

MIDWEST SOY CONFERENCE, Illinois, USA, October 23, 2008

Presentation : HAGAR SOYA LTD. by ENRICA G. AQUINO

SLIDE 1 - I represent Hagar Soya Ltd., a social enterprise of Hagar, an international non-governmental organization present in Cambodia. Cambodia is a soy milk country. Soybeans are grown and local fresh soy milk is sold everywhere but of a cottage industry type. It is very popular, a well recognized and acceptable beverage. The only soy product manufactured other than the soy milk is tofu. There is general recognition of these soy products as “good for one’s health” but not necessarily defining its nutritional contributions.

SLIDE 2 – PLEASE ALLOW ME TO BRIEFLY DESCRIBE WHO WE ARE

When Hagar started in 1994, it was primarily to meet the needs of women and their children who were destitute, displaced after years of civil war or simply fleeing domestic violence. Since then, Hagar has expanded its reach to care for victims of human rights abuse who find themselves with little support and often shunned by the broader community. While about over 30% continue to be from domestic violence backgrounds, Hagar has seen a rapid increase in the number of women who have been trafficked for sex or raped. Most of the women have young children, secondary victims who have witnessed violence and themselves need a great deal of care and support to recover from their own trauma. Hagar also runs programs specifically for children who have been abandoned, trafficked for labor or sex, rape victims, or fleeing domestic violence.

- Violence and abuse, both physical and physiological, often sustained for years and covered by social prejudice, is the opening narrative of the women and children referred to Hagar’s care. Our mission is to enable victims of abuse to recover, reintegrate and live resilient lives.
- How? Provide recovery and comprehensive reintegration activities including prevention and resilience initiatives.
- How-to **RESILIENCE**: Through the creation of employment opportunities for them.

SLIDE 3 – Hagar developed social enterprises in response to the need for women going through their recovery programs to achieve self sustainability and ultimately to foster long-term social and economic empowerment. Hagar has 3 social enterprises in Cambodia. Hagar on Time is a manufacturing company that focuses on midsize orders of garments and accessories. It is a member of the International Fair Trade Association. Hagar Catering and Facilities Management is a fully functioning catering service with 2 restaurants. It also provides cleaning services for international companies, garment factories and hotels, assuring high standards in food safety, hygiene and cleaning methods. Hagar Soya is Cambodia’s first and only large scale soy milk producer. In 2003 Hagar Soya set up a US\$1.3 million factory enabling it to increase production significantly. In mid-2007, Nestle donated a large factory to Hagar Soya which will enable the company to expand its business as well as open up export opportunities in the Asia region.

SLIDE 4 – The mission of Hagar Soya is 3-fold:

- Improving lives of poor Cambodian women through **employment** opportunities that build their confidence and income.
- Providing quality, affordable and nutritious **products** for the people of Cambodia.
- Building a long term **sustainable business** that will ensure employment opportunities for the women and generate resources for Hagar NGO operations.

SLIDE 5 – WHY NUTRITIOUS PRODUCTS? Today, most Cambodians are living in extreme poverty; with a population of 14.4 million, over 77% of Cambodians live on less than \$2 a day and 35% of the population live below the national poverty line. 45% of children less than 5 years of age are underweight for their age and under five mortality is one of the highest in the region with 14% of Cambodian children not reaching their 5th birthday.

These are some indicators to depict the need for nutritious products to address chronic malnutrition and the HIV/AIDS situation in Cambodia.

CONNECTING SPILL: WHO ARE HSL's MARKETS? We have 2 – the commercial market and the social sector.

SLIDE 6 - For the commercial market, there are 3 formulations of soy milk that we manufacture: 1 plain without fortification (the original formula), 1 that is fortified with a full complement of vitamins and minerals but with 9% sugar (favorite of children) and another with same fortification but only with 5% sugar (choice of adults). There is also a green tea formulation. These products are sold in the commercial establishments.

SLIDE 7 – For the social sector we have 1 soy milk formulation that has twice the fortification of the commercial market soymilk. It is sold only to social sector organizations. The product has also been used in advocating social messages: on the left - World Vision Cambodia had its anti-child labor message meant for a general audience while on the right - International Relief and Development Cambodia had its message on better foods for better living targeting children in its school feeding program emphasizing eating the right kinds of food and washing hands.

CONNECTING SPILL: The next slides show our current products.

SLIDE 8 – Earlier I mentioned about Nestle donating its unused factory in Cambodia. We have since moved but the new factory is still in the process of renovation. While UHT technology (in partnership with Tetrapak) was previously used, in the meanwhile we produce pasteurized soy milk

which carries its own logistical problems as refrigeration is not common in Cambodian households. The same product formulations are followed however.

SLIDE 9 – Fortified corn snacks is also produced either to accompany soy milk intake or a stand alone product.

SLIDE 10 – Spirulina currently comes in powdered format and is mainly used by PLHAs –people living with HIV/AIDS.

CONNECTING SPILL: The next slides show products under development.

SLIDE 11 – Fortified rice porridge as complementary food. This will utilize the soybean okara left from the soymilk production. Please note we are also trying to incorporate powdered moringa's nutritional benefits.

SLIDE 12 – A rice-based ORS or oral rehydration solution to combat diarrhea, a common illness due to the intake of unclean water. This formulation has been shared by Nestle.

SLIDE 13 – We are currently under negotiation for a possible joint venture with Nutriset in France for the local production of Plumpynut products used as ready-to-use-therapeutic food or ready-to-use-supplemental food for Cambodia and surrounding Indochina with possibility of Southeast Asian markets.

SLIDE 14 – This listing is more in my mind than in paper. We seek to do a variety of products with a variety of nutrition-filled ingredients to meet a variety of needs.

SLIDE 15 – The latest we have begun to implement is marketing our products using handcarts. The cart franchise is offered to women who are ready to tackle a business of their own. This scheme targets street people, shops, homes and the carts position themselves to provide pasteurized soymilk and snack foods.

I close my presentation with these 2 slides on challenges.

SLIDE 16 - While livelihood opportunities abound for the women as well as product demand primarily for improving the nutritional situation in Cambodia, there exists a major challenge to the promotion of local soy products in Cambodia. The availability of soybeans is an issue. This is in the context of other problems that Cambodia faces: farming technology including irrigation, capitalization, market definition, foreign trade policies and manufacturing capabilities among others.

SLIDE 17 – HSL remains highly challenged on its mission and particularly to the provision of nutritious products.

SLIDE 18: THANK YOU!