



ORGANISATION CONTACT INFORMATION	
Type	Intermediary
Org. Name	Fase
Contact Person	Markus Freiburg
Website	http://fa-se.de/en/

GENERAL INFORMATION	
Organization Description	The Financing Agency for Social Entrepreneurship (FASE) supports selected social enterprises in raising growth capital. They identify investors and financiers across the entire spectrum, ranging from private investors, family offices and foundations to social investors and banks. They focus on combining several types of investors and different financing instruments. This is in order to develop innovative financing approaches that can serve as role models and blueprints.
Region Of Focus	Europe
Sector	None
Business Model Description	Hybrid: transaction success fees and grantfunding from philanthropic actors
Approach	<ul style="list-style-type: none">• Help find growth financing• Offer transaction support

RELEVANT TOOL/METHOD DATA	
Relevant Tool/ Method	Fase scale-up support
Main elements	<ul style="list-style-type: none"> • Preparing investment readiness by developing Social Enterprise (SE) business model and business plan towards financial plausibility • Identification of the right financing model to structure financial needs • Suggestions for the right financing strategy and financing model • Support when compiling all necessary documents for investors (e.g. teaser, investment memorandum) • Selection and approach of suitable investors (e.g. business angels, social investors, banks, foundations, private investors) that fit to the financing model discussed • Management of the entire investment process • Support during negotiations with potential investors
Delivery partners/mode of delivery	<ul style="list-style-type: none"> • Delivered via employed staff (+ freelance legal experts) • One-to-one, tailored consulting (mainly offline). • 15-25 days of support, over a period of 6 months
Success factors/ Best practices	<ul style="list-style-type: none"> • Individual support, • Trial and error • Finding appropriate partners • Access to funding
Challenges/ limitations	<ul style="list-style-type: none"> • Lack of investment readiness support • Transaction cost for 100k-500k investment range • Very resource intensive process, which therefore might be challenging to implement and can only be scaled successfully in its current form if an increased market volume allows more deals per year. <p>Ecosystem challenges</p> <ul style="list-style-type: none"> • Impact investors and philanthropists have completely different mindsets • Intermediaries are key to match supply and demand • Early stage financing is hard to find as it is resource intensive and risky • A strong social finance market won't be built over night – takes a long term approach
Lessons learned	<ul style="list-style-type: none"> • Coaching and consulting prove very successful in helping SEs attract growth capital • Matching social entrepreneurs with investors on a deal by deal basis is time consuming but effective • Deals need to be structured and tailored to investor needs to work out • Critical mass in investors is needed to successfully close a deal • Most investors Fase worked with accepted a social return over a financial one
Results	<ul style="list-style-type: none"> • 20 enterprises have been supported so far, of which 18 secured funding equivalent to 10 mio euros (mainly quasi equity, sub loan mezzanine). • In the 1st round, 15% scale international. 50% in 2nd round
Interesting Links	Investment Readiness Check: https://beta.social-finance-academy.org