

EXECUTIVE SUMMARY

Nestled in the heart of Southeast Asia, the Kingdom of Cambodia is one of the poorest countries in the world. Many Cambodian citizens live without basic access to food, water, and health care resources. More than 35% of the country lives on less than \$0.45 per day. Hagar International, a development organization, is working to alleviate the extreme poverty situation in Cambodia through social programs that provide economic empowerment.

Poverty disproportionately affects women and children in Cambodia

Cambodia, like every other country, has unique factors that influence and perpetuate its poverty situation. Each driver works to influence the others thereby creating a vicious cycle that makes it extremely difficult to combat. Although almost 80% of Cambodians live on less than \$2 per day, an overwhelming number of those most severely afflicted are women and children. The five major contributors to poverty in Cambodia are its politically instable environment, lack of access to nutrition, prevalence of disease, lack of access to education, and abundant gender inequality.

Hagar International uses hybrid model to increase effectiveness

Hagar International is a Swiss-based, Christian organization that is fighting poverty in Cambodia. Hagar operates on a hybrid business model, combining for-profit commercial enterprise with non-profit social programs. Graduates of the Hagar social programs are offered positions at the company's for-profit units to help ease their transition back into society. Many of the goods and services sold through the for-profit units at Hagar funnel back into the community to help the nutrition and poverty situation of the broader Cambodian community.

Broad scope of services targets country's most poor and helpless

The services provided by Hagar range across a wide spectrum of social and commercial programs. Hagar offers rehabilitation programs, vocational training, shelters for women, and education programs for children. Additionally, Hagar runs a clean water program and sells fortified soy milk through one of its commercial enterprises to address broader nutritional deficiencies in the country. Through these programs and a number of others, Hagar International is able to target the country's most poor and most helpless.

Global partnerships increase competitive advantage in strategy and funding

A key competitive advantage of Hagar's is its ability to leverage partnerships across the social enterprise spectrum. These strategic partnerships, such as the partnership with Nestle, allow for the sharing of business knowledge and crucial insight that help make the organization more effective. The company also seeks out global financial partners which provide Hagar with a diversified funding base.

Social impact guides Hagar into the future

To date, Hagar can measure its success by the number of people it's helped. Hagar has helped more than 100,000 homeless, trafficked, and abused women and children, and its nutrition products benefit more than 20,000 children every month. As society demands more accountability from social organizations, Hagar must adapt by developing a more sophisticated social impact metric. The success of Hagar thus far in Cambodia has led to its desire to expand this same model within the borders of Cambodia and replicate it in other countries.