



NESsT Venture Fund

A philanthropic investment fund for social enterprise development

Investment Brief: Slovakia

Vydra

www.vydra.sk

Location: Cierny Balog, Slovakia

Sector: Community and rural development

Stage: Eighth year, three enterprises, later-stage portfolio



Organizational Information

Date Founded: 1997

Annual Budget: US\$ 167,000

Employees: 2 full-time, 10 seasonal part-time staff.

Mission: Vydra is committed to preserving local traditions, culture and the environment in the rural micro-region of Cierny Hron through education and sustainable development.

Social Challenge: Unemployment in this rural region hovers around 25%, with levels as high as 85% for the Roma minority. The Cierny Hron area is a protected landscape area. It is home to one of two remaining virgin forests in Slovakia, where 60% of forests have disappeared.

Social Enterprise Overview

Description: Vydra operates a tourist camp and buffet. Its first social enterprise, the buffet, is successfully managed externally and provides ongoing revenues for the organization.

Its second social enterprise is the operation of three tourist information centers that provide referrals, sell tourist packages and local souvenirs. The tourist packages offer lodging, food services, and eco-tourism activities.

Social Impact Goal: Improve sustainable tourism service in the area; increase tourism to and appreciation of the Cierny Horn microregion; increase overall spending and employment in this economically depressed region.

Financial Goal: Generate 90% of the organizational budget from self-financing revenues. Maintain revenue levels despite decline in tourism brought about by the economic crisis.

NESsT Investment

Overall Support to Date:

Financial: US\$ 29,200

Capacity-Building: US\$ 81,430

Support Needed from NESsT:

Financial: US\$ 15,000

(Investment infrastructure)

Capacity-Building: US\$ 7,500

NESsT is assisting Vydra in its second social enterprise to:

1. Promote the enterprise in Slovakia and abroad.
2. Plan the expansion of the enterprise, adding winter activities, such as children's

educational activities, accommodation, and the production of souvenirs. NESsT is also advising on its infrastructural investment, including the financing model (potential loan finance).

3. Strengthen organizational development in skill building and knowledge management.

4. Implement performance management systems to measure and manage impact.

5. Communicate social impact and disseminate lessons learned from Vydra's partnership-based rural development model.

In addition to trimester workshops, NESsT meets one-on-one with Vydra management on a regular basis and facilitates consulting and financial support for Vydra from the NESsT Business Advisory Network.