

Green Housing & Energy Limited

Dedicated to Sustainable Social Business



GHEL Enterprise Development Program

GHEL Green Housing and Energy Ltd. (GHEL) is a social impact business dedicated to combating poverty through empowering low income people and making a better living environment available to them. GHEL is supporting underprivileged people to improve their living conditions through raising their levels of health, education, employment and income. By offering a wide range of customized products and services to an affordable price GHEL is targeting the socio-economic problems of green energy supply (solar/biogas), housing, water supply, enterprise development and capacity building. GHEL has established a platform where investors can participate in social impact business projects through equity investments and technology transfer for achieving real impact in community development.

SME DEVELOPMENT PROGRAM

Taking a step beyond grass root poverty reduction, GHEL has introduced an Enterprise Development program as a response to the need of capacity building within the SME sector. Conventional microfinance and business development initiatives have not succeeded to address the need for venture capital and development consulting amongst entrepreneurs. GHEL believes that a traditional financing method of providing only money is not enough for real development to take place.

The program will mobilize capital and consultancy expertise to be distributed to SMEs that currently do not have access to this kind of support. The GHEL enterprise development model has four key components:

1. **Equity or debt financing by GHEL**
2. **Skill training by industry experts and consultants**
3. **Technological and operational support systems**
4. **Legal, administrative and market support**



TARGET SMEs

The GHEL Enterprise Development program targets SMEs in a broad range of industries. Through its 80 branch offices in rural and semi-urban areas, GHEL is well equipped to assess the market potential and valuation of ventures in an overarching range of sectors and regions. Each branch carefully reviews local entrepreneurs and SMEs and nominates the most viable ventures to the GHEL head office. A skilled team of SME development experts then evaluates the business opportunities and allocates equity of 300,000 to 7,000,000 BDT (corresponding to 20-50 % of total equity capital) or debt funding to the most promising prospects.

Prospective industries include:

- Agro-business
- Food processing and preservation
- Pathology and Diagnostic Institutions
- Land development
- Housing and construction
- Mini garments
- Hospitality
- Retail and wholesale
- Engineering and workshops

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FINANCING By offering both equity and debt capital GHTEL refrains from overleveraging SMEs while still offering them a valuable source of capital for up scaling and improving operations. To promote true partnership and to provide a truly sustainable solution GHTEL will instead – as an equity owner – share both the profit and the loss of the enterprise. In return for the equity investment GHTEL will nominate board members in proportion to its ownership.

VALUE ADDING SUPPORT

GHTEL is committed to making a real impact in SME development and industrialization by offering comprehensive value adding support. GHTEL aims to facilitate both domestic and international expansion of its investment objects. This objective will be met by continuously offering:

Value adding activity	Components	Objective
Skill training	Individual training, knowledge and capacity building through workshops, consulting and introduction of industry best practice.	Improving and developing competitive advantages and encourage innovation.
Technology transfer	Technology development for key business activities and introduction of software and advanced technologies for supporting activities.	Increasing professionalism, productivity and efficiency.
Legal support	Education on legal issues and ownership structures, assistance in incorporation, expert legal advice and auditing support.	Facilitating business operations, competition and employment (especially with regards to expansion).
Market research	Raising awareness of domestic and international market research (customer, industry, partner and competitor research).	Strategy development and market focused management.
Administrative support	Skill and human resource training, recruitment support, software introduction and training, introducing viable options to admin management (such as outsourcing).	HRM, streamlining operations, allowing management to focus on key business drivers.

FOR INVESTORS

GHTEL strongly supports financial self-sufficiency and long-term sustainability of this revolutionary initiative of social venture capital. The program does not target any specific regional areas even though its objective is to provide a new source of funding primarily for entrepreneurs in rural areas. Further GHTEL tries to maintain an industry ratio of 10-15 % of total investments in each nominated industry. Investors of the Enterprise Development can look forward to a well diversified range of SMEs in different sectors of the growing Bangladeshi economy.