The Coca-Cola Company’s 5by20 Initiative
Empowering Women Entrepreneurs across the Value Chain

Beth Jenkins, Kara Valikai, and Piya Baptista
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Foreword

Tackling poverty, unemployment, and gender inequality, improving food, water and energy security, increasing access to education, health care and nutrition, and adapting to climate change are pressing development challenges. They are also increasingly important dimensions of the strategic and operational context for business around the world, creating new business risks, as well as commercially viable business opportunities for companies in a variety of industry sectors.

The development community has come to recognize the private sector as a crucial partner in helping to address these challenges. New technologies, products and services, and more inclusive business models are helping to improve livelihoods and quality of life for millions of low-income households while at the same time improving the efficiency of natural resource use and decreasing environmental degradation. At the same time, companies are using social investment, philanthropy, and public policy dialogue to expand and enhance the impact of core business activities.

Of the many development challenges facing our increasingly interconnected and interdependent world today, reducing poverty – or, put another way, expanding economic opportunity and choice – is among the most pressing.

Expanding economic opportunity and choice is also a challenge that companies have a comparative advantage in addressing through their core business operations and value chains. I first introduced this idea in a 2003 policy paper entitled “Economic Multipliers: Revisiting the Core Responsibility and Contribution of Business to Development.” An increasing number of economic multiplier studies have demonstrated the impact. For example, a 2010 study of the bank Standard Chartered in Ghana revealed that it generated $400 million in economic value-added, approximately 2.6% of GDP and supported nearly 156,000 jobs, approximately 1.5% of the workforce. A similar study of multinational brewer SABMiller in Honduras in 2009 revealed that its local subsidiary, Cervecería Hondureña, generated $405 million in economic value-added and supported 100,000 jobs. And yet the role of the private sector in expanding economic opportunity and choice has been a relatively neglected part of the corporate social responsibility debate. It is one that the CSR Initiative at the Harvard Kennedy School has endeavored, over the years, to address.

Since it was founded in 2003, the CSR Initiative has worked to bridge theory and practice in the field of business and development. This report is part of a series focused on the role companies play – often in partnership with governments, non-governmental organizations, donors, and other companies – in expanding economic opportunity and choice. The report focuses on The Coca-Cola Company’s 5by20 initiative, which aims to improve the economic empowerment of five million women entrepreneurs within the Company’s global value chain by 2020. By studying and sharing some of the early lessons of implementing this initiative in “real time,” we hope that it will be possible for other companies and development partners to accelerate their own progress in developing models that achieve both business benefit and development impact through tackling some of the world’s most pressing development challenges.

Jane Nelson
Director, CSR Initiative
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The Coca-Cola Company’s 5by20 Initiative
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In the context of prolonged economic crisis, fueling and sustaining growth is at the top of the global agenda. Policymakers are urgently searching for the right mix of rules and incentives. At the same time, when it comes to action, the private sector must play a central role.

Private sector firms fuel economic growth by purchasing raw materials, investing in equipment and infrastructure, driving job creation, raising skill levels, transferring technology, generating tax revenues for governments, and providing goods and services that people need to be productive. In addition, firms have the potential to help sustain economic growth by making it more inclusive – expanding economic opportunity for populations that have traditionally faced barriers to participating in, and benefiting from, formal markets. An emerging body of research by the International Monetary Fund and others suggests that inclusive growth is more sustainable and leads to greater gains over time.4

As companies procure, produce, distribute, and sell goods and services, they expand economic opportunity for the individuals and enterprises with which they do business all along their value chains. And as they search for high-growth markets and new and more reliable sources of supply, many companies are finding ways of doing business with previously underappreciated segments like the poor, women, and youth. For example, food, beverage, and consumer products companies are distributing through small businesses and micro-entrepreneurs in order to reach underserved low-income consumers. Traders and processors of agricultural commodities are buying from smallholder farmers to expand and diversify their supplies. Microfinance institutions – and some large commercial banks – are extending small loans to low-income borrowers, many of them women, using alternative forms of due diligence and risk management. And they are doing it profitably, and in some cases at scale.

But companies doing business in these markets also have to overcome significant challenges along the way. Too often, the poor, women, youth, and similar segments remain underserved because of barriers like insufficient information about their capabilities, needs, and aspirations; low levels of education and skills; limited access to financial services; social and cultural norms; misguided public policies; and inadequate physical infrastructure.5 Many companies have used social investment and partnership with governments, non-governmental organizations (NGOs), and donors to help address these barriers.

This report focuses on one ambitious example, The Coca-Cola Company’s 5by20 initiative. 5by20 aims to expand economic opportunity for five million women entrepreneurs throughout the Company’s global value chain by the year 2020 through a combination of core business operations, cross-sector partnership, and strategic social investment. Launched in 2010, the initiative has already reached 300,000 women producers, suppliers, distributors, retailers, recyclers, and artisans in 12 countries. Initiatives at every step of the value chain, while most of them are relatively new, have started to generate useful lessons and insights. By documenting these, we hope to inform and inspire The Coca-Cola Company, its bottling partners, and other companies, governments, NGOs, and donors that are working to scale up business’ impact on economic growth and opportunity around the world.
The Coca-Cola Company sells more than 500 still and sparkling beverage brands in more than 200 countries at a rate of more than 1.8 billion servings per day. In the process, the Company creates jobs and business opportunities for agricultural producers, suppliers of goods and services, manufacturers and bottlers, distributors, retailers, packaging recyclers and artisans. The Company, in turn, depends on these individuals and enterprises to operate and grow.

In developing countries and emerging markets, many of these enterprises are owned or managed by women. On the retail side, women have a strong presence in the so-called “traditional trade,” running many of the corner stores, kiosks, market stalls, and street carts that make up one of the Company’s most important sales channels. On the supply side, the Company is working to expand and diversify its sources of agricultural commodities like coffee, tea, citrus, and other fruits around the world. In developing countries, half of potential sources – half of all farmers – are women. Women are also the primary buyers of Coca-Cola products.

This means that The Coca-Cola Company cannot realize its potential for growth without women. And its growth targets are ambitious: its 2020 Vision and Roadmap calls for doubling the size of the business, by servings and by revenue, by the year 2020. At the same time, the Company recognizes that women face special hurdles to business entry and growth. 2008 research by the CSR Initiative at the Harvard Kennedy School and IFC (International Finance Corporation) showed that the primary hurdles for women Micro Distribution Center owners in East Africa were low levels of business skills, lack of access to finance, and limited networks of peers and mentors. Further stakeholder engagement and dialogue confirmed that these hurdles existed for women entrepreneurs at many points along the value chain.

With the business imperative in mind, The Coca-Cola Company made a commitment to address these hurdles to help economically empower five million women entrepreneurs within its global value chain by the year 2020 at the 2010 Clinton Global Initiative in New York. Dubbed “5by20,” the commitment is intended to drive progress not only toward the Company’s 2020 Vision growth goal, but also toward broader national and international economic and social development goals (see Box 1).

Box 1. Women’s Economic Empowerment as a Development Driver

Around the world, women experience lower levels of asset ownership, formal sector employment, decision-making power, and economic opportunity and earnings than men. These gaps constrain economic growth and development. For example, the International Labor Organization estimates that the gap in employment rates between women and men costs the Asia Pacific region alone approximately $47 billion per year. On the other hand, there is increasing consensus that women’s economic empowerment is a powerful economic growth and development driver. For instance, Goldman Sachs estimates that closing the gender gap in 15 high growth potential emerging markets could increase projected per capita incomes there by 14% by 2020 and 20% by 2030. In a McKinsey & Company survey of senior private sector executives, 34% of respondents reported that their women's economic empowerment efforts increased profits, and an additional 38% projected that their efforts would increase profits in the future. At the same time, studies show that women’s economic empowerment has positive multiplier effects on nutrition, health, and education. For example, the Food and Agriculture Organization reports that closing the gap in female smallholder farmers’ access to improved agricultural methodologies and resources could reduce the number of under-nourished people by 12-17%. And country studies from Mexico to South Africa to the United Kingdom show that women are more likely to spend their incomes on goods and services that benefit their children, like food and healthcare.
The Coca-Cola Company began working toward its 5by20 commitment in Brazil, India, the Philippines, and South Africa in 2010. Since then, 300,000 women have participated in 5by20 initiatives in 12 countries. The Company expects 5by20 initiatives to reach 1.5 million women in 20 to 30 countries by 2015 and 5 million women in 100 countries by 2020.

The Coca-Cola Company is implementing 5by20 through a portfolio of initiatives that combine core business operations, cross-sector partnership, and strategic social investment to bring down the barriers women face to participating and growing their businesses at every stage of the value chain.

To reach five million women by 2020, sustainable, scalable models are required. In a business system as decentralized as Coca-Cola’s, where operations are driven by 20 regional business units and nearly 250 bottling partners around the world, local embeddedness is a key ingredient in sustainability and scale. To succeed, programs must be driven regionally and locally, in line with local business priorities, capabilities, and resources – and fundamentally the context and needs of the women they are intended to empower.

A small global team has been established to develop an integrated, global women’s economic empowerment strategy and to provide strategic leadership and support for regional and local teams and their partners as they develop 5by20 programs. Reporting to The Coca-Cola Company’s Chief Sustainability Officer, this global team is comprised of people with diverse business backgrounds, from strategy to marketing to public affairs, with many years of experience within the Coca-Cola system. This provides an understanding of the parameters within which their local counterparts operate as well as the skillsets required to advise and support them. The global 5by20 team has identified six best practices that guide its work:

1. **Start with the local business plan.** The global 5by20 team starts by speaking with senior business unit leaders about how they are planning to grow their businesses – and then asking how those growth plans depend on or impact women. They identify places where women play important roles in the value chain, explore the cultural context for those roles, and the needs those women face. Then the global and local teams work together with key stakeholders and partners to identify existing programs that could be tailored to women and/or explore the scope to create new programs.

2. **Get the right people around the table.** The global 5by20 team has found that it is important to start the dialogue with senior business unit leaders to obtain their buy-in and to facilitate connections throughout the local business. Many 5by20 country programs involve both operations (to develop programs that align with business priorities and design effective processes) and public affairs and communications (to facilitate external dialogue and partnership). Many country programs also involve external stakeholders such as community leaders, government agencies, and NGOs. Anyone with a role to play in decision-making and implementation needs to be at the table as 5by20 programs are conceptualized, designed, and rolled out.
Coca-Cola’s more than 500 beverage brands are manufactured, marketed, and consumed in more than 200 countries at a rate of more than 1.8 billion servings per day through a complex and decentralized global value chain that spans producers of raw materials; suppliers of ingredients, packaging, equipment, and other goods and services; bottlers who manufacture, package, and distribute (or contract third parties to distribute) beverages; retailers who purchase those beverages for resale to end consumers; and recyclers and artisans who reuse product packaging.

The Coca-Cola Company, headquartered in Atlanta in the United States, owns the beverage brands and the “secret formula” for its trademark product, Coca-Cola. The Company’s role in the value chain is to conduct consumer brand marketing, building demand for Coca-Cola products, and to manufacture and sell concentrates, syrups, and beverage bases to bottlers. The Coca-Cola Company has nearly 250 bottling partners, only approximately 50 of which are partially or wholly owned by the Company.

This means that The Coca-Cola Company’s influence in the value chain, while substantial, is largely indirect – channeled through its bottling partners, who produce its products and make them accessible in the marketplace. Because Company-bottler relationships are so central to Coca-Cola’s long-term and sustained business success, they are often so close that most observers do not recognize that the Company and its bottling partners are actually separate legal entities. Together, they are often referred to as “The Coca-Cola System.”
“5by20 will only be truly successful if it is embedded in the way we do business. This takes a lot of time – much more time than writing a check. It means thinking through our strategy for growing the business, for each division in each region. How does that strategy depend on or impact women at each step of the value chain?”
Charlotte Oades, Global Director, Women’s Economic Empowerment, The Coca-Cola Company

3. **Cultivate the right mindsets.** The notion that it is possible to create value for the business by creating value for society, and vice versa, is increasingly accepted within the Coca-Cola system and the corporate community more broadly – but how to put it into practice is not necessarily as widely understood. The global 5by20 team has found it critical to recognize this and work deliberately to cultivate awareness. While building knowledge and changing mindsets can take time, it usually results in a level of inspiration at the individual level that is critical in getting 5by20 programs off the ground.

4. **Share knowledge, best practices, and tools.** As regional and local teams design and develop 5by20 programs, the global 5by20 team can support them by sharing successful models; lessons learned about what works and what doesn’t; best practices in program design, partnership negotiation, and other areas; and specific assets such as training curricula. The global team can also help local teams identify suitable funding and implementation partners and suppliers of goods and services aimed at empowering small business owners – including innovations like solar power and cashless money transfer services.

5. **Capture results.** The global 5by20 team captures the results of country programs in two complementary ways. First, the team collects common metrics like the number of women reached from their country counterparts twice a year through a customized, online database. An independent assurance provider validates these figures for a representative sample of programs. Second, the global 5by20 team supports in-depth impact assessments of key programs to understand how they have affected participating women, their businesses, their families, and their communities over time.

6. **Make strategic social investments.** The global 5by20 team prefers for local business units and bottlers to fund their own country programs, as evidence that those programs align with local business priorities and women’s needs. Such alignment is critical to program sustainability and potential for scale. At the same time, the global team occasionally makes a strategic social investment in an asset or approach with the potential to be rolled out across multiple countries or regions – such as an experiential training curriculum for micro distributors. In addition, the global team has invested in flagship programs that are intended to test new approaches and catalyze demonstration effects – like The Coca-Cola Company’s partnership with UN Women (described on page 41).
Developing the 5by20 portfolio in this way takes time. The programs currently in the portfolio are in different stages of development, with many in the early stages. The Company has found that it can take 18-24 months to determine whether a given program has potential for sustainability, scale, and replication. One challenge for the global 5by20 team is to grow the portfolio to a size sufficient to ensure that, even if some programs fail or take longer than expected to scale, enough will reach scale for the Company to meet its overall goal of empowering five million women entrepreneurs by 2020.

Senior leadership vision and support are essential at both the corporate and business unit levels. 5by20 programs require up-front investment. That investment is generally made with the expectation of a return, whether tangible or intangible – but that return will not materialize in a quarter. Moreover, individual 5by20 programs are ultimately a means to an end. To reach five million women entrepreneurs by 2020, women’s economic empowerment must become embedded in the way the Coca-Cola system operates. This is a fundamental, long-term change. A high-profile public commitment and clear articulation of the strategic importance of 5by20 from The Coca-Cola Company Chairman and CEO Muhtar Kent, from local business unit presidents and bottling partner CEOs, and from members of the Company’s Women’s Leadership Council (see Box 3) have been critical in creating the space for staff to work toward new models. These leaders’ continued, vocal support will remain critical through 2020 and beyond.

Box 3. Women’s Economic Empowerment at Coca-Cola: The Bigger Picture

It is important to note that only a fraction of the women entrepreneurs economically empowered through The Coca-Cola Company’s business operations and value chains are counted toward the Company’s 5by20 goal. 5by20 is a commitment that the Company made to the Clinton Global Initiative, a forum that seeks to “turn ideas into action” that improves people’s lives, in 2010. As such, the Company only counts women reached by initiatives, implemented after 2010, that help them address barriers that they face – including low levels of business skills, lack of access to finance, and limited networks of peers and mentors. For example, only the 100,000 women retailers scheduled to receive extra benefits through the STAR Program count toward 5by20, even though approximately 480,000 women retailers benefit from selling Coca-Cola products in the Philippines.

Neither does The Coca-Cola Company count toward 5by20 important work it is doing internally to promote women’s professional development and career advancement among its employees, through its Women’s Leadership Council (WLC). Established in 2007 and reporting directly to the Operating Committee, the WLC is comprised of 17 influential female executives who advise senior management on global strategy, initiatives, and metrics in focus areas such as retention, recruitment, development, and corporate culture. Since the WLC began its work, women’s representation in key leadership development programs has risen from 21% to 49% and women’s representation in leadership positions has risen from 23% to more than 30%, globally. In this context, 5by20’s role is a catalytic one, driving and enabling the Coca-Cola system to aim higher and do more to empower women in the course of its normal business operations – with the goal of increasing its impact sustainably, and at scale, into the future.
In the sections that follow, we describe five programs at five different stages of the value chain, identifying key success factors for sustainability and scale of impact for the duration of the program and beyond. These include:

- **Producers**: Project Nurture in Kenya and Uganda, which aims to bring more than 50,000 smallholder mango and passion fruit farmers into the Coca-Cola value chain

- **Distributors**: Coca-Cola Kwanza’s Micro Distribution Center Model in Tanzania, which aims to build the capacity of 170 independent, small-scale distributors to distribute product to small-scale retail outlets in congested urban environments

- **Retailers**: The STAR Program in the Philippines, which aims to economically empower 100,000 women small-scale retailers to help them grow their businesses and increase their incomes

“**It is when we leverage our value chain that we really start creating opportunity. The value chain is what makes our efforts to economically empower women self-sustainable, scalable, and potentially massive. For me, that’s the beauty of 5by20.**”

Xiemar Zarazúa, President, Brazil Business Unit, The Coca-Cola Company

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**Box 4. Implementing the 5by20 Initiative with Suppliers**

The Coca-Cola Company’s 5by20 initiative put gender diversity along the value chain squarely onto the corporate agenda in late 2010. By that time, the Company had already been working to increase diversity among suppliers for nine years, albeit with a broader focus – including both ethnic and gender diversity.

The Coca-Cola Company launched its Supplier Diversity Program in the United States in 2001, and began to globalize in 2005 with a focus on indigenous populations in Australia, Canada, and South Africa. The program includes efforts to educate and pre-qualify minority- and women-owned businesses, and give them exposure both inside and outside the Company. Each country has its own supplier diversity goals, set in terms of procurement spend. In the United States, the program targets both first tier suppliers (that supply the Company directly) and second tier suppliers (that supply first tier suppliers). In 2011, the Company procured $766 million in goods and services from minority- and women-owned first and second tier suppliers in the United States.

Today, Coca-Cola’s goals for integrating 5by20 into existing supplier diversity efforts include reaching $1 billion in spending with diverse suppliers in the United States and further internationalizing the program. The Company plans to focus on women-owned suppliers to drive progress toward these goals, since 5by20 has now cultivated a broad understanding of the imperative within the Coca-Cola system – which is essential in getting specific initiatives up and running.

Both broad strategy and specific initiatives are still in the ideation stages, but they are likely to rely on effective segmentation and customized offerings for suppliers at different stages of maturity and growth and at different tiers of the supply chain. Tier will also factor into the Company’s approach to delivery. For example, to reach second tier suppliers, it will be necessary to work through first tier suppliers, as already happens in the United States. The Company is also considering broad-based “readiness” efforts that could bring basic business knowledge and skills to large numbers of women-owned enterprises that are not already part of the Coca-Cola supply chain.

High on the Company’s agenda is how to balance different definitions or dimensions of success when it comes to gender diversity in the supply chain. To date, its global supplier diversity goals have been set in terms of procurement dollars spent, while its 5by20 goals have to do with the number of women reached. When it comes to suppliers, higher spend is not necessarily associated with higher reach. For reasons of basic economics, the relationship is often the reverse: it is more cost-effective to concentrate procurement spending among a smaller number of larger suppliers that can offer the lower prices associated with economies of scale. Targeting both actual and potential suppliers may offer a way to achieve both spending and reach goals.
“In order to build a sustainable business, we at Coca-Cola strive to understand and contribute with solutions to the problems of the communities in which we do business. Together with our partners, the STAR Program allows us to provide sustainable solutions to our partners – the women retailers. I feel fortunate that Coca-Cola programs like STAR have enabled us to touch the lives of the women retailers and their families in a positive and meaningful way, and create shared value for our business and the communities we proudly serve.”

Guillermo Aponte, President and General Manager, Coca-Cola Philippines

- **Recyclers:** Coletivo Recycling in Brazil, which aims to build the self-esteem and capacity of 500 cooperatives of waste pickers, diversify their markets and sources of supply, and increase their sales and incomes.

- **Artisans:** Coletivo Artes in Brazil, which aims to build the self-esteem and capacity of 100 cooperatives of artisans, enhance the attractiveness of their designs, and increase their sales and incomes.

Finally, while 5by20 is a global commitment, implementation is focused mostly in developing countries for now, where growth prospects are greater and barriers to women's participation are higher. The Company is currently exploring what developed country models might look like as part of the 5by20 initiative.

We do not cover a supplier program in this report. The Coca-Cola Company has a relatively long-standing supplier diversity program that includes efforts to procure from women-owned enterprises. These efforts will expand in the context of the Company’s 5by20 commitment in ways that are still under development (see Box 4 for more information).
The Coca-Cola Company’s 5by20 Initiative
EMPOWERING WOMEN ENTREPRENEURS ACROSS THE VALUE CHAIN

Figure 1. 5by20 Programs Along The Coca-Cola Value Chain

VALUE CHAIN STAGE

Producers
Agricultural producers, large and small, that grow sugar, coffee, orange, mango, and other crops

Suppliers
Companies that supply processed agricultural ingredients, packaging, equipment, services, etc.

Distributors
Businesses that deliver beverages from bottlers to retailers using methods ranging from large trucks to pushcarts

5by20 TARGET GROUP(S)

Small-scale farmers and their groups

To be determined (see Box 4)

Small and micro distributors

EXPECTED DEVELOPMENT IMPACT

Increased incomes

Job creation

Increased gender equality

Reinvestment in children, families, and communities

EXPECTED BUSINESS IMPACT

Supply security and continuity

Lower costs
**The Coca-Cola Company’s 5by20 Initiative**

**EMPOWERING WOMEN ENTREPRENEURS ACROSS THE VALUE CHAIN**

1. **Artisans**
   - Individuals and cooperatives who use discarded beverage packaging to create jewelry, handbags, home décor, and other items for sale

2. **Recyclers**
   - Individuals and cooperatives that collect, sort, and sell discarded beverage packaging to brokers and plants for recycling

3. **Retailers**
   - Restaurants, hotels, supermarkets, mom-and-pop shops, kiosks, and street vendors that sell products to consumers

4. **Mom-and-pop shops, kiosks, and street vendors**

5. **Recyclers’ cooperatives**

6. **Artisans’ cooperatives**

**Increased sales**

**Improved stakeholder relationships and reputation**

**Supply security**

**Lower costs**

**Reduced environmental impact**
Approach: At its core, Project Nurture is an effort to build smallholder farmers’ capacity to sell fruit into The Coca-Cola Company’s supply chain. However, consumer demand for juice is not sufficient for the Company to absorb 100% of smallholders’ production – and from a development perspective, it wouldn’t want to, as smallholders can earn more selling their fruit for fresh consumption than for processing. Processing is important as a market for slightly bruised or damaged fruit that would otherwise go unsold.

As a result, Project Nurture is designed to strengthen the entire mango and passion fruit value chains in an integrated manner, using a catalytic approach that combines core business and philanthropy. The Coca-Cola Company invests in product development, marketing, supplier relationships, and procurement systems to satisfy consumers and thereby create demand for the fruit that smallholder farmers produce. Minute Maid Mango is the first product developed to use locally-sourced juice as a result of the project. It is currently available in Kenya, Uganda, and several other countries.

Additional core business investment from the Company and philanthropic funding from the Bill & Melinda Gates Foundation covers the cost of farmer capacity development, which is provided by TechnoServe. TechnoServe works to strengthen farmers’ agricultural and business skills and helps them organize into business groups to access inputs and finance, facilitate transactions with buyers, and improve their bargaining power. TechnoServe trains its trainers in facilitation techniques that encourage women to speak up, and makes sure that the location and timing of training sessions do not inadvertently prevent women from attending. During training sessions, trainers raise awareness of the benefits of gender equality and of the leadership skills and traits that women possess. They encourage farmer business group members to work together to identify barriers to women’s participation in group leadership and to develop strategies to overcome them. These include cultural attitudes, women’s own lack of confidence,
and competition for their time from other family responsibilities. Sometimes farmer groups set targets for women’s representation.

In addition to capacity-building, TechnoServe connects farmers with companies offering clean planting material and credit and with three types of buyers: fruit processors, domestic and regional fresh fruit traders, and fresh fruit exporters. The fruit processors supply The Coca-Cola Company’s bottling partners with mango puree for Minute Maid Mango.

A complex array of partners beyond The Coca-Cola Company, the Gates Foundation, and TechnoServe are thus involved in Project Nurture. These include banks, agricultural research institutes, fruit processors, traders, and exporters, and government ministries. The idea is not for the three founding partners to do everything themselves, but rather to identify and engage players with comparative advantages in the value chain, helping those players build the business case and capacity they need to do business together even after the project ends. In this way, the founding partners aim to catalyze a business model and broader enabling environment that will continue creating value long into the future.
## Objectives

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<th>Objectives</th>
<th>Achievements To Date</th>
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| 1. Double the fruit income for over 50,000 smallholder mango and passion fruit farmers through improved production and supply chain linkages | - More than 51,000 farmers, 15,000 of them women, in approximately 1,200 Producer Business Groups as of March 2013  
- Through a combination of increased volume sales and improved quality, participating farmers’ annual fruit incomes have, on average, already more than doubled |
| 2. Increase local supply of juice and improve local processing infrastructure to allow for the development of The Coca-Cola Company’s local juice business | - Sunny Processors Ltd and Allfruit EPZ Ltd were approved to supply mango puree to Coca-Cola’s bottling partners  
- These two local processors now supply 100% of the mango puree for Minute Maid Mango in Kenya, Uganda, the Democratic Republic of Congo, Zimbabwe, and South Africa |
| 3. Link project farmers to diverse profitable markets, including fresh domestic and fresh export markets | - Project farmers are now selling into three market channels: fruit processing (17%), fresh domestic (80%), and fresh export (3%)  
- Volume sales of mango by participating farmers in Kenya and Uganda have more than doubled; volume sales of passion fruit in Uganda have also more than doubled  
- Farm gate prices for passion fruit in Kenya and for mango and passion fruit in Uganda have increased |
| 4. Increase farmer access to financial services and help organize access to farm inputs for their crops | - 368 farmers have received $124,173 in loans to finance passion fruit farming start-up costs such as seeds, seedlings, poles, wires  
- Several private nurseries have been supported to increase the quantity and quality of passion fruit seedlings available to farmers |
| 5. Create a successful business model that can be replicated in other markets | - Minute Maid Mango is profitable  
- The Coca-Cola Company expects to recoup its investment in Project Nurture several times over in the next 3-5 years through cost optimization and replication in other countries  
- Key elements of the model have been implemented by TCCC in Haiti and India; further replication is under consideration in Zimbabwe, Nigeria, and/or Ghana |

### Keys to Sustainability and Scale of Impact:

- **There is a clear business case for the Coca-Cola system**, even though producers are one step removed from the Company and its bottling partners in the value chain. That business case consists of procurement cost savings and security of supply for a regional juice business with ambitious growth targets. Minute Maid Mango is profitable, and The Coca-Cola Company expects to recoup its investment in Project Nurture several times over in the next 3-5 years.

- **Smallholders are connected to a range of market channels that together offer sufficient and diversified demand for their produce.** The fresh export channel offers the highest prices for the highest quality fruit, followed by fresh domestic and regional channels and finally, fruit processing for juice. Smallholders have the opportunity to increase their incomes by increasing both the quantity and quality of what they produce. Cultivating market
channels outside Coca-Cola’s value chain has been possible with funding from the Gates Foundation, which has enabled the provision of technical assistance by TechnoServe.

**Agronomic best practices for the cultivation of mango and passion fruit have been identified and documented.** A mango and passion fruit production guide produced by local agronomic experts with funding and oversight from TechnoServe is now freely available for any farmer or any organization supporting farmers to use.

**Efforts are underway to put buyers, including Coca-Cola system suppliers, into the driver’s seat.** TechnoServe has been organizing smallholders, providing them with agricultural extension services, and connecting them with buyers. But TechnoServe will eventually exit. The organization is working with buyers to ensure that they have the capacity and incentive to take over, supporting farmers themselves in order to ensure they maintain access to sustainable supplies at the levels of quantity and quality they require. The exporter East African Growers in Kenya and juice processor Britania in Uganda – both outside the Coca-Cola value chain – are good models. There may also be a role for government agricultural extension workers, though public sector resource constraints are a barrier.

**Aggregating smallholders into even larger groups would help** reduce the transaction costs buyers face in supporting and purchasing from them. It would also help smallholders achieve additional economies of scale, for example through bulk purchasing or provision of services like transportation and storage for their members. TechnoServe is now experimenting with a possible model.

**Enhancing access to finance and risk mitigation mechanisms may become more important** if demand for passion fruit and/or new varieties of mango increases, requiring farmers to invest in new crops, or if larger smallholders groups require loans for equipment or product financing for bulk purchases. Financing for passion fruit production is being piloted on a limited scale by Equity Bank in Kenya and Centenary Bank in Uganda, using credit guarantees from TechnoServe.
3.2 Distributors: Coca-Cola Kwanza's Micro Distribution Centers, Tanzania

**Program:** Dating back more than 10 years, the Micro Distribution Center (MDC) model is an approach used by bottler Coca-Cola Kwanza in Tanzania and at least 9 other bottlers in at least 19 countries to distribute product to small-scale retail outlets in congested urban environments. The model has two distinguishing characteristics: small, frequent deliveries tailored to the needs of small-scale retailers who do not have the cash or the space to stock large amounts of inventory, and flexible means of delivery – ranging from pushcarts to bicycles to three-wheelers – to suit congested urban environments with narrow, often poorly maintained streets. The MDC model is particularly important in developing countries and emerging markets where the “traditional trade” is an important sales channel, and one that continues to grow. *Some 95% of Coca-Cola Kwanza’s sales volumes are distributed through 170 MDCs, 65% of which are owned and/or managed by women. The bottler sells approximately 30 million cases of product per year, for net sales revenues of approximately $100 million.*

**The Business Case for Coca-Cola:** Increased sales through better service to small-scale retail outlets

**Approach:** Over more than 10 years, Coca-Cola Kwanza has built a network of MDCs covering its territory. Coca-Cola Kwanza is part of the Coca-Cola Sabco Group, which has pioneered the MDC model in nine countries. This has involved assessing customer locations and volume needs; identifying the optimal distribution points; recruiting MDC owners; and assisting them with route and service level planning, staff recruiting, and investment in appropriate facilities and equipment. The average MDC owner is lower-middle income with a high school education, some measure of business experience, the ability to raise the capital required through savings, friends and family, or (in rare cases) bank loans, and personal characteristics like passion and discipline. The average MDC serves between 250-600 small retail outlets within a 3-10 kilometer radius with frequent deliveries of small amounts of product.

Perhaps the most important factor in an MDC’s success is the constant supervision, coaching, and mentoring that the MDC owner receives from Coca-Cola Kwanza’s sales staff. Two types of staff, Resident Account Developers (RADs) and more senior Area Sales Managers (ASMs), visit the MDCs daily or every other day – monitoring inventory levels, ensuring optimal routing, coaching the owners on basic business issues, warehouse and distribution management, and customer service, and monitoring adherence to standards and progress toward agreed-upon performance targets. RADs and ASMs also help MDC owners identify and capture opportunities for growth – for example, by accompanying them to the bank to apply for loans to expand their facilities or purchase new equipment. Recently, Coca-Cola Kwanza has begun to employ more women as RADs and ASMs, and has found that this is helping to enhance the performance of the MDC model.
Coca-Cola Kwanza also provides MDC owners with formal business and financial management skills training. As part of The Coca-Cola Company’s 5by20 commitment, the Company and Coca-Cola Kwanza have collaborated to expand and enhance this training to create more value for MDC owners and for the business. In 2009, they developed an experiential training program in which participants simulate business activity, rather than sitting in a classroom. These simulations enable participants to see how the decisions they make affect their profitability and to play out process improvements in real time. Kwanza staff participate alongside MDC owners and staff, so that by doing the exercises together – some of which involve switching roles – they can understand one another better and learn to work together more effectively. The experiential approach also accommodates participants with varying levels of education, and financial literacy in particular, which can complicate more traditional, classroom-based training. The program is organized into six modules of two to four hours each, which can be delivered one afternoon a week for six weeks or all together over the course of two days – whatever works best for the MDC owners scheduled to participate in a particular session. Women MDC owners are especially encouraged to attend, and care is taken to ensure that sessions are held at times and places that do not inadvertently prevent women from participating.

Finally, Coca-Cola Kwanza is working to strengthen the MDC model by enhancing MDC owners’ access to finance to grow their businesses. For example, the bottling company has provided no-interest financing for MDC owners to purchase hybrid motorcycles mounted with small carriers, which enable MDC staff to serve bigger territories and provide more regular deliveries to their customers than is possible using manual pushcarts. Owners put $625 down and repay the remaining $1,125 cost of the vehicle over six months.

Coca-Cola Kwanza manages all aspects of the MDC model in its territory. The model is self-funding, because it is part of the company’s core business operations (a critical part, accounting for 95% of sales volumes). That being said, The Coca-Cola Company funded the initial development and piloting of the experiential training curriculum, with the goal of providing an asset that Kwanza and other bottlers across Africa could then provide the necessary funding to roll out more widely. Experiential training must be delivered by skilled professionals. In Kwanza’s territory, EcoVentures International – which also developed the curriculum – has trained several local trainers who now deliver the training on a fee-for-service basis.
**Objectives** | **Achievements To Date**
--- | ---
**1. Maintain the number of MDCs necessary to serve the market** | - 170 MDCs, of which nearly 40 are larger “Key Distributors” (KDs)
- MDCs serve up to 250 retail outlets within a 2km radius and KDs serve up to 600 within a 5km radius
- 65% of MDCs are owned and/or managed by women

**2. Improve MDC performance** | - 156 MDC owners and managers have participated in experiential training, including 102 women
- Participating MDC owners’ sales have increased by an average of 12% post-training
- Kwanza has financed the purchase of 220 hybrid motorcycles for MDC owners, including 59 motorcycles for 18 women KDs, enabling them to serve customers in larger territories more regularly

**3. Create jobs and incomes for MDC owners and their employees** | - The average MDC turns a monthly profit of $2,000
- The average return on investment for an MDC owner is 20%
- Each MDC creates an average of 5 jobs, paying an average of $100 per month ($200 per month for cashiers, who are typically women)
Keys to Sustainability and Scale of Impact:

- **There is a clear business case for Coca-Cola Kwanza’s MDC model.** Micro Distribution Centers are integral to the bottler’s business model, accounting for 95% of its sales volume. Their capacity to service the small-scale retail outlets that constitute the majority of customers is also key to future sales growth.

- **The average return on investment for an MDC in Coca-Cola Kwanza’s network is 20%. The average monthly profit is $2,000.** The MDC owner’s relationship with Coca-Cola Kwanza is exclusive – she can only distribute its products to its customers. No additional product ranges or markets are permitted or necessary for commercial viability.

- **Coca-Cola Kwanza staff maintain frequent, regular contact with MDCs during the course of normal business operations.** This allows them to provide ongoing coaching and support to MDC owners, with no additional, special budget required.

- **A simulation-based, experiential training curriculum has proven effective in improving MDC owners’ performance.** In contrast with lecture-based training, experiential training allows participants with varying levels of formal education to experience the effects of their decisions and “practice” process improvements. Now that the curriculum has been developed, Kwanza and other bottlers can offer it (typically through skilled professional trainers) at marginal cost.

- **A financing model is being developed to enable MDC owners to capture opportunities for growth.** Because the MDC network in Kwanza’s territory is mature, start-up financing is no longer needed; now, their needs are for working capital and assets, such as motorcycles to facilitate deliveries.
3.3 Retailers: The STAR Program, the Philippines

Program: Launched in mid-2011, the STAR (Sari-Sari Store Training and Access to Resources) Program is a multi-year partnership among Coca-Cola Philippines (CCP), its local bottling partner Coca-Cola FEMSA Philippines (FEMSA), and the Technical Education and Skills Development Authority (TESDA), an agency of the Department of Labor and Employment of the government of the Philippines. TESDA focuses on technical and vocational education and is headed by a Cabinet-level position. More than 20 NGOs, microfinance institutions (MFIs), and local government entities across the country also participate in the program. The STAR Program aims to empower 100,000 women owners of small-scale retail outlets, known as sari-sari stores, to increase their household income and improve their quality of life. Sari-sari stores are found on nearly every street, and these largely women-owned outlets are a major point-of-sale channel for The Coca-Cola Company in the Philippines.

The Business Case for Coca-Cola: Increased sales through the development of long-term relationships with both existing and new retailers of Coca-Cola products

Approach: The STAR Program offers women sari-sari store owners three years of support with three components: training, access to resources such as microfinance and merchandising, and peer mentoring. The program is in its first year of implementation following a successful pilot, and the first class of 10,000 participants is currently enrolled. New classes will be enrolled annually until the 100,000-woman target is achieved.

**Component 1** focuses on training and capacity-building. Women participate in a basic entrepreneurship course that has been customized for sari-sari stores. The course also sensitizes women about gender issues that can affect their business success, such as shouldering a large share of household duties. The training employs an experiential learning approach for adults and is offered in the local language in the participants’ localities in weekly half-day sessions for 12 weeks. After each session, participants are given practical exercises to implement in their stores.

**Component 2** helps training graduates access resources such as microfinance and merchandising. Women who already belong to microfinance institutions (MFIs) will already have access to cash loans; for those who do not, the training provided will help them qualify – building discipline in store management, familiarity with loan concepts, and the confidence needed to apply. Women will also be able to utilize product finance through the STAR Loan, a new option to purchase Coca-Cola products on credit via an electronic platform. A retailer places an order with her distributor via mobile phone, the lender approves a credit line in the amount of the order – an average of $28 – and the distributor supplies the product. The lender pays the distributor directly, within a day or two of delivery, and the retailer repays the lender within a pre-agreed period of perhaps a week. The STAR Loan has been piloted on a limited basis so far, but product finance will be key to the value of the STAR Program for store owners and for Coca-Cola going
forward – providing a more efficient alternative to traditional microfinance for the very small, very frequent loans that small-scale retailers with irregular cash flows need to keep inventory on the shelves. The mobile delivery platform will also reduce the need for sales staff to visit stores in person to take orders.

Under Component 2, graduates will also be included in Coca-Cola FEMSA Philippines’ merchandising program. The bottler’s sales staff will visit and assess participants’ stores regularly to determine if they qualify for coolers, signage, and store make-overs. Staff will also reinforce merchandising concepts learned during Component 1.

**Component 3** is access to peer mentoring. After completing their training, women may continue to gain skills, build confidence, and receive advice through their local STAR partner NGOs or MFIs – which they may already belong to or may join as a result of the program. Membership in one of these organizations is a valuable opportunity for long-term peer mentoring and networking through, for example, weekly and monthly meetings.

At the end of their three years of participation in the STAR Program, women will be evaluated on business sustainability and economic empowerment in areas such as decision-making, reinvestment of profits in the store, and family health and education spending.

CCP and TESDA manage the STAR Program through a joint National Program Management Team, and CCP involves FEMSA through a Coca-Cola System Technical Working Group. CCP funds 65% of training costs such as recruitment events, materials, and trainers’ fees, with FEMSA funding the remaining 35%. Training costs are estimated at approximately $190,000 for fiscal year 2013. FEMSA’s sales force also helps identify potential STAR Program participants within its existing customer base and will provide merchandising support to both existing and new customers as the program unfolds. TESDA provides a program management team in charge of implementing STAR, composed of regional staff, provincial-level directors, program coordinators, and administrative staff. This team manages a network of partners that (i) supply trainers and conduct training, (ii) screen and recruit participants, (iii) offer participants membership and ongoing support, (iv) facilitate access to finance, (v) provide resources such as training venues, and (vi) prepare documentation and training reports. Since there is no national organization that can offer this breadth of support, CCP and TESDA have worked to identify a suitable mix of partners at the local level from among MFIs, women’s NGOs, training institutes, and local government units. 1Pinoy Financial Services is one such partner. A provider of electronic payment systems to leading Philippine corporations, 1Pinoy is working with CCP to develop the STAR Loan. TESDA covers its own staff time and incidental expenses at the national, regional and local levels. Local MFI and NGO partners also cover their own costs, except for trainers’ fees.
Key to Sustainability and Scale of Impact:

- There is a clear business case for Coca-Cola Philippines and its bottling partner Coca-Cola FEMSA Philippines. That business case consists of increased sales through the development of long-term relationships with both existing and new sellers of Coca-Cola products.

- A customized, experiential entrepreneurship training curriculum has been developed to meet the specific needs of sari-sari store owners. Standard offerings from sources including the International Labor Organization and Coca-Cola University were found not to work...
off-the-shelf, and were tailored based on insight from immersion and pilot sessions. Now that this curriculum has been developed, it can be offered at marginal cost.

**Coca-Cola FEMSA staff maintain frequent, regular contact with the sari-sari stores that sell their products during the course of normal business operations, as part of customer account development (some third party distribution partners play this role with help from FEMSA). This allows them to provide informal coaching and support to sari-sari store owners on an ongoing basis, with no additional, special STAR Program budget required.**

**Coca-Cola’s primary partner, the public sector training agency TESDA, is national in scale with good networks of local NGOs and MFIs.** This gives the program the potential to reach 100,000 sari-sari store owners nationwide.

**Coca-Cola’s partners are playing their roles as part of their own missions, mandates, and day-to-day operations, and using their own financial resources.** Financial resources from the Coca-Cola system are used only to pay for training (recruitment events, materials, and trainers’ fees).

**Many of Coca-Cola’s partners envision continuing to provide select program services on their own once the 10-year project is over, as part of their core offerings in support of their missions and mandates.**

**It is anticipated that participating sari-sari store owners will increase their annual sales by 10-50% through a combination of new knowledge, business and financial management skills, assets like coolers, and possibly access to product finance.**

**Product financing, which sari-sari store owners would access via mobile phone, is being developed.** This will enable store owners to maintain their stocks even when their cash flows are irregular, expand their Coca-Cola product offerings, and reduce the need for in-person visits from sales staff to take orders – contributing to increased sales for store owners and for the Coca-Cola system.

**The program could be expanded to reach additional sari-sari store owners with support from other companies and cross-sector partners** – such as other fast-moving consumer goods (FMCG) companies that benefit from the business skills the sari-sari store owners are learning, in the form of increased sales of their products. These other FMCG companies could help expand stores’ product ranges; provide training material and merchandising relevant to selling those products; participate in product financing; and support the program with funding.
3.4 Recyclers: Coletivo Recycling, Brazil

Program: Coletivo Recycling is one of a number of Coletivo programs designed to drive sustainable improvements in income and self-esteem for low-income people at each stage of the Coca-Cola value chain in Brazil. Run by the Coca-Cola Brazil Foundation (Instituto Coca-Cola Brazil, or ICCB), Coletivo Recycling focuses on building the capacity of cooperatives that collect, sort, and sell waste for recycling. Launched in 2002, Coletivo Recycling currently reaches approximately 9,070 recycling cooperative members, approximately 5,440 of whom are women.

The Business Case for Coca-Cola: In the medium to long term, reduced cost and increased security of supply of recycled PET for the production of recycled bottles.

Approach: The core challenge for Coletivo Recycling is to turn participating recycling cooperatives into growing, thriving businesses – generating social impact and facilitating inclusion in the PET value chain. These cooperatives are mostly informal groups of low-income individuals that gather waste from their communities and local dumps, bring it to central points for sorting, and sell it to brokers who, in turn, sell it to recycling plants. To thrive, these cooperatives need to grow in the scale and formality of their operations. Greater volumes will enable them to sell directly to industry, bypassing brokers and earning higher margins. Registering their businesses as legal entities will enable them to sign the necessary contracts.

To empower the cooperatives in this way, ICCB and its NGO partner, Doe Seu Lixo (DSL), provide coaching tailored to their needs at four different stages of development. DSL field staff visit on an as-needed basis to monitor their progress and help with issues ranging from life skills to management to operations. Importantly, the program also empowers the cooperatives to access sources of supply and market channels. For example, it is opening doors for the cooperatives to start negotiating with municipalities to provide curbside pick-up under the Brazilian government’s new National Waste Policy, which requires all municipalities to offer curbside pick-up service by 2014. Recognizing that only about 30% of Brazilians currently recycle, The Coca-Cola Company has also launched a consumer campaign to promote recycling, which would increase the quantity and quality of material available to cooperatives.

On the sales side, Coletivo Recycling envisions that the best-performing cooperatives will eventually supply material to recycling plants that produce resin for use in the production of bottles made of 20% recycled PET. The Coca-Cola Company’s Brazilian business unit aims to use only this type of bottle by 2015. There is currently only one resin factory in Brazil, but the Company is using its buying power to encourage investment by additional resin factories. The Company expects that once more cooperatives reach the level of scale necessary to supply these factories directly, not only will they be able to capture more of the value, but it will significantly reduce the price of recycled PET resin and recycled PET bottles. This is key to the business case for Coletivo Recycling.
ICCB and DSL designed and now manage the Coletivo Recycling program together. They have jointly developed recruiting standards for field staff, standard protocols for field staff to use in coaching the cooperatives from one stage of development to the next, and mechanisms for monitoring staff compliance – ensuring that all cooperatives receive consistent, high-quality service. They jointly train field staff, who are employed and managed on a day-to-day basis by DSL. ICCB also negotiates supply and sales relationships for cooperatives with companies and governments. Coletivo Recycling is currently funded out of ICCB’s core operating budget, which is jointly funded by Coca-Cola’s 13 bottling partners in Brazil (50%) and The Coca-Cola Company’s Brazil Business Unit (50%).
The Coca-Cola Company’s 5by20 Initiative
EMPOWERING WOMEN ENTREPRENEURS ACROSS THE VALUE CHAIN

Keys to Sustainability and Scale of Impact:

- **There is a clear strategic rationale based on corporate reputation and environmental impact reduction.** Coletivo Recycling is one of a number of Coletivo programs spanning the entire value chain with strong senior management support.

- **Early experience has shown that the highest-performing cooperatives can generate approximately three times as much income per member** than cooperatives in the earliest stage of development. These are capable of collecting and sorting larger volumes of waste and selling directly to recycling plants, rather than brokers, for higher prices.

- **A 4-stage cooperative development methodology** for providing needs-based support has been developed. This could be shared with additional partners and/or licensed to other interested parties.

- **ICCB is training DSL field staff on standard protocols for coaching cooperatives from one stage of development to the next,** helping to ensure quality and consistency of service for all cooperatives. ICCB has also developed and shared recruiting standards and mechanisms for monitoring field staff performance with DSL, further helping to build the capacity of its implementing partner.

- **The business case for Coca-Cola and its bottling partners is still emerging.** Coca-Cola aims to use all 20% recycled PET bottles by 2015, but the supply chain for those bottles is still being built, with only one recycled PET resin factory in the country. As participating cooperatives grow, Coletivo Recycling could serve to expand the supply of raw material for this and other resin factories that open, with the goal of ultimately reducing the price of recycled PET bottles for Coca-Cola’s bottling partners.

### Objectives | Achievements To Date
--- | ---
1. Reach 500 cooperatives by the end of 2014 | • 303 cooperatives reached as of March 2013, for a total of 9,070 members – approximately 5,440 of them women
2. Transform cooperatives into super cooperatives, with at least 1.2 super cooperatives by June 2014 | • 3 cooperatives have reached super cooperative status
• Members’ incomes can increase from $250 per month at a cooperative in its initial stage of development to $1,000 per month at a super cooperative
3. Link Coletivo Recycling cooperatives to the Coca-Cola value chain | • The Company is negotiating to bring additional plants into Brazil and Uruguay to grow the recycled PET bottle supply chain
New, improved sources of material for recycling would enhance the business case for cooperatives, especially if they could be monetized. Coletivo Recycling is currently exploring waste pick-up relationships with municipalities and additional corporations, like Banco Itaú, that would pay the cooperatives for this service.

A popular culture of recycling would also enhance the business case for cooperatives by increasing the volume of clean material available, reducing the need to sort through regular household waste. The Coca-Cola Company is currently conducting a nationwide consumer campaign to promote recycling.

Financing could reduce the need for cooperatives to sell small volumes to brokers for lower prices in order to meet immediate cash flow needs. However, many cooperatives express reluctance to take on debt. Several possibilities, including government lending and organizing multiple cooperatives into networks to finance one another, are being explored.

The program could be expanded to reach additional cooperatives with financial support from others – e.g. municipalities or other companies that expect to benefit from capabilities the cooperatives are learning. As new resin factories are established in Brazil, they could be encouraged to fund Coletivo Recycling and/or launch similar initiatives of their own in order to enhance their supplies of material for recycling.
Program: Launched in the form of a pilot in Rio de Janeiro in 2011, Coletivo Artes is one of a number of Coletivo programs designed to drive sustainable improvements in income and self-esteem for low-income people at each stage of the Coca-Cola value chain in Brazil. Run by the Coca-Cola Brazil Foundation (Instituto Coca-Cola Brazil, or ICCB), it focuses on improving the incomes of artisans’ cooperatives that use Coca-Cola packaging to make handicrafts including jewelry and home décor. There are approximately 300 such cooperatives in Brazil. Coletivo Artes currently serves 21 of these cooperatives with a total of approximately 210 members – nearly 180 of them women.

The Business Case for Coca-Cola: Enhanced corporate reputation; reduced environmental impact; generation of supply of unique Coca-Cola themed products for corporate promotional uses

Approach: Coletivo Artes targets cooperatives made up of low-income women who gather in groups primarily of friends, family, and close neighbors to produce handicrafts from used Coca-Cola packaging, typically in one another’s homes. Each cooperative has approximately 10 members, most ranging in age from late 20s to late 40s, one of whom serves as group leader – typically the one responsible for bringing the group together in the first place. Group members sell simply-designed products at low prices within their local communities, using their earnings to defray household expenses while enjoying the flexibility and camaraderie the work offers.

Coletivo Artes helps these cooperatives increase their incomes by tapping into more lucrative markets outside their local communities. To do this, the program offers professional designs with broad-based consumer appeal, business skills training, and access to new marketing and distribution channels.

Beginning in 2012, Coletivo Artes has hired a professional designer to create an annual product line, each consisting of approximately 20 items. Typical items include purses, jewelry, and home décor made from recycled Coca-Cola bottles and cans, and each cooperative generally selects three to five items to focus on. To help ensure quality, the program also helps cooperatives reorganize and redecorate their workshops, offering clean space for production and storage.

Three NGO partners, Asta in Rio de Janeiro, Fundação Amazonas Sustentável in the Amazon, and Aliança Empreendedora in the rest of the country, visit each cooperative weekly to train members in skills such as how to price their products, how to calculate the time necessary to fulfill an order, how to calculate their scale potential, how to pack products properly for shipment, and how to diversify their customer bases.

Finally, Coletivo Artes has worked to expand the marketing and distribution channels available to participating cooperatives. Their first marketing and distribution partner was Asta, a “social business” that purchases artisan products for resale door-to-door and through a
storefront in Rio de Janeiro and an e-commerce website. Asta has also created online and hard copy catalogues focused exclusively on products made with recycled Coca-Cola packaging. The Coca-Cola Company has also become a marketing and distribution partner in its own right, creating a catalogue that business units around the world can use to purchase products for promotional uses like VIP gifts and event give-aways. The cooperatives retain 40 to 50% of the profits in keeping with international fair trade principles.

ICCB manages the Coletivo Artes initiative with its NGO partners, Aliança Empreendedora, Fundação Amazonas Sustentável, and Asta, providing the cooperative management training and ongoing monitoring and evaluation to track production quality and quantity, sales volumes, and product delivery. NGO field staff visit each cooperative once a week to monitor progress and provide coaching on any issues that arise. Coletivo Artes is currently funded out of ICCB’s core operating budget, which is jointly funded by Coca-Cola’s 13 bottling partners in Brazil (50%) and The Coca-Cola Company’s Brazil Business Unit (50%); however, it is expected that program costs will eventually be covered by a percentage of profits on participating cooperatives’ product sales.

**Figure 6. Coletivo Artes Initiative, Brazil**

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Achievements To Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Reach 100 artisans cooperatives by 2014</td>
<td>• Reach has grown from 5 pilot cooperatives in 2011 to 21 cooperatives in March 2013, with a total of approximately 210 members – nearly 180 of them women</td>
</tr>
</tbody>
</table>
| 2. Increase cooperatives’ sales volumes and incomes | • Members of participating cooperatives have seen their incomes increase by approximately 30% since inception  
• Members of the most successful cooperative earn approximately $600 per month, compared to an average of $300 per month for members of all cooperatives |

The Coca-Cola Company’s 5by20 Initiative EMPOWERING WOMEN ENTREPRENEURS ACROSS THE VALUE CHAIN 33
Keys to Sustainability and Scale of Impact:

- There is a clear strategic rationale based corporate reputation and on reduction of environmental impact. Coletivo Artes is one of a number of Coletivo programs spanning the entire value chain with strong senior management support.

- Members of participating cooperatives have seen their incomes increase by 30%. Members of the most successful cooperative – which has focused on the best-selling design – are earning twice as much as members of the other cooperatives.

- Designs with broad-based consumer appeal have been developed and made available. For two years now, ICCB has commissioned professional designers to develop annual collections that all interested artisans’ cooperatives may choose to produce and sell.

- One of ICCB’s implementing partners, Aliança Empreendedora, has recognized expertise and national reach. AE’s training methodology has been recognized by SEBRAE, a national non-profit organization affiliated with the Brazilian government that is dedicated to small and micro enterprise development. Its other corporate clients include Natura, Danone, Walmart, and HP. The organization has team members in four states and trained affiliates in 10 additional states.

- Cooperatives could increase their incomes further by increasing their production and sales volumes. Coletivo Artes has identified an interest among some of its customers, such as Walmart, to carry the cooperatives’ products. However, it is unclear whether cooperative members wish to increase their production – whether by working additional hours or by recruiting additional members. It has been observed that women often join artisans cooperatives because they are interested in part-time, home-based work that is compatible with family responsibilities. ICCB is keen to develop the program in a way that responds to members’ aspirations, and is therefore taking a step-by-step approach.

- The business case for Coca-Cola and its bottling partners is still emerging. The medium to long term goal is for Coletivo Artes to become financially self-sustaining through a model in which a percentage of profits from participating cooperatives’ product sales would be used to cover operating costs. At the same time, cooperatives will always retain between 40 and 50% of their profits in keeping with international fair trade principles.

- Partners with the capacity to contribute financially or in-kind to training costs could increase the sustainability and scale of the program until financial self-sustainability is achieved.
4. Cross-Cutting Keys to Sustainability and Scale

Across the five 5by20 initiatives studied for this report, four keys to sustainability and scale stand out: the business case for Coca-Cola; the business case for participating women entrepreneurs; scalable assets and approaches; and the incentives and institutional capacity to deliver.

4.1 The Business Case for Coca-Cola

The business case is fundamental to the sustainability and scale of any corporate initiative – it is what allows the resources and capabilities to flow on a sustained basis. But the term “business case” means different things to different people. In fact, the business case can have many dimensions, not all of which are equal in the corporate context.

The most direct dimension of the “business case” is financial return on investment over an acceptable period of time and risk profile. Other dimensions relate to the broader strategic rationale for an investment, which also affects the bottom line, but less directly and/or over a longer period of time – and is therefore harder to quantify with certainty. These dimensions can include long-term growth or market positioning, improved corporate reputation and brand image, risk mitigation, increased employee motivation and productivity, and the development of better stakeholder relationships.

Each of the 5by20 programs in this report has a business case. At the same time, there are important differences in the nature of the business case.

Potential financial returns are clearest and most immediate for Coca-Cola Kwanza’s Micro Distribution Center model and the STAR Program for small-scale retailers in the Philippines: investing in these women’s capacity to grow their businesses enables them to sell more product. In Project Nurture, the program to empower small-scale agricultural producers in Kenya and Uganda, there are a few more variables involved in the potential for financial return, which is rooted in procurement cost savings and security and stability of supply. The Company is now confident that the program will pay for itself several times over, but that is expected to take a total of seven to nine years to happen – longer than would typically be acceptable – and it was not certain at the beginning of the project.

Coletivo Recycling’s potential for financial return is similar to Project Nurture’s, but in earlier stages. While recyclers are often depicted at the post-consumer end of the value chain, their business relationship to the Coca-Cola system is more like that of producers: like the smallholder farmers participating in Project Nurture, the cooperatives participating in Coletivo Recycling sell to suppliers that in turn sell to Coca-Cola’s bottling partners. And again like those farmers, as the cooperatives grow in scale and capacity, eventually becoming capable of doing business with Coca-Cola suppliers directly, they will both increase the supply of raw material available and reduce the cost. The suppliers should then be able to pass some cost savings along to Coca-Cola’s bottling partners. In the case of Coletivo Recycling, of course, those suppliers also need to be developed – there is currently only one recycled PET resin factory in Brazil. In financial terms, therefore, the business case for Coletivo...
Recycling is medium to long term. It is worth noting that recycling works differently in different countries. There is a model with strong financial returns in Zambia, for example, that if implemented all over Africa would save the Coca-Cola system $40 million a year.¹⁶

Like recyclers, artisans are often depicted at the post-consumer end of the value chain, but their relationship to the Coca-Cola system is more like that of suppliers. They sell handicrafts made with recycled Coca-Cola packaging to The Coca-Cola Company and its bottling partners (along with other customers) around the world. With Coletivo Artes, however, ICCB is taking a different approach to the question of financial return – designing the program to be an operationally self-sustaining social business that provides training and marketing services to artisans’ cooperatives.¹⁷

In three to four years, a percentage of profits from participating cooperatives’ product sales is expected to cover the program’s operating costs. Any amount in excess of the program’s operating costs will be reinvested in the program.

All of the 5by20 programs described in this report have strong non-financial dimensions of the business case. These include enhancing corporate reputation, developing key stakeholder relationships, reducing environmental impact, and generally strengthening communities – which generally strengthens the operating environment for The Coca-Cola Company and its bottling partners. It is critical to take the whole business case into account.

At the same time, it is important to recognize that the clearer and more immediate the expected financial return on investment, the easier a program is to sustain, scale up, and replicate in other parts of the world. Corporate systems and incentive structures are geared to generate financial returns, so when those exist, resources and capabilities naturally flow. It is harder for managers to act on strategic rationale alone even with directives or clear support from decision-makers above them. Relevant departments may be reluctant to dedicate money or time if it is not clear how that investment will help them achieve their targets this year (much less this quarter). In such situations, strong champions absolutely critical, right up to the business unit president and Company CEO levels. Also critical is to measure the financial return on investment of 5by20 programs, wherever possible, both to justify sustaining those programs and to build the evidence base that business units and bottlers in other countries need to replicate them.

4.2 The Business Case for Women Entrepreneurs

Just as the sustainability and scale of any 5by20 program requires a business case for Coca-Cola, it also requires a business case for the women entrepreneurs participating in the program. And the business case for women is multi-dimensional, just as it is for Coca-Cola.

One of those dimensions is financial. Like all business owners, women entrepreneurs will not invest – by spending time in training, by implementing new business practices, by purchasing assets and inventory – unless they expect to earn more money. All five 5by20 initiatives studied for this report have demonstrated the potential for
Scalable assets and approaches can be defined as content, tools, and processes that, once developed, can be used again and again at a low marginal cost, including the cost of adaptation as needed. 5by20 programs, like most corporate programs, require some level of up-front investment. The more that up-front investment can be used to develop such scalable assets and approaches, the more highly leveraged participating women to earn more money – though some have longer track records, and therefore more data, than others. For example, members of artisans cooperatives participating in Coletivo Artes have seen their incomes increase by 30% since the initiative began. Smallholder farmers participating in Project Nurture have doubled their fruit incomes. Members of recycling cooperatives participating in Coletivo Recycling have the potential to quadruple their incomes.

At the same time, the business case for participating women goes beyond money. It also includes a powerful choice component. For example, while increased incomes are at the heart of the business case for participating women, one choice might be not to maximize those incomes. Some women appear to value income security even more than growth potential. Coca-Cola Kwanza has found that women make better MDC owners for precisely this reason. MDCs have limited territories, and therefore limited growth potential. Men have a greater tendency to chafe at these limits over time, whereas women appear willing to trade some growth potential for income stability, so as to provide for their families. Similarly, the Coletivo Artes cooperatives in Brazil could earn more by increasing their production. There are untapped sources of demand for their products within and outside the Coca-Cola system. But increasing production would mean working longer hours or bringing new members into their groups, which usually work out of existing members’ homes. At a certain point, women appear to value the opportunity to work shorter and/or more flexible hours in a friends-and-family setting over the opportunity to earn more money. In many countries around the world, women must balance cultural expectations and their own desires to work and earn incomes and at the same time be good wives and mothers.

Equally important choices for women have to do with what to spend their income on. Studies have shown that women tend to use additional income to provide better nutrition, education, and healthcare for their children, kicking off virtuous cycles of development. Of course, for this to happen, affordable, high-quality products and services must be available and accessible – something that is largely outside The Coca-Cola Company’s control. And the development impact of particular choices materializes only in the long term. These factors combine to make it hard for The Coca-Cola Company to measure the full effect of 5by20 programs on women’s economic empowerment and development – but they are critical to a qualitative understanding of the contributions that 5by20 makes to the process.

As described earlier in this report, the Company has developed approaches not only to track how many women entrepreneurs receive which types of support, but also to measure the impact of that support on participating women, their businesses, their families, and their communities over time.

### 4.3 Scalable Assets and Approaches

Scalable assets and approaches can be defined as content, tools, and processes that, once developed, can be used again and again at a low marginal cost, including the cost of adaptation as needed. 5by20 programs, like most corporate programs, require some level of up-front investment. The more that up-front investment can be used to develop such scalable assets and approaches, the more highly leveraged
it is. In the context of 5by20, scalable assets and approaches are critical not only to the scale of any one program, but also to the potential for programs to be replicated in other markets, since they reduce the start-up costs for those additional markets.

**Business skills training.** The 5by20 programs studied for this report have been most successful in developing scalable business skills training assets and approaches: a mango and passion fruit cultivation guide in Project Nurture, an experiential training curriculum for the Micro Distribution Centers, retailer training in the STAR Program, and a 4-stage cooperative development methodology in Coletivo Recycling. Coletivo Artes has recently added a new business skills training provider, and the scalability of its methodology has yet to be demonstrated.

**Access to finance.** Scalable assets and approaches to improve access to finance for women entrepreneurs are still in the proof-of-concept stage: motorcycle finance for MDCs, product finance in the STAR Program, and agricultural finance in Project Nurture (demand for financing among the recycling and artisans cooperatives participating in the Coletivo project is still being assessed). Another example is a new facility established to finance retailers in Nigeria. The Coca-Cola Company’s local bottling partner, Nigerian Bottling Company, recruits customers, provides their credit histories and growth prospects to the bank, and helps the bank collect payments as needed. Access Bank makes loans with reduced collateral requirements and other favorable terms, reflecting the reduced cost of customer acquisition. IFC (International Finance Corporation) has provided a $50 million line of credit for on-lending and a $22 million risk-sharing facility to Access Bank. The latter is part of a $100 million, three-year joint initiative with The Coca-Cola Company to expand access to finance for women entrepreneurs in Africa and other emerging markets. IFC is also providing business skills training for borrowers.

Progress has probably been slower in access to finance because there are higher levels of cost and risk involved – and while The Coca-Cola Company and its bottling partners can help, those costs and risks will need to be shouldered in large part by financial institutions. This presents an opportunity for The Company to partner with financial institutions, as it has done with IFC and Access Bank in Nigeria, and to join – or help create – broader platforms that bring multiple stakeholders together to experiment with various value chain financing mechanisms and to share lessons learned. There may also be potential for The Coca-Cola Company and its bottling partners to partner with their own commercial banks, where they already have well-established relationships that those banks are presumably quite keen to keep.

**Networks of peers and mentors.** There is further progress to be made toward scalable approaches to developing networks of peers and mentors. Two promising approaches have to do with leveraging existing networks. Project Nurture, Coletivo Recycling, and Coletivo Artes target existing producer business groups and cooperatives. Project Nurture is also exploring the possibility of bringing existing producer business groups together into larger associations, which would broaden members’ networks even further. The STAR Program uses trainers from membership-based NGOs and MFIs that offer peer networks, additional training, and other resources. Participants that do not already belong to those organizations have the option to join and access their networks and resources, and those that do belong already can intensify their participation.
4.4 Incentives and Institutional Capacity to Deliver

Two final factors in sustainability and scale are the incentives and capacity of the institutions involved to deliver on a sustainable, scalable basis.

Within the Coca-Cola system, incentives and institutional capacity to deliver are directly linked to the strength of the business case and proximity in the value chain. Incentives and institutional capacity are currently greatest for 5by20 programs focused on small-scale distributors and retailers in countries where they constitute an important channel, because their performance has a direct impact on Coca-Cola system sales and bottlers generally have teams whose job it is to serve them.

However, even in programs focused on small-scale distributors and retailers, the Coca-Cola system rarely has the incentive or institutional capacity to do everything on its own. Often, the Company and its bottling partners must find partners that can contribute funding, expertise, and capabilities that they do not possess and cannot justify investing in.

By bringing their comparative advantages together, The Coca-Cola Company and its partners can target the specific barriers that women in different countries and different businesses face – maximizing the relevance and impact of their programs.

Partnering with the Bill & Melinda Gates Foundation and TechnoServe has been critical in Project Nurture, for example, because The Coca-Cola Company and its bottling partners do not purchase directly from smallholder farmers and do not have the capacity to advise on agricultural best practices. In addition, farmers must sell to a variety of buyers outside the Coca-Cola value chain to diversify their risk and maximize their earnings – so it would not make sense for Coca-Cola to bear the entire cost of the program.

Similarly, the STAR Program in the Philippines includes elements of basic business readiness – such as life skills and basic financial literacy – that are not specific to selling more Coca-Cola products, and participating retailers of course stock and sell a variety of other companies’ products. It is therefore important for the Company and its bottler FEMSA to partner with the government agency TESDA and potentially other fast-moving consumer goods companies in the future. Women participating in four out of the five 5by20 programs studied for this report earn money both within and outside the Coca-Cola value chain, opening up considerable scope for partnership with government bodies, NGOs, and other companies to address the barriers to growth they face.

There are many different types of partners and partnerships. Like “business case,” “partnership” is a generic term it is critical to unpack, as different kinds of partnership are needed for different purposes, with different incentives and institutional capacities required to do the job. In assessing the incentives and institutional capacities of prospective partners, it matters a great deal whether their roles are intended to be catalytic or sustained, and whether they can and should participate on a fee-for-service or cost- and risk-sharing basis. A number of Coca-Cola’s 5by20 partnerships are categorized this way in Figure 7 on page 40.

No type of partnership is inherently better than another. Each has its time and place. What
is important is to determine fit for purpose. Partnerships – especially non-traditional, cross-sector partnerships – can be time-consuming and complex, and the effort to develop them should be a worthwhile investment, not a transaction cost. Risk of failure also increases when there is a mismatch between a company’s purpose for partnering and the incentives and institutional capacities of the intended partners.

A company might look for partnerships to help catalyze a new way of doing business if it feels it lacks knowledge of the strategic or operating context or the target population, or capabilities that are needed on a temporary basis. Where there is a business case, in the financial sense, the company might choose to pay its partner on a fee-for-service basis – as The Coca-Cola Company paid EcoVentures International to develop the experiential training program for MDC owners. This program builds specific skills required to distribute Coca-Cola products and interact with bottler Coca-Cola Kwanza, and the MDCs do not distribute the products of any other companies.

Where there is not a business case, or the business case is still emerging, it makes sense to find partners that can share cost and risk, as The Coca-Cola Company has done with the Bill & Melinda Gates Foundation in Project Nurture. There, The Coca-Cola Company cannot justify paying the entire cost of the capacity-building and market connections that smallholder farmers require, because farmers sell the bulk of their production to buyers in the fresh fruit market where prices are higher. Gates Foundation funding has been essential.

A company might look for partnerships to provide products or services on a sustained basis if ongoing operations require those products and services, and it is outside the core competency of the company to provide them – making it more efficient to
work with others. Where there is a business case, a company might again choose to pay its partner on a fee-for-service basis, as The Coca-Cola Company is doing with the professional trainers who now deliver the experiential training curriculum to MDC owners in Tanzania. Normal contractual relationships work well for partnerships in which the purpose is to deliver of products and services that are established and standardized and now need to be scaled – as they lend themselves to efficiency and quality control.

For this reason, it can even make sense to pay fee-for-service when the business case is still emerging, as in Coletivo Recycling, where the Coca-Cola Brazil Foundation pays its NGO partner Doe Seu Lixo to provide participating cooperatives with ongoing coaching and monitoring using their standardized methodology. This type of partnership is even more feasible when it is possible to attract additional partners capable of sharing the cost and risk. An important question is whether those partners will be able to sustain their funding for as long as the company requires – particularly if they are other companies for whom the business case is also still emerging, or donors who often prefer to provide shorter-term, more catalytic support.

When a company needs partners to provide products or services on a sustained basis, but the business case is still emerging, the optimal scenario is to find partners that have the incentives and institutional capacity to share or even fully shoulder the financial cost and risk of their own participation – such as governments and other companies, including suppliers, distributors, and customers within the value chain. In Project Nurture, for example, Coca-Cola’s mango puree suppliers Sunny Processors and Allfruit are in the process of becoming critical sources of support for smallholder farmers once TechnoServe’s catalytic role comes to an end. The resin factories now entering Brazil may one day play similar roles vis-à-vis the recycling cooperatives participating in Coletivo Recycling.

Some partners have the incentives and institutional capacity to play a sustained role in women’s economic empowerment not only within the Coca-Cola value chain, but beyond. The Company’s primary partner in the Philippines, for example, the public sector training agency TESDA, is bringing its own financial resources to the table to manage the STAR Program, which targets small-scale retailers within and outside the Coca-Cola value chain, for the next 10 years. TESDA envisions continuing to make such STAR-type training services available on its own even after the 10-year partnership period is over. Another 5by20 partner, UN Women, plans not only to manage a series of three-year pilot programs targeting small-scale retailers within and outside the Coca-Cola value chain, but to leverage the lessons learned in its ongoing policy advocacy efforts with governments – in the pilot countries and beyond – for much larger scale, more systemic impact.

“Our partnership with Coca-Cola is more than an isolated project. It’s part of a broader picture for both of us. UN Women wants to see the impact sustained and scaled up, and to extract the lessons and best practices to inform our work with governments and other partners. And we know Coca-Cola will use these best practices in its ongoing business operations as well.”

Kristin Hetle, Director, Strategic Partnership Division, UN Women
The Coca-Cola Company’s efforts to economically empower five million women by the year 2020 have generated a number of lessons learned for companies seeking to make their value chains more inclusive.

First, there must be a business case for the company. Further, it is important to recognize both that the business case is often multi-dimensional and that those dimensions are not created equal. Financial return on investment is almost always much more powerful, because corporate incentive structures and operating systems are already aligned to achieve it. Broader, strategic rationales require more active and ongoing support at the highest levels.

Second, local business embeddedness is key – and in a large, decentralized business system like Coca-Cola’s, global support can play a critical catalytic and enabling role. Initiatives are most sustainable and have the most potential for scale when they develop locally, in line with local business priorities, capabilities, and resources. Corporate headquarters can encourage that to happen and can support the spread of effective models by initiating dialogue, sharing knowledge, and disseminating successful tools and approaches.

And third, just as it is important to be nuanced about “the business case,” it is important to be nuanced about “partnership.” There are many different kinds of partners and partnerships, and all can be fit-for-purpose, depending on how that purpose aligns with the incentives and institutional capacities of the partners involved. Making the right assessment can help ensure that the time it takes to develop partnerships is a worthwhile investment, not a transaction cost.

The Coca-Cola Company’s 5by20 experience to date also suggests a number of recommendations – for companies and for their partners in government, civil society, and the donor community.

For example, companies can:

- Internally, raise awareness of inclusive value chain strategies outside the CSR department and within mainstream business operations to create fertile ground for innovation and embeddedness
- Externally, use the credibility and market power of global value chains to drive innovation on big issues such as access to finance for small-scale producers, distributors, retailers, and consumers
- Put strong systems in place to capture the right data at the right time to move the agenda, both internally and externally

For their part, partner organizations can:

- Think of companies as more than just donors – or not as donors at all. Depending on the partner organization’s mission, operational capabilities, and revenue model, companies may be more powerful as clients, joint venture partners, or even grantees. For example:
  - NGOs can offer market insight, advisory services, and capacity-building for women entrepreneurs and other underserved segments
  - Donors and governments can offer financial incentives – such as challenge funds and tax benefits – to companies experimenting
with new ways of incorporating small-scale producers, distributors, retailers, and consumers into their value chains.

- Development finance institutions can co-invest with banks and other companies in facilities that expand access to finance and technical assistance for women and other micro- and small-scale entrepreneurs seeking to enter and grow their businesses within larger corporate value chains.

Of course, these recommendations are not exhaustive. The Coca-Cola Company’s 5by20 portfolio continues to grow, testing even more new models for catalyzing and sustaining women’s economic empowerment along the value chain and generating additional lessons learned. As the most successful models go to scale, the benefits could be transformational – inspiring replication within the Coca-Cola system and beyond.


5. The barriers have been documented by the United Nations Development Programme and others. See, inter alia, UNDP. 2008. “Creating Value for All: Strategies for Doing Business with the Poor. New York: UNDP.


13. Countries include Brazil, China, Costa Rica, Egypt, Haiti, India, Kenya, Mexico, Nigeria, Philippines, South Africa, and Thailand.


15. While a financial return on investment is expected, it has not been projected.

16. In Zambia, 70% of Coca-Cola products are sold in returnable glass bottles which are collected post consumption and sorted, sterilized, and reused. As part of this process, one of the local bottling plants has hired the Kwashame Kwenu Women’s Group RGB Recycling Cooperative to sort bottles. The cooperative is paid on a per-case basis, and members earn approximately $150 a month, three times the national average. Members also have access to some of the same benefits as the bottler’s own employees, such as subsidized meals and access to life skills training covering HIV/AIDS awareness and other topics. The Coca-Cola Company estimates that if every bottling plant in Africa were to adopt this model, it would create approximately 10,000 jobs for women and saving the Coca-Cola system $40 million a year.

17. Muhammad Yunus, father of the microfinance industry, defines a “social business” as a business “created to solve a social problem. Like an NGO, it has a social mission, but like a business, it generates its own revenues to cover costs. While investors may recoup their investment, all further profits are reinvested into the same or other social businesses.” For more information, please see http://www.yunussb.com/index.php/social-business (accessed May 15, 2013).
Beth Jenkins
Beth is Director, Insights, for Business Fights Poverty and a Senior Fellow at the CSR Initiative (CSRI). She has nearly fifteen years’ experience researching and advising on inclusive or base-of-the-pyramid business models and cross-sector partnerships in various positions in the public, private, and non-profit sectors and academia. Most recently, she served concurrently as Research Fellow at CSRI and Consultant to the International Finance Corporation (IFC), where she provided strategic advice and implementation support for the start-up phase of IFC’s Inclusive Business Models Group. Previously, she directed CSRI’s Economic Opportunity Program, analyzing, documenting, and disseminating inclusive business activity together with partners such as the International Finance Corporation, United Nations Development Programme, World Business Council for Sustainable Development, and NGOs and companies around the world. She authored and edited eight reports in the CSR Initiative’s Economic Opportunity Series, including a cross-cutting analysis and seven industry studies in the extractives, financial services, food and beverage, information and communications technology, health care, tourism, and utilities sectors. She has developed six inclusive business reports with IFC and co-authored the UNDP publication “Creating Value for All: Strategies for Doing Business with the Poor.” Earlier in her career, Beth was responsible for developing and disseminating risk management concepts and capabilities at Booz | Allen | Hamilton, with special emphasis on the strategic risks companies face as a result of social, environmental, and international development issues. She also spent five years working on base-of-the-pyramid business models in the information and communications technology and housing sectors at the World Resources Institute and Ashoka. She is a graduate of Yale University and the Harvard Kennedy School.

Kara Valikai
Kara is a recent graduate of the joint MBA/MPA program at the MIT Sloan School of Management and the Harvard Kennedy School, where she specialized in sustainability, corporate social responsibility, and international development. In addition to her coursework, she completed two projects with ExxonMobil in Papua New Guinea and OCP Group in Morocco. Before embarking on her graduate program, she completed four consulting projects with TechnoServe in Romania, Colombia, Chile, and Nicaragua. In Romania, she designed a program that re-allocated $880 million of a mine’s $4 billion total planned procurement from international suppliers to Romanian companies. Kara spent two years working for a microfinance rating agency, Planet Rating, in Peru, covering Latin America. With Planet Rating she led and executed financial risk and social ratings for eleven microfinance institutions in five different countries. Prior to Planet Rating she was a senior financial analyst with American Capital Strategies, where she completed quarterly valuations and financial due diligence for portfolio companies. She has also worked in public accounting and is a Certified Public Accountant. Kara holds a B.A. in Business-Economics from the University of California in Santa Barbara.

Piya Baptista
Piya is a Research Fellow at CSRI specializing in inclusive business, micro-and small business development, and social entrepreneurship. She has worked with businesses, international development organizations, non-profit organizations, foundations, and universities. Until late 2012, Piya served as Associate Operations Officer for the International Finance Corporation in business advisory services for companies in emerging markets, helping clients to build supply chain linkages with micro and small businesses. Her work cut across a range of industries such as mobile financial services, general manufacturing, and agriculture. Piya co-authored the publication “Unleashing the Power of Convergence to Advance Mobile Money Ecosystems” for IFC and CSRI. She has also written 13 case studies on IFC clients’ inclusive business models and contributed to several other reports. At the World Bank, Piya worked on multi-million dollar rural development projects with the Government of India to support farmers and micro-entrepreneurs. She has also built business partnerships between corporations like Unilever’s subsidiary in India and small farmers and artisans through the Self Employed Women’s Association. Piya began her career with Ashoka: Innovators for the Public where she provided cross-cutting support for programs serving social entrepreneurs worldwide. She is a graduate of the London School of Economics and St. Xavier’s College in India.
The Coca-Cola Company’s 5by20 Initiative

EMPOWERING WOMEN ENTREPRENEURS ACROSS THE VALUE CHAIN

The Corporate Social Responsibility Initiative (CSRI), www.hks.harvard.edu/m-rcbg/CSRI/, at the Harvard Kennedy School’s Mossavar-Rahmani Center for Business and Government (M-RCBG) is a multi-disciplinary and multi-stake-holder program that seeks to study and enhance the public contributions of private enterprise. The initiative explores the intersection of corporate responsibility, corporate governance, and public policy, with a focus on analyzing institutional innovations that enhance governance and accountability and help to achieve key international development goals. It bridges theory and practice, builds leadership skills, and supports constructive dialogue and collaboration among business, government, civil society and academics. Founded in 2004, the CSR Initiative works with a small Corporate Leadership Group consisting of global companies that are leaders in the fields of corporate responsibility, sustainability or creating shared value. The Initiative also works with other leading CSR and sustainability organizations, government bodies, non-governmental organizations and companies to leverage innovative policy research and examples of good practice in this field. The CSR Initiative is chaired by Professor John Ruggie and directed by Jane Nelson.

Business Fights Poverty (BFP), www.businessfightspoverty.org, is the world’s largest network of business and development professionals. BFP is run by Inspiris, a London-based firm that designs, manages and supports networks and partnerships at the interface of business and international development. Inspiris leverages world-class expertise in strategy, communications and social media to cultivate collaboration across business, government and civil society – unleashing new potential for innovation and impact. It is the creative energy behind a suite of innovative networks that enable companies to combine business success with greater impact in the developing world. These include BFP and Business Action for Africa (www.businessactionforafrica.org), a leading coalition of businesses and development partners.

About the CSR Initiative at the Harvard Kennedy School and Business Fights Poverty