

# Social Investing in Asia: What has Worked?

## Lessons from AVPN 2014 Annual Conference

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*The Asian Venture Philanthropy Network (AVPN) is building a vibrant and high impact venture philanthropy community across the Asia Pacific region. AVPN has more than 150 members from 26 countries and has a Member Directory and listing of Events at [www.avpn.asia](http://www.avpn.asia). Its importance is bringing together a multiple sectors e.g. finance, business, the social sector and venture philanthropists. It has played a significant role growing venture philanthropy from practically nothing several years ago. See [www.avpn.asia/member-directory](http://www.avpn.asia/member-directory) for locations and membership in Asia.*

On May 15th, as she introduced her closing round-up to the main conference, Asian Venture Philanthropy Network's (AVPN) CEO Naina Subberwal Batra looked at the audience and smiled, "I think it's been a really exciting two days". Indeed, with 26 sessions, 88 speakers, 390 delegates, 244 organisations and 29 countries represented, the second annual conference had been a clear success. The energy level, the conversations and the rewards had been high, but this was not surprising. As Naina reminded the participants: "we are here all for one reason and one only: maximize social impact". This ultimate motivation in Asia, a place of such dynamic economic growth, drive, but also, unfortunately, increasing inequalities, merits to be reiterated yet again.



*Stacey Choe*



*Claude Ville Lessard*

**T**he AVPN Conference 2014, which was held over 3 days from 14th to 16th May 2014 in Singapore, was a great learning opportunity for many practitioners in the social investing field, and a helpful insight for investors from Europe and America in understanding the landscape of philanthropy and social innovation in Asia.

The central themes that underlie the conference already set the tone of the sessions, reminding everyone that venture philanthropy should not just be about funding, but also human and intellectual capital. This is an often overlooked point when working with funders, as too much focus is placed on grant size, or in the case of impact investors, the possible financial returns that they can get. The sessions at the conference highlighted

and reinforced how much technical expertise was required in this industry in order to ensure the efficacy of the investments and to maximise social impact.

The breakouts explored models of blended value, promoted co-investing, discussed ways to increase deal flow, and debated on methodologies of performing due diligence. Many of these were the usual headaches experienced across the array of grant-making foundations, impact investing firms or philanthropy advisors. Thus, it was also interesting to note that the solutions and the expertise required were applicable to the different organisations. What surfaced as most important were the professionalism that comes with market experience, plus the understanding of the social sector, which would allow the effective adaptation or application of models and concepts.

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As for the practitioners coming from out of Asia, one of the best things that the AVPN Conference offered was the three-in-one insight into Asia – allowing them to understand the stage of development of the sector in the region, the market size, and the key players.

Asia is still lagging behind its western counterparts in social investing even as it tries to leapfrog its way with borrowed models and concepts. However, it is also very much a misconception to pass judgment on this vast varied continent with a sweeping statement. The social sector has developed at different paces and investments are also at different stages of advancement in different countries. The opening plenary at once discussed what has and has not worked in Asia, with representatives focussing on India, Hong Kong, and Southeast Asia. The speakers were from Ford Foundation, Acumen Fund and RS Group from Hong Kong, which specialised in blended value investments, and was moderated by Crystal Hayling from Lien Centre for Social Innovation, based in Singapore.

What was also helpful for practitioners seeking to understand the local markets was the launch of a new report by AVPN, titled 'Getting Started in Venture Philanthropy in Asia'. Besides covering an overview on what venture philanthropy is about, there are five other separate reports on the legal frameworks in India, China, Hong Kong, Singapore and Japan. Working with the law firms of Clifford Chance, Drew & Napier and Nishith Desai Associates, the reports detail what every practitioner should know before venturing into the countries, in terms of fund set-up, regulations and considerations with regards to organisation structure and entity regulations.

What is ultimately the most beneficial to delegates at such an event could be the open sharing of their experiences, on what had and had not worked for them, and the lessons learnt in their journeys. These could be on implementing and adjusting their impact measurement, reaching out and finding the right local partners and investee organisations, or even understanding more about the local cultures and nuances of working with local communities.

AVPN offers the network and platform for such sharing across the different stakeholders. We are looking at developing more helpful services and resources for our members and the community, so join us in building this eco-system!

More information on the **AVPN Conference 2014** with session summaries, videos and photos can be viewed at [www.avpn2014.com](http://www.avpn2014.com). All reports on '**Getting Started in Venture Philanthropy in Asia**' can be downloaded for free at: [www.avpn.asia/startupo](http://www.avpn.asia/startupo)

*AVPN Conference 2014*

