

# Sustainable Solutions to Poverty









CARE Enterprises creates lasting market-based solutions to poverty. By focusing on self-sustaining business models with high social and economic impact, CARE Enterprises' ventures can become important agents of change in communities with underdeveloped markets.

# What Is A Social Enterprise?

Social enterprises are ventures that use business models to advance a primarily social mission. Well-designed social enterprises are sustainable, scalable and offer financially robust mechanisms for addressing poverty and its ill effects. By identifying business opportunities that exist within development programs, social enterprise programs help turn finite aid projects into sustainable, market-driven economic ventures that help develop communities over the long-term.

CARE has promoted sustainable solutions to poverty in the world's poorest communities for over 60 years. Reaching more than 122 million people annually in 84 countries, CARE works alongside communities to provide people, especially women, with the resources they need to lift themselves out of poverty. We see the development of viable social enterprises as the natural evolution of market-based development and a necessary step to fulfilling our poverty-fighting mission.

From microfinance programs to innovative distribution projects, CARE has learned over the years how to harness the power of inclusive businesses to spur development. These efforts are bolstered today by CARE's strategy to

promote market creation and enterprise development. Our unique skills and experience allow us to develop gateway agencies that bridge the gap between the informal and formal economies. With the right support, these gateway enterprises have the potential to become powerful partners and vehicles for change in areas where markets are underdeveloped or significant gaps exist.

# FORMAL ECONOMY Private Sector Gateway Agency Goods and Services Micro-entrepreneurs & consumers

**INFORMAL ECONOMY** 







### CARE's Niche

CARE Enterprises bridges the gap between demand and supply that exists between formal markets and many of the world's poorest communities. CARE Enterprises identifies, develops and scales innovative platforms to efficiently distribute essential and high quality consumer products and services to consumers at the Bottom of the Pyramid (BoP). CARE Enterprises also develops models that aggregate products from small producers as a source of needed supply, generating employment, income and access to markets. Additionally, CARE partners with communities, companies and universities to research, develop and analyze its initiatives.

Through CARE Enterprises, CARE incubates promising business models that emerge from our programs to ensure long-term social and economic returns. CARE Enterprises focuses specifically on ventures with the potential to grow to a large scale and become "game-changers" in the fight against poverty.

CARE Enterprises conducts initial experimentation, piloting, and proof-of-concept development. We test ideas and models, provide the intensive incubation and support required, gather, institutionalize and share what we learn. Key activities include:

- Knowledge management
- Strategic relationship management
- Support for strategic business proposal design
- Support for implementation and innovation facilitation

CARE Enterprises is a critical investment in building the social enterprises of the future.

# **Bangladesh Rural Sales Program**

CARE developed a distribution system that connects global businesses to underserved communities and over 1 million consumers. At the heart of the model are 3,000 *Aparajitas* – previously marginalized women who now earn incomes as free sales agents selling products they source from local distribution hubs. The hubs give women reliable, wholesale access to in-demand consumer goods from companies including Unilever, Square or DANONE.

# CARE Zambia's Agro DeAler Project (ADAPT):

Launched in 2008, ADAPT creates demand and awareness about how new, improved hybrid seed varieties can increase production and encourages broader adoption of these seeds by poor, rural households across the country. ADAPT currently has a network of 620 rural community-level retailers that provides 100,000 farm households with an increased range of agricultural inputs and technologies at reduced prices.

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