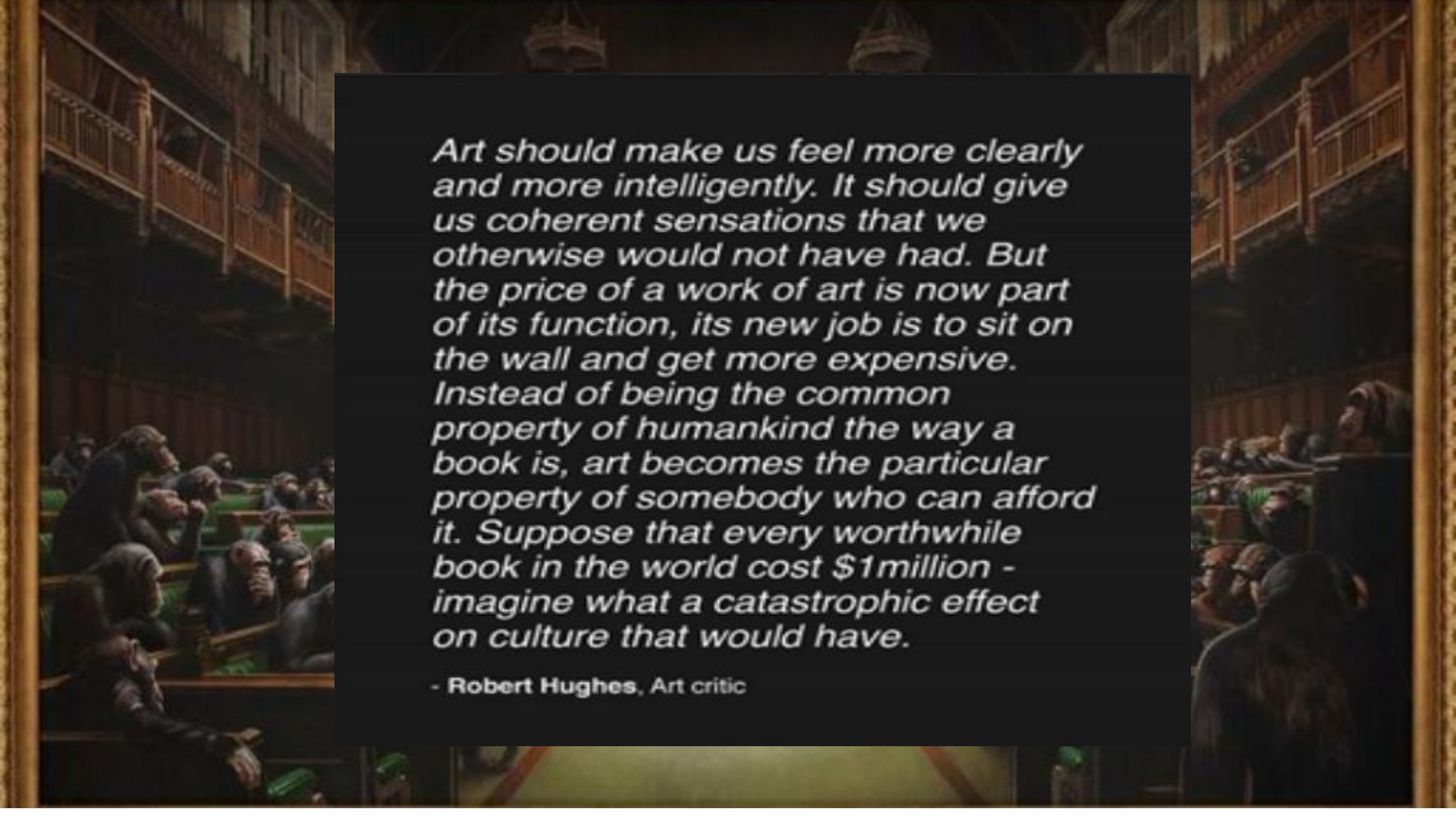


A background image with a teal tint showing a group of people in a meeting. A man in a denim shirt is pointing at something off-camera, while others look on attentively.

The role of Government in building the Impact Economy: Lessons from Asia

*Tristan Ace, Global Lead Partnerships and Development, Social
Enterprise and Creative and Inclusive Economies*

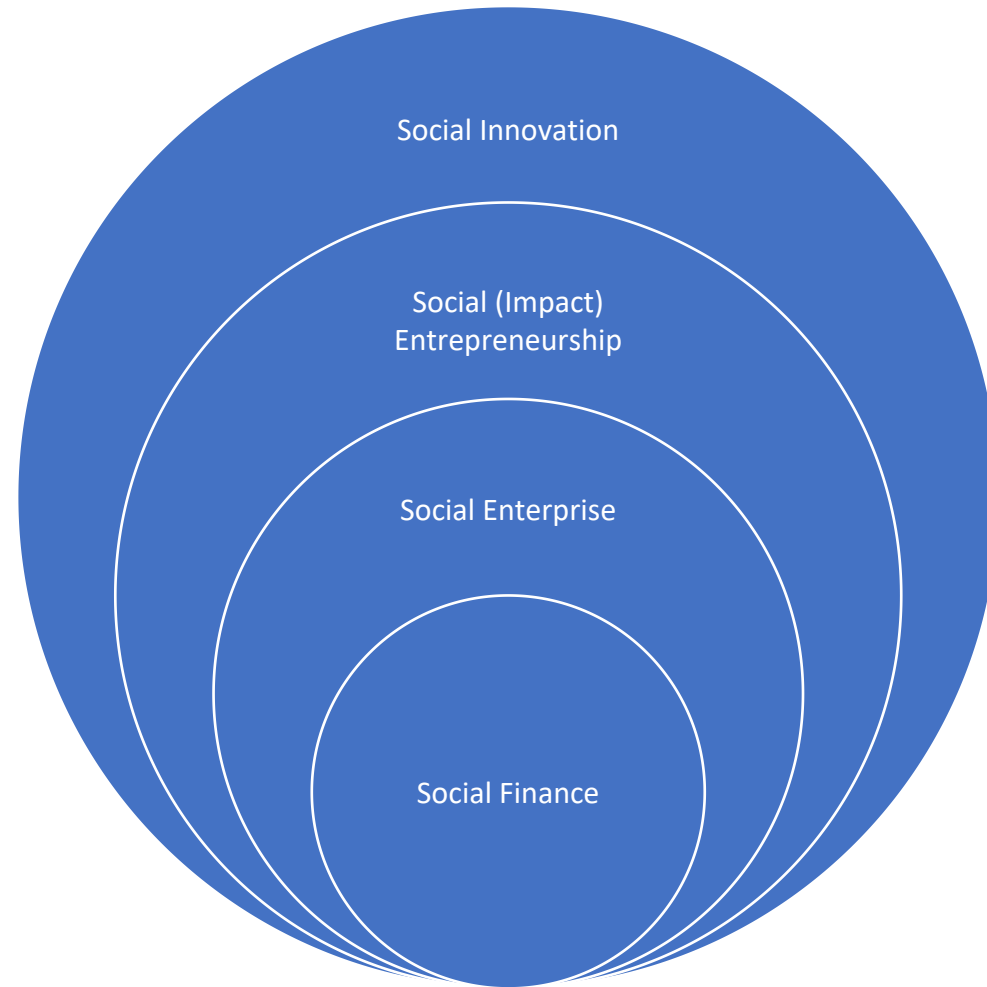


A painting of a theater filled with chimpanzees, with a central text overlay. The chimpanzees are seated in rows, looking towards the right. The theater has ornate wooden balconies and railings. The text is white and centered on a dark rectangular background.

Art should make us feel more clearly and more intelligently. It should give us coherent sensations that we otherwise would not have had. But the price of a work of art is now part of its function, its new job is to sit on the wall and get more expensive. Instead of being the common property of humankind the way a book is, art becomes the particular property of somebody who can afford it. Suppose that every worthwhile book in the world cost \$1 million - imagine what a catastrophic effect on culture that would have.

- Robert Hughes, Art critic

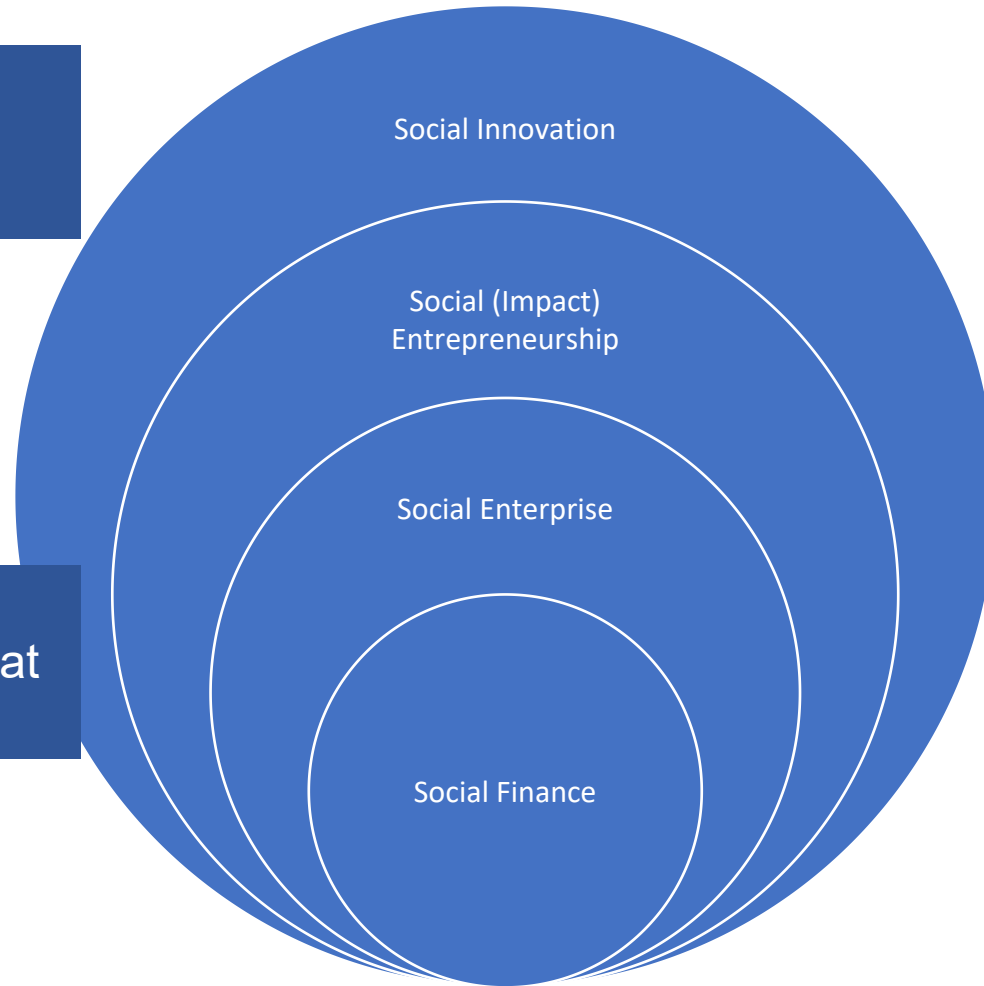
Conceptual clarity



Conceptual clarity

The ideas, beliefs, values, behaviours and skills that drive change

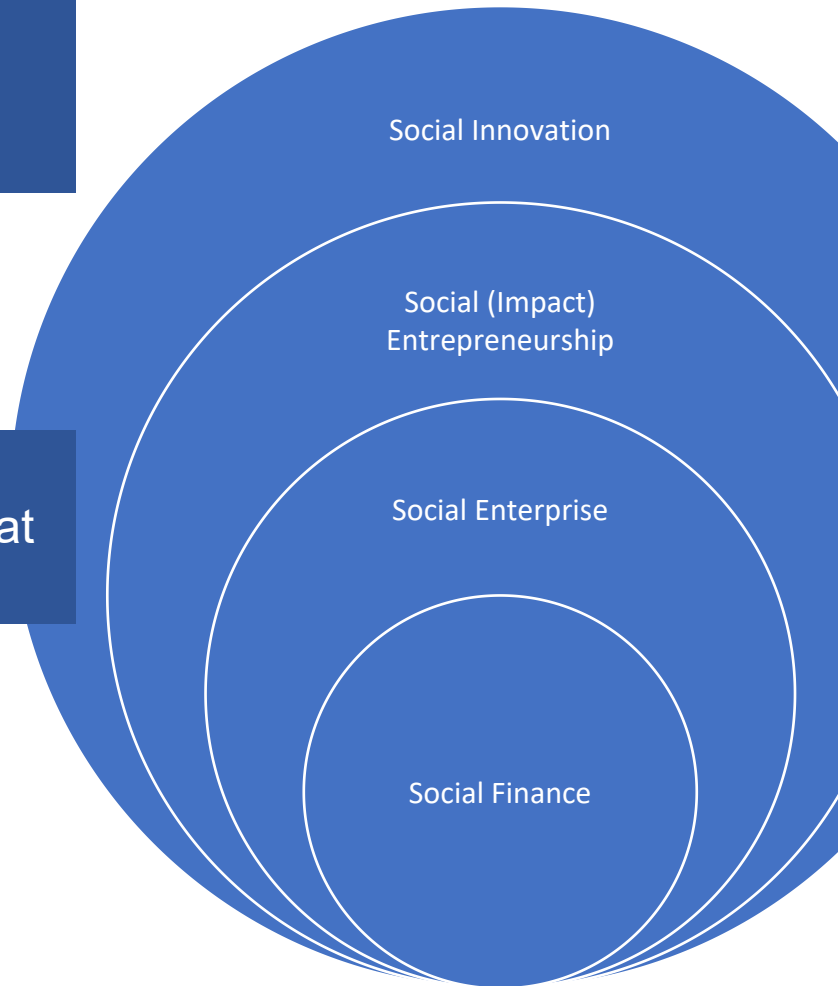
The *organizational models* and *financial instruments* that implement change



Conceptual clarity

The ideas, beliefs, values, behaviours and skills that drive change

The *organizational models* and *financial instruments* that implement change



Systems, Power and Structural change
Ideas, models, discourses, frames, inspirations, focused on structural change

Market Orientation
Organizations, projects, social movements that enact **social innovation**

How change happens?
Social businesses, profit-with-purpose, impact-enterprise, responsible business
the organizational models that deliver social change

How change is resourced (financed)?
Micro-Finance, Impact Investment, Blended finance, Venture Philanthropy, Social Impact Bonds (SIBs), Payment by Results (Social Outcomes funds)

A snapshot of policy developments in Asia

India: 2% CSR Law and social entrepreneurship referenced in the Enterprise Law

Impact Investors Council and National Advisory Board (NAB) for Impact Investment established

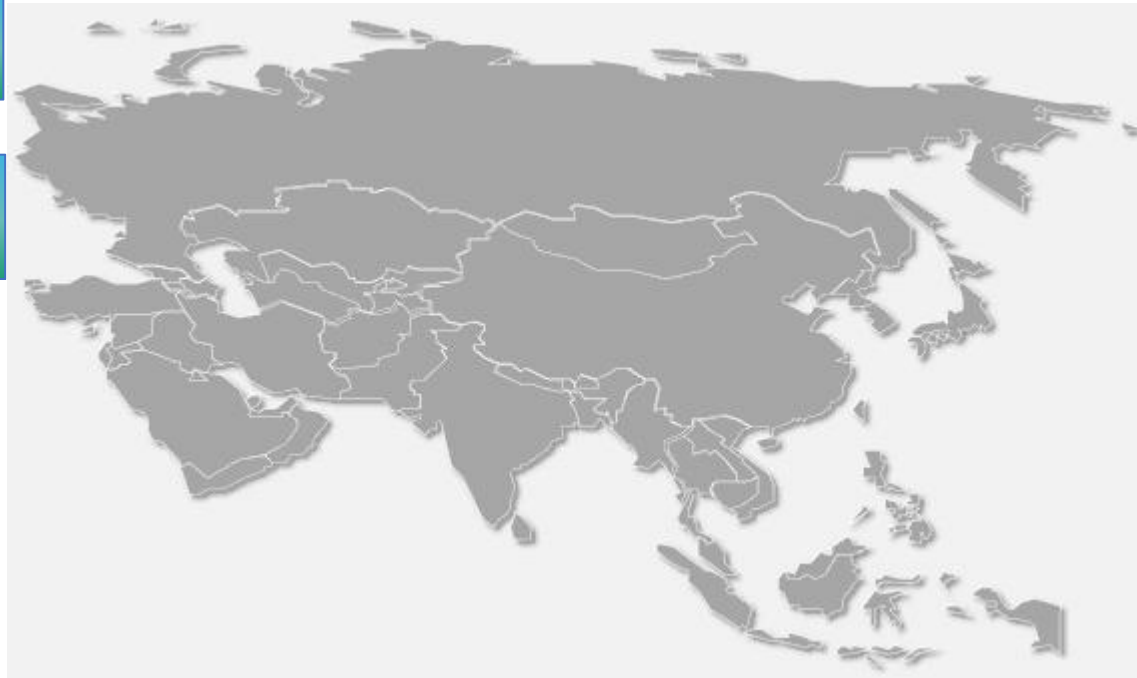
Pakistan: The launch of the Centre for Social Entrepreneurship under the Ministry of Planning

Sri Lanka – establish cross government working group on social enterprise

Viet Nam: Revision to the Enterprise Law (article 10)

Thailand: Social Enterprise Promotion Act approved by Cabinet 2019

Malaysia: The Social Enterprise Blueprint (2015) launch of the Social Outcome Fund (2017) But For Impact Social Enterprise Accreditation MED 2019



AVPN Asia Policy Forum Launches in 2014

British Council UNESCAP partnership Feb 2017

The Philippines: The PRESENT bill (Poverty reduction Through Social Enterprise) In progress

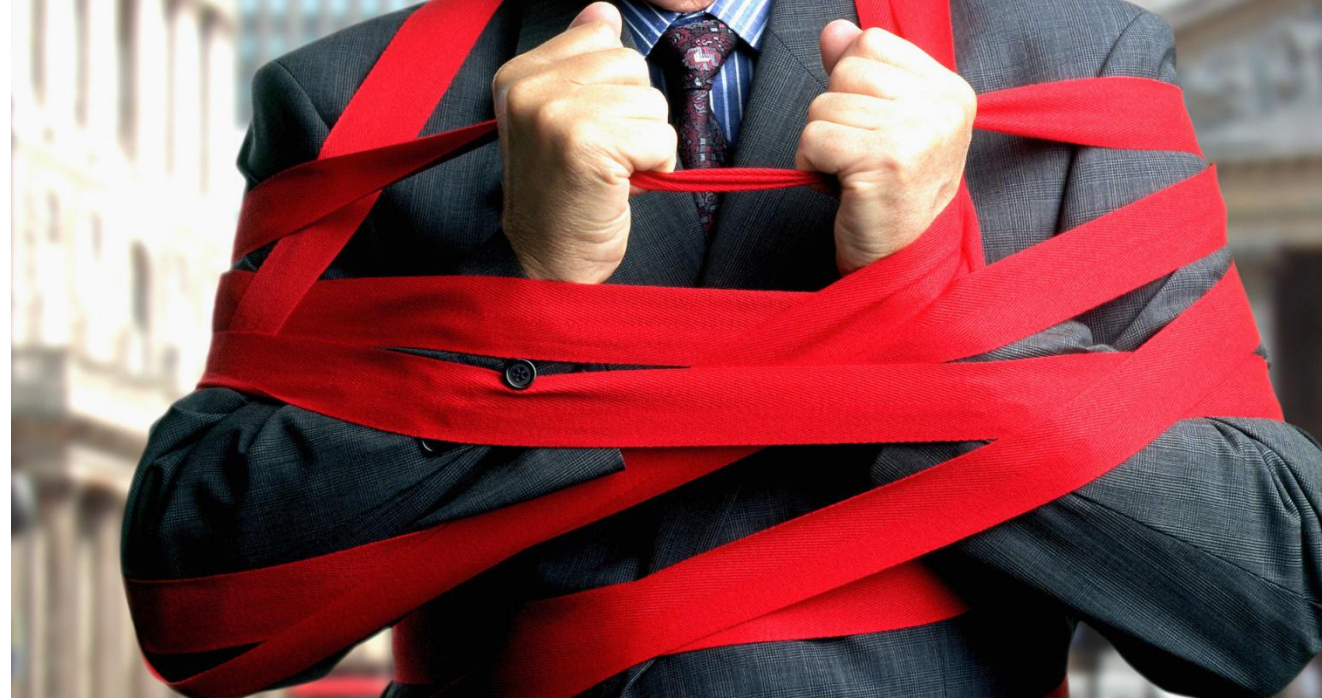
Social Entrepreneurship included in the organic law in the ARMM

Hong Kong: The Social Innovation and Entrepreneurship SIE Fund launched in 2013

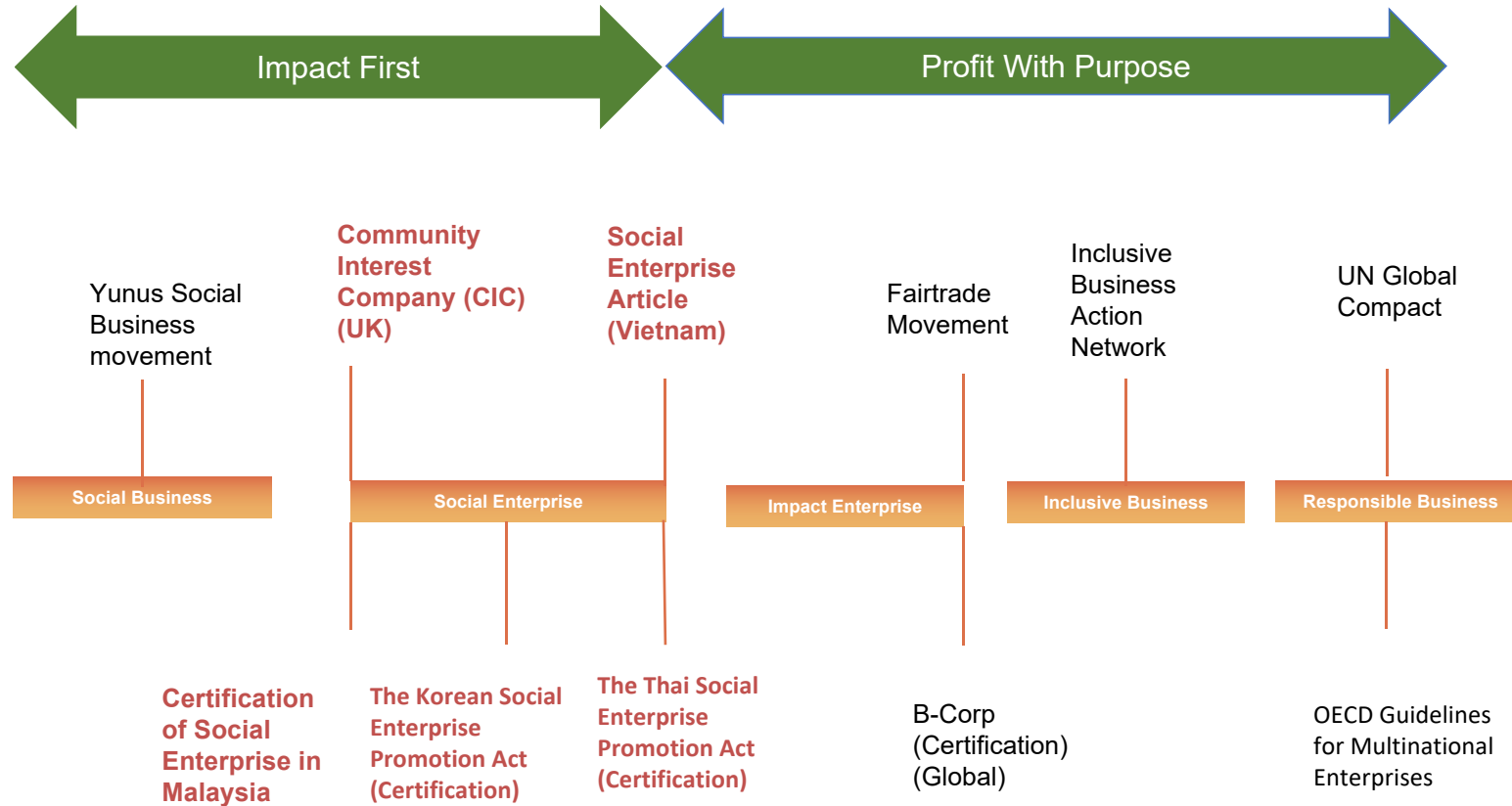
Korea: The Social Enterprise Promotion Act 2007 and the Establishment of a National Advisory Board (NAB) for Impact Investment 2017

Myanmar: Proposal approved to establish an Inclusive Business and Impact Investment working Group

Indonesia: Developing an Entrepreneurship Bill, including social enterprise and announced UNDP partnership to unlock social finance towards achieving SDGs



New forms of 'Impact' Business



Thai Social Enterprise Promotion Act

**ANY LEGAL ENTITIES COULD
BE CERTIFIED TO BE A SOCIAL
ENTERPRISE IF COMPLIED TO
SE CRITERIA**

- 1. SOCIAL OBJECTIVES**
- 2. >50% OF REVENUE FROM TRADING
EXCEPT NON-DIVIDEND SE**
- 3. SUSTAINABLE PROCESS [FAIRTRADE/
ENVIRONMENTAL FRIENDLY]**
- 4. <30% DIVIDEND**
- 5. REGISTERED AS LEGAL ENTITIES**

Malaysian Social Enterprise Accreditation

Social Enterprise Accreditation (SE.A)

The SE.A intends to **certify the status of social enterprises** to help them access greater support and opportunities to grow.

Through the accreditation process, an organization that is recognized as an Accredited Social Enterprise will be listed on SE.A MED online platform that provides customers and public with access to information on SEs more efficiently.

Benefits derived from SE.A

Accredited SEs receive the following benefits:

Get listed on a public directory which enables potential customers to access information about Social Enterprises.

Included in the Buy-for-impact campaign to encourage public and private involvement in social procurement.

Get access to other funding and support – over time, MED and other agencies will provide a range of additional support for accredited SEs subject to prescribed conditions.

Join a network of Malaysia's leading social enterprises – with events, networking and other opportunities to collaborate and learn.

Social Enterprise trends in Asia

The Philippines

Rapid growth since 2010
44% led by women
Innovating faster than SMEs

Indonesia

40% led by Women
Over 60% of Leaders under 35
62% focus on a local community

Sri Lanka

38% launched in the last 10 years
31% led by women
Optimistic about growth 70% predict growth next year

Bangladesh

20% led by women
Focused on the issues that matter (Education is the biggest SE sector)

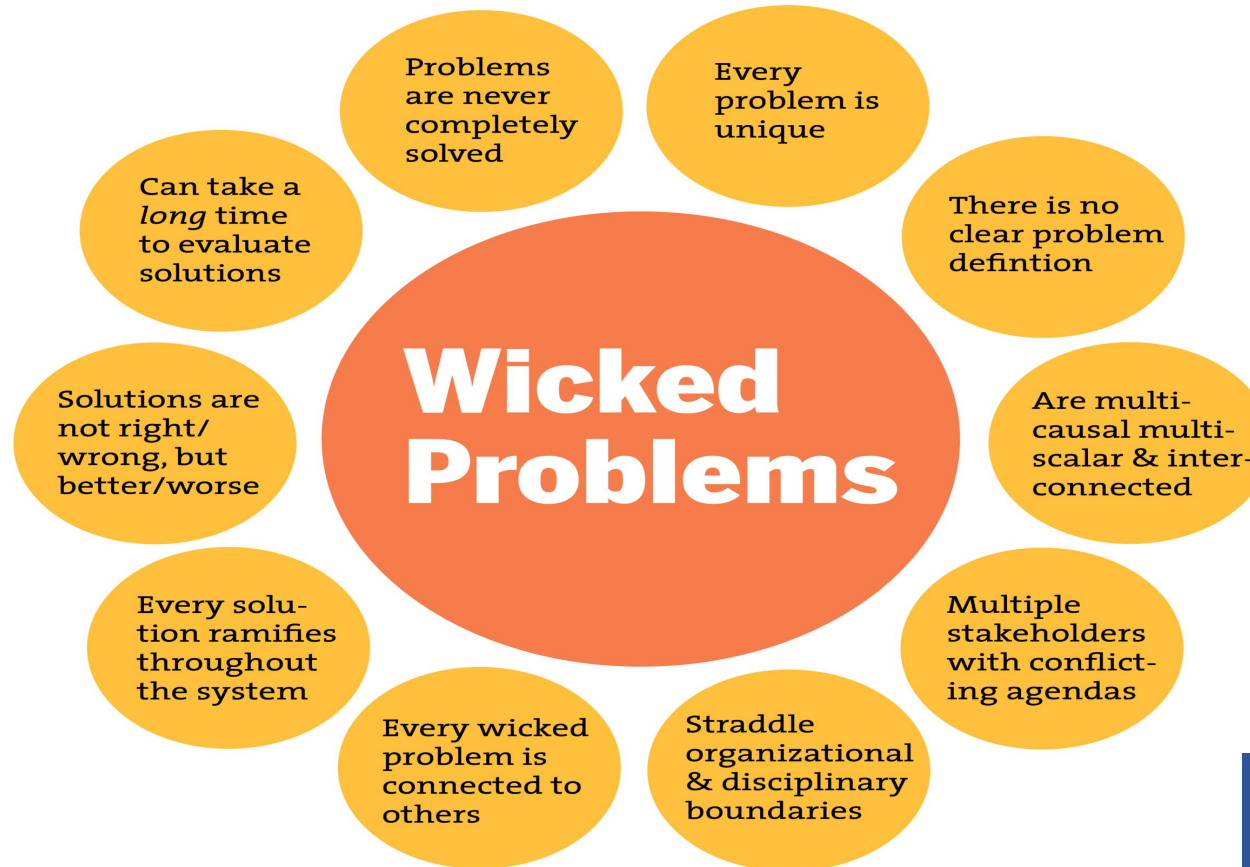
Malaysia

66% launched in the last 5 years
54% led by women
55% under the age of 40



Growing part of the economy
11,000 in Sri Lanka
150,000 in Bangladesh
342,000 in Indonesia
164,000 in The Philippines
69,000 in Malaysia

Funding and Finance



Based upon Rittel and Webber (1973)

\$2.5t annual finance gap to achieve SDGs

TOTAL GIVING IN CHINA

#ChinaPhilanthropy
#中国慈善

US \$ (billion)



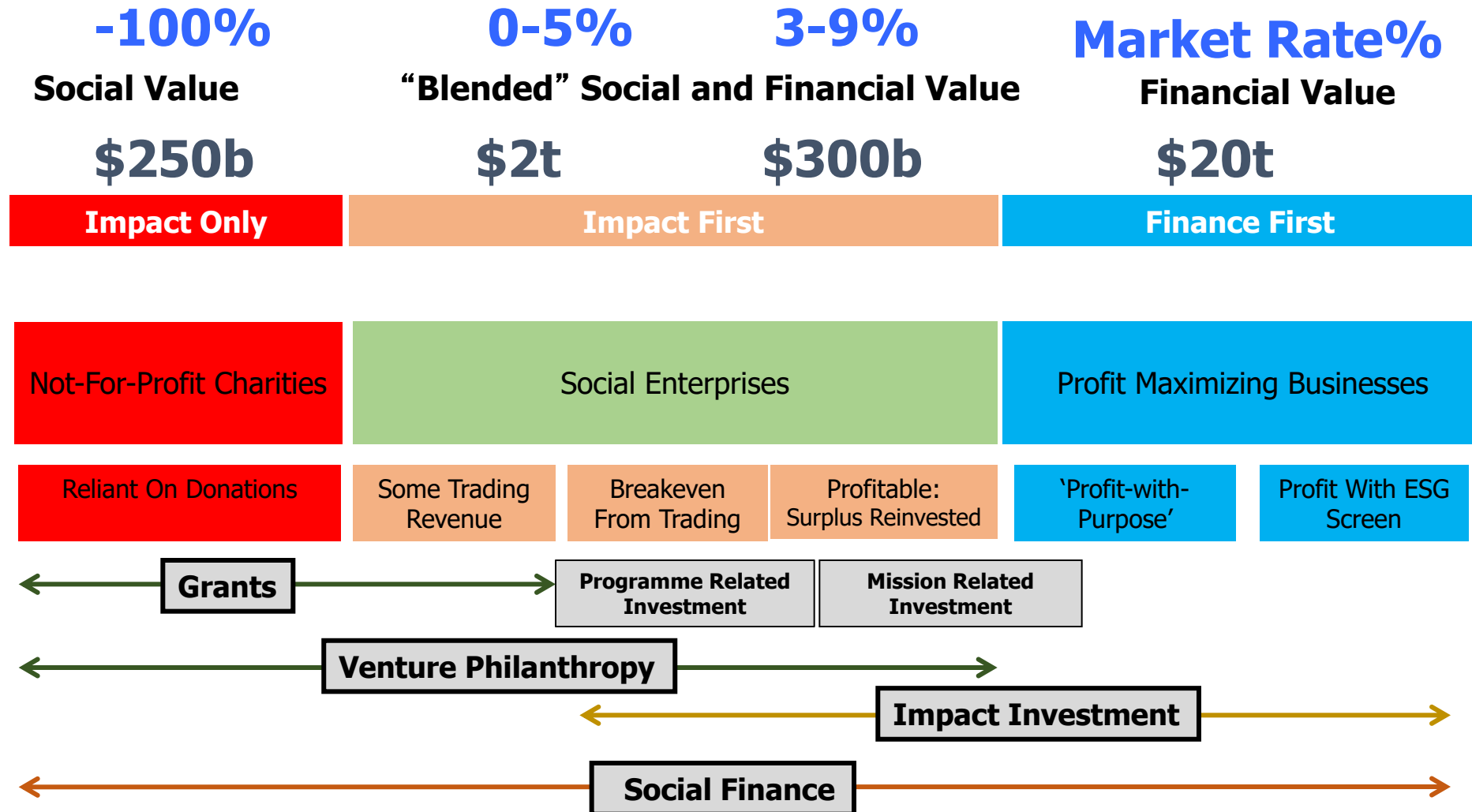
Source: Annual Report on China's Philanthropic Development 2009-2018

avpn

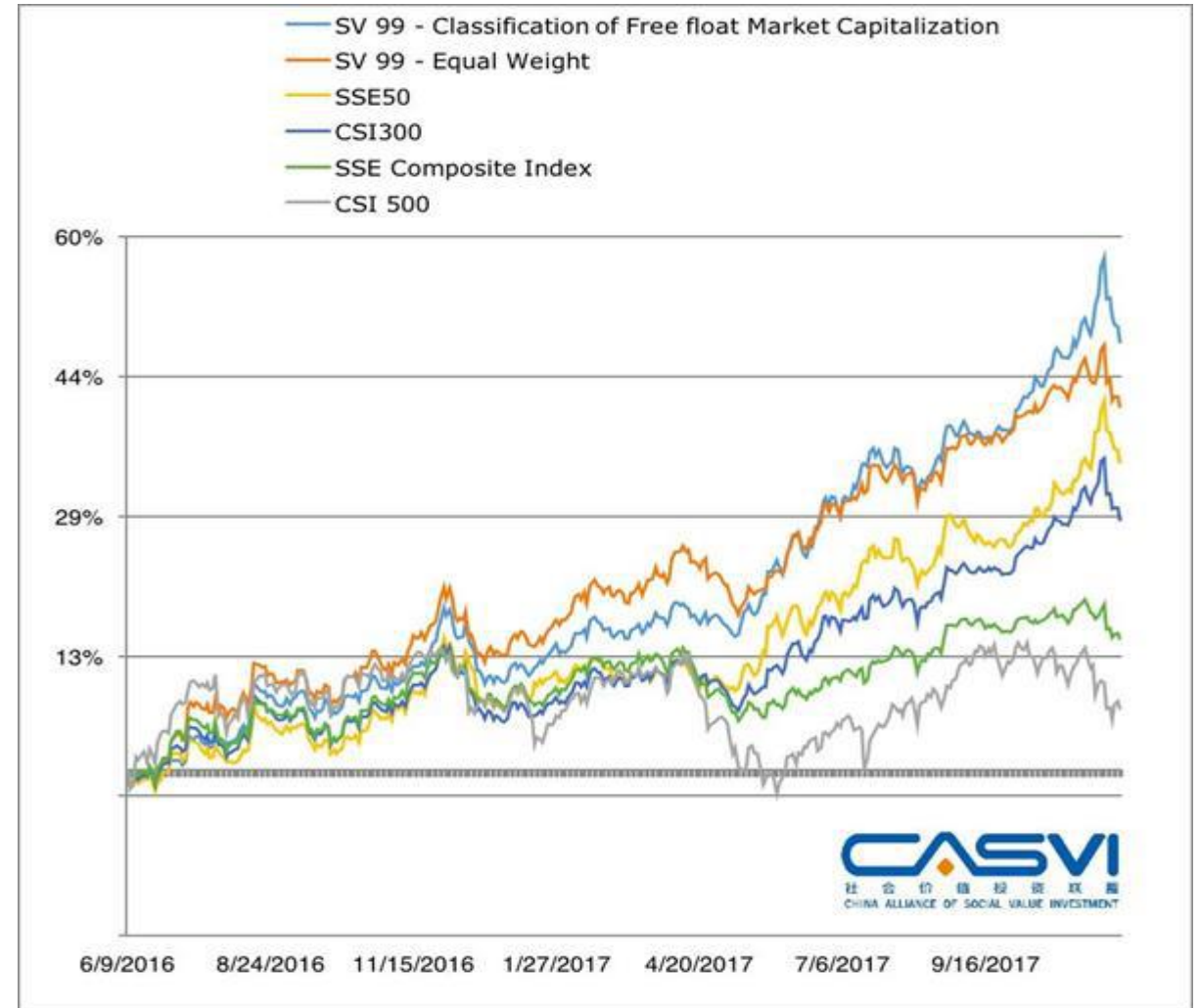
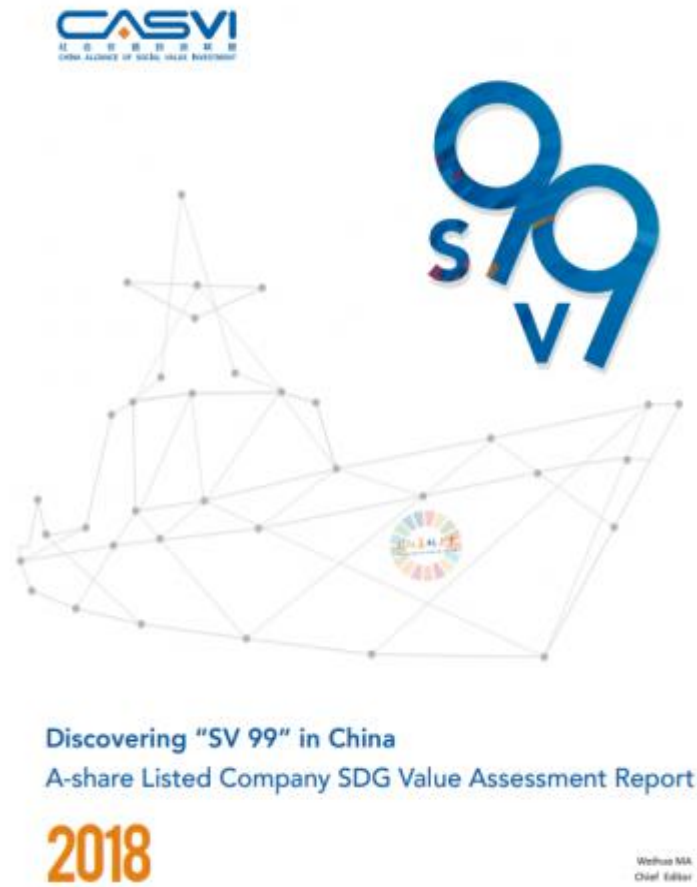
WITH SUPPORT FROM



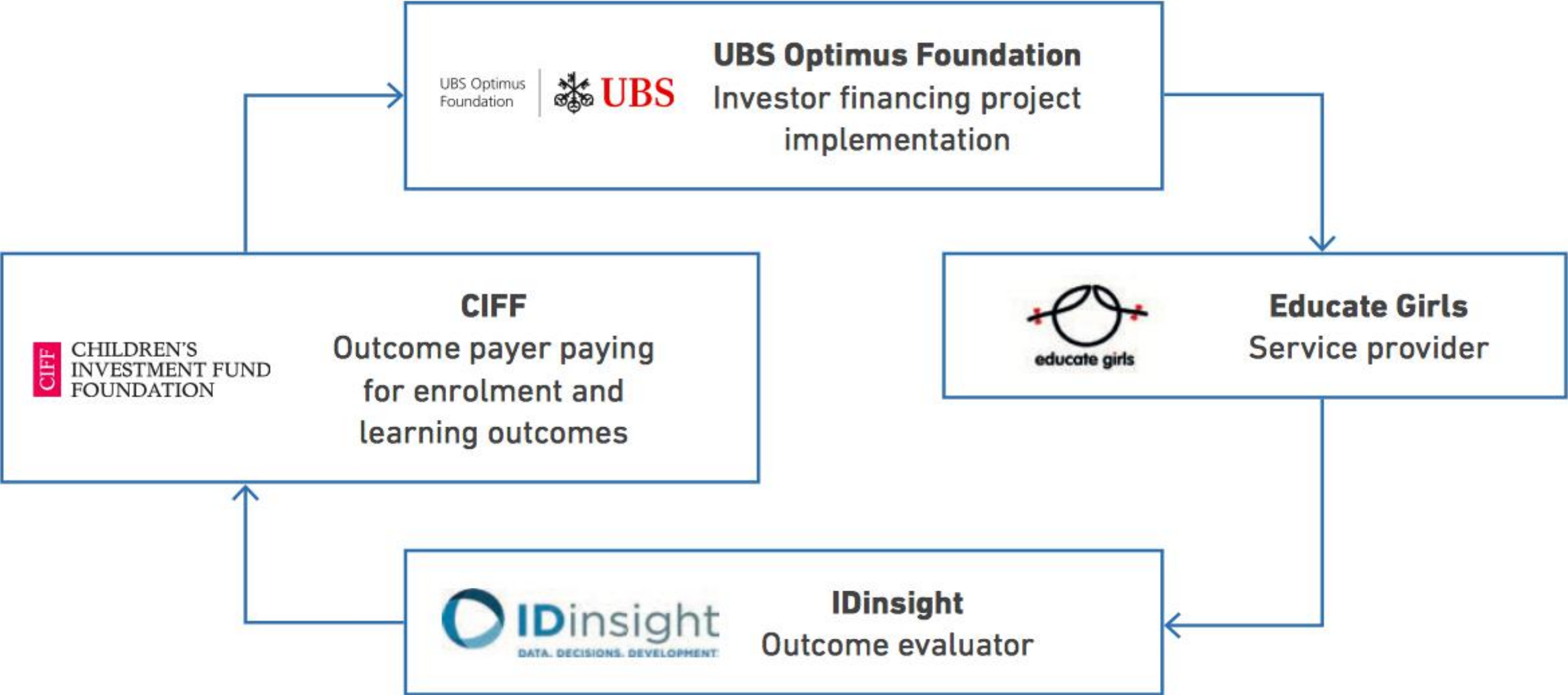
Social Finance Spectrum



The growth of “Social Value” investing in China




Case Study: [Educate Girls](#) utilising a social impact




Dalberg Global Development Advisors Process Evaluator

Educate Girls' Development Impact Bond (DIB)

The World's First DIB in Education
Surpasses Both Its Target Outcomes
by achieving...

 **160%** of the total learning target

 **116%** of the total enrolment target





Rethinking how public services are delivered - Social Procurement (The Social Value Act) and Buy Social

Government Definition of social value:

Social Value seeks to maximise the additional benefit that can be created by procuring or commissioning services, above and beyond the benefit of merely the services themselves.





BCGV / Bethnal
Green
Ventures

GOVERNMENT
OUTCOMES
LAB



IMPACT INVESTMENT:
THE INVISIBLE
HEART OF MARKETS

Harnessing the power of entrepreneurship,
innovation and capital for public good

IMPACT
MANAGEMENT
PROJECT



Find out more:

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[Sign up for our social enterprise newsletter](#)

<http://www.britishcouncil.org/society/social-enterprise>

