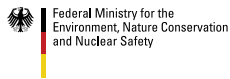




2010 SEED winners on the front and back cover pages (from left to right): 1. Community-Based Medicinal Plant Enterprise for Biodiversity Conservation, 2. Solanterns, 3. Papyrus Reeds, Our Future Hope, 4. Backpack Farm Agriculture Program, 5. Food and Trees for Africa, 6. IziWasha, 7. Efficient Charcoal Production and Smoke Recycling, 8. Solsource, 9. Bosque Humedo Biodiverso

SEED Partners



Corporate Partner



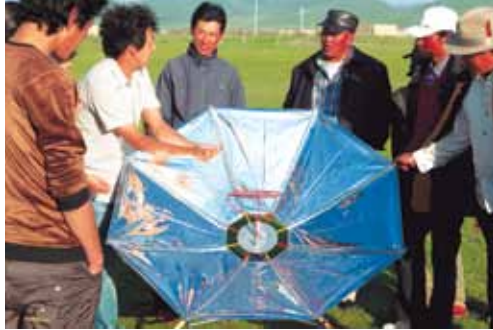
SEED Supporters



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Supporting entrepreneurs for sustainable development



SEED

annualreport

November 2011

2011

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1. Foreword by Jonathan Tillson, Chair of the Board

The passing of 2009 was for many marked by the disappointment in Copenhagen of ambitious outcomes from the talks under the UN Climate Change Conference and few signs of recovery on the economic front. Both point clearly to the relevance of social entrepreneurship and the Green Economy. But stimulating green growth needs major new efforts at all levels. SEED is an important building block, assisting start-up social and environmental entrepreneurs working at the local level in developing countries and economies in transition, and conveying to international and national policy makers what measures could help to grow this sector. In that context, there are two highlights from the last year.

First, the SEED Board greatly welcomed the opportunity for significant expansion of the Programme through major support from the European Union for a two-year joint pilot project with UNEP's Green Economy Initiative in seven African countries to assess investment opportunities in green sectors and to encourage the growth of socio-environmental entrepreneurship. The 26 SEED awardees in the pilot countries and 4 elsewhere across the globe demonstrated the enormous commitment and drive that exists at local level, all based on the triple bottom line.

Second, we were delighted that Hisense, a major Chinese company devoted to high-tech innovation, became SEED's Corporate Partner for the International Awards. These were inaugurated in South Africa and attended by the UNEP Executive Director, Achim Steiner, and Jerry Liu, the General Manager of Hisense SA, and were a much-appreciated culmination to the support provided by SEED to the winners. The ceremony was combined with one of the first meetings to link macro- and micro-interventions that could stimulate the Green Economy - a high-level SEED symposium on accelerating the transition to the Green Economy, addressed by the Deputy Minister for Economic Development Enock Godongwane, and Achim Steiner. International organisations, civil society, SEED Winners, research institutions and the private sector examined critically some of the main constraints and enabling factors – including at the grassroots.



These developments very much underline the growing external confidence and interest in SEED. Our thoughts are turning now to next year's United Nations Conference on Sustainable Development in Rio de Janeiro, Brazil. With its focus on socio-environmental entrepreneurship at the local level, SEED has a considerable body of empirical evidence to inform the discussions on the Green Economy. Our goal is for the Conference to find ways of harnessing the potential of small and micro-enterprises to deliver green and decent jobs, enhanced social empowerment and better management of natural resources – both in new and in conventional sectors. There is much to be done, and quickly, to deal with the social, environmental and economic pressures facing the world. The SEED Partners would welcome others who wish to join forces with us to tackle them.

A handwritten signature in white ink, appearing to read 'Jonathan Tillson', written in a cursive style.



2. Note from Helen Marquard, SEED Executive Director

One of the most urgent – but not widely explored – questions at the centre of the debate on transitioning to the Green Economy is how to engage with and deploy the main engine of the global economy – small, micro- and medium-sized enterprises (SMMEs). Given the right public policies, SMMEs can create significant numbers of green jobs, help to strengthen social structures and resilience at the local level, and use natural resources sustainably. But insights are needed into how best to shape these policies. As a champion of social and environmental entrepreneurship, now with considerable experience of working with locally-led start-ups, SEED unquestionably has a contribution to make.

Successful triple bottom line enterprises can serve as valuable demonstrations of how to operate on a for-profit basis while providing a social and environmental good. The 2010 SEED Winners are exemplars, bringing innovative products and services to the market, all of which are generated at the local level. A good number of the SEED Alumni are scaling new heights – for example, the extension to nearly 50 countries of the System of Rice Intensification started in Cambodia, Madagascar and Sri Lanka; the adoption of biocultural protocols developed by Natural Justice in South Africa in the new protocol to the Convention on Biological Diversity; and Oro Verde even reached the Oscars when Livia Firth wore gold jewellery created with the first ever Fairtrade Fairmined Ecological gold from artisanal miners in Colombia.

In contrast to conventional, single bottom line SMMEs, the driving force behind these types of enterprise is to effect social and environmental improvements. But as confirmed in our recently-published study of nearly 300 SEED applicants, they are often hampered by a lack of business and administrative skills, of access to finance and regulatory information, and of contacts to organisations that could help them to scale up. Yet despite not being set up or qualified to do so, they are investing considerable energies in training people in local communities while introducing new, more environmentally friendly, technologies and production processes.

SEED offers an ever-more comprehensive package of support to try to fill some of the gaps encountered by the Winners. We were keen to find out how it was valued by the 2010 SEED Winners: they all rated our in-country workshops, the national and international recognition, and the introduction to potential partners and funders very highly. Indeed, several of the contacts facilitated by SEED have already led to concrete developments. But we will continue to refine the package, drawing on our experience with past Winners, and want to expand our network of SEED Partners, Supporters and Associates.

The SEED Symposium on the Green Economy which brought together a wide range of stakeholders from South Africa revealed further insights into barriers for social and environmental entrepreneurs and generated messages that are important for policy makers to reflect on: the need for partnership-building across institutions, sectors and states to achieve the necessary policy coherence and implementation; for the Green Economy to be people centered, take a pro poor approach and have poverty alleviation as a prime goal; for the building not only of business and technology but also public sector management skills; and for enabling policy environments to foster innovation and investment. The final key message emerging from the Symposium was that the Green Economy can and should have its roots at the local level, in small, micro and medium-sized socio-environmental enterprises.

With those endorsements of SEED's approach, we look forward to the 2011 SEED Awards, and the opportunity to chart progress on the Green Economy and examine appropriate policy interventions, particularly in Africa, at another high-level SEED event and the Rio+20 UN Conference on Sustainable Development.

A handwritten signature in black ink that reads "Helen K. Marquard". The signature is written in a cursive, flowing style.

3. The work of SEED



2010 SEED Winner:
Food and Trees for
Africa

Founded by UNEP, UNDP and IUCN at the 2002 World Summit on Sustainable Development in Johannesburg, SEED supports innovative small-scale and locally driven entrepreneurs around the globe, which integrate social and environmental benefits into their business model. The goal of SEED is to support the ability of such entrepreneurs to scale up or replicate their activities. This furthers their contribution to their local economies and communities while promoting sustainable management of natural resources and ecosystems and reducing poverty, marginalisation and exclusion.

In advancing the impact of social and environmental entrepreneurs in developing and emerging economies, SEED centres its programme around four key areas:

- 1. The SEED Awards:** Through an annual, global awards scheme SEED finds and reveals a wealth of novel ways of doing business. An international jury of experts selects and recognises the most promising and innovative start-up social and environmental entrepreneurs working in partnership in developing countries.
- 2. Supporting SEED Winners:** Based on the winners expressed needs, Award Winners receive an individually-tailored support package from SEED which consists of:
 - networking with interested organisations
 - profiling their initiatives nationally and internationally



- skills development such as management, and technical expertise and assistance in business planning
- a financial contribution

3. Identifying best practices and developing tools: SEED places great emphasis on tracking the progress of the SEED Awardees, and on examining other social and environmental entrepreneurs. This is to increase the understanding of how innovative start-ups grow, which obstacles they face in the process and their economic, social and environmental impacts. This knowledge then forms the basis for the development of specific tools useful for all entrepreneurs and SEED's work on the policy front.

4. Influencing policy: The insights and evidence that SEED collects are translated into specific policy messages to stimulate a more enabling framework for social and environmental entrepreneurs. SEED presents these messages to international forums and policy platforms as well as through its website, publications and learning tools.

Within all of the four pillars SEED collaborates closely with its Partners, and with its Supporters and Associates (see Section 8 in this report).

4. Introducing the 2010 SEED Awards and Winners

2010 SEED Awards

The 2010 SEED Awards cycle was different from previous cycles in so far as it included a special focus in Africa. A joint project with UNEP's Green Economy Initiative, funded largely by the European Union, enabled SEED in 2010 to make available up to 30 awards for initiatives in Africa, specifically for initiatives in Burkina Faso, Egypt, Kenya, Ghana, Rwanda, Senegal, and

South Africa (see Section 7 in this report). Up to four awards were available for initiatives from elsewhere.

The 2010 SEED Award winners were selected by the independent SEED International Jury of experts who kindly dedicated their time to selecting the winners from more than 400 applications from 60 different countries.

Sectoral distribution per region

	Africa	Asia	Latin America	Eastern Europe
Agriculture	133	32	6	1
Education	116	22	6	1
Climate change	80	16	6	0
Eco-systems	77	23	8	3
Micro-enterprise	72	18	11	0
Biodiversity	61	15	3	2
Waste	60	15	2	3
Energy	57	10	2	1
Research	50	8	1	0
"Green" products	32	11	2	2
Health	42	9	0	0
Arts	38	6	3	1
ITC	37	4	2	0
Forestry	30	4	2	1
Tourism	22	8	3	0
Aquaculture	18	0	1	0

SEED International Jury 2010

Helmy Abouleish	Managing Director	SEKEM Group
Leila Akahloun	Integrator for Africa Programs	Ashoka
Professor Walter Baets	Director School of Business	University of Cape Town Graduate
Nancy Chege	National Coordinator Kenya	GEF Small Grants Programm
Elisea Gillera Gozun	Former Minister of Environment	The Philippines
Paul Laird	Corporate Partnerships Manager	Earthwatch, UK
Richard Lewis	Partner	Hogan Lovells
Alejandro Litovsky	Director	Volans Innovation Lab
Brian Milder	Director of Strategy and Innovation	Root Capital
Kofi Nketsia-Tabiri	Regional Manager	E + Co Africa
Kirsten Spainhower	Innovation Practice	World Bank Institute
Sarah Timpson	Senior Adviser on Community-based Initiatives	UNDP
George Varughese	President	Development Alternatives Group, India



....the SEED Award has been invaluable to us in assisting us with defining our objects and targets more clearly, with the development of a business plan and the institutionalisation of our partnership, which were some of our biggest challenges.... What is special about this support is that aside from the valuable financial contribution, SEED accompanies the winner all the way and helps immensely with networking as well."

**Vincent Nikièma, SOS Energie,
Burkina Faso (SEED Winner 2010)**



2010 SEED Winners

This year the 30 SEED Winners are spread over 10 different countries in Africa, Asia and South America.

Burkina Faso



GIE BioProtect-B - The initiative's goal is to create networks to promote and distribute ecological pest control for organic crops, especially cotton, vegetable and oleaginous crops. In this way, the partnership of local and community-based organisations and research agencies hopes to increase yields and protect the environment.



SOS Energie - With the aim of replacing wood and charcoal by biomass briquettes from fallen leaves and other sources of unused biomass, this enterprise of local and international NGOs and a research institution helps to combat desertification, create jobs in rural communities and raise awareness for alternative energy sources.

China



SolSource - is a satellite dish-shaped solar device that is designed to overcome many of the problems of traditional solar cookers and in addition has removable modules that turn its own waste heat into electricity or store it in thermal fabrics for later use. This novel device has been developed by an international social enterprise, research and government institutions, and local organisations, is a portable heat source for cooking and electricity for low-income families at an affordable price.

Colombia



Bosque Humedo Biodiverso - A business initiative headed by a local NGO is developing alternative incomes and sustainable management of local biodiversity by using local fruit and pulp as ingredients for the cosmetics and food industries. The use of non-timber products reduces deforestation of tropical forests; local families will benefit from collecting value-added goods.

Ghana



Biofuel Production in Promoting Sustainable Land Management

- A local NGO in partnership with national research institutions has established a model for rehabilitating degraded community lands, producing food crops and utilising renewable energy through the cultivation and processing of sunflower plants into oil and biodiesel. Their sustainable land management approach also includes bee-keeping.



DeCo! - Decentralised Composting for Sustainable Farming and Development - benefits local farmers by producing organic fertiliser in decentralised composting plants following a low-tech approach. By working with local NGOs, government and research institutes, DeCo! is informing and educating farmers about the advantages of sustainable soil management.



G-lish: Income Generation, Re-Generation, Next Generation

The aim of this initiative of local NGOs is to provide value-added income for rural communities by crafting baskets from recycled materials. In doing so, they preserve the age-old basket-weaving tradition and carry out extensive tree-planting operations.



Ghana Bamboo Bikes Initiative is a youth-led, non-profit enterprise committed to the economic empowerment of youth by taking advantage of the abundant bamboo raw materials in Ghana to manufacture and assemble high-quality bamboo bikes suitable for the road conditions and terrain in Ghana and affordable to the poor.



High-value Syrup from 'Prekese' Fruits for Community Livelihood Empowerment Relying on local raw materials, the partners of this initiative strive to establish the sustainable cultivation and harvesting of Prekese fruits in rural communities, allowing income to be generated over the whole life cycle of the tree.



The Shea Economic Empowerment Program This partnership centred on a community-based cooperative and international NGOs is improving the livelihoods of women Shea nut producers by offering training, greater ownership within the supply chain and access to improved technology.

Kenya



Backpack Farm Agriculture Program This initiative enables food autonomy for rural communities by providing small landholders with a dynamic set of agricultural tools, comprehensive training and monitoring delivered and distributed in a canvas backpack



Commercialisation of Prosopis Juliflora Products from Affected Areas A local community-based NGO, the Food and Agriculture Organisation (FAO) and a Kenyan company and research institute have mobilized efforts to control the undesirable spread of the Prosopis tree by promoting its commercial use as charcoal, timber and pods for livestock feed. The development of a sustainable national market will maximize returns to local communities.



Community-Based Medicinal Plant Enterprise for Biodiversity Conservation This enterprise, initiated by a community-based organisation, the national government and an international research institution, generates alternative means of income and awareness for the value of biodiversity within rural communities by promoting the commercial cultivation and processing of indigenous medicinal plants.



Papyrus Reeds, Our Future Hope is a sustainable enterprise that harvests and processes papyrus reeds and crafts them into high-quality baskets, purses, carpets, chairs, sleeping mats and blankets, using the waste as natural manure. Community-based youth organisations and a local research institution implement the initiative.



Village Cereal Aggregation Centres A local commercial entity has joined forces with the national government, the financial sector and cereal buyers to establish mobile post-harvest management centres in villages enabling farmers to deliver high-quality grain to the market value chain and encouraging more participation of youth in cereal production.



EcoPost – Fencing Posts from Recycled Post-Consumer Waste Plastic International and national NGOs have launched this initiative to recycle plastic waste into aesthetic, durable and environmentally-friendly fencing posts and consequently reduce plastic litter on streets and open fields. By providing an alternative fencing material to traditional wood, EcoPost contributes towards the conservation of forests.



Solanterns: Replacing 1 Million Kerosene Lanterns with 1 Million Solar Lanterns The partners of this initiative are a private company, a local NGO and a microfinance institution that provide economic, environmental and health benefits to both rural and urban households by sourcing and distributing solar lanterns and training young micro-entrepreneurs.

Rwanda



Efficient Charcoal Production and Smoke Recycling This partnership of international NGOs, government institutions and a reforestation initiative is promoting new technologies to increase the energy output of charcoal. This significantly reduces the amount of forestland used for the production of charcoal and lessens air pollution by recycling tar and other smoke components.



Production and Distribution of Pressurized Biogas in Gas Cylinders This initiative has been developed by a private company, an international NGO and government organisations to produce and store pressurised biogas for cooking from urban, domestic and industrial wastes. Environmental benefits are achieved by offering an alternative firing material to firewood and charcoal.

Senegal



Flower of H.O.P.E (Healthy Obsessions for Poverty Eradication) - This pioneering franchising initiative set up by a community-based organisation, international NGOs and research and finance institutes integrates agricultural development, income generation and training for resource-poor community groups in how to become successful agricultural entrepreneurs.



KAYER Rural Energy, Rural Electrification by Photovoltaic Solar Energy –

A pilot enterprise launched by a community-based organisation to provide solar energy solutions for rural communities. The partnership with microfinance institutions permits KAYER clients to finance their equipment with microcredit adapted to their means.



Micro Power Economy for Rural Electrification – The goal of this enterprise involving local partners from the private and microfinance sector is to set up a profitable rural power provider based on off-grid power system operation and the utilisation of renewable energy sources, such as wind-solar-diesel hybrid power systems.

South Africa



Amatola Wild Trout Fishery is the first recreational fly-fishery in South Africa owned and managed by a local community. Set up as a partnership between an NGO and a research institution, the fishery brings a high-end market tourism activity into a rural area, while focusing on skills training and job creation for local people and environmental improvement by sustaining water quality and wild trout populations.



Claire Reid Reel Gardening provides consumers with a pre-fertilised seed strip that encases the desired seed at the correct depth and distance apart and offers planting instructions in seven languages. Implemented by a youth organization with assistance from government and social development programmes, the initiative is implementing and promoting sustainable subsistence gardens throughout South Africa.



Food & Trees for Africa is a social enterprise addressing the greening of urban areas, climate change and food insecurity by planting trees. Launched by a local and international NGO, government institutions and private businesses, FTFA offers skills training in natural resource management, develops organic permaculture gardens for impoverished communities, and has designed a carbon calculator.



IziWasha Two social enterprises and a private company have developed this innovative handheld laundry device to facilitate washing in low-income communities. As the appliance does not rely on electricity or a home water supply, IziWasha significantly cuts water and energy use. A network of female micro-franchisees who distribute the eco-friendly product will directly benefit from the revenues.



Reclaiming Livelihoods (Mooi River Waste reclaiming) an initiative led by a community-based organisation, an international NGO and a government department has a high impact on local waste pickers who earn an income from recycling waste. By formalising the arrangements for the workers and providing shelter, protective clothes and technical equipment, attractive job opportunities are created.



Resentse Sinqobile Trust trading as Zondi Buy Back Projects - A local NGO and government institutions have teamed up to establish this comprehensive buy-back centre to recycle, reshape and sell household waste such as cans and plastic. Natural resource protection, the reduction of litter, increased employment opportunities and an educational programme are the results of this initiative.

Sri Lanka



Rural Enterprise Network is linking small-scale farmers to input-output markets through improved product quality, access to market information and the establishment of a common brand. By organising producers in a network of organic agro- and food processing enterprises, the farmers will benefit from the joint marketing service.

Uganda



Oribags Innovations is a private enterprise initiated by a research institution and local NGO to manufacture hand-made paper bags, printing paper and jewellery from agricultural wastes including wheat straw, elephant grass and other natural fibres, so offering an eco-friendly alternative to polythene bags and empowering women entrepreneurs.

“

...SEED has helped us so much by training us in various aspects, like marketing strategies... how to approach our buyers and clients. We did not know that, we have never had training. ...The SEED Award is so special because it comes with a training package that goes directly to people who work with the women.”

Adisa Lansah Yakubu, Shea Economic Empowerment Program, Ghana (SEED Winner 2010)



“

This award gives us recognition especially locally and internationally and we believe we get more funding opportunities to expand our network. At the same time the support SEED is giving, especially the technical support is really important we take that as an important point for REN to expand its network and provide better services for the rural farmers and producers.”

Nilantha Athapattu, REN Sri Lanka SEED Winner 2010).

5. SEED Winners connecting with one another

The 2010 cycle provided more opportunities for SEED Winners to connect to one another than ever before. Opportunities included the SEED Symposium 'The Green Economy: Accelerating the Transition', workshop and International Award ceremony, as well as the national in-country award ceremonies.

The SEED Symposium, workshop and International Award Ceremony

On 15th April 2011, nearly 200 people gathered in Pretoria, South Africa, including 27 of the 2010 SEED Winners, to attend the first ever SEED Symposium and International Award Ceremony.

The Symposium "The Green Economy: Accelerating the Transition", which explored the role of social and environmental enterprises in shaping the Green Economy, brought together local start-up entrepreneurs, government leaders, international organisations, research institutions and the private sector (see Section 7 in this report).

Throughout the Symposium, the SEED winners showcased their products and services in an open marketplace and contributed to the discussions. This created the first real platform for SEED winners to share their ideas and experience, and to network with each other. Following the Symposium, the winners also met for a full day in their own workshop to explore further common success factors, challenges and discuss solutions and opportunities.

The participants reconvened in the evening for the International SEED Award ceremony where



the 2010 SEED Winners were recognised for their innovation in sustainable entrepreneurship by Jerry Liu, VP Communications, Hisense, and Achim Steiner, UN Under Secretary General and UNEP Executive Director.



...talking to other SEED winners helped us market our products and vice-versa, diversify our project activities and provided insights on how best to manage our project while understanding what others do'

Feedback from anonymous SEED 2010 SEED Winner to ED evaluation survey



SEED Winners were brought together for an international award ceremony in South Africa



The symposium on Green Economy was an eye opener for the opportunities that are ahead of us".

Feedback from 2010 SEED Winner to anonymous SEED evaluation survey

Issues SEED winners discussed at the SEED Winners workshop in South Africa:

- issues of access to solar products including challenges of importing products from other countries
- finding biofuels from sources not linked to deforestation or other negative environmental impacts
- finding skilled technicians for installations and maintenance
- other challenges involved in adopting clean energy as part of building a Green Economy from the ground up
- the need for policy coherence
- the amount of training that is needed for villagers, youth, women's groups and so forth
- how to fill the gaps in their own skill sets, such as in business management, marketing, communications, and process facilitation.

National SEED Award Ceremonies

Furthermore, in countries where more than one SEED Winner received an award, namely in Burkina Faso, Ghana, Kenya, Rwanda, Senegal and South Africa, the SEED Winners were brought together for an in-country national award ceremony. The ceremonies provided a platform

for exchange and for making connections with entrepreneurs working in the same national context as well as with government officials, representatives from international organisations, embassies, civil society and businesses.



2010 SEED Winners in Kenya with the German Federal Environment Minister, Norbert Röttgen; European Commissioner for the Environment, Janez Potočnik; and Her Excellency Mrs. Hellwig-Bötte, Ambassador of the Federal Republic of Germany



The international SEED Symposium, the international and national award ceremony and workshop enabled our initiatives to be known worldwide and to meet fellow SEED winners from our Country and exchange ideas and contacts. ‘

Feedback from 2010 SEED Winner to anonymous SEED evaluation survey

6. Insights from SEED's Longitudinal Study



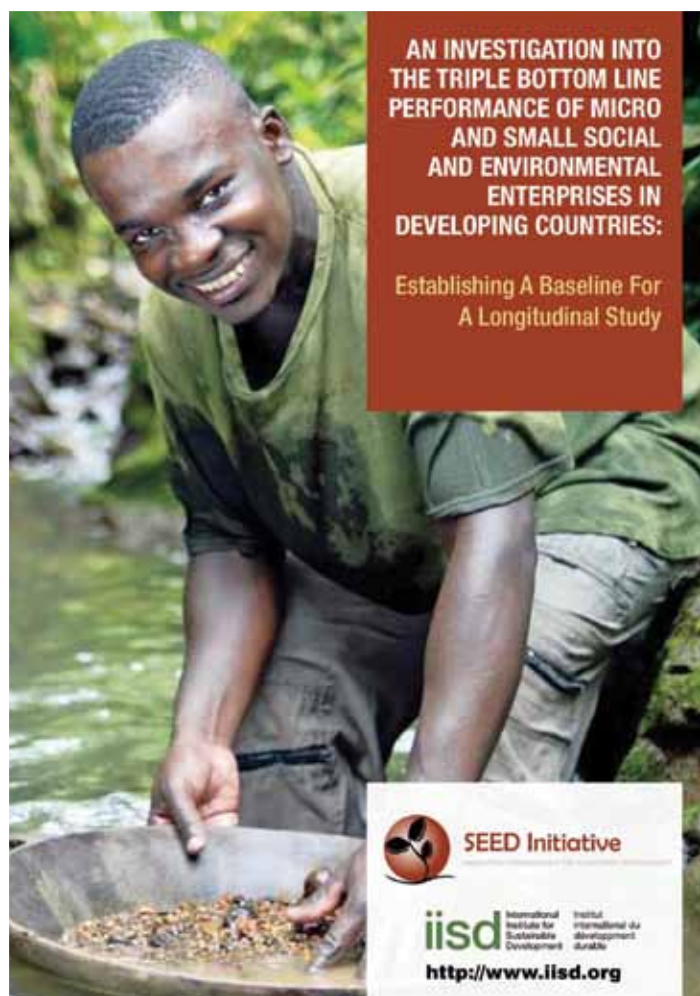
Above: 2007 SEED Winner Projeto Bagagem. Right: Cover of the Longitudinal Study

One of the most interesting times within the SEED Programme is the time of the year where the new SEED winners are selected and announced. With 'Innovation' being a key selection criterion for becoming a SEED Winner, every year SEED is introduced to new and creative ways in which entrepreneurs have solved local economic, social and environmental challenges through a single holistic business model.

The emergence of persistent problems from specific contexts and circumstances leads winners to think of new ways of approaching solutions. The result are initiatives such as Almodo in Niger, which developed a sustainable self-financing solid waste management system in which primarily women collect solid waste in poor urban areas and so contribute to improving people's living conditions in cities and providing an income to the poorest section of the population; and Oro Verde in Colombia which reverses environmental degradation and social exclusion produced by illegal and uncontrolled mechanised mining by establishing a mining certification process and a capacity building programme for miners.

Every SEED winner, even within the same country, is unique, but for all that, many social and environmental enterprises, especially in developing and emerging economies, are united by the challenges and obstacles they face: in regard to finance, access to knowledge and expertise, and skills development. They are all looking for ways to overcome these.

To gain a better understanding of the obstacles as well as opportunities SEED winners and SEED applicants face, SEED commissioned a study from the International Institute



for Sustainable Development (IISD) to track initiatives' progress over time.

The resulting longitudinal study, "**An investigation into the triple bottom line performance of micro and small social and environmental enterprises in developing countries**" was published in April 2011. It constitutes the baseline against which all future performance of initiatives will be measured. By tracking the progress of enterprises as they grow, or sometimes fail, SEED hopes to understand which policy frameworks are needed to allow social and environmental enterprises to make meaningful and sustainable contributions to a green economy.



The report can be downloaded from the SEED website, but key findings include:

1. **Capacity:** There is a gap in capacity of small social and environmental enterprises which prevents them from adopting more business-oriented approaches to manage and finance their work.
2. **Training:** Social and environmental enterprises are investing a significant portion of their efforts in skills development and training at the local level, although the majority are not primarily training or education institutions.
3. **Creating social benefits:** Social and environmental micro and small enterprises are focused on strengthening the social structure and resilience of communities, with their social targets emphasising the creation of revenue streams for those they are working with at the local level. In progressing towards those targets, they are contributing to the alleviation of poverty in their regions.
4. **Access:** Access to technology is an important requirement for micro and small enterprises.
5. **The importance of partnership:** Micro and small enterprises consider partnerships to be one of the most significant factors in their success, but there continues to be a need to build capacity to engage and work effectively with others on the ground. This suggests that more support needs to be provided to micro and small enterprises in the critical area of partnership management.
6. **Impact:** There is a gap in capacity among micro and small enterprises on how to determine and monitor more direct positive environmental outcomes of their efforts.
7. **Obstacles:** The biggest two obstacles for the success of social and environmental enterprises are lack of access to funds and lack of skilled people at the community level. Only 13 percent of all respondents indicated that their financing was in place and less than a fifth were able to make a living from their enterprises.



2010 SEED Winner: Efficient Charcoal Production and Smoke Recycling

Chart 1: National and local barriers that must be overcome

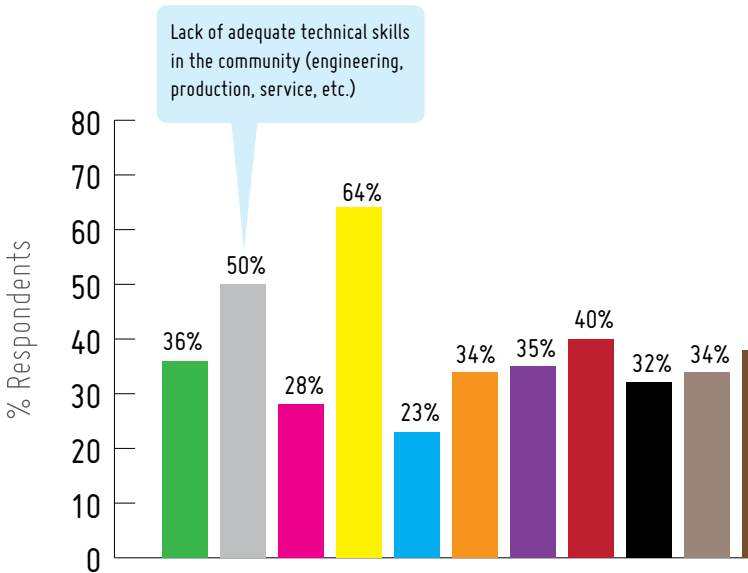
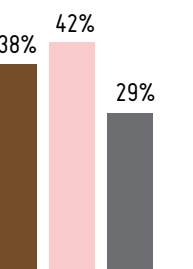


Chart 2: Number of people in communities benefitting from skill training



- Lack of government programmes for community development
- Difficulty in finding courses for training people from the local community
- Difficulty in finding funding to support training people from the local community
- Lack of national legislation/regulations for environment
- Lack of environmental monitoring and enforcement mechanisms at the local level
- Lack of local government support for local conservation
- Lack of community environmental education/awareness
- Lack of environmental education programmes in schools
- Lack of government programmes for small business development
- Complexity of government regulations for business, including import/export regulations
- Government programmes exist but difficult to access
- Economic crisis/recession in the target market



The immediate challenge we face is marketing, how to link buyers directly to women...”

Adisa Lansah Yakubu, Shea Economic Empowerment Program, Ghana (SEED Winner 2010)

7. SEED in Africa - A new focus

In 2010, SEED embarked on a 2-year joint pilot project with UNEP's Green Economy initiative (GEI), funded largely by the European Union, in seven countries in Africa: Burkina Faso, Egypt, Ghana, Kenya, Rwanda, Senegal and South Africa. The objectives are to support these countries to refocus policies and investment in green economic sectors, such as renewable energies and energy efficiency, sustainable agriculture, forests, water and waste management, and to enhance social and environmental entrepreneurship, strengthen local capacities, create green jobs and help to alleviate poverty. A dedicated number of SEED Awards was foreseen for these countries, and evidence about the extent and type of activity on the ground gathered by SEED is intended to inform policy makers.

SEED Awards made under the SEED-GEI project: The responses from budding socio-environmental entrepreneurs in these countries to the call for applications was good, and covered a range of sectors including low carbon energy, waste management, rural development and agriculture, biodiversity and sustainable tourism. Noteworthy was that 25% of the overall number of applications stemmed from Kenya. The relatively low response in Egypt and South Africa was reflected in the final number of awards made in these countries: the International Jury considered that out of the 10 awards available for South Africa, only 6 applicants were of the standard appropriate for a SEED Award, and no awards were made in Egypt. In the other

countries, there were between 2 (Burkina Faso) and 7 (Kenya) awardees.

South-South learning: In addition to the individual in-country workshops tailored to the needs of each winner, a workshop was organised in South Africa which brought together all the 2010 cohort. There was no doubt about the benefits - learning from the experience of others and discussions about marketing strategies, price points, supply chains, distribution arrangements and other day-to-day challenges, and expanding potential markets, and establishing new contacts and networks.

SEED in South Africa: One component of the SEED-GEI project is to pilot SEED at a country level, with the aim of stimulating social and environmental entrepreneurship in the country, extending the contacts and possibilities that SEED is able to offer to the winners, and deepening SEED's knowledge of the national policy environment and contacts so as to inform policy more effectively. South Africa was selected for this pilot because of its long history of association with SEED, and its commitment at the highest level to the Green Economy.

The Independent Development Trust (IDT), the representative of South Africa on the SEED Board, is well-placed to be the face of SEED South Africa (SA). It is a development agency that offers programme management and development advisory services for the eradication of poverty to government departments and other development partners. IDT played a key role

2010 SEED Winner
Commercialisation
of Propolis Juliflora
Products from
Affected Areas



in conducting due diligence on the shortlisted applicants and participated in several of the winners' workshops. IDT is working closely with UNDP SA on the implementation of SEED SA. Together, they have been able to provide added opportunities to the 2010 South African winners.

SEED Symposium: The Green Economy: Accelerating the Transition: On 15th April 2011, nearly 200 people gathered in Pretoria to explore the role of social and environmental enterprises in shaping the Green Economy. The Symposium brought together start-up entrepreneurs, government leaders, international organisations, research institutions and the private sector. Through keynote presentations, guest speakers, panel sessions and discussion, Symposium participants explored two central questions:

- Whether and how small social and environmental enterprises could accelerate the transition to green economies in their countries and regions
- What they might need in the way of support and enabling conditions from their governments.

The UNEP Executive Director, Achim Steiner, said the Green Economy can follow two trajectories:

- the efficiency trajectory – focusing on less pollution and more efficient resource use
- the environmental infrastructure trajectory – building a national system of accounts that includes the natural capital of an economy such as water, fish, and forests, in which depletions of natural capital are shown to impact GDP directly and negatively.

The Green Economy must also combine the environmental issues with social imperatives to create jobs. The efficiency trajectory does not necessarily lead to job creation: reduction of jobs can make some businesses more profitable. But inequities will escalate if more attention is not given to job creation. A litmus test for the Green Economy would be whether greater numbers of social and environmental entrepreneurs succeed.

In their respective speeches, the Deputy Minister for Economic Development, Enoch Godongwane, and Agostinho Zacarias, UN Resident Coordinator and UNDP Resident Representative, pointed to the need for investment in clean energy and

energy efficiency, skills development, clarity in regulatory frameworks, and coordination across government departments in order to achieve job creation and sustainable growth. The EU Ambassador to South Africa, Roeland van der Geer, echoed the focus on the drive to a low carbon, resource efficient economy, and the urgent need to meet the needs of the poor.

Throughout the Symposium, the SEED winners showcased their products and services in an open marketplace and contributed to the discussion.

The Symposium was one of the first events to examine the role of small, local social and environmental enterprises in delivering the Green Economy. It was supported largely by SEED's new corporate partner, Hisense, and through contributions from the South African Department for Economic Development and UNDP SA. A report of the event has been published by SEED and is available for download from the website.

2010 SEED
Winner: Backpack
Farm Agriculture
Program



Our main challenge is to obtain finance for our project and to market our products on international and national platforms.”

Bernice Dapaah, Ghana, Bamboo Bikes (SEED Winner 2010)

8. SEED Partners, Supporters and Associates

Partners	SEED Supporters	Corporate Partner
United Nations Development Programme (UNDP);	Belgium: Public Planning Service on Sustainable Development	Hisense
United Nations Environment Programme (UNEP)	South Africa: Economic Development Department	
International Union for the Conservation of Nature (IUCN) Conservation International		
Conservation International		
The European Union		
Germany: Federal Ministry for Environment, Nature Protection and Nuclear Safety		
India: Ministry of Environment and Forest		
Netherlands: Ministry for Agriculture, Nature and Food Quality		
South Africa: Independent Development Trust		
Spain: Ministerio de Asuntos Exteriores y de Cooperación		
United Kingdom: Department for Environment, Food and Rural Affairs		
United States of America: Department of State		

SEED Associates

Ashden Awards	Fair Trade in Tourism South Africa (FTTSA)	The South African Breweries Ltd.
Ashoka	Global Village Energy Partnership International (GVEP)	Triad (Berlin)
Cornell International Institute for Food, Agriculture, and Development (CIIFAD)	Hogan Lovells	UN Global Compact
E+Co	International Institute for Environment and Development (IIED)	University of California at Berkeley
Environmental Resources Management (ERM)	LEAD International	Whitley Fund for Nature
		World Business Council on Sustainable Development.

SEED Partners



Corporate Partner

Hisense

SEED Supporters



SEED Implementing Partners

The SEED programme is extensive and requires the support and expertise of specialised implementing partners. For this reason SEED partners with organisations that help to run the awards scheme and provide capacity building support to the winners, and that conduct research and develop learning tools for social and environmental entrepreneurs. In 2010 SEED has worked with:

Adelphi is a leading think-tank for policy analysis and strategy consulting. They offer creative solutions and services on global environment and development challenges for policy, business and civil society communities. Their projects contribute to sustaining natural life systems and fostering sustainable enterprises. adelphi's clients include international organisations, governments, public institutions, corporations and associations.

The **International Institute for Sustainable Development (IISD)** is a Canadian-based not-for-profit organisation located in more than 30 countries. As a policy research institute dedicated to effective communication of its findings, IISD engages decision-makers in government, business, NGOs and other sectors in the development and implementation of policies that are simultaneously beneficial to the global economy, the global environment and to social well-being. In the pursuit of sustainable development, IISD promotes open and effective international negotiation processes.



iisd International Institute for Sustainable Development Institut international du développement durable

<http://www.iisd.org>

9. Annexes



2010 SEED Winner: Solsource

Annex 1: SEED income overview for the 2010 Cycle July 2010 – June 2011

Donor	Total USD
Belgium: Public Planning Service on Sustainable Development	11,097
Germany: Federal Ministry for Environment, Nature Conservation and Nuclear Safety	177,182
Conservation International*	5,000
European Commission*	1,073,687
South Africa Economic Development Department**	20,500
Hisense International Co. ***	200,000
India: Ministry of Environment and Forests	100,000
Netherlands: Ministry of Agriculture, Nature and Food Quality	98,296
South Africa: Independent Development Trust	10,000
Spain: Ministry of Foreign Affairs and Cooperation*	131,950
UK: Department for Environment, Food and Rural Affairs	80,000
UK: Department for Environment, Food and Rural Affairs*	80,684
UNDP South Africa **	21,500
US Department of State	100,000
Brought forward from the 2009 cycle	114,803
Totals income received (USD)	2,224,699
7% Project Support Costs	104,392
Total available income for SEED Operations	2,120,306****

* Contributions subject to 7% Project Support Costs

** Contributions not administered by UNEP

*** USD128,000 of the USD200,000 was for SEED's direct use. Of the remaining balance USD58,000 was used by UNEP's Division of Communication and Public Information to support SEED activities and the remaining USD14,000 covered Project Support Costs (PSC)

**** USD 58,000 was used by UNEP's DCPI to support SEED activities during the SEED Symposium in April 2011

Annex 2: SEED expenditure overview for the 2010 Cycle July 2010 – June 2011

Budget Line	Activity	Estimated budget (USD)	% of budget
Awards Programme	Administration and analysis of applications, selection of Winners	119,062	
Subtotal A		119,062	8.91
Capacity Building	Implementation of 2010 winners' support: Business planning, financial planning, use of Critical Success Factors and Key Performance Indicators	168,433	
	Implementation of 2010 winners' support: award ceremonies and workshops (in country); development of support plans	336,897	
	Financial contribution to implementation of support plans	150,000	
Subtotal B		655,330	49.03
Research Programme	Longitudinal study of SEED winners and applicants. Development of an SEED online learning programme. Development of reports	100,000	
Subtotal C		100,000	7.48
Influencing Policy	Presentation to policy forums, including the SEED Symposium on advancing the Green Economy	149,855	
Subtotal D		149,855	11.21
Communication	Development of communication materials. Outreach activities	15,127	
Subtotal E		15,127	1.13
Secretariat Coordination	Secretariat salaries & travel for coordination	297,258	
Subtotal F		297,258	22.24
Operational total		1,336,632	100.00