Supporting young social entrepreneurs in Thailand and the regions.

Sunit Shrestha
Background

• Youth (15-24 years old) comprise 16% of total population

• Youth unemployment rate is 5% compare to average 16.9% in SEA and 7.8% in EA.

• Yet it is 2 to 3 times higher than adult employment rate from 1995-2005

• The share of youth to the total unemployed is 50%, among the highest in the region.

• Youth entrepreneurship and self-employment rate is constant at 30%

• Challenges on youth entrepreneurs; access to financing, especially for those from disadvantaged backgrounds.
2001  Winning 14k from the WB’s Development Marketplace, the only student group winner.


2003  Co-founded Thailand’s first youth social enterprise support programme.

2005  Launched “Youth Social Enterprise Initiative -YSEI” to support young social entrepreneurs in Asia.

2007  Launched a dedicated service to support young social entrepreneurs in Thailand through financing and incubation.
Supporting young social entrepreneurs

• Our working definition of youth social enterprise:

• Organizations setup to innovatively solve social or environmental problems, but doing so with financial sustainability.
Blended returns on investment: self-reinforcing
Blended returns on investment

Creating a blend of returns is crucial to understanding the fine balance involved in social enterprises.
support components

Knowledge

Network

Finance

Mentorship
Catalysis process

- Investment criteria
- Call for proposal
- Selection & due diligence
- Finalists workshop
- Financing
- Incubation
Social enterprise service numbers

- **2007**
  - New Mentorship only: 3
  - Existing ventures financing: 4
  - New financing & incubation: 0

- **2008**
  - New Mentorship only: 10
  - Existing ventures financing: 6
  - New financing & incubation: 1

- **2009**
  - New Mentorship only: 20
  - Existing ventures financing: 10
  - New financing & incubation: 0

*Expected*
**BANGLADESH**
*Padma*
Provides critical information on agricultural best-practices to farmers through information kiosks.

*XayanIT*
Provides IT training, education and jobs within the enterprise to underprivileged youth.

**PAKISTAN**
*Youth Engagement Service*
Provides seed financing and incubation for youth-led micro social enterprises in remote rural areas.

*Kaarvan*
Channelling women groups handicrafts around Pakistan to shops in big cities employing fair-trade model.

**INDIA**
*School and Community Horticulture (SCHE)*
Provides nutritional supplements to mid-day meals in schools in India through poly-houses.

*MicrofinanceJobs.com*
Online jobs placement and aggregator in the micro-finance sector in India.

*Krishak Mitra*
Improving the livelihood of marginal farmers in India by using agriculture decision-making software at various rural knowledge centers.

*Community Friendly Movement*
CFM sources hand-made crafts from artisan communities in India and conducts sales to wholesale craft buyers overseas.

**THAILAND**
*Grassroot Innovation Network*
Provides micro organic agriculture methods and inputs to over 1,000 poor rural farmer families that improve multi-crop farm productivity by over 400%.

*OpenDream*
Provides web, online application and virtual communities services to non-profits.

*Thoth Media*
Provides video podcasting and viral clip services and news platform for citizen journalism, non-profit and social groups.

*Chivalry Silk*
Source wholesale unique silk products from poor rural families and conducts sales overseas.

**PHILIPPINES**
*Ideal!s*
Provides high-quality communications solutions for non-profits who cannot afford commercial service.

*Let IT help*
Provides capacity building on specific IT skills that are in market demand and match trainees to job opportunities.

*Youth Works*
Provides microfinance services to youth entrepreneurs in rural communities.

*Rural Light*
Provides rural electrification solutions at the small community level.

*Mobile Telecentres*
Provides on-site training and career opportunities for students through 3 wheeler trike mobile telecentres.

**MALAYSIA**
*SOLS-24/7*
SOLS 24/7 provides life-skills education to underprivileged youth in Cambodia, East Timor and Malaysia.

*Elevyn*
Online platform that links the selling of handmade products to the support of social and environmental causes.

*Chivalry Silk*
Source wholesale unique silk products from poor rural families and conducts sales overseas.
Cases from our portfolio

Community Friendly Movement, India
Jaspal Shakya

Sources hand-made crafts from across India and sells in bulk and e-commerce to USA and Europe. The total turnover for CFM last year was USD 170,000.
Cases from our portfolio

OpenDream, Thailand
Patipat Susumpao

Provides web-building services to nonprofits and CSR campaigns in Thailand. It has a hybrid business model that takes on market rate jobs while subsidizing nonprofits that cannot afford proper web-building work.
Cases from our portfolio

Grassroot Innovation Network, Thailand
Nawee Nakwatchara

Empowers more than 300 farming rural families in the Northeast of Thailand with appropriate grassroots technologies such as drip irrigation in order to improve their crop yield by over 400% and overall income levels.

Reason for the jump: Restructuring from semi-volunteer to professional service organizations focusing on social innovation design and investment facilitation.
Challenges: bridging the funding gap

Identifying enough young social entrepreneurs & supporters in the region to reach the economies of scale.
Social Enterprise Investment Facility (SEIF)

SEIF \ G = grant  E = equity  L = loan

- **G** 15 - 100K Seed / startup funds + incubation
- **E** up to 600k Gap funds + incubation
- **L** 800K+ Scale-up brokering

Risk mitigation instruments

Social Enterprise Capital Exchange Platform
Profiles listing, rating, online investing, etc.

Core social investors

- Participation
- Investment
- Entry
- Privileged investment options

Social entrepreneurs

External donors, investors, funds, supporters (in-kind)

Social Enterprise Investment Forum (+ research)

G     E  L
External donors, investors, funds, supporters (in-kind)

Social Enterprise Capital Exchange Platform
Profiles listing, rating, online investing, etc.

participation

SEIF \ G = grant  E = equity  L = loan

Social Enterprise Investment Facility (SEIF)

participation

Social Enterprise Capital Exchange Platform
Profiles listing, rating, online investing, etc.

participation

Social entrepreneurs

External donors, investors, funds, supporters (in-kind)
Challenges for the facility development

- Need trust broker to mobilize necessary partnerships, especially from the social investors (grant, loan and equity).

- Scalable pilot facility development by mid 2009.

- Help is needed at all fronts (i.e. investments, finance, venture sourcing, incubation partner, media relations, etc.) so please join us!

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