

care® enterprises

Incubating & Scaling Business Solutions to Poverty Issues

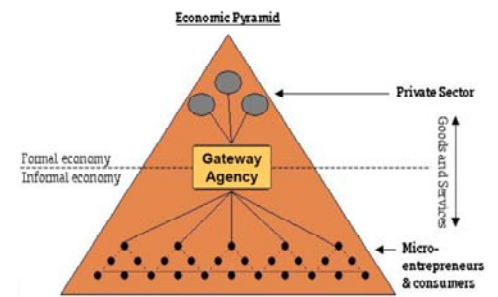
CARE has promoted sustainable solutions to poverty issues in the most marginalized areas of the world for more than 65 years. Directly reaching more than 60 million people annually in over 72 countries, CARE works alongside communities to provide people, especially women, with appropriate resources to lift themselves out of poverty.

CARE sees the development of social enterprises - ventures that advance their primary social mission using business models - as a powerful approach in the fight against poverty and a natural evolution of some development programs using market-based solutions. Social enterprises can contribute to ensuring project sustainability and scalability, offering financially sustainable mechanisms to pressing poverty issues.

From micro-finance programs to innovative last-mile 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 using a value chain approach. In its programs, CARE frequently encounters enterprises that have most of the social enterprise characteristics and act as a gateway agency that bridge the gap between people living at the base of the pyramid in the informal economy and the top of the pyramid in the more formal economy.

With the right support, these gateway enterprises have the potential to become powerful partners and vehicles for change in contexts where the market is under-developed and where some of the key market actors are absent. This potential for change is especially critical in the niche where producers/consumers first meet the market - sometimes described as 'first mile' or 'last mile' in the supply/distribution chain

Through "CARE Enterprises" initiative, CARE pro-actively and strategically incubates promising models that are emerging from our programs as enterprises in order to ensure long-term social and economic returns. The Initiative focuses specifically on those models with the potential to reach great scale and become game-changers in the fight against poverty. In particular, CARE develops and scales innovative platforms to efficiently



distribute high quality products to people living at the base of the pyramid in the informal economy and to collect and aggregate products from small producers as a source of needed supply.

For instance in Bangladesh, CARE [Rural Sales Program](#) (RSP) is a distribution system set up in rural areas targeting marginalized people. It is composed of 66 hubs in 18 districts; employing approximately 3,000 marginalized women. At the heart of the model are the Aparajitas, or women who do not accept defeat, who have been trained as sellers in their areas. They act as free sales agents, selling door-to-door products that they source from their local hub. Each hub serves as a rural distribution center, connecting the Aparajitas to private sector producers, including Unilever, Square or DANONE. CARE recently spun-off the project as an enterprise and secured an injection of equity capital from an investor to fuel its growth, increase the number of employees to 12,000 and the reach to 10M+ households.



Another example is CARE Zambia's AgroDeAler Project (ADAPT). Launched in 2008 ADAPT's objectives were to undertake demand creation and awareness raising of new and improved hybrid seed varieties and encourage broader adoption by poor rural small-holder households across nine Districts in three Provinces. 3 years later, ADAPT has established a network of 620 rural community-level agro input retailers (agrodealers) that provides 100,000 smallholder farm households in remote rural Zambia with increased range of agricultural inputs and technologies at reduced end prices.



CARE Enterprises' specific focus is to conduct initial experimentation, piloting, proof-of-concept development. It is a laboratory to test ideas and models, provide the intensive incubation and support required, gather, institutionalize and share learnings. CARE Enterprises is a critical investment in building the social enterprises of the future.

For additional information, please contact:

Francois Jung-Rozenfarb | [CARE](#) | Director, Social Enterprises
151 Ellis Street, NE, Atlanta, GA 30303-2440 | www.care.org
o: +1 404 979 9310 | c: +1 404 509 6507 | f: +1 404 589 2639
email: fjungrozenfarb@care.org | skype: francois_jung

