LOCAL ECONOMIC DEVELOPMENT SERIES

Inclusive and Sustainable Recovery

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

Carlos Centeno
LEAD, ECONOMIC PROSPERITY COMMUNITY, MIT SOLVE

Casey van der Stricht
PRINCIPAL, SOLVE INNOVATION FUTURE, MIT SOLVE

Vikas Bali
CEO, INTELLECAP

Alfred Kojo Yeboah
REGIONAL DIRECTOR, AFRICA, GRAMEEN FOUNDATION

08:00am ET | September 23, 2020

WORLD BANK GROUP
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, Intellecap

Alfred Yeboah, Regional Director, Africa at Grameen Foundation

Closing remarks

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

Carlos Centeno
Lead, Economic Prosperity Community, MIT Solve
Solver Portfolio

130 SOLVER TEAMS

<table>
<thead>
<tr>
<th>HEADQUARTERED IN</th>
<th>16 GLOBAL CHALLENGES</th>
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<tbody>
<tr>
<td>36 COUNTRIES</td>
<td></td>
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<table>
<thead>
<tr>
<th>Scale Phase</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Prototype</td>
<td>8%</td>
</tr>
<tr>
<td>Pilot</td>
<td>35%</td>
</tr>
<tr>
<td>Growth</td>
<td>51%</td>
</tr>
<tr>
<td>Scale</td>
<td>6%</td>
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<table>
<thead>
<tr>
<th>Funding Model</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>Nonprofit/Hybrid</td>
<td>39%</td>
</tr>
<tr>
<td>For Profit</td>
<td>56%</td>
</tr>
<tr>
<td>Women-Led</td>
<td>52%</td>
</tr>
</tbody>
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5% unregistered
2020 Global Challenges

- **Health Security & Pandemics**: How can communities around the world prepare for, detect, and respond to emerging pandemics and health security threats?
- **Good Jobs & Inclusive Entrepreneurship**: How can marginalized populations access and create good jobs and entrepreneurial opportunities for themselves?
- **Sustainable Food Systems**: How can we produce and consume low-carbon, resilient, and nutritious food?
- **Learning for Girls & Women**: How can marginalized girls and young women access quality learning opportunities to succeed?
- **Maternal & Newborn Health**: 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
How can marginalized populations access and create good jobs and entrepreneurial opportunities for themselves?

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
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

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

Please see pages 31-32 for more details on Donor-Advised Funds
Inclusive and Sustainable Recovery

Vikas Bali
CEO, Intellecap
How can social innovators and entrepreneurs support inclusive local economic recovery?
About Aavishkaar Group

The Aavishkaar Group

Capital

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

Private & Confidential
## Focus Areas

### MSMEs/Entrepreneurs

<table>
<thead>
<tr>
<th>Key areas for local economic recovery through entrepreneurship</th>
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<tbody>
<tr>
<td><strong>MSMEs/Entrepreneurs</strong></td>
</tr>
<tr>
<td>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.</td>
</tr>
<tr>
<td><strong>What we are doing to support MSMEs</strong></td>
</tr>
<tr>
<td>• Developed India's First Virtual Incubation Platform – StartupWave</td>
</tr>
<tr>
<td>• Designing <strong>financing facilities</strong> to channelize low cost debt to MSMEs</td>
</tr>
<tr>
<td>• Creating a <strong>digital labour market</strong></td>
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### Agri & livelihoods

<table>
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<tr>
<th>Key areas for local economic recovery through entrepreneurship</th>
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<tbody>
<tr>
<td><strong>Agri &amp; livelihoods</strong></td>
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<tr>
<td>There are many emerging opportunities to transform the small-holder farmer segment.</td>
</tr>
<tr>
<td><strong>What we are doing to enhance farmer incomes</strong></td>
</tr>
<tr>
<td>• Digitizing <strong>agri-value chains</strong> across multiple geographies</td>
</tr>
<tr>
<td>• <strong>Seeding agri-businesses</strong> to create livelihoods in rural India</td>
</tr>
<tr>
<td>• Taking disruptive <strong>agricultural technologies to small-holder farmers</strong></td>
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### Gender

<table>
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<th>Key areas for local economic recovery through entrepreneurship</th>
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<tr>
<td><strong>Gender</strong></td>
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<tr>
<td>Drying credit and low digital adoption by women-owned and focused businesses is a concern.</td>
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<tr>
<td><strong>What we are doing to support women-owned and women-focused businesses:</strong></td>
</tr>
<tr>
<td>• Designing a dedicated <strong>financing facility for women collectives</strong>, empowering them through digitization</td>
</tr>
<tr>
<td>• Designing <strong>gender-focused group lending programs and gender integration strategies</strong> for FIs</td>
</tr>
<tr>
<td>• Mainstreaming <strong>gender lens capital solutions</strong></td>
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Blue sky thinking for World Bank Group to drive Local Economic Recovery through entrepreneurship

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<th>Key Priorities</th>
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<tr>
<td>1. Entrepreneurship development</td>
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<tr>
<td>2. Income stability and resilience</td>
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<tr>
<td>3. Global South-South platform for replication of successful interventions</td>
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### 1. Entrepreneurship development
- **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

### 2. Income stability and resilience
- 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.
- Knowledge sharing and exposure is necessary but not sufficient. Successful replication requires contextualization, on-ground support and reiterative testing.

### 3. Global South-South platform for replication of successful interventions
- Create platforms to connect local entrepreneurs with the larger private sector, to facilitate partnerships for improved service delivery to vulnerable communities.
LOCAL ECONOMIC DEVELOPMENT SERIES

Inclusive and Sustainable Recovery

Alfred Yeboah
Regional Director, Africa at Grameen Foundation
How we work: The Grameen Foundation Model

Digital Innovations in Agriculture (Digital Farming)

Digitally-enabled Community Agents

We Fight poverty with data

Digital Financial Services (Mobile Money Services)

Community lift
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.
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