

VIETNAM

SOCIAL INVESTMENT LANDSCAPE IN ASIA



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ABOUT THE REPORT

Now in its second edition, the Social Investment Landscape in Asia serves as a resource for funders and resource providers to assess the opportunities and challenges for social investment in 14 markets in North, South and Southeast Asia. It is designed to be a guide for new social investors and intermediaries looking to enter the Asian market and existing actors exploring partnerships as well as cross-border or cross-sector opportunities.

Each market report provides a holistic overview of the current and emerging trends in the social economy, including:

- Fact File: key demographic, economic and social investment indicators,
- Development Context: progress towards the Sustainable Development Goals and government initiatives to address development gaps,
- The Social Investment Landscape: key trends and notable actors,
- Social Economy Development: an assessment of the current landscape relative to the other 13 Asian markets, and
- Opportunities, challenges and recommendations for social investors and intermediaries.

An online decision-making tool and a detailed mapping of key actors are available at:
www.avpn.asia/si-landscape.

LIST OF ACRONYMS

A	ADB	Asian Development Bank
B	BIDV	Bank for Investment and Development of Vietnam
C	CAF	Charities Aid Foundation
	CIEM	Central Institute for Economic Management
	CSIE	Centre for Social Innovation and Entrepreneurship
	CSIP	Centre for Social Initiatives Promotion
	CSR	Corporate Social Responsibility
D	DFAT	Department of Foreign Affairs and Trade
	DFI	Development Finance Institution
G	GDP	Gross Domestic Product
	GRI	Global Reporting Initiative
H	HNWI	High Net Worth Individual
I	ICT	Information and Communication Technology
K	KOICA	Korea International Cooperation Agency
M	MBCDF	Mekong Brahmaputra Clean Development Fund
	MYSC	Merry Year Social Company
	NEU	National Economics University
N	NPO	Non-Profit Organisation
P	PPP	Purchasing Power Parity
S	SBN	Sustainable Banking Network
	SDG	Sustainable Development Goal
	SE	Social Enterprise
	SEAF	Small Enterprise Assistance Funds
	SME	Small and Medium Enterprise
	SNV	Netherlands Development Organisation
	SPO	Social Purpose Organisation
V	VBCSD	Vietnam Business Council for Sustainable Development
	VCCI	Vietnam Chamber of Commerce and Industry
	WISE	Women's Initiative for Startups and Entrepreneurship

VIETNAM

Vietnam's transition from a centrally planned to market economy has resulted in phenomenal economic growth in the last 30 years. The country's GDP growth rate has hovered at around an impressive 6% since the 1990s, second only to China. Its growth trajectory for the next decade is boosted by a young and educated workforce with a median age of 30 years,¹ a growing share of which is trained overseas.

While economic growth has lifted millions of people out of poverty, the country is still grappling with multiple development challenges, especially malnutrition, health care and climate change. The prevalence of stunting among children under 5 years old is 36%,² significantly higher than the Southeast Asian average of 26%.³ HIV/AIDS, tuberculosis and malaria remain significant concerns.⁴ Vietnam is also one of the countries most at-risk environmentally with high vulnerability to sea level rise and resultant health risks.⁵

The Vietnamese social economy is still in the early stage, driven largely by impact investors and intermediaries. While institutional philanthropy has not permeated the country, Vietnam has become one of the most dynamic impact investing hubs in Southeast Asia with a diverse range of both international and local funds. Meanwhile, multinational and large local corporations lead in strategic corporate social responsibility (CSR) and the government has embarked on mainstreaming green finance.

1. United Nations, World Population Prospects 2015

2. Food and Agriculture Organisation (FAO), Nutrition Country Profiles - Vietnam

3. World Health Organisation, Levels and Trends in Child Malnutrition

4. World Health Organisation (WHO), Vietnam - Areas of work



FACT FILE

Population
2017

95 million

GDP Growth
2017

6.8%

GDP (PPP, current USD)
2017

USD 647 billion

World Rank 32

GDP per capita (PPP, current USD)
2017

USD 6,776

World Rank 130

World Giving Index Rank
2017

116/139

● % giving money: 17%

● % volunteering time: 14%

● % helping a stranger: 37%

World Giving Index Rank (2016) - 64/140

DEVELOPMENT CONTEXT

Vietnam remains far from achieving 14 out of 17 Sustainable Development Goals (SDGs). SDG 2 (zero hunger), 3 (good health and well-being), 9 (industry, innovation and infrastructure), 14 (life below water), 15 (life on land) and 16 (peace, justice and strong institutions) are areas that require the most work.

Vietnam's Socio-Economic Development Strategy 2011-2020 identifies the following key policy priorities: developing industrial and service capabilities, improving health care quality, upgrading human capital and achieving environmental sustainability. The 5-year national plan for the period of 2016-2020 sets the targets below:⁶

- Poverty reduction of an average 1.5% per annum,
- 65-70% of the workforce being educated,
- Urban unemployment rate of below 4%,
- Over 80% health insurance coverage, and
- 9-10 doctors and a minimum of 26.5 hospital beds per 1,000 people.

SDG DASHBOARD



Source: sdgindex.org

Note: The "traffic light" colour scheme (green, yellow, orange and red) illustrates how far a country is from achieving a particular goal.

5. WHO, Vietnam – Climate change

Global Competitiveness Rank

2017-2018

55/137

Global Competitiveness Rank (2016-2017) - 60/138

Ease of Doing Business Rank

2019

69/190

Ease of Doing Business Rank (2018) - 68/190

Poverty











(Percentage of the population living below the national poverty line)

2015

7%





Source: Asian Development Bank (ADB), Charities Aid Foundation (CAF), Credit Suisse, World Bank
Figures are accurate as of March 2019

GOVERNMENT INITIATIVES TO ADDRESS DEVELOPMENT GAPS

IMPACT AREA	SDG GOALS	GAP	GOVERNMENT INITIATIVES
Agriculture	  	<ul style="list-style-type: none"> 40% of the total labour force is employed in agricultural activities but the sector contributed only 15% of GDP in 2017, indicating low productivity.⁷ 	<ul style="list-style-type: none"> The government's agricultural restructuring plan for the 2017-2020 period aims to train 22% of agricultural workers and increase labour productivity by 3.5% per annum. The country is shifting to crops that are highly adaptive to climate change and also seeks to foster agricultural research and development.⁸
Climate action	  	<ul style="list-style-type: none"> Vietnam ranked 25th in the 2018 World Risk Index, placing it in the very high-risk category.⁹ The country is highly prone to rises in sea level and floods have been one of the major causes of economic losses.¹⁰ 	<ul style="list-style-type: none"> The National Green Growth Strategy 2011-2020 aims to reduce annual greenhouse gas emissions by at least 1.5-2% by 2030 and increase the share of green technology to 42-45% of GDP by 2020.¹¹
Education and employability	 	<ul style="list-style-type: none"> Labour productivity was one-fifth that of Malaysia and two-fifths that of Thailand in 2016.¹² Only 24% of the labour force had technical qualifications in 2017.¹³ 	<ul style="list-style-type: none"> The 2016-2020 national plan outlines strategies to increase the percentage of trained labour force to 65-70%.¹⁴
Energy access		<ul style="list-style-type: none"> Vietnam has transformed from an energy exporter to an energy importer due to a rapid increase in domestic energy demand. Coal accounts for a growing share of energy supply, undercutting the country's green growth efforts.¹⁵ 	<ul style="list-style-type: none"> The Renewable Energy Development Strategy seeks to increase the share of renewable energy (including hydropower, solar and wind power and biomass energy) in total electricity production to 32% in 2030 and 43% in 2050.¹⁶
Health care		<ul style="list-style-type: none"> Health care quality in provincial hospitals is significantly lower than in national hospitals, which exacerbates overcrowding in the latter.¹⁷ 	<ul style="list-style-type: none"> The Ministry of Health's 5-year plan 2016-2020 focuses on:¹⁸ <ul style="list-style-type: none"> Achieving universal health coverage, Upgrading health care facilities and promoting transfer of knowledge and technologies, Improving the quality and allocation of human resources at the regional level.

6. Socialist Republic of Vietnam, The Five-Year Socio-Economic Development Plan 2016-2020
7. World Bank, Employment in agriculture and Agriculture, forestry, and fishing, value added - Vietnam
8. Ministry of Agriculture and Rural Development, 2017, Prime Minister approves agricultural restructuring plan in 2017-2020
9. United Nations University, 2018, World Risk Report 2018
10. PreventionWeb, Vietnam Disaster & Risk Profile
11. Socialist Republic of Vietnam, 2012, Approval of the National Green Growth Strategy

12. International Labour Organisation (ILO), 2018, Labour and Social Trends in Vietnam 2012-2017
13. ILO, 2018, Labour and Social Trends in Vietnam 2012-2017
14. Socialist Republic of Vietnam, The Five-Year Socio-Economic Development Plan 2016-2020
15. Danish Energy Agency, 2017, Vietnam Energy Outlook Report 2017
16. Socialist Republic of Vietnam, 2015, Viet Nam's Renewable Energy Development Strategy up to 2030 with an outlook to 2050
17. Ministry of Health, 2016, Plan for people's health protection, care and promotion 2016-2020
18. Ministry of Health, 2016, Plan for people's health protection, care and promotion 2016-2020

IMPACT AREA	SDG GOALS	GAP	GOVERNMENT INITIATIVES
Poverty alleviation		<ul style="list-style-type: none"> 2 million households remain below the national poverty line and another 1.3 million are vulnerable to falling back into poverty.¹⁹ 	<ul style="list-style-type: none"> The National Programme on Sustainable Poverty Reduction for 2016-2020 aims to reduce the poverty rate by an average of 1.5% annually and increase per capita income of poor households by 1.5 times.²⁰
SME development	 	<ul style="list-style-type: none"> SMEs account for 98% of all enterprises and 62% of total employment but only 45% of Vietnam's GDP.²¹ Only about 30% of SMEs have access to bank loans.²² 	<ul style="list-style-type: none"> The Ministry of Planning and Investment set up the USD 87 million SME Development Fund in 2016 to provide preferential loans to SMEs.²³ As of 2018, the Fund had disbursed about USD 6 million to 19 enterprises.²⁴ The 2018 Law on Supporting SMEs outlines a range of support for SMEs including credit guarantees, technical assistance, preferential taxes and reduced land rent.²⁵
Water and sanitation		<ul style="list-style-type: none"> 90% of rural households and 39% of urban households do not have access to piped water and have to carry water home.²⁶ 23% of the poor and 28% of the ethnic minority population lack access to sanitation facilities.²⁷ 	<ul style="list-style-type: none"> The government is implementing various projects to build and improve water and sanitation infrastructure in urban and rural areas in partnership with World Bank, ADB and multiple bilateral development agencies.²⁸

Source: AVPN analysis

THE SOCIAL INVESTMENT LANDSCAPE

NEW DEVELOPMENTS IN 2017-2018

- Vietnam attracted USD 1.4 billion of impact capital from development finance institutions (DFIs) and another USD 25.8 million from impact investors between 2007 and 2017,²⁹ making it one of the most dynamic impact investing markets in Southeast Asia.
- Gender lens investing has gained remarkable traction since 2017 with a growing number of active international and local actors. In 2017, the Mekong Business Initiative, a project funded by the Australian government and ADB to advance sustainable growth in Cambodia, Laos, Myanmar and Vietnam, set up the Women's Initiative for Startups and Entrepreneurship (WISE), a network of more than 30 DFIs, investors, incubators and business associations dedicated to fostering women entrepreneurship in Vietnam.³⁰
- The Centre for Social Innovation and Entrepreneurship (CSIE) was established in 2017 in a multi-year partnership between the National Economics University (NEU) and British Council to focus on research, advocacy and incubation support for youth-led social ventures. In 2018, CSIE partnered with UNDP Vietnam to launch the largest study to date on the social impact business sector.³¹
- As of 2018, there were 80 legally registered social enterprises (SEs) but the actual number was estimated at 1,000.³² Many SEs choose to remain informal due to the cumbersome registration process.³³ Another 20,000 small and medium enterprises (SMEs) operate with a mission to solve social or environmental problems.³⁴ The average age of SEs and impact-driven SMEs is 7-8 years with about 40% in operations for 3 years.³⁵

19. Nhan Dan, 2018, No luc ngan chan tinh trang tai ngheo (Efforts to prevent falling back to poverty)

20. World Bank, 2017, Programme Appraisal Document on A Proposed IDA Credit to the Socialist Republic of Vietnam

21. The Saigon Times, 2016, Ministry: SMEs contribute 45% of GDP

22. Oxford Business Group, 2016, Barriers to borrowing for Vietnam's SMEs

23. Vietnam Economic News, 2016, SME Development Fund established

24. Vietnam Breaking News, 2018, Forum delves into credit shortage for SMEs

25. KPMG, 2017, National Assembly passes Law on supporting Small- and Medium-sized Enterprises ("SMEs")

26. WHO, 2015, Viet Nam: Closer to bringing drinking water and sanitation to all

27. Habitat for Humanity Vietnam, Water and Sanitation

28. Water World, 2018, Vietnam: Matching Mobile Phone Access to Water And Sanitation

29. Global Impact Investing Network (GIIN), 2018, The Landscape of Impact Investing in Southeast Asia

30. WISE, About WISE

31. UNDP Vietnam, 2018, Fostering the Growth of the Social Impact Business sector in Viet Nam

32. CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam

33. British Council, CIEM, CSIP, 2012, Social Enterprise in Vietnam: Concept, Context and Policies

34. CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam

35. CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam

- In 2018, Crevisse Partners and Merry Year Social Company (MYSC) launched Remake City, a global impact accelerating programme, in Hanoi and Ho Chi Minh City.³⁶ The programme seeks to invest in start-ups with sustainable and innovative solutions to urban issues.
- Also in 2018, the State Bank of Vietnam introduced the Green Bank Development Scheme which requires banks to gradually increase their ratios of total lending to green projects and implement environment and social risk management in lending activities by 2025.³⁷
- According to the 2018 progress report of the IFC-led Sustainable Banking Network (SBN), Vietnam is one of the few countries to have made significant strides in incorporating environmental and social risk management into credit decision-making, including measuring and reporting results.³⁸
- In 2019, Vingroup, the country's largest conglomerate, established Vingroup Innovation Foundation to fund science and technology-based solutions to social and environmental challenges.³⁹

Social enterprises are legally recognised but many choose to remain informal

While Vietnam's first social enterprises (SEs) were founded in the 1990s, the SE movement started gaining momentum in the early 2010s.⁴⁰ This is in part due to the country graduating into the lower-middle-income group in 2010 and the consequent decline of foreign aid. In 2015, Vietnam became the first and only Southeast Asian country to legally recognise SEs under the 2015 Law of Enterprises.⁴¹ An SE is defined by this law as an enterprise committed to addressing social or environmental issues for the public benefit and re-investing at least 51% of profits in the implementation of registered social or environmental objectives. SEs present a potential model for public service delivery as Vietnam is striving to transform its public sector towards self-management, self-responsibility and increased efficiency of capital.⁴²

As of 2018, there were 80 legally registered SEs but the actual number was estimated at 1,000.⁴³ Many SEs choose to remain informal due to the cumbersome registration process.⁴⁴ The majority of SEs are in early to growth stages with an average age of 7-8 years with about 40% in operations for 3 years.⁴⁵ They most commonly operate in agriculture, education and skill training, non-farm livelihoods, business support and consultancy, and handicrafts sectors.⁴⁶ Another

20,000 SMEs operate with a mission to solve social or environmental problems.⁴⁷ About 1,000 start-up ideas emerging from incubators and start-up contests also aim to create social impact.⁴⁸

Institutional philanthropy is still in its nascency

While Vietnam has a long tradition of charitable giving and communal assistance, institutional giving through private foundations or family offices has not permeated the country's social economy. Most Vietnamese high net worth individuals (HNWIs) possess first-generation wealth, unlike HNWIs in neighbouring Malaysia or Thailand who have had a legacy of wealth and philanthropy. Apart from the legal difficulties of setting up foundations, the absence of financial advisors and intermediaries who can support informed decision-making and management of family offices has hindered its growth.⁴⁹

Furthermore, philanthropy in Vietnam is still practised with limited transparency and accountability.⁵⁰ There is a lack of reliable data and resources available to philanthropists to identify and prioritise issues to address as well as to conduct due diligence on social purpose organisations (SPOs).

However, interest in institutional philanthropy is showing signs of rising. Intermediaries such as the LIN Centre for Community Development are engaging with

36. Remake City, Hanoi & HCMC

37. Vietnamnet, 2018, Green banking aims push forward

38. IFC, 2018, Sustainable Banking Network (SBN) – Global Progress Report

39. Thanh Nien, 2019, Quỹ nghìn tỉ của Vingroup bắt đầu chương trình hỗ trợ khoa học cho trường đại học (in Vietnamese)

40. British Council, Central Institute for Economic Management (CIEM), CSIP, 2012, Social Enterprise in Vietnam: Concept, Context and Policies

41. British Council, Thomson Reuters Foundation, Tilleke & Gibbins, UNESCAP, 2018, ASEAN Social Enterprise Structuring Guide

42. British Council, CIEM, National Economics University, 2016, Vietnam Social Enterprise Casebook

43. CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam

44. British Council, CIEM, CSIP, 2012, Social Enterprise in Vietnam: Concept, Context and Policies

45. CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam

46. CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam

47. CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam

48. CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam

49. Lien Centre for Social Innovation, 2014, From Charity to Change: Social Investment in Selected Southeast Countries

50. Alliance Magazine, 2018, Two steps forward, one step back in Vietnam

philanthropists to cultivate the culture of institutional giving.⁵¹ In 2014, Le Van Kiem, chairman of Long Thanh Investment & Trading Corporation, became the first Vietnamese to pledge USD 5 million to the Bill & Melinda Gates Foundation to set up the Vietnam Health Fund.⁵² The Kind Heart Foundation, established in 2006 by Pham Nhat Vuong, chairman of Vingroup, Vietnam's largest conglomerate, had a budget of USD 11 million as of 2015, the largest in the country.⁵³ The Foundation provides houses to poor households⁵⁴ and offers free medical services for poor children, the elderly, veterans and relatives of war heroes.⁵⁵ In early 2019, Vingroup established Vingroup Innovation Foundation to fund science and technology-based solutions to social and environmental challenges.⁵⁶

Homegrown impact funds have emerged, despite nascent eco-system

Apart from international impact investors such as Capria, Crevisse Partners, Insitor, Merry Year Social Company (MYSC), Omidyar Network, Oxfam's Inclusive Impact Investments, Patamar Capital, Phitrust Asia and Small Enterprise Assistance Funds (SEAF), homegrown impact funds have taken root in Vietnam, a factor unique to this relatively nascent ecosystem:

- Launched in 2010, Dragon Capital's Mekong Brahmaputra Clean Development Fund (MBCDF) is the first local impact fund in Vietnam. MBCDF invests an average of USD 5 million in the areas of renewable energy, energy efficiency, water conservation and waste recycling.⁵⁷
- Lotus Impact funds seed-stage SEs and provides them with a range of incubation support including business plan development, financial projections, product design and prototyping, going to market and fundraising. It also set up Lotus Hub in partnership with USAID and Villgro to invest in enterprises in agriculture and food related value chains with a gender equality lens.
- Danang-based Evergreen Labs is a seed investor and incubator for impact projects. After its initial investments into enterprises operating in small-scale hydroponics, natural cosmetics and tea production, Evergreen Labs started to develop internal projects and eventually spin them off

into independent enterprises while holding an equity stake.⁵⁸ Its focus areas have also shifted to agriculture, agri-tech and community-based tourism.

The diverse presence of international and local funds has made Vietnam one of the most dynamic impact investing hubs in Southeast Asia. The country attracted USD 1.4 billion in impact capital from development finance institutions (DFIs) and another USD 26 million from impact investors between 2007-2017.⁵⁹ While DFIs invest mainly in commercial banks to lend to SMEs and manufacturing and infrastructure projects, private investors focus on information and communication technology (ICT), financial services, education and health care.⁶⁰ DFIs primarily use debt instruments with most deals ranging from USD 10 to USD 50 million. Impact investors, on the contrary, use mostly equity with smaller deal sizes of between USD 1 and USD 5 million.⁶¹ This signifies a gap in the provision of early-stage impact capital below USD 1 million.

Gender lens impact investing has gained remarkable traction since 2017 with a growing number of active international and local actors such as the Australian Department of Foreign Affairs and Trade (DFAT), USAID, Oxfam, SEAF and Patamar Capital. In 2017, the Mekong Business Initiative, a project funded by the Australian government and ADB to advance private sector development and sustainable growth in Cambodia, Laos, Myanmar, and Vietnam, set up the Women's Initiative for Startups and Entrepreneurship (WISE), a network of more than 30 DFIs, investors, incubators and business associations dedicated to fostering women entrepreneurship in Vietnam.⁶² WISE runs an electronic portal of business opportunities and resources and implements training workshops, start-up competitions, incubation and acceleration programmes for women entrepreneurs.

51. Interview with LIN Center for Community Development on 23 April 2017

52. Forbes, 2014, With A Boost From Bill Gates, Vietnam's Entrepreneurs Put Profits Into Philanthropy

53. Sciortino, 2017, Philanthropy in Southeast Asia: Between charitable values, corporate interests, and development aspirations

54. Forbes, 2014, With A Boost From Bill Gates, Vietnam's Entrepreneurs Put Profits Into Philanthropy

55. Nhan Dan, 2011, Kind Heart Foundation to offer free medical services

56. Thanh Nien, 2019, Quỹ nghìn tỉ của Vingroup bắt đầu chương trình hỗ trợ khoa học cho trường đại học (in

Vietnamese)

57. Dragon Capital, Mekong Brahmaputra Clean Development Fund L.P.

58. Weina, 2017, Lessons Learned from Social Incubation in Vietnam: From Seed Investors to Project Development

59. GIIN, 2018, The Landscape of Impact Investing in Southeast Asia

60. GIIN, 2018, The Landscape of Impact Investing in Southeast Asia

61. GIIN, 2018, The Landscape of Impact Investing in Southeast Asia



Cross-border partnership to boost impact investing in urban issues in Vietnam

In August 2018, Crevisse Partners and Merry Year Social Company (MYSC), two South Korean impact funds, launched Remake City, a global impact accelerating programme, in Hanoi and Ho Chi Minh City.⁶³ The programme seeks to invest in start-ups with sustainable and innovative solutions to urban issues. The Korea International Cooperation Agency (KOICA) provides seed grant funding to start-up participants. The programme also provides a workshop series, a bootcamp and one-to-one mentoring sessions in the areas of business plan development, communications, marketing, sales, finance and business law conducted by two local intermediaries, HATCH! Ventures and the Centre for Social Initiatives Promotion (CSIP). Crevisse and MYSC will make follow-on equity investments into successful ventures with strong market traction after the programme.

Multinational and large local corporations lead in strategic CSR

Multinational corporations such as Unilever, Coca-Cola and Covestro have implemented various programmes to improve rural livelihoods and agricultural productivity as well as catalyse women empowerment in Vietnam. Several have also aligned their CSR strategies to the SDGs. However, strategic CSR among local corporates remains sparse. The Vietnam Business Council for Sustainable Development (VBCSD), a private sector-led organisation established by the Vietnam Chamber of Commerce and Industry (VCCI) in 2010 to promote corporate sustainability, observes that large corporates have a relatively good understanding of CSR while many SMEs still conflate CSR with donations or a branding strategy.⁶⁴ In recent years, some of the largest Vietnamese corporations have stepped up their CSR efforts in alignment with national socio-economic priorities and, in some cases, international standards. For example:

- Vinamilk, the largest corporation in Vietnam by

market capitalisation, is among the first companies in the country to adopt a formal CSR policy in 2013 which focuses on 5 key areas: environment and energy, product responsibility, responsibility to employees, community development and local economic development.⁶⁵ The company started to track its sustainability performance in 2012 using the Global Reporting Initiative's (GRI) sustainability reporting standards. In 2015, Vinamilk began to align its CSR policy to the SDGs. In 2017, it achieved a 9% reduction in carbon emissions and 7% total energy savings compared to 2016.⁶⁶ The company's other key CSR initiatives include providing free milk and scholarships to children, health care services to the elderly, improving the productivity of the national livestock industry and planting a million trees across the country.⁶⁷

- FPT, Vietnam's leading telecommunications group, began aligning its CSR strategy to the GRI in 2014 and the SDGs in 2015.⁶⁸ The company focuses on information technology education and building a technology ecosystem in the country. For

62. WISE, About WISE

63. Remake City, Hanoi & HCMC

64. ASEAN News, 2017, Vietnam: CSR Picking Up, Slowly but Surely

65. Vinamilk, Sustainable Development

66. Vinamilk, 2018, Sustainability Development Report 2017

67. Vinamilk, 2018, Sustainability Development Report 2017

68. FPT Group, 2014 and 2015 Annual Report

instance, it established FPT University to provide ICT training to youth in 2006⁶⁹ and set up the Vietnam Innovative Startup Accelerator in 2016 in partnership with Dragon Capital to provide seed funding and acceleration support to technology start-ups.⁷⁰ In addition, FPT's offices were built using environmentally-friendly technologies and materials. In 2014, FPT was one of the first 2 Vietnamese companies to receive the IFC's certification for Excellence in Design for Greater Efficiency as a result of achieving 20% energy savings.⁷¹

- Traphaco, one of the largest local pharmaceutical companies, organises its CSR strategy along 3 key components: community development, responsibility to employees and environmental sustainability. It is one of the first local corporates in Vietnam to implement a green value chain with 93% of inputs being locally sourced and grown in 2018.⁷² In doing so, it has created sustainable jobs and contributed to poverty alleviation for ethnic minority farmers.

In 2016, VCCI and VBCSD launched the country's first annual corporate sustainability index and ranking,⁷³ which is expected to provide a boost to strategic CSR among local companies.

Mainstreaming of green finance is under way

In August 2018, the State Bank of Vietnam issued Decision No.604/QĐ-NHNN, which introduces the Green Bank Development Scheme. This requires banks to gradually increase their ratios of total lending to green projects and implement environment and social risk management in their lending activities by 2025.⁷⁴

Several global and local banks have shown immediate support for the Decision. Hanoi-based Bank for Investment and Development of Vietnam (BIDV) launched a financing package for solar energy solutions.⁷⁵ Vietnam Bank for Agriculture and Rural Development (Agribank) started to offer soft loans for sustainable agriculture projects.⁷⁶ HSBC Vietnam was also considering providing loans to households to install solar panels as of late 2018.⁷⁷

According to the 2018 progress report of the IFC-led Sustainable Banking Network (SBN), a community of financial regulators from emerging markets committed to advancing sustainable finance, Vietnam is one of the few countries to have made significant strides in incorporating environmental and social risk management into credit decision-making, including measuring and reporting results.⁷⁸ The country has been a member of the SBN since 2012.⁷⁹



69. FPT Group, 2017 Annual Report

70. e27, 2018, An overview of Vietnam's venture capital industry

71. IFC, 2014, IFC Awards First EDGE Resource Efficiency Certifications in Vietnam

72. Vietnamnet, 2018, Local companies embracing environment and the community

73. VBCSD, 2016, VCCI to Rate Sustainable Companies

74. Vietnamnet, 2018, Green banking aims push forward

75. Vietnamnet, 2018, Green banking aims push forward

76. Vietnam Economic News, 2018, Agribank lends over US\$219 million to develop hi-tech agriculture

77. Vietnamnet, 2018, Green banking aims push forward

78. IFC, 2018, Sustainable Banking Network (SBN) – Global Progress Report

79. IFC, 2018, Sustainable Banking Network (SBN) – Global Progress Report



Local intermediaries are early champions of social entrepreneurship

Vietnam's nascent SE sector was given a significant boost in the late 2000s - early 2010s when local intermediaries CSIP and Spark Centre for Social Entrepreneurship Development were established. Their mission is to foster social entrepreneurship and provide capacity building for SEs.

Founded in 2008, CSIP is a pioneer in building the capacity of SEs in Vietnam by providing grants and incubation support. It also works with various stakeholders, especially policymakers, to raise awareness and create an enabling social entrepreneurship ecosystem. To date, CSIP has supported 191 SEs, 80% of which have scaled.⁸⁰

Spark Centre for Social Entrepreneurship Development

was co-established by the Netherlands Development Organisation (SNV), the Vietnam Centre for Community Support Development Studies, Pact Vietnam and the Centre for Sustainable Rural Development in 2011. It provides direct technical support to SEs as well as connects SEs to other incubators and service providers through its "Marketplace for Capacity Development Service."⁸¹

Another leading ecosystem builder is the Centre for Social Innovation and Entrepreneurship (CSIE) set up in 2017 as a result of a multi-year partnership between the National Economics University (NEU) and British Council. Its focus includes research, advocacy and incubation support for youth-led social ventures. It also actively develops training materials and curricula for SEs. In 2018, CSIE partnered with UNDP Vietnam to launch the largest study to date on the social impact business sector.⁸²

80. CSIP, Our impacts

81. Spark Centre for Social Entrepreneurship Development, The Marketplace for Capacity Development Service

82. Centre for Social Innovation and Entrepreneurship (CSIE), 2018, Fostering the Social Impact Business Sector in Viet Nam



Vietnam's first SDG business innovation competition

Leveraging Vietnam's fast-growing start-up ecosystem, UNDP Vietnam collaborated with HATCH! Ventures to organise the country's first SDG business innovation competition in 2017.⁸³ The competition provides seed funding, capacity building support and mentorship to 150 young entrepreneurs to help them develop business solutions to Vietnam's social and environmental issues. Participants were trained to use SDG indicators and targets to measure their progress. Four winners received further support in 2018 to strengthen their business models and secure investment. Two successfully attracted additional investors right after the competition.

Social economy policies nested under the start-up framework

While SEs are legally recognised, there is no specific support provided to the sector except for the preferential tax rate of 10% applicable to those operating in education and training, health care, culture, sports and environmental protection. In recent years, Vietnam has focused on building its start-up ecosystem and many of such policies are relevant to early-stage SEs. Key start-up regulations are:

- Decision 844/QĐ-TTg/2016 outlines an action

plan to develop the national start-up ecosystem through to 2025 including a legal framework, an electronic portal and funding support.⁸⁴

- The 2018 Law on Supporting SMEs details support for start-ups in the areas of taxes, land rent, credit guarantees, technology transfer, training, trade promotion, investment and incentives for start-up investors.⁸⁵
- Decree 38/2018/ND-CP provides a legal framework for start-up investment funds and government investment in start-ups.⁸⁶

83. UNDP Vietnam, 2017, Accelerating Startup Innovations to Achieve the SDGs in Viet Nam
84. The Socialist Republic of Vietnam, Decision 844/QĐ-TTg

85. KPMG, 2017, National Assembly passes Law on supporting Small- and Medium-sized Enterprises ("SMEs")
86. Socialist Republic of Vietnam, Decree 38/2018/ND-CP

SOCIAL ECONOMY DEVELOPMENT

The Vietnamese social economy is in the early stage, driven largely by impact funds and intermediaries

CATEGORY	FACTOR	RATING	DESCRIPTION
SPOs	Presence, size and maturity		<ul style="list-style-type: none"> The number of non-profit organisations in Vietnam is estimated at about 1,000, in addition to approximately 19,000 cooperatives and 6,900 associations that promote social development.⁸⁷ There are about 80 legally registered SEs but the actual number is estimated at 1,000.⁸⁸ Another 20,000 SMEs focus on solving social or environmental problems.⁸⁹ The majority of SEs are in early to growth stages with an average age of 7-8 years.⁹⁰
	SEs' sectoral presence		<ul style="list-style-type: none"> Vietnamese SEs are present in a wide range of sectors including: agriculture, education and skill training, energy, non-farm livelihood, business consultancy, handicrafts, health care, food and nutrition, tourism, ICT, etc.⁹¹
Investors	Philanthropic contributions		<ul style="list-style-type: none"> Institutional giving has yet to take root although interest is rising among Vietnamese HNWI's.
	Managed funds		<ul style="list-style-type: none"> In addition to international impact investors increasingly growing their footprint in Vietnam, the country is one of the few emerging social economies to have a remarkable presence of homegrown impact funds. Gender lens investing has gained remarkable traction since 2017.
	Corporate sector		<ul style="list-style-type: none"> Strategic CSR is mostly practised by multinational and large local corporations.
Enablers and Intermediaries	Policy environment		<ul style="list-style-type: none"> Vietnam is the first Southeast Asian country that legally recognises SEs. Social enterprise policies are nested under the start-up legal framework. Legal procedures for setting up any SPO, including SEs, may take up to 18 months.⁹²
	Incubators, accelerators and capacity builders		<ul style="list-style-type: none"> Local intermediaries including CSIP and Spark Centre for Social Entrepreneurship Development are early pioneers of social entrepreneurship. Other notable capacity builders are: CSIE, the LIN Centre for Community Development, HATCH! Ventures, Habataku and UNDP Vietnam.
	Networks and platforms		<ul style="list-style-type: none"> AVPN, British Council, VCSBD, the LIN Centre for Community Development and WISE are notable multi-sectoral networks and platforms present in Vietnam.
	Knowledge and research		<ul style="list-style-type: none"> The Central Institute for Economic Management (CIEM), CSIP and CSIE published multiple mapping and landscape studies from 2011 to 2018 in partnership with British Council and UNDP.
	Partnerships		<ul style="list-style-type: none"> VCBSD, the LIN Centre for Community Development, CSIP, CSIE and WISE facilitate multi-sectoral collaborations. Examples of cross-border partnerships include: CSIP with Oxfam's Inclusive Impact Investments, CSIP and HATCH! Ventures with Crevisse Partners and MYSC, Lotus Impact with Villgro and USAID and Evergreen Labs with Dr Noah.

87. CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam
88. CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam
89. CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam

90. CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam
91. CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam
92. Interview with LIN Centre for Community Development on 23 April 2017

OPPORTUNITIES

- Vietnam's young workforce with a median age of 30 years,⁹³ combined with a growing share of overseas educated students, offers a pool of talent for social investment.
- The fast-growing mobile user base of 126 subscriptions per 100 inhabitants as of 2017 can be a key enabler to developing innovative solutions in education, health and skill development based on mobile technologies.
- The current proliferation of local SEs across sectors, coupled with the establishment of homegrown impact funds, provides opportunities for social investment and co-investment.
- There is a strong sense of community and support for social projects, including SEs and impact-driven SMEs. The market for such enterprises therefore has significant potential.⁹⁴
- Central to Vietnam's ongoing administrative reforms is the transformation of the public service sector towards self-management, self-responsibility and increased efficiency of capital. SEs are considered a suitable model for public service delivery.⁹⁵
- Increasing international interest in the Vietnamese social investment ecosystem and growing domestic support for social entrepreneurship present opportunities for cross-border and multi-sectoral collaboration for impact.
- Vingroup Innovation Foundation's efforts to support science and technology-based social impact projects might inspire other HNWI and corporates to do the same. This also provides opportunities for co-investment with impact funds and DFIs.
- Several non-profit organisations have stepped up to improve transparency and accountability in philanthropy. For instance, an informal network of non-profit fundraisers translated and adapted the Association of Fundraising Professionals' ethical guidelines on fundraising to the Vietnamese context.⁹⁶ The LIN Centre for Community Development organised a conference to promote corporate shared value in 2018.⁹⁷ Such efforts may give a boost to institutional philanthropy and strategic CSR.
- Opportunities for social investment with a gender lens is increasing given the growing number of active actors in this space such as DFAT, USAID, SEAF, Patamar Capital, Lotus Impact and WISE.



93. United Nations, World Population Prospects 2015

94. CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam

95. British Council, CIEM, National Economics University, 2016, Vietnam Social Enterprise Casebook

96. Alliance Magazine, 2018, Two steps forward, one step back in Vietnam

97. LIN Centre For Community Development, 2018, How Doing Good is Good for Business

CHALLENGES

- Red tape and burdensome bureaucratic procedures remain key barriers to doing business in Vietnam.
- Besides legal recognition, the Vietnamese government does not provide concrete support to the SE sector.
- While Vietnam's HNWI population is growing rapidly, little of that wealth has translated to philanthropy due to limited awareness as well as a lack of social investment options for individuals. The number of HNWIs increased by 148% between 2007 and 2013 with total assets of USD 40 billion,⁹⁸ making Vietnam the fastest growing wealth market among the world's top 100 economies. However, the lack of financial advisors and intermediaries who can support informed decision-making and management of family offices currently impedes institutional philanthropy. Resources for philanthropists to identify issues to address and conduct due diligence on SPOs are also scarce.⁹⁹
- The non-profit sector in Vietnam remains dependent on grant funding. This has resulted in a predominant focus on short- to mid-term project-based execution,¹⁰⁰ thereby impeding their ability to develop long-term revenue-generating strategies.
- The lack of patient, catalytic capital under USD 1 million continues to impede SEs' ability to grow and scale. Furthermore, while Vietnam has received a significant amount of impact capital, little has been allocated to build the capacity for SEs.
- Very few Vietnamese SEs use impact measurement tools, which can hinder their ability to secure social investment. Branding and communications, legal issues, taxation and financial management are other challenges SEs in the country are facing.¹⁰¹
- Vietnamese corporates' business expertise has not been adequately tapped to provide mentorship and business coaching for SPOs. While there is a growing interest among large corporations to align their CSR strategy to national socio-economic priorities and international standards such as the GRI and SDGs, efforts to support SPOs and foster social innovations remain lacking.
- Vietnam's burgeoning start-up ecosystem has not had a significant positive impact on the social investment ecosystem. The presence of venture capital funds, incubators and accelerators dedicated to supporting SEs is still limited



98. MILSTE, 2014, The Growing Affluent Class: Wealth Management in Vietnam 2014

99. Alliance Magazine, 2018, Two steps forward, one step back in Vietnam

100. The Asia Foundation, 2012, Civil Society in Vietnam: A Comparative Study of Civil Society Organisations in Hanoi and Ho Chi Minh City

101. CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam



compared to other Southeast Asian economies such as Indonesia, the Philippines and Myanmar.

RECOMMENDATIONS

● Development gaps:

- Health care, food and nutrition, water and sanitation, energy and clean technology, and environmental sustainability are areas where social investors could maximise impact in Vietnam.

● Social investment:

- Foundations and corporates are well-positioned to fill the funding gap currently facing early-stage SEs and provide technical support to enable them to become investment-ready.
- Foreign foundations could consider partnering with local foundations and corporates to cultivate strategic philanthropy approaches and gain a deeper understanding of local needs.

- Impact investors should explore collaborating with foundations and corporates to offer technical support for early-stage SEs. DFIs could co-finance such efforts.
- While local corporations have become more active in engaging the community and adopting inclusive and sustainable business models, they could consider other corporate social impact strategies such as B Corp or investment into social innovations.
- DFIs could consider providing risk capital to impact funds to encourage impact investment in early-stage SEs or SMEs that tackle underfunded areas.
- The rise of cross-border partnerships between international and local actors could provide a blueprint for more impactful partnerships such as co-investment, pooled funds and collective impact.

● Ecosystem support:

- More training should be provided to SPOs in impact measurement for them to be able to diversify their funding sources.
- Social incubators, accelerators and capacity builders could engage the corporate sector to coach and mentor early-stage SEs and non-profit organisations looking to move towards the SE model.
- SPOs could benefit significantly from mentoring support on vision, impact measurement and capacity building towards better execution on the ground. In addition to incubation programmes, networks for peer interaction, knowledge and best practice sharing could promote better engagement between funders and SPOs.
- With the rise of ecosystem builders such as CSIP, Spark, CSIE and the LIN Centre for Community Development, the twin goals of capacity building for SPOs and providing channels for individuals to contribute meaningfully to social impact can be achieved. In particular, the establishment of giving circles among HNWLs and corporates with management and capacity building carried out by intermediaries could provide ways to engage in strategic philanthropy and CSR.
- Corporations could consider providing business coaching and mentorship to SEs that use technologies for social good. Vietnam's burgeoning technology start-up space provides a conducive environment for such SEs to grow and scale.



RECOMMENDED READING

- CSIE, 2018, Fostering the Social Impact Business Sector in Viet Nam
- Global Impact Investing Network (GIIN), 2018, The Landscape of Impact Investing in Southeast Asia

Appendix: Legislative Framework for SPOs in Vietnam

Vietnam is the only Southeast Asian country to legally recognise SEs under the 2015 Law of Enterprises.¹⁰²

This defines an SE as an enterprise committed to addressing social or environmental issues for

the public benefit and re-investing at least 51% of profits in the implementation of registered social or environmental objectives. Along with commercial activities, SEs are allowed to raise and receive funding in various forms from individuals, businesses, non-governmental organisations and other Vietnamese or foreign organisations on the condition that funding raised is used to tackle the registered social or environmental issues. A preferential tax rate of 10% applies to business income earned from education and training, vocational training, medical health, culture, sports, and environmental conservation.

SPOs in Vietnam can also be legally registered as non-profit or for-profit entities.

NON-PROFIT STRUCTURES ⁹²	
Non-profit organisation (NPO)	NPOs are defined as organisations that mobilise and allocate capital for charitable, religious, educational, societal or similar purposes, and not for the purpose of profit.
Social/charity fund	Social/charity funds are funds organised and operated on a not-for-profit basis for the purpose of supporting and promoting the development of culture, education, healthcare, physical training, sports, science, charitable and humanitarian activities and community development. A fund must be founded by a minimum of 3 Vietnamese citizens although foreigners and foreign organisations may also contribute their assets.
FOR-PROFIT STRUCTURES ⁹³	
Partnership	Partnerships must be formed by a minimum of 2 members. In addition to unlimited liability partners who shall be liable for all the company's obligations to the extent of all of their assets, there may be limited liability partners who shall only be liable for the company's debts to the extent of the amount of their capital contributions.
Single-member limited liability company	Single-member limited liability companies are owned by 1 organisation or individual and may not issue shares. The owner is liable for the company's debts and obligations within the amount of its charter capital.
Multiple-member limited liability company	Multiple-member limited liability companies may be formed by a maximum of 50 members. Members are liable for the company's debts and obligations up to the amount of their capital contributions.
Shareholding company	Shareholding companies may be established by 3 or more shareholders who are liable for the company's debts and obligations to the extent of their capital contributions.

102. British Council, Thomson Reuters Foundation, Tilleke & Gibbins, UNESCAP, 2018, ASEAN Social Enterprise Structuring Guide

METHODOLOGY

The methodologies used in this report were jointly developed by Sattva Consulting and AVPN, with the support from Robert Bosch Stiftung, one of Europe's leading foundations.

HOW WE CURATE INSIGHTS IN THIS REPORT

The research team used a combination of primary and secondary research methods and a particular process to curate information into useful insights:

- We sketched the landscape by compiling relevant standard indicators, indices and rankings from secondary sources.
- We plotted the trends and actors from secondary literature and AVPN's various member engagement activities.
- We expanded on this understanding by interviewing key actors, ranging from foundations to impact investors, intermediaries, 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 secondary data to discern common patterns, contexts and evolutions which have led to certain trends.
- We computed the ratings for the social economy based on secondary data and insights from interviews.
- Once we had completed the landscape, 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 acknowledgement.
- Overall, we aimed to bring the data and analysis together to provide practical recommendations for social investors and intermediaries across the spectrum.

Throughout the profile, we have attempted to map out recent developments, interesting partnerships and key actors that could form a basis for future collaborations. We have also provided detailed citations with embedded links to original sources and a list of recommended readings for further reference.



Definitions

While there might be different interpretations of the following key terms across Asia, our working definitions are as follows:

Supply of social investment	
Corporate	A company that invests directly in social impact through CSR or through establishing a corporate foundation
Development finance institution	A financial institution that provides development aid and/or capital towards private sector development in developing countries
Family office	A wealth management advisory or establishment for high net worth and ultra high net worth individuals
Foundation/Trust	A not-for-profit organisation that funds social and/or environmental causes
Impact fund	A fund that invests with the intention to generate positive, measurable social and environmental impact alongside a financial return
Demand for social investment	
Impact business	A company that focus on creating positive outcomes for specific stakeholders of the business including employees, communities, customers, and the environment
Non-profit organisation	An entity dedicated to furthering a particular social or environmental cause (also referred to as non-governmental organisations)
Social enterprise	A company with a social mission that is aspiring to or able to generate revenues out of its products and services
Social purpose organisation	An umbrella term for non-profit organisations, social enterprises and impact businesses
Intermediaries	
Incubators, accelerators and capacity builders	Organisations that provide facilities, expertise and other forms of non-monetary support to entrepreneurs
Networks and platforms	Online and offline locations that convene stakeholders
Research and knowledge	Academic institutions and organisations that publish on the social economy

Mapping and Rating Methodologies

Government initiatives to address development gaps

For this section, we referenced Toniic's SDG Impact Theme Framework to map government initiatives to the different impact areas and relevant SDGs. The goal of the framework is to allow social investors to align their investments with the SDGs and thereby find greater alignment and synergy with the government and other key stakeholders.

For government initiatives, we analysed the latest national plans, policies and programmes to determine

national priorities for sustainable and inclusive development. We also examined SDG sub-indicators in order to pick out the worst-performing indicators, gaps in these areas and initiatives that have put in place to solve the problem.













Social economy development

To overcome the issue of limited data availability, we adopt the Harvey ball methodology to assess the stages of development for key factors constituting a social economy including SPOs (demand for social investment), investors (supply of social investment), intermediaries (organisations that support investors

and/or SPOs) and enablers, including the policy environment and partnerships. A simple 1- 4 scoring method is used to uniformly quantify the status of each factor so that relative comparisons can be made.

















Asian context. The framework has been adapted from BCG's SE maturity framework,⁹⁶ Monitor Institute's definitions,⁹⁷ Acumen's early-stage impact investing,⁹⁸ Toniic's framework,⁹⁹ and AVPN's analysis.¹⁰⁰













Each factor has a total of 4 scenarios depicted by the 4 Harvey balls equivalent to ratings from 1 to 4. These scenarios have been delineated based on the typical progression of the different factors in the

CATEGORY	FACTOR	RATING
SPOs	Presence, size and maturity	 Low presence of non-profits organisations and SEs (relative to the other 13 Asian markets). The majority are in early stages.
		 Average presence of non-profit organisations and SEs (relative to the other 13 Asian markets). The majority are relatively established and creating discernible social impact.
		 High presence of non-profit organisations and SEs (relative to the other 13 Asian markets). Many are financially sustainable, with evidence of raising equity investments.
		 High presence of non-profit organisations and SEs (relative to the other 13 Asian markets). Many have reached regional or national scale, with a relatively high number of equity investments made.
	SEs' sectoral presence	 The majority of SEs focus on job creation and basic social services such as education and health care
		 The above plus presence of SEs in proven models such as microfinance and energy
		 Diverse SE operations in an array social and environmental issues
		 A holistic range of products and services targeting both the bottom of the pyramid and the environment in urban and rural areas
Investors	Philanthropic contributions	 Evidence of philanthropic contributions and/or religious giving
		 Evidence of sustained, well-managed institutional philanthropy
		 Evidence of informed and collaborative philanthropy to multiple causes with diverse tools
		 Informed and collaborative philanthropy with diverse tools and innovative approaches

1. BCG, 2015, The Art of Sustainable Giving
2. Monitor, 2009, Investing for Social and Environmental Impact
3. Acumen, 2015, Early-Stage Impact Investing

4. Toniic, 2017, Impact Theme Framework
5. AVPN, 2016, A Guide To Effective Impact Assessment

CATEGORY	FACTOR	RATING
Investors	Managed funds	 Presence of social investment with no clear classification of investors
		 Presence of managed funds with evidence of investments
		 Presence of international and local funds with diverse financing instruments
		 Presence of international and local funds with diverse financing instruments, co-investment and/or innovative approaches
	Corporate sector	 Corporate donations, volunteerism, compliance-based CSR and few examples of strategic CSR
		 Evidence of strategic and sustained CSR across multiple causes
		 Evidence of strategic and sustained CSR, support for SEs, sustainability reporting
		 Evidence of shared value, support for SEs, sustainability reporting with innovative approaches/partnerships
Intermediaries and Enablers	Policy environment	 Neutral policy environment with no recognition or targeted support for the social economy
		 Friendly policy environment with basic recognition and support for the social economy
		 Enabling policy environment with multiple incentives to develop the social economy
		 Strong policy support to build an effective social economy in the form of legislation, incentives, incubation and acceleration
	Incubators, accelerators and capacity builders	 Presence of social incubators, accelerators and capacity builders for SPOs offering co-working spaces and basic coaching
		 Presence of social incubators, accelerators and capacity builders for SPOs offering access to expertise
		 High presence of social accelerators and capacity builders for SPOs with sustained access to expertise, networks and seed funding
		 The above plus ecosystem support through partnerships with other stakeholders

CATEGORY	FACTOR	RATING
Intermediaries and Enablers	Networks and platforms	 Evidence of convenings of social economy stakeholders
		 Presence of formal networks and/or platforms dedicated to social economy stakeholders
		 The above plus presence of cross-sectoral platforms
		 High presence of formal networks and platforms that convene multiple sectors plus a variety of events to raise public awareness of the social economy
	Knowledge and research	 Availability of landscape mapping
		 Regular landscape mapping with some quantitative data
		 The above plus social economy research across a variety of topics and availability of courses on social entrepreneurship
		 Regular landscape mapping, social economy research across a variety of topics and availability of formal social entrepreneurship programmes
	Partnerships	 Evidence of partnerships between two entities
		 Presence of multi-stakeholder partnerships and collaborations between the government and social economy actors
		 The above plus presence of a pooled fund and/or co-investment
		 The above plus presence of innovative partnerships such as collective impact and impact bonds



ABOUT AVPN

AVPN is a unique funders' network based in Singapore committed to building a vibrant and high impact 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.

OUR MISSION

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 500 members across 32 countries, AVPN is catalysing the movement towards a more strategic, collaborative and outcome focused approach to 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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