
PRESS RELEASE

FROM NGO PROJECT TO SOCIAL BUSINESS: THE STORY OF SOVANNAK PALM SUGAR

Phnom-Penh, April 21st, 2014- Narein SOURN, 31 years old, a former employee of GERES NGO, is now proud to be a business owner. After 6 months of incubation, he took over Sovannak Palm Sugar activity, launched by GERES in 2009, becoming a social entrepreneur with a bright future ahead. For GERES, this reflects how NGO's in Cambodia have a role to play in stimulating the private sector. Sovannak Palm Sugar is a brand of granulated palm sugar, produced by traditional producers of Kampong Chhnang and Kampong Speu provinces, using efficient stoves to produce a 100% natural product using up to 30% less wood than with traditional stoves.

"I ALWAYS KNEW I WANTED TO OWN MY COMPANY. GERES PROVIDED ME A GREAT OPPORTUNITY, SOME TRAINING AND MORAL SUPPORT!"

When Narein SOURN joined the French NGO GERES in 2009, he had no idea this job would be such a jump off point for his career. A GERES team dedicated to entrepreneurship capacity building and private sector development offered him an intensive training on how to run and develop the activity. A success as he is now the owner and Director of Sovannak Enterprise, registered as an independent business in Cambodia.

WHAT IS SOVANNAK PALM SUGAR ?

In 2009, GERES developed an improved cooking stove, designed to produce high quality granulated palm sugar, using up to 30% less wood-fuel than traditional stoves. An opportunity for the traditional producers to save on energy costs and to receive a better price for a higher quality product.

To push the sales and foster the adoption of this new solution among traditional palm sugar producers, "Sovannak Palm Sugar" brand was created by GERES and rapidly convinced regular customers: supermarkets, restaurants & tourist shops.

In 2013, as the business was reaching a milestone, GERES decided to hand it over to an entrepreneur willing to develop it.

Narein SOURN, GERES employee who had been working on the project since 2010, showed interest in taking over. He believed in the success of the business but had no qualification to run it by himself.

GERES decided to give him the technical and moral support he needed to succeed in this new adventure. Guillaume Favre, a specialist on social entrepreneurship and business management, coached Narein for 6 months, providing him basic business skills and management tools, and helping him to define the development strategy of Sovannak.

Today, Narein is no longer a GERES staff member. He is an independent company owner, with a great will to develop his business: *"I don't want to do cheap business; I am convinced that people who work with me deserve to be proud of what they do and to improve their livelihood. I purchase the palm sugar from the producers at the same price throughout the year; I don't drop the prices. It's all about spreading trust to get it back."*





For GERES and Narein, Sovannak palm sugar is much more than just a high quality and environmental friendly product. The mission of Sovannak Enterprise is to allow the traditional palm sugar producers to keep up with their traditional activity, but by upgrading it.

The business is now profitable and 2014 is looking very good for Sovannak Enterprise. The sales should double, as demand is growing in Cambodia and some foreign companies have contacted Narein to explore export opportunities.

GERES will stay close to Sovannak Enterprise, bringing technical and strategic advice when needed. Moreover, the NGO will be minority shareholder of the social company, to ensure GERES social and environmental values are kept alive in the company growth and decisions.

As for Guillaume, while his role of trainer is over, he also continues to support Narein in this adventure, giving him tips and friendly support.

CIVIL SOCIETY WITH THE PRIVATE SECTOR: GERES VISION OF DEVELOPMENT

In 20 years of project activities in Cambodia, the environmental NGO GERES has engaged in the fight against energy poverty by developing technological innovations for energy efficiency and transferring them to Cambodian people.

It is the second time that GERES launched an activity, than transferred to a private entrepreneur. The first was SGFE, a factory producing char-briquettes out of recycled waste.

These are all examples of how civil society can shed light on socioeconomic role played by local actors. By transferring technical expertise as well as management and business skills to the private sector, civil society encourages local stakeholders to take full ownership over the solution introduced, and fosters long-term sustainability of its socioeconomic co-benefits.

At the end of the intervention, such an approach allows civil society to withdraw without undermining the development loop initiated: ensuring that development project aims to build, whenever possible, business cases that can translate into financially business is not only a way to ensure transferability and durability of those initiatives, it means also that a business will continue to yield development impacts in the long run.

Hence, the cascade of changes activated by one single innovation sustainably contributes to the country's long-term socioeconomic growth.

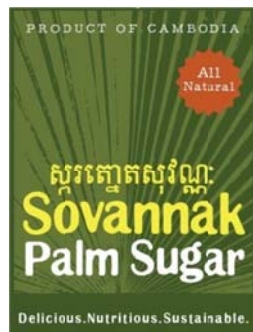
ABOUT GERES

GERES – Group for the Environment, Renewable Energy and Solidarity - is a French non-profit NGO created in 1976. Today, over 200 staff members work on innovative and sustainable development projects in France and in 13 developing countries of Asia and Africa.

GERES works in Cambodia on the topics of **sustainable management of biomass (fuel wood & charcoal) supply and consumption, climate change and agricultural resilience**. Since 1996, GERES Cambodia delivers technical assistance to the design and dissemination of fuel saving improved cookstoves, but also for a sustainable charcoal production and empowering forestry communities with natural resource management.

WHERE TO FIND SOVANNAK PAL SUGAR IN CAMBODIA

- Lucky supermarkets
- Natural Garden
- Thai Huot supermarkets
- Angkor Market
- Green O Farm
- One and One market
- Arona Corporation & Mart
- Pencil supermarkets



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Feel free to contact us for any further information or for high quality photos.