

Social Impact Incentives (SIINC): Detailed Information

Timeline and Content

Pre-condition for payment of any SIINC premium payments is that the enterprise successfully raises investment. An agreement for SIINC is signed before closing an investment contract and helps the enterprise to attract this investment. The actual timeline of SIINC will vary based on your profile, the impact metrics you collect data on, and your overall goals with the Programme.

If you have been shortlisted after submitting an application, we will interview you. Based on this interview and a number of other factors, you will be informed of any necessary next steps.

Once the transaction is closed, the enterprise will be responsible for monitoring and measuring these metrics on an ongoing basis. The impact enterprise will regularly submit a report on the selected outcomes that will determine what proportion of the impact incentive you will be paid. The achievement of these outcomes will be verified (externally) on at least an annual basis and, based on the results, calculate and release SIINC premium payments.



To learn more about SIINC, click <https://www.roots-of-impact.org/siinc/> and check out our white paper: http://bit.ly/SIINC_WhitePaper



Examples of Past SIINC Deals in B-Bridddhi

The table below provides practical examples of how impact enterprises leveraged SIINC from B-Bridddhi in Phase I. Detailed case studies of other SIINC deals can be found on <https://www.roots-of-impact.org/siinc/>.

Enterprise description and challenge	How SIINC rewards additional impact
<p>Apon Bazaar is an omni channel marketplace of affordable products and services for industrial workers in Bangladesh. Workers gets access to a free health insurance credit facility and other benefits through purchasing groceries from the factory-based stores. All goods are up to 10% discounted, which increases the disposable income of the workers. All of this is done through a sustainable and innovative business model which involves consumer goods companies, insurance companies, banks, apparel factories, large brands, retailers and workers.</p>	<p>SIINC payments reward Apon for an increase in the amount of savings generated by factory workers, the proportion of Apon customers with health insurance coverage, and the proportion of women in their total customer base. With SIINC premium payments, not only was Apon able to create additional impact beyond business-as-usual, but they also strengthened their customer value proposition, using impact data to prove that the presence of Apon stores within factories helps reduce employee churn. Enterprise management uses this data point as supporting evidence to improve their business development prospects with new factories.</p>
<p>iFarmer is an agri-tech enterprise offering comprehensive solutions for smallholder farmers, agricultural input sellers, and buyers, including retailers, processing companies, and wholesale markets. iFarmer works closely with farmers to improve production, harvest predictability, and to streamline agricultural supply chains through the elimination of middlemen—thereby improving farmer margins.</p>	<p>SIINC payments reward iFarmer for an increase in the proportion of female farmers served within their total customer base, as well as the proportion of small and marginalized farmers that opt to invest in critical activities (such as availing loans to purchase agri-machinery). With SIINC premium payments, not only was iFarmer able to create additional impact beyond business-as-usual, but the incentivization on improving gender impact helped push iFarmer to onboard more female market facilitators in rural areas, as well as develop a female-specific credit scoring model to enable easier loan access.</p>
<p>CMED Health is a health-tech enterprise providing a low-cost, accessible, and affordable method for rural people to monitor their health to prevent health risks and reduce</p>	<p>SIINC payments reward CMED Health for an increase in the proportion of low-income customers among their total customer base, as well as the proportion of customers who follow</p>



healthcare costs. To that end, CMED has developed an IoT-enabled and cloud-based preventive healthcare platform that monitors health parameters and predicts health risks through health tools used by local pharmacists with rural patients.

advice from doctors through their telemedicine platform. With SIINC premium payments, not only was CMED able to create additional impact beyond business-as-usual, but the incentivization on serving low-income customers also necessitated an expansion of their local pharmacist network into other rural areas.

Detailed Example: Apon Bazaar

Apon Bazaar is an impact enterprise with an omni channel marketplace of affordable products and services for industrial workers in Bangladesh. Workers receive access to a free health insurance credit facility and other benefits through purchasing groceries from the factory-based stores. All goods are discounted up to 10%, which increases the disposable income of the workers. All of this is done through a sustainable and innovative business model which involves consumer goods companies, insurance companies, banks, apparel factories, large brands, retailers, and workers.

This high-impact approach made Apon Bazaar a great candidate for a Social Impact Incentives (SIINC) transaction. Apon Bazaar leveraged USD 225,000 in SIINC support to expand their focus on serving female customers and increasing savings levels among factory workers. The five total SIINC payments (provided bi-annually over a three-year window) propelled Apon to devise female-centric business model changes, such as expanding the variety of products sold within the ‘womens’ corners’ inside their stores, as well as covering rickshaw fees to transport female workers home if they had purchased above a minimum threshold. The additional revenue stream from SIINC payments also helped Apon improve its overall attractiveness for investors, as their tight margins before signing the SIINC contract meant that their initial capacity to secure investment for scaling would be limited. However, since signing the SIINC contract, Apon was able to successfully raise an [investment](#) of USD 1.5 million in 2024.

The SIINC transaction was structured around three metrics that reflected both strong commercial and impact-related considerations (the ‘sweet-spot’ between the commercial and impact models). These metrics were:

- Increase in average monthly savings (USD)
- Increase in the proportion of eligible customers with health insurance
- Increase in the proportion of female customers among Apon’s total customer base

During the three-year period covered by the SIINC transaction, Apon was able to grow the average monthly savings for its customers from a pre-SIINC baseline of USD 1.26 to a post-SIINC result of USD 1.93. Apon was also able to grow the proportion of female customers



from a pre-SIINC baseline of 39% to a post-SIINC result of 43.7%, while nearly doubling the size of its total customer base at the same time. These results are largely attributable to the SIINC payments helping steer Apon into focusing greater effort on these objectives over time.

As with this example, there are investment opportunities that have strong potential for their social or environmental impact, which cannot generate the financial returns expected by impact investors or traditional investors. Moreover, because of the market where they operate, they are perceived as relatively having high financial risk. Others suffer from a lack of information or track record given the novelty of either the market or a particular type of investment opportunity. Of course, SIINC is not the only means of encouraging the flow of capital to these investment opportunities by improving their risk-return profiles and, thus, incentivizing more investors to invest. It is, however, a pioneering approach in directly connecting the catalytic potential with measurable social impact.

