



## Investment Brief

# NESsT Venture Fund

A philanthropic investment fund for social enterprise development

# Investment Brief: Romania

## Fundația Romanian Angel (Romanian Angel Appeal Foundation - RAAF)

[www.raa.ro](http://www.raa.ro)

**Location:** Bucharest, Romania

**Sector:** Health, disability

**Stage:** First year, later-stage portfolio



### Organizational Information

**Date founded:** 1991

**Annual Budget:** US\$ 5,900,000

**Employees:** 23 full-time, 31 part-time, 15-30 volunteer

**Mission:** RAAF works to improve the quality of life for youth and families living with chronic illnesses such as HIV/AIDS, and who face discrimination and social exclusion. The organization has more than 15 years

of experience in the public health sector, delivering social, medical and educational services to its beneficiaries.

**Social challenge:** Although according to recent USAID statistics government AIDS awareness campaigns in Romania have reached more than 8 million people the World Bank estimates that the epidemic will grow significantly during the next 5 to 10 years. As of 2006, recorded cases of HIV/AIDS totaled 11,900.

### Social Enterprise Overview

**Description:** RAAF has launched a social enterprise offering a course for pregnant women and couples on maternal and neonatal health care. The organization also produces and sells educational DVDs to expecting parents. RAAF's goal is to train 2,500 couples in 2008 and 2009.

for parents expecting their first child through education about pregnancy, delivery, and newborn health care. It aims to reach direct and indirect beneficiaries with supplemental training on nutrition, first aid, and legal rights.

**Social impact goal:** The goal of RAAF's social enterprise is to increase access to information and services

**Financial goal:** To strengthen RAAF's financial sustainability by securing an independent source of income. In year one, the goal is to repay the loan taken out to cover start-up costs; in the long term, RAAF aims to generate 10-15% of its total revenues from the enterprise.

### NESsT Investment

**Overall Financial Support to Date:** US\$ 13,300

**Financial Support Needed (Year 2):** US\$ 10,000

**Capacity-Building Support (Year 2):** Valued at US\$ 7,500

NESsT has evaluated RAAF's business plan and is providing the following capacity-building assistance as part of the later-stage process:

1. Advising on the implementation of a human resource information system designed to manage the part-time work of multiple professionals and on further development of an HR evaluation and training system in order to improve staff motivation.
2. Development and implementation of a sales strategy and sales plan, including strengthening RAAF's ability to attract sponsorships.

3. Introduction of financial systems, in order to process invoices and revenues properly and track the financial performance of the social enterprise.

4. Exploration of the potential for geographic and service expansion.

NESsT will hold one-on-one meetings with RAAF management at least three times per year to review social enterprise performance and determine how to strengthen it. NESsT will also facilitate consulting services and financial support from members of the NESsT Business Advisory Network (BAN). RAAF leadership will attend NESsT portfolio workshops every trimester where they will also have an opportunity to interact with NESsT BAN members and other experts directly.