

Partnership with Agrisud

Creating microbusinesses to support the economic and social development of local populations



The Partnership: What is it?

Agrisud's Expertise

Accor is proud to support Agrisud whose expertise is **sustainable economic development**. The partnership's aim is to support sustainable economic activity to enable local populations in developing countries with whom they work to achieve **economic and social self-sufficiency**.

Agrisud is known for its commitment to field support. Since its creation in 1985, the NGO has set up more than 13,000 microprojects and contributed to the birth of nearly 400 microbusinesses involved in agricultural development.

Why this partnership?

This partnership lies at the core of our sustainable development strategy. Promoting local development in the broadest sense is one of the eight pillars of our **Earth Guest program**. It contributes to the **fight against poverty and financial uncertainty** in the provinces of Siem Reap in northwest Cambodia, and to **supplying vegetables to consumer markets** by supporting local populations on the road to economic and social development by creating **microbusinesses**.



This is a prime example of a **win-win, NGO-corporate partnership**.

- For Accor, this helps the Group comply with its responsible purchasing policy by allowing our **Sofitel Royal Angkor**, located in the city of Siem Reap, to source local products rather than imported products.
- **For small producers**, until now dependent on cultivating just a few types of crops, Agrisud's support means they can get the **know-how to diversify their crops** and move forward from financial uncertainty and economic dependency to financial self-sufficiency.



History of the partnership

This partnership has existed **since 2004**. It has developed gradually and its **benefit to local communities** has been **growing over the years, measurably**. Year by year it's evolving: We've gone from a partnership of simple solidarity and addressing local poverty, to a **durable partnership for sustainable development** allowing our hotel to buy local products from the microbusinesses we support.

Some statistics

Benefits in the field

Over the last four years Accor's partnership with Agrisud has produced ongoing added value for farmers by diversifying products and market outlets:

- The creation of **120** fully operating **agricultural microbusinesses** involving 750 people.
- **Annual revenues of USD 168,000 (USD 1,400 from microbusinesses)**. Remember that the income of a market garden with little diversification aimed at local households is USD 720.
- Family incomes increased by 250% with the partnership delivering, overall, added value to the tune of 70% of income (USD 118,000) which means **USD 980 per farmer/year**.

The promotion of local development and-sustainable response to the needs of local hospitality & catering markets:

- Annual production of 400 tons of vegetables, fruit, mushrooms and meat, part of which goes to Sofitel.
- Regular supply of diversified products, about 50% of total production, to various hospitality & catering markets.
- Strengthening of local marketing networks by supporting coordination between farmers and wholesalers.

Partnership costs

The Sustainable Development Department donated **60,000 euros between 2004 and 2008** to the Siem Reap project (15,000 euros/year). The support that Accor provided between 2004 and 2008 means that farmers can now pursue their businesses efficiently and independently.

Outlook for the Future

The Group intends to extend this initiative by partnering a new project with Agrisud inspired by the economic model developed at Siem Reap with the Royal Angkor Sofitel.

In Cambodia

The upcoming opening of a Sofitel in Phnom Penh offers a great opportunity. In 2008, a pilot project was launched in the Province of Kandal aiming to develop diverse activities such as raising pigs and poultry and cultivating mushrooms.

Of the €15,000 funded in 2007-2008, €5,000 has already been allocated to the pilot project in Phnom Penh. Accor's contribution for 2009 will be shared between two projects: €10,000 per year to this new project; and the remaining €5,000 to support the farmers of Siem Reap.

