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USAID GREEN INVEST ASIA SERVICES PACKAGE



USAID Green Invest Asia is a sustainable finance initiative that partners with companies and investors to reduce carbon emissions by unlocking finance for Southeast Asia's agriculture and forestry sectors.

Partner • Co-invest • Transform

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MOBILIZING INVESTMENT FOR SUSTAINABLE AGRICULTURE AND FORESTRY IN SOUTHEAST ASIA

Sustainability is smart for business. The estimated demand for additional green investment in the Association of Southeast Asian Nations' (ASEAN) food, agriculture and land use market is \$400 billion through 2030. The improvements needed to be sustainable – measuring and reducing carbon emissions, qualifying for green investments, diversifying a labor force and tracing production along an often-fragmented supply chain – take time, expertise, cash, and most all, vulnerability. **Committing to global goals is one thing. Living them is another.** Accountability requires transparency, which poses reputation risks. USAID Green Invest Asia helps mitigate these risks for agriculture and forestry companies so they can meet their sustainability targets. Achieving such targets **can improve the bottom line** and position companies for **better market access**, with **greater investment opportunities** from banks and impact investors.



WHO WE ARE

A five-year sustainable finance initiative of the U.S. Agency for International Development (USAID), USAID Green Invest Asia is implemented by Pact, Inc., in partnership with Mekong Strategic Partners and Control Union Thailand. It is a one-stop platform that helps companies meet corporate sustainability goals, and investors improve their environmental, social and governance (ESG) profile. Our team has decades of collective experience in private finance, agricultural supply chain management, carbon accounting, sustainable business and gender inclusion. The head office is based in Bangkok, Thailand, with representatives working in each of our target countries. We work throughout Southeast Asia with an initial focus on **Cambodia, Indonesia, the Philippines and Vietnam.**

SERVICES

Business

We help prepare companies for investment that are mid-growth, an often neglected “missing middle” that is too big for microfinance and informal local investors, but too small or too risky for banks. We match them with our network of financial institutions, including commercial banks and others interested to invest in companies with sustainable land use practices across Southeast Asia. We help companies grow and meet their sustainability targets. Our services include:

- Financial strategies and investment plans to prepare companies for investment;
- Referrals to international investors interested in sustainability;
- Carbon assessments and strategies to reduce greenhouse gas emissions;
- Strategies to measure, manage and mitigate social and environmental risk;
- Technical advice on sustainable production methods and agriculture/forestry practices;
- Alignment with sustainability certification standards for agriculture and forestry commodities, and requirements of international supply chains;
- Gender analysis and diversity/social inclusion policies, and;
- Environmental and operations management

We work with multinational corporations looking to implement sustainability and low-carbon strategies and environmental standards across their global supply chains. By introducing sustainable practices to companies that supply products to multinationals, we support international brands to deliver on global commitments to environmental and social stewardship.

USAID Green Invest Asia also helps private financial institutions grow their sustainability portfolios through risk management services, environmental, social and governance (ESG) audits and access to our pipeline of investment-ready businesses in Southeast Asia.

WHAT WE SEEK

To qualify for support, a company must work in agriculture, forestry or other sustainable land use in Southeast Asia, and demonstrate an active commitment to environmental and social stewardship. Additional criteria include:

- Minimum three years of financials;
- Minimum \$2 million capital needs;
- Compelling economic value and opportunity for investment;
- Established business model with potential for scalability of sustainable commodity production;
- Potential to significantly reduce greenhouse gas emissions, such as through climate-smart agriculture or sustainable forestry;
- Commitment to environmental sustainability and good land use practices, and;
- Demonstrated promotion of social inclusion

HOW WE WORK

Here is an outline of our five-step process:



Initial screening: Companies interested in technical and financial support are invited to submit an expression of interest to initiate the screening process.

Non-disclosure agreement: If companies meet the criteria above, a non-disclosure agreement can be signed to facilitate the sharing of relevant documents.

Assessment: USAID Green Invest Asia evaluates the business, which involves document review, potential field visits and interviews alongside local experts. This process helps clarify the business model and management structure, collects baseline information on environmental and social factors and begins to define a work plan. The purpose is three-fold:

- Create overview of company's environmental and social impact, including potential climate benefits;
- Assess a company's business strategy and finances, and;
- Start mapping a strategy to increase sustainability

Scope of work: Following a positive internal review of the assessment outcomes, USAID Green Invest Asia and the business co-develop a detailed scope of work, including services to be provided and a timeline, along with a partnership agreement to be signed by both parties.

Business services: Once both parties agree on a scope of work and sign a partnership agreement, USAID Green Invest Asia provides services and develops a follow-up monitoring and evaluation plan.

FREQUENTLY ASKED QUESTIONS

Why was USAID Green Invest Asia founded?

Most investment in sustainable land use in Asia is from the public sector. There will be an estimated \$400 billion shortfall¹ in funding in Asia for agriculture, forestry and other land use in the coming decade without more private investments. To improve land use management in Southeast Asia's agriculture and forestry sectors, USAID Green Invest Asia aims to mobilize \$400 million of private finance by 2022 to support climate-smart production business models in Southeast Asia. This finance should result in a reduction or sequestration of approximately 25 million tons of greenhouse gas emissions.

How much does Green Invest Asia invest?

Our investment is through technical assistance, not cash (i.e., grants, debt and equity). Our initiative does not run an investment fund, but rather, works with investors who stand ready to evaluate investment opportunities we identify.

How much do you charge?

The U.S. Government launched this initiative to invest in Southeast Asia's sustainable business champions. There is no fee for service; rather, businesses should demonstrate an investment in systems and structures that improve business practices or adopt recognized sustainability standards.

My company has investments in Southeast Asia, but our company headquarters is in another country. Can we still qualify?

Yes, we are interested in companies with active supply chains (and not just office locations) in Southeast Asia.

What are the timelines for selection, approval and technical assistance?

Our team will respond to [email inquiries](#) within two days. The length of the screening and approval process varies, but is anticipated to take approximately three months.

What sets you apart from other sustainable finance initiatives?

1. We target mid-growth companies, an often neglected "missing middle" that is too big for microfinance and informal local investors and too small or too risky for banks.
2. Because of our twin focuses on business and investment, we offer environmental, social and financial know-how through a one-stop platform.
3. We have an expansive network of technical experts, consultants, investors and non-profits, and help facilitate connections, for example, connecting coffee cooperatives with global buyers; start-ups with investors seeking good companies that may be too small for USAID Green Invest Asia, and; companies with NGOs that provide technical training we do not, i.e. farmer field trainings. Whether through direct service provision or referrals, USAID Green Invest Asia can meet clients' needs.

CONTACT

Contact one of our technical experts to learn how we can support your company meet sustainability targets and access new sources of financing.

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