

# Indonesia Impact Fund

The Indonesia Impact Fund (IIF) is the first Indonesian private impact investment fund to support the growth of impact ventures in Indonesia and accelerate the achievement of the Sustainable Development Goals (SDGs) in Indonesia as well as to increase economic resilience of SMEs in the context of COVID-19 recovery.

## Fund Terms

<b>Investment Advisor</b>	PT Mandiri Capital Indonesia
<b>Investment Manager</b>	Mandiri Investment Management Pte.Ltd
<b>Targeted Fund Size</b>	1st Close: USD 5mn- USD 10mn; Final Close: USD 25mn-USD 30mn
<b>Min. LP Ticket Size</b>	USD 1,000,000
<b>Term</b>	8 years (4 years investing period, 4 years divesting period) with 2-year extension option
<b>Fund Domicile</b>	Singapore
<b>Type of Fund</b>	Closed-End Fund, Singapore Variable Capital Companies (VCC)
<b>Hurdle Rate</b>	6% p.a.
<b>Target IRR</b>	20%
<b>Fee Structure</b>	2% of AUM during investment period, 1.5% deployed capital after investment period until year 8, 1% of deployed capital until end of fund life; Carried interest (20%)
<b>Region Focus</b>	Indonesia and/or SEA startups with Indonesia as its primary market
<b>Investment Areas</b>	<ol style="list-style-type: none"> <li>Poverty Alleviation</li> <li>Affordable Healthcare</li> <li>High Quality and Accessible Education</li> <li>Increasing Women Participation</li> <li>Sustainable Cities and Affordable Housing</li> <li>Empowering Climate-Smart Innovations</li> </ol>
<b>Target No. Startups</b>	15-20 startups

## Investment Focus

COVID-19 has disrupted existing health institutions globally, to an extent, negatively impacted all aspects of social and economic life. Adverse effect was also felt by small and medium enterprises (SMEs) which account for 61% of Indonesia's GDP and absorb around 97% of the workforce. This has presented further challenges for MSMEs, in addition to the existing obstacles of difficulty in accessing financial capital, capacity building skills of business scaling and impact management.

IIF will invest into early-stage and growth stage start-ups that respond to six priority Sustainable Development Goals (SDGs). IIF mobilizes capital from domestic and foreign investors and launched as a first pilot proving the concept for impact ventures, promoting development of gender lens investment in Indonesia and utilizing impact measurement and management tools for sustainable impact ventures. IIF is a closed-end fund that is set up as a Variable Capital Company (VCC) in Singapore. The Fund is seeking subscription of up to USD 30 million and ultimately aimed to invest into 15-20 startups (Indonesian and/or Southeast Asian start-ups with Indonesia as its primary market) within eight years.

## SDG Target Sectors



## About the Indonesia Impact Fund

Indonesia Impact Fund is initiated by APEC Business Advisory Council (ABAC) Indonesia, Mandiri Capital Indonesia (MCI) and United Nations Development Programme (UNDP) Indonesia

- ABAC Indonesia** is the private sector-arm of Asia-Pacific Economic Cooperation (APEC), it provides strategic guidance, insights on local investment and financial capital access to the Fund.
- MCI** is a Corporate Venture Capital arm of Bank Mandiri, the largest integrated financial group in Indonesia, acting as Fund Manager, uses proven investment experience and knowledge of local investment landscape to identify, select, finance and support promising impact ventures.
- UNDP Indonesia** uses its network, resources and expertise to support as an advisor in Impact Measurement and Management (IMM) to ensure contribution to the SDGs, inclusivity of social entrepreneurs and accountability investees and investors. In addition, UNDP will facilitate in pipeline development through organization of venture accelerator programme and fundraising process.

