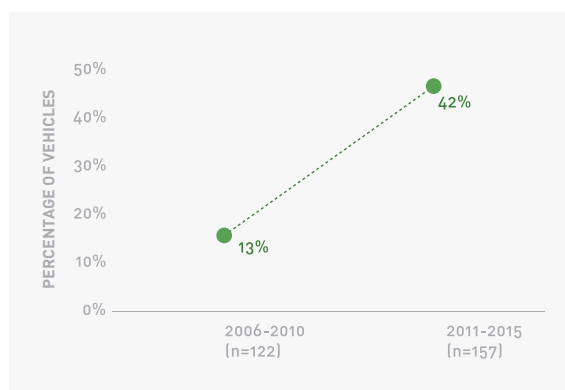
Very early stage investing has been a consistent challenge for the growth of the SGB sector. It is encouraging that among SGB investment vehicles that launched between 2011 and 2015, over 40 percent indicate that they will consider seed stage deals. However the minimum deal size that vehicles consider has not shifted downwards. The median for vehicles launched between 2011 and 2015 was \$250,000, the same as the previous five years. By contrast, very early stage ventures are typically seeking \$25,000 in debt or equity.<sup>11</sup>

**Figure 3.** Continued Higher Level of Deals \$1 Million and Under in Latin America



Source: LAVCA

**Figure 4.** Higher Proportion of Vehicles Launched in Past Five Years Consider Investing at the Seed Stage



Source: ANDE research

## NOTE ON THE METHODOLOGY

ANDE compiled the data in this section by surveying current ANDE members, collecting public information from other fund managers, and by partnering with external data collectors. Partners include the Global Impact Investing Network’s (GIIN) ImpactBase , the Emerging Markets Private Equity Association (EMPEA), and the Latin American Private Equity and Venture Capital Association (LAVCA). Funds qualified for inclusion in this dataset when they met three criteria: (1) the investment target included emerging-market countries, (2) target deal sizes were from \$20,000 to \$2 million, and (3) the focus was not exclusively on microfinance institutions.





## CLOSING THE GAP IN EARLY STAGE SUPPORT FOR INCLUSIVE FINTECH

Financial services, and in particular financial technology (fintech) has become an increasingly important industry in the SGB sector. In 2015, a group of ANDE members launched the Catalyst Fund, which will provide up to \$100,000 in grants and capacity development services to 20 inclusive fintech startups.

Very early stage investors consistently encounter promising ventures that are not yet investment ready. These ventures need support to refine their business models, and build the “proof points” and market traction that investors need to see before considering an investment. Catalyst Fund emerged to close this gap in capital and expertise for early-stage inclusive fintech startups.

Catalyst Fund is structured with an Investment Advisory Committee, made up of Accion Venture Lab, Omidyar Network, Gray Ghost Ventures and Quona Capital. The committee presents companies to the fund, typically sourced from their own due diligence pipeline. These investors also provide mentorship to the fund’s investees. Catalyst Fund is supported by the Bill & Melinda Gates Foundation and JPMorgan Chase & Co under the sponsorship of Rockefeller Philanthropy Advisors, and managed by BFA (Bankable Frontier Associates).

In addition to direct services to investees, Catalyst Fund is committed to growing the sector’s collective understanding of serving the underbanked. BFA, with the collaboration of Accion Venture Lab, runs the tailored advisory service engagements and the learning agenda which will generate insights and lessons about digital financial inclusion for the industry.



## INGOS AND IMPACT INVESTING

In fall 2015, a group of international NGOs (INGOs) came together at the ANDE Annual Conference and a few weeks later at SOCAP. They recognized that they were individually developing strategies to engage in impact investing and saw benefits in sharing their findings as a group.

The “International NGOs in Impact Investing Working Group” which emerged out of these conversations is facilitated jointly by ANDE and InsideNGO and led by Pact, GOAL, and Mercy Corps. The group included over 40 members by the end of the year. These members drive the group’s agenda, in order to learn. The Working Group is driven by INGOs that want to learn from each other, develop partnerships, and advocate for the important role of INGOs in impact investing.

For INGOs, impact investing provides an opportunity to use new streams of funding to address urgent development issues, including the \$3 trillion gap in available financing for the sustainable development goals. In addition, INGOs can potentially provide much needed risk capital to bridge the gap in seed stage support available to entrepreneurs in emerging markets.



## SCALING ASSET FINANCE FOR AGRIBUSINESS

Nearly a quarter of SGB investment vehicles target the agriculture sector, often investing in businesses that aggregate smallholder farmers' crops and sell them on to processors.

Access to processing machinery and reliable energy solutions could help SGBs move up the agricultural value chain and bring increased economic benefits to smallholders. But most financial institutions are reluctant to finance such equipment due to a combination of product, enterprise, and market risks. Banks use high collateral requirements and elevated risk premiums to mitigate these risks, which shuts most SGBs out of the market. In addition, rapid depreciation rates and weak secondary markets for processing equipment prevent the possibility of securing the loan with the asset itself and hinder the development of leasing markets. Impact investors are often more risk-tolerant, but face high transaction costs in getting these deals done.

Recent research conducted by EPVEN, with support from Shell Foundation and Small Foundation, has found that a number of financial service providers are developing innovative approaches to address these challenges. There is strong potential in partnerships between impact investors and local financial institutions that already have extensive rural networks of branches and customers. They are also working to reconstruct cash flow records for SGBs, which allows them to structure repayment schedules that align with the businesses ability to pay. These types of collaborations will play a key role in scaling up asset finance for SGBs.<sup>12</sup>



**COLLABORATIONS WILL PLAY A  
KEY ROLE IN SCALING UP ASSET  
FINANCE FOR SGBS”**



# DONOR & FOUNDATION SUPPORT

THE QUICK READ



## \$1.5B

International donor agency support for SME development totaled \$1.5 billion in 2014. This represents about 0.7 percent of total aid, a percentage that has been declining over the past five years from 1.6 percent in 2010

## \$400 MILLION

US-based foundations made \$400 million in grants focused on entrepreneurship in developing countries between 2010 and 2013. However, 93 percent of that funding went to organizations headquartered outside the target countries.

## PHILANTHROPY

Based on total commitments, we predict donor funding will increase in the coming years but not reach its height of \$3.5 billion in 2009. If bilateral and multilateral funding continues at this lower level, private philanthropic support will become even more critical.



## NOTE ON THE METHODOLOGY

Data presented in this section comes from ANDE analysis of the Organization for Economic Cooperation and Development Creditor Reporting System, a database of commitments and disbursements made by donor countries and multilateral institutions. ANDE searched the database for key words and codes that most likely relate to the SGB sector, specifically: small and medium-sized enterprise development, entrepreneur, small business, small enterprise, and start-up. Any disbursement that was a positive match with any of the terms above was categorized as “SME-related.” Those that matched “entrepreneur” were categorized as “entrepreneurship-specific.” We aggregated disbursement amounts (in 2012 USD) for all donors in the database, and we included both overseas development assistance and other official flows. Working with this existing database, ANDE likely underestimates donor support for SMEs. But this consistent methodology provides the opportunity to track changes over time. ANDE is working with the OECD and other data aggregators to improve the available data for tracking donor support to emerging market entrepreneurs.

### DECLINE IN DISBURSEMENTS FROM DONORS

Total disbursements focused on SMEs from bilateral and multilateral donor agencies dropped to \$1.5 billion in 2014 (the latest year with available data), down from \$2.1 billion in 2013. However, commitments, the amount that donors intend to disburse, remained steady at about \$3 billion in 2014.

Disbursements typically lag behind commitments, especially for multi-year projects. Historically, donors have only disbursed 70 percent of total commitments to projects intended for “Industry,” likely because those funds are re-allocated for immediate needs in humanitarian aid.<sup>13</sup> Based on this pattern, we expect that in the coming years disbursements will increase to around \$2 billion.

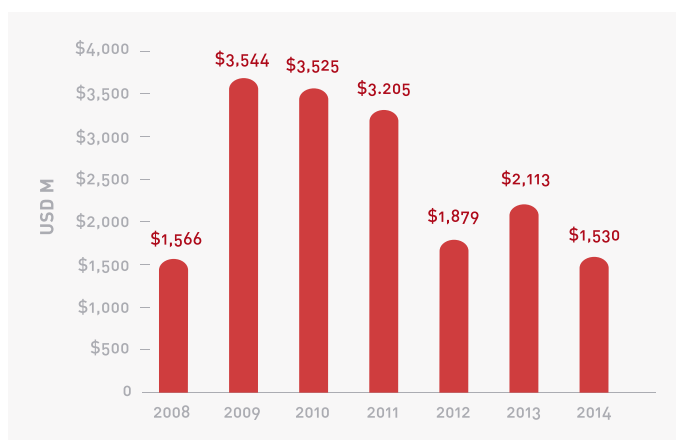
As a percentage of total development flows, SME-related projects represented about 0.7 percent of disbursements. Entrepreneurship-specific disbursements represented just 0.1 percent.

### WHERE THE FUNDING FLOWS

Between 2012 and 2014, Turkey was the largest recipient of donor funding for SMEs, at \$534 million, followed by India and Egypt. The two largest donors in 2014 were the Council of Europe Development Bank and the World Bank.

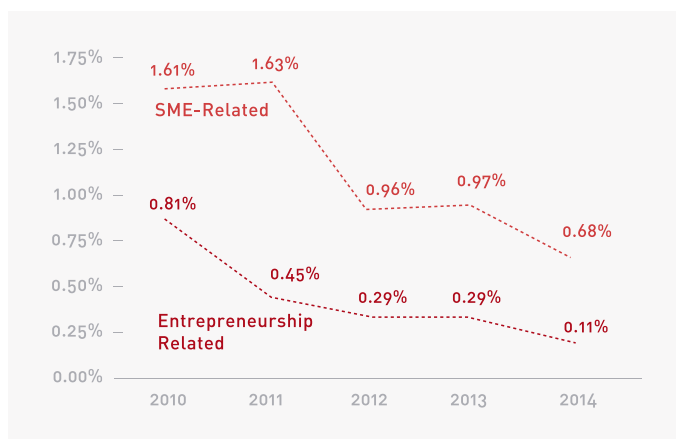
In 2014, we estimate that 40 percent of all SME disbursements was directed at increasing access to finance. These also tended to be

**Figure 5.**  
SME-related Donor Disbursements Dropped to \$1.5 Billion in 2014



Source: OECD Creditor Reporting System, ANDE Analysis

**Figure 6.**  
Percentage of Total Donor Disbursements for SMEs and Entrepreneurship Has Decreased Since 2011



Source: OECD Creditor Reporting System, ANDE Analysis

larger disbursements. Of the nearly \$800 million disbursed in tranches \$10 million and higher, \$500 million was directed at access to finance. Projects that did not explicitly mention access to finance often focused on job creation, making markets work for the poor, and rural development.

ANDE believes that donors need to play a role in supporting the overall entrepreneurial ecosystem. Rather than focusing on one barrier that SMEs face – access to capital – donors should support the whole set of inter-related factors that determine their success, from the policy environment and regulatory issues, to education and the workforce.

### US FOUNDATIONS

Between 2010 and 2013, US foundations gave \$400 million in almost 2,000 grants focused on entrepreneurship or social enterprise in developing countries.

Eighty-five percent of that funding went to US-based organizations. This trend is not unique to the SGB sector. In 2012, for example, of the \$1.5 billion that US foundations directed at Africa, 75 percent was granted to recipients headquartered outside of the continent.<sup>14</sup>

Even within the context of this broader trend, funding for entrepreneurship and social enterprise has been especially concentrated in the US and Europe. Only 7 percent of total grant funding went directly to organizations headquartered in emerging market countries. By contrast, 35 percent of ANDE members are headquartered in emerging markets. We believe these organizations represent an important pool of potential grant

**Figure 7.**

Top Donors for SMEs 2014 (USD M)



Source: OECD Creditor Reporting System, ANDE Analysis

recipients that US foundations need to consider when allocating resources to the SGB sector.

Despite this gap, private philanthropic support is key for the SGB sector: between 2010 and 2013, the value of grants from US foundations was equivalent to 10 percent of total grant disbursements from bilateral and multilateral donors in that same period. If donor funding continues to decline, private philanthropic support will become even more important, especially for capacity development providers.

## NOTE ON THE METHODOLOGY

ANDE searched the Foundation Center database on grants awarded by 1,000 of the largest US independent, corporate, community, and grantmaking operating foundations. This analysis aggregates data on grants made between 2011 and 2013 (the latest year with complete coverage) from three searches that met the following criteria:

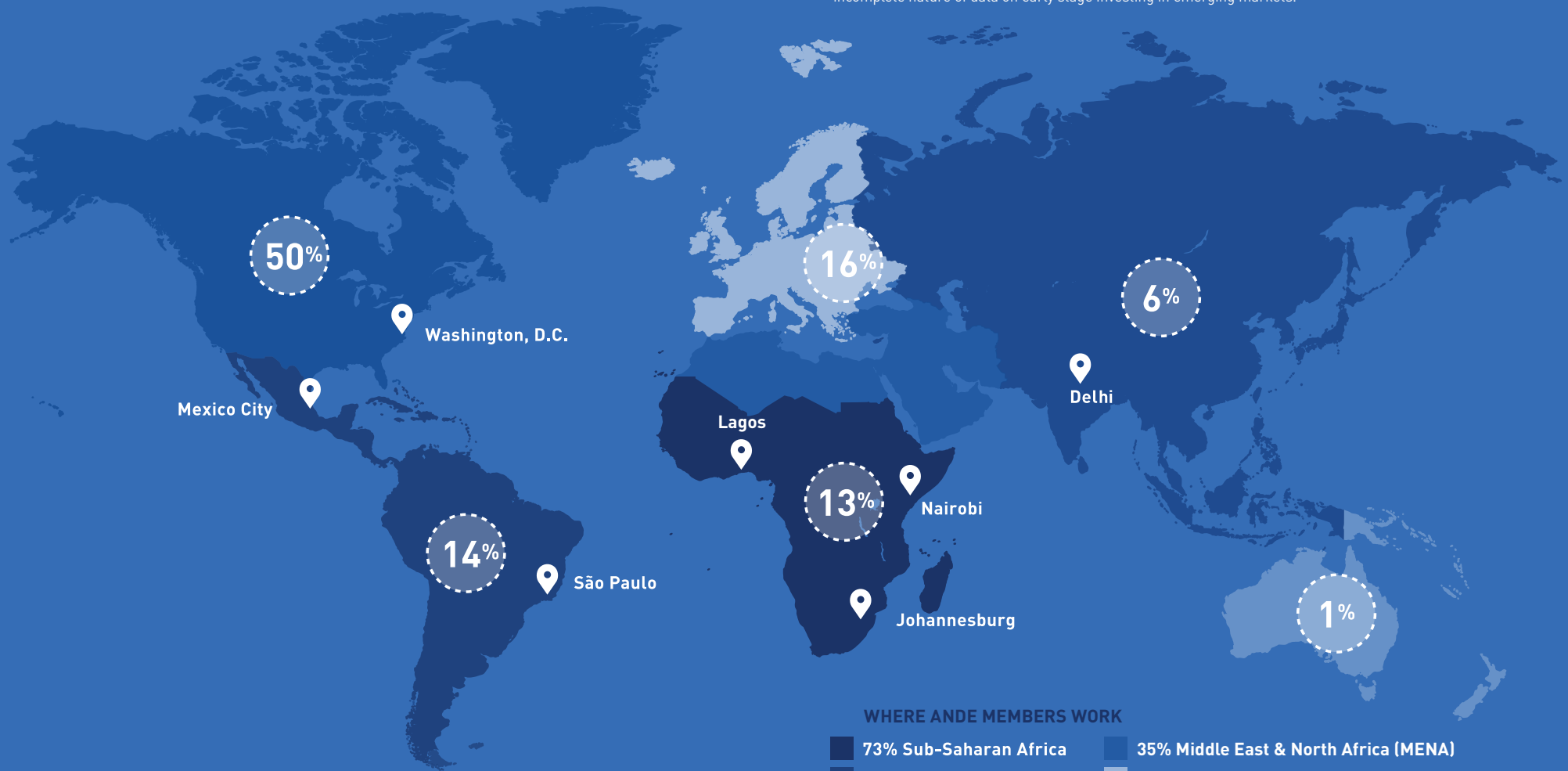
1. **Recipient Type:** International Development, and Subject: Entrepreneurship,
2. **Subject:** Entrepreneurship AND Developing Countries, and
3. **Subject:** Social Enterprise AND Developing Countries.

# REGIONAL INSIGHT

## ANDE IN ACTION

By the end of 2015, ANDE had grown to 18 staff, half of which were based outside of the US in one of our seven Regional Chapters. These regional chapters enable ANDE members to collaborate, share knowledge, and strengthen local entrepreneurial ecosystems. Each local context is distinct, and presents diverse areas of opportunity.

**Note on Regional Data:** Data in the section that follows come from a variety of secondary sources together with ANDE research. In many cases these sections include deal data from multiple sources, some labeled as impact investments and others venture capital. ANDE's own research does not distinguish impact investing from traditional investing, and in many cases impact investors invest alongside venture capital investors so deals may be double counted. Multiple sources may also present conflicting figures, a reflection of the incomplete nature of data on early stage investing in emerging markets.



- ANDE Staff Presence
- ANDE Members Headquartered

### WHERE ANDE MEMBERS WORK

- 73% Sub-Saharan Africa
- 35% Middle East & North Africa (MENA)
- 63% Latin America
- 32% Europe
- 57% Asia
- 14% Oceania
- 33% USA and Canada




# BRAZIL

## Chapter Snapshot 2015

**37** ANDE members active in Brazil

**11** ANDE members headquartered in Brazil

**Key areas of focus:** Social business & impact investing

### Challenging fundraising climate in 2015



Fundraising for all private equity and venture capital funds declined **50 percent** between 2014 and 2015<sup>15</sup>



ANDE identified only **three vehicles** that launched in 2014 and 2015 that target deals \$2 million and under, compared to 9 that launched in 2012 and 2013.

### Venture Capital: 44 deals \$1 million and under in 2015<sup>16</sup>



Total private equity and venture capital investment declined 30 percent to \$3 billion in 2015, but the number of deals \$1 million and under **increased 40 percent**.<sup>17</sup>

### \$3.6 billion was invested in the social finance space in 2014



The Social Finance Task Force estimates this total was allocated to businesses that target **strong social and financial performance**, primarily from corporations.<sup>18</sup>

## SOCIAL BUSINESS IN BRAZIL

The majority of ANDE members in Brazil focus on businesses that create solutions to social problems such as inequality, access to healthcare, and education. The movement to support these business has grown in the past five years, and leaders in the field have increasingly begun working with a diverse set of actors to support social businesses.

According to Fernanda Bombardi of ICE, five years ago this was “an experimental field,” but has increasingly attracted supporters and produced more, and more successful, social entrepreneurs. In the past five years, she says, many players have focused on raising awareness, generating data on the sector, and educating strategic players, especially capital providers, on ways to get involved.

One tangible result is the growth of university programs that focus on “teaching, research, and fieldwork.” National networks of students and teachers have also emerged, like ARTEMISIA’s Choice program and ICE’s Academia program.

In 2015, leaders in the field formed the Brazil Social Finance Task Force. This group released a report that outlined a set of 15 recommendations to scale up the social finance sector in Brazil. They calculated that in 2014, \$3.6 billion was invested in the social finance space; their goal is for that number to hit \$13 billion by 2020.<sup>19</sup> They envision that increase in support for social enterprise through changes in both supply and demand. Their recommendations focus on increasing the supply of capital, increasing the number of high-quality social enterprises, strengthening intermediaries, and promoting an environment that is more favorable to social finance.

Accelerators are one key group of intermediaries that leaders in the sector aim to influence. In Brazil, hundreds of accelerators and incubators operate – one 2011 report counted 384 that had incubated over 2,500 businesses.<sup>20</sup> The goal is not to develop new accelerator programs, but encourage existing intermediaries to consider a focus on social business. For example, ICE has partnered with Sebrae and Anprotec to disseminate information about social business among accelerators, and help them include social businesses into their portfolio.



**NEW FINANCIAL MECHANISMS ARE SPRINGING UP IN BRAZIL, UNLOCKING RESOURCES THAT WERE NOT PREVIOUSLY AVAILABLE FOR SOCIAL IMPACT.”**

**— FERNANDA BOMBARDI,  
ICE**

In 2015 Instituto Quintessa produced a guide to help entrepreneurs navigate acceleration services.<sup>21</sup> They identified 11 programs that focus on social business, and found that rather than competing these programs are providing complementary services at different stages of enterprise development. As more programs emerge, it will be increasingly important to ensure that entrepreneurs have full access information.

Alongside this nonfinancial support, investors have been developing innovative mechanisms to finance social businesses. Encouragingly, some of the pioneering impact investing fund managers have begun raising a second fund, such as Vox Capital and MOV Investimentos. In addition, several players are experimenting with new instruments, like Social Impact Bonds and crowdfunding.



# CENTRAL AMERICA & MEXICO

## Chapter Snapshot 2015

**56** ANDE members active in Central America & Mexico

**15** ANDE members headquartered in Central America & Mexico

**Key areas of focus:** SGBs and corporate supply chains, women entrepreneurs, agriculture, impact investing

### ANDE identified 21 SGB Investment Vehicles launched in the past decade that target Mexico



The top sectors are Health, ICT, and Financial Services



The share of vehicles that target Mexico out of all those focused on Latin America has steadily increased in the past decade, up to over **30 percent** in 2014 and 2015.

### Venture Capital on the rise in Mexico



In 2015 **\$16 million** was deployed in 39 deals \$1 million and under, up from 22 deals in 2014 and 8 deals in 2013.<sup>22</sup>

### Strong public support for venture capital and entrepreneurship in Mexico



Between 2013 and 2015, the National Institute of Entrepreneurship (INADEM) invested 1.5 billion pesos, about **\$9 million USD**, to support the launch of 36 venture capital funds.<sup>23</sup>

### 12 SGB Investment Vehicles launched in the past decade that target Central America



**60%** focus on agriculture, followed by energy and health

**6 Venture Capital deals** between 2010 and 2012, according to LAVCA

LAVCA reports **\$83 million** in fundraising for VCs focused on Central America, a sign that investment will potentially increase

### Donor funding an important component of the entrepreneurial ecosystem in Central America

**\$363 million** has been disbursed in Central America to support SME development, primarily by the Inter-American Development Bank

This will continue to rise: for example, **in 2015**, the United States put together a nearly **\$1 billion dollar** aid package to the northern triangle of Central America, which included **\$400 million** directed towards economic competitiveness and poverty reduction.<sup>24</sup>

### Guatemala and Costa Rica have highest density of actors in Central America



Most of the organizations identified were providing capacity development services, mainly developing business plans and mentoring.<sup>25</sup>

## PERSPECTIVES FROM THE FIELD

### Mexico

Outlook from leaders in Mexico is positive. Credit to SMEs grew 30 percent and “will continue to grow,” according to Marcos Mancini at Banorte. For social entrepreneurs there are a growing number of new actors entering the space, including corporations and government agencies. Ana Paula Gonzalez from New Ventures Mexico points out that while the sector is still building its track record, “more and more entrepreneurs are seeking to develop sustainable business that seek to achieve both social, environmental and financial returns.”

Miguel Duhalt points to Adobe Capital’s experience making impact investments as a sign that some sectors are maturing more quickly than others. For example, some sectors that the fund initially targeted, like eco-tourism, have not produced investible businesses. In others, like renewable energy, there are “many talented entrepreneurs building compelling business models.” As the social enterprise space matures, supporters, including accelerators and investors, are becoming more specialized in key sectors, such as energy, health, and fintech.

Despite growing investor and entrepreneurial interest, the country’s stagnated growth has wide ripple effects, from large corporations tightening their budgets, to entrepreneurial development programs that rely on grant funding.

### Central America

Although the sector in these countries is relatively small, new actors have been moving in, says Oscar Artiga of Technoserve. Impact investors who already work in Latin America but not Central America are exploring these countries. Donors have begun investing in young entrepreneurs as one solution to support at-risk youth in the area.

One avenue for further growth is to actively engage local corporations, which, according to Artiga, have not been an area of focus for the sector, but are one avenue to better support the entrepreneurial ecosystem.



**SGB SUPPORTERS  
ARE BECOMING  
MORE SPECIALIZED  
IN KEY SECTORS,  
SUCH AS ENERGY,  
HEALTH, AND  
FINTECH.”**

— ANA PAULA GONZALEZ,  
New Ventures Mexico






# EAST AFRICA

## Chapter Snapshot 2015

**86** ANDE members active in East Africa

**14** ANDE members headquartered in East Africa

**Key areas of focus:** talent, impact investing, ICT

### 54 SGB investment vehicles launched in past decade that target East Africa



**Five vehicles** launched in 2015



**56 percent** of Africa-focused vehicles in 2015, and **60 percent** in 2014, targeted East Africa



**Top sectors:** Agriculture, Financial Services (22 percent), Energy (18 percent), Health (13 percent)

### Kenya was a top destination for Africa tech investors in 2015.<sup>26</sup>



**Kenya:** 18 deals, \$47 million  
Average deal size \$936,000

**Tanzania:** 8 deals, \$25 million  
Average deal size \$107,000

**Rwanda:** 3 deals  
Average deal size \$251,000



By the end of 2014, impact investors had disbursed \$1.4 billion across the region, including \$132 million across 333 deals \$1 million and under.<sup>27</sup>

## PERSPECTIVES ON THE SECTOR

The SGB sector in Nairobi has seen impressive growth over the past five years. More actors, and more capital, has flowed to the city. Duncan Onyango of Acumen believes that the sector has begun to mature and take an ecosystem approach, where different types of support organizations recognize the importance of working together.

Beyond Nairobi, the sector is less mature, but growing. Annie Roberts of Open Capital Advisors says that in the past year more organizations have been expanding to open offices in Uganda, Rwanda, and Tanzania. The sector will really begin to grow in those countries in the next year and beyond.

Despite this growth, nonfinancial support is still a critical gap in Nairobi. Investors struggle to find pipeline. And, once they do, they often spend significant resources to close deals because these businesses are not yet investment ready, or even formally registered, says Onyango. Incubators, accelerators, and transactional advisors are key to getting deals done. This is not unique to impact investing. According to Roberts, "I don't think there's a big difference between a regular SGB and a social enterprise – they are pretty well aligned. Any company here that wants to reach the mass market is doing something at the BOP. And almost every business that wants to scale has to hit mass market – that's where most of the money is."



**AS INVESTORS...  
WE CAN'T BE  
TRANSACTION-  
BASED, WE CAN'T  
SOLVE JUST ONE  
DIMENSION. WE  
NEED TO LOOK AT  
THE MARKET LIKE  
AN ECOSYSTEM."**

**— DUNCAN ONYANGO,**  
Acumen

The sector may be at a turning point. Many SGBs have acquired growth capital in the past few years, and are poised to scale. We will look to see the next steps these businesses take as they grow.

## FUNDRAISING FOR ENERGY

Solar is one industry that appears to be driving VC investment in East Africa. In Kenya, 75 percent of all funding went to solar. In Tanzania, 98 percent of all funding went to solar. 2015 saw three energy companies that ANDE members had invested in at early rounds at the point of scaling-up; each raised significant amounts of capital in 2015.

**Kenya:** M-Kopa Solar raised \$31.5 million in two rounds

**Tanzania:** Off:Grid Electric raised \$25 million

**Global:** Bboxx (based in London with primary sales in East Africa) raised \$15 million





### Chapter Snapshot 2015

**54** ANDE members active in India

**10** ANDE members headquartered in India

**Key areas of focus:** Corporate partnerships, social enterprise ecosystem

### The number of investors that will consider early stage companies has grown



**77 investment vehicles** launched in the past decade that consider deals \$2 million and under in India – 18 of which launched in 2015

**Top sectors:** Tech, Health, Financial Services



This jump in early and seed stage investors is linked to the **emergence of microfunds** in India, and also to the entrance of many large private equity players to the seed and early stages to build their own pipeline.



**Impact investors invested about \$95 million in 53 deals in India in 2015; average deal size was \$1.8 million.<sup>28</sup>**

## PERSPECTIVES ON THE SECTOR

The SGB sector in India is benefiting from broad interest in start-ups and entrepreneurship. This interest is not niche; in fact two reality television shows focus on the sector – Masterpreneurs (for early stage entrepreneurs) and The Real Deal (which features social entrepreneurs and impact investors) and feature ANDE members Villgro, Artha Network, and Asha Impact.

Members feel that this increased visibility is translating into more knowledge about the capacity development and finance available for early stage entrepreneurs. One indication of better-connected entrepreneurs is the increasing sophistication of the solutions being pitched to them.

Members have long recognized the lack of support for SGBs outside of major cities and are now experimenting with distributed localized incubation models. Affiliates of UnLtd India are now operating in Tamil Nadu, Hyderabad and Delhi with more under development. Similarly, Villgro is supporting four partner incubators to incubate social enterprises in low-income states. P.R. Ganapathy of Villgro said that the UK Department for International Development and the Technology Development Board INVENT program which supports that work “is well designed to build support ecosystems in geographies where it is most needed and currently absent.”

For social enterprises specifically, access to talent and access to finance – including seed stage, venture debt and working capital – remain a key challenge in India. While there is more capital available than five years ago, Aparajita Agarwal from Intellecap suggests “that the lack of a template is keeping mass market investors away from the sector.” She believes that impact enterprises must begin to attract mainstream investors to unlock the capital required to scale.



**IMPACT  
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MAINSTREAM  
INVESTORS  
TO UNLOCK  
THE CAPITAL  
REQUIRED TO  
SCALE.”**

**— APARAJITA AGARWAL,**  
Intellecap





Chapter Snapshot 2015

**30** ANDE members active in South Africa

**12** ANDE members headquartered in South Africa

**Key areas of focus:** Impact investing, enterprise development, green economy



**AS LONG AS THERE IS INEQUALITY, THERE WILL BE B-BBEE, SO THE SOONER WE ALL WORK COLLECTIVELY TO ADDRESS THE REAL ISSUES AND REDUCE THE DISPARITIES THAT EXIST, THE SOONER EVERYONE WILL PROSPER AND SOME OF THE MORE RESTRICTIVE POLICIES WILL NATURALLY FALL AWAY.”**

— **PETRA REES,**  
Lean Enterprise Acceleration Programmes



ANDE has identified **45 investment vehicles** that launched in the past decade and consider deals \$2 million and under in South Africa.



Impact investors deployed **\$1.5 billion** total in over **100 deals** between 2011 and 2015. 40 percent of the 307 deals identified between 2006 and 2015 were \$250,000 and under.<sup>29</sup>



Between 2011 and 2015, venture capital fund managers and angels invested R865 million, about **\$60 million**, in 168 deals. The average size of these deals was \$750,000.<sup>30</sup>



Estimated Corporate Social Investment spending in enterprise development was **\$620 million** in 2014.<sup>31</sup>

The economic climate in South Africa, beset with currency depreciations and slow growth, was very challenging in 2015. Despite these difficulties, the ecosystem in South Africa has a high availability of capital compared to the rest of the continent. International development finance institutions, national development banks, private capital markets, and corporate social responsibility all play an important role in funding entrepreneurs. In addition, there is relatively affordable capital available through local banks, although these risk-averse institutions are less likely to lend to SGBs.<sup>32</sup>

The availability of capital is not the main constraint that South African entrepreneurs face. Rather, many of them are not ready to receive investment. According to a research from SAVCA, the lack of “skilled and experienced entrepreneurs” is a key

barrier to the growth of venture capital in the country. The small and growing business sector faces “competition for scarce resources between start-ups and corporate South Africa, where the latter typically offers better salaries and security.”<sup>33</sup>

## PERSPECTIVES ON THE SECTOR

The government has actively supported the SGB sector, including creating a Ministry for Small Business Development, funding several local Development Finance Institutions that invest in SGBs, and developing specific Codes of Good Practice that incentivize inclusive entrepreneurship under the Broad-Based Black Economic Empowerment (B-BBEE) Act.

According to interviews with ANDE’s Steering Committee Members in South Africa, there is still a gap in very early-stage financial support, but the biggest gap for the sector seems to be in high quality nonfinancial support.

In 2015, the B-BBEE codes were revised to link enterprise development support directly to corporate supply chains. According to leaders in the sector, the revised codes are both an opportunity and a constraint. They force corporations to move away from an arms-length approach, and to actively integrate small businesses into their supply chains. But there is often a mismatch in terms of capacity of SGBs and corporate bureaucracy and systems, so there needs to be additional support to make these relationships happen.

Much has been done in mainstreaming the social enterprise space, but it is still in development. The increase in interest and activity has not yet translated into strong deal flow, or in the improved allocation of public resources. More distinctions between NGOs and social enterprises is needed, as are legal options appropriate for these businesses.



“

**MOST SMALL  
BUSINESSES STAY  
SMALL NOT DUE  
TO THE LACK OF  
OPPORTUNITY BUT  
THE ABSENCE OF  
MANAGEMENT  
SKILLS AND ACCESS  
TO PROFESSIONAL  
SERVICES”**

— FRED ELL JACOBS,  
Allan Gray Orbis Foundation





**Chapter Snapshot 2015**

**36** ANDE members active in West Africa

**4** ANDE members headquartered in West Africa

**Key areas of focus:** Fostering collaboration, ecosystem building, impact investing

ANDE has identified 34 investment vehicles that launched in the past decade and target West Africa; three launched in 2015.



This represents **20 percent** of all vehicles that target African countries



**Agriculture** is the top target sector, followed by financial services, health, and energy.

West Africa has an active venture capital industry in the tech sector. Nigeria was the second most active country on the continent in terms of tech VC in 2015.<sup>34</sup>



**Nigeria:** 30 deals, \$49 million  
Average deal size \$1.6 million

**Ghana:** 5 deals, \$2 million  
Average deal size \$218,000

**Cameroon:** 3 deals, \$420,000  
Average deal size \$140,000

Between 2005 and 2015, impact investors deployed \$221 million in 252 deals across the region. Average deal size was \$900,000.<sup>35</sup>



**Nigeria:** \$79 million, in 89 deals

**Ghana:** \$75 million, in 84 deals

The social enterprise and broader SGB sector are linked in West Africa. There are relatively few social enterprises operating in the region. But small and medium sized enterprises (SMEs) play a critical role in driving economic growth and job creation, two important issues for the region.

In Ghana, SMEs account for about 92% of all businesses and provide 80% of employment. Most SMEs in the region are concentrated in Nigeria and Ghana and focus on the financial services, agriculture, and services sectors.”<sup>36</sup>

### PERSPECTIVES FROM THE FIELD

SMEs have become an issue of increased urgency in the region, says Peter Bamkole, of the Enterprise

Development Centre of Pan-Atlantic University in Nigeria. This shift is due largely to demographic pressure – 50 percent of Nigeria’s youth are unemployed, and young people are increasingly turning to entrepreneurship. Bamkole points to the corresponding increase in funding available, both from the Central Bank, and increased interest from private investors as well.

Impact investing has also grown, but the interest comes mainly from foreign investors rather than from local fund managers, according to Mobola Onibonjo, manager at Alitheia Capital. She believes that to stimulate the local sector, there needs to be increased investment in local talent development, particularly around skills to work in finance.



“

**50 PERCENT OF NIGERIA'S YOUTH ARE UNEMPLOYED, AND YOUNG PEOPLE ARE INCREASINGLY TURNING TO ENTREPRENEURSHIP”**

# APPENDIX: ANDE MEMBERS

4G Capital	Blue Haven Initiative	Deutsche Investitions und Entwicklungsgesellschaft (DEG)	Fundación para la Producción
Abuja Technology Village	Fundacion Bolivar Davivienda	Dharma Life	FundaSistemas
Accion	BoP Innovation Center	Ebay Foundation	Fundemex
ACDI/VOCA	Bpeace (Business Council for Peace)	Echoing Green	FUNDES
Acumen	BRAC USA	EcoEnterprises Fund	GAG Invetimentos
Africa Enterprise Challenge Fund	The Bridge Fund	edge	GIZ
Africa Talent and Innovation Center (ATIC)	British Council	Education Development Center	Global Affairs Canada
African Management Initiative	El Buen Socio	Emerging Markets Private Equity Association	Global Alliance for Clean Cookstoves
African Private Equity and Venture Capital Association	Business Call to Action at UNDP	Emzingo Group	Global Innovation Fund
Aga Khan Foundation	C&A Foundation	Enclude	Global Partnerships
Agora Partnerships	CapitalPlus Exchange	Endeavor	Global Social Entrepreneurship Network (GSEN)
Aliança Empreendedora	Capria Ventures	Engineers Without Borders Canada	Globalislocal
Alitheia Capital	CARE	Ennovent	GOAL
Allan Gray Orbis Foundation	Catholic Relief Services	Enterprise Development Centre of Pan-Atlantic University	Goldman Sachs – 10,000 Women
Alterna	Ceniarth	Enviu	Grameen Foundation
Amani Institute	Center for International Private Enterprise	Epven	Grand Challenges Canada
American Society of Mechanical Engineers	Center for Social Impact Learning, Middlebury Institute of International Studies	Equity Group Foundation	Gray Ghost Ventures
Argidius Foundation	Cherie Blair Foundation	Esoko	Grow Africa
ARTEMISIA	Christian Aid	EY	GrowthAfrica
Asha Impact	Citi Foundation	Fair Trade USA	Habitat for Humanity
Ashburton Investments	CO_Plataforma	Farm Africa- Kenya	Haitian Hometown Associations
Asian Venture Philanthropy Network	The Coca-Cola Company	FEMSA	Resource Group
Aspen Institute	Columba Leadership	Fetola	Heifer International
ATMS Foundation/AMSCO	Compartamos Con Colombia	Finance Alliance for Sustainable Trade (FAST)	HIVOS
B Lab	Cordes Foundation	Fonkoze	IADB - Multilateral Investment Fund
Babson College	CREA	Ford Foundation	ICE (Entrepreneurial Citizenship Institute)
Banamex	CrossBoundary	FSG, Inc.	ICS (Investing in Children and their Societies)
Banorte	Dalberg Global Development Advisors	Fundação Telefônica Vivo	IDEO.org
Fundacion Bavaria	Dasra	Fundación Bavaria	I-DEV International
BeadforLife	DBS Foundation	Fundación Bolivar Davivienda	Impact Amplifier
Bill & Melinda Gates Foundation	Derraik & Menezes Advogados	Fundación Capital	Impact Business Leaders
BiD Network		Fundación IES	Impact Hub
BizCorps			

The Innovation Hub	Media Development Investment Fund	RippleWorks	Management
Inotek	Mennonite Economic Development Associates	The Rockefeller Foundation	Triple Jump
Insitor Impact Asia Fund Pte. Ltd.	Mercy Corps	Root Capital	UBUNTU
Instituto Inspirare	Miller Center for Social Entrepreneurship- Santa Clara University	Royal Academy of Engineering	United Nations Capital Development Fund
Instituto Quintessa	Monitor Deloitte	SAP SE - Global Communications	United States African Development Foundation
Instituto Sabin	Nacional Monte de Piedad	SCOPEinsight	U.S. Agency for International Development
Intellectap	National Entrepreneurship Network	Self Help Africa	Universidad de Los Andes
International Centre for Social Franchising	Naya Jeevan	Shared Interest/Thembani International	University of California, Berkeley
International Diaspora Engagement Alliance (IdEA)	Nesa Capital	Shell Foundation	University of Cape Town
International Finance Corporation	NESsT	Simanye	UnLtd India
Inversor	Nestlé	Sinapis	Value for Women
Invest2Innovate	New Markets Lab	Sinovator	VentureWell
Investisseurs & Partenaires	New Ventures Mexico	SITAWI	Verb, Inc.
Jibu	Novastar Ventures	Skoll Foundation	Village Capital
JP Morgan Chase	Office:FMA	Small Enterprise Assistance Funds (SEAF)	Villgro Innovations Foundation
Karmany	Omidyar Network	Small Foundation	Volunteers for Economic Growth Alliance (VEGA)
Kauffman Foundation	Open Capital Advisors	Small Scale Sustainable	Vox Capital
Kenya Climate Innovation Center	Opportunity Collaboration	Infrastructure Development Fund (S3IDF)	Water and Sanitation for the Urban Poor
Kenya Feed the Future	Overseas Private Investment Corporation	Social Enterprise at Goizueta, Emory University	WEConnect International
Innovation Engine	Oxfam	Social Entrepreneurship Accelerator at Duke (SEAD)	Wharton Social Impact Initiative of the University of Pennsylvania
Kiva	PACT	Spark	Wildlife Conservation Society
Kogod School of Business – American University	Palladium	Spark* International	Winrock International
Land O'Lakes, Inc.	Partners in Food Solutions	SSG Advisors	World Vision
Latin American Venture Capital Association	Pearl Capital Partners	The Stanford Institute for Innovation in Developing Economies (SEED)	Youth Business International
Lean Enterprise Accelerator Project	Pershing Square Foundation	Startup Cup	Youth for Technology Foundation
The Lemelson Foundation	Peru Opportunity Fund	Stichting DOEN	Yunus Social Business
LGT Venture Philanthropy	Pomona Impact	Swisscontact	
LifeCo UnLtd SA	Promotora Social Mexico	Synergy Social Ventures	
The Linked Foundation	PUM Netherlands senior experts	TechnoServe Inc.	
Low Carbon Enterprise Fund	Qualcomm Wireless Reach	Thunderbird School of Global Management	
Lundin Foundation	Rainforest Alliance	Toniic	
The MasterCard Foundation	The Research Institute for Innovation and Sustainability	TriLinc Global	
MasterCard Worldwide	responsAbility Social Investments	Trillium Asset	
McGraw Hill	Rianta Capital, Artha Initiative		NOTE: as of April 2016

# ANDE EXECUTIVE COMMITTEE MEMBERS 2015

**Carol Dahl**  
Executive Director  
The Lemelson Foundation

**Sasha Dichter**  
Chief Innovation Officer  
Acumen

**Nicole Etchart**  
Co-Founder and Co-CEO  
NESsT

**Willy Foote**  
Founder and CEO  
Root Capital

**Leslie Johnston**  
Executive Director  
C&A Foundation

**Randall Kempner**  
Executive Director  
ANDE

**Olivier Lafourcade**  
Chairman of the Board  
Investisseurs & Partenaires

**Graham Macmillan**  
Senior Program Officer  
Impact Investing  
Ford Foundation

**Saadia Madsbjerg**  
Managing Director  
Rockefeller Foundation

**Paul Malherbe**  
CEO & MD  
AMSCO

**Neera Nundy**  
Founder & Partner  
Dasra

**Peter Reiling**  
Executive VP  
Aspen Institute

**Laurie Spengler**  
President and CEO  
Enclude

**Rodrigo Villar**  
President  
New Ventures Global Network and  
Director of New Ventures

**Simon Winter**  
Senior Vice President  
TechnoServe Inc.

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# PHOTO CREDITS

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Page 12: Entrepreneurs supported by Aliança Empreendedora in Brazil; Photography by Gus Benke

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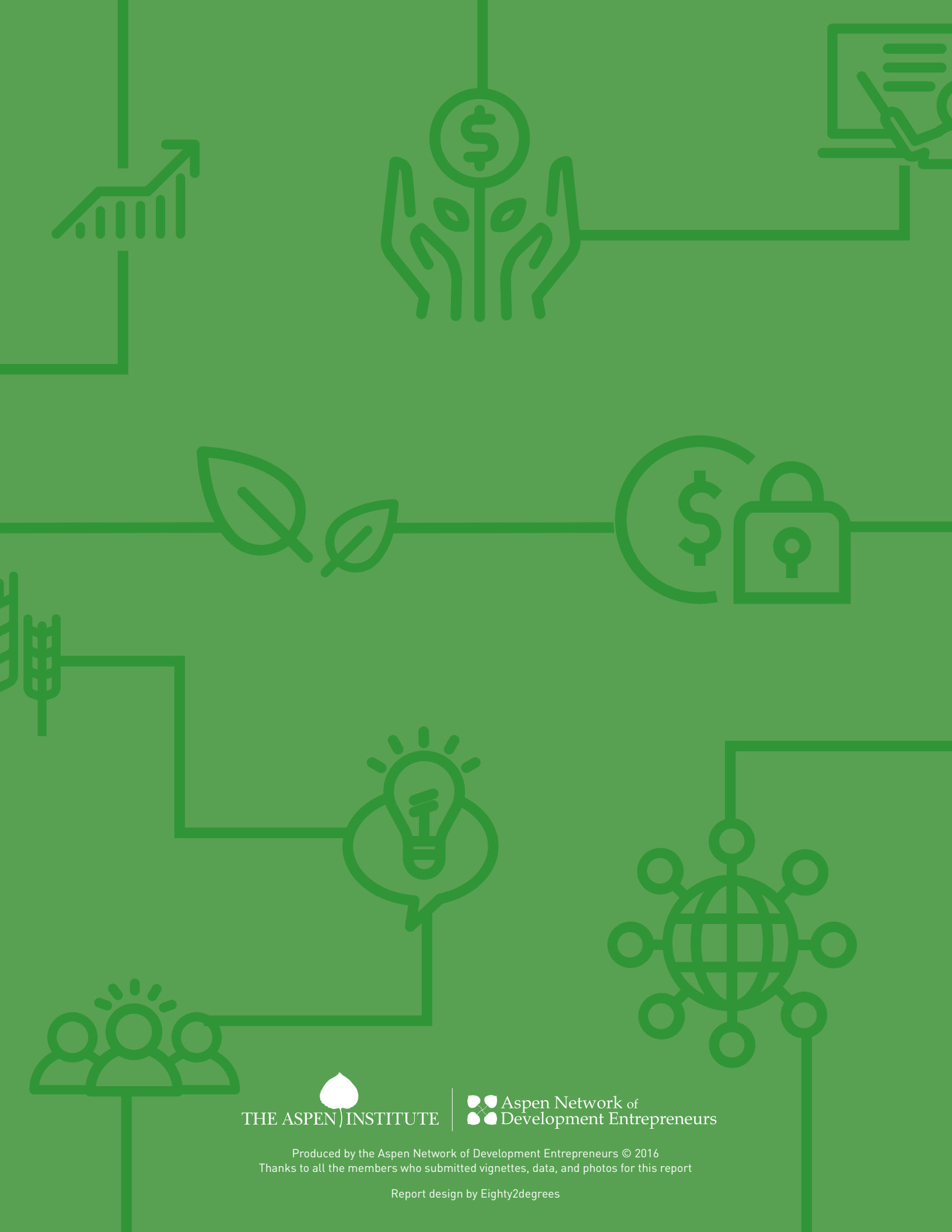
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