SOCIAL and BUSINESS CO-CREATION in AFRICA

Social Entrepreneurship and Business joining forces for positive change

ASHOKA


ÉTAT GRIPPAL


BELIEVE


omukwano
Pearl of Uganda

PREFACE

A few years after our first series of cases studies on Social and Business Co-Creation in Europe, we are delighted to bring this new focus on Africa. In 2018, as Ashoka surveyed its network of Fellows in Africa to better understand both their perspectives and best practices to engage the private sector, we discovered a series of enlightening stories: social entrepreneurs had entered into collaborative, mutually beneficial partnerships with businesses to scale their social impact beyond what was possible on their own and advance their systems-change goals.

The findings from the survey are emphatic: social entrepreneurs are open to work with businesses. Ninety-seven percent of respondents saw businesses as valuable strategic partners. Eighty-three percent have corporate partners already. But 79% report that social and business sectors remain too siloed. The largest obstacle for these entrepreneurs is finding like-minded businesses.

Consequently, we were eager to learn more and share insights about these collaborative mindsets and strategies. How did these social entrepreneurs defy the odds in an unpredictable, unstable, and sometimes unhealthy landscape to model, implement, and eventually scale crucial social innovations that have had profound impacts all over the continent?

We have profiled five powerful co-creation journeys for this report. Although each of the journeys is unique—in terms of geography, motivation, type of companies involved and relationship models, they also share key similarities. These five stories representing thriving Social and Business Co-Creation illustrate common, replicable strategies and practices that have resulted in scalable, and lasting change and tangible contribution to the Sustainable Development Goals.

We hope these stories inspire you just as they have inspired us! Even though they are cases in development that will continue to evolve over time, they provide some key learnings. If you represent a business interested in growing your social impact but are unsure of how to do so, consider this report your Social and Business Co-Creation roadmap to having a hand in shaping Africa's bright future.

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INTRODUCTION

In a rapidly changing Africa, social and environmental challenges are complex. Leading social entrepreneurs, like the 400-plus Ashoka Fellows in sub-Saharan Africa, are on the frontlines of solving those complex problems by diagnosing and inventing ways to combat the failing systems that are holding back social or environmental change.

Despite successes, trailblazing entrepreneurs cannot restructure Africa's failing systems alone; nor do they have to. Untapped power to generate change still resides in the business sector, as almost 69% of the world's top 100 economic entities in the world are companies, not countries.[1]

Despite that economic importance and a widening embrace of shared-value approaches, big business is often still missing the drive to broaden social impact and trigger widespread systems change. This report's case studies demonstrate how social entrepreneurs and big business can work together through mutually beneficial Social and Business Co-Creation partnerships to achieve lasting change.

Opportunities in Social & Business Co-Creation

We define Social and Business Co-Creation as a collaborative relationship between companies and social entrepreneurs, one to one or many to many, leading the charge to solve complex social and environmental problems. Businesses contribute relevant resources and expertise that help social entrepreneurs achieve impact at proportions not previously possible. This collaborative framework also helps shift corporate culture, leadership and priorities to recognize the inherent economic value in maintaining a double bottom line of both profit and people.

Indeed, we are seeing an increased emphasis on the double bottom line: worldwide in 2018, US$17.8 Billion were spent by corporations on charitable giving, and 93% of the world's largest 250 companies published an annual corporate social responsibility (CSR) report.[2]

Social and Business Co-Creation:

- **Expand social impact** by leveraging the strengths of corporation, from operations at scale, investment capacity to influence.
- **Generate new sources of revenue** to reinvest in their social mission.
- Develop new **skills and knowledge.**

- Create **innovation labs** to reinvent business models
- Enter **new markets and new population segments.**
- Develop a stronger **CSR positioning** and social footprint.
- Strengthen **employee engagement.**

Beyond traditional CSR objectives, Social and Business Co-Creation models also improve the long-term health of business, because consumers increasingly want to see companies hold themselves accountable to society and the environment. Responding to those demands means staying at the forefront of innovation and seeking out competitive edges that will pay dividends far into the future: innovation and sustainability are a prerequisite for sustained growth. Social and Business Co-Creation allows companies to attract the brightest talent.

Joseph Nkandu (NUCAFE) and Marco Dalla Ragione (Caffè River) make a deal.

On the other side of Social and Business Co-Creation, Ashoka's recent survey of its Fellows in Africa revealed that strategic corporate partnerships are seen as a priority by social entrepreneurs: 68% of the respondents reported that partnerships were critical to achieving a greater impact. The opportunities here are clear: social entrepreneurs want to work with business; consumers want to see business be more socially and environmentally conscious; and the economic value from partnership flows from both of those realities. Social and Business Co-Creation is therefore an exercise in smart business as well as urgent corporate citizenship, and by working together, social entrepreneurs and their partners can ensure a brighter future for all in Africa.

Ingredients for Effective Co-Creation

Despite the clear business case for win-win relationships, no one said Social and Business Co-Creation in Africa was going to be easy. As in any unique business environment, there are obstacles to forming effective partnerships, from misaligned business incentives to conflicting values. However, the cases highlighted in this report have revealed a set of guiding principles and practices that, when followed and executed, have contributed to successful experiments in Social and Business Co-Creation in Africa.

- **Recognize the strategic business opportunity.** Investment in a social entrepreneur is not charity—it is a savvy business strategy with potential for significant economic gain. First, Social and Business Co-Creation is an investment in your business's long-term profitability, because consumers increasingly express preferences for companies that have social missions. Second, Africa is full of overlooked and underserved markets. The continent is developing rapidly, and the conventional wisdom that low-income, rural residents are not viable consumers is quickly becoming obsolete.
- **Prepare for the future by balancing short and long-term interests.** Corporations frequently eschew long-term gains for the draw of short-term profit. Social entrepreneurship, however, operates with a long-term vision of systems change, which can be at odds with pressing corporate incentives. Both parties must acknowledge these conflicting interests and agree to a business model that offers short-term successes as well as the long-term sustainability necessary for real social change.

- **Establish a win-win model.** Each party in a co-creative partnership must ensure that it is actively enabling its counterpart's business and social objectives. Although this sounds easy, the goal needs to be revisited frequently to ensure that the win-win dimension is still intact.
- **Put the mission first.** Merging different cultures, business practices, and working styles can hinder a growing business partnership. Anytime there is conflict or a disconnect, "return to the mission"—mission focus is your new business culture, because at the end of the day, both institutions have signed on for the same social outcomes.
- **Build on hybrid financing models for greater effectiveness and smarter financing.** Many social entrepreneurs have blurred the traditional borders between the concepts of for-profit and nonprofit by carefully engineering a range of activities that can be funded by different types of financing, from grants to impact investments.
- **Commit to ethical and transparent business practices.** Corruption, kickbacks, and nepotism are still commonplace, so it is essential that the different parties agree explicitly to a code of conduct in order to preserve a constructive partnership. This kind of partnership is made possible by building, early on, trust in one another's capacity to make important decisions based on the right motivations.

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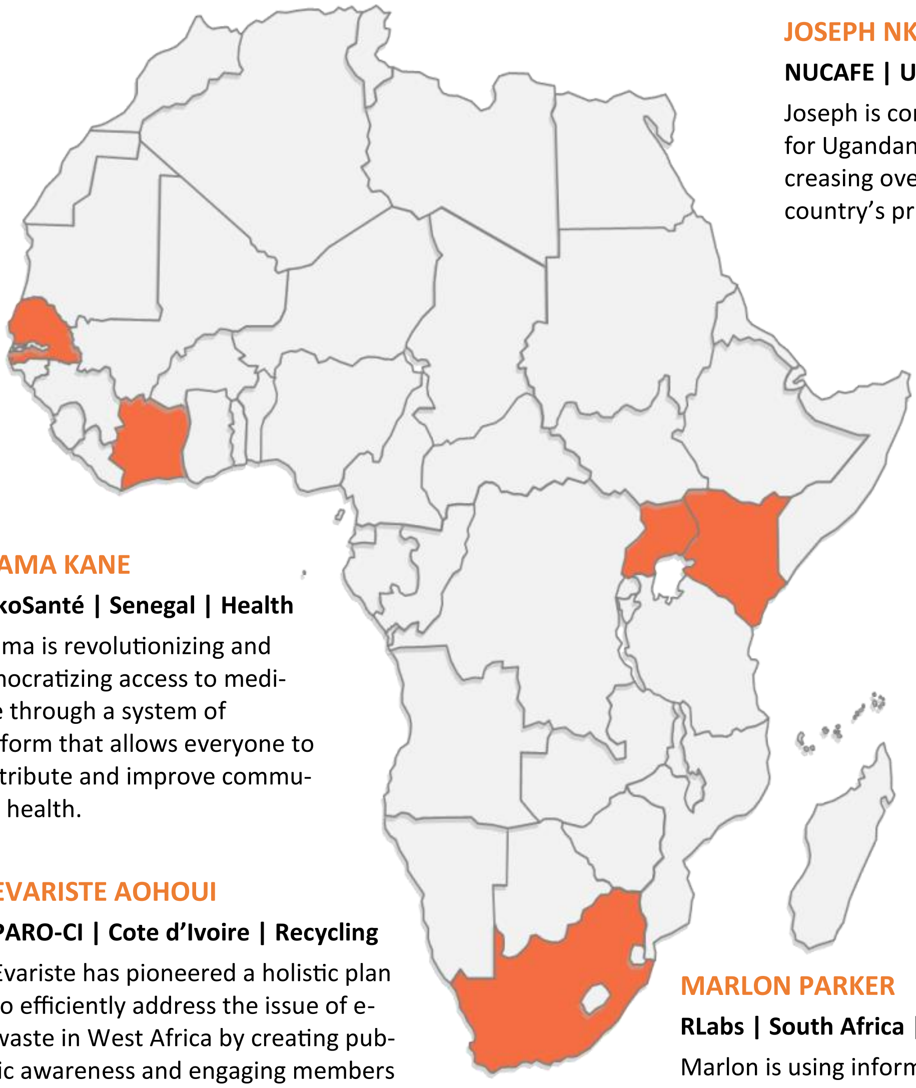
1. J. Myers, World Economic Forum, "How Do the World's Biggest Companies Compare to the World's Biggest Economies?" October 19, 2016 (https://www.weforum.org/agenda/2016/10/corporations-not-countries-dominate-the-list-of-the-world-s-biggest-economic-entities/).
2. Double the Donation, "Corporate Giving and Matching Gift Statistics (Updated 2019) (https://doublethedonation.com/tips/matching-grant-resources/matching-gift-statistics/).

Featured Social and Business Co-Creation Models

These five innovative social entrepreneurs are showcasing what's possible in Social and Business Co-Creation. We are excited to share their inspiring journeys as they bring about radical change.



JOSEPH NKANDU

NUCAFE | Uganda | Agribusiness

Joseph is combating the poverty cycle for Ugandan coffee farmers and increasing overall returns on one of the country's primary exports.

IRFAN KESHAVJEE

Karibu Homes | Kenya | Housing

Irfan is working to close the housing-market gap by developing affordable solutions that meet the needs of low- to middle-income earners, a currently underserved population.

ADAMA KANE

JokkoSanté | Senegal | Health

Adama is revolutionizing and democratizing access to medicine through a system of platform that allows everyone to contribute and improve community health.

EVARISTE AOHOUI

PARO-CI | Cote d'Ivoire | Recycling

Evariste has pioneered a holistic plan to efficiently address the issue of e-waste in West Africa by creating public awareness and engaging members of the informal sector as environmental agents.

MARLON PARKER

RLabs | South Africa | Youth Employment

Marlon is using information technology to engage vulnerable youths and help them design practical technology-based solutions that address social challenges in their communities.

Image Credits: Anton Balazh/Shutterstock


NASPERS
labs.

RLabs and Naspers

The story of Naspers Labs: Equipping youth with critical skills through innovation, technology, and education.

In 2017, after years working abroad in international development, Belinda Bowling returned home to Cape Town, motivated to actively participate in social change. She met RLabs Founder Marlon Parker during an Ashoka Learning Journey on social entrepreneurship in Cape Town. During her visit to RLabs, Belinda was inspired by the massive capacity of RLabs' holistic model to impact South African youth. The model gave even the most vulnerable youths access to technical and life skills that enabled them to reach their personal potential as productive citizens.

Belinda joined technology investor Naspers, Africa's largest company, as its social impact director. Soon after, the idea of Naspers Labs was born: a joint venture and social impact model that focuses the strengths of both Naspers and RLabs on the common goal of eradicating youth unemployment in South Africa by **designing a scalable model based on the best insights from RLabs' decade of work.**

Naspers provided seed funding to test the model in Delft, one of the most socioeconomically challenged districts in South Africa. The advantage, according to Belinda, is that their partnership has been able to upend the traditional CSR relationship by creating a fully separate entity that is a Naspers investment, with the profit being social impact rather than monetary gain. This 2018 pilot has paved the way for launching a more intensive pilot.

About the Social Entrepreneur | RLabs

Growing up in Cape Flats, South Africa, Marlon Parker witnessed the rise of crime and gangsterism fueled by increasing unemployment during the apartheid era. That experience followed him through life, eventually inspiring him to found RLabs in 2008 in Cape Town. RLabs focuses on reconstructing communities through the three-pronged approach of training, innovation, and entrepreneurship to solve community problems like unemployment, substance abuse, poverty, and lack of education. Its partners span the academic, government, business, and nongovernmental organization (NGO) landscapes in more than 20 countries, and include University of Cape Town's Bertha Centre, Massachusetts Institute of Technology, Mastercard Foundation, the Western Cape Government, Mozilla, Facebook, Shoprite, Google, Accenture, and Cisco. RLabs' Academy provides access to skills training directed at its three prongs, as well as leadership and management skills. Its Living Labs nurture prototypes and pilot programs born from initiatives such as hackathons, open-design events, and R&D, among others. Finally, RLabs provides an innovation incubation program for social entrepreneurs, as well as seed funding for mobile and technology entrepreneurs.

About the Business Partner | Naspers

Naspers is a global technology investor and operator headquartered in South Africa, offering services in more than 130 countries. In addition to investing in and partnering with startups, Naspers' other principal operations are in internet communication, entertainment, gaming, and e-commerce. With a market capitalization of more than USD 100 billion, it is the largest company in Africa and the seventh-largest internet company in the world. Naspers' products and services directly affect local societies and are used by millions of people around the world every day. It endeavors to invest in local entrepreneurs in the countries in which they operate and works hard to support and develop local teams.

THE PROBLEM

South Africa is stuck in a vicious cycle of crime, violence, and unrest fueled by pervasive youth unemployment.

Unemployment among youths in South Africa is a national crisis: in the first quarter of 2019, 55.2% of 15- to 24-year-olds and 39.6% of 15- to 34-year-olds in the country were unemployed.[1]

Consequently, young people enter lives of organized crime, drug abuse, and violence. In the Cape Flats of Cape Town, for example, many young residents have dropped out of school to join gangs, with little hope of turning their lives around for the better. A life of crime carries more promise than the alternative of completing a degree and searching for scarce legal employment opportunities.

Young people are often blamed for their inability to find work, but systemic failures have prevented them from overcoming the country's long history of economic and racial suppression. In addition, there is a high risk that South African employers may not even be able to absorb enough of the potential employees who are low or semiskilled, [2] a matter made worse by a changing job market driven by automation and an oversupply of labor.

55.2%

of South African youths (15- to 24-year-olds) are unemployed.

3,000,000

South African youths (18- to 24-years-olds) were not employed, in education, or training in 2014.[3]

5%

of Black and Colored South Africans in 2016 obtained a bachelor's degree after matriculating high school.[4]

CO-CREATION MODEL

I. INTERVENTION

Naspers Labs enables young people to change their narratives and "make hope contagious" by empowering them with professional skills—such as how to use technology to innovate and create solutions to social challenges in their communities, and how to embrace the leadership role of becoming their communities' "problem experts."

Naspers Labs uses a blended skills-development and social-learning model *for* South African youth *co-created with* South African youth. The program has evolved to include the following components:

- A bespoke online platform that is part machine-learning-driven learning-management platform, part social network, part marketplace, and part personal-development app.
- A safe youth-café environment that facilitates personal development and growth and that uses a peer -led dynamic social-learning model.
- A collaborative approach to stimulating the economies of local townships, utilizing technology fully to maximize social impact.

II. TURNING CHALLENGES INTO VALUE

Social Challenge	Value Proposition	Business Challenge
Lack of education and employment opportunities that prepare young South Africans for the twenty-first century. The feelings of hopelessness that many young South Africans have, especially those in townships, and the inadequate number of youth and employment programs that focus on holistic needs.	Leveraging the strengths of RLabs and Naspers to build a scalable skills-development model that can be implemented across South Africa to drastically improve youth employment.	Not enough digitally skilled young people to employ to meet future demand in the tech sector. Economic growth in South Africa frustrated by youth unemployment.

III. REVENUE MODEL

Like many social enterprises, RLabs operates as an NGO and a business. Companies like Naspers often pay for services to make possible the products and services developed in its innovation lab. Naspers has structured many of its relationships with other companies to leverage the broad-based black economic empowerment (BBBEE) legal framework that ensures it can get the full economic benefit connected to charitable contributions. What is unique in its model is that products and services are often registered as independent companies and RLabs retains an equity share.

The partnership between Naspers and RLabs has resulted in Naspers Labs being a newly formed, co-founded, and separate entity managed by a team built from the two institutions. RLabs has designed and managed services run by youths—like Zlto, an app that dispenses a virtual currency earned by doing good in the community and usable in Naspers Cafes. These are “consultancy” services that enable RLabs to move funds back into its social activities.

IV. THE IMPACT

ON SOCIETY

A simple return on investment for Naspers Labs will be the production of digital natives who are able to navigate a future of work that is not yet known. The idea is to prepare young people in holistic ways–to grow their businesses, redefine success, and develop a culture of hope and respect within their communities in order to achieve Naspers Labs' goal, which is

"Every entrepreneur creates at least two jobs."

ON THE SOCIAL ENTREPRENEUR

For the last several years, members of the private sector have approached Marlon Parker and RLabs for CSR purposes. The products produced in the RLabs Innovation Lab are often sold to companies, or RLabs finds partners that can be vendors. The Naspers Labs partnership provides an ability for the organic evolution of RLabs to be codified and designed specifically for scale. It enables a co-creative process in which the corporation and social entrepreneurs are equal partners.

ON THE BUSINESS

Naspers has invested in Naspers Labs as part of the company's portfolio of ventures, with the mindset that the profit is also social. Instead of financial capital, Naspers Labs will produce human capital by developing a diverse talent pool of digitally capable future employees. In addition, despite Naspers' market share, it is still often thought of locally as a media company, not a global technology investor. This investment repositions the mindsets of local South Africans.

OUTCOMES: Delft Pilot Success

In 2018, Naspers Labs piloted its community programming model in Delft, one of South Africa's most socio-economically challenged regions. The pilot's results delivered a statement: the Naspers Labs model is a scalable and viable social impact model with the potential to reinvigorate communities across the country.

700	60%	1,400
young people completed the program.	were economically active within three months.	other community members benefit.

INGREDIENTS FOR SUCCESS

Even though it is a fledgling partnership, Naspers Labs is modeling strong tools for effective co-creation between a large corporation and an organization focused on social impact. Some important early lessons from the partnership include:

- **Establishing a Win-Win Model.** RLabs made a conscientious effort 18 months ago to refocus on South Africa and work with companies that can help grow and build the movement for youth employment. But the key, according to Marlon, is to empathize with the companies' needs and motivations. He approaches them by saying, "It's not a bad thing to grow your business, nor is it a bad thing to do good. It's always been difficult when [we] are leading by saying, 'Oh, you must do good.' It's a difficult sell in an economy that's struggling."
- **Putting the Mission First.** Although Belinda and Marlon are mostly able to agree and work toward a common outcome, there are times that two different organizations—one a nonprofit, the other a large corporation—have culture clashes. When conflict arises, everyone remembers that they are working toward a big audacious goal to eradicate unemployment among youths, and they figure out ways to compromise and connect.
- **Trusting each other's motives and capabilities.** The partnership would not work if there was not an innate sense of trust between the two organizations. Creating something as ambitious as Naspers Labs has been a lot of trial and error. With just six months to prove the model would work, decisions needed to be made quickly. Success is dependent on building a culture of trust and understanding to navigate and nimbly advance the work.

"Where is the overlap between us driving value for our communities and [corporates] capturing value for their shareholders? When you find that sweet spot, that is where you co-create and that is where you innovate. And that has really been what we've been in pursuit of."—**MARLON PARKER, Founder of RLabs**

WHAT'S NEXT?

Because there are gaps in the holistic approach to developing the whole young person, Naspers has agreed to invest an additional $3.5 million in 2019 for extended piloting and to assess some of the missing pieces of the puzzle. The company will test a Super Lab that can host 100 people at a time. It will also build a CoLab, a kind of community business incubator that can be a launch pad for small businesses and for helping existing businesses grow and employ more people.

The Naspers Lab model is very pro-partner. In addition to leveraging current RLabs partners like Shoprite, which lets youths connected to RLabs use their Zlto currency to buy basic goods, Naspers Labs is looking within the company to engage more teams in growing the potential of young people in the country.

For example, it is exploring how to engage Naspers' e-commerce platform Takealot to see if Naspers Labs can be a last-mile delivery point for people who wouldn't normally be able to engage in e-commerce, which requires physical addresses and electronic funds. The cafes can also be a reverse last mile by help-

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1. Stats SA, "Youth Graduate Unemployment Rate Increases in Q1: 2019" (http://www.statssa.gov.za/?p=12121)
2. H. Bhorat, K. Naidoo, M. Oosthuizen, and K. Pillay, Brookings Institute, "Demographic, Employment, and Wage Trends in South Africa," June 2016 (https://www.brookings.edu/wp-content/uploads/2016/07/06-demographic-employment-wage-trends-south-africa.pdf).
3. South African Market Insights, "South Africa's Education Statistics" (https://www.southafricanmi.com/education-statistics.html).
4. Ibid.

Karibu Homes and Lexicon + ion

Solving Kenya’s crisis in home ownership with a new business model for mass market affordable-housing developments.

Irfan Keshavjee’s family migrated to Kenya from South Africa in the 1950s to escape the social inequality of the apartheid regime that was gaining traction. But inequality was rampant even in their new home: 60 %of Nairobi’s urban population lived in slums, and disparities in income and opportunity were part of everyday life. That experience eventually drove Irfan to channel his family’s natural entrepreneurial spirit toward social causes. After humbling encounters with a taxi driver who was thrown out of his home for being unable to pay rent because of a medical bill, and a security guard living in a room the size of a bed with his wife and four children, Irfan began laying groundwork for a new kind of real estate development firm. Karibu Homes would build only low-cost affordable housing for hardworking families like those of the taxi driver and the security guard, who had been excluded from home ownership and suffered from poor living conditions through no fault of their own.

His team, “had basically no money, no land, just an idea,“ according to Irfan. He and his cofounders met their future partners in a fortuitous encounter at a bar. “We connected,” says Irfan. Both parties agreed that, “the government is not going to [solve the housing crisis]” and “the private sector has to note the cheapest house in the market is USD50,000, and 90 % of Kenyans can’t afford this.” Moved by the social necessity of a more inclusive housing-development model, Lexicon + ion committed its architecture and planning services for free to support Karibu Homes’ mission of creating more affordable housing for the Kenyans who were systematically left out of the expensive housing market.

The agreement among Karibu Homes, Lexicon + ion, and Tandem & Stark stipulated that Lexicon + ion and Tandem & Stark would provide pro-bono services, as long as they were appointed as the architects and quality surveyors once the project became funded and was implemented. After two-and-a-half years of planning, iterating, and financing, Karibu Homes’ first development finally demonstrated the makings of a successful business model. Now, as Karibu Homes expands from its initial development in Athi River, Lexicon + ion and Tandem & Stark have stayed on as strategic business partners to help the company bring affordable housing to more and more Kenyans.

About the Social Entrepreneur | Karibu Homes

Karibu Homes, brainchild of social entrepreneurs Irfan Keshavjee and Nick Gilodi-Johnson, is a leading developer of mass market affordable housing in Kenya and is well known for delivering quality homes at fair prices. Their model supports communities of hard-working Kenyan families who have been excluded from the housing market and has helped catalyze the provision of affordable housing across the country. Its first development, Riverview in Athi River, was named Best Housing Development in sub-Saharan Africa at the 2017 Africa Property Investment Awards, and received the London Stock Exchange’s award as a “Business to Inspire Africa.”

About the Business Partner | Lexicon + ion

Lexicon + ion is a Kenyan architectural, interior design, landscaping, planning, and urban strategies firm. It was founded in 1999 by Felix Lati after he graduated from the University of Nairobi. Since then, the firm has become known for its willingness to put creativity and innovation at the center of its business model. Its signature projects include its work with Karibu Homes, Strathmore University Phase 3, Toyota Academy, and a Wrigley gum factory in Machakos, which has received a LEED Gold Certification global sustainability award.

THE PROBLEM

Urban Kenyans are being excluded from a housing market that works primarily for the wealthy and not lower-income earners.

Nairobi has long been one of the most expensive cities in which to buy property in Africa: land prices are estimated to have increased by 535% from 2007 to 2015. Most residents live in unplanned and unserviced neighborhoods, and new property developments largely focus on upper-class housing. Only 2% of new homes built each year target low-income earners (those making between USD147 and 491 per month).

As a result, home ownership is simply unaffordable for most Kenyans. Nairobi residents who make below USD2,500 per month are unable to buy homes in the city, where most property is purchased with cash. Only 8% of urban Kenyans have access to housing finance, and the entire country has only 22,000 active mortgages. As a result, Kenyans without substantial wealth are precluded from home ownership, a fact that has led to the emergence of rapidly growing slums and satellite towns as Kenyans move outward to find more affordable, decent living conditions.

The affordable-housing shortage has several origins. First, the Kenyan housing-development market has substantial barriers to entry, forcing many developers to focus on upper-income brackets, where margins are higher even though the market size is considerably smaller than the potential market for affordable housing. Second, the Kenyan government has not adequately invested in the master planning, services, and infrastructure that support development of affordable housing. The housing industry is also plagued with a high-friction home-buying process and a lack of transparency in land deals, both of which benefit dealers at the expense of low-income residents. All these root causes culminate in the unfortunate reality that high-income housing is a safer investment with better returns for developers.

18%
of Kenya's urban population own their homes.

2%
of homes built each year are targeted at low-income earners.

USD114,000
is the average price for an apartment in Nairobi.

8%
of Kenya's urban population has access to housing finance.

CO-CREATION MODEL

I. INTERVENTION

Karibu Homes and Lexicon + ion are pioneering a scalable mass-market affordable-housing solution for lower-income Kenyans in satellite towns, where land and property are cheaper than in urban centers but where efficient transport connections to Nairobi, where most of the jobs are, already exist. Their model also builds on the Kenyan government's recent push for more affordable housing, which was named one of the key pillars of Kenya's Big 4 strategy. The combination of better access to finance, new government support, individual persistence, and belief in an untested but forward-looking business strategy is proving that there is incredible potential in Kenya's housing market for housing developments that serve more than the upper class.

II. TURNING CHALLENGES INTO VALUE

Social Challenge	Value Proposition	Business Challenge
There is not enough quality affordable housing to meet demand from low-income urban residents. Systemic shifts in planning, construction, and financing are necessary to enable more people to buy homes.	The Karibu Homes affordable-housing model taps into a massive new market of eager consumers while also address-ing a major social inequity.	Property developers mostly pursue easier profits in the smaller upper-income housing market, forgoing opportunities in the much larger but less proven affordable-housing market.

III. REVENUE MODEL

Pedestrian walkway at Riverview. Wide walkways increase pedestrian safety.

Karibu Homes began its search for financing through impact investors, and was unsuccessful. It eventually received its first USD2 million from an individual property developer in the United Kingdom and from a large-scale commercial development company in India, MDHI. After using that USD2 million to purchase its first plots of land, Karibu Homes received an additional $1 million from the US-based investors Blue Haven. Karibu Homes rode the momentum from each subsequent investment to strengthen the credibility of its housing strategy. Its latest development in Kiambu is fully funded by Weke LLC, a US investment company run by a seasoned developer who has built 10,000 apartments in Arizona and Nevada.

Lexicon + ion's investment paid dividends on the success of Karibu Homes' first development at Athi River. The company maintains its role as the primary consultant for Karibu Homes as it continues to scale its model.

IV. THE IMPACT

ON SOCIETY

Karibu Homes' model makes home ownership a possibility for more Kenyans. By proving its viability, it gives more developers incentive to enter the market and further expand Kenya's affordable-housing stock.

ON THE SOCIAL ENTREPRENEUR

Lexicon + ion gave Karibu Homes a long enough runway to plan, design, experiment, and iterate to find an economically viable affordable-housing model.

ON THE BUSINESS

The partnership with Karibu Homes gave Lexicon + ion an entry point into a potentially lucrative affordable-housing market without having to devote resources to developing a workable commercial model themselves—Karibu Homes did the work for them.

OUTCOMES: Affordable Housing in Athi River

573
completed homes have more than 800 occupants.

70%
of homes are occupied by owners.

15%
of sales have gone to people learning less than **USD500** per month.

USD1500
is the average monthly salary of residents.

Karibu Homes' two-and-a-half years of iteration and experimentation produced the results that it and Lexicon + ion believed inevitable: their affordable-housing development in Athi River provided a return on investment, and in the process more than 500 affordable homes were built, 70% of which are owner occupied. The success of Karibu Homes' business model led to the company's second development being fully funded by a commercial investor.

Riverview at Athi River is open for business.

INGREDIENTS FOR SUCCESS

The partnership between Karibu Homes and Lexicon + ion exemplifies what can happen when two organizations believe in the importance of their social mission and trust one another to work in each other's best interests and drive through a vision, while experimenting with a new business model that has far-reaching business potential and social implications.

- **Planning for the Future by Balancing Short-Term Profit with Long-Term Impact.** Karibu Homes found partners who were willing to put the mission ahead of profit in the short run, so it could design and test an affordable-housing strategy that could achieve profitability in addition to social impact in the long term.
- **Recognizing the Business Opportunity in Entering a New Market.** By becoming one of the first movers in Kenya's affordable-housing industry, Lexicon + ion built a name for itself in this sector and became the go-to consultant for both developers and government entities looking into affordable housing. It also continues to be Karibu Homes' preferred lead consultant in growing the Karibu model across Kenya.

"We were incredibly lucky to find architects and master planners who had a deep understanding of how to create a sense of community... They understood how kids need to connect with each other outdoors instead of on screens, how parents need safe places for kids to play, that a family needs both spaces to connect to the people in their community, and also spaces for solitude and contemplation where you can connect with nature." —**IRFAN KESHAVJEE, President and Co-Founder, Karibu Homes**

WHAT'S NEXT?

Karibu Homes still has 500-plus homes to build in its Athi River development while it breaks ground on 1,300 new homes in a gated community at Amana Hills in Kiambu, in northeast Nairobi. The Amana Hills development has new investors but offers the same quality housing at similar price levels and the same premium placed on community and safety with 24-hour security, neighborhood parks, basketball courts, and wide roads and streetlights so children can play safely outdoors.

Karibu Homes is also beginning to address systemic issues that will help its affordable-housing model more easily scale across the country. As a member of the Kenya Property Developers Association, Karibu Homes is working to subsidize developers through tax incentives so developers can safely accept smaller margins on affordable-housing sales. It is also working with the World Bank and private-sector institutions to design alternatives to mortgages that would be more accessible to low-income Kenyans, such as tenant purchase schemes and rent-to-own structures.


omukwano
Pearl of Uganda

NUCAFE and Caffè River

Fighting poverty in Uganda's coffee-producing communities by empowering coffee farmers to take control of production and the supply chain.

Joseph Nkandu's journey began as a young man on a coffee farm, where he grew up witnessing the struggles of coffee farmers, from plantation destruction during war to lack of access to adequate resources to continue production. His experience set off a lifelong commitment to economic prosperity and justice for coffee farmers, leading to his establishing the National Union of Coffee Agribusinesses and Farm Enterprises (NUCAFE) in 2003, a reinvention of the Uganda Coffee Farmers Association (UCFA). Joseph then conceived of an innovative business strategy, the Farmer Ownership Model, which would empower the smallholder coffee farmers he had seen endure so many hardships throughout his life.

In 2009, Caffè River's Vice President, Marco Dalla Ragione, began researching organizations that worked with coffee farmers in Uganda to find African suppliers of Robusta coffee. Attracted by NUCAFE's model of involving farmers in the supply chain, he contacted NUCAFE. NUCAFE and Caffè River decided to exchange a memorandum of understanding, anticipating subsequent action. Then, in 2010, a group from Caffè River visited Uganda to meet with Joseph and learn more about how the Farmer Ownership Model was making the coffee industry more equitable and economically prosperous for farmers.

Following the visit, Caffè River and NUCAFE formed a contract in which Caffè River agreed to buy directly from NUCAFE's network of farmers instead of through middlemen. Caffè River would also provide prefinancing and a guaranteed minimum price, while NUCAFE ensured quality control and on-time deliveries. This Framework Agreement for Coffee Sales has been renewed every year. With Caffè River's support, Joseph also pursued an MBA from Catholic University in Milan to help him further empower farmers by refining NUCAFE's ambitious socially responsible and financially sustainable business model. The unlikely partnership between these companies, and the faith Caffè River placed in NUCAFE, led to a new name: The Omukwano Partnership (Omukwano means "friendship" in Luganda). Since 2017, part of the proceeds from sales of green coffee (USD0.05/pound of Arabica and USD50/metric ton of Robusta) have been used by farmers' associations on projects that benefit coffee-growing communities.

About the Social Entrepreneur | NUCAFE

In 2003, under the leadership of Joseph Nkandu, the struggling UCFA reinvented itself as NUCAFE with a new business model. The model worked with associations of coffee farmers to help the farmers take ownership of their farms and means of production. This ownership simplifies the coffee production supply chain and results in a greater share of the proceeds going to farmers rather than middlemen, while also enhancing product quality because the coffee beans change hands fewer times. Today NUCAFE provides its services to more than 1.5 million smallholder coffee farmers and 200,000 coffee-farming families from 200 associations and cooperatives throughout Uganda's coffee-growing regions.

About the Business Partner | Caffè River

Caffè River, an Italian family-owned coffee company based in Arezzo, Tuscany began roasting coffee in 1958 with an emphasis on quality. In 2000, Caffè River wholly embraced more socially and environmentally responsible business practices and began working with an Italian NGO that promoted fair trade with coffee growers in the Dominican Republic. Caffè River also adopted an entirely ecofriendly production process, retrofitting its factories with solar panels. Today, Caffè River is constantly looking for new ways to shrink its environmental footprint and expand its leadership role in the adoption of sustainable and responsible business practices.

THE PROBLEM

The coffee production supply chain is set up to benefit middlemen and players at the top, at the expense of farming communities who get stuck in cycles of poverty.

Uganda's agriculture-commodities market has long been controlled by the whims of external buyers and local middlemen who set prices. Coffee beans change hands dozens of times as they move up a complex value chain from producer to consumer[1]: small farmers sell their raw coffee beans to traders, who are often agents of large coffee millers. Farmers are beholden to this system, as they do not have access to the financing necessary to invest in capital to produce their own coffee.

Because of this top-serving value chain, farmers sell to middlemen at less than 5% of their coffee's retail value, resulting in a $2 billion loss to Ugandan coffee-growing communities every year. This system is central to the perpetuation of vicious poverty cycles within these communities.

This harmful supply chain starts with traders who pay cash for raw beans. Ugandan farmers lack bargaining power because they need that immediate cash payment to subsist, so they take the prices they are given. Traders then sell beans to processing plants; plants sell to local exporters; exporters in turn sell to international traders; traders sell the semi-finished product to roasters; and roasters sell ready-to-consume beans to retailers around the world. Each step in the chain takes value away from farmers: a farmer earns just USD0.20 for a 1-kilogram bag of unprocessed coffee that eventually yields about 80 cups of coffee sold for USD2 per cup at a café.[2]

5%

of the value of finished goods goes to farmers.[3]

US$2 billion

is lost by Ugandan coffee-growing communities each year by selling unprocessed coffee.[4]

10 million

Ugandans from smallholder coffee-farming families are stuck in vicious cycles of poverty.[5]

CO-CREATION MODEL

I. INTERVENTION

Although most of the coffee exported from the country continues to be swept through the complex value-draining supply chain, NUCAFE's Farmer Ownership Model ensures that farmers can continue to own, control, and add value to their product from seed to export, thus retaining most of the value for themselves, their families, and their communities. The model includes:

- Pre-financing production, with generous repayment periods and low interest rates.
- Helping farmers process and manufacture their coffee.
- Helping farmers market their coffee directly to downstream buyers.
- Helping farmers get footholds in new markets.
- Organizing farmers into cooperatives.
- Offering farmers transport to cooperatives.
- Training farmers in the fundamentals of managing a family business.

II. TURNING CHALLENGES INTO VALUE

Social Challenge	Value Proposition	Business Challenge
Farmers' systematic exclusion from the coffee value chain has perpetuated their poverty. Farmers lack access to the training and equipment that would allow them to retain the value of their products.	Invest in a Farmer Ownership Model that shows both quality improvement and profitability of coffee production are possible from a simplified supply chain that benefits farmers.	The demand for ethically sourced high-quality coffee is rising, but there is not enough supply to meet that demand.

III. REVENUE MODEL

Caffè River and NUCAFE agree on an above-market-rate minimum price and a purchase quantity. Caffè River then provides a pre-financing structure to help farmers pay for capital inputs at the beginning of coffee-growing season. Pre-financing represents around 60% of a single Arabica container or over 100% of a single Robusta container. Caffè River further interacts with third parties identified by NUCAFE to help increase pre-financing through assignment of receivables. Pre-financing is repaid through sale of the last container of the yearly agreement.

Joseph and Marco meet with the Bunjakko Association of Ugandan coffee farmers.

IV. THE IMPACT

ON SOCIETY

The Farmer Ownership Model gives farmers a larger role in, and greater control of, the supply chain, and results in a 250% increase in income per kilogram of exportable graded coffee.

ON THE SOCIAL ENTREPRENEUR

NUCAFE can expand its model to scale by partnering with a company that believes in its vision of economically empowered coffee-growing communities across Uganda.

ON THE BUSINESS

Caffè River achieves and demonstrates the financial viability of the double bottom-line—people and profit. Customers are drawn to its socially responsible product, and employees find greater meaning in their work through performing a service to society.

OUTCOMES: Rising Income for Coffee Farmers

Joseph's innovative approach to coffee production has demonstrated both economic viability and long-term sustainability. Ugandan coffee farmers have been empowered to own their means of production and bring in more income for their families on a massive scale, while Caffè River has realized commercial success from the partnership. NUCAFE's network of emboldened farmers only continues to grow.

US$3 million for 60 containers (1,200 metric tons) of coffee sold just to Caffè River instead of middlemen.	**US$62 million** (250% increase) in household income projected for coffee-farming families by 2025 from selling to roasters.	**1.5 million** smallholder coffee farmers covered by 200-plus community farmer cooperatives and associations.
1,000 jobs created and **750** youths trained in coffee agribusinesses management.	**US$5** earned per day by farmers, instead of $1 per day before NUCAFE's model.	**US$1 → 80** Every $1 invested by NUCAFE generating a social ROI of at least $80 management.

INGREDIENTS FOR SUCCESS

NUCAFE and Caffè River's successful partnership showcases the potential for social and economic impact when business and entrepreneur together recognize the opportunity for mutual benefit within an innovative socially responsible business model.

- **Mission-Driven Business Culture as a Win-Win Situation.** Joseph describes Caffè River as a superstar partner for NUCAFE. Caffè River arrived in Uganda with an open mind about investing in a new kind of institution that puts a human face on the coffee industry and operates with a bottom line of social responsibility as well as profitability.
- **Social Responsibility as a Multilayered Investment.** When Caffè River first agreed to support the NUCAFE model, the company did not know if it would get its initial investment back, because there was no precedent. But Caffè River had invested as much in its mission, NUCAFE's track record, and Joseph's determination and talent as a strategist and leader as it did in an assured financial return. The partnership worked because of the shared mindset that social responsibility is a complex, multi-layered investment that requires a forward-thinking, creative business strategy that leads rather than follows.

"What is important is for us to realize our common good, and our common good is a win-win situation. Our common good [consists] of sharing the treasures that are in coffee . . . so what I was looking for is that, that compassion, you know, not to feel only themselves but also to feel for others and by doing that, they are fulfilling the goals of their businesses." **—JOSEPH NKANDU , Founder, NUCAFE**

WHAT'S NEXT?

Caffè River and NUCAFE are continuing to refine and scale their model of producing ethically sourced coffee for European markets, while working with institutions of higher education to explore whether their model can be replicated by others.

Joseph, Marco, and members from the Bufumbo community.

NUCAFE continues to build a more integrated agricultural system that engages every partner who has a connection to farmers—including religious institutions, banks, universities, and farmer cooperatives. They are working with banks to develop new ways for farmers to pay for improvements that will further increase the value of their coffee output.

1.Joseph Nkandu, Executive Director, NUCAFE.

2. Ibid.

3.STIR: Global Business Insight on Coffee and Tea, "Coffee Economics" (https://stir-tea-coffee.com/features/coffee-economics/); Hivos, "Coffee Barometer," p. 10 (https://www.hivos.org/assets/2018/06/Coffee-Barometer-2018.pdf); and Daily Coffee News, "Opinion: Fair Prices Desperately Needed to End Coffee Farmer Prices" (https://dailycoffeenews.com/2019/04/08/opinion-fair-prices-desperately-needed-to-end-coffee-farmer-poverty/).

4. and 5. Joseph Nkandu, Executive Director, NUCAFE.

PARO-CI and PAGANETTI

Addressing harmful pollution in Ivory Coast through a formalized e-waste management platform that establishes a scalable circular-economy model.

From creating a library on his university campus that had very limited resources, to volunteering as an English teacher in a remote part of the Ivory Coast, Evariste Aohoui was destined for a career as a change maker. That leadership led the US Embassy to name Evariste as an emerging leader and select him to participate in the Study of the US Institute (SUSI) social entrepreneurship program in the US. Inspired by this program, Evariste started an initiative that would eventually become Programme Assainissement Recyclage Ordures de Cote d'Ivoire (PARO-CI), or Sanitation and Waste Recycling Program of Ivory Coast. PARO-CI is an initiative to create safer communities and a cleaner environment in Ivory Coast by stemming the tide of e-waste consuming the country. It aims to do this through better coordination of resources, recycling process training, and educating communities in exercising environmental consciousness.

When French industrial-engineering firm Paganetti was met with a saturated domestic-waste-recycling market, it sought out international opportunities in the waste management industry to gain competitive advantages that were missing at home. That search led Paganetti to PARO-CI's e-waste recycling and management program and transformed its crusade for new competitive opportunities into a mission with a dual mandate: achieve a double bottom line of people as well as profit.

PARO-CI and Paganetti's collaboration began in 2014. The next three years focused on the partnership's consolidation, knowledge transfer, and development of technical training, until they were ready to begin building a processing platform in 2017. PARO-CI and Paganetti have managed expectations and accountability by jointly establishing a social business—Electronic Waste Africa (EWA)—that embodies both organizations' interests and goals and combines the resources and know-how they both bring to the table. Through EWA, PARO-CI and Paganetti have demonstrated that e-waste can be managed effectively and sustainably in a circular-economy model if paired with the right institutional support and incentives.

About the Social Entrepreneur | PARO-CI

PARO-CI, founded in 2011 by Evariste Aohoui (an Ashoka Fellow since 2016) is a nonprofit organization that addresses Ivory Coast's epidemic of e-waste pollution by coordinating resources, facilitating knowledge sharing, implementing a standardized recycling process, and promoting environmental responsibility in Ivory Coast's most affected communities. PARO-CI's operation has the triple impact of cleaning up the environment, improving health outcomes for citizens, and creating new employment opportunities. Today, as an industry leader in e-waste recycling, PARO-CI is working to formalize the sector to make its circular economic model more competitive, strategic, and replicable across the country.

About the Business Partner | PAGANETTI

Paganetti is a French industrial-engineering firm based in Le Havre that specializes in ventilation, air conditioning, heating, cooling, and air pollution control. Founded in 1858 by Angel Gabriel Paganetti to advance the growth of steam central heating, Paganetti is well known for innovations like the Electroflux process, a room deodorizer that can be used in industrial contexts. With about 20 employees, Paganetti operates a consulting and design department and a new-works department, and it puts customers first with an on-call 24-hour maintenance center. Although recycling is not the core business of the company, it was incorporated to support the main activity by providing secondary raw materials to build cooling systems.

THE PROBLEM

Harmful pollutants from burning e-waste in Ivory Coast are threatening the environment, water supply, and human health.

Europe sends hundreds of thousands of tons of e-waste to West African countries like Ivory Coast every year. While the scarce recycling infrastructure and environmental awareness in these countries are well known, multinationals still turn a blind eye to the social and environmental damage the waste causes throughout the region.

In 2006, that grievous reality was exemplified when an unregulated dump of toxic waste across several sites in Abidjan, Ivory Coast caused more than 100,000 people to seek medical treatment from the effects of life-threatening chemical byproducts produced by the waste.

Despite the clear and present dangers, government has not risen to the occasion, as inadequate waste- management facilities and relaxed waste-import regulations remain the norm in Ivory Coast. The absence of binding law and formal channels to dispose of e-waste has led the public, retailers, and manufacturers to burn waste rather than seek out proper disposal. That dangerous and unregulated response releases a mixture of pollutants like mercury, lead, and cadmium into the atmosphere and water supply, further harming communities and the environment.[1,2]

More than **10,000** tons of e-waste are illegally dumped in Ivory Coast every year.

CO-CREATION MODEL

I. INTERVENTION

PARO-CI is formalizing the Ivory Coast e-waste sector through an integrated management system that has four value streams:

1. Resell to retailers.
2. Recycle any recyclable e-waste.
3. Upcycle dismantled spare parts.
4. Export unrecyclable waste outputs to Paganetti.

PARO-CI then trains informal actors to manage different stages of the e-waste management process, while Paganetti provides the waste management platform and technical resources to enable PARO-CI to operate with more efficiency and at greater scale.

The e-waste management system consists of three controlling activities: collection, sorting, and dismantling of e-waste, each of which creates a different production output that enters one of PARO-CI's four value streams.

Increased output and scale also enable PARO-CI to hire more people and spread awareness of e-waste recycling and the dangers of e-waste more widely throughout the most affected communities in Ivory Coast.

II. TURNING CHALLENGES INTO VALUE

Social Challenge	Value Proposition	Business Challenge
E-waste dumping and worsening pollution are becoming significant health and environmental hazards in Ivory Coast. Many residents have become complacent because the toxic environment has begun to seem “normal.”	Leveraging the resources and training provided by Paganetti increases PARO-CI’s waste-management-processing capacity and its ability to advocate for change within affected communities.	E-waste management in France is a saturated market with limited space to create new competitive advantages and raise profitability.

III. REVENUE MODEL

Paganetti brought the initial investments for the processing platform. Revenues directly generated from repair, reuse, and recycling activities make up 35% of the needed funding for PARO-CI’s waste management operation, and Paganetti buys back the most difficult-to-exploit elements left over from the management process. The remaining 65% of funding is contributed by other local companies as part of their CSR engagements, local partners (embassies, NGOs), and international partners.

PARO-CI gathers, dismantles, sorts, and channels the e-waste that can be recycled locally and separates it from what can be exported. A 15-ton container arrives bi-monthly to move these elements, as secondary raw material, to Paganetti for recycling. The resulting revenue generated by EWA SAS, the for-profit entity, is split 70%-30% between PARO-CI and Paganetti. This split enables PARO-CI to advance its social mission and nonprofit activities, such as training of informal players, awareness programs in schools, and coordination of volunteers .

EWA, owned by both PARO-CI and Paganetti, undertakes commercial activities and pays taxes plus any other fees related to administration, warehousing, logistics, and so forth. EWA funds the initiatives and makes the co-creation model sustainable, transparent, and accountable, while directing approximately 70%of profits toward nonprofit activities like sanitization and environmental awareness campaigns in impoverished and vulnerable communities.

IV. THE IMPACT

ON SOCIETY

In addition to environmental cleanup, PARO-CI's e-waste management platform facilitates the creation of new jobs. Income from the platform is also used to finance additional social and environmental health initiatives that raise awareness of the issue in affected communities.

ON THE SOCIAL ENTREPRENEUR

By developing the first scalable management program for e-waste in Ivory Coast through a co-creation partnership, PARO-CI has been able to expand its e-waste management capacity and extend the reach of its messaging, as well as create a broader platform for organizations to emulate the company's model in e-waste or other industries like rare-mineral harvesting. Revenue generated by the waste management program is reinvested into PARO-CI's core mission.

ON THE BUSINESS

In creating EWA with PARO-CI, Paganetti gained a new competitive advantage by expanding its waste management portfolio. In addition, providing tangible social and environmental benefit to Ivory Coast has boosted the company's reputation and its employees' morale.

OUTCOMES

PARO-CI and Paganetti's resourcefulness and perseverance in the face of significant logistical and business obstacles paid off. They successfully created a waste-disposal business model that meets Paganetti's need for competitive advantage in a new market and PARO-CI's goal of transforming Ivory Coast's recycling landscape.

Ivory Coast's current technical capacity to recycle is **2,000 tons,** or **20%** of **generated e-waste,** per year.

Since 2012, PARO-CI has opened **17 collection** spots in six cities.

More than **2,500** informal **electronic waste** workers have been trained.

6,000 scrap dealers joined the association AFECAMCI and have seen their daily income increase by **50%.**

INGREDIENTS FOR SUCCESS

Through mutual trust and planning for a double bottom line of impact and profit, PARO-CI and Paganetti's partnership exemplifies the makings of a successful and sustainable co-creation model that can be imitated in other regions and industries.

- **Working from a Place of Trust.** PARO-CI and Paganetti's model would not have been as effective without establishing a trust and accountability mechanism through EWA. Both PARO-CI and Paganetti recognized that success relied on establishing a transparent relationship that would allow one another to navigate and nimbly advance their shared goals.
- **Designing for a Triple Bottom Line.** PARO-CI and Paganetti both have a bottom line that must be satisfied, so it was paramount for both organizations to acknowledge the other's best interests and operate accordingly. PARO-CI has production quotas it must meet to sustain the partnership and validate Paganetti's investment. Likewise, Paganetti's resources must adequately meet the social impact requirements and desired scope of PARO-CI's business model. Pursuantly, the two organizations have

"Small actions can generate big impact in communities. Everyone can bring about change and make a difference."

—EVARISTE AOHOUI, Founder of PARO-CI

WHAT'S NEXT?

In recent months, PARO-CI has worked closely with the civil sector to develop new laws governing the organization of effective e-waste management in Ivory Coast, and the success of its model for e-waste disposal and awareness has been shared at international conferences to inspire other countries in West Africa. But to cement large-scale change, e-waste management must become more profitable. This requires R&D in new technologies to recycle all electronic components and plastic waste, or the structuring of an informal sector that can be used to deal with other types of waste.[8]

PARO-CI and Paganetti are beginning to create new value chains locally, where e-waste raw materials can be reused to create new products for local consumers. They also intend to replicate the success of the current platform model in four of Ivory Coast' other regions over the coming years and further establish the sector as a sustainable industry in the country.

Currently, two-fifths of the recycling capacity is being utilized. The partners intend to increase utilization by creating more collection points and sourcing more waste from individuals and companies, from both formal and informal sectors.

1. *BBC News, "Two Jailed over Ivorian Pollution," Oct. 23, 2008. Available online: http://news.bbc.co.uk/2/hi/africa/7685561.stm [Last Accessed: 21-June-2019].*
2. *David Leigh and Afua Hirsch (2009), "Papers Prove Trafigura Ship Dumped Toxic Waste in Ivory Coast," The Guardian, May 13, 2009.*


BIJOUTERIE DIWANOU GALASS RUE 37 X 20
663
La vache qui rit

JOKKOSANTE and Bel Group

Expanding access to prescription drugs and improving community health in Senegal through partnerships with Senegal's network of street food vendors

From a young age, Adama was recognized for his resourcefulness and entrepreneurial spirit: ice cream salesman, fish merchant, tailor, engineer at a telecom company, and eventually business owner. One day after the birth of his first child, Adama stared into his medicine cabinet, which was stocked with unused drugs, most expired and all never to be consumed. He knew plenty of people who could have used them. Always one to advocate for a more efficient use of resources, Adama suddenly saw a solution to one of Senegal's most daunting health-care problems: most Senegalese people could not find or afford necessary prescription medicine. Adama soon founded JokkoSanté, a points-based mobile platform for distributing prescription drugs. JokkoSanté democratizes access to unused, unexpired drugs idling in medicine cabinets by moving them to pharmacies and the people who need them.

The relevance and innovativeness of the young JokkoSanté platform drew the attention of French healthy-snack manufacturer Bel Group. Both Bel Group and JokkoSanté relied on integrated networks to distribute a product or service in Senegal to overlapping target markets, presenting both companies with win-win opportunities. Bel Group, moved by the potential for a larger consumer base and JokkoSante's mission to revolutionize community health in Senegal, entered into a partnership so they could leverage one another's networks for mutual growth.

Having long relied on a grassroots model to sell healthy snacks to impoverished communities, Bel Group knew customer retention was as important as customer growth. JokkoSanté's platform furthered both of those goals, while Bel Group's network extended JokkoSanté's reach deeper into the communities most in need of medical assistance. Bel Group began rewarding JokkoSanté points to the street vendors selling Laughing Cow cheese, based on their sales performance, as an incentive for them to remain or become a part of Bel Group's buyer network. Consequently, both Bel Group and JokkoSanté have been able to grow their consumer bases and, in so doing, refine an innovative approach to improving community health.

About the Social Entrepreneur | JokkoSanté

Adama Kane (an Ashoka Fellow since 2016) launched JokkoSanté in 2015 to address Senegal's shortage of prescription medicine—and its unaffordability. JokkoSanté is a platform that facilitates the transfer of unused medication from one person to another, so excess medicine that could be used by someone else does not go to waste. JokkoSanté partners with foundations, NGOs, and corporations that fund medicine for impoverished Senegalese through the platform. Adama has won numerous awards for JokkoSanté, including the 2015 African Entrepreneurship Award, and receives financial support from corporate partners such as BMCE Bank and Microsoft. JokkoSanté has also signed on to the United Nations Global Compact for Sustainable Development Goals 2030.

About the Business Partner | Bel Group

Founded in 1865, Bel Group is a French family-owned company in the healthy-fruit-and-dairy-snacks market. Bel Group has more than 12,000 employees and in 2018 grossed USD3.7 billion in worldwide sales, reaching consumers in more than 130 countries. Guided by its socially responsible corporate mission, Bel Group aims to promote healthier, more responsible, and more accessible food to consumers around the world.[1]

THE PROBLEM

Prescription medication is both inaccessible and too expensive for most Senegalese to purchase, resulting in an undertreated and malnourished population.

In Senegal, access to prescription medication is extremely limited for most people because of both high cost and low availability. Prescription medication accounts for 52%-72% of nationwide health-related expenditures, and as only 20% of the population has medical coverage, the costs are prohibitive for most people.

To afford medication, many Senegalese are forced to cut expenses elsewhere—school fees and food, for example. This results in malnourishment and less than adequate education for children, on top of inconsistently treated medical conditions.

Senegal has made efforts to lessen the inequities in access to prescription medicine, but because of persistent corruption and bureaucratic obstacles, funding is often misused and public health care remains underinvested. Government health-care plans are also mostly noncomprehensive and do not address the main problem of expanding access to medications that cover a broad range of medical conditions. Additionally, potential NGO and private-sector donors are hesitant to support the cause because of the lack of transparency in the way funds are allocated: potential donors cannot be sure the right people are receiving the right treatments.

50% of the total population in Senegal is not covered by any health-care system.[2] Medication cost takes up **52% to 72%** of a family's total health spending.[3]

CO-CREATION MODEL

I. INTERVENTION

JokkoSanté uses a simple online platform to connect the Senegalese people with crucial medications that they otherwise would struggle to find and afford. Users collect points by donating unused medicine so that it does not go to waste, and later use their points to purchase new medicines when they need it. Points can also be purchased in pharmacies with credit cards or PayPal and can be used by either the buyer or their family members. The platform also allows health insurance companies to manage their members and pay pharmacies with points.

Through this platform, JokkoSanté optimizes medication usage by ensuring unused medication quickly finds its way to people who need it, while also adding a new layer of transparency to the prescription drug market that did not exist before. Corporate donors are more comfortable making donations through JokkoSanté's platform because they can track the impact of their money, as well as more accurately target specific demographics for CSR initiatives.

Bel Group expanded its inclusive business program Sharing Cities to Senegal in 2016, starting a new channel of distribution for its cheese through street food vendors. Bel Group offered JokkoSanté points as incentives to improve the vendors 'performance.

II. TURNING CHALLENGES INTO VALUE

Social Challenge	Value Proposition	Business Challenge
Limited access to health care and inadequate health coverage place much of the burden of prescription medication costs on the Senegalese people. This reduces their ability to afford other basic necessities, such as nutrition and education.	Leveraging JokkoSanté's digital platform with Bel Group's street-vendor network leads to a cross-pollination effect that sees both companies' consumer bases grow: more Senegalese get access to affordable medicine, and Bel Group improves its customers' commitment and its vendors' performance as the vendors receive the health care benefits JokkoSanté offers.	JokkoSanté and Bel Group's business models both rely on retaining and expanding their platforms by forming extensive integrated networks of customer bases.

III. REVENUE MODEL

JokkoSanté is a for-profit company run like a social enterprise that earns revenue from selling points (1 point = 1 CFA Franc [US$0.0017]), which are redeemed for medical expenses. Points are purchased through various channels: they are exchanged for unused drugs donated by individuals; NGOs and private sector CSR initiatives purchase points to give to people in need; employers purchase points to give to employees to reward good performance; and individuals purchase points to share with friends and family or use for themselves. to cover operational expenses, JokkoSanté takes a commission from each transaction. Bel Group has purchased points from Jokko Santé to provide them to street vendors as part of its remuneration package, based on the vendors'performance.

JokkoSanté also receives some funding from external sources like corporate partners BMCE Bank and Microsoft, as well as award funding from recognition of the platform's innovative approach to community health.

IV. THE IMPACT

ON SOCIETY

JokkoSanté is relieving impoverished families of their biggest medical burden so they can free up savings for other essential expenditures beyond basic survival, as well as creating a preventive-medicine platform that keeps minor illnesses from becoming more serious conditions affecting peoples' education and ability to work. The platform's transparency and ease of use also helps curb corruption, counterfeit drugs, and illegal drug sales.

ON THE SOCIAL ENTREPRENEUR

Collaboration with Bel Group brings more users to JokkoSanté's platform, expanding JokkoSanté's sphere of influence and revenue base in affected communities.

ON THE BUSINESS

Bel Group relies on networks of street food vendors to reach a lower-income Senegalese consumer base. Offering JokkoSanté points to vendors strengthens Bel Group's relationship with its customers and improves both sales performance and the attractiveness of the entire program.

OUTCOMES

JokkoSanté's relationship with Bel Group has widened channels extending medical services to the Senegalese people. It has also provided Bel Group with new ways to reach networks of street food vendors in grassroots, decentralized business environments.

42,000 lives have been changed by JokkoSanté.	There are more than **4,200** JokkoSanté users.	There are **200** JokkoSanté users in Bel Group's network of street food vendors.	The number of top performers among Bel Group vendors **doubled** in three months.

INGREDIENTS FOR SUCCESS

Despite divergent business profiles, JokkoSanté and Bel Group have an understanding and established practices that have removed barriers to allow for their mutually beneficial co-creation partnership to blossom and continue evolving.

- **Establishing a Win-Win Model.** JokkoSanté and Bel Group's partnership creates value for both parties as well as for society. Bel Group attracts more street food vendors by being able to provide them with the additional perquisite of JokkoSanté points, while JokkoSanté extends the reach of its platform to more communities.
- **Building Trust Through Transparency.** When a 150-year-old multinational corporation partners with a seven-year-old startup on another continent, transparency is an essential factor in establishing trust in one another's incentives and operations. JokkoSanté and Bel Group's model prioritizes openness and clarity, and this has facilitated a constructive, sustainable partnership.

"Combining the agility of start-ups and the power of big groups cancertainly produce more positive impact and make the world a better place."

—ADAMA KANE, Founder of JokkoSante

WHAT'S NEXT?

JokkoSanté is seeking to expand its operation with Bel Group, even though a decision was made to stop the Sharing Cities program in Senegal because of a limited market. JokkoSanté also actively seeks new corporate partners to establish similar collaboration models in local food processing industries. It recently formed a similar partnership with Dubai Port, offering points as incentives to dockworkers.

Beyond this, JokkoSanté is planning to expand to the rest of Senegal to reach more than 3 million people, and to other West African countries, including Ivory Coast, by 2020. East African expansion is scheduled for 2020 to 2022, and by 2024, Adama expects JokkoSanté to be available to more than 50 million people across Africa, and 100 million people around the world.

1. Bel Group website (https://www.groupe-bel.com/en/group/bel-at-a-glance/).
2. JokkoSanté website (https://jokkosante.org/#partenaires).
3. Technology Facilitation Mechanism (https://stiforum4sdgs.globalinnovationexchange.org/innovation/jokkosante-the-digital-community-pharmacy-to-save-money-and-protect-environment).


STEP INTO
A NEW
WORLD
OF
POSSIBILITIES

YOUR OPPORTUNITY

RLabs, Karibu Homes, NUCAFE, PARO-CI, and JokkoSanté all had unique, powerful visions. With limited resources but boundless persistence, they made their visions reality. Partnerships with like-minded corporations then helped them amplify their impact and provided springboards and runways to launch their lofty goals to heights beyond what they imagined possible.

From Naspers Labs teaching vulnerable South African youth technical skills for the future, to NUCAFE and Caffè River giving Ugandan coffee-growing communities new hope for prosperous lives, social entrepreneurs and business partners are succeeding in what many businesses struggle to even begin— systemwide changes to the rules and structures that govern how society in Africa functions.

For business partners, this is not charity. It is part of a shared vision with their social-entrepreneur partners, and indeed a willingness to embrace a new approach to business—one that leads rather than follows; innovates rather than stays complacent; welcomes rather than shies from a challenge; leverages its strengths and assets to make a positive change; and sees business opportunity amid uncertainty in markets that others have written off. The results are clear: bold business models have led to profound social changes that are win-wins for businesses, social entrepreneurs, and society.

We would like to challenge businesses that are unsure about how to advance their own social-impact journeys, where to begin their journeys, or whether to begin them at all. This report and its five stories of successful Social and Business Co-Creation are your wake-up calls and your roadmaps. Whether you are developing a shared-value strategy, have a sophisticated CSR program in place, or are still toying with the idea, Social and Business Co-Creation is an opportunity to have an effect while simultaneously gaining a competitive edge.

Ashoka believes in an "everyone a changemaker" society. Social and Business Co-Creation provides countless opportunities for all individuals and organizations involved to practice changemaking.

ABOUT ASHOKA

Ashoka is the world's largest network of system-changing social entrepreneurs. We started in 1981 with a simple belief: "There is nothing more powerful than a new idea in the hands of an entrepreneur."

Today Ashoka supports a global network of 3,500-plus Ashoka Fellows spanning more than 90 countries, including over 500 Fellows and Young Changemakers in 20 countries in Africa. Ashoka forges cross-sector partnerships to foster a culture of "Everyone a Changemaker." These efforts have led NGO Advisor to rank Ashoka among the top fifteen most influential NGOs in the world.

Beyond selecting and supporting individual social entrepreneurs, Ashoka identifies patterns in social innovation and convenes key decision makers from corporate, public, philanthropic, and financial sectors to turn insights and observations into collaborative models that address the most critical and complex social challenges at national, continental, and global scales.

www.ashoka.org

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