

LOCAL ECONOMIC DEVELOPMENT SERIES

Inclusive and Sustainable Recovery

How can social innovators and entrepreneurs support inclusive local economic recovery?



Carlos Centeno

LEAD, ECONOMIC PROSPERITY
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PRINCIPAL, SOLVE INNOVATION
FUTURE, MIT SOLVE



Vikas Bali

CEO, INTELLECAP



Alfred Kojo Yeboah

REGIONAL DIRECTOR, AFRICA,
GRAMEEN FOUNDATION



08:00am ET | September 23, 2020



#InclusiveLED

Today's Structure

Opening remarks

Louise Cord, Global Director, Social Sustainability and Inclusion
Global Practice, World Bank

Fireside chat

Moderator:

Parmesh Shah, Global Lead, Rural Livelihoods, and Agriculture
Employment Global Solutions Group, World Bank

Speakers:

Carlos Centeno, Lead, Economic Prosperity Community, MIT
Solve

Casey van der Stricht, Principal, Solve Innovation Future, MIT
Solve

Vikas Bali, CEO, Intellectap

Alfred Yeboah, Regional Director, Africa at Grameen Foundation

Closing remarks

Susan Wong, Global Lead, Community Driven Development
Global Solution Group, World Bank



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Scale of Outreach and the Impact of Social Entrepreneurs

The Schwab Foundation for Social Entrepreneurship 2020 Impact Report
Two Decades of Impact:
How 400 Leading Social Entrepreneurs Have Improved 622 Million Lives

633

Million people
benefited

190

Countries

\$6.7

billion in loans
distributed

25

million people
with disabilities,
homeless or
refugees supported



Local Economic Development

About

LED Webinar Series

Blogs

Documents

Calendar

Discussion

View More ▾

Welcome to the Local Economic Development Resource Page!



Government clients and the World Bank task teams have expressed growing interest in enhancing livelihoods, income generation, and job creation through Community-Driven Development (CDD) and Local Economic Development (LED) approaches. Given this, we have developed this resource page as a one-stop-shop on CDD and livelihoods/LED materials. We encourage you to check out all of the resources and documents on the page.

Local Economic Development and COVID Recovery Webinar Series



Join us for an engaging LED webinar series providing structured learning with thought leaders, policy makers and practitioners to explore pathways for rebuilding local economies and communities better for resilient and inclusive sustainable recovery.

RESOURCES

[LED & COVID-19](#)

[Orientation Materials](#)

[Knowledge Events](#)

[Impact Evaluation](#)

[Research and Reports](#)

[Learning Notes](#)

[Countrywide Project](#)

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Carlos Centeno

Lead, Economic Prosperity Community, MIT Solve

Solver Portfolio

130 SOLVER TEAMS



16 GLOBAL CHALLENGES



HEADQUARTERED IN
36 COUNTRIES



39%
NONPROFIT/
HYBRID



56%
FOR PROFIT
5% unregistered

8%

PROTOTYPE

35%

PILOT

51%

GROWTH

6%

SCALE



52%

WOMEN-LED

2020 Global Challenges



How can communities around the world prepare for, detect, and respond to emerging pandemics and health security threats?



How can marginalized populations access and create good jobs and entrepreneurial opportunities for themselves?



How can we produce and consume low-carbon, resilient, and nutritious food?



How can marginalized girls and young women access quality learning opportunities to succeed?



How can every woman, new mother, and newborn access the care they need to survive and thrive?

Over **2,600** innovators from **135** countries submitted solutions

705 innovators from **100** countries
submitted solutions

- **Services for macro and small businesses**
- **Digital and Entrepreneurial skills for all**
- **Better jobs, job matching, and income generation pathways**

How can marginalized populations access and create good jobs and entrepreneurial opportunities for themselves?



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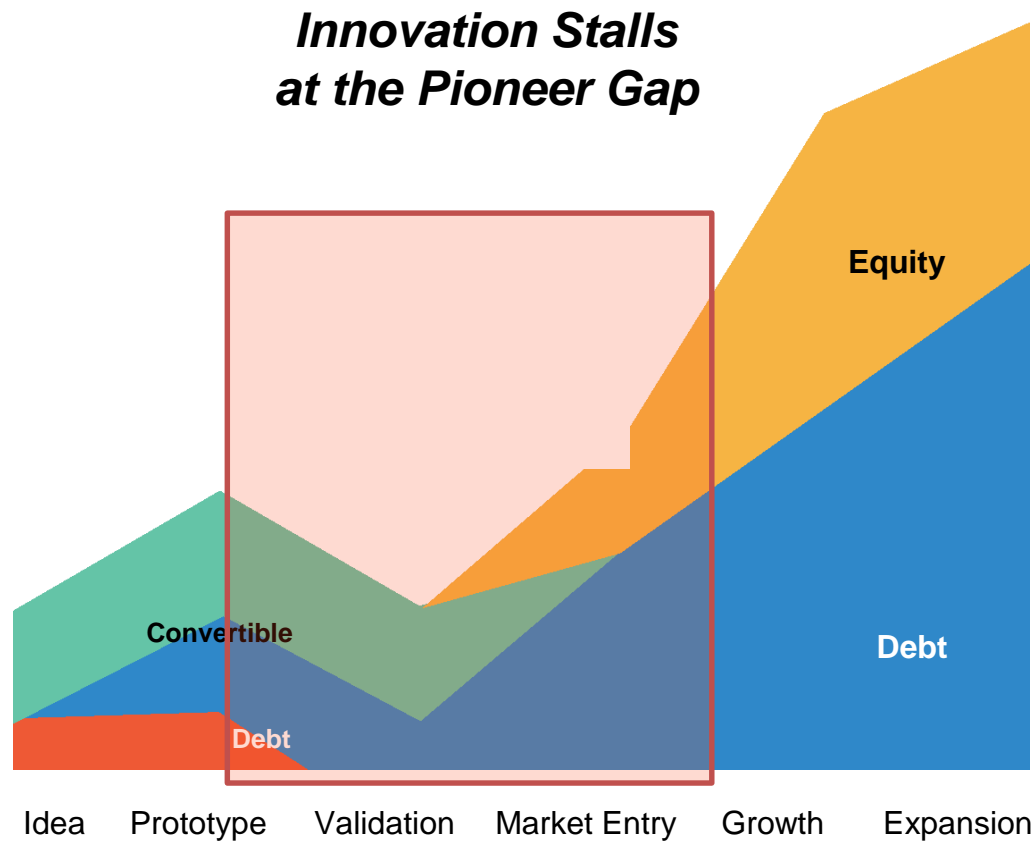
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Casey van der Stricht

Principal, Solve Innovation Future, MIT Solve

The Problem: the Pioneer Gap

\$2.5 trillion needed to reach UN sustainable development goals, and a *gap* for early stage changemakers



...and Solver teams seek investment capital

- Solve has brokered over **\$25M** of funding over 3 years, typically in the form of grants
- **~60%** of Solver teams are for-profit
- In 2020, ***on average, for-profit Solver teams seek between \$500K and \$6M in funding***

The Solution: Solve Innovation Future

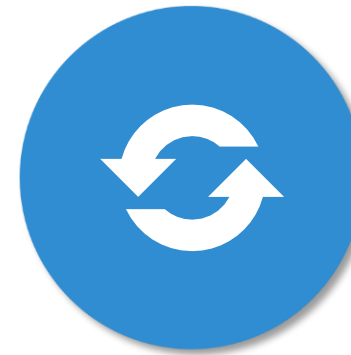
Direct, value-aligned investments in Solve's portfolio of early-stage entrepreneurs solving the world's most pressing problems



CATALYTIC
INVESTMENTS



DIVERSIFIED
PORTFOLIO



RECYCLABLE
FINANCING



Prove that Philanthropy Can Be Regenerative

Innovative Donor-Advised Fund Structure

- Recycle investment proceeds into fund, and into future investments in Solver teams through innovative, evergreen Donor-Advised Fund (DAF) vehicle





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Vikas Bali

CEO, Intellectap

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The Aavishkaar Group

← Capital



← Knowledge and Network →

Equity



- **Aavishkaar Capital** manages 6 funds representing AUM of US\$450 mn in India and Indonesia
- Completed over 69 investments with 32 full and partial exits
- Invests and builds businesses across target sectors including Financial Inclusion, Food & Agriculture and Essential Services

Debt



- **AROHAN** is the largest MFI based out of Eastern India, which serves over 2 mn customers with an AUM of US\$ 700 mn
- **ASHV** provides customized debt finance to the SME sector and is an innovative digital lending platform with an aim to empower small business owners

Advisory



- **INTELLECAP** provides consulting and investment banking services to help innovative businesses scale & grow
- **Sankalp** is a unique convening platform that brings together a range of stakeholders to learn, share & collaborate across Asia and Africa

Social entrepreneurship in post-COVID times: How we support local economic development through social entrepreneurship

Focus Areas

Key areas for local economic recovery through entrepreneurship

MSMEs/Entrepreneurs



All sectors have not been equally impacted by COVID-19. Healthcare, agriculture, Fin-tech and Edu-tech have seen positive impacts. But many others like retail, tourism etc. have been negatively impacted.

What we are doing to support MSMEs

- Developed India's **First Virtual Incubation Platform** – StartupWave
- Designing **financing facilities** to channelize low cost debt to MSMEs
- Creating a **digital labour market**

Agri & livelihoods



There are many emerging opportunities to transform the small-holder farmer segment.

What we are doing to enhance farmer incomes

- **Digitizing agri-value chains** across multiple geographies
- **Seeding agri-businesses** to create livelihoods in rural India
- Taking disruptive **agricultural technologies to small-holder farmers**

Gender



Drying credit and low digital adoption by women-owned and focused businesses is a concern.

What we are doing to support women-owned and women-focused businesses:

- Designing a dedicated **financing facility for women collectives**, empowering them through digitization
- Designing **gender-focused group lending programs and gender integration strategies** for FIs
- Mainstreaming **gender lens capital solutions**

Blue sky thinking for World Bank Group to drive Local Economic Recovery through entrepreneurship

1.

- **Consistent support to entrepreneurs in early stages of growth:** Dedicated programs with 3-5 years focus to –
 - **Select:** Identify entrepreneurs and solutions that build resilience and improve adaptive capacity of vulnerable communities
 - **Seed:** Provide patient capital early-on as it takes 3-5 years to achieve commercial viability
 - **Support:** Provide technical assistance for commercialization
 - **Scale:** Provide fundraising and investment readiness support for scale-up

1. Entrepreneurship development

2. Income stability and resilience

Key
Priorities

3. Global South-South platform for replication of successful interventions

3.

- Knowledge sharing and exposure is necessary but not sufficient. Successful replication requires **contextualization, on-ground support and reiterative testing.**
- Create **platforms to connect local entrepreneurs with the larger private sector**, to facilitate **partnerships** for improved service delivery to vulnerable communities.

2.

- Set up a **contingency fund that prevents vulnerable communities from falling back into poverty.** These can be set up for different value chains and sectors.
- **Connect, Digitize and Enable informal sector to build their resilience.** Digitization of different value chains and sectors has transforming impact; and can enable informal sectors to develop new capabilities, offerings and partnerships.



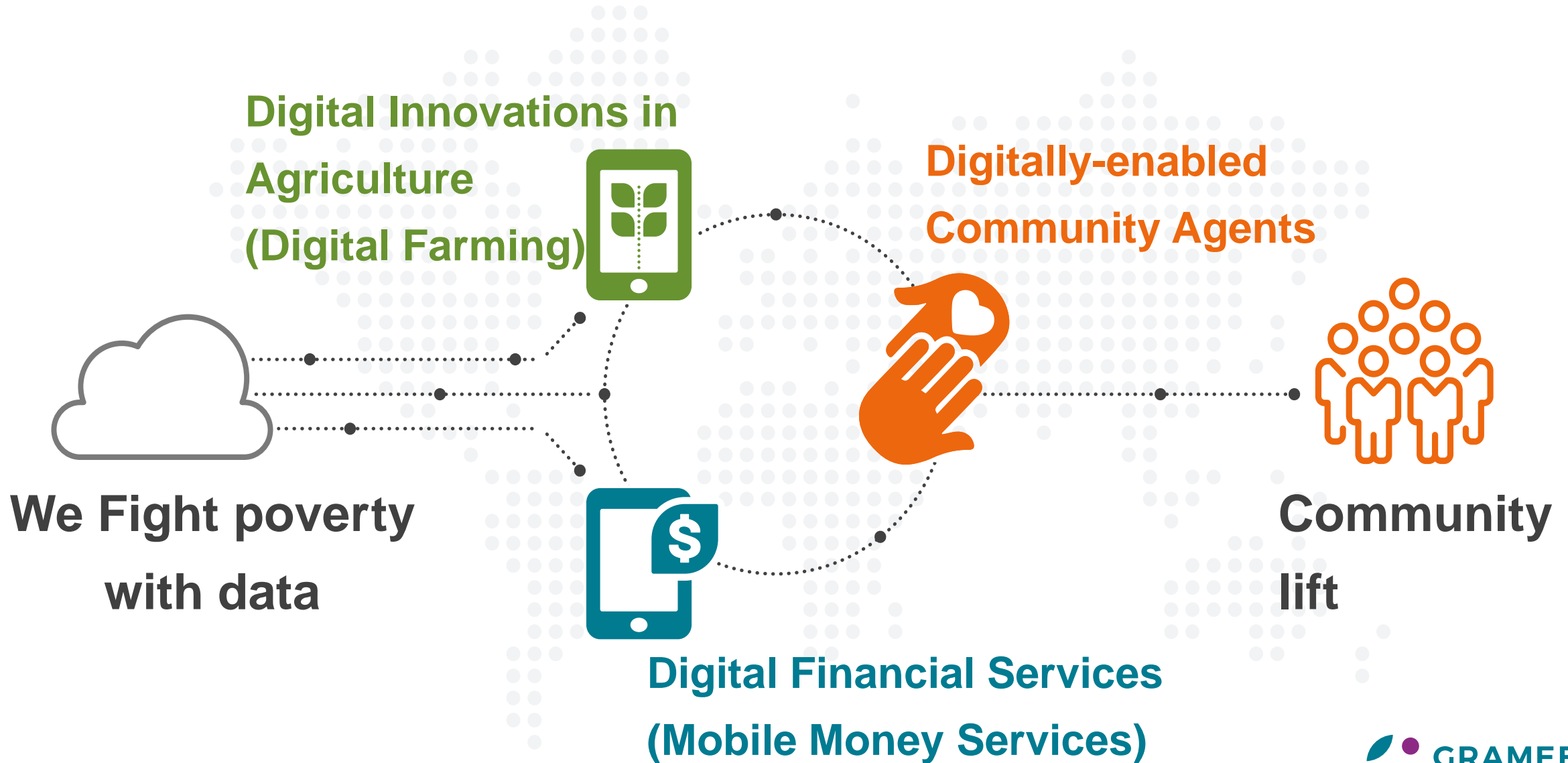
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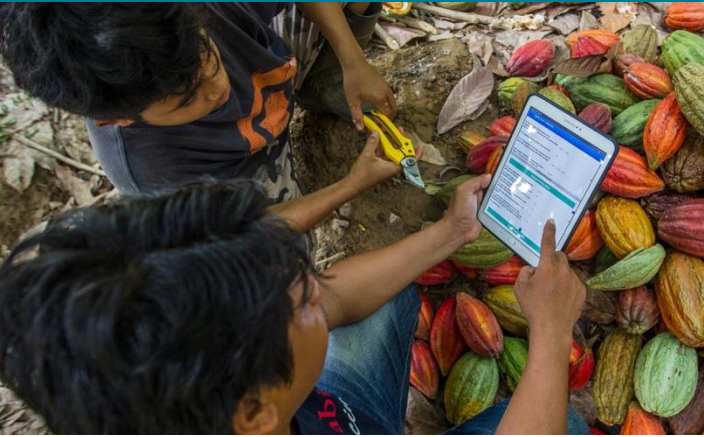
Alfred Yeboah

Regional Director, Africa at Grameen Foundation

How we work: The Grameen Foundation Model



Our track record: Success by the numbers



Grameen goal set in 2016
to empower

25 million

people by 2025

Grameen
has deployed over

30,000

Community Agents since 2016

Grameen Community Agents
have directly impacted

12,910,652

individuals since 2016

Grameen Community Agents
have indirectly impacted

55 million

household members since 2016

Driving enterprise-based solutions for scale and sustainability

We catalyze growth of MFIs and early stage investments in innovative productive enterprises

Grameen has built social enterprises to attain sustainability and scalability

(PT Ruma and TaroWorks)

We are incubating additional social enterprise initiatives in agriculture and financial inclusion

Community Agent Networks, Grameen Mitras and Sat4Farming (Digital Farm Development Plan)



GrameenStart translates the power of data into scalable social impacts

A new investment fund bundled with technical advisory facility that provide blended finance to incubate and grow social enterprises, as well as innovative financial service providers, that are poised to positively impact the lives of poor, rural women and other underserved groups in local economies of Africa



BANKERS *without*
BORDERS[®]
A GRAMEEN FOUNDATION INITIATIVE



Upcoming Events

Webinar #3

Wednesday, October 7, 2020: **How can we support the employment of vulnerable youth during and after COVID-19?**

8:30am ET | 1:30pm GMT | 6:00pm IST

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