



SEED Initiative

promoting entrepreneurship for sustainable development

Founding Partners



A woman using a solar energy charger, supplied by Kumudzi Kuwale, 2014 SEED Africa Award Winner

SEED Africa Symposium 2014 Summary Report

**Making Growth Sustainable: Co-creating Solutions
through Social and Green Entrepreneurship**

Imprint

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November 2014

SEED is a global partnership for action on sustainable development and the green economy. Founded by the United Nations Environment Programme (UNEP), the United Nations Development Programme (UNDP) and IUCN (International Union for Conservation of Nature) at the 2002 World Summit on Sustainable Development in Johannesburg, SEED supports innovative small scale and locally driven enterprises around the globe which integrate social and environmental benefits into their business model.

SEED is hosted by Adelphi Research gGmbH, based in Berlin, Germany. Adelphi Research (AR) is a leading think tank for policy analysis and strategy consulting. The institution offers creative solutions and services regarding global environment and development challenges for policy, business, and civil society communities.

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Introduction

On September 10th and 11th, the **SEED Africa Symposium 2014** convened at the Safari Park Hotel in Nairobi, Kenya. 320 representatives from business, government, academia, support institutions and civil society from 30 different countries attended. ‘Making Growth Sustainable: Co-creating Solutions through Social and Green Entrepreneurship’ was the theme of the event, the fifth in a series organised by SEED. Participants were invited to **Explore, Enable and Engage** with each other to find ways of building effective ecosystems for green and social enterprises in Africa.

The SEED Africa Symposium is a much-needed multi-stakeholder forum held annually as part of SEED’s efforts to foster the green economy at the grassroots and to encourage the growth of social and environmental entrepreneurship in Africa. The programme and design of the Symposium were enriched by the substantial contributions from a number of international and local partners.

This year’s event examined the nexus between small social and green enterprises and larger businesses, and how to strengthen collaboration and partnerships between them and policy-makers through more supportive environments. It also explored best practices and innovative partnerships as well as the barriers that hinder the scale up of small micro and medium enterprises (SMMEs).

Symposium participants exchanged ideas with renowned entrepreneurs and high-level business leaders, policy makers, development and inclusive business experts. Diverse opportunities for knowledge-sharing and networking included the **Symposium Expo** in which over 50 enterprises exhibited their products and services, and the **“Netfloor”** – a novel way of connecting with people where entrepreneurs and ecosystem players had the opportunity to present their expertise, services and needs. One highlight of the Symposium was the **SEED International Awards Ceremony** that honoured 41 innovative social and green start-ups: the 2014 SEED Winners.

Topline messages

Innovative small, micro and medium enterprises (SMMEs) are helping to drive the green economy with products and services that deliver triple bottom line – social, environmental, and economic – benefits. They are working to tackle global challenges including climate change, food insecurity, and poverty. To ensure these eco-businesses can thrive and for countries to embrace sustainable development, the following issues need immediate consideration and action:

By policy makers

- Put in place coherent policy and legal frameworks that support SMMEs that intend to contribute to the green economy. Policies should be based on impact measurements in the field and take account of special needs of women entrepreneurs who are essential for economic development, especially in rural and agricultural economies; agriculture is a major sector for the scale up of green enterprises and should be supported in its transformation.
- Tackle access to start-up finance which is still a major hindrance to scaling up green SMMEs; develop banking solutions and services that are responsive to SMMEs and are gender sensitive in order to foster growth and transformation; provide micro finance to cushion small scale farmers from risk.
- Create and make widely accessible capacity and skills development programmes, coupling these where possible with funding and investment opportunities; these should include tools for partnership management for small enterprises.
- Provide platforms for multistakeholder policy dialogues; these are an invaluable step in removing constraints from small enterprises and generating additional opportunities.
- Streamline regulatory and other requirements, improve certification schemes and processes, the protection of intellectual property, and speed up patenting processes.
- Profile green products and services and the enterprises that lie behind them to help in educating consumers and creating market demand.
- Promote public procurement of green products and services; Green Public Procurement creates more market and opportunities for social and environmental enterprises.

By entrepreneurs and business

- Large businesses and small and micro enterprises should consider working together as a range of benefits can accrue to both parties.
- Social and green enterprises should focus at the bottom of the pyramid where large corporations often have a blind spot.
- All businesses and enterprises stand to benefit if they implement gender equality.
- Entrepreneurs will have added satisfaction if they identify an opportunity for starting a business that addresses social and environmental challenges within the country. But they should give equal attention to making their enterprise sustainable by keeping a sharp focus on commercial aspects.
- Create platforms for dialogue for those involved in any value chain as this is a key success factor for building long-term partnerships and increasing quality and productivity; greater collaboration between social and green entrepreneurs and larger organisations is critical to unlocking other market opportunities such as major supply chains.
- Enterprises need to devote resources to measuring their impacts in order to build their case when looking for investment and funding.
- Exploit information, communication and technology (ICT) tools where possible and across sectors, to foster innovation and enhance the outreach of social and green enterprises.
- Large organisations and corporations have a major role to play in fostering green procurement by sourcing goods from small social and green enterprises.

Co-creation and partnerships

- Partnerships can help to meet immediate needs of enterprises, particularly in the start-up phase. But they are also indispensable as an enterprise grows. Different partners are needed at different stages.
- Partners need to formulate their contributions and expectations clearly at the outset, and manage them if necessary; flexibility and adaptability are called for.
- Benefits need to accrue to all members of a partnership; some will be short term, while others will take longer to realise.
- Partnerships between large companies and small enterprises can enhance innovation and provide learning opportunities, valuable insights such as into local conditions, and production and marketing benefits for both.



SEED Africa Symposium Plenary



Symposium Expo

Announcements

The SEED Africa Symposium 2014 saw the launch by:

- UN Women of its new online platform empowerwomen.org **Business Hub**.
- Hivos, Impact Amplifier, Growth Africa and VC4Africa of the Green Entrepreneur Accelerator Program, designed to create better links between investors and eco-entrepreneurs.

and announcements by:

- GIZ of the launch of its **Inclusive Business Action Network** in November in Berlin, Germany to enhance connections and support for inclusive businesses.
- UN Women of its sponsorship of a **2015 SEED Gender Equality Award** in Kenya.
- Sustainable Harvest Coffee Importers of the exploration of partnership opportunities with the Equity Bank.



Networking reception



Symposium Expo

Looking ahead

Small, micro and medium-sized enterprises constitute the backbone of the global economy. But immense efforts will be required to meet the needs of eco-enterprises and to put conventional SMMEs on to a more sustainable path.

Large businesses and corporations are increasingly engaging with the issue of sustainability and recognising that it makes business sense. Companies are reporting against sustainability targets and many are placing sustainability issues at the centre of their operations. But increasingly, customers want to have the assurance that supply chains are not exploitative – environmentally or socially. A responsibility dependence then is growing, between companies and smaller enterprises. The fact that many supply chains operate between countries and regions only serves to complicate the ways in which that assurance can be given.

Against this backdrop, the SEED Africa Symposium 2014 concluded that there are many opportunities for entrepreneurs across the region, including for youth and women. It revealed a number of barriers and enablers but overall, the green economy, specifically in the African context, could be grown by small and large enterprises working together, and also with policy makers, to build ever-more supporting ecosystems in which social and environmental enterprises can be spawned, scale up, and be replicated.

Across the globe, the search is on for effective ways of achieving growth and development that is sustainable, particularly with the review of Millennium Development Goals and the adoption of Sustainable Development Goals next year. Entrepreneurs and businesses following or adopting a sustainable path have a key role to play. The SEED Africa Symposium highlighted successful examples of social and environmental enterprises – the 2014 SEED Winners and Alumni. And with inputs from civil society, business, support institutions, and policy makers, it provided concrete ideas for building enabling ecosystems. These could be of value to all, including at the international and national levels as negotiations make way for consideration of how best to implement the new Goals.

The next SEED Africa Symposium is planned for September 2015 in Nairobi, Kenya. We are looking forward to continue and deepen these discussions to advance sustainable entrepreneurship.

1. Driving the Green Economy to unlock Africa's untapped potential

Opening sessions Days 1 and 2

Africa has some of the fastest-growing economies in the world but many people remain excluded from the benefit of this growth; almost half the people in sub-Saharan Africa live on less than USD 1.25 a day. At the same time the continent is increasingly affected by climate change, pollution, deforestation, and resource depletion. In this context, the uptake of social and green entrepreneurship takes on a crucial role in the shift towards sustainable development. This Symposium examined how social and green enterprises are contributing to a green and inclusive economy and how a supportive ecosystem for their growth might best be created, including through partnerships between small enterprises and larger businesses.

As policy makers and nations negotiate the Sustainability Development Goals as part of the post-2015 agenda, it was fitting that Nairobi should host this important gathering. In her opening speech, **Helen Marquard**, Executive Director of SEED, highlighted that the green economy and low-carbon development pathways are becoming critical considerations for many emerging and developing economies. Social and environmental enterprises play a crucial role but their grassroots efforts face many barriers as they seek to scale up their efforts. The Symposium therefore addressed the question: what is needed to enable more start-ups to come into the social and green space? As resources become scarce and costs for energy increase, large businesses and corporations increasingly follow a sustainable route, too. Within this framework, the Symposium also explored how the needs of large companies can be met through connections with small enterprises and vice versa. Are there opportunities for them to collaborate and co-create solutions? Bridging the gap between policy makers is another significant aim of the Symposium. How can supporting institutions and policy makers find the experience and evidence they need in order to encourage and promote sustainable enterprises?



Helen Marquard, Executive Director of SEED



Stephen Wainaina, National Economic Planning Secretary in Kenya's Ministry for Devolution and Planning

Anne Waiguru, the Cabinet Secretary for Devolution and Planning of the Government of Kenya, in her keynote address, given by **Stephen Wainaina**, National Economic Planning Secretary in Kenya's Ministry for Devolution and Planning, stressed the efforts of her government to unleash social and environmental entrepreneurship. National policies recognised the vital role of SMMEs in contributing to socio-economic development through initiatives like the Uwezo Fund, the Women Enterprise Fund, the Youth Enterprise Development Fund and the 30% ring-fenced access to Government Procurement opportunities. To

encourage young people to take up entrepreneurship, the Government had partnered with Kenya's private sector alliance to provide a mentorship and training programme that will provide technical skills to 20,000 young Kenyans over the coming year. In order to address profound challenges such as food insecurity and diminishing natural resources that Kenya and most other African countries face, the innovative ideas of SMMEs were pivotal and needed to be converted into economic opportunities which could advance the green economy. The Cabinet Secretary also highlighted the contribution of initiatives like SEED and called for further collaboration between state and non-state actors to encourage innovative, green and inclusive development.

Friedo Sielemann, the German Deputy Ambassador to Kenya, underlined the significance the German government placed on green growth development. The green economy concept was contextual, with each country needing to find the road that was right for them. In light of new fossil fuel discoveries in Kenya, East African countries might rethink their economy and re-invest in their renewable energy sector and other innovative sectors like telecommunication, rather than following the path of other mineral-rich African states which have relied too heavily on income derived largely from foreign-owned investments in the extraction industries.

The Symposium also explored innovative partnerships that can drive the change to sustainable development. In his keynote address, **Bob Collymore**, CEO of Safaricom, centered on the central elements that make partnerships between business and development partners work: a common purpose, determination, and understanding the need to nurture all partnerships and how to do that. In order to keep partners aligned, it was crucial to keep partnerships simple. Partnerships were not about competing; each partner needed to play to its strengths and keep in mind the overall end goal. Just as best practices needed to evolve continuously throughout the development of a business, partnerships also needed to change over time as activities were scaled up.



Friedo Sielemann, German Deputy Ambassador to Kenya



Bob Collymore, CEO of Safaricom

Symposium Expo

The Expo gave participants the opportunity to learn and engage with more than 50 innovative social and green enterprises as well as a number of support institutions in the field of sustainable entrepreneurship. It included Winners of the **2014 SEED Awards**, businesses from the **Innovation Against Poverty Programme (IAP)** of the Swedish International Development Agency (Sida) and Community-Based Organisations from the **UNDP Small Grants Programme (UNDP SGP)**. IAP was designed to support the development of sustainable, profitable business ventures that promise to increase access to essential products and services for low income groups and reduce poverty at the base of the economic pyramid. UNDP SGP provides financial and technical support to projects that conserve and restore the environment while enhancing people's well-being and livelihoods, demonstrating that community action can maintain the fine balance between human needs and environmental imperatives.

High-level plenary panels

Entrepreneurial Solutions for Green and Inclusive Growth

Green and inclusive growth is attracting the attention of governments as a tool that drives sustainable development and of the private sector as a sound business proposition. It offers a way of reconciling the rapid development required to bring African countries to the level of prosperity to which they aspire while meeting the social needs of the more than half a billion people still living in poverty, and fulfilling the national and global imperatives of reducing dependence on fossil fuels and managing natural resources wisely. Social and green enterprises offer one concrete means of achieving this paradigm shift, providing solutions to local problems in ways that create social and environmental benefits and are financially sustainable. The high-level panel discussion “**Entrepreneurial Solutions for Green and Inclusive Growth**” led by **Rainer Agster** from SEED, explored how these small scale social and green enterprises contribute in accelerating the transition to green and inclusive growth.

Ibrahim Thiaw, UNEP Deputy Executive Director and Assistant-Secretary-General of the United Nations, pointed to the huge opportunities for green and inclusive growth in Africa. Not only was it the richest continent in terms of its natural resources, Africa also had untapped human capital with as many as 100,000 young people graduating annually. The lack of infrastructure and technology that prevailed in many parts of the continent could be viewed as an opening for entrepreneurship.

Manu Chandaria, CEO of Comcrafts, also highlighted the opportunities for young graduates. By tapping into the base of the pyramid, young entrepreneurs who have the knowledge of local specificities could grow inclusive businesses, a market often overlooked by large corporations. Given the scarcity of jobs and the resulting high unemployment rates in Africa, people needed to take charge of their own destiny by creating opportunities for their own employment and ideally for others.

Lorna Rutto, CEO of Ecopost and SEED Winner (2010), started her enterprise from scratch and now employs more than 40 people in the recycling industry. She highlighted the importance of supportive policies and programmes offering access to finance and capacity building, especially in critical development stages (e.g. start-up). Despite the challenges, it was of enormous relevance to identify con-



Ibrahim Thiaw, UNEP Deputy Executive Director and Assistant-Secretary-General of the United Nations



Manu Chandaria, CEO of Comcrafts, and Christine Musisi, Regional Director Africa of UN Women

crete business opportunities that actively address social and environmental challenges within the country. Lorna Rutto highlighted the importance of fostering green public procurement to create more market opportunities for eco-enterprises and recommended tax breaks on energy prices as an incentive to help SMMEs to grow.

Christine Musisi, Regional Director Eastern and Southern Africa Region at UN Women, highlighted the importance of pushing the economic empowerment of women which present an untapped potential in terms of green entrepreneurship. If provided with the right support, women's green entrepreneurship could bring about significant benefits for local communities. Women played a particular important role in agricultural development which was why investment should be directed here. Concrete challenges faced by women entrepreneurs were the lack of skills in business management, access to finance, or cumbersome registration and licensing procedures.



James Mwangi, CEO of Equity Bank

Rishi Khubchandani, General Manager of GroFin Kenya, explained that GroFin developed financial instruments for SMEs that, unlike other banking sectors, did not always require collateral to provide credit. Grofin considers collateral in light of experience, track record and capability and emphasis is placed on expertise or experience when there is no collateral. It is also based on a relationship model where an extended period of time (3–5 months) is spent with the promoter before financing it. Grofin experienced outstanding repayment rates by women-led enterprises which form a large part of their lending portfolio. However, women-led businesses tended not to grow as rapidly as those of men.

Key Takeaways

- Africa is full of opportunities for green and inclusive businesses.
- (Young) people need to be proactive and create their own employment opportunities.
- Entrepreneurs will have added satisfaction if they identify an opportunity for starting a business that addresses social and environmental challenges within the country.
- The potential of Africa's youth and women needs to be harnessed in order to grow the green economy.
- Social and green enterprises should focus at the bottom of the pyramid where large corporations often have a blind spot.
- Tailored business support, particularly start-up finance, for social and green enterprises is invaluable.
- Green procurement offers a promising way to expand market opportunities for social and green enterprises.

Building linkages for innovative, inclusive and sustainable entrepreneurship

Social and green enterprises are developing powerful innovations to tackle global sustainable development issues. Their ability to grow is often hindered however by regulatory, information, and financial barriers. But effective partnerships and intermediaries can provide a means of addressing market failures, governance gaps, and institutional constraints that often disadvantage small entrepreneurs. The panel explored successful business collaborations and multi-sector partnerships that are fostering sustainable entrepreneurship. In a dialogue between business leaders, business intermediaries, and donors, it looked at the barriers SMMEs are facing in building business linkages and discussed success factors that enable beneficial partnerships to emerge and flourish. The panel was moderated by **Naysán Shaba**, Director of Communications and Public Information (DCPI) of UNEP.

Nadia Lamhandaz, Policy Officer at the European Commission's EuropeAid Unit on Climate Change, Environment, Natural Resources, argued that sustainable development is accelerated only when the right policy frameworks are in place. Policy incoherence was one of the biggest challenges, and had a significant negative impact on the strategies of both big and small businesses. It influenced what social and environmental organisations were able to access in terms of technical skills and training, access to finance, and the ability to find and secure partners to allow enterprises to scale up.

James Mwangi, CEO of Equity Bank, brought in the financial perspective and named inclusion as a key enabler for growth and transformation. By addressing financial barriers such as high ledger fees, minimum account balance, and withdrawal frequency limitations, Equity Bank had increased banking access from 4 to 70 per cent in Kenya. There was a need to foster convergence of corporate interests to support the growth of partnerships. In this regard, there was considerable potential for banking and telecommunication to converge and ease or remove most of the barriers to financial access.

Ruth Coleman, Executive Director, Rwanda Office of Sustainable Harvest Coffee Importers, provided an example of a successful partnership model, the Relationship Coffee model. The company used this model to work with coffee farmer cooperatives to bring different stakeholders together in annual conferences, thus fostering

relationships between those involved in the value chain. The model also promoted transparency between buyers and growers, and added to the improvement of quality and productivity.

Daniel Omosa, General Manager and Director at Wrigley East Africa Ltd. (Mars Inc) identified the hybrid business model as a pathway to sustainability which encouraged companies to look beyond pure economic profits and to reach the bottom of the pyramid. The Maua Entrepreneurship Program of Wrigley was the flagship project that piloted this new ethos. Through a range of entrepreneurship trainings it enabled youth to sell Wrigley products to people at the bottom of the economic pyramid. By integrating youth into the Wrigley's supply chain, youth employment opportunities were created. For this purpose, Wrigley partnered with rural organisations to incentivise micro-entrepreneurship and understand the local setting.

Helen Marquard, Executive Director of SEED, addressed the particular difficulties that small enterprises often faced in developing and managing partnerships. The starting point had to be the clear formulation of expectations and contributions by each partner, and then constant review. SEED recognises partnerships as a key success factor and essential means for developing social and green enterprises and had developed partnership management tools as part of its support programme.

Key Takeaways

- Tools for partnership management are needed for small enterprises (An example of tool is provided in the SEED Support toolbox).
- Partners need to formulate their contributions and expectations clearly at the outset, and manage them if necessary.
- Policy dialogues are an invaluable step in removing constraints from small enterprises and generating additional opportunities.
- Banking solutions and services that are responsive to SMMEs need to be developed in order to foster growth and transformation.
- A platform for dialogue for those involved in the value chain is a key success factor for building long-term partnerships and increasing quality and productivity.
- Companies need to think beyond profits if they are to reach the base of the pyramid.



Nadia Lamhandaz, Policy Officer at the European Commission's EuropeAid Unit on Climate Change, Environment, Natural Resources



Daniel Omosa, General Manager and Director at Wrigley East Africa Ltd. (Mars Inc)

A hybrid business model: mutuality as a core principle

Wrigley East Africa Ltd. (Mars Inc) is currently experimenting with a hybrid business model with a view to extending its engagement at the Base of the Pyramid. **Mutuality** is a core principle, namely, around which shared benefits. This resulted from a major reflection exercise in 2008 in which the company re-examined the concept of profit maximization. They reached the conclusion that profit maximisation was not the epitome of sustainability. As a result, they looked for alternative metrics to measure sustainability. The **Maua Entrepreneurship Programme** is the flagship project that piloted this new ethos. It enables youth to sell Wrigley products to people at the bottom of the economic pyramid, so integrating youth into the Wrigley's supply chain and attaining the goal of mutually shared benefits.

2. Business models and collaborations that can drive change

A new generation of business models: Insights into the Nutrient Value Chain

Parallel session hosted by Ashoka

Agriculture is a major sector for scaling up social and green enterprises. However, agriculture constitutes only one part of a much bigger ecosystem which requires consideration of all activities involved in getting nutrients from the environment into our bodies. This session hosted by **Ashoka** therefore focused on the **Nutrient Value Chain** as a model for exploring how entrepreneurial and social innovations can create change at the ecosystem level. It also examined the opportunities that exist along this value chain, and looked into examples of innovative business models and strategic alliances in this field.

Opening the session, moderator **Agostine Ndung'u**, Venture Programme Manager of Ashoka East Africa, threw out a test for panelists. How could agriculture, as a single part of the much longer nutrient value chain ecosystem, be redefined or improved to make it an opportunity rather than a challenge? Reactions were mixed. Smallholders, some said, were not a homogenous group, and they farmed out of necessity, not choice. Others focused on the challenges of financing agriculture-based enterprises and the need for smallholders to transition from subsistence to commercial production. The challenges facing young people in particular were also featured prominently, as well as the issue of how to get more young people to be productively engaged in the sector.

The discussion soon drew out insights into innovative enterprises which are already transforming the sector. An online platform, **Mkulima Young**, was put forward as one example. The enterprise provides information, forums and links for young farmers and those interested in embracing agriculture. Founder **Joseph Macharia** explained



Parallel session hosted by Ashoka

how he devised the idea during his work as an agricultural extension officer where he regularly participated in smallholder farmers meetings. What started as a novel idea on Facebook soon grew to a loyal following with over 36,000 likes within a short period of time. From there, the enterprise evolved into a web platform, complete with an e-commerce function where young people can trade in both agricultural inputs and produce.

Making agriculture a career to aspire would require a paradigm shift and a rethink of the way young African farmers are viewed and supported, argued **Cheryl Joan Jones**, Entrepreneur and former Kenya Country Manager of Global Alliance for Improved Nutrition. Young farmers should not be treated as subsistence farmers, and ought to be trained in soft and hard business development skills and in how to deal with social impact investors. Seeing agriculture as a wealth-generating avenue would unlock other credit facilities, allowing young agribusinesses to achieve scale.

Eco-entrepreneur **Nelson Kariuki** founder of Rutuba Organic, the first social enterprise to produce organic fertiliser in Kenya, shared his experience in accessing private capital. Accessing start-up funds was the biggest challenge his enterprise faced; ultimately it was partnerships which helped it grow. **John Logan**, Country Director of TechnoServe Kenya agreed that partnerships were vital, adding that collaboration also provided potential to improve credit-worthiness and sharing best practices. Critical was ensuring the sector has the scientific expertise to optimize agricultural outputs. This was where eco-enterprises could partner with academic and research institutions to better serve the needs of smallholder farmers and other actors in the value chain.

Key Takeaways

- Agriculture is a major sector for scaling up green enterprises.
- Smallholder farmers are not a homogenous group, and should not be treated as such.
- Micro finance is required to cushion small scale farmers from risk.
- Information, Communication and Technology (ICT) is a key value-adding tool to innovate and scale-up agri-businesses.
- Forming partnerships is critical to transforming the sector.
- Young farmers' enthusiasm for reshaping agriculture should be nurtured and supported.
- Information platforms providing a critical extension service to smallholder farmers (e.g. Mkulima Young) need to be fostered.



From left to right: Nelson Kariuki from Rutuba Organic, Joseph Macharia from Mkulia Young and Agostine Ndung'u from Ashoka



Cheryl Joan Jones, Entrepreneur and John Logan from Technoserve

Unleashing opportunities at the Base of the Pyramid through partnerships between social entrepreneurs and corporations

Parallel session hosted by GIZ

Social entrepreneurs are developing powerful innovations to tackle global social and environmental challenges. They are also valuable partners for companies wishing to develop inclusive business models as they offer new business opportunities and understand the local context in depth. Businesses have the resources and power to support the scale-up of social and green innovations and a real ecosystem change. In this session, entrepreneurs and development experts presented examples of successful collaborations between social entrepreneurs and corporations, and discussed success factors for building such partnerships. The session was hosted by the **Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH**, which drew from the outcomes of the co-creation workshop for inclusive business held on the previous day.

Andy Narracott, Deputy CEO of Water Sanitation for the Urban Poor (WSUP) introduced a joint project of WSUP and Unilever in Ghana. WSUP collaborated with Unilever to set up social incubator called 'Clean Team' which sells eco-toilet sanitation systems to customers in Ghana. Unilever as corporate partner in research and development was interested in creating a new market for sanitary products. The development of a successful partnership required a clear vision of collaborative purpose as well as scalable and viable goals. Andy Narracott also highlighted the value of the data social enterprises have vis-à-vis a large corporation and how important it is to be aware of it when getting into a partnership.

Makhegu Mabunda, Good Business Journey (Sustainability) Analyst of Woolworths South Africa highlighted her experience working with South African smallholder farmers as part of the company's supply chain. Woolworth sources from suppliers which need to comply with a set of ethical criteria ("Woolworth Code of Business"). It also provides capacity building to smallholder farmers to enable them to produce more and quality products, and encourages them to form cooperatives. Because of the lack of regulation on sustainable farming in South



Paralell session hosted by GIZ

Africa, one particular problem they were facing was the high auditing fees paid by suppliers if they were to meet the prescribed standards.

Allison Voss, Associate for i-dev International, described how innovative technology and applications were creating new opportunities at the base of the pyramid. She also highlighted the benefits for corporations of supporting social enterprises financially. Social enterprises provide them with the chance to test new markets, invest locally and explore new business opportunities.

Lisiane Harten, Manager Business Unit Private Sector Cooperation of GIZ, highlighted the role of development actors in fostering such partnerships. Fostering match-making and partnership building would be one of the focus areas of a new platform to be launched by GIZ – the Inclusive Business Action Network – a global network designed to attract a membership of inclusive businesses, investors, governments, foundations and institutions, aimed to help enterprises find the right support and secure partners. Partnerships between small and big enterprises did not have to always include the provision of finance.

In the following Q&A session, participants shared their experiences and challenges faced in building such collaborations. Small enterprises need to invest a lot in building relationships with large companies but often fail to get anything in return. It is equally for corporations to real-

ised they need small enterprises to be able to grow. Both partners need to find a common language to have a good understanding of the benefits and interests for both sides.

Key Takeaways

- Capacity development at the small enterprise level is a huge gap where corporations need to support.
- Benefits of a partnership need to accrue to all partners; adaptability was needed from all.
- Shared benefits, transparency in decision-making and defining a clear vision are key success-factors for effective partnerships between small and big businesses.
- Combination of investment and capacity building is helpful while integrating small enterprises into value chains.
- From innovation to mutual learning, there is a range of benefits for corporations; by providing in depth knowledge of local market conditions and behaviours, social entrepreneurs in developing economies offer an invaluable asset for penetrating low income markets.
- Innovative collaborations between social enterprises and corporations need to be replicated across sectors to foster the spread of inclusive business.

A call to Inclusive Business: The IB Action Network

The Inclusive Business (IB) Action Network is a global support network to scale and replicate business models that focus on integrating the Base of the Pyramid. It brings together the core group of inclusive businesses, investors, governments, foundations, and institutions from around the world, and offers a range of support for inclusive business in the form of finance, knowledge exchange, practical resources. The IB Action Network is implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) on behalf of the German Ministry for Economic Cooperation and Development (BMZ). With the set-up of this network, GIZ aims to make it easier for inclusive businesses to connect and establish new partnerships.



Lisiane Harten, Manager Business Unit Private Sector Collaboration GIZ



From left to right: Rainer Agster from SEED, Lisiane Harten from GIZ, Makhebu Mabunda from Woolworth SA, Allison Voss from i-dev international and Andy Narracott from WSUP



Impressions from the session

Spotlight on Gender – Empowering women: Return to families, businesses and societies

Parallel session hosted by UN Women

Women are increasingly perceived as playing a significant role in realising the transformation to a greener economy and reducing poverty in countries with developing economies. Raising female employment could impact a country's GDP by increasing the growth rate by up to 34%. Women also contribute to the greater availability of human resources of a country's green industry by investing household income in the well-being and proper education of their children. At the same time, women are known particularly to apply environmentally-friendly behaviour in various spheres. These include more resource-efficient production as well as consumption behaviour and more sustainable decisions for their households and businesses. Nonetheless, gender equality remains a burning issue in many countries with developing or emerging economies. Women still face many barriers in finding their rightful place in economic life. This session hosted by **UN Women** demonstrated successful examples of companies that have made gender equality part of their core business and initiatives that promote women's empowerment. It looked at the benefits of gender equality and women's empowerment for businesses and societies, and the specific role that business could play in driving gender equality and sustainable development. **Anna Fälth**, Manager of the Knowledge Gateway for Women's Economic Empowerment at UN Women led the session.

Katherine Lucey, CEO of Solar Sister, described how Solar Sister is an example of a social enterprise whose main focus is to create more space for women to participate in the economy as entrepreneurs. Solar Sister delivers access for women to clean energy technology by extending the supply chain through women's rural networks and providing the women with training and support. Investing in women goes beyond the effects of providing sustainable income and social benefits. Data shows that 90% of income generated by women is reinvested into the well-being of the family and proper education of their children, improving their lives and providing benefits for the coming generations.

Adil El Youssefi, Managing Director of Airtel Kenya, picked up this theme. Airtel has recognised the importance

of the economic empowerment of women, particularly in rural areas where information technology plays a vital role. Airtel Kenya had started a schools' programme and the Farmer's Information System initiative which enabled women farmers to access information on weather updates, policy (such as taxation regulation) and support services.

Wanjiru Gathira, Chairman of the Uwezo Fund in Kenya, highlighted access to finance as a particular barrier that hinders women in flourishing as entrepreneurs. That was where the Uwezo Fund made one of its main contributions by expanding accessibility of fund to women, and vulnerable people. The programme encourages social bonding and economic empowerment among women. Women come together and create groups of 10 persons with the aim of borrowing money to do business. Capacity-building is also provided and as well as incentives to participate in sectors like agribusiness and ICT.

Hellen Gichohi, Managing Director of Equity Group Foundation, underlined its pursuit of transforming the economic lives and standing of women in rural communities. The Equity Group Foundation had also recognised the need to train women in financial issues by offering them training in banking processes as well as business planning and marketing. Hellen Gichohi highlighted the fact that working with women is good for many businesses because they tend to share knowledge much easier than men and hence encourage growth.

Christine Musisi, Regional Director Eastern and Southern Africa Region at UN Women, led the discussion on why women's empowerment was so critical in terms of wealth creation and asset building. It encouraged women to take ownership of land and property, redressing the gender imbalance and social-standing of women in communities. The EmpowerWomen.org Business Hub was the most recent initiative of UN Women that was designed to boost gender equality and women's economic empowerment. In addition, UN Women had set up various partnerships with other international organisations, academia and information technology companies to promote women's entrepreneurship in general and rural agricultural productivity and training in agricultural technologies in particular.

Key Takeaways

- Gender equality and business can – and should – go hand-in-hand; investing in women is a smart investment.
- The empowerment of women is essential for economic development, especially in rural and agricultural economies.
- Better access to financing for women entrepreneurs is essential; training and support with regard to banking processes, business planning and marketing is needed.
- Knowledge-sharing is indispensable to see what works and what does not; it can help others to deal with challenges.
- The new Business Hub, EmpowerWomen.org, enables gender-conscious companies and women entrepreneurs to network and share success stories.

Fostering Women Entrepreneurship and Gender Equality:

The EmpowerWomen.org Business Hub

Women play a crucial role in economic sustainable development. In order to realise gender equality and women's empowerment in social and green enterprises and profile their contributions, they need to be equipped with the supportive tools. The Business Hub is a global online ecosystem for collectives of women entrepreneurs, companies with demonstrated action for gender equality, and other business partners to learn from each other and realise economic and social benefits. They can demonstrate how they are making gender equality part of their core business; showcase their strategies and initiatives in support of women's economic empowerment; and contribute learning resources and expertise. It is a space for sharing stories and experiences on establishing and running women-led businesses and for showcasing products and services.



Parallel session hosted by UN Women



Anna Fälth from UN Women and Adil El Youssefi from Airtel Kenya



Katherine Lucey from Solar Sister and Hellen Gichochi from Equity Group Foundation

3. Co-creating solutions for an effective ecosystem

Accelerating green pioneers to achieve scale

Parallel Session hosted by Hivos, VC4A, Growth Africa, Impact Amplifier

Current ways of production and consumption are not sustainable. We need to show that greener alternatives are available and that they can work at scale – by entrepreneurs offering practical, valuable products and services to individuals and businesses that make production and consumption more sustainable. With their market driven improvements it is possible to replace old, harmful technology with better, more effective or less harmful solutions. Entrepreneurs working on greener products and services play an important role in bringing about a more sustainable future. This session hosted by **Hivos, VC4A, Growth Africa and Impact Amplifier**, explored the opportunities for accelerating projects by Green Pioneers within the context of the green economy. More specifically, it focused on how investors and innovators could improve their partnerships and unlock and scale green businesses. It also explored the challenges facing eco-entrepreneurs and ways to foster their growth.

Leo Soldaat, Senior Advisor Financial Services and Green Entrepreneurship at Hivos moderated the discussion and announced the launch of the **Green Pioneer Accelerator Program** (details on the next page).

Ben White, Founder of VC4A, wanted green entrepreneurs to be celebrated more. He noted that there was little collaboration amongst social entrepreneurs, calling for partnerships to give greater visibility to these entrepreneurs and subsequent higher levels of support.

Maximilian Pichulik from Impact Amplifier thought the private sector ought actively to engage in helping solve social problems through sustainable entrepreneurship. He called for investors to fund early-stage enterprises and encouraged green entrepreneurs to develop technology prototypes and examine ways to unlock market gaps in large supply chains.



Leo Soldaat, Senior Advisor Financial Services and Green Entrepreneurship – Hivos

Miles Lutheran from Ecofils Kenya noted that aside from economies of scale, high costs of agricultural inputs and the lack of start-up funding represented the major impediments to sustainable entrepreneurship. He further noted that returns on renewable energy were not sufficient to recover the huge costs of initial investments.

Aghan Oscar from Continental Renewable Energy in Kenya which produces building products from recycled plastics told of delays in securing patents and the lack of certification due to the absence of benchmarks in Kenya. This lack of regulation in some sectors presents also a limit for those investors who are best placed to accelerate the scale-up of green SMMEs. Organising youth from informal settlements into structured organisations was also a challenge he faced in scaling-up the business.

For **Michael Berenju** from Cocon Africa high electricity costs and complex bureaucracy were the main challenges faced in setting up his company. The company is a coconut husk processing facility that produces coir fibre, coconut husk pith, and coconut husk briquettes sold to industries, farmers and households in the Kenyan market.



Max Pichulik, Partner at Impact Amplifier

Johnni Kjelsgaard, Founder of Growth Africa, commented that green entrepreneurs often made the common mistake of concentrating more on the technical aspects of an enterprise at the expense of the business model; both were equally important.

During the following group discussions, further challenges and required actions were discussed. Despite there being a ready market for most of the products, access to finance for start-ups remains a major challenge. Financing is irregular and not flexible and social impact should be measured and aligned with financial numbers. There is also a lack of adequate information for investors investing in Africa for the first time. It emerged that demonstration summits are an effective means of bringing investors and green entrepreneurs together. Investor networks needed to be nurtured and partnerships should be based on trust to ensure fruitful collaboration. At the enterprise level, the lack of technical expertise to translate ideas into viable products was also mentioned as a main barrier. Participants called for further collaboration and knowledge sharing between entrepreneurs, but also between accelerator programmes.

Key Takeaways

- Green enterprises should be celebrated more and further collaboration between accelerators should be encouraged.
- Collaboration and partnerships between social entrepreneurs as well as with investors should be encouraged.



Impressions from the group discussions

- Access to start-up finance is still a major hindrance to scaling up green SMMEs; further challenges include complex bureaucracy, lack of certification, high costs (e.g. electricity, agriculture inputs) and community engagement.
- Green entrepreneurs should consider both technical and commercial aspects of their enterprises; both are equally important.

Accelerating green entrepreneurs for a sustainable future:

The Green Pioneer Accelerator Program

There are many examples of green pioneers in Africa deserving of a spotlight. Creating better links to investors will help green entrepreneurs to gain access to much needed financial support so as to scale their businesses. It will also result in significant contributions to a more sustainable future. Impact Amplifier, Growth Africa, VC4Africa and Hivos launched the Green Pioneer Accelerator Program which targets green entrepreneurs looking to take their innovations to scale in Africa. The programme seeks to position companies for scale by getting their financials and pitch deck in shape, and preparing them for fundraising conversations with investors. It combines rigorous study with practical experience from successful entrepreneurs, mentors and investors. Graduates will also have access to over 600 private sector investors and tap into the combined networks and knowledge of project partners.

Building ecosystems for sustainable entrepreneurship: successful approaches and lessons learnt

Parallel Session hosted by SWITCH-Med

In order to thrive, green and social start-ups need to be nurtured and supported. During this session, participants were asked to share knowledge and experiences between initiatives working on the creation of a supportive environment for sustainable entrepreneurship and to outline the specific enablers to unlock, for example, access to finance. There were a number of factors that enhanced ecosystems, opined **Burcu Tunçer**, Team Leader, SWITCH-Med Networking Facility. Among them: capacity-building, mentoring; access to finance, policy, market pull and building synergies between all ecosystem players.

At the start of the session, four different initiatives or programmes from Africa addressing one or more of these factors presented their work and reflected on their experience. **Michael Janinhoff** from GIZ who coordinates the Responsible & Inclusive Business Hub in the MENA region pointed out that both society and business had a dual role in driving demand for eco-products and services. Critically, the private sector, and not just inclusive businesses, needed to adopt and promote sustainability.

Cesear Mwangi, Africa Regional Director of the Global Village Energy Partnership (GVEP) presented the work of the international NGO which acts as a development catalyst engaging dozens of small and medium sized enterprises to assist in the rollout of energy solutions. GVEP focussed directly on assisting green micro-enterprises, and providing technical and financial support, facilitated by partnerships with manufacturers and banks.

The participants heard about new training in the MENA region, led by SWITCH-Med Initiative, to accelerate sustainable production and consumption practices including on-site and online support. The programme will reach 3,000 entrepreneurs, with 30 chosen to receive a 12-month advisory service including assistance in expanding their network and accessing finance.

Another presentation was given by **Daniel Sorossal**, Policy & Advisory Manager at FEBEA (European Federation of Ethical and Alternative Banks and Financiers) working to promote ethical finance and to enhance access to finance via their funds. FEBEA works on access to finance



through three major actions: **1)** Facilitating the exchange of information and best-practices and the co-operation between national networks and practitioners of the social economy and finance in Europe and beyond; **2)** Representing its members towards the EU institutions and in international fora, and **3)** Creating dedicated financial and non financial instruments.

From a World Café session, in which participants were asked to discuss how to enable policy environments, access to finance, capacity and technical skills, further synergies were identified between ecosystem-building initiatives and market pull. One of the findings to emerge on policy was that sectorial networks could enable stakeholders to join in policy-making; the technology sector had pushed for policy reform in Kenya, for example. Capacity and technical skills could be improved by ensuring that both formal and informal training was offered and should reach rural areas with evaluations and skills followed up, in order to address gaps. Access to finance could be enhanced through public procurement, financing tools such as 'factoring', cash and credit cooperatives and other mechanisms such as crowd-funding. There was also a need for grant funding providers to build skills for sustainability projects and experimentation. As regards 'market pulls', fostering partnerships is vital to create market demand and ICT applications could vastly increase visibility for eco-entrepreneurs and partners. To conclude the discussion on how to develop synergies between initiatives that foster sustainable entrepreneurship, participants mentioned that there was a big gap between what was occurring on the ground and the debate at higher levels. A more detailed summary of the session is available on SWITCH-Med Website here.

Key Takeaways

- Ecosystem initiatives are key for sustainable entrepreneurship, and synergies between initiatives should be fostered.
- Bridge the gap between support projects on the ground and initiatives at higher levels.
- Capacity building programmes need to integrate both formal and informal training and reach out to rural areas.
- Develop alternative routes to enable eco-entrepreneurs to secure access to finance, such as broadening the opportunities for green procurement.
- Partnerships at the local level are key to foster market demand.

SWITCH-Med Initiative

SWITCH-Med Initiative promotes partnerships for inclusive businesses and supports sustainable entrepreneurship efforts in the North African countries. SWITCH-Med, just like SEED, works with a wide range of stakeholders to enable a much more supportive ecosystem for entrepreneurs. The initiative is committed to catalyse the market of sustainable products and services in the Mediterranean via:

- Trainings for start-ups and entrepreneurs to build skills in design, business plan, marketing and financing of sustainable products and services;
- Capacity building in industry service providers targeting small and medium sized enterprises for resource efficiency improvements;
- Engagement with policy makers to establish a regulatory and policy framework to boost the market for sustainable products and services;
- Empowerment of citizens and civil society organisations to lead socially innovative solutions addressing environmental challenges;
- An Action Network of stakeholders to link with similar initiatives and networks and to scale-up current activities.



Impressions from the working group



Giorgio Mosangini, Associated Expert to SWITCH-Med



Daniel Sorossal from FEBEA



Burcu Tunçer, Team Leader SWITCH-Med Networking Facility and participants

Spotlight on Impacts – How and what to measure



Parallel session hosted by Sida/SEED

Parallel session hosted by Sida/SEED

Measuring impacts is critical but there are many issues at play for social and green enterprises. In this session, led by Carmen Lopez-Clavero, Programme Manager in the Partnerships and Innovation Department of the Swedish Development Cooperation Agency, Sida and Mirko Zürker, Senior Project Manager at SEED, panellists discussed the role and benefits of impact assessments and sharing best practices from the field. Participants were asked how social, environmental and economic performance could be tracked and measured and what tools and approaches are at the disposal of small social and green SMMEs, investors and donors.

Dominikus Collenberg, founder of Organic Africa, pointed to the way in which keeping the books balanced was a simple yet effective means of supporting good performance monitoring.

Virinder Sharma, Regional Climate Change Advisor for DFID in Kenya and Somalia considered that social- and climate-related indicators played an even more crucial role in measuring impacts. A thorough understanding of a company's value chain was critical in measuring impacts and developing meaningful metrics.

Dennis Ochieng, Sales and Operations Manager at Sanergy highlighted the importance of engaging with partners to carry out surveys at the community level. Often it was difficult to get the answers which were needed from community members. It was therefore also critical to raise awareness and educate beneficiaries about issues that might be of relevance in regard to impact measurement.



Virinder Sharma from DFID and Pauline Githinji from Root Capital

Root Capital works with agribusiness in rural Africa providing credit to enterprises in need. **Pauline Githinji**, Root Capital's ICT4ag Advisory Coordinator, spoke about the significance of integrating impact measurement into the due diligence process in helping social and eco-enterprises to quantify what impacts can be expected.

Perspective from a social and green enterprise on impact measurement

SANERGY is a Kenyan enterprise that focuses on collecting waste in the community, processing it into organic fertilisers which are sold on to farmers. One component of SANERGY's work is weighing the waste in order to calculate how much waste is produced daily and the environmental impacts of that on society. Educating people about the associated health and environmental risks is also a component of the Fresh Life Initiative, according to Dennis Ochieng, SANERGY's Head of Sales and Operations. "We want the community to know about the health risks and the importance of hygiene such as washing hands," he said. "We try to engage with other partners on public health matters by conducting community surveys."



Impressions from the session

A secondary component of this session invited participants to engage in an open fishbowl discussion about the challenges and solutions in measuring impact, by considering two key questions:

- What are the challenges in measuring impact for social enterprises, donors and investors?
- How can we perform effective impact measurement, what are examples of successful tools, what is needed to allow effective impact assessments and what can support institutions, policy makers and donors do in order to foster effective impact measurement?

Key Takeaways

- Impact is measurable, and can be used to inform policy.
- Different elements of impact measurement require different evaluators; delineations in conducting community surveys from all perspectives have to be understood.
- Integrating impact assessments in due diligence from the outset can lead to advantages, particularly from a customer perspective.

Challenges

- Only if impacts are measurable can policy makers have a basis for intervention
- Understanding impacts and outcomes takes time and is costly since the context differs for each sector and no baselines are available
- Aligning business development and climate change indicators are not easy since they look at similar issues from a different perspective
- Raising the awareness of customers and beneficiaries to impact measurement and making the significance of its various elements understandable is difficult but important
- Measuring impacts in the health and sanitation sector is extremely challenging since they are very difficult to track and conditionalities are often not clear
- Assessing impacts is often logistically challenging since appropriate infrastructures and capacities often do not exist within enterprises
- Impact measures often require quite heavy investment.

Solutions / Recommendations

- UK Climate Fund Key Performance Indicator Database offers a useful model
- Measuring impact is key to making a business case; it can help to convince funders and investors of the worthwhile nature of a business
- Intensive customer research is key to understanding impact
- Learning from impact measurement can also be used to improve the customer experience and to make products and services more relevant for customers and users
- Randomised controlled trials are a useful method for generating meaningful impact measurements
- Moving away from input to output and from a high-level to the grassroots makes evaluations more effective and valuable
- ICT-based impact measurements tools can enable remote evaluations
- Donors should be those willing to take risks and support impact measurement
- Clear roles and responsibilities must be established when measuring impact at enterprise level
- Engage people at the grassroots that can support the implementation of impact evaluations.

4. SEED International Awards Ceremony 2014 – At a glance

From an enterprise that produces premium outdoor furniture out of recycled plastic and organic waste materials in Colombia, to a women's farming cooperative that improves food security in Nepal, to enterprises that market solar electricity kiosks in rural off grid areas of Malawi and promote bikes as subsidized moving billboards for the rural poor in Mozambique – this year's **SEED Winners** again demonstrated that innovation, working in partnerships, and a dedicated focus on sustainability contribute significantly towards building a world of flourishing communities in which eco-entrepreneurship drives sustainable development.

The SEED Awards identify and support innovative social and environmental start-up enterprises which tackle key sustainable development challenges at community level in developing and emerging economies. As in previous years, the 2014 SEED Awards had a special focus on Africa, with **28 SEED Africa Awards** made to enterprises in Ethiopia, Malawi, Morocco, Mozambique, South Africa, Tanzania and Uganda. These Awards were largely supported by the **European Union and the Government of Flanders**. For the South Africa Awards support was also provided by **Hisense**.

A further **10 SEED Low Carbon Awards** went to climate-smart enterprises across the globe that contribute towards grassroots climate change mitigation and/or adaption. These Awards were funded mainly by the International Climate Initiative of the **German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety**.

Special recognition was also given to three women-led enterprises that promote gender equality and women's empowerment as their core objectives. The **3 Gender Equality Awards** were largely supported by **UN Women**, the UN Entity for Gender Equality and the Empowerment of Women, and the **United Nations Industrial Development Organisation (UNIDO)** which promotes inclusive and sustainable industrial development. Additional support was given by the international law firm, **Hogan Lovells**.



SEED Award Winner from Ethiopia "Asrat and Helawi Engineering Partnership" with Helen Marquard and Ibrahim Thiaw

The Winners were selected by the independent **SEED International Jury of experts**. The Award Winners were honored at the high-level International Awards Ceremony and will receive from SEED a package of individually tailored support for their businesses, technical assistance, access to other supporting institutions, and a financial contribution of US\$ 5,000.

The list of the 41 SEED 2014 Winners and a summary of their business model is available on SEED's website.

Baobab Products Mozambique: 2014 SEED Winner

Baobab Products Mozambique (BPM) provides hundreds of women harvesters with a new source of seasonal income from the processing of fruits of the baobab tree. It is the first business in Mozambique to buy, process, and trade the nutrient-rich Baobab fruit. Harvesters are trained in processing techniques and are paid to supply seeds and pulp for baobab powder and other products for both the national and international markets. BPM is an inclusive business that allows the women harvesters also to become active shareholders in the enterprise, as part of a co-operative. It stimulates the economy through a new value chain. BPM assists rural communities in adapting to climate change, and provides an alternative food source and income for a region where agriculture is becoming limited due to poor rainfall and drought.

5. Barriers and enablers to social and environmental enterprises

Social and green enterprises in developing and emerging countries face significant challenges that hinder them from growing and scaling up. The successful development of an enterprise depends on five key areas: financing and funding; innovation and technology; regulation and incentives; knowledge and skills; and infrastructure and the market. An important goal of the Symposium was to come up with solutions and recommendations to deal with challenges within these areas and which, if implemented, could help to foster a more enabling environment for sustainable entrepreneurship. The following barriers and enablers have been identified as part of the SEED Winners workshop.

Meeting the challenges of a sustainable start-up

Insights from Evans Wadongo, Executive Director of Sustainable development for All-Kenya (2011 SEED Winner)

Small enterprises are often faced with much uncertainty in the start-up phase as regards the steps that need to be taken in order to scale up. For all start-ups, the building of networks is invaluable, and just as important as financial support and advice on developing and improving an enterprise's business plan. However, it is crucial to have a clear understanding of the particular barriers that keep an enterprise from growing and to formulate concrete needs that would combat these. In the case of SDFA-Kenya for example, financial support was needed to expand market access; to set up income-generating activities; and to establish links to partner organisations to reduce operating costs and allow exchange of knowledge and experience.



Evans Wadongo, SDFA Kenya (SEED Winner 2011) and Rainer Agster from SEED

Financing & Funding

The challenge

Most start-ups have very limited start-up and working capital at their disposal and find it extremely difficult to convince investors and banks to provide them with additional funds. Conventional banks are often unwilling to give loans to social and environmental start-ups. This not only limits productivity but often hinders enterprises from scaling up and expanding.

Enablers

- **A good business plan:** is a key factor that allows enterprises to present their start-up as a well-organised business and convince investors and banks to support them.
- **Alternative sources of capital:** diversify available financial resources and weaken the dependence on conventional investors and banks.
- **Subsidies:** can also provide financial support to businesses. Start-ups can turn to crowd-funding, donations and seek sponsorship to receive funds.
- **Microfinance:** institutions such as Kiva and the Small Industries Development Bank of India provide loans and grants which can constitute a vital element of social and environmental enterprises' funding strategy.



Working groups



Impressions from the "Netfloor"

Innovation & Technology

The challenge

The productivity and success of a start-up enterprise is often restrained by a low level of technological development and understanding. This impedes competition with other companies, especially if others can offer more competitive prices because they provide low quality products and services that are not in line with green principles. The insufficient protection of intellectual property is a main reason for the low level of technological innovation which hinders start-ups from investing in the development of new technologies.

Enablers

- Universities, governments and NGOs should increase their **technology capacity building activities** to support technological development by and in start-up enterprises.
- A **certification body** that officially certifies the positive social and environmental impact of start-ups could help enterprises to establish clear blue water between them and competitors that offer less eco-friendly products and services.
- Better **protection of intellectual property** incentivises the development of new, innovative technologies.

Regulation & Incentives

The challenge

Governments are not sufficiently incentivising investments in small, micro- and medium-sized enterprises (SMMEs) in green and social sectors. Thus, the level of support for these enterprises through subsidies and other mechanisms is very low. Furthermore, in some cases bureaucratic barriers and a lack of transparency and accountability are reasons for slow governmental progress regarding the support for social and environmental enterprises.

Enablers

- Identifying the relevant government official and continuing to contact him or her has proven to be a successful way of **lobbying the government**.
- To increase the effect of lobbying activities it is useful to **team up and join associations** to lobby the government collectively. This puts more pressure on government officials and can therefore have a more significant effect than activities of individual SMMEs.
- Joining forces with **large corporations** with similar interests could further increase this effect.
- Well-established **NGOs** can help social and environmental enterprises to represent their interests in front of government officials and to tackle problems of low transparency of some government institutions.



Impressions from the Expo



SEED Winners workshop

Knowledge & Skills

The challenge

Many social and environmental enterprises face a very low availability of skilled labour. It is extremely difficult for them to find well-educated and trained accountants, bookkeepers, and experts to conduct market research. In addition, the lack of awareness about eco-friendly products and services is a great barrier for social and environmental start-ups. At the same time, most enterprises lack funds that would be necessary to educate their staff and raise costumers' awareness about green and social products and services.

Enablers

- Fundraise specifically for the purpose of staff training.
- Enterprises could also initiate partnerships for **joint staff training programs** in order to share the costs for training sessions. This helps not only all participating start-ups to educate their employees but can also be used as an additional source of income if training sessions are offered as a service to others.
- **NGOs** can help enterprises by providing **training sessions** and other **capacity building** mechanisms.
- To increase the level of **consumer education**, NGOs can also support start-ups by championing the need for such education at the government level.

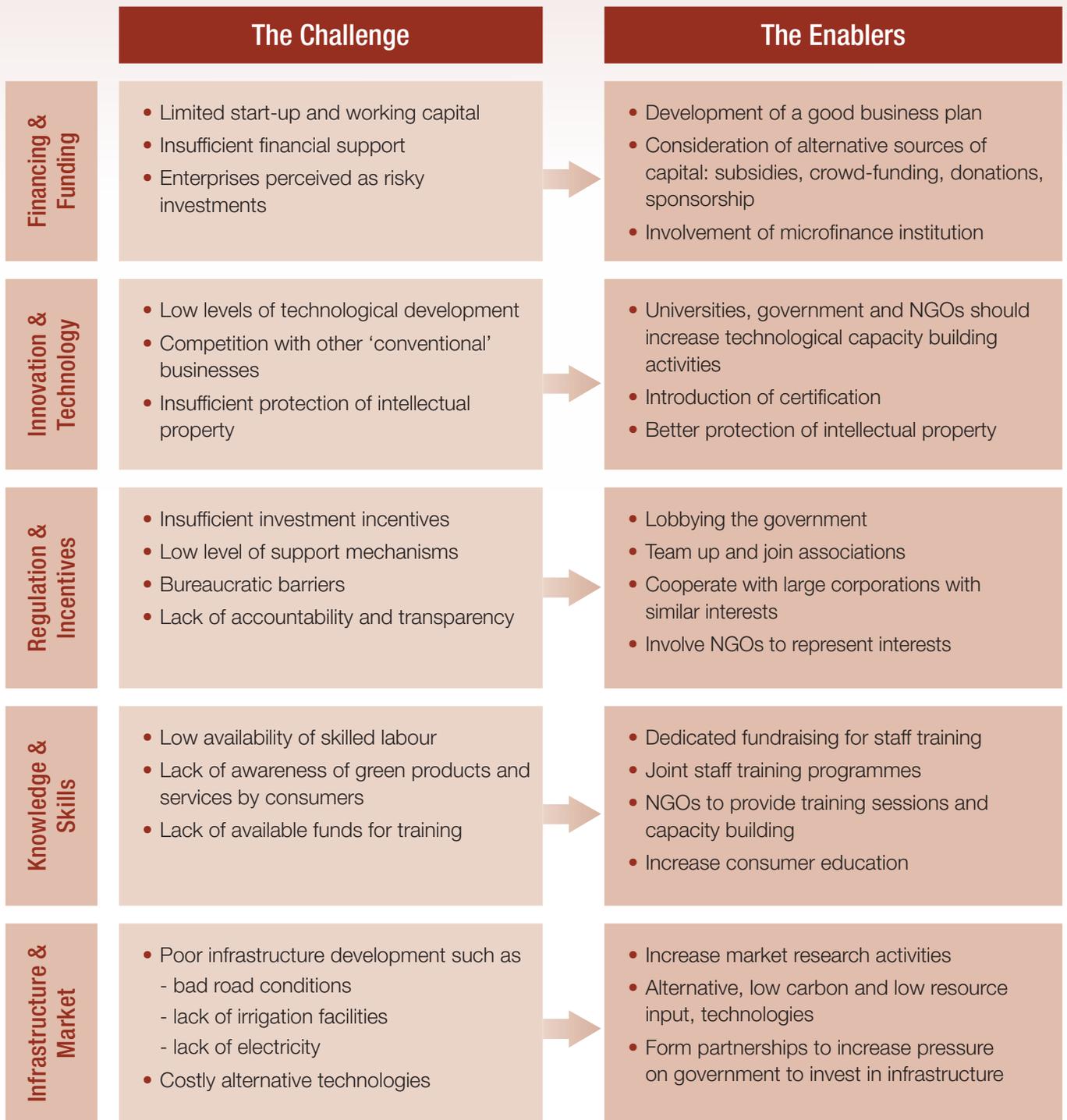
Infrastructure & Market

The challenge

All enterprises regardless of the sector are affected by their country's infrastructure and market. Low levels of infrastructural development constitute a significant constraint to social and environmental enterprises' business activities. Three aspects are particularly harmful to start-ups: First, bad road conditions make it extremely difficult for enterprises to organise their transport and logistics. Second, the lack of irrigation facilities makes additional efforts necessary in order to provide or secure water. Finally, the lack of electricity significantly limits businesses' productivity. In addition, alternative technologies are often too costly for many social and environmental enterprises to exploit their full potential.

Enablers

- To increase **market research** activities to find affordable providers of technologies; this can help enterprises to deal with infrastructural problems.
- For example, to deal with a lack of irrigation facilities businesses can invest in **drip irrigation**, **pond irrigation**, and **rainwater harvest technologies** to be less dependent.
- Similarly, the installation of **solar panels** can help start-ups to overcome a lack of electricity.
- The formation of **partnerships** can help start-ups to put pressure on the government to invest in their country's infrastructure.



6. Summaries of pre-workshops

Workshop on opportunities offered by ICT in growing your business

Hosted by Intel and UN Women

UN Women and the Intel Corporation conducted a workshop on “Opportunities offered by ICT in growing your business” during the Symposium. The workshop – attended by over 60 entrepreneurs and interested organisations – tackled issues related to innovative business models supported by ICT: social media platforms, mobile phones (smart and feature phones), computers, tablets and other ICT solutions for running effective and profitable businesses in rural and semi-urban areas.

The workshop – moderated by Anna Fälth and Jack Abebe from UN Women, and facilitated by Suraj Shah from Intel Corporation – was carried out as an interactive session and provided specific case studies of existing initiatives throughout Africa. Participants engaged in working groups to share and explore new opportunities and business ideas and presented a working strategy on how they would take steps to increase their use of ICT after the workshop.

As a follow-up to this workshop, the UN Women Knowledge Gateway Team is working with Facebook to develop a guide on how women entrepreneurs can grow their businesses with the help of social media.

Key Takeaways

- Entrepreneurs should not imagine that ICT is a complex system requiring many computers; rather, it involves harnessing the power of technology appropriately, possibly with only a single computer, to solve business problems and accelerate business growth.
- Business entrepreneurs should harness the power of global networking through an internet presence which could not only link them to customers but also create potential opportunities for learning and sharing with other businesses. Tools of connectivity depending on country context and service provision are important in this regard.
- Social media are imperative: Facebook, Twitter, YouTube, Whatsapp, Viber, LinkedIn, Google+, Skype and others could create a virtual presence and business opportunities for entrepreneurs. All these should be



Suraj Shah, Africa Programs Manager at Intel, presenting outcomes of the group discussions



Impressions from the workshop

used with the seriousness they deserve. There is need to develop a social media strategy for use by entrepreneurs and businesses to improve on social marketing.

- Websites - key for marketing and networking- tells what you do, how you do it and why you do what you do. It allows for the virtual presence of businesses whilst facilitating virtual sales too.
- Communities of practice could be an essential tool for learning, knowledge management and sharing of best practice models. Entrepreneurs should consider growing such communities in which the business interests are similar, and be able to see its potential impact in their business ventures.

Co-creation workshop for Inclusive Business

Hosted by Intel and UN Women

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) conducted a Co-creation workshop for Inclusive Business prior to the Symposium with the objective of fostering peer-learning and partnerships between large companies and social and green start-ups working at the Base of the Pyramid. Over 40 entrepreneurs and business leaders from various sectors and African countries presented their social and green innovations and explored how they can work together on delivering greater impact. The aim of the workshop was to offer a platform for inclusive businesses to explore concrete Business-to-Business partnerships and discuss next steps for collaborations.

The workshop was introduced by Lisiane Harten from GIZ and moderated by Rainer Agster from SEED. In three successive “Co-creation rounds”, representatives of 15 pre-selected businesses were invited to pitch their inclusive business projects, connect to other entrepreneurs and explore collaboration opportunities and new business ideas with them.

Key Takeaways

- Small social and green enterprises and large corporations have complementary strengths that can create fruitful synergies for each.
- Creating collaboration with corporations can bring enormous benefits to small businesses and help them to cope with challenges such as a lack of technical skills and tools, access to finance and markets, and qualified human resources.
- Small businesses present valuable partners for large corporations as they offer new business opportunities



Participants of the co-creation workshop for Inclusive Business

and deeply understand the local set-up.

- While corporations have the resources to attract and maintain excellent talent, many of them lack the social and environmental rewards that social enterprises offer.
- One of the main challenges is to find the right match for a partnership in the first place, and then to nurture it.
- In order to ensure a successful collaboration, both sides need to know what exact benefits they can gain and at which stage.
- It is crucial to provide inclusive business-oriented organisations with the appropriate tools that focus on partnership management.

This workshop was organised in the context of the creation of the Inclusive Business Action Network from GIZ and the Federal Ministry for Economic Cooperation and Development (BMZ) to enhance connections and support for inclusive businesses.

Overview of Inclusive Businesses that presented their business models

Big meets Small	Small meets Big I	Small meets Big II
Philips East Africa Ltd	Cafédirect Producers' Foundation (CPF)	Organic Africa
Sustainable Harvest Coffee Importers	Concern Universal	Makit Aps
Technoserve / Project Nurture Coca-Cola	Dr. Maombi project	moWoza
The Wrigley Company EA (Mars Inc.) / Maua Project	Pamoja Cleantech Ab	Solar Sister
Woolworth SA Novartis	SunFunder	WSUP

7. Annex: SEED Africa Symposium Programme

Making growth sustainable: Co-creating solutions through social and green entrepreneurship

Moderator: Rainer Agster – SEED

10 September 2014 - *Setting the scene*

08.00	Registration for workshop participants	15.00 – 15.20	Opening and introduction Speaker: Helen Marquard, Executive Director – SEED
09.00 – 12.30	SEED Winner workshop <i>By invitation only</i> An exclusive workshop for the 2014 SEED Winners. In this workshop, the SEED Winners coming from all over the world get to know each other, share experiences and learnings on how to grow their venture, and explore new collaborations. <i>Hosted by SEED</i>	15.20 – 15.40	Keynote address Speaker: Prof Judi Wakhungu, Cabinet Secretary – Ministry of Environment, Water and Natural Resources, Government of Kenya (tbc)
08.30 – 12.30	Co-creation workshop for Inclusive Business <i>By invitation only</i> A workshop for representatives from corporations and start-ups working at the Base of the Pyramid. In this workshop, business leaders from small and large organisations present their social and green innovations and explore how they can work together on delivering greater impact. <i>Hosted by GIZ</i>	15.40 – 16.45	High-level plenary panel Entrepreneurial solutions for green and inclusive growth <i>Panel discussion and Q&A.</i> How are small scale social and green enterprises contributing to Green and Inclusive Growth? What are opportunities existing in Africa and in which sectors? What are the barriers to the scale and spread of these innovative entrepreneurial solutions? Speakers: <ul style="list-style-type: none"> • Christine Musisi, Regional Director Africa – UN Women • Ibrahim Thiaw, UNEP Deputy Executive Director and Assistant-Secretary-General of the United Nations • Lorna Rutto, CEO – Ecopost (SEED Winner Kenya 2010) • Manu Chandaria, CEO – Comcrafts • Rishi Khubchandani, General Manager – GroFin Kenya Moderator: Rainer Agster – SEED
09.00 – 12.30	Workshop on opportunities offered by ICT in growing your business <i>Seperate registration required</i> A workshop for representatives from social and green enterprises, start-ups, and civil-society organisations. The workshop organised by UN Women and Intel aims to encourage enhanced understanding and motivation for using ICT to further business development and growth. <i>Hosted by UN Women and Intel</i>	16.45 – 17.15	Break and refreshments
14.00	Registration and coffee		

10 September 2014 – *Setting the scene*

17.15 – 18.30 SEED International Awards Ceremony

Celebrating the winners of the 2014 SEED Awards: innovative start-up enterprises that offer sustainable and scalable solutions to social and environmental challenges.

Welcome remarks:

- Ibrahim Thiaw, UNEP Deputy Executive Director and Assistant-Secretary-General of the United Nations

Address:

- Keith Perreira, Export Manager – Hisense South Africa

SEED Awards and insights from a past winner:

- Evans Wadongo, Executive Director – Sustainable Development For All-Kenya (S.D.F.A-Kenya) (SEED Winner Kenya 2011)
- Helen Marquard, Executive Director – SEED

Award presentation to the 2014 SEED Winners:

- Winners of the Low Carbon Awards
- Winners of the Gender Equality Awards
- Winners of the Africa Awards
- Winners of the South Africa Awards

Moderator: Rainer Agster – SEED

18.30 – 21.00 Networking reception and get-together with the 2014 SEED Winners

Following the Award Ceremony, the SEED Winners present their innovative products and services during the networking reception.



11 September 2014 – Exploring best-practices and co-creating solutions

9.00 – 9.15 Welcoming and introduction
Speaker: Friedo Sielemann, German Deputy Ambassador – Embassy of the Federal Republic of Germany in Kenya

9.15 – 9.35 Keynote address
Speaker: Bob Collymore, CEO – Safaricom

9.35 – 10.45 High-level plenary panel
Building linkages for innovative, inclusive, and sustainable entrepreneurship

Panel discussion and Q&A. What does it take to build a sustainable business model with social and green impact? What are innovative partnerships to foster these enterprises? What is needed to enable successful collaborations to emerge and flourish?

Speakers:

- Daniel Omosa, CEO – The Wrigley Company (EA) Ltd. (Mars Inc.)
- Helen Marquard, Executive Director – SEED
- James Mwangi, CEO – Equity Bank
- Nadia Lamhandaz, Policy Officer – European Commission – EuropeAid Unit Climate Change, Environment, Natural Resources
- Ruth Coleman, Executive Director Rwanda Office – Sustainable Harvest Coffee Importers

Moderator: Naysán Sahba, Director, Division of Communications & Public Information (DCPI) of UNEP

10.45 – 11.15 Coffee break

10.15 – 12.30 Parallel sessions I
Business models and collaborations that can drive change

During the morning sessions we invite you to explore innovative micro and small social and green enterprises and successful examples of collaborations with corporations and support institutions.

See on the right for further details about these first parallel sessions

12.30 – 13.30 Networking lunch

13.30 – 14.15 Enterprise pitches

14.15 – 16.00 Parallel sessions II

Co-creating solutions for an effective ecosystem

During these afternoon sessions we invite you to jointly create solutions for a more supportive ecosystem for social and green entrepreneurship. Solutions and recommendations identified in these workshops will be shared in the closing plenary session.

See on page 12 for further details about these second parallel sessions

16.00 – 16.30 Coffee break

16.30 – 17.15 Synthesis and outlook

Parallel sessions I

A new generation of business models: insights into the Nutrient Value Chain

Hosted by Ashoka

Panel discussion and Q&A. In this session, the Nutrient Value Chain serves as a role model to explore how entrepreneurial and social innovations can create change at the ecosystem level. What opportunities do Ashoka and social entrepreneurs see along the Nutrient Value Chain? What are examples of innovative business models and successful strategic alliances in this field?

Speakers:

- Cheryl Joan Jones, Kenya Country Manager – Global Alliance for Improved Nutrition (GAIN)
- Joseph Macharia, Founder – Mkulima Young
- John Logan, Country Director – TechnoServe Kenya
- Nelson Kariuki, Founder – Rutuba

Moderator: Agostine Ndung'u, Venture Program Manager – Ashoka East Africa

Unleashing opportunities at the Base of the Pyramid through partnerships between social entrepreneurs and corporations

Hosted by giz

Panel discussion and Q&A. How can linkages between social entrepreneurs and corporations be strengthened for greater innovation and impact at the Base of the Pyramid? Which collaborations are interesting and for whom? How to build effective partnerships? The discussion will draw on the outcomes from the “Co-creation Workshop for Inclusive Business” taking place on Day 1.

Speakers:

- Allison Voss, Associate – i-dev International
- Andy Narracott, Deputy CEO – Water and Sanitation for the Urban Poor (WSUP)
- Lisiane Harten, Manager Business Unit Private Sector Cooperation – Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
- Makhegu Mabunda, Good Business Journey (Sustainability) Analyst – Woolworths South Africa

Moderator: Rainer Agster, Director Private Sector Collaboration – SEED

Spotlight on Gender - Empowering women: Return to families, businesses and societies

Hosted by UN Women

Panel discussion and Q&A. What are the benefits of promoting gender equality and empowering women to businesses and societies? What can companies do to address gender issues in their organisations and in their communities? What can companies and other partners do to support collectives of women entrepreneurs to grow their businesses?

Speakers:

- Adil El Youssefi, Managing Director – Airtel Kenya
- Christine Musisi, Regional Director – UN Women Eastern and Southern Africa Region
- Hellen Gichohi, Managing Director – Equity Group Foundation
- Katherine Lucey, Chief Executive Officer – Solar Sister
- Wanjiru Gathira, Chair – Uwezo Fund

Moderator: Anna Fälth, Manager Knowledge Gateway for Women's Economic Empowerment – UN Women

In this session, UN Women will launch the **EmpowerWomen.org Business Hub** - a global online ecosystem for collectives of women entrepreneurs, companies with demonstrated action for gender equality, and other business partners to learn from each other and realize economic and social benefits.

Parallel sessions II

Accelerating green pioneers to achieve scale

Hosted by Hivos/VC4A/GrowthAfrica/ImpactAmplifier

Fireside chat between entrepreneurs, investors & sector accelerators followed by working groups.

Entrepreneurs working on greener products and services are finding it hard to gain the necessary traction to achieve scale and create meaningful impact in their societies. What are the opportunities and challenges transformative entrepreneurs face? What can be done to overcome barriers to growth? What are strategies that can be applied in getting to scale?

Speakers:

- Ben White, Founder – Venture Capital for Africa (VC4A)
- Johnni Kjelsgaard, Founder – Growth Africa
- Maximilian Pichulik, Partner – Impact Amplifier

Moderator: Leo Soldaat, Senior Advisor Financial Services and Green Entrepreneurship – Hivos

Building ecosystems for sustainable entrepreneurship: successful approaches and lessons learnt

Hosted by SWITCHMed

Expert inputs followed by working groups. The session focuses on sharing knowledge and experiences between initiatives working on the creation of a supportive environment for sustainable entrepreneurship. What are the enablers of sustainable entrepreneurship? What policies and knowledge transfer are required, and how can access to finance be addressed? How can these initiatives build synergies between their activities and collaborate for bigger impact in the region?

Speakers:

- Caesar Mwangi, Africa Regional Director – GVEP International
- Daniel Sorrosal, Policy and Advocacy Manager – FEBEA (European Federation of Ethical and Alternative Banks and Financiers)
- Giorgio Mosangini, Associated Expert – SWITCH-Med
- Michael Janinhoff, Head of GIZ Responsible & Inclusive Business Hub MENA – Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

Moderator: Burcu Tunçer, Team Leader – SWITCH-Med Networking Facility

Spotlight on Impacts - How and what to measure

Hosted by SEED/Sida

Fishbowl discussion. This session explores the role of impact measurement in the development of a supporting ecosystem for social and green enterprises. Why is it important and what are the challenges in performing impact assessment? How can social, environmental and economic performance be tracked and measured? What are existing tools and approaches for social and green enterprises?

Speakers:

- Dennis Ochieng, Sales & Operations, Fresh Life Initiative – Sanergy
- Dominikus Collenberg, Founder – Organic Africa
- Pauline Githinji, ICT4ag Advisory Coordinator Africa – Root Capital
- Virinder Sharma, Regional Climate Change Adviser – DFID Kenya & Somalia

Moderators:

- Carmen Lopez-Clavero, Program Manager, Private Sector Collaboration and ICT – Swedish Development Cooperation Agency (Sida)
- Mirko Zürker, Senior Project Manager – SEED



The next SEED Africa Symposium will take place in Nairobi, Kenya on 9-10 September 2015.
 For more information please write to symposium2015@seedinit.org or visit www.seedinit.org/symposium.



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