

# Support impact enterprises to attract funding and scale

**Impact enterprises are at the forefront of tackling climate change and social inequality, yet many lack experience in fundraising - whether securing grants or private capital investment.**

Operational readiness, restricted access to investor networks, limited financial expertise, political instability and investor scepticism or perception of risk frequently hinder their ability to scale and optimise their social and environmental impacts for low-income communities worldwide.

To address these challenges, the TRANSFORM Scale Pilot was launched in 2024, providing a blend of grant funding and technical assistance to four enterprises across Africa and Asia. The programme aimed to enhance investment readiness and financial viability, helping these businesses become self-sustaining. In the process, we've gained insights that may benefit impact accelerators supporting similar initiatives.



## THE IMPACT ENTERPRISES WERE:

**ALNER** offers reusable packaging solutions that help consumer goods companies in Indonesia reduce single-use waste. It fills and distributes branded products in refillable containers through retail and home delivery.

**DRINKWELL** provides affordable and safe drinking water to people in Bangladesh and India without piped water at home - via clean water vending machines operated by pay-as-you-go payment cards.

**REEDI** sells and rents portable clean energy technology - in the form of its proprietary solar-powered capsules - to people in Nigeria without a regular electricity supply.

**WECYCLERS** is a rewards-for-recycling platform that incentivises people without formal waste collections to exchange recyclable waste for essential goods. Based in Nigeria, its team collects waste from homes via a fleet of cargo bikes.



# Drawing on the lessons learnt from the pilot

This paper shares practical insights for other impact accelerators seeking to help purpose-led businesses raise additional capital:

## 1. SHOW ENTERPRISES HOW TO MAKE THE MOST OF INVESTOR INTELLIGENCE

**Understanding the investor and market landscape is the essential first step for any enterprise seeking to raise capital.**

This means offering enterprises an intermediary with deep, personal relationships across investor networks and the credibility to speak investors' language, helping them map which investors are active in their sector and geography, learn what drives their decisions and structure financing to match those expectations.

Investor preferences vary widely: high-growth ventures may attract a broader range of capital, while niche or dynamic enterprises often rely on concessional debt or grants. In emerging markets, sector-specific financing gaps – particularly around access to structured debt – frequently call for innovative, blended finance solutions to help mitigate perceived investor risk.

For example, Alner used investor intelligence to pivot from targeting conventional VCs to prioritising grant funding alongside private capital, with the aim of achieving a balanced funding mix. The approach helped Alner secure a grant from the Mastercard Strive Innovation Fund and a convertible loan from Ecoxyztem as part of this approach, helping the business to expand beyond Jakarta.



## 2. FOSTER A CULTURE OF ONGOING OPERATIONAL IMPROVEMENT TO BUILD INVESTOR CONFIDENCE

**Impact accelerators can build investor confidence by encouraging enterprises to demonstrate clear growth plans, strong financial controls and operational improvements.**

This support can include helping enterprises track progress after capital is deployed, alongside funding and guidance for market expansion or technical upgrades.

For example, Alner broadened its reach through hyperlocal marketing and community partnerships, while Reeddi invested in its payment software and local assembly of capsules to drive revenue growth and improve customer retention.

Accelerators can also guide enterprises in recognising when additional expertise is needed. Drinkwell and Wecyclers both appointed experienced Chief Financial Officers (CFOs) to improve financial controls and reporting. Drinkwell additionally hired a Chief Technical Officer (CTO). These strategic hires not only enhance internal processes but also signal reliability and professionalism to investors.

Though these efforts may not deliver instant funding, they significantly strengthen an enterprise's long-term investment appeal and resilience.



### 3. CONSIDER STANDARDISING A CLEAR, STEP-BY-STEP APPROACH TO MAKE ENTERPRISES INVESTMENT-READY

A structured, repeatable approach to prepare enterprises and support them through fundraising could significantly improve results.

By breaking the process into three practical steps – preparation, engagement, and closing – accelerators can help enterprises move confidently from planning to converting investments. Preparation means getting the essentials ready, like pitch decks and financial models. Engagement focuses on targeted outreach and managing investor discussions. Closing involves negotiating terms and finalising agreements.

Standardising this process ensures enterprises enter negotiations better prepared, apply best practices and streamline investor engagement to shorten fundraising cycles.



### 4. PAIR GRANT FUNDING WITH SPECIALISED TECHNICAL AND FINANCIAL ADVICE

To develop impact entrepreneurs' fundraising skills, it's not just about providing them with funding, but also technical guidance.

This includes specialist advice in portfolio monitoring and performance benchmarking, financial modelling and governance structuring, risk mitigation via robust oversight frameworks as well as transaction, legal and deal related support. This combination is a powerful catalyst for investment readiness and growth.

Wecyclers, for instance, advanced its fundraising capacity by working with TRANSFORM to upskill its team in storytelling and proposal development. With support from technical advisers, the enterprise improved its fundraising infrastructure and succession planning.

Meanwhile, Drinkwell used its grant funding to build compliance, undertaking a full audit to give commercial institutional investors assurance. To raise the profile of the enterprise among potential investors, it also paid an advisor to build a pitch deck and organise a fundraising roadshow, which paid off. Through the pilot, the clean water vending machine business successfully raised £229k in grants from multiple programmes, alongside £156k in loans and a convertible note just under £400k.



TRANSFORM encourages other impact accelerators to apply these four lessons to their own efforts to help impact enterprises build self-sufficient and investible businesses. By sharing experiences and working together, we can help visionary enterprises overcome common fundraising challenges, strengthen their investment readiness and unlock positive social and environmental impacts on a global scale.



TRANSFORM is an impact accelerator that unites corporates, donors, investors and academics to support visionary enterprises across Africa, Asia and beyond. Together, we test and scale new solutions that tackle environmental challenges, improve health and well-being, and build inclusive economies.

Combining grant funding, business insight and research, TRANSFORM is advancing the development of innovative business models to help solve global challenges. It was established in 2015 and is led by Unilever, the UK's Foreign, Commonwealth and Development Office, and EY.