

SCHWAB FOUNDATION FOR **SOCIAL ENTREPRENEURSHIP**

THE VOICE OF SOCIAL INNOVATION

The Schwab  
Foundation  
for Social  
Entrepreneurship

Activities  
Impact  
Outlook

The page features a large abstract graphic on the right side, composed of several overlapping geometric shapes in shades of orange and yellow. The shapes are angular and create a sense of depth and movement. The background is white.

**Schwab Foundation for Social Entrepreneurship**

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# Our Mission

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Many of the most promising, innovative solutions to the world's problems are often spearheaded by unknown individuals. While the impact they and their organizations have created is very significant, it is still far below what is needed to solve the major challenges of our world.

In 1998, we set up the Schwab Foundation for Social Entrepreneurship as a not-for-profit organization with the mission to find the most advanced social entrepreneurs around the world and to provide them – in close cooperation with the World Economic Forum – with a platform at the regional and global levels to highlight and advance leading models of sustainable social innovation.

The Foundation and its Partners identify 20-25 social entrepreneurs annually, who become members of its community of Social Entrepreneurs. Today, the community comprises close to 200 of the world's leading social innovators from all continents who are working in many different areas and on a wide range of issues.

The Foundation engages the Social Entrepreneurs in shaping global, regional and industry agendas that improve the state of the world together with other stakeholders of the World Economic Forum.

**Hilde Schwab,**  
Chairperson and Co-Founder,  
Schwab Foundation for Social  
Entrepreneurship

**Klaus Schwab,**  
Founder and Executive Chairman,  
World Economic Forum

# The Foundation Board

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**Hilde Schwab,**  
Chairperson and Co-Founder,  
Schwab Foundation for Social  
Entrepreneurship



**Klaus Schwab,**  
Founder and Executive Chairman,  
World Economic Forum



**David R. Gergen,**  
Director, Center for Public  
Leadership  
Harvard Kennedy School, USA



**Martin C. Halusa**  
Chief Executive Officer,  
Apax Partners LLP, United  
Kingdom



**Stephen Brenninkmeijer,**  
Private Investor,  
Anthos Ltd, United Kingdom



**Paulo Coelho,**  
Author,  
Brazil

*"The Schwab Foundation put the term Social Entrepreneurship on the agenda. In the recent past, the global economic structure has been challenged by greed on the one hand and loss of trust on the other. In this context, the work of Social Entrepreneurs who are nurturing their ideas through groundbreaking innovations and courageous leadership has helped to drive and instil change in the world ... I believe that the momentum created will help re-establish those aspects of the economic world that we seem to have lost in the last decade."*

*"When we least expect it, life sets us a challenge to test our courage and willingness to change; at such a moment, there is no point in pretending that nothing has happened or in saying that we are not ready. The challenge will not wait. Life does not look back. That's what the Schwab Foundation is doing: allowing people who accept challenges to get together, proposing a new business model for this society."*





**Zanele Mbeki,**  
Chairperson,  
IsiGodlo Trust, South Africa

*"The Schwab Foundation provides its community of Social Entrepreneurs with a unique space and opportunity to engage directly with and influence global leaders, who drive development trends, to act in favour of the poor."*



**Muhammad Yunus,**  
Managing Director,  
Grameen Bank, Bangladesh

*"I kept being invited to come to the World Economic Forum. As someone who lends under US\$ 200 to poor women in Bangladesh, I was not sure what I could do there. But Klaus Schwab called me up. I thought of giving it a try. That was 16 years back. Since then, I have become a regular participant. I have made many friends, learnt a lot about the world of business and the world in general. Klaus and Hilde became great friends. That friendship led to the creation of the Schwab Foundation for Social Entrepreneurship. A whole new dimension was added to the World Economic Forum because of the Foundation. Many of our social business joint ventures with global companies were initiated through the interactions I had in the snow-covered Davos during the Annual Meeting. Sessions on social business have become a regular feature and I find more and more business leaders enthusiastic about getting involved in social business."*



**H.R.H. Princess Mathilde of Belgium**  
Honorary Board Member

# The Foundation's main activities include:



## 1. Identifying and highlighting the world's leading Social Entrepreneurs:

Annually, the Foundation and its media and corporate Partners select 20-25 Social Entrepreneurs from a pool of 1,000 applicants through national "Social Entrepreneur of the Year" competitions and regional selection processes in Africa, Latin America, Asia, the Middle East and Europe. The winners are highlighted at national celebrations and during key plenary sessions at World Economic Forum regional and global events.

The main criteria for selection are:

- a. **Innovation:** The candidate has transformed traditional practice through an innovative product, service, approach or a more rigorous application of known technologies and ideas.
- b. **Sustainability:** The organization is achieving some degree of financial self-sustainability through revenues or is engaged in creating mutually beneficial partnerships with business and/or the public sector.
- c. **Direct Social Impact:** The candidate implements the initiative directly with poor or marginalized beneficiaries. Impact manifests itself in quantifiable results.
- d. **Reach and Scope:** The Social Entrepreneur's initiative has spread beyond its initial context and adapted successfully to other settings in the country or internationally.
- e. **Replicability:** The initiative can be adapted to other regions of the world to solve similar problems.

## 2. Connecting Social Entrepreneurs:

The Foundation supports the participation and active involvement of its selected Social Entrepreneurs at the regional and global meetings of the World Economic Forum. These meetings offer unique opportunities for Social Entrepreneurs to connect with corporate, political, academic, media and other leaders.

Between 10 and 35 Social Entrepreneurs actively participate in the following regional and global events:

- World Economic Forum Annual Meeting, Davos-Klosters, Switzerland
- Annual Meeting of the New Champions, People's Republic of China
- Summit on the Global Agenda, Dubai, United Arab Emirates
- India Economic Summit, New Delhi, India
- World Economic Forum on Latin America
- World Economic Forum on the Middle East and North Africa
- World Economic Forum on Africa
- World Economic Forum on Europe and Central Asia
- World Economic Forum on East Asia



### 3. Building a community:

The Foundation's network includes close to 200 active Social Entrepreneurs. They come from around the globe and work in a wide range of sectors, but have many challenges and characteristics in common. The Foundation fosters peer-to-peer exchange and the replication of their methodologies at dedicated sessions during each event of the World Economic Forum. Social Entrepreneurs engage in a series of task forces such as "The New Vision for Agriculture" and "Leveraging Technology for Education", which directly interface with initiatives and Partners of the Foundation. The Foundation extends services of Partner firms to Social Entrepreneurs, such as legal advice and pro bono strategic consulting services.

### 4. Generating solutions in partnership:

Social Entrepreneurs work in a variety of sectors and industries, including education, water and sanitation, affordable housing, inclusive finance, nutrition, healthcare systems and sustainable energy. They participate in the respective Forum initiatives and industry meetings to shape the future agendas of industries and provide their practical grassroots perspective to these conversations.

Some of the key initiatives and industry sectors include:

- Health initiatives
- Global Education Initiative
- Sustainability initiatives (sustainable consumption, water, energy, carbon reduction)
- Mining & Metals

The Foundation works with its Partner companies to advance specific activities of Social Entrepreneurs or initiatives that support social entrepreneurship in general.

# Impact

The networking opportunities provided for Social Entrepreneurs by the Schwab Foundation have resulted in increased visibility, credibility, access to finance, partnerships, policy changes, media attention and an increased knowledge of global affairs, as described by themselves hereafter.

Social Entrepreneurs, in return, have inspired many business, political and media leaders at Forum events. Business leaders have set up social venture funds, started social entrepreneurship activities within their corporations, taken into account social innovations; and governments have passed legislation in favour of the creation of social enterprises

## Scaling and Regional Expansion of the Impact of the Social Enterprises



**Martin Burt**

Fundación Paraguaya, Paraguay

*Fundación Paraguaya's activities have been advanced with support of the Schwab Foundation for Social Entrepreneurship. Active involvement in the Schwab Foundation community and participation in the World Economic Forum and Global Agenda Councils have opened new doors at regional and global levels, enhanced credibility and provided unparalleled opportunities to extend the social enterprise model for education to other countries. These include Nicaragua, Bolivia, Brazil, South Africa, Tanzania, Kenya, India and Uganda. We have started a network to promote "education that pays for itself" through our UK-based network called Teach A Man To Fish, which has 2,000 members from 125 countries.*



**Geoffrey Cape**

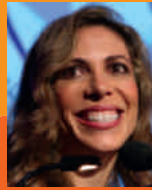
Evergreen Foundation, Canada

*The Schwab Foundation and the World Economic Forum have been tremendously valuable for Evergreen and me. Over the past four years, they have given us the opportunity to develop relationships at the international level to support our work. As a result, Evergreen has grown in both impact and scope over this period.*



**James R. Fruchterman**  
The Benetech Initiative, USA

*The Schwab Foundation was my first link to the world of international social entrepreneurship. Access to peers is the most important way for advanced practitioners to learn and improve their work, and being involved with the World Economic Forum gives me access to top business people, Social Entrepreneurs, NGO leaders and policy-makers. Conversations convened by the Forum in Switzerland, Brazil, India and Mozambique have been instrumental in multiplying our work tenfold since we joined the Schwab Foundation network. As we look forward to increasing our impact by another factor of 10 in the coming years, I know that help from the Forum and Foundation and my peer Social Entrepreneurs will be crucial enablers.*



**Linda Rottenberg**  
Endeavor Global, USA

*The Schwab Foundation and World Economic Forum have been indispensable in helping Endeavor to build our High-Impact Entrepreneurship movement – promoting our cause throughout the world and helping us locate many valuable partners and collaborators. Four years ago, I had the pleasure to participate at the World Economic Forum on the Middle East at the Dead Sea. Connections with local business leaders made at this event led directly to Endeavor's launches in Jordan, Egypt and Lebanon, setting in motion our expansion across the Middle East.*



**Sanjit (Bunker) Roy**  
Barefoot College, India

*The World Economic Forum and the Schwab Foundation for Social Entrepreneurship provided Barefoot College with the global platform to test our ideas in other parts of the world. The exposure provided the connections and the funding to scale up the bottom-up, low-cost community-based approach in over 30 countries.*

## Developing Partnerships with the Corporate Sector



**Martin J. Fisher and Nick Moon**

KickStart International, Kenya

*Being selected as a member of the Schwab Foundation for Social Entrepreneurship gave us exactly the platform we needed to take KickStart to a whole new level. We developed partnerships with major new donors at Davos, including our US\$ 6 million partnership with John Deere. We were featured in Time, Newsweek and many other publications. We met a dynamic community of Social Entrepreneurs whom we still learn from today. We have increased our annual impacts by a factor of 3.5 since 2003 and to date have lifted over 500,000 people out of poverty. None of this would have been possible without the Schwab Foundation and the World Economic Forum.*



**J. B. Schramm**

College Summit, USA

*The Schwab Foundation and World Economic Forum give me a chance to step back to consider the forces driving economic and cultural changes and the resulting implications for American public education. Leaders at Davos from government, business as well social change sectors find common ground and spot opportunities for collaboration. For example, one bilateral, 15-minute meeting at Davos led to significant shifts, making it possible for thousands of American high schools to learn how their students fared in college.*



**Marcela Benitez**

Social and Economic Recovery of National Rural Villages at Risk of Disappearing (RESPONDE), Argentina

*The Schwab Foundation and the World Economic Forum have played an important role in increasing RESPONDE's recognition, with companies wanting to support new projects in rural villages. The Annual Meeting and regional events also give us the opportunity to meet people who want to support our mission.*



**Mel Young**

Homeless World Cup, United Kingdom

*The Schwab Foundation and the World Economic Forum have provided a fantastic platform for social entrepreneurship, which in turn has given Social Entrepreneurs a clear profile and global recognition. This platform has also given social entrepreneurship credibility and allowed the enterprises that Social Entrepreneurs are involved in room to flourish and therefore make a real and practical impact. In my own case, the Schwab Foundation has provided fantastic support and understanding, including introductions and significant networking opportunities, which have allowed our organization to grow substantially over the years. I am incredibly grateful. For example, I was introduced to senior executives from Nike and as a result of that contact, we subsequently created a partnership that has grown and developed over the years. This is really positive but – even more significantly – as a result, thousands of homeless people throughout the world have been able to use this platform to change their lives forever.*

## Shaping Industry and Policy Dialogues



### **Christopher J. Elias**

PATH (Programme for Appropriate Technology in Health),  
USA

*Membership in the Schwab Foundation community has been invaluable to PATH. Participation in the Annual Meeting in Davos afforded us the opportunity to work closely with the World Economic Forum's Global Health Initiative, including participation in the various Industry Partner meetings and subsequent participation in the advisory group for the development of an innovation index. In addition, our membership has allowed us to advance a number of industry relationships with key private sector partners, strengthen PATH's government relationships in countries where it is implementing projects, participate in the development of the Global Redesign Initiative proposal entitled "Partnership for Health Risk Accountability" and engage with other Social Entrepreneurs within the Schwab Foundation community to our mutual benefit.*



### **Harish Hande**

SELCO Solar Light (P) Limited, India

*The Schwab Foundation for Social Entrepreneurship and the World Economic Forum have been the perfect platforms to raise the issue of energy access for the poor. This issue is extremely critical for the world in terms of social and environmental sustainability. Though the Schwab Foundation, SELCO has been able to push the energy access agenda. I am extremely encouraged at the progress, especially as the issue is now on the agenda of many forums, including the Global Agenda Council and international climate change negotiations, and thus, being brought to the attention of many policy-makers around the world. This would not have happened without the backing of the Foundation.*

Knowledge Generation among  
Social Entrepreneurs and  
with Other Global Leaders



**Tasneem A. Siddiqui**

Saiban - Action Research for Shelter, Pakistan

*The Schwab Foundation's initiative in bringing together Social Entrepreneurs from all over the world is unique. The exposure we received from the World Economic Forum greatly helped us convince policy-makers in Pakistan to accept our incremental development approach to housing. It also resulted in a partnership with Waste Concern of Bangladesh for a compost plant.*



**Roberto Milk**

Novica, USA

*We are grateful to the Schwab Foundation for Social Entrepreneurship for providing an incredible platform for like minds to share ideas and come together to generate broader international impact. Our Artisan Loans microcredit programme is a direct result of conversations held in Davos with fellow Social Entrepreneurs. Thank you to the Schwab Foundation and the World Economic Forum for providing the space for magic to happen.*



**Markus H. Seidel**

Off Road Kids Foundation, Germany

*To become and to be a community-member of the Schwab Foundation's selection of Social Entrepreneurs was one incredible mind-spreading experience. To receive such an inspiring injection of knowledge especially by the World Economic Forum was never expected by me. In a unique way, the Schwab Foundation continuously links the Social Entrepreneur's concerns to decision-makers – locally and globally.*

# What Is Next for Social Entrepreneurship?

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Twenty years ago, social entrepreneurship was just an idea – albeit a bold one. The concept of merging the mission-driven outlook of the non-for-profit sector with the profit-driven ambition of private business seemed anathema to either model. Many people assumed that an organization that does not generate earned revenue could not act innovatively; and that a profitable enterprise could not have a social mission.

Today, social entrepreneurship is a global movement, particularly with the recognition of Muhammad Yunus – Managing Director, Grameen Bank, Bangladesh, and pioneer of the microfinance idea – with the Nobel Peace Prize in 2006. Companies are increasingly seeing Social Entrepreneurs and their organizations as ideal partners to reach new client groups at the base of the pyramid. They find that working with Social Entrepreneurs is a pragmatic and effective way to demonstrate their corporate global citizenship.

So, what is next for Social Entrepreneurship? The massive societal and environmental challenges of our time – including poverty, food and water scarcity, disease and climate change – will continue the demand for the most talented, engaged and committed people. But in the aftermath of the financial crisis and the public debt burdens of many governments today, monetary resources are likely to diminish in the medium term, making it hard for Social Entrepreneurs to raise the necessary funds to sustain and scale their projects.

Nevertheless, social entrepreneurship is an approach that, in cutting across traditional disciplines, opens up new approaches to dealing with these complex social, economic and political issues. Social entrepreneurship is not about a funding model – but is an innovative approach to a social problem that uses entrepreneurial thinking to create sustainable change.

Performance metrics will become ever more important as the practice of social entrepreneurship matures. Financial measures and traditional capital markets do a poor job of capturing social value, but are necessary (if not sufficient) to fund the next wave of world-changing Social Entrepreneurs.

There will also likely be a consolidation of the social entrepreneurship industry; some enterprises will gain scale, while others will fail to demonstrate performance. Organizations committed to social enterprise will enter a reformed, competitive field of social change where new models will continue to proliferate. In this race towards consolidation, innovation will be key as funding will flow to those with the best models. Social Entrepreneurs are well advised to follow Peter Drucker's observation: in order to survive, they will need to "search for change, respond to it and exploit it as an opportunity".

The Schwab Foundation for Social Entrepreneurship aspires to continue to play a leading role in this change by creating global networks and local ecosystems essential to support Social Entrepreneurs worldwide.



# Schwab Foundation Partners

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“Social Entrepreneur of the Year” Selection Partners

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**BCG**

THE BOSTON CONSULTING GROUP

 **ERNST & YOUNG**

Partners

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**Foundation**







SCHWAB FOUNDATION FOR **SOCIAL ENTREPRENEURSHIP**  
THE VOICE OF SOCIAL INNOVATION

The Schwab Foundation for Social Entrepreneurship provides unparalleled platforms at the regional and global level to highlight and advance leading models of sustainable social innovation. It identifies a select community of social entrepreneurs and engages it in shaping global, regional and industry agendas that improve the state of the world in close collaboration with the other stakeholders of the World Economic Forum.

In partnership with



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COMMITTED TO  
IMPROVING THE STATE  
OF THE WORLD