

Portfolio Guidance – Employment & Entrepreneurship

Hej! We are looking forward to receiving your application. You will find below an overview of the portfolio and Theory of Change to guide your thinking and the application process.

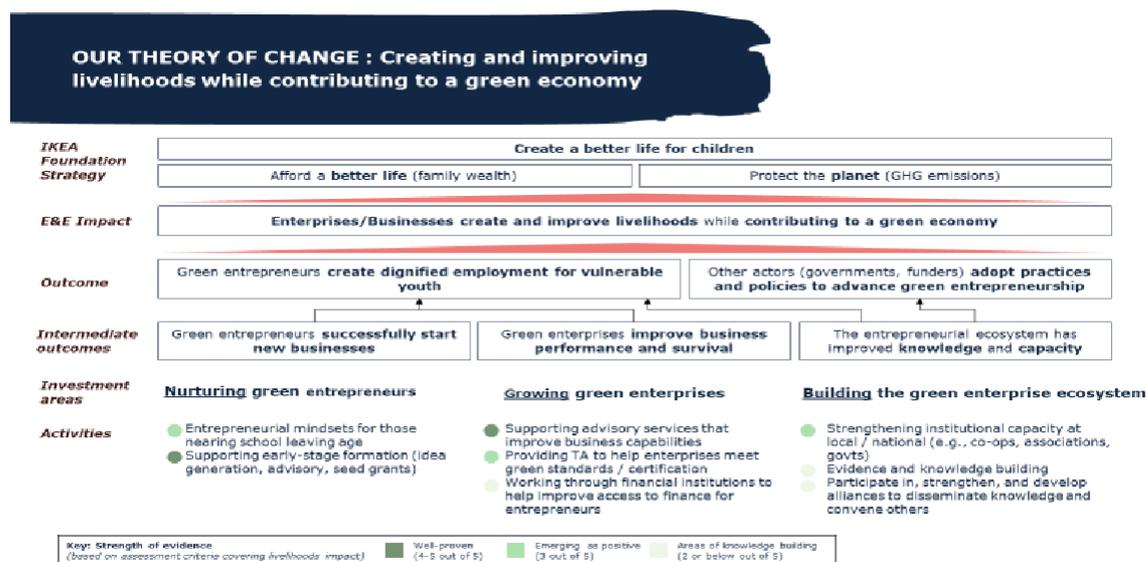
Overview of portfolio – approach & principles

Being People and Planet Positive: The portfolio seeks to accelerate the shift towards greener, inclusive and more localized economies (its North Star) that are planet positive and against the existing economic systems that does not factor in ecology into its economic models. One of the pathways towards this systems change for a greener and inclusive economy is through promoting green entrepreneurship, working at the intersection of improving livelihoods and planet and having the potential to respond to local needs, utilize local resources that benefit local community and boost local economic development, thereby creating employment opportunities, where they are most needed. The portfolio will create a demonstration effect and use an outreach strategy for wider adoption/scaling up of green entrepreneurship (through generation of evidence, knowledge, alliance building, strategic communication, advocacy etc) to influence systems change.

Building Evidence and Knowledge: Evidence on the green economy is nascent, but wider entrepreneurship literature affirms the relevance of entrepreneurship support tools in capturing this opportunity. The portfolio will have a deliberate emphasis on knowledge and field building. We will use our work to better understand what works and what does not in serving green entrepreneurs, with potential to add to the literature in this space.

What must happen to secure long term objectives ?

An important focus of the portfolio strategy is on developing a strong business case on the need to support development of green enterprises to contribute towards a green economy. To secure its long term objectives, the portfolio will be supporting initiatives across its three investment areas (see below our Theory of Change) – nurturing and growing green entrepreneurs and building green enterprise ecosystems.



We encourage organizations to indicate/explain how their proposed work aligns with either one or more than one investment areas under the Theory of Change.

Nurturing Green Entrepreneurs: This investment area seeks to provide entrepreneurs with the capacity (mindsets and skills) and capital to form green businesses. This would include approaches that embed entrepreneurial mindsets into youth at an age where they are soon to become job seekers, support early-stage idea generation, seed financing, advisory services etc that provide entrepreneurs with the resources they need to start up.

Growing Green Entrepreneurs: For existing green enterprises, we would look to provide a package of support to ensure they have the resources they need to grow. This covers continued advisory support both to build (1) general business and management capabilities – including in areas such as finance, operations, marketing, sales – that become essential as businesses develop, and (2) provide technical assistance to enable businesses to reach green certification standards, along with (3) developing the soft skills and growth mindsets these entrepreneurs need to succeed. Programs may bundle any combination of these models. In addition, we work to improve access to finance for businesses, engaging financial institutions in multiple ways (e.g., piloting alternative credit scoring mechanisms, negotiating concessional rates on the basis that our support de-risks investment).

Building Green Entrepreneurial Ecosystems: This investment focuses on building the field within the green entrepreneurship space. We seek to do this in several ways. (1) We fund knowledge generation / research activities, and (2) we participate in, strengthen, and potentially create alliances and (3) seek to build institutional capacity (such as provide institutional TA to support government capacity, strengthen capacity of associations and co-operatives, etc)

Additional guidance on target groups and monitoring & evaluation

Target Groups

Our target beneficiary will be vulnerable youth, while bringing a gender lens to our programming. Vulnerable youth are defined as between the age of 15-35, who are either not in employment, education or training (NEETs) or are below a to-be defined income level/poverty threshold. We intend to track both green entrepreneurs and the populations they cater to, recognizing some of our target populations may not fit this definition but serve vulnerable youth.

We will work with organizations that support green entrepreneurs, who generate employment (and therefore, incomes) for 5-20+ people, who focus on local/indigenous problems (rely on local resources and develop local resources) and are diverse and inclusive (are present across geographies and represent different socio-economic backgrounds)

Monitoring, Evaluation and Learning:

While the Foundation does not pre-specify a set of KPIs at the portfolio level, we will encourage grantees to select KPIs from the following indicative list of indicators:

- **Impacts:** livelihood measures such as poverty indexes (Poverty Probability Index, the Equity Index), household income, productive and durable assets, consumption, business profits; contribution to a green economy measures such as volume of waste recycled, volume of water saved, tons of CO2 averted
- **Outcomes:** employment creation measures like employment status, jobs created, wages paid; policy change measures like sector actors adopting recommendations advocated by E&E grantees
- **Intermediate outcomes:** business start-up and survival, sales, revenues, business knowledge and practices