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Robert Bosch Stiftung



SOCIAL INVESTMENT LANDSCAPE IN ASIA: THAILAND



THAILAND

Thailand is one of the modern world's standout examples of rapid, equitable development. Economically and socially, the country has risen from low-income to upper-middle income status in less than 30 years. The proportion of Thais below the poverty line has decreased from 67% in 1986 to 7.2% in 2015, a change attributed primarily to economic growth¹. Some of Thailand's social welfare indicators are equally impressive, not least the 100% primary school enrolment rate achieved in 2015² and the 100% health coverage rate achieved with the government's Universal Coverage Scheme (with satisfaction rates of over 90% among the insured)³.

When the long-ruling and deeply revered King Bhumibol Adulyadej of Thailand passed away in 2016, political instability created uncertainty around civilian rule. There was a consequent dip in overseas business interest in the country.⁴ Notwithstanding this dip and a domestic climate of low business confidence that has persisted since 2013, foreign businesses continue to be drawn by Thailand's strategic position between China and India, and its access to the ASEAN Free Trade Area.⁵ Foreign direct investment (FDI) inflows reached USD 951 million in 2016, exceeding the target set by the country's Board of Investment. Japan was the largest investor in Thailand in 2016, followed by China.⁶

The government has embarked on an ambitious reform programme to boost long-term growth and help Thailand achieve high-income status.⁷ In addition, problems such as the urban-rural divide, different quality in the public education system, environmental degradation, and changing demographics — although mitigated by overall development — call for innovative approaches and collaboration, involving the state as well as the private sector.⁸

1. World Bank, 2017, Thailand Overview

2. World Bank open data for Thailand, accessed March 2017

3. Health Insurance Systems Research Online, 2012, Thailand's Universal Coverage Scheme

4. CNBC, 2017, King Bhumibol's death could put Thailand's political stability

5. OEC, 2015, Thailand Overview

6. ASEAN briefing, 2017, Thailand in 2017 a changing investment landscape

7. Live Trading News, 2017, Thailand remains an attractive investment destination

8. World Bank, 2017, Thailand overview



FACT FILE



COUNTRY CONTEXT FOR INVESTORS

FACTORS	INDEX SCORE /RANK	DESCRIPTION
GDP Growth (2016)	3.2%	The economy advanced 3.2% in 2016, faster than the 2.8% growth in 2015. In 2017, GDP growth is projected between 3.0%-3.5%.
Governance (2015)	-0.3	Thailand ranked above 43% of all the countries in the 2015 World Bank's World Governance Indicators.
Consumer Market (2015)	USD 539 billion	Growth in the consumer markets in retail and e-commerce is steady.
Labour Force (2016)	40 million	Thailand's labour force is characterised by skills gaps as well as gaps in connecting the underprivileged to opportunities, and an ageing society. ⁹
Infrastructure (2016)	4.4	Thailand ranked 49 of 138 countries in terms of infrastructure by the World Economic Forum. Thailand is the second largest spender on infrastructure in Asia (behind Indonesia) till 2015, with spending projected to reach USD 58.5 billion by 2025 ¹⁰ driven by high-speed rail projects.
Financial Access (2014)	78% of the population	Access to formal banking increased by 7% from 2011 to 2014.
Digital Access (2015)	39% of the population	31.93% of the population are smartphone users and more than 90% of internet users in Thailand access the internet through smartphones. ¹¹
Ease of Doing Business (2016)	46/190	Thailand remained at 46 in the Ease of Doing Business rankings in 2015 and 2016. The government has implemented pro-FDI policies and instituted multiple incentives to create a conducive business environment. ¹²

Source: CIA, International Telecommunication Union (2015), OECD (2017), WEF (2016), World Bank (2016)
Note: Computation in this section is described in the Methodology.

Favourable Moderately favourable Unfavourable

9. SCBEIC, 2015, Bridging Thailand's Labour Gap
10. PricewaterhouseCoopers, 2014, PwC says global infrastructure, capital spending to hit \$9 trillion by 2025
11. Statista, 2015, Smartphone user penetration in Thailand
12. ASEAN Briefing, 2017, Thailand in 2017: A Changing Investment Landscape



Number of millionaires

2015

25,000

(0.036% of the population)

Global Competitiveness Index

2016

34

(32 in 2015)

Source: CIA, Charities Aid Foundation (CAF, 2016), Credit Suisse (2016), IMF (2016), OECD (2016), World Bank (2017), World Economic Forum (WEF, 2016)

DEVELOPMENT GAPS IN THAILAND

A handful of factors exert a drag on development in Thailand, including an ageing society, a low level of educational attainment (only 38% of Thais have a secondary education), and environmental hazards.¹³ Poverty is a rural phenomenon, with 88% of the poor living in areas distant from the major cities.¹⁴

Thailand 4.0 (2016-2036) is a comprehensive inclusive growth programme formulated by the government to maximise the use of digital technologies in all socio-economic activities. The goal is to develop infrastructure, innovation, data, human capital, and other digital resources that will ultimately

drive the country towards prosperity, stability, and sustainability.¹⁵ The four areas of focus are:

- The digital economy — The goal is for all Thais to have access to broadband by 2026.
- Physical infrastructure — This includes the initiation of construction on the Thailand-China high-speed rail link.
- Agricultural reform — The ‘Smart Farmer’ project focuses on knowledge sharing and skill development.
- Local economic development — 18 provincial clusters have been selected for targeted developmental policies in automotive, electronics, tourism, agriculture, and robotics.









SDG DASHBOARD FOR THAILAND

Source: sdgindex.org (2016)



13. World Education News and Reviews, 2014, Thailand
14. World Bank, 2017, Thailand Overview
15. ASEAN Briefing, 2017, Thailand in 2017 a changing investment landscape

GOVERNMENT FOCUS ON DEVELOPMENT GAPS

FOCUS AREA	SDG GOALS	GAP	GOVERNMENT FOCUS
Agriculture	  	In 2016, agriculture employed 32% of the national workforce but contributed only 9.1% to the GDP. ¹⁶ Increasing agricultural productivity is key to reducing rural poverty in Thailand.	Thailand 4.0 focuses on producing premium quality agri-produce, with a focus on climate, food processing, and smart distribution. ¹⁷
Climate action	 	The 2016 World Risk Report by the Institute for Environment and Human Security places Thailand in the medium risk category, with a rank of 89 out of 171 countries.	The Intended Nationally Determined Contributions (INDC) goal is to reduce greenhouse gas (GHG) emissions by 20% by 2020. The government established the National Catastrophe Insurance Fund (NCIF) in 2012 to provide disaster insurance to both businesses and households.
Education		Although Thailand has achieved 100% primary school enrolment as of 2015, only 1.4% of Thai primary students demonstrate superior problem-solving and analytical reasoning skills, compared to the average of 15% in ASEAN. Only 38% of Thai children obtain secondary school education.	The Education Reform Commission was established in 2015 to work closely with the National Legislative Council (NLC) and the Ministry of Education to draft an education reform framework, focusing on teacher and student training, and the use of ICT in education. ¹⁸
Energy access		While 100% of the Thai population has access to energy since 2012, only 73% of Thais used non-solid fuels as of 2014. The focus is to increase access to cleaner, more efficient energy to help Thailand meet INDC goals.	The USD 8.3 billion Clean Technology Fund (CTF) was launched in 2008, dedicated to a portfolio of renewable energy investments and geared toward achieving significant reductions of GHG emissions and accelerating private sector investment in utility-scale clean energy projects.
Health		Thailand spent only 4.1% of its GDP on healthcare in 2015, less than half of the world average of 9.8%. An average of two people died every hour from multi-drug resistant tuberculosis (TB) as of 2012. ¹⁹	Thailand seeks to halve antimicrobial-resistant (AMR) infections by 2021, joining the global battle against “superbugs”.
Small and medium-sized enterprise (SME) growth		In 2012, there were 2.7 million SMEs contributing to 37% of the GDP and engaging 80.4% of Thailand’s workforce. ²⁰ 58% of SMEs were not eligible to borrow from financial institutions, and 17% viewed access to finance as a major barrier in the same year. ²¹	A 2016 law permits individuals to establish a company, which will formalise around 2.74 million SMEs that were ‘sole proprietorships’ without legal separation of company and personal assets. ²² The SME Development Bank of Thailand (SME Bank), commercial banks, and the Thai Credit Bureau offer various schemes for SMEs.
Social security	 	By 2040, a projected 17 million Thais above 65 years of age will account for more than a quarter of the population.	To meet the growing demand for elderly care, the government expanded the roles of the Local Administrative Organisations (LAO) and Village Health Volunteers (VHVs) to include home visits and educational outreach.

Source: ILO, OECD, SDGIndex.org (2016), UNDP, UNEP, UNESCO, WHO, World Bank, wssinfo.org

16. Oxford Business Group, 2016, Thailand drought weakens agricultural outlook

17. Asian Institute of Technology, 2016, Thriving in the 21st Century through Security, Prosperity & Sustainability

18. Asia Pacific Economic Cooperation, 2015, Thailand in 2017 a changing investment landscape

19. Ministry of Public Health, Tuberculosis in Thailand

20. ADB Institute, 2015, Importance of SMEs in the Thai economy

21. Deloitte, 2015, Digital banking SMEs

22. ASEAN Briefing, 2016, Thailand in 2017

THE SOCIAL INVESTMENT LANDSCAPE IN THAILAND

The growth of Thailand’s social purpose organisations (SPOs) has been hampered by intermittent periods of distrust towards civil society organisations among businesses and the government. The recent withdrawal of overseas development assistance for Thailand signifies the imperative to develop self-sustaining organisations. While a comprehensive mapping of the social enterprise (SE) sector in Thailand has not been performed, it is estimated that there are about

116,000 SEs in the country, with many in their early stages.²³

Legislative environment

Demand side

In Thailand, an SE can be registered either as a for-profit or non-profit legal entity, both of which are governed under the Thai Civil and Commercial Code.²⁴



STRUCTURE	PURPOSE
FOR-PROFIT STRUCTURES	
Unregistered ordinary partnership	Partners are jointly and wholly liable for all obligations of the partnership. This form of partnership is not a juristic entity and is treated as an individual for tax purposes.
Registered ordinary partnership	Registered with the Commercial Registrar, these are legal entities that are separate and distinct from the individual partners.
Limited partnership	Individual liability is restricted to the amount of capital contributed by each partner to the partnership; or one or more partners are jointly liable without any limitation for all obligations of the partnership.
Private limited company	A private limited company is formed by any three or more persons through a process that leads to the registration of a Memorandum of Association (Articles of Incorporation) and Articles of Association as its constitutive documents.
NON-PROFIT STRUCTURES	
Association	An association is a legal entity conducting any activity which is to be done continuously and collectively by persons other than that of sharing profits or incomes earned.
Foundation	A foundation consists of property specially appropriated to public charity, religions, art, science, education or other purposes for the public benefit and not for sharing profit. Registration of a foundation requires at least a committee consisting of at least three members.

23. The Guardian, 2012, Thai social enterprises are booming thanks to strong government support

24. Siam Legal, 2015, Thai civil and commercial code

DEMAND, SUPPLY AND SUPPORT ECOSYSTEM IN THAILAND

SUPPLY	Foundation/ Trust/Family Office	Charities/Non-profits		Social Enterprises	Businesses with Sustainability Focus	Businesses
		Bill & Melinda Gates Foundation (Grant)				
		DBS Group (Grant)				
		Epic Foundation (Grant)				
		Ford Foundation (Grant, Equity)				
		Inspirasia Foundation (Grant)				
		Khon Thai Foundation (Grant)				
		Rockefeller Foundation (Grant)				
		Thai Health Promotion Foundation (Grant)				
		Corporate	Corporate	AirAsia Foundation (Grant)		
Central Group (Grant)						
Chearavanont (Grant)						
Coca-Cola (Grant)						
Premier Group (Grant)						
Siam Cement Group (Grant)						
Impact Fund	Impact Fund					Abraaj Capital (Convertible Grant, Equity)
		B-KIND Fund (Equity, Debt)				
			ChangeFusion (Convertible Debt, Debt, Equity, Grant)			
			East Ventures (Debt, Equity)			
			EcoAsia Sustainable Agriculture Fund (Debt, Equity)			
			LeapFrog Investments (Equity)			
			LGT Impact Ventures (Equity, Grant)			
			Mekong Brahmaputra Clean Development Fund (Debt)			
			Omidyar Network (Equity, Grant)			
			PhiTrust Asia (Convertible Debt, Debt, Equity)			
			responsAbility (Debt, Equity)			
		Financial Institution	Financial Institution	Asian Development Bank (Grant, Debt)		
DEG (Grant, Debt)						
Kasikornbank (Grant, Debt)						
Propanco (Grant, Debt)						
Crowdfunding/ Fundraising Platform	Crowdfunding/ Fundraising Platform	Give2Asia (Grant)				
		Taejai (Grant)				
Support	Support	Incubators, Accelerators & Capacity Builders	Networks & Platforms		Research & Knowledge	Legal & Implementation
		<ul style="list-style-type: none">● AirAsia Foundation● Ashoka Thailand● BanPu Champions for Change● Inspirasia Foundation● LGT Impact Ventures● ThaiFund● Thai Young Philanthropist Network (TYPN)● Thammasat University● UnLtd Thailand	<ul style="list-style-type: none">● ANDE Thailand● AVPN● British Council East Asia and China Region● Epic Foundation● Khon Thai Foundation● Network of Impact Social Enterprise (NISE)● Nexus Thailand● Stock Exchange of Thailand- SR Center● Thai Business Council for Sustainable Development (TBCSD)	<ul style="list-style-type: none">● Thai Social Enterprise Office (TSEO)● Thai Young Philanthropist Network (TYPN)● Thaipat Institute● Women Organizing for Change in Agriculture and Natural resources (WOCAN)	<ul style="list-style-type: none">● Center for Philanthropy and Civil Society● ChangeFusion● Lien Centre for Social Innovation● National Geographic Society● Thai Social Enterprise Office (TSEO)● Thailand Development Research Institute (TDRI)● Thaipat Institute● Thammasat University	<ul style="list-style-type: none">● TrustLaw● Wiego

Key Actors in the Social Economy in Thailand. Source: AVPN-Sattva analysis, BCG (2015), Lien Centre for Social Innovation (2014), Lien Centre for Social Innovation (2015), UBS-INSEAD (2011), press articles

Supply side

The following legal structure are used by investors include: (i) Private Limited Companies, (ii) Public Limited Companies, (iii) Branches, (iv) Partnerships (Unregistered Ordinary Partnerships, Registered Ordinary Partnerships, Limited Partnerships) and (v) Representative Offices. No registration procedure or paperwork exists for the establishment of the branches of foreign companies in Thailand. However, other registration requirements must be satisfied for tax purposes. The activities of a branch may or may not be regulated by the Foreign Business Act or other regulatory restrictions imposed by the regulatory agency regulating the type of business the branch intends to engage in (e.g. Ministry of Finance, Ministry of Public Health, etc.).²⁵

KEY SOCIAL INVESTORS AND INVESTMENT TRENDS

Government is key to building the social economy in Thailand

Compared to all other ASEAN member states, the SE sector in Thailand has enjoyed relatively strong government backing, guided by His Majesty King Bhumibol's Philosophy of Sufficiency Economy.²⁶ The current SE movement in Thailand began with the partnership between British Council and Change Fusion to develop the National Master Plan 2010-14, eventually resulting in the formation of the Thai Social Enterprise Office (TSEO) in 2010 with a funding of USD 3.2 million.²⁷ TSEO is tasked with organising



25. DLA Piper, 2015, Making Foreign Investment in Thailand, A Corporate Guide 2015

26. Oxford Business Group, 2016, Thailand applies sufficiency economy philosophy to promote sustainable development

27. The Guardian, 2012, Thai social enterprises are booming thanks to strong government support

workshops, providing consultations and formulating and implementing policies towards promoting the SE sector.²⁸

As of 2016, a draft legislation aimed at formalising SE registration and incentivising investment into SEs was pending finalisation.²⁹ Accordingly, TSEO has ceased operations since 31 March 2017 and might be restructured as part of the new law.³⁰

The Stock Exchange Thailand (SET) also plays an active role in furthering corporate social responsibility (CSR) through raising awareness and reporting mandates.

Charitable giving is marked by a distrust in SPOs

Thailand has a growing share of high net worth individuals (HNWIs) and a long history of family giving based on traditional Buddhist values, yet there is no data related to the size of giving.³¹ Thailand ranked

12th in the 2016 CAF World Giving Index in terms of the percentage of people donating to charities but a substantial portion of domestic philanthropy is made on an ad-hoc basis, primarily to temples and religious foundations.³² 60% of the total giving from family foundations goes towards grants for education, poverty alleviation, health, followed closely by disaster relief.³³

In 2011, 68% of HNWI philanthropic funding was given internally to family foundation programmes with only 32% going towards SPOs. This indicates a distrust towards Thai SPOs, a sentiment which has been vocalised in various surveys and studies.³⁴ William and Kathy Heinecke, the Chearavanont Family, Vikrom Kromadit, and Charoen Sirivadhanabhakdi are some of the prominent HNWIs/families adopting more informed philanthropic approaches.³⁵ One of the recent trends has been the formation of the Thai Young Philanthropists Network (TYPN).³⁶



TYPN - Bringing together young philanthropists

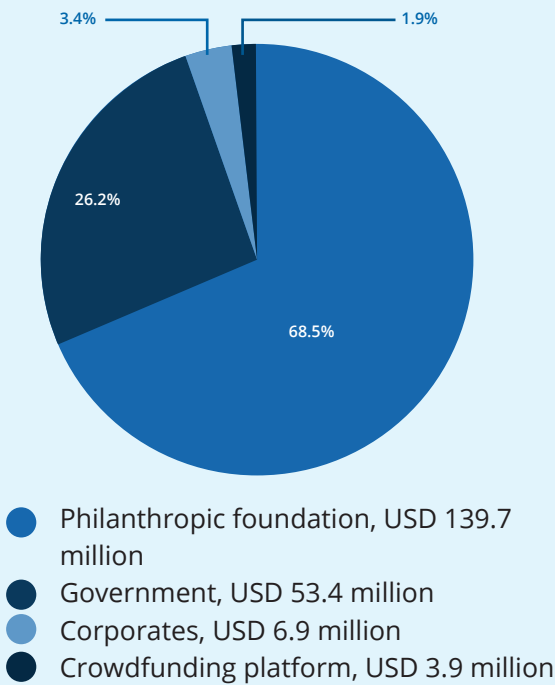
The Thai Young Philanthropists' Network (TYPN) brings together well-educated young professionals from affluent, well-connected families both inside and outside of Thailand. TYPN members support or run SEs, are engaged in mentoring and volunteerism in the social sector, and employ venture philanthropy approaches.

28. Interview with ChangeFusion Institute on 25 April 2017
29. AVPN, 2016, Building a social economy in Asia; Bangkok Post, 2015, Social enterprises are no proxy for welfare
30. Email correspondence with Thai Young Philanthropist Network (TYPN) on 16 May 2017
31. Interview with ChangeFusion Institute on 25 April 2017
32. UBS-INSEAD, 2011, Family Philanthropy in Asia
33. UBS-INSEAD, 2011, Family Philanthropy in Asia
34. Interview with ChangeFusion Institute on 25 April 2017
35. Forbes, 2010, Asia's Heroes of Philanthropy
36. UBS-INSEAD, 2011, Family Philanthropy in Asia

Global support for ecosystem building in Thailand

Global foundations such as the Rockefeller Foundation, Oxfam, and United Nations (UN) agencies such as the United Nations Children’s Fund (UNICEF), the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), and the World Food Programme have a strong presence in Thailand. However, foreign funds channelled into the country have declined as a result of Thailand’s economic success. Local grant-making foundations, the largest of which is Thai Health Promotion Foundation, have played an instrumental role in building the social economy by funding TSEO. Funders such as the Rockefeller Foundation go beyond funding to support capacity building of SPOs, innovative philanthropy funds, and platforms including the Impact Investment Exchange (IIX) Foundation and thaigiving.org to increase informed grant-making.

Grant Funding (2006 - present)



Total grant funding in Thailand amounting to 203 million USD between 2006-2016. Source: FoundationCenter.org (2016) data from 2006 -2016. Top 5 funders: Bill and Melinda Gates Foundation, United States Department of Health, Rockefeller Foundation, Ford Foundation, United States Department of Defense

Few impact investments due to lack of investable pipeline

Impact investing is carried out mainly by international players, notably Phitrust Asia, Omidyar, LGT Impact Ventures (LGT IV), and EcoAsia Southeast Asia Agriculture Fund.

The largest local impact investor is ChangeFusion Institute, whose investing arm, Change Ventures, offers grants, debt, and equity to early-stage SEs.³⁷ Agriculture, fintech, and SME financing have been high focus areas for impact investing so far.³⁸ Funding for early-stage SEs remains deficient. According to a survey conducted by ChangeFusion in 2013, 54% of the SE respondents were self-funded, while only 17% obtained bank loans and 37% reached breakeven.



 **BKIND: Thailand’s first mutual fund investing in ESG**

BKIND is a mutual fund set up by ChangeFusion, BBL Asset Management Co. Ltd. (BBLAM), and Khon Thai Foundation. BKIND invests in companies listed on the Stock Exchange of Thailand (SET), the Market for Alternative Investment (MAI) and other secondary markets of the SET that are rated highly on Environment, Social, Governance, and Anti-Corruption (ESGC) factors. The USD 300 million fund allocates 0.8% to invest in NGOs and SEs following a venture philanthropy approach. BKIND has been successful in channelling mainstream capital and market engagement into creating social impact as well as providing an avenue for the fund’s investors to venture into Socially Responsible Investing (SRI).³⁹

37. ASEAN Briefing, 2017, Thailand in 2017 a changing investment landscape
38. Sattva analysis of deal flows in 2015-16.
39. AVPN, 2015, ChangeFusion - Mutually building the mutual fund

Crowdfunding on the rise

Crowdfunding is gathering momentum in Thailand with platforms offering primarily reward and donation options. In the social investment world, ChangeFusion Institute and Khon Thai Foundation have partnered to set up Taejai, a crowdfunding platform exclusively for SEs and non-profit projects. Give2Asia, another crowdfunding site dedicated to social impact, is also active in Thailand.⁴⁰ In May 2015, Thailand's Security and Exchange Commission (SEC) introduced equity crowdfunding regulations. Companies wishing to equity crowdfund must be incorporated under the Thai law. Further they cannot raise more than THB 20 million (USD 570,000) within the first 12 months, and not more than THB 40 million (USD 1.14 million) in total.⁴¹

Multinational corporations drive CSR best practices

His Majesty King Bhumibol's 'Philosophy of Sufficiency Economy' has been an important driver of CSR in Thailand, premised on business's commitment to maintaining long-term performance without compromising the interests of stakeholders including the environment, the society, and future generations. Responsible business practices have gained significant traction after the Asian Financial Crisis, inspiring

several forums and the establishment of platforms by SET, the Thaipat Institute, and the United Nations Global Compact (UNGC), among others, to bring companies together around these issues.

Leading multinational corporations (MNCs) such as Coca-Cola, DBS, and Kasikornbank are setting CSR standards by moving away from traditional areas of community engagement, volunteering, and ad hoc donations towards a more informed high-engagement approach. These companies are working closely with communities, initiating tri-sector collaborations, and are developing new approaches to building platforms and networks.⁴²

Local Thai CSR implementation remains basic

Since 2011, the Thai government has paid increasing attention to CSR. Related CSR laws include the 2001 sin tax on alcohol and tobacco companies, which were subject to a rate hike from 87% to 90% in 2012,⁴³ and the 2011 ESG reporting mandate by the SET.⁴⁴

CSR implementation in Thailand, however, remains basic, with best practices derived mainly from MNCs. With a recent influx of qualified professionals joining local companies to head CSR divisions, CSR programmes are likely to become more effective

Recent investments in Thailand (2015-2016)

Social enterprise	Investor	Sector	Instrument	Amount	Details of work
Blisby	East Ventures	Skilling	Equity	USD 300,000	Blisby is an online handicrafts marketplace that connects Thai craftspeople to the modern world.
SynMun Kong (SMK)	LeapFrog investments	Fintech	Equity	USD 57.5 million	SynMun Kong (SMK) is one of Thailand's largest insurers and is expanding into providing diversified insurance to the last mile and rural population.
WRP Energy	Superblock	Energy	Equity	USD 8.4 million	WRP Energy Co Ltd provides renewable energy project development services.

Source: deadstreetasia.com, Foundation Center

40. Interview with ChangeFusion Institute on 25 April 2017

41. Crowdfundvibe, 2016, Will Thailand's equity crowdfunding regulations create investment?

42. Lien Centre for Social Innovation, 2013, Contextualising CSR in Asia: Corporate Social Responsibility in Asian economies

43. The Nation, 2012, Sin tax increases applauded

44. SET, 2017, Sustainable Stock Exchanges Initiative

and further aligned with company expertise in the future. AirAsia, for example, has been supporting CSR activities in alignment with their top travel destinations, thereby bringing value to the community and the company.⁴⁵

Two other local foundations have been recognised for their important roles in supporting the SE ecosystem:

- Epic Foundation bridges the gap between donors and social organisations with a focus on children and youth well-being globally.⁴⁶
- The Khon Thai Foundation enables social sector stakeholders to connect, collaborate, and share resources, including knowledge expertise, volunteers and funding, in order to create large scale collective impact.⁴⁷






Strategic CSR at the Siam Cement Group (SCG)

SCG is one of Thailand’s oldest and most respected conglomerates. Following the 2004 tsunami, the company has actively established community revolving funds. SCG makes contributions to these funds in accordance with the “Community Potential Index,” which is based on the communities’ demonstrated abilities to manage the funds. The Group has moved from pure grant-making to working closely with communities and experts in co-designing and executing projects with a view to building up community capacity over time.

45. Lien Centre for Social Innovation, 2013, Contextualising CSR in Asia: Corporate Social Responsibility in Asian economies
46. AVPN, Epic Foundation
47. AVPN, Khon Thai Foundation

The social economy in Thailand is rapidly growing with government backing, a rich tradition of religious giving and strong support of enablers

CATEGORY	FACTOR	RATING	DESCRIPTION
SPOs	Legislative environment		An SE can be registered either as a for-profit or non-profit legal entity, both of which are clearly governed under the Thai Civil and Commercial Code.
	Government support for SEs		The government has put in place a range of support structures for SEs, particularly with the establishment of TSEO and the National Taskforce on Social Impact Investment in 2010. As of 2016, a draft legislation aimed at formalising SE registration and incentivising investment into SEs was pending finalisation. Accordingly, TSEO has ceased operations since 31 March 2017 and might be restructured as part of the new law.
	SEs across sectors		SEs in Thailand are active in an array of sectors including Health, Education, Livelihoods, Food/Agriculture and Tourism, with a growing focus on leveraging technology.
	Presence, size, and maturity of SEs		The TSEO's effort to foster SEs in Thailand led to the registration of 400 SEs by 2014, mainly in community development. ⁴⁸ A report by ChangeFusion in 2013 reveals that only three out of 30 SEs had revenues of over USD 1 million. ⁴⁹
Investors	Philanthropic contributions		Notwithstanding a fair presence of global and local foundations engaged in philanthropy, distrust in SPOs remains widespread, impeding contributions into SPOs. Thailand has a growing share of high net worth individuals (HNWIs) and a long history of family giving based on traditional Buddhist values.
	Presence of social investors		Impact investor presence and overall investment volume are low compared to other ASEAN countries such as Philippines and Indonesia. ⁵⁰
	Corporate sector		Despite significant efforts notably by SET, the Thai Business Council for Sustainable Development (TBCSD) and Thaipat Institute to promote CSR through forums and workshops, local companies still demonstrate a limited understanding of the values and practices of CSR. ⁵¹
Enablers	Incubators, accelerators, and capacity-builders		A variety of enablers are active in the country, including: Incubators and accelerators - UnLtd, ChangeVentures, BanPu Champions for Change, AirAsia Foundation; Capacity builders - TYPN, ThaiFund, LGT IV; Competitions - ADB, IIX, and Thammasat University sponsored competitions such as the Global Social Venture Competition.
	Networks and platforms		Examples of networks include TYPN and the Network of Impact Social Enterprise (NISE). CSR platforms have also been set up by SET, TBCSD and Thaipat Institute 
	Knowledge and research		There has been a growing number of publications on the social economy by TSEO, ChangeFusion, Thailand Development Research Institute (TDRI) and the Lien Centre for Social Innovation. Thaipat Institute conducts courses on CSR and shared value. 
	Partnerships		ChangeFusion has been the driving force in forging partnerships including B-KIND, TYPN, TSEO and NISE. 
	Impact measurement		Impact measurement is in the discussion phase.

48. Nippon Foundation, 2015, Asian Women Social Entrepreneurs Network Conference Report
49. ASEAN Briefing, 2017, Thailand in 2017: A Changing Investment Landscape
50. BCG, 2016, The art of sustainable giving, priorities to accelerate social enterprise growth in Indonesia

51. Lien Centre for Social Innovation, 2014, Contextualising CSR in Asia: Corporate Social Responsibility in Asian economies

OPPORTUNITIES

- Thailand planned a total investment of USD 113.2 million in digital infrastructure and innovations in 2015.⁵² Improvements in digital access can be leveraged to develop new technological innovations in various SDG areas.
- The country's 78% financial inclusion rate is ripe for fintech companies to create innovative financial products for social entrepreneurs.
- Significant government interest and support for the social economy provide avenues to bring together stakeholders such as corporations, social investors and SEs for furthering partnerships and investment.
- With crowdfunding gathering pace in the country, SPOs can approach online channels for early-stage funding.

CHALLENGES

- Surveys conducted among family foundations and corporations indicate a distrust of SPOs, which has led to philanthropic funding largely going towards family foundation activities.⁵³
- The lack of human capital remains a key challenge for SPOs. Social entrepreneurs often struggle to build strong teams.
- Global impact metrics are barely used due to low demand in the market and the high costs associated with implementation. Social investors generally do not expect entrepreneurs to produce comprehensive reports in view of the early stage of their enterprises.

RECOMMENDATIONS

The following recommendations emerge from secondary research and interviews:⁵⁴

- **Development gaps:**
 - Environment conservation, SME financing and sustainable tourism remain high-gap areas where private sector interventions can make a significant difference.

- **Social investment:**

- Given the atmosphere of distrust towards SPOs, exposure visits, conferences and meetings with senior management of foundations and corporates can alleviate the perception of SPOs as being risky investments and cascade social impact thinking among the investors.
- There is a need to increase awareness around the SDG gaps, impact metrics and the work of SPOs among foundations and corporations.
- With local companies still on a learning curve with regard to CSR, the government should play a more proactive role in promoting and supporting strategic CSR approaches and providing incentives for businesses to practice CSR.
- Given that family foundations are thinly staffed, strategic philanthropy can be achieved by infusing professional rigour and expertise in non-profit management and execution.



52. Oxford Business Group, 2015, "Thailand's digital infrastructure is improving"
53. Interview with ChangeFusion Institute on 25 April 2017

54. Interviews with Women Organizing for Change in Agriculture and Natural Resource Management (WOCAN) in 29 March 2017 and ChangeFusion Institute on 25 April 2017

“As most social enterprises are new and small, capacity building of these organizations is crucial. Corporates consider investing in social enterprises risky and therefore, exposing corporates to success stories is likely to kindle their interest in the sector.”

— Sunit Shrestha, ChangeFusion Institute



● Enablers:

- Strengthening networks and platforms that bring together different kinds of investors can lead to knowledge sharing and development of strategic CSR and informed philanthropy.
- Given the early stage of SE growth, there is significant opportunity to partner with local networks such as ChangeFusion, TYPN, NISE, and Thaipat Institute, among others, to build up the capacity and business acumen among SPOs.
- More financial and non-financial resources including seed funding and mentorship should be channelled towards innovative SEs led by millennials, who are increasingly playing a key role in the country's social economy.
- Enablers should invest more in understanding the capacity needs of social entrepreneurs.
- There is a need to re-examine incubation quality – while there are multiple organisations, the success stories of incubators are limited.

“There is a lot of buzz in Thailand around social entrepreneurship. As NGOs are used to receiving traditional grants, we have a lot of learning to be acquired around social investing — how it helps us, measuring our impact, understanding social returns on investment, and so on. We also need more women-led SEs.”

— Nisha Onta, WOCAN

RECOMMENDED READING

- AVPN, 2016, Effective Social Incubation - First Insights from Asia
- BCG, 2015, The Art of Sustainable Giving
- Lien Centre for Social Innovation, 2013, Contextualising CSR in Asia: Corporate Social Responsibility in Asian economies

METHODOLOGY

The *Social Investment Landscape in Asia* seeks to provide insights into the top questions that we field regularly from AVPN members, from how to get started, which social causes to support, what kind of social impact activity is seen in the region to what gaps exist, and who they could collaborate with.

Each landscape study is vast: it describes the macro environments, key development challenges, the government's focus, the demand-supply-support ecosystem and the characteristics and trends evident among each class of investors (from grant funders to crowdfunding platforms). Producing the landscape of social investment in each region requires rigorous primary and secondary research. We faced a number of challenges such as data availability, standardisation of terms in the emerging social investment landscape and delineation of key concepts across regions while remaining true to each region's unique context. The availability of literature on the context and background of the different social economies needs special mention as we encountered certain regions that had substantial research and documentation while others had 1-2 reliable sources, rendering comparisons even more challenging.

To overcome these challenges we put together a framework to understand the key actors, influences and characteristics of each social economy and quantified it by giving each factor a score based on the framework. We also sought to provide actionable insights such as opportunities, challenges, partnerships and investment opportunities.

Quantitative data was obtained through databases from international agencies such as World Bank's Worldwide Governance Indicators, the World Economic Forum (WEF)'s Global Competitiveness Index, the WEF's Gender Gap Report, the Charities Aid Foundation (CAF)'s World Giving Index. We also used the Bertelsmann Stiftung – Sustainable Development Solutions Network (SDSN)'s Sustainable Development Goals (SDG) dashboards to understand the critical development gaps in each social economy. Mapping of SDG goals to government focus was then performed based on the Toniic's SDG Impact Theme Framework.¹

1. Toniic, 2017, Toniic SDG Impact Theme Framework

HOW WE ASSEMBLED THE INSIGHTS IN THIS BOOK

The research team used a combination of primary and secondary research methods and a particular process to assemble the information into useful insights.

- We sketched the landscapes by combining relevant standard indicators, indices and rankings from secondary sources.
- We plotted the key actors and activities from secondary literature and interviews with experts in the different social economies.
- We populated the legislative environment surrounding the social economy through the information obtained in the literature review and interviews.
- We expanded on this understanding by interviewing key actors, ranging from grant-making foundations to impact investors, enablers, and social entrepreneurs, to understand their investment/implementation philosophies, challenges and barriers they face, and key recommendations they have for anyone looking to invest in or support the social economy or specific causes therein.
- We corroborated the information we received from the interviews with the secondary research in order to analyse it for common issues, contexts and evolutions which have led to certain trends.
- We computed the ratings for the 14 social economies based on secondary research, data available and insights from interviews.
- Once we had completed the landscapes, we revisited the social economy ratings to perform a relative regional comparison and adjust the ratings accordingly.
- We also vetted the completed landscape with experts as listed in the Acknowledgments.
- Overall, we aimed to bring the data and analysis together to provide practical recommendations for social investors and enablers across the spectrum.

Throughout each profile, we have attempted to map out recent developments, interesting partnerships and key initiatives that could form a basis for future collaborations. We have also provided snippets from major programmes or organisations, along with references and recommended reading that you can look up to learn more.

DEFINITIONS

Social Purpose Organisations, Social Enterprises and Non-Profits

For the purpose of this research, we cut through the various classifications of social purpose organisations and use three categories:

- Social purpose organisation (SPO) – this is the umbrella term for non-profits, non-governmental and not-for-profit organisations
- Non-profit – this is the term we use to describe non-governmental, not-for-profit organisations and charities
- Social enterprise (SE) – this is the term we use to describe organisations with a social mission which are aspiring to or are able to generate revenues out of their products and services.

Demand, supply, and support ecosystem for SEs

In this diagram we capture resource providers, SPOs and the support environment. Each category is defined as follows:

DEMAND	
Charities/non-profits	See above for non-profit
Social enterprises	See above for SE
Businesses with a sustainability focus	Businesses that have a positive impact on the global or local environment, society and economy
Businesses	Mainstream businesses
SUPPLY	
Foundation/Trust	Non-profit organisation that funds social causes
Family Office	Wealth management advisory or establishment for high net worth and ultra-high net worth individuals
Corporate	Mainstream company that invests directly in social impact through CSR or through establishing a corporate foundation
Impact Fund	A fund that makes investments made into SEs and businesses with a sustainability focus, with the intention to generate social and environmental impact alongside a financial return
Financial Institution	A financial intermediary or a development finance institution that provides credit to organisations and individuals
Crowdfunding/Fundraising Platform	A website that allows entrepreneurs and/or SPOs to raise funds from investors, contributors and donors. Crowdfunding platforms typically offer one or more of the four options — donation-based, reward-based, debt-based, and equity-based crowdfunding
SUPPORT	
Incubators, Accelerators and Capacity Builders	Organisations that provide facilities, expertise and other forms of non-monetary support to nurture young enterprises and entrepreneurs
Networks and Platforms	Online and offline organisations that bring diverse stakeholders together
Research and Knowledge	Universities, academies, research institutes and organisations that publish on the social economy
Legal and Implementation	Organisations that support the social ecosystem with legal, advisory and implementation support services

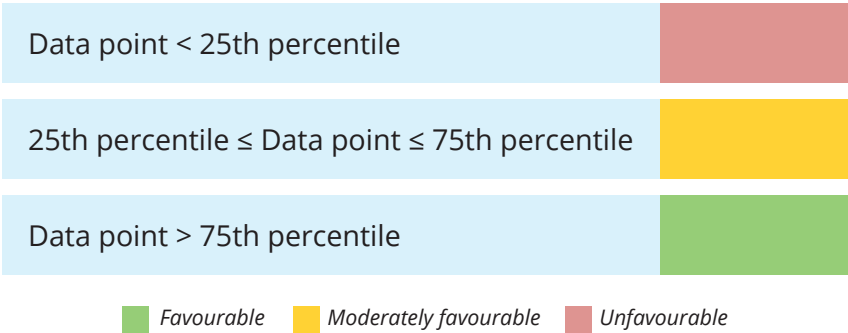
RATING AND MAPPING METHODOLOGIES

Country/Regional context for investors

This introductory overview has been compiled based on the questions that influence investments and have been posed to us repeatedly by interested investors. The data has been collated from organisations such as World Bank, WEF and

the International Communications Union. The index score/ rank is the original data point while the description provides further insights from additional sources where available. In addition to this, the index score/rank column is colour coded. All data is relative to all other economies and is colour coded similar to the SDG dashboards to highlight opportunities, areas for growth and well-established areas. The colour code is selected based on three percentiles as below:

COLOUR CODES USED FOR INDEX SCORE / RANK



Factor	Year	Source and Data	Definition	Methodology
GDP growth rate	2016	CIA-The World Fact-book	This entry provides year-on-year GDP growth rate adjusted for inflation and expressed as a percent.	The colour code is based on the 2016 GDP growth rate.
Governance	2015	The World Bank-Worldwide Governance Indicators	The Worldwide Governance Indicators report aggregate and individual governance indicators for 6 dimensions of governance: 1. Voice and Accountability 2. Political Stability and Absence of Violence 3. Government Effectiveness 4. Regulatory Quality 5. Rule of Law 6. Control of Corruption	The governance value is the average of values of the 6 dimensions. The colour code is based on countries' overall governance value.
Consumer market	2015	The World Bank-Household final consumption expenditure, PPP (current international \$)	Household final consumption expenditure (formerly private consumption) is the market value of all goods and services, including durable products purchased by households. It includes the expenditures of non-profit institutions serving households. Data are converted to current international dollars using purchasing power parity rates based on the 2011 ICP round.	The colour code is based on countries' household consumption for 2015.

Factor	Year	Source and Data	Definition	Methodology
Labour force	2016	The World Bank-Labour force, total	Labour force comprises people aged 15 and above who supply labour for the production of goods and services during a specified period. It includes people who are currently employed and people who are unemployed but seeking work as well as first-time job-seekers.	The colour code is based on countries' labour force for 2016.
Infrastructure	2016	The Global Competitiveness Report 2016-2017	<p>Infrastructure is defined as follows:</p> <p>A. Transport infrastructure (50%)</p> <ol style="list-style-type: none"> 1. Quality of overall infrastructure 2. Quality of roads 3. Quality of railroad infrastructure 4. Quality of port infrastructure 5. Quality of air transport infrastructure 6. Available airline seat kilometres <p>B. Electricity and telephony infrastructure (50%)</p> <ol style="list-style-type: none"> 1. Quality of electricity supply 2. Mobile telephone subscriptions 3. Fixed telephone lines 	The colour code is based on countries' infrastructure score for 2016.
Financial access	2014	The World Bank-Account at a financial institution (% age 15+)	Access to finance is the percentage of the adult population that has access to formal banking institutions.	The colour code is based on countries' access to finance in 2014.
Digital access	2015	International Telecommunication Union (ITU)	Digital access is defined as the percentage of individuals using the internet	The colour code is based on countries' digital access in 2015.
Ease of doing business	2016	The World Bank-Ease of Doing Business Rankings	Ease of Doing Business ranks economies from 1 to 190, with first place being the best. A high ranking (a low numerical rank) means that the regulatory environment is conducive to business operations. The index averages the economy's percentile rankings on 10 topics covered in the World Bank's Doing Business.	The colour code is based on countries' ranks for 2016.



SDG dashboard

An SDG dashboard is featured to highlight key development challenges. Taiwan and Hong Kong do not have SDG dashboards published.

The SDG dashboards are extracted from the 2016 report² published by Bertelsmann Foundation and Sustainable Development Solutions Network (SDSN), and represent the status of the 17 SDGs in 149 countries by colour.

The SDGs are highlighted in green, yellow, or red. Green indicates that an SDG threshold has been met, yellow indicates significant challenges remain and red means that the country is far from achieving the SDG.

Four quantitative thresholds are determined to designate colours: best and worst scores, the threshold for SDG achievement, and the threshold between a red and yellow colour rating. For example, if a country receives a red rating for one of the indicators of SDG 3 and a yellow rating for all of the other indicators for SDG 3, the overall colour rating for that country for SDG 3 is assigned “red.” The minimum colour rating draws attention to the most urgent challenges facing each country for each SDG.

Government focus

To map the government focus areas to SDGs, we referenced Toniic’s SDG Impact Theme Framework³ to present government focus in each of the SDG goals. The goal of the framework is to understand government focus, allow social investors to align their investments with the SDGs and thereby find greater alignment and synergy in global

investment opportunities. To determine the government focus, we analysed the latest government budgets (2016-17 in most countries) and policy strategies to determine national priorities for inclusive development. We examined SDG sub-indicators in order to pick out the worst-performing indicators, gaps in these areas and initiatives that are put in place to solve the problems.

Demand, supply, and support ecosystem for SEs



















The organisations in this diagram have been selected based on secondary research. Next to each organisation in the grid, we also highlighted the financing instruments that each uses. The completed diagram was vetted by experts.



















Social economy ratings













The social economy ratings indicate the current status (stage of evolution) of social investors, SPOs and support system. A simple 1-4 scoring method has been used to uniformly quantify the status so that relative comparisons can be made.

Each factor has a total of 4 scenarios depicted by the ‘Harvey Ball’ visualisation method. These scenarios have been put together through a process of secondary research and expertise based on Sattva and AVPN’s advisory experience in the sector. The entire framework has been vetted with experts, investors and advisors who have been acknowledged in the Acknowledgments section. These scenarios have been delineated keeping the typical progression of a particular factor in mind. Harvey balls are used to reduce ambiguity and conflicting data interpretations given limited data availability on each factor of the social economy.

2. Bertelsmann Foundation and Sustainable Development Solutions Network (SDSN), 2016, SDG Index
3. Toniic, 2017, Toniic SDG Impact Theme Framework

ENTITY	FACTOR	DESCRIPTION	RATING
SPOs	Legislative environment	The process of setting up and options available to register SPOs	 Restrictive legal environment to set up SPOs.
			 Neutral environment, no or basic tax benefits.
			 Friendly environment with multiple structures and some tax benefits.
			 Enabling environment with a separate structure for SEs.
	Government support for SEs	Government recognition and support for SEs in the form of policies, incentives, incubation and acceleration services, funding and platforms.	 No recognition or support.
			 Basic recognition of SEs.
			 Government recognises SEs and offers incentives (credit guarantee schemes/tax benefits/subsidies etc.)
			 Strong support for SEs in the form of policies, incentives, incubation and acceleration services, funding and platforms.
	SEs across sectors	Coverage of SEs across various sectors such as education, health, agriculture, micro-finance, women empowerment, poverty etc.	 SEs tackling employment/basic welfare.
			 Employment/basic welfare to education, healthcare, products and services for the bottom of the pyramid markets.
			 The above plus a focus on environmental conservation, elderly care, sustainable living, and other socio-environmental issues.
			 SEs across social and environmental issues in urban and rural contexts.
	Size and maturity of SEs	Number of registered SEs and stage of growth	 Majority of SEs in seed stage.
			 Majority of SEs in early to growth stage, with on-the-ground traction through pilots and some revenue.
			 Some SEs in breakeven/profitable phase, with evidence of raising equity investments.
			 Some SEs in breakeven/profitable phase, with active deal flow and evidence of a diversity of financing instruments used.
Investors	Philanthropic contributions	Focus and approach of contribution from HNWI's and foundations	 Charitable contributions/religious contributions.
			 Evidence of sustained, well-managed charitable giving.

ENTITY	FACTOR	DESCRIPTION	RATING
Investors			 Evidence of informed giving, sustained giving to multiple causes or venture philanthropy approach.
			 The above plus social investment through equity, responsible investing etc.
			 Compliance-based CSR/evidence of charitable donations by corporates.
			 Compliance-based CSR focusing on multiple social and environmental causes.
	Corporate sector	Involvement of the corporate sector in the social impact space	 Evidence of strategic and sustainable CSR programmes, support for SEs, evidence of sustainability reporting.
			 The above plus ecosystem development support, ESG compliance and shared value approach.
			 Presence of social investing approach, with no clear classification of investors.
			 Presence of international players, with deal flow of 5-10 deals in the last year or evidence of seed funding.
Enablers	Presence of social investors	Presence of classified social investors and their activities in the region	 International and local players with presence of grant, debt, convertible debt and equity investments.
			 The above along with the presence of innovative funds and partnerships.
	Incubators, accelerators & capacity builders	Organisations promoting social enterprise growth through seed funding, mentorship, co-working and capacity building programmes.	 One or two incubators, accelerators and/or capacity builders offering cost subsidisation, infrastructure facilities and co-working options.
			 Multiple enablers providing mentorship and access to expertise in addition to facilities and co-working options.
			 Full-fledged exclusive non-profit and social incubators/accelerators with sustained access to expertise, seed funding and access to networks.
			 The above plus ecosystem support enabled through partnerships.
	Networks & platforms	Networks, platforms, conferences and sessions bringing investors and entrepreneurs together	 One or two platforms.
			 Evidence of networks, platforms and/or conferences running for a few years.
			 The above plus cross-sectoral networks and platforms.
			 Networks and platforms across sectors and presence of giving circles or angel investment networks.

ENTITY	FACTOR	DESCRIPTION	RATING
Enablers	Knowledge & research	Data, research, publications, and institutes focusing on building knowledge on the social economy	 Landscape reports published.
			 Reports published covering key actors and trends; some quantitative data available on key actors and investments.
			 Knowledge and research institutions with a diverse pool of practitioners and academics publishing knowledge, dedicated courses on social entrepreneurship.
			 Presence of knowledge platforms and communities of practice.
	Partnerships	Collaborations among different stakeholders	 Evidence of partnerships between 2 entities.
			 Presence of multi-stakeholder partnerships.
			 The above plus partnerships between stakeholders and government.
			 Co-investing funds, cross-sectoral partnerships with a mid- to long-term outlook.
	Impact Measurement (subject to data availability)	Social impact metrics	 Basic programme parameters and KPIs defined and measured.
			 Evidence of third-party assessments.
			 Evidence of SROI/GIIRS/Balanced scorecard and other standardised frameworks in use.
			 Customised advanced approaches being applied and measured.

The framework has been derived from BCG’s SE maturity framework,⁴ Monitor Institute’s definitions,⁵ Acumen’s early-stage impact investing,⁶ Toniic’s reports,⁷ experiences from Sattva’s advisory practice, and AVPN’s report.⁸

4. BCG, 2015, The Art of Sustainable Giving
5. Monitor, 2009, Investing for Social And Environmental Impact
6. Acumen, 2015, Early-Stage Impact Investing
7. Toniic, 2017, Impact Theme Framework
8. AVPN, 2016, A Guide To Effective Impact Assessment

LIST OF ACRONYMS

A	ADB	Asian Development Bank
	ANGIN	Angel Investment Network Indonesia
	ASEAN	Association of Southeast Asian Nations
B	BCG	Boston Consulting Group
	CAF	Charities Aid Foundation
C	CBO	Community Based Organisation
	CIA	Central Intelligence Agency
	CSR	Corporate Social Responsibility
E	ESG	Environmental, Social, Governance
	ETF	Exchange Traded Fund
F	FDI	Foreign Direct Investment
	GCI	Global Competitiveness Index
G	GDP	Gross Domestic Product
	GNI	Gross National Income
H	HNWI	High Net Worth Individual
I	ILO	International Labour Organisation
	INDC	Intended Nationally Determined Contributions
M	MNC	Multinational Corporation
	MSCI	Morgan Stanley Composite Index
N	NGO	Non-Governmental Organisation
	NPO	Non-Profit Organisation
O	OECD	The Observatory of Economic Complexity
	OECD	Organisation for Economic Co-operation and Development
	P2P	Peer-to-Peer
P	PISA	Programme for International Student Assessment
	PPP	Purchasing Power Parity
	SDG	Sustainable Development Goal
	SE	Social Enterprise
S	SIB	Social Impact Bond
	SME	Small and Medium-sized Enterprise
	SPO	Social Purpose Organisation
	SRI	Socially Responsible Investing
	UNDP	United Nations Development Programme
U	UNEP	United Nations Environment Programme
	UNESCO	United Nations Educational, Scientific and Cultural Organization
	USD	United States Dollars
W	WEF	World Economic Forum
	WHO	World Health Organisation
Y	YCAB	Yayasan Cinta Anak Bangsa

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CIA World Factbook	https://www.cia.gov/library/publications/the-world-factbook/
Credit Suisse Net National Wealth (2016)	https://www.credit-suisse.com/media/assets/corporate/docs/about.../millionaires.xlsx
IMF World Economic Outlook Database (2016 numbers)	https://www.imf.org/external/pubs/ft/weo/2017/01/weodata/download.aspx
OECD rankings (2016)	https://data.oecd.org/
World Economic Forum Global Competitiveness Index (2016)	https://www.weforum.org/reports/the-global-competitiveness-report-2016-2017-1

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ABOUT THE ORGANISATIONS



ABOUT AVPN

AVPN is a unique funders’ network based in Singapore committed to building a vibrant and high impact philanthropy and social investment community across Asia. As an advocate, capacity builder, and platform that cuts across private, public and social sectors, AVPN embraces all types of engagement to improve the effectiveness of members across the Asia Pacific region.

The core mission of AVPN is to increase the flow of financial, human and intellectual capital to the social sector by connecting and empowering key stakeholders from funders to the social purpose organizations they support. With over 350 members across 29 countries, AVPN is catalysing the movement towards a more strategic, collaborative and outcome focused approach to philanthropy and social investing, ensuring that resources are deployed as effectively as possible to address key social challenges facing Asia today and in the future.

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ABOUT SATTVA

Sattva co-creates inclusive businesses that are scalable, sustainable and globally relevant. We serve as a bridge between business and social goals, by designing and implementing solutions that can bring long-lasting impact. Sattva works with corporations and social organisations to help them find their ‘magic quadrant’ where they can maximise their social impact along with economic value. As end-to-end program partners, Sattva helps organisations execute inclusive models that are innovative, economically viable and add equitable value to all the different stakeholders involved in the chain.

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ABOUT BOSCH STIFTUNG

The Robert Bosch Stiftung is one of Europe's largest foundations associated with a private company. In its charitable work, it addresses social issues at an early stage and develops exemplary solutions. To this purpose, it develops and implements its own projects. Additionally, it supports third-party initiatives that have similar goals. The Robert Bosch Stiftung is active in the areas of health, science, society, education, and international relations. Moreover, in the coming years, the Foundation will increasingly direct its activities on three focus areas:

- Migration, Integration, and Inclusion
- Social Cohesion in Germany and Europe
- Sustainable Living Spaces

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ABOUT THE REPORT

AVPN has identified the need for a comprehensive overview of the Asian philanthropy and social investment landscape to offer social investors a guide to the opportunities for social investment in Asia. The *Social Investment Landscape in Asia* will be an invaluable resource for funders and resource providers as they assess the opportunities and challenges for philanthropy and social investment in the region. It is designed to be a guide for both new social investors looking to enter the Asian market and existing social investors exploring cross-border or cross-sector opportunities within the region. The Landscape is another way to further AVPN's mission to increase the flow of financial, human and intellectual capital to the Asian social sector.

The report provides a holistic view of the current and emerging philanthropy and social investment landscape in Asia. It also features in-depth profiles of 14 Asian regions which include:

- An overview of key demographic and macroeconomic conditions
- Key development issues facing the country
- Background and context to the social economy in the region
- Overview of the legislative environment
- Key social investors, recent developments and investment trends
- Opportunities, challenges and recommendations

The 14 regions are:

- | | |
|-------------|---------------|
| ■ Cambodia | ■ Malaysia |
| ■ China | ■ Myanmar |
| ■ Hong Kong | ■ Philippines |
| ■ Indonesia | ■ Singapore |
| ■ India | ■ Taiwan |
| ■ Japan | ■ Thailand |
| ■ Korea | ■ Vietnam |

If you have any comments or would like to get involved in future reports, please contact knowledge@avpn.asia.



AVPN is a unique Pan-Asian funders' network catalysing the movement toward a more strategic and collaborative approach to philanthropy and social investment to address key social challenges facing Asia today and in the future.

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