

# Access to Finance services package



Switchers, environmental and social entrepreneurs from the Med Region, combine business acumen with a determination to generate transformational benefits for society. They are breakthrough innovators, active in a variety of fields, such as sustainable farming, green construction, sustainable textiles and cosmetics, eco-tourism, renewable energy, or waste management, who recognize environment and social imbalances that lead to environment degradation or marginalization. And they are also creative problem-solvers who seek to restore the balance, by bringing to fruition business solutions that drive change.

The issue of access to finance is a recurrent demand of Green Entrepreneurs in the Mediterranean. In order to explore this demand in greater depth two online surveys were distributed among the “Switchers Community” between 2018-2021 and access to funding seems to be the main issue facing Green Entrepreneurs in the Mediterranean, as expressed by two thirds of respondents to the survey. The vast majority of them is currently seeking an investor. However, finding a suitable (and interested) investor proves to be difficult for a majority of respondents and next to that fulfilling the requirements and providing all the necessary documentation required in order to get access to finance.

On the one hand, this issue can reflect the bureaucratic hurdles that entrepreneurs face when setting up a business in Mediterranean countries. On the other, this could also be an indicator of the level of financial literacy of Green Entrepreneurs, which can be an important barrier to access financial services; as matter of fact, Green Entrepreneurs who are not familiar or comfortable with financial products, will simply not ask for them.

The level of financing that Green Entrepreneurs are looking for varies according to the level of development of their enterprise. Nevertheless, the financing needs for a majority of respondents fall in the categories of what a regular SME would need, which is the range between 10,000–100,000 €.

In order to face the challenge of improving access to finance for Green Entrepreneurs, the programme provides a package on tools and inputs aiming at creating opportunities for Green Entrepreneurs to show the potential of their business ideas and attract the interest of traditional and non-traditional investors.

This package of services goes from reviewing business model and financial plan to creating *ad hoc* events for Green Entrepreneurs to pitch their ideas.

## Overview and Objectives

In order to facilitate access to finance for companies and to enable Switchers to present their proposals in an appropriate form in front of a cohort of potential investors or during bilateral meetings, the access to finance package of services foresees a variety of in presence activities and online tools.

The following table summarizes the distribution of responsibilities between the SCP/RAC and the BSOs/Local implementing partners as well the way in which the services are provided.

<b>Offline tools</b>	
Deeper the work on the finance aspects while the incubation phase	BSOs/Local implementing partners
Intensive Investor - Ready Capacity Building	BSOs/Local implementing partners
Green startups meet investors events	BSOs/Local implementing partners
Post-event activities	BSOs/Local implementing partners and SCP/RAC
<b>Online tools</b>	<b>Responsible for the action</b>
Finance toolkit	SCP/RAC
Online handbook on investing for impact strategies	SCP/RAC
Podcast series	SCP/RAC
Annual virtual regional masterclass	SCP/RAC

## In presence activities:

### a) Deeper the work on the finance aspects while the incubation phase

For those companies selected to benefit from the incubation phase, a first review of the business model and financial plan, from an investors point of view, should be taken into account. While the incubation phase, co-managed by local BSOs and SCP/RAC team, the entrepreneurs should be supported in the compilation of a valid finance plan. The financial plan should be useful to determine if the idea is viable. The financial plan is an integral part to an overall business plan and should follow three financial statements—cash flow statement, income statement and balance sheet. In the financial plan, each of these will include a brief explanation or analysis.

### b) Intensive Investor - Ready Capacity Building

A pool of green entrepreneurs (preferably between 8-12) will benefit from an intensive investor ready capacity building action to get ready to pitch and to be able to address investors during a specific “Green start-ups meet investors” events. Target audience is represented by Switchers and the event is organized by local BSOs identified by SCP/RAC at country level. The companies that

will benefit from the activity can be found among those selected by the programme to be incubated and other coming as external but able to be identified as Switchers. Referring to the incubation phase, according the level of development of the company, preparation and capacity of the entrepreneurs showed during the training and mentoring sessions, and possibility to capture investors' interest, Switchers will be selected to pass to the demo day pitching.

The call should be managed by the local business support organization responsible for the activity in each country via programme platform which allows both registered and newbies to sign up.

A registration template (that should be available on-line) and information required to open a call for entrepreneurs and participate to the intense capacity building and elevator pitch events.

The validation of the companies will be done in coordination with SCP/RAC during the incubation phase or immediately after the conclusion of the mentoring sessions in order to guarantee as much as time as possible to the selected one to get prepared.

The capacity building action will focus on identifying the financial projections of the startups, understanding investment readiness, trends and opportunities in the investment landscape, different types of funding and investment, and communication skills.

The selection criteria to identify the beneficiaries of the activity should be the following:

- Early stage/Growth stage ventures selected after finalizing the incubation phase or selected following the specific criteria of each programme-project
- Those identified during the incubation phase and/or
- Venture has an environmental and social impact
- Venture has a unique value proposition and sustainable business model with clear revenue streams
- Venture has a potential of scalability, is innovative and economically viable
- Venture has a prototype or product/service ready in the market

The capacity building should ideally last between 4-5 workshops covering at least the following specific aspects:

## WORKSHOP 1

- The raising fund process & the special challenges for "green" startups.
- Business plans, canvas & financial projections.
- Mapping of the ecosystem investment instruments and actors and how to act.

The central part the workshop should revolve around the general process for raising funds, composed of four steps: preparing before approaching investors (1), chose the most appropriate type of investors (2) conduct the first meeting (3) and handle the term sheet's negotiation (4).

## 1) Fundraising preparation

At the early stage of the general process for raising funds, the entrepreneur must be aware that approaching investors do not belong to the art of improvisation. This is even truer for the small start-ups, whose enthusiasm for the project they carry could draw attention away from the business aspects. Entrepreneurs face two alternatives: train intensively to fund raising's complex art or incorporate someone else qualified in the team. Entrepreneurs have to build a full data package with a view to approaching investors. This step could be months-long. It includes, according to the company's degree of maturity, a full presentation about the technology with trial results, an executive summary, a market's landscape report, a financial plan, IP reports, a most completed business plan as possible as well as the expected / existing environmental and social impacts. Once they manage to gather the data, the entrepreneurs have to devise and rehearse the entrepreneurial story they will propose to investors. Every answers they will submit to the latter should be supported by documentation.

## 2) Investors screening

Looking ahead to approaching investors, entrepreneurs have to identify what type of investors match their stage of development, according to the maturity level of the business and their technology. Knowing how challenging it is for « green » entrepreneurs to raising funds, the latter should look towards:

- the first possible source of funding for pre-seed capital is what we call the « love money », invested mainly by private persons, relatives of founders' team. Those are mainly close and extended circle of family and friends as well. Another possibility is represented by the business Angels, previous startups founders who exited and want to invest money in other companies. They invest their own money at the riskiest stage for startups, while the risk incurred is generally proportional to the expected return on investment if the bet succeeds. Business Angels can bring together in « family offices » in order to have a greater investment force.
- the main providers of seed capital are business angel and early stage venture capital firms. However, in recent years, new players like crowdfunding platforms have joined the game and theoretically powered the ecosystem. Reward-based crowdfunding (users choose the project they like and get physical/ digital products or services in return, receiving no equity from the start-up providing such goods) and equity crowdfunding (investors of the company get equities in return, thus becoming shareholders).
- Serie A round (the company now has a plan to generate long-term profit): investors involved in Serie A are more traditional venture capital firms. Angel investors still invest but tend to have less influence.
- Serie B round (the company aims to expand its market, grow the team or develop advertising). This stage of development involves many of the same actors from the previous round, along with new wave of other VC that focus in later stage investing. From the investors point of view, horizon is clearer as for the pie's slice they hope to obtain. Generally speaking, the further the start-up grows, the more they will be investors.

Last tips before approaching investors: entrepreneurs have to learn about the investors and bear in mind that they don't negotiate with impersonal and abstract institutions, but people. The entrepreneurs will make a deep impression to investors if he/she is able to broach its failures and success. Moreover, entrepreneurs must not hold always the same speech to investors: every successive contact should include an added value, reveal a new « confidential » information about the technology or cast a new light on the team and the project. Last but not least, improving its visibility on the web. Entrepreneurs can begin by taping their name on a search engine and see which information appears (Linkedin network, Facebook profiles, press articles...).

### 3) The first meeting

The first meeting should be thought as a teaser for the next one. It aims to provide the foundations for building a relationship of trust with the investors and distinguish the entrepreneurs among the others applicants. Regarding that goals, there are few advices to follow:

- Do not prepare a one-hour presentation: twenty minutes sharp with ten slides, taking into account the fact that the presentation will not be as fluent as in front of the mirror at home.
- The shortcoming of numerous entrepreneurs is to dwell a great deal on their product. However, investors are not just looking for a prototype: they mainly invest in a team and focus on the business aspects of the deal. Thus entrepreneurs have to give a global picture of the product and address the commercial issue, without focusing too long on the technical aspects.
- Managing the disclosed information: like every good teaser, entrepreneurs have to keep the investors coming back for more. The story has to be revealed progressively during the talks, in order to always bring something new and exciting on the table.
- The starting point of a startup is a problem which the entrepreneur intends to solve. To make it clear in the investor's mind, the entrepreneur has to quantify the impact of the solution he purports to bring. For example: « reducing 25 % of costs associated with lack of automatization in XYZ making a sales agent 50 % more productive by doing XYZ ».
- Never lie or exaggerate is crucial to build a trust-based relationship. Admitting the weak and/or unfinished areas of the project means the entrepreneur is lucid and realistic. It does not remove anything of value from the proposition. Investors must be sure that the entrepreneur knows what he is talking about. When the latter cannot answer a question, the appropriate reaction is to say the truth and looking later for the response. Overall, somebody who is too much self-confident suggests that he has something to hide and casts doubt on his ability to deflect the company's initial path if necessary.
- Be able to ask questions to the investors, make him talk about himself and feel important.

### 4) The term sheet's negotiation

The term sheet's negotiation is the conclusions of previous talking. Barring surprise during the audits, terms evolve only at the margins if the previous discussions has been enough precise. There is however always a possibility to negotiate, by creating an atmosphere of competition and the

feeling that the investor might lose the deal. The entrepreneur can subtly imply that other opportunities wait for him.

The last main issue the entrepreneurs have to deal with is the start-up's pre-money valuation. This is not an exact science. The two classical existing methods to estimate company's value are barely working for startups, whose future is by definition unpredictable. Moreover, start-ups at pre-seed round lack of tangible contextual elements to build their valuation. We here introduce two methods used mainly for mature companies that lingered over the more subjective criteria used generally for start-up.

- Valuation based on comparable transactions: this method takes basically another company carrying in the same sector, whose size and seniority is close as reference.
- Valuation based on cash flow methods: the valuation is the fruit of calculation related to the future gains' anticipation. The company is supposed to be as worth as it could yield a profit. A very young company will be valued according to his valuation's potential at exit. The more important the risk taken by investors, the higher will be the valuation multiple. If the entrepreneur rests on this method, it is better not to multiply the different scenarios (optimistic, pessimistic, balanced...etc).
- For lack of tangible element, start-up's valuation will rely on more abstract and subjective data, such as, among other criteria, the entrepreneur's experience, charisma, passion and effectiveness of the founders, potential conflicts among the team, consistency of the project, market's features and product appeal.

Business plans, canvas & financial projections: review of revenue streams in the business model canvas and development of the investment teaser

- Building financial projections:
  - Identifying the sources of revenues, and setting the cost strategy.
  - Pricing strategy.
  - Financial projections: How to build financial forecast based on assumptions.

## WORKSHOP 2

- Mapping of the ecosystem investment instruments and actors and how to act: alternative finance opportunities and Impact Investment options in the Country

Investors: Finding venture capital/business angels/ crowd sourcing vs. going alone

- Funding options (debt or equity)
- Investors' types (angels, early-stage VCs, growth stage VC)
- Management of private equity and venture capital funds.
- Impact investment and opportunities available on the market

Understanding investment readiness:

- Setting an investment readiness checklist.
- What are investors most interested to know/need to see?

- What is an “investable” or “investment ready” company?
  - How to write an effective executive summary? (Annex 1)
  - Entrepreneur story: be inspired by previous best practices

The executive summary (or one page) could be presented by an analogy: it is the company’s curriculum, whose aims to get funds or customers. The entrepreneurs should to think up two versions of the startup’s executive summary: one for the customers (visual and marketing leaning) and the other for investors. Considering that investors collect around hundred executive summaries per month, it must not be one page longer, and not along with a non-disclosure agreement at this stage. As long as the entrepreneur has the certitude that the investor operating in her/his field, the one page can be included in the first e-mail.

The one page’s purpose is to get a meeting with the investor. It is built like a good teaser: just enough information is revealed in order to tickle investors’ curiosity. Nevertheless, the one page obeys precise formal rules that is important to fulfill: if an information required by the investor lacks, he/she won’t bother to send a reminder. The document is « funnel-shaped » from the general presentation of the company/ product to technical and commercial details.

These are some of the main element included in an executive summary

- « What we do »: short but efficient summary of the startup’s activity (one to two sentences).
- « The need and market opportunity »: is the wording of the problem that the startup intends to solve. The counterpart of the problem is the market’s opportunity, which has to be numbered: how many potential customers today and in the near future.
- « Product and technology »: it is better to make this column visual and didactic. The entrepreneurs have to adopt here the user’s point of view and describe simply how the latter discover the product step by step.
- Business model: a common mistake is to put both « business to business » and « business to customer ». This is equivalent not to have business plan at all because unrealistic. As a startup, the entrepreneurs has to target one segment first. If the entrepreneur is focused on developing his/ her technology and hasn’t really thought to commercial strategy as he writes the executive summary, he/ she can at least broach his/her long-term view. It does not forbid to modify it in a second time.
- Competition and differentiation: where is the startup located on the competitive market and in what consist the added value of the proposal. Never denigrate the competitors: as a newcomer on the market, you do not know if they are part of your targeted investors’ portfolio.

### WORKSHOP 3

- Pitching is an art and you can learn it: presentation skills and Power Point tips
- How to build the most effective visual deck for your presentation?
- Pitch Preparation lecture – the content (Annex 2 ppt. provides an example of the main content to be included in the presentation).

Presentation skills and Power Point tips. The coaching content should rely on three axes: the content, the design and the presentation manner. This criteria's combination targets two levels of perception among investors: the business and the human level. The business level aims to provide essential information to investors, which will strength a trust based relationship (human level). The content will ideally develop three main points: basic tools to get off to a good start; visual and formal aspects of the (pitch, slides, presenting); and the methodology.

First of all, someone who prepares itself to pitch has to raise the question: « Why do I pitch and to whom? ». The entrepreneur has to adapt his/ her pitch depending on the audience (investors, customers, potential partners, or future employees), by still keeping in mind the business and human variables. Then, a good pitch is short but efficient, targeted and built like a story. A good story works with following component: a lively storytelling elaborated regarding a purpose and which stems from a problem, all with endearing and charismatic characters (the team).

A power point presentation (Annex 2) is roughly organized this way:

- welcome words: consist in a second's long answer to the following questions: who are you and why are you here? There are many ways to settle the audience's attention upon itself (joke, personal story.etc)
- problem's assessment: is the matrix of the pitch. As Charles F. Kettering said « a problem well stated is a problem half solved ». The problem's data have to be very clear in the audience's mind (potential customer category affected by the existing problem, how large is this category, outcomes brought by the proposal). The entrepreneurs have to name the problem in order to fix it in public's mind.
- solution: a simple and limpid statement about the product or service proposed by the start-up. Entrepreneurs have to make it a matter of course.
- how the latter works: the watchword is « Take us by the hand»? A video, demonstration or pictures which sums up the stage process are very welcome. The product appears both workable and under stable.
- trends and opportunities: entrepreneurs have to bring to light a real urgency or demonstrate that the time is relevant for developing such technology.
- market analysis: entrepreneurs have to show what's out there (location, size and various characteristics of the market, estimation and forecast of the achievable gains)
- competitive landscape (optimally presented as a graph): entrepreneurs should show he/ she is aware of any competitors' presence and can deal with by proposing an added value solution beyond what already exists. Far better than denigrating its rivals. The investors are liable to own these companies in their portfolio and it is far more constructive to show what we bring in addition to the great existing technologies.

- Unique Selling Proposition (USP): what is basically the secret sauce of the company (technology/ team/ experience/ IP/ partners)
- status: what steps has the company took up so far and what is its current situation and next goals (you have a working patentable technology and now look for launching it on the market / you have paying clients and aim to scale up).
- business model: even a wonderful technology does not reach the market without a sound business model. You have to explain clearly to investors how do you make a profit, who pays who and how you fix the product or service' s price.
- go to market (GTM): who are the low hanging fruits, your early adopters and what are your plans to extend your users panel? How do you intend to reach such a customer category?
- funding requirements: better not to write the desired amount on the power point. It is better to say it verbally and explain how this funds will be used.
- team: show you are experienced, passionate and available people. The investors have to be convinced that nobody else can do the job.
- final slide: necessarily includes team contacts and a word of thanks, eventually a catchword summing up your vision or any surprises aim that gets investors remembering your pitch.

#### WORKSHOP 4

- Pitch Preparation - individual reviews
- Pitching practices make it perfect!

Notice: it extremely important to share the PPTs and training materials with trainees before the coaching session in order to allow them to arrive prepared at the coaching session and with a first draft prepared.

The Pitching practices exercises take the form of role-play, and end with each participant doing a pitch. The practice slot needs to leave enough time for discussion with the participants between the exercises so that incremental evaluation is possible. Once the practice is finished try to give as much as feedbacks as possible to the Green Entrepreneurs in term of communication and content aspects to improve.

Conclude the coaching reinsuring the participants and asking them to practice their demo elevator pitch at home in order to be ready for the green start-ups meet investors' event.

**Deliverables of the action: all the below deliverables are compulsory and under the responsibility of the partner organizer / business support organization.**

#### D.1 Green Entrepreneurs Portfolio

A detailed collection of business ideas that will be presented to the potential investors before the local events "Green start-ups meet investors". In this way financial actors will be aware about the ideas that will be presented during the elevator pitches and furthermore they will receive specific information in terms of finance needs and a first technical details description useful to evaluate if the businesses are financeable. An example of Green Entrepreneurs Portfolio is available at **Annex 3**.

## D.2 Pitch Preparations

All selected entrepreneurs will arrive at the event with a pitch deck validated. The pitch deck will be shared with potential investors during the event and it will be the base for the jury's questions during the elevator pitch.

## D.3 List of Potential Investors to be selected as jury members during the event

A list of potential investors with a relevant profile for the entrepreneurs will be selected and invited to be member of the jury during the event. The shortlisted investors participation will be confirmed before the event and the members of the jury will receive than the green entrepreneurs D.1 Green Entrepreneurs Portfolio.

## D4. Evaluation grid for investors

Good Pitch Deck usually should show the following content and these are the key criteria judges-investors are looking for.

1. Elevator Pitch: **Value Proposition**
2. Problem & Product or Service: **Your solution**
3. Innovation, Momentum, Traction, Expertise: **Key numbers**
4. Market Opportunity: Define market size & your customer base
5. Environment and Social: **Your impact**
6. Business Model: **Key Revenue Streams**
7. Market Approach & Strategy: **How you grow your business**
8. Team & Key Stakeholders (Investors, Advisors, Partners)
9. Financials
10. Competition
11. Investment: Your 'Ask' (funding, mentoring, market access etc) + short use of resources.

The jury evaluation grid (Annex 5) is an easy tool that could be used by the jury members and potential investors during the Green startups meet investors' day to assign a weight to each specific relevant aspects to be considered during the pitch and better evaluate the companies.

## c) Green startups meet investors events

The demo day elevator pitches events represent the result of the Intensive Investor - Ready Capacity Building sessions where the green entrepreneurs were supported to understand the stages of the investment process, to improve their communication capacities and to prepare their business to be evaluated by the financial players.

These events aimed at bringing companies and investors together and represents the creation of ad hoc opportunity for Green Entrepreneurs to present their projects to a pool of potential investors. These investors had signaled their interest in Green Start-ups and received in advance specific information on the entrepreneurs' finance needs, as well as technical details, in order to evaluate the viability of the proposed green business ideas.

These events will be composed by two distinctive moments:

- Elevator pitch
- Speed mentoring

In preparation of the event, think about the following:

- Venue: make sure you have enough space to receive people and to organize work
- You have a counter to be sure the GEs respect the time devoted to them.
- Make sure all the jury's member confirmed their participation
- Make sure you have a copy of all entrepreneurs' pitch
- Make sure the jury members received the **D.1 Green Entrepreneurs Portfolio at least 3 days** before the event
- Make sure you prepared the documents to collect investors' inputs (Annex 4 – Jury evaluation grid)
- IT material: make sure you have organized the availability of a laptop, beamer

### The Elevator Pitch

An elevator pitch is a short verbal introduction of 30-90 seconds that explains what a company does and how it can benefit the audience. The concept came from the idea of what a company would say to a VIP (for example, an important potential customer) if bumped into them in an elevator, i.e. with a very limited time frame in which the company needs to tell them about the company, why they should work with them and succeed in getting a follow up meeting. It is commonly used among start-ups to convince potential funders to invest in them. However, the model has now spread throughout all types of organizations. From the programme point of view we consider it as a very useful tool to get in contact with possible investors and we thought to adapt it to the Green Entrepreneurs' needs and experiences adapting the concept to the demo day format.

The demo day elevator pitch is a more extensive introduction about the company or idea and normally last 5 minutes. All the capacity building materials included in this concept note have been produced with the aim of supporting the GEs to be ready for the 5 minutes' demo day event.

The demo day elevator pitch runs approximately 4 hours in length and will be conducted in a previously selected venue, preferably in an entrepreneurial environment such as business incubator or accelerator. The number of attendees per event can range from 30 to 50, depending on the number of possible investors and relevant stakeholders participating.

Here below a suggested agenda of the event:

09:00 Registration of participants

09:30 Welcome and opening remarks:

Programme presentation and panel discussion

- 2GEs and 2 investors will introduce the main barriers and chance to access to finance.

10:30 Elevator Pitch Sessions

- 8/10 Green Entrepreneurs present their project idea in a five-minute presentation. After each presentation the jury's member will have 5 minutes to ask for questions.

11:45 – 12:00 Coffee break

Coffee break could be used by the organizer to collect specific interest from investors or companies and to set up face to face meetings after the pitch.

12:00 – 13:00 Face-to-Face Meetings and Speed Mentoring

The Speed Mentoring

During this moment a specific space will be set up to allow a speed mentoring to all GEs and Investors to interchange information and relevant inputs. In this way all the GEs will receive a very first feedback about their presentations and inputs on how to improve their business according the investors' point of view. The speed mentoring will also allow the possibility to cover the fact that investors only want to meet one or two companies. In this sense, the Local partner and the SCP/RAC team will arrange face to face meetings with the all the companies in order to give to all the entrepreneurs a first positive feedback about the work done and suggestion on how to improve the presentations.

#### **d) Post-event activities**

We strongly recommend a follow up of the access to finance activities after each event. In this sense a personalized feedback on the strengths and weaknesses of the project submitted with a monitoring of the contacts made with the investors during the meeting should be offered to the entrepreneurs with the aim of improving their capacity to meet the appropriate financial players. A SWOT analysis about the entire event will be also delivered as useful tool to improve next programme's activities.

A mandatory action is the gathering of a specific survey results (annex 5). The survey will be proposed three times: after month n.1 - months n. 3 and 6 and will be focused on identify the amount of the money raised and from which actor.

#### **D.5 Report on the volume of funds mobilized through financial deals after the events**

## **Online tools:**

### **a) Finance toolkit**

A practical toolkit for the Green Entrepreneurs to better access to finance in the MENA Region, enabling all registered entrepreneurs, to discover finance opportunities & determine, in 4 easy steps, the right funding strategy for their green projects. The toolkit allows, whether in start-up phase or already fully operational companies, the access to a database of potential investors, classified by type of funding offered, country and key sectors.

By the end of the 4 steps of the Finance Toolkit the entrepreneurs will have all the necessary instruments and knowledge to approach potential investors and define a first fund raising strategy

for their green business. The Finance Toolkit consists out of 3 self-assessment tests and at the end of each section, the entrepreneurs will get the results together with much more valuable info such as documents, action steps and strategies to download as well as concrete info of investors and financiers to contact with.

### **b) Online handbook on investing for impact strategies**

The entrepreneurs registered on **TheSwitchers.org** platform will have access to a handbook focused on providing specific inputs to those entrepreneurs interested in applying to Investing for Impacts Funds. The overall objectives of the handbook are: to better understand and navigate the investing for impact sector, and to increase entrepreneurs' capacity to understand how investors for impact shape their strategies with the final goal to help them accessing funding. The handbook will deepen entrepreneurs' knowledge in the field of investing for impact, making them more proficient in:

- Investing for Impact and the different impact strategies
- Understanding the 3 core practices of the investing for impact approach: 1) Tailored Financing including the main financial instruments used by investors for impact; 2) Non-Financial Support; 3) Impact Measurement and Management. This will clarify the expectations of investors for impact and increase the sustainable entrepreneurs' understanding of the investment readiness key elements.

The handbook also includes a set of short practitioner-oriented readings as well as a reference to additional readings to dive deeper into topics of interest.

### **c) Podcast series**

A podcast series to disseminate the great potential linked to the connection between investors for impact and sustainable entrepreneurship is available online. This podcast series have a capacity building focus by sharing what are the key elements of a good investment story from both perspectives of the investor for impact and the investee. The entrepreneurs will have access to a podcast series focused on success stories coming from investors for impact communities and each episode includes an interview with the investor and the investee to share their practical experience: how they met, what added value was contributed by the investor for impact, shared learnings and lessons learnt.

### **d) Annual virtual regional masterclass**

The overall objective of the masterclass is to increase the capacity of sustainable entrepreneurs to understand investors for impact investment and impact strategies in order to better shape their funding strategies. During the Masterclass, held virtually and opened to all entrepreneurs from the Med Region, specific objectives are pursued: the direct connection with investors for impact and the possibility to ask direct questions to those who screen funding requests and go through the due diligence process on a daily basis offers a very peculiar practitioner-based experience in investment selection. This is precious knowledge that can be leveraged by entrepreneurs who will boost their confidence thanks to having better insights on what are the expectations of this type of investors and what is the best way to engage with them. Other key learnings will be to better understand the key relevance of impact measurement and management and non-financial support for the investors for impact.

## Annex 1. Template of Executive summary

### Finance Toolkit

Executive Summary
Company Profile Template

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**GENERAL INFORMATION**

**Mission:**  
*(Synthesize the objectives into an all-encompassing yet simple and elegant sentence)*

**Business summary:**  
*(Try to provide a quick summary and to especially explain why the firm is unique and why it should be funded)*

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**Company name:**  
**Person to contact:**  
**Email:**  
**Address:**  
**Phone:**  
**Website:**  
**N. of fixed employees:**

**Level of maturity:**

- 0-6 months (Start-up)
- 6 months - 2 years
- 2 - 4 years
- 4 - 5 years
- 5+ years

**Sector:**

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**Customer problem and solution proposed:**  
*(Problem/need that needs to be addressed)*

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**Market/Customers targeted:**

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**FINANCIAL INFORMATION**

**Monthly Burn Rate €:**  
*(Burn rate is the rate at which a new company uses up its venture capital to finance overhead before generating positive cash flow from operations. In other words, it's a measure of negative cash flow)*

**Pre Money Valuation €:**  
*(Referring to the valuation of a company or asset prior to an investment or financing. If an investment adds cash to a company, the company will have different valuations before and after the investment. The pre-money valuation refers to the company's valuation before the investment)*

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**Capital seeking:**  
*(Amount of required capital)*

- 0-10K
- 10-50K
- 50K-100K
- 100K-200K
- 200K-500K
- 500K-1M/1M+

**Type of financing sought:**

- Microcredit
- Grants
- Crowdfunding
- Cash advance against credit card income
- Loan
- Equity
- Other: \_\_\_\_\_

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**Why are you looking for financing?:**

- Business expansion
- Prototype
- Real estate purchase or commercial mortgage

- Equipment purchase
- Property or facilities remodelling or enhancement
- Other: \_\_\_\_\_

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**FINANCIAL PROJECTIONS**

	FY1	FY2	FY3 (today)
Revenues	_____ €	_____ €	_____ €
Expenditures	_____ €	_____ €	_____ €
Funding requested	_____ €	_____ €	_____ €



## Annex 3 – Jury evaluation grid

Criteria (score from 1-5)	Name of the company 1	Name of the company 2	Name of the company 3
<b>COMPANIES</b>			
<b>Value Proposition</b>  A quick one-liner summary that combines vision/product and the mission of the company.			
<b>Problem and Solution</b>  Is the real problem defined?  How good is the solution, is the solution doable and realistic? Does it solve the problem?			
<b>Innovation, Momentum, Traction</b>  Is the company showing the results? Timeline and milestones to date. Customer success stories and/or testimonials if any.			
<b>Team &amp; Key Stakeholders</b>  Investors, Advisors, Partners. Is the team balanced, have they managed to recruit advisers and supporters?			
<b>Scalability and Sustainability</b>			
<b>Revenue generation and investment required</b>  Is the information provided clear and realistic?			
<b>Environmental and Social Impact</b>			
<b>TOTAL SCORE</b>			

## Annex 4 – Green Entrepreneurship Portfolio – Example



# THE GREEN PITCH

**1** **Sergiu Lupu**  
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**Teporito**  
Easy Commuting

Teporito's mission is to empower commuters and shorten the distance between home and work with the power of technology. Teporito's technological platform based on state of the art AI algorithms enable an innovative new ride-sharing model, allowing commuters to cooperate without direct mutual commitment. Teporito's predictive technology optimizes flexibility and traveling time of need-driven dynamic routes that are serviced by shuttles. The result is a reliable preplanned commute service, using comfortable, spacious and quiet vehicles, that replaces the frustration of driving in traffic.

**2** **Matan Dahan**  
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**CannaRe**

CannaRe transforms cannabis waste into value chemicals, by utilizing the unique properties embedded in cannabis plant material. The rising growth of the cannabis industry is leading to ever-increasing amounts of cannabis waste, as well as environmental and regulatory concerns regarding methods of treating and disposing of post-crop cannabis residues. Based on research conducted on more typical agricultural wastes, CannaRe offers an innovative, environmental and cost-efficient method, which converts cannabis crop residues to value chemicals for the food and flavor industry. CannaRe transforms cannabis waste from a liability to an asset.

**3** **Yuval Gilad  
Idan Atyagor  
Yoav Politi**  
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**FreezeM**

Insects are a promising source of alternative protein. However, to become a real sustainable solution, this source of protein should be produced at a competitive price and at a stable capacity. FreezeM sells reusable, ready-to-use, frozen insect eggs. Customers can order eggs on demand, and maintain a frozen backup stock in case of low self-production or pathogen outbreak. The technology can be licensed for customers to freeze their own insect eggs, in case of surplus production. FreezeM products will save time, money, investment in skilled personnel, enable stability of the supply chain, and reduce barriers of entry to new players in the market.

**4** **Jonathan Cohen**  
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**BEE BETTER**

Bee better – Smart Beehive – Honey on tap directly from your beehive. Bees are one of the most important keys to human survival on this planet but they are a dying breed. Scientists predict that it will not take long before bees become extinct. Bee better – Smart Beehive Technology lets you be a part of the solution. Creating a safe haven for an entire bee-clan, the Home hive not only allows an eco-system to thrive in your household, but you are also constantly rewarded with fresh delicious honey!

**5** **Tsachi Shohat  
Uzi Segal  
Dr. Chanan Gabay**  
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**ZOHAR CLEANTECH**  
Smart Waste Systems

By 2025, the annual cost for global treatment of MSW is projected to reach \$375 billion. Approximately 70% of this amount is the logistical cost for collection and transportation of MSW from urban areas to dump/treatment sites. Zohar Tech has patented a unique decentralized waste treatment system that can be installed at the base of buildings in place of waste containers, and will significantly reduce the amount of waste transported to landfills and provide energy for heating, air conditioning and electricity. Zohar Tech's waste treatment system will gasify the carbon-based waste using a plasma thermal gasification technology.

**6** **Shir Esh  
Liron Siman**  
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**Airy**

Airy aims to purify air using Moss Tiles on existing structures. The solution is based on scientific research that discovered moss to have an astonishing capacity for absorbing greenhouse gases, while filtering the air from breathable pollutants. Airy's Moss Tiles are tailor-made for the local climate, are self-sustaining, and provide the moss with the ideal conditions for their natural purifying process. Airy's Tiles also provide a boost of natural aesthetics to urban scenery. The Moss Tiles are designed as an acoustic and thermal isolator that could reduce electricity consumption caused by temperature control, and decrease sound pollution.

**7** **Dr. Noam Gressel  
Arbel Harari  
Tal Getten**  
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**ECOOOS**

ECO-OS is an online operating system for corporate sustainability programs. This single-point-of-truth for sustainability data management dramatically eases disclosures and certification processes, and provides insights that identify and boost sustainable opportunities and a circular economy. ECO-OS reduces the burden of data management tasks, including regulatory and voluntary disclosure, in the process creating a granular data repository with which sustainable performance can be promoted and innovative solutions can be explored. Actionable insights provide additional leverage when external, cloud-based big data is used to provide context in the form of competitive benchmarks, location-based stress tests and science-based goals.

**8** **Shaul Neubaum**  
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**Killer Whale**

Killer Whale self-cleaning toilet constantly cleans and rinses the toilet bowl, without human intervention. The solution saves water, electricity and cleaning products. It is safe, reliable and compact, easy to install and maintain. The device protects users' health by disinfecting the toilet bowl, as well as the entire toilet room area. It is self-loading, sprayers, sensors and pumps are powered by a rechargeable battery that is charged when the toilet is flushed. Due to the disinfecting chemical formula and its automatic hourly spraying, germs and other pathogens present in the toilet room are completely killed.

**9** **Daniel Schwab  
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**Brightmerge**

Simulating the performance of renewable energy microgrids is complicated and requires expertise across many different technologies, financial and engineering disciplines, and a regulatory environment costing millions per project. Current solutions result in large amounts of wasted time, and inaccurate models result in an \$8bn annually cost. Brightmerge's online SaaS-based expert system accurately and automatically predicts the performance of renewable energy microgrid systems. The platform reduces the cost, time and expertise required to develop and finance renewable energy microgrid systems. Brightmerge aims to exponentially speed up the adoption of renewable energy microgrids globally.

### Annex 5 – Post event survey

Contact Person	Company Name	Email	COUNTRY	PRODUCT/SERVICE	Age	Sex	Website	SECTOR	Did you approach or have been approached by any investors during the Access to finance workshops or during the Pitch event?	If yes, which one(s) and what kind of investor(s) approached you? Bank, VC, Company, etc? Please name it	After the event, did you get a first meeting with potential investors?	If yes, which one(s) and what kind of investor(s)? Bank, VC, Public Body, Private company etc? Please name it	Did you manage to raise any fund? Please specify in Euros	What typology of instruments? (Loan, equity, grant etc?)	Did you start a due diligence with a potential investor?	How much money the investor would like to invest in your green business?