



Social Enterprise in Cambodia: An Overview

Isaac LYNE

University of Western Sydney, Australia

Sothy KHIENG

Cambodia Development Resource Institute, Cambodia

Chanrith NGIN

Royal University of Phnom Penh, Cambodia

ICSEM Working Papers
No. 05

PREFACE AND ACKNOWLEDGEMENTS

This paper is part of a series of Working Papers produced under the International Comparative Social Enterprise Models (ICSEM) Project.

Launched in July 2013, the ICSEM Project (www.iap-socent.be/icsem-project) is the result of a partnership between an Interuniversity Attraction Pole on Social Enterprise (IAP-SOCENT) funded by the Belgian Science Policy and the EMES International Research Network. It gathers around 200 researchers—ICSEM Research Partners—from some 50 countries across the world to document and analyze the diversity of social enterprise models and their eco-systems.

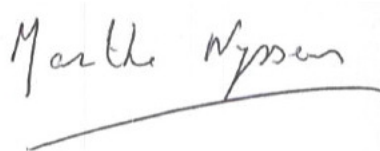
As intermediary products, ICSEM Working Papers provide a vehicle for a first dissemination of the Project's results to stimulate scholarly discussion and inform policy debates. A list of these papers is provided at the end of this document.

First and foremost, the production of these Working Papers relies on the efforts and commitment of Local ICSEM Research Partners. They are also enriched through discussion in the framework of Local ICSEM Talks in various countries, Regional ICSEM Symposiums and Global Meetings held alongside EMES International Conferences on Social Enterprise. We are grateful to all those who contribute in a way or another to these various events and achievements of the Project.

ICSEM Working Papers also owe much to the editorial work of Sophie Adam, Coordination Assistant, to whom we express special thanks. Finally, we gratefully acknowledge the role of our Supporting Partners, who are listed at the end of this document and presented on the Project's website.



Jacques Defourny
HEC – University of Liege



Marthe Nyssens
Catholic University of Louvain

ICSEM Project Scientific Coordinators

Table of contents

Abstract	4
1. Concepts and context of social enterprise in Cambodia.....	5
1.1. Factors impacting on the emergence of SEs in Cambodia.....	6
1.2. Implications of context	6
1.3. Areas of concern	7
2. Social enterprise models in Cambodia.....	8
2.1. The “social mission typology”	8
2.2. Cambodian social enterprises compared to the East Asian SE models.....	9
2.3. The economic dimensions of Cambodian social enterprises.....	11
2.3.1. Continuous production, risk and paid work	11
2.3.2. Categories of commercial products and services.....	12
2.3.3. The earned income-based spectrum	13
2.5. What typology best fits the Cambodian context?	15
3. Institutional trajectories of the main SE models.....	16
3.1. Trading non-profit organizations.....	16
3.2. Work-integration social enterprises (WISEs)	17
3.3. Non-profit cooperatives	18
3.4. Non-profit-for-profit partnerships.....	18
3.5. Community development enterprises.....	19
4. Positioning SE in Cambodia.....	19
Conclusions	20
References	22
ICSEM Working Papers Series	29

© Lyne, Khieng & Ngin 2015. Suggested form of citation:

Lyne, I., Khieng, S. and Ngin, C. (2015) “Social Enterprise in Cambodia: An Overview”, *ICSEM Working Papers*, No. 05, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

ABSTRACT

This paper sets out historic and cultural factors that impact on incentives for autonomous economic activity, propensity for collaboration and perceptions of “equity” and “social need” that all impact on how and why social enterprises emerge in Cambodia. It sets out differentiated notions of SE and identifies the acute need for capacity building in the policy sphere where so far only microfinance and agricultural cooperatives have been supported by legislation from the Royal Government of Cambodia. We find that the EMES criteria for an economic project need to be approached flexibly in the Cambodian context.

Critical issues in Cambodia are the density of non-governmental organisations (NGOs) which are where the overwhelming majority of social enterprises are coming from, and changes to the international aid arrangements in Cambodia. Key variables that distinguish SEs in Cambodia include whether they are actually registered as businesses and their governance. The main institutions at large are international foundations like Skoll and Schwab and also some emerging platforms inside Cambodia which impact on the aspirations and profiles of indigenous Cambodian social entrepreneurs. This being said, agricultural cooperatives are a separate highly prominent variant shaped by other international development actors and Government decrees. This paper also resonates with work on the typology of social enterprises in the East Asian region, bringing it more closely into contact with a different set of realities in Southeast Asia.

The paper has been formulated through engagement with social enterprises in Cambodia since 2009, starting with a British Council funded academic project and since then through qualitative and quantitative research as part of 2 PhD theses (one still in the process of writing up).

1. CONCEPTS AND CONTEXT OF SOCIAL ENTERPRISE IN CAMBODIA

In Cambodia the explicit use of the notion of social enterprise (hereafter “SE”) is variable across academia, civil society and public policy. The understanding and implementation of SE also tends to be more advanced among foreign actors, who often come from non-governmental development organizations, than it is among Cambodian development practitioners (Lyne 2012), among whom SE is best described as an emerging concept or language. There are also organizational forms which might not be referred to as “SE” inside Cambodia but might be seen this way from the outside. This implicit notion of SE can result from cultural factors as well as the lack of familiarity with Western-centric concepts (Hackett 2010). For instance there are Government decrees on agricultural cooperatives and microfinance, but as yet there is no common Government vocabulary on SE at all.

In 2005 the International Finance Corporation (IFC) asserted that Cambodia had the most active SE sector in the region, and that it could inspire new developmental approaches in other least developed countries (LDCs) (see Hutchinson 2007, p. 153). IFC and the German development agency GIZ subsequently embarked on “Stay Another Day in Cambodia”, working with the Cambodian Ministry of Tourism to promote Cambodian products, including those made by well-known SEs, to tourists. However donor institutions are not focused on SE in Cambodia *per se*, but more on “high-impact business”, which is defined as:

“a distinct segment of businesses at the intersection of Small and Medium Enterprises (SMEs) and Social Enterprises (SEs)”;

these are businesses that

“support farmers, artisans, micro entrepreneurs, and other beneficiaries at the base of the economic pyramid” (Grassroots Business Fund 2010, p. 2).

Cambodia has seen the emergence of SEs and social entrepreneurs winning awards from foundations including Skoll, Schwab, Ashoka and Rockefeller. There is thus an international profile for social entrepreneurship that leans towards the “heroic individual” paradigm of SE development and social innovation with which these foundations are usually associated (Nicholls 2010b). But this is not to say that the international profile closely matches the way that SEs perceive themselves.

Despite the IFC’S observations, SE in South East Asia has historically gained more academic exposure in the Philippines, Thailand and Indonesia than in Cambodia. This is especially the case in the limited literature that focuses on Asia at the regional level (Dacanay 2009; Santos et al. 2009). While Cambodia is not well connected with the regional analysis, there has been a recent increase in writing at the national level that focuses largely on the transition of NGOs towards diversified revenue streams (Khieng 2013; Khieng & Dahles 2014a, 2014b; Lyne 2012). The Earned Income School that grew out of the US (Dees 1998) has thus been a central focus of academic attention, although some other literature addresses SEs as vocational training models (Ty & Anurit 2009) and focuses on their contribution to human development and social inclusion (Lyne 2008; McKinnon 2012). One article also examines start-up motivations among some foreign and Cambodian social entrepreneurs (Mandinyenya & Douglas 2011).

To comprehend SE in Cambodia, one has to be mindful of the context and most fundamentally the specificity of culture and recent history of the country.

1.1. Factors impacting on the emergence of SEs in Cambodia

Under the Khmer Rouge (KR) regime (1975-79), the urban population was sent to the countryside, where they were forced to labor in rural farming collectives (Henderson 2007). Money was banned (Prasso 2001). Up to 25% of the population died in little more than 4 years through starvation, disease and execution (Heuveline 1998). Between 1979 and 1989, after the KR was ousted, Cambodia was engulfed by civil war. More than 300,000 people ended up as refugees in camps (Lischer 2006). It is in this context that trust and desire for cooperation must be understood (Meas 1995; Thiel 2011). Rapid, un-sequenced re-monetization and marketization of the Cambodian economy from the early 1990s also changed relations between neighbors, from mutual support to strictly cash reciprocal transactions (Krishnamurthy 1999). The Cambodian population also has an excessively high level of indebtedness to microfinance institutions and evidence suggests that most borrowed money is used to smooth consumption rather than for starting a business (Bateman 2014).

Despite strong yearly average of economic growth (in gross domestic product)—nearly 10% per year between 1999 and 2007 (Jalilian & Reyes 2014, p. 17) and just over 7% per year since the 2008/09 global financial crisis (World Bank 2014)—rural poverty is persistent, market mechanisms remain weak and inequality has grown at the fastest rate in the ASEAN region (Chongvilaivan 2013; Croissant & Haynes 2014). The informal economy persists as the dominant means of livelihood for ninety percent of the population (Mendizabal et al. 2012). Formal registration for a small or medium enterprise (SME) is also deterred by corrupt public officials and tax inspectors (Chan 2013). More than eighty percent of the informal sector is composed of “family business” (Arnold 2008) and there is documented mistrust and reluctance to form business relations with non-family members (Krishnamurthy 1999).

During the early 1990s, post-war reconstruction Cambodia was inundated with international NGOs (INGOs). International donor institutions spent around 7 billion USD in the country between 1992 and 2007 (Hughes 2009). The INGO influx was followed by the proliferation of local NGOs to meet the demand for local implementing partners of INGO projects or United Nations programmes (Downie & Kingsbury 2001). As a result, Cambodia today has the highest density of NGOs in the world in proportion to its population and NGOs are viewed as a source of comparatively well-paid employment (Frewer 2013). However, since 2006, international aid has been channeled more to government budget support than civil society, putting NGOs into greater competition for grants (Khieng 2014).

1.2. Implications of context

Amin (2009, p. see figure 1) asserts that where there are weak markets, weak welfare provision and a weak culture of social economy, then the social economy will have a weaker impact on poverty and social exclusion than what would be desirable and that most activities will be in the informal sector or undertaken by NGOs. We can concur largely with this assertion on the basis of the evidence in Cambodia, where NGOs constitute a central element of the context in which SEs emerge. This is context-specific in Cambodia, where NGOs are prevalent as front-line service providers, resonating with the observation that social entrepreneurs in LDCs can also amount to “shadow governments” (Nicholls 2010a).

Figure 1: Situated practice of the social economy (adapted from Amin, 2009: 13-17)

	Strong social economy	Weak social economy
Strong market mechanisms with strong welfare states	A parallel sector to the public and private sector; solidarity economy with a distinctive ethos	Emphasis on market orientation and reducing the role of government
Strong market mechanisms with weak welfare states	A remedy for some inequalities by promoting new markets or 'socially inclusive markets'	A cheap substitute for more expensive services
Weak market mechanisms with weak welfare states	'Post-capitalist possibility' social economy may be promoted to develop economic alternatives	Social economy often blends with informal activity, high NGO dependency and (at present) a weak impact on poverty reduction

1.3. Areas of concern

Poverty concerns in Cambodia include—but are not limited to—child mortality and malnutrition (Cambodia is unlikely to reach Millennium Development Goal targets on Child Mortality, and child stunting in 2010 reached 40% in rural localities; see (Ikeda et al. 2013); education failures induced by remuneration so low that teachers are reduced to demanding fees from students (Dawson 2009); and disability—in 2006 in Cambodia one in every 236 people was an amputee, a legacy of landmines (see (Watts 2009). There are also environmental concerns, with deforestation and loss of natural resources fuelled by political corruption (Global Witness 2007; Pye 2013)—only Panama has experienced faster deforestation in the past decade.¹

Following the above points, NGOs have been set up in Cambodia to tackle specific poverty issues like child rights; education; sexual trafficking; disability (including landmine victims); and health and environmental concerns. Many of these NGOs have since expanded into the SE sphere, both as a way to diversify their revenues and as an alternative way to pursue their objectives. Examples of fields of activity (Khieng & Dahles 2014a; Lyne 2012) include:

- Vocational training business (hospitality, apparel, IT services, mechanics, beauticians);
- Energy, environment and livelihoods (solar energy and biogas, coconut charcoal, rattan and bamboo furniture, refined palm sugar);
- Health issues (nutritional products, franchised family planning centers, sanitation marketing, water purification systems);
- Rural development (organic marketing, farming advice and access to inputs).

¹ Evidence generated by innovations in forest change mapping used by Google Earth. Available to view at: <http://www.bbc.com/news/science-environment-24934790>

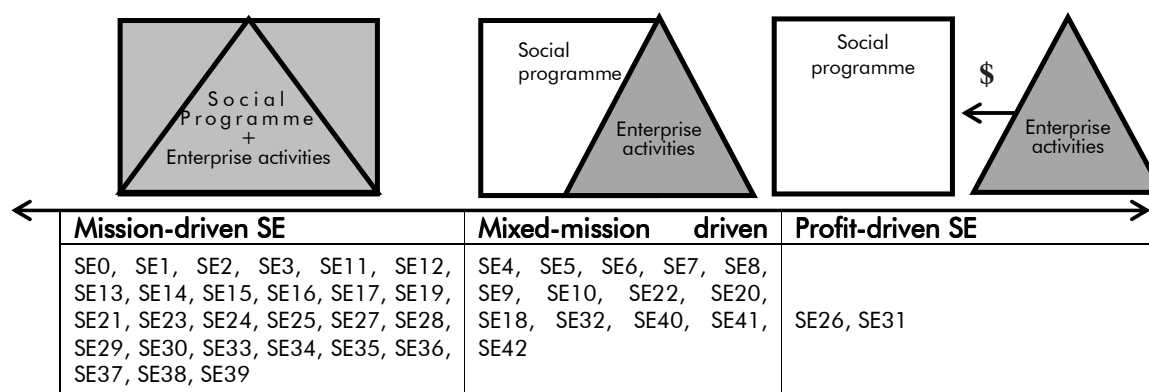
2. SOCIAL ENTERPRISE MODELS IN CAMBODIA

SEs are becoming widespread in Cambodia but their ambiguous legal status and diversity is beginning to prompts interest in conceptualization of social enterprises among the people who are leading them. Whether these organizations' leaders regard them as SEs at all is sometimes questionable. Most SEs in Cambodia are operated by NGOs or registered as associations with the Cambodia's Interior Ministry. But some are registered as businesses with the Ministry of Commerce (MoC) and not all are "non-profit"; for instance, agricultural cooperatives return dividends to shareholders and there is a well-developed microfinance sector where investors have mixed motives. In the present section, we will consider the mission of SEs in Cambodia vis-à-vis economic objectives, types of SE identified elsewhere in East Asia, and the specificity of their governance issues.

2.1. The "social mission typology"

This section focuses on the context in which types of organizations have prominently (even if not "primarily") social goals; in other words, we ask where there is "a commitment to social value" (Peredo & McLean 2006, p. 64). We accordingly apply the relatively simple "Mission Typology" offered by Kim Alter (2006) to 43 local NGOs in our dataset that have been deemed "socially entrepreneurial", with a view to exploring "mission-driven", "market-driven" or "mix of market and mission-driven" types, based on an analysis of their activities set against their stated mission. We find that, although the need for earned income is at the forefront of SEs' strategy to ensure their sustainability, the majority are social mission-driven. Around one third are driven by both their social mission and market demands/opportunities. Only 2 SEs out of 43 are driven by market opportunities alone (see table 1). However, exploring these categories in significant depth does not seem to us to be of interest; indeed, while they prove useful for measuring the level of commercial engagement, they do not allow us to explore the contextual and institutional factors, which are essential to understanding SE in Cambodia. For a reading of how we delineate SEs, using Alter's types, on a continuum between mission-centric and market-driven, we refer readers to Appendix 1.

Table 1: Typology of SE in Cambodia; framework adapted from Alter (2006)



Note: SEs are listed in appendix 1.

2.2. Cambodian social enterprises compared to the East Asian SE models

Some of the most developed forms of SE in Asia are located in East Asian nations, including South Korea, Taiwan, Hong Kong and Singapore. Defourny and Kim (2011) identify five broad models of SE in this region, including non-profit trading organizations, work-integration social enterprises, non-profit cooperatives, non-profit-for-profit partnerships and community development enterprises. For the purpose of mapping various SE models in Cambodia, we positioned SEs in our study into this classification. Overall, the five-category framework is applicable to the Cambodian context. If the Cambodian case is of any indication of the more general situation in the region, the finding suggests that forms of SE in Southeast Asia may not vary too much from those in East Asia (Table 2).

Table 2: How East Asian social enterprise models fare in Cambodian context

	Description of SE types	Examples of Cambodian SEs*
Trading NPO	NPOs looking for other sources of income or seeking to achieve financial sustainability through delivery of social services (except work integration)	CHEM: Fine Arts Association; Cambodia Children's Trust; The Global Child; Chrysalis; SCW; GAD/C; STAR; CSID; FCC; KRA
Work integration SE (WISE)	Provision of job opportunities with training and/or employment services	Mith Samlanh; Yodiffee; BSDA; MKP; NYEMO; ONE2ONE Cambodia
Non-profit cooperative	Collective self-employment and innovative responses to unmet needs based on cooperative tradition	CEDAC Shakreas & associated self-help groups; Artisans' Association of Cambodia, Artisans D'Angkor; Rattan Association of Cambodia and associated handicraft/artisanal organizations
NPO-FPO partnership	Private companies (or company foundations) supporting NPOs or joint initiatives with a social mission	Khmer Arts; KNC; PPS; PSP; SEAMETREY; WMC; HSEG; Lotus Foods
Community development enterprise	Multi-stakeholder partnership (NPO-FPO and public) promoting participatory local development	Teuk Saat 1001; CVCD; FADC; Lors Thmey; "Leukkompos Satrey"; Sovannak Palm Sugar; Ibis Rice

* All abbreviated SEs are listed in Appendix 2.

We have found that the majority of Cambodian social enterprises fit into the “trading organization” category, most commonly as NPOs seeking to diversify their funding sources. This finding supports other research indicating that local NGOs in Cambodia have adopted a socially entrepreneurial approach as a replacement strategy for external aid (Khieng 2014; Khieng & Dahles 2014a). The second largest group of Cambodian SEs are “work-integration” SEs (WISEs); their “mission (...) is to create jobs for low-qualified people” (Defourny & Nyssens 2006, p. 13). In Cambodia this means employment and on-the-job technical and vocational training for people with disability, street children, victims of human trafficking and domestic violence, and the rural poor. A notable example is Mith Samlanh, a local NGO partner of Friends International which won the Skoll and Schwab award for social entrepreneurship. Mith Samlanh has initiated social businesses that help street children to re-integrate their communities. These social businesses provide vocational training in restaurant, beautician and mechanic businesses, afterwards moving trainees into work placements or sometimes providing them with support to start their own businesses.

The non-profit cooperative (NPC) model does not have a real “history” in Cambodia. Agricultural cooperatives (AC), though, do have roots in the past, dating back to the 1950s². They are designed for exclusively mutual dividend; they have been revived by the Royal Government of Cambodia Decree in 1998 and its subsequent sub-decree. In recent years, NGOs such as CEDAC³, which work to promote collective agricultural outputs, have promoted innovative uses of the AC format. Similarly, the NGO Artisans' Association of Cambodia (which has fair trade status) markets products of 40 different handicraft cooperatives, largely to tourists and overseas markets.

The non-profit/for-profit partnership model has become more prominent in recent years. While these enterprises are less numerically prevalent in the dataset, they are highly significant because they can be initiated by well-resourced organizations or attract well-resourced supporters. The Hagar Social Enterprise Group (HSEG), for instance, is a for-profit equity fund registered in Singapore since 1997. Hagar SEs are connected to Hagar NGO programs, which work for the rehabilitation of vulnerable women, including victims of trafficking and domestic violence. HSEG provides capital up to 1 million USD for start-up SEs, which are incorporated from the outset. HSEG exits when the SE becomes sustainable, yielding average returns on investment of 10%, allowing new SE investments and partial subsidization of Hagar’s NGO activities. The impact of Hagar SEs on the capabilities of destitute women has been the subject of a recent PhD thesis.

Community Development Enterprises (CDEs) in Cambodia are also less numerically significant but they can have a high profile and work on a wide scale, reaching many stakeholders. They are generally orientated towards social innovation. One example is “Teuk Saat 1001”, which establishes SEs in rural villages that lack access to clean drinking water. Each SE treats water from local rivers and ponds, using solar-powered UV disinfection, and water is sold at the lowest price possible. Sixty production sites were operational in 2012, with more than 100,000 village consumers.⁴ Another example is Sovannak Sugar, which markets refined palm sugar

² A short overview of recent cooperative history can be viewed at <http://news.victoria.coop/artman2/uploads/1/FactsCambodia.pdf> (viewed 5th February 2015).

³ Cambodian Centre for Study and Development in Agriculture (Centre d’Etude et de Développement Agricole Cambodgien; see <http://www.cedac.org.kh/>).

⁴ Personal interview with Mr. Chay Lo and Teuk Saat’s Business Plan and Website: <http://www.1001fontaines.com/en/on-the-field/cambodia> (24 April 2012). In 2012 TS 1001 received

sourced from villagers in two provinces, while its main role is to create incentives for palm tree conservation.

2.3. The economic dimensions of Cambodian social enterprises

In this section, we do not seek to build full additional typologies. Instead, we look for ways to capture economic characteristics of SEs, thereby highlighting some of their key features. We begin by considering SE as an economic project in accordance with the EMES notion of SE that entails 1) continuous production, 2) paid work and 3) economic risk. We consider that given the contextual factors in Cambodia, the EMES economic criteria may need to be approached with some flexibility. Having established these caveats we look at trends in the goods and services provided. Finally we look at primary data collected in the course of a doctoral thesis (Khieng 2014) to apply the work of Lepoutre et al. (2013) on earned-income trends in SEs.

2.3.1. Continuous production, risk and paid work

The overwhelming majority of SEs in Cambodia engage in the continuous production of a product or service but in some instances NGOs provide services (especially relating to consultancy work, for instance training programs for other civil society organizations or research) which are intermittent, providing only a very small part of the overall revenue and are not usually a continuous means of employment. All SEs generate “at least some paid work” but the degree to which this involves primary stakeholders is also variable. For instance, youth in Mith Samlanh training are not paid but the SE’s profits are used to fund trainees’ work placements along with support services which meet core needs like food outside of work, clothing, shelter/accommodation, medical care and counseling. The Mith Samlanh NGO also provides family support to reduce their need to engage in street work. Moreover Mith Samlanh is meeting the need for vocational training, which is the most pressing need for under-educated youth in urban localities (Chea & Huijsmans 2014). In summary, this calls for a contextual approach to the ideal of paid work in a WISE in Cambodia.

A further contextual matter for discussion is economic risk. Some SEs are exposed to greater economic risk simply because they register as businesses, while other SEs operate as part of an NGO and thus without having to pay taxes. Previous data reveals that this situation is stressful for the CEOs of some SEs registered as businesses, who perceive injustice not only in terms of production costs, but also in terms of branding when an NGO positions its social value more strongly than a registered business which has the same social impact (Lyne 2012). A further question is the degree to which SEs assume risk with *their own* money. It is not uncommon for Cambodian NGOs to initiate SEs with philanthropic funding; in this case no personal resources of note are committed, which sometimes undermines the incentive for effective business management (Khieng 2013). In such instances NGOs risks only their relations with their donor; this concurs with Shaw and Carter (2007) assumption that social entrepreneurs often face reputation risks (*social risks*) rather than financial ones.

Fitting more closely to the EMES criteria, some NGOs register their business and charitable sides as separated entities. The NGO retains associated subsidies but the sister organization is registered as an SME or Private Limited Company (PLC) with the MoC and obliged to pay related taxes. One SE business director justifies this as follows:

an Asian Sustainability Leadership Award for Best Renewable Resources (Water Stewardship), while co-founder Mr. Chay Lo won Schwab Foundation 2011 Social Entrepreneur of the Year award for Asia.

“...we have to protect [the] organization from the side-effects of social business...there’s an agreement between the organization [and the businesses]. And [the] organization...is the majority of the board of the private business but the management is different; the NGO has NGO management and the business has business management; it’s not the same. But the money will go from the social business to the...organization. So we plan for one CEO for all social businesses and one managing director for each of the businesses...one social business, one vision, one image”.

While advanced structures of this nature are less numerous in the dataset, their emergence among SEs founded by Cambodian nationals indicates that risk management may become a stronger consideration in the years ahead.

2.3.2. Categories of commercial products and services

Organizations in our study are engaged in diverse industries. They vary in size and support a wide range of beneficiaries (Table 3). The five most common sectors are education, health, child rights, community development and agriculture. Children, women and persons with disability are some of the major recipients of these programmes. About 40% of SEs have average annual budgets of \$100,000 or less. However, the gap is large among commercializing NGOs: some 17% of these have annual budgets reaching \$500,000.

Table 3: Characteristics of the commercialising organizations

Distribution of NGOs according to their sector of activity		Percent
Education and training		22.1
Health, nutrition and HIV/AIDS		10.0
Child welfare and rights		9.7
Community development		7.6
Agriculture/animal health		7.2
Gender and women issues		5.5
Credit and savings		5.2
Environment and natural resources		4.8
Advocacy, democracy and human rights		4.8
Tourism, arts and culture		2.4
Humanitarian aid and disaster preparedness		1.4
Others ³		19.3
Total		100
Distribution of NGOs according to their size (based on annual budget in US\$)		
≤ 10,000		9.5
10,001–100,000		29.8
100,001–200,000		13.1
200,001–300,000		11.9
300,001–400,000		3.6
400,001–500,000		4.8
500,001+		16.7
N/A		10.7
Total		100

Distribution of NGOs' beneficiaries	
Children	17.1
Women groups	12.6
General population	11.5
Students and youth groups	10.3
Disabled persons	5.8
Farmers	5.7
HIV/AIDS victims	5.7
CBOs/LNGOs	5.8
Others	25.5
Total	100

Source: Khieng (2014)

2.3.3. The earned income-based spectrum

To explore economic trends of SEs we use primary data to underline current and future—anticipated—shares of earned income vis-à-vis the organization's total income. The analysis follows Lepoutre et al. (2013), who propose a "global standardized methodology" for measuring social entrepreneurship. There are three major groups of organizations in their SE spectrum: "NGOs" (not-for-profit SEs and traditional NGOs), "hybrid social enterprises", and "socially committed regular enterprises". Following this typology we define NGOs with <10% of earned income as "socially entrepreneurial NGOs", while those with >10% are "hybrid SEs", and those with at least 50% are "socially committed regular enterprises". Based on this definition, more than 51% of organizations are hybrid SEs and more than 32% are regular enterprises with a social commitment. By 2016 it is expected that the share of NGOs generating >20% of income from earned sources will increase significantly. The most substantial expected increase is a 6% rise in the prominence of "socially committed regular enterprises" (Table 4).

In the above context, many SEs will continue to be donor-dependent NGOs in the foreseeable future. However, the revenue replacement strategy and "commercial turn" among NGOs faced with a decline in North-South donor transfers is now quite advanced and gaining pace (Khieng 2014). Moreover, some SEs are finding innovative niches with relatively low entry costs. The IT service sector is notable in this respect (Hutchinson 2007); for instance, Digital Divide Data is a registered NGO that is now one of the largest IT outsourcing organizations in Southeast Asia, increasing its year-on-year ratio of earned income relative to its overall cost of operating.

Table 4: SE categories according to the proportion of earned income

Share of earned income	Distribution of SEs according to the proportion of earned income in 2011	Distribution of SEs according to the expected share of earned income in 2016
Below 10%	15.7	13.9
10%-19%	20.0	11.4
20%-49%	31.4	35.4
50% +	32.9	39.2
Total	100	100

Source: (Khieng, 2014)

2.4. Governance among Cambodian social enterprises

It needs to be understood that a combination of variables impact on SE governance and should be taken into account in the Cambodian context: the infancy of SEs and their differentiated capacities; the culture of accountability in the third sector generally, coupled with donors' practices (beyond rhetoric); questionable political democracy; and the continued pervasiveness of patron-client relationships. In other words, it cannot be expected that governance trends identified in Western SEs will be mirrored in Cambodia. Literature shows that all of the above concerns have profound effects on institution building in Cambodia across the public, private and civic sectors alike (Nunberg & Taliercio 2012; Un 2006). For analytical input, we follow the work of Lyons and Nivison-Smith (2008), who identify three main models of governance in Third Sector Organizations (TSOs) in the Asian region: corporate governance; dominant driving force (DDF); and democratic governance. Corporate and democratic governance models are strongly advocated by different international institutions. The DDF type of governance refers to an organization effectively governed by one figure, often the founder, who makes most if not all decisions pertaining to the direction and financial management of the organization (Lyons & Nivison-Smith, 2008, p. 151).

In the dataset, nearly a quarter of the NGOs surveyed have no governing body of any sort (Figure 2), suggesting an overt tendency toward DDF governance in a significant minority of cases. Moreover, among NGOs which have a Board of directors, 61% appoint the members internally: in 41% of NGOs with a Board, new Board members are elected by the Board, and in 20% of organizations, they are simply appointed by the director alone (Figure 3). In the latter instance, DDF governance is likely, despite the existence of a Board. Among NGOs with a Board of directors, there is fully democratic governance in only a

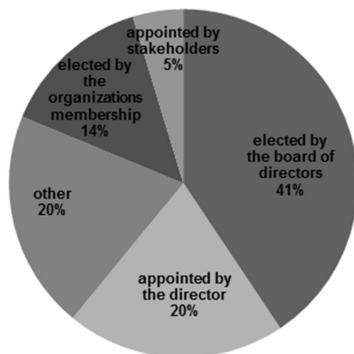


Figure 3: How is each of the board of directors/trustees selected?
(n=64)

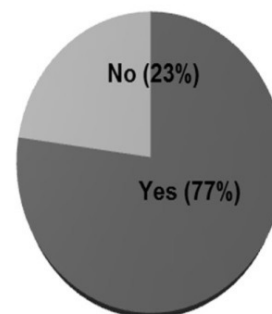


Figure 2: Does your organization have a governing body (e.g. a board of directors or trustees)?
(n=310)

minority of cases, although at 19% the figure is still significant enough to be considered influential, considering that democratic TSOs can provide a good way to build civil society and provide members with an opportunity to practice democratic governance "within an organisational setting (...) that might be carried over into the wider polity" (Lyons & Nivison-Smith 2008, p. 151). This optimism must however also be tempered by the recognition that even democratically chosen boards might exist on paper to comply with registration requirements, or to gain accreditation by the Cambodia Cooperation Committee (an umbrella organization dedicated to aid effectiveness in Cambodia), which is excellent branding, but may not reflect the way in which the Board truly works in practice.

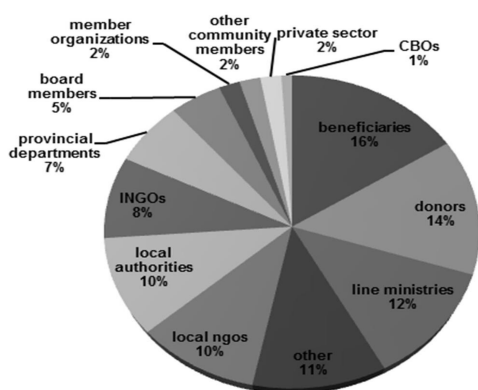


Figure 4: What types of stakeholders is your organization mainly accountable to?

Another key issue is accountability. Only 16% of organizations are primarily accountable to beneficiaries (Figure 4). We recognize that this does not indicate the percentage of organizations that are accountable to beneficiaries in total (i.e. some may be accountable in priority to other stakeholders and be accountable to beneficiaries as a secondary priority) but the data does indicate that the picture in Cambodia appears quite similar to that in Vietnam and China, where TSOs, according to Lyons and Nivison-Smith (2008), often have an embedded tendency towards authoritarianism. While DDF is a theoretically “bad” model of governance, it has to be taken into consideration that it is still commonly found often in Asian NPOs with good national and sometimes

international reputation (Smillie & Hailey 2001). Moreover, there is also evidence to show that, beyond the rhetoric on governance, different types of donors often prefer to deal with authoritarian social organisations because there is a greater sense of certainty about their objectives (Lyons & Nivison-Smith 2008, pp. 172-173).

With respect to accountability, it needs also to be noted that SEs founded by and managed by foreign actors have a greater tendency towards corporate governance than SEs initiated by Cambodian nationals. This is important because it is widely documented that, for better or worse, the practices of western organizations can rub off on NGOs in Cambodia (Hughes & Pupavac 2005). Overall, it can also be argued that despite the constraints, the prevalence of SEs is influencing the governance of other development organizations in Cambodia, as corporate governance is increasingly adopted. We concur with Kim (2004, p. 21) who asserts that socially entrepreneurial organizations are being exposed to demands for high standards of accountability from a wide range of stakeholders, including donors, beneficiaries, staffs, and partners. During this transformation to more SE within the NGO sector, these organizations are also required to institutionalize democratic and accountable governance. The key question, however, is how far the Royal Government of Cambodia (RGC) views the roles of CSOs to be interconnected with the promotion of normative democratic values in society as opposed to being merely service providers or more ominously “government partners”. Meaningful governance commitments are thus at least partially dependent on an honest relationship between RGC and the SE community.

2.5. What typology best fits the Cambodian context?

We find that the typology of East Asian social enterprises proposed by Defourny and Kim (2011) is applicable to Cambodia because it enables the deeper capture of social, political and cultural contexts. In this respect the most prominent type of SE is the trading non-profit, simply because of the geography of aid in the region, which is rooted in geo-politics dating back to the Cold War (Hughes 2009). There is good reason to compare the rise of the trading non-profit and the emergence of enterprising non-profits in the US. Kerlin (2006) shows that in the US, this typology of SE can be traced backwards to the 1970s, when the government, in response to the economic downturn at that time, abandoned the “Great Society Programs” which financed non-profits through devolved federal public budgets. From the 1980s onward,

business consultants consequently began to change the nature of the US non-profit sector. In Cambodia there have already been signs of this. USAID now calls for concept notes from SEs alongside NGOs without making too much distinction between them, and in 2012 Population Development International-Cambodia was awarded \$500,000 by the Bill & Melinda Gates Foundation for a program helping NGOs to change into SEs.

However we should also bear in mind that illustrative typologies are only as good as their contexts allow. They help to illustrate and visualize in some instances the diversity of discourse and forms as well as conceptual variations across regions. The situated practice of SE in Cambodia underlines the point made by (Mair & Martí 2006) that, regardless of typologies, “[the] choice of set-up is typically dictated by the nature of the social needs addressed, the amount of resources needed, the scope for raising capital, and the ability to capture economic value” (p. 39).

3. INSTITUTIONAL TRAJECTORIES OF THE MAIN SE MODELS

This section is concerned with the different forces at work in the institutionalization of SEs in Cambodia. To this effect, we identify 5 key influences:

1. Governmental policy and international development institutions (World Bank, Asian Development Bank, UN Agencies);
2. NGO and CSO coordinating institutions within Cambodia;
3. International civil society, including social entrepreneurship foundations (Skoll, Schwab, Ashoka), bilateral agencies (GIZ, SNV International) and international NGOs;
4. Impact investment platforms (Insitor, Arun, Uberis, Asia Impact Exchange);
5. Private sector institutions, including the Cambodia Chamber of Commerce.

These influences impact on SE tendencies (missions, target groups and operating models) in different ways. These forces have to be seen in the context of Cambodian culture and recent history. It also needs to be considered that some tendencies stem from combined effects and it is not possible to think about one institutionalizing force in isolation. We proceed from this point with the analysis of the institutionalization of different SE categories in accordance with the East Asian typology—in other words, the typology in circulation which best allows the analysis of realities on the ground in Cambodia.

3.1. Trading non-profit organizations

The trading NPO exemplifies the fact that institutionalizing forces cannot be examined in isolation. While present RGC policy has minimal influence on—or interest in—NGOs operating SEs, this might change because of the proposed, continually re-drafted “NGO Law”. This is viewed on the one hand as an attempt to threaten with deregistration advocacy NGOs that are not to the liking of the ruling Cambodia People’s Party, that has held power for 35 years (Brown 2013). But on the other hand the NGO Law is an opportunity to introduce specific “SE clauses” that could legitimize the trading NPO and instil innovation into welfare governance (Khieng & Dahles 2014a). It might be hoped that policy makers will be influenced by discussions in Vietnam about the legal recognition of SEs with a differentiated tax rate of 10%, in contrast to 25% for ordinary business (Vu 2014).

All the above concerns must then be considered along with the ever changing priorities of international institutions, whose efforts in the 1990s catalyzed the proliferation of NGOs, while the refocus on budgetary support has now put them into competition with each other. We are appreciative that resource dependency theory and earned income as a “replacement strategy” for grants can circulate as a myth which promotes a Darwinian *survival of the fittest* (or most entrepreneurial) non-profit organizations (Dey & Steyaert 2012). However the data in Cambodia shows that resource dependency *is applicable here*. Excessive competition for declining grants is a central driver for earned-income activities in Cambodia (Khieng 2014).

Direct influencers in Cambodia also include international foundations like Skoll and Rockefeller, and fellowship associations like Schwab and Ashoka. They support some well-resourced trading NPOs, which sometimes symbolize the “heroic individual” paradigm of social entrepreneurship with which such foundations are associated (Nicholls 2010b). Social Enterprise Cambodia (SEC) is also a new networking platform and incubator⁵ for start-up SEs that explicitly focuses on young entrepreneurial individuals through events like “Social Enterprise Bootcamp”. The 2014 National Social Enterprise Conference of Cambodia (largely under SEC management) was overtly oriented towards this paradigm. Development Innovations, funded by USAID, which has been initiated recently to support community innovators working with new technology in Cambodia, is a further representation of the focus on the “change-agents” highlighted in American social entrepreneurship literature (Bornstein 2007). In summary and objectively, without greater engagement from government ministries, there is strong reason to suppose that entrepreneurial individuals will have the prevalent institutionalizing influence on the Cambodian “trading NPO” in the years ahead.

3.2. Work-integration social enterprises (WISEs)

WISE in Cambodia must be seen in the context of the need for vocational training services and therefore also in the wider context of RGC policies. In 2007 it was forecast that more than 200,000 rural youth would attain basic primary education each year and be in subsequent need of work outside of agriculture (MoP & UNDP 2007, p. 99). In the Cambodian capital, Phnom Penh, and other urban centres, including Kampong Cham, Battambang and Siem Reap, vocational training is thus the most pressing social need for these disadvantaged migrating youth with low education (Chea & Huijsmans 2014). The RGC asserts that the relevant Ministries have the capacity to deliver Technical and Vocational Training (TVet). There are dispersed TVet centres across the country, but there is also a need for businesses to fill gaps where RGC TVet centres cannot provide market-relevant training (MoP & UNDP 2007, pp. 100-101).

WISEs therefore have a fundamental role to play; however, options for large-scale “market-relevant” training are constrained, because the industrial base in Cambodia is narrow: 27% of GDP is generated by agriculture (dominantly rice and rubber); 33% by textiles and footwear (which constitute also 82% of manufactured exports); and 15% by tourism (OECD 2013). As TVet preparing women for garment work is widely provided already by government centres, the most exploited opportunity among SEs is tourism. There are some successes in mechanics and increasingly in beautician work, but there is also an evident need for more partnership between the Chamber of Commerce, the RGC, private sector companies and SEs to identify nascent sectors where TVet is required. In this respect the institutionalization of WISEs can be

⁵ For information about the SE Incubator, see: <http://socialenterprisecambodia.org/se-space/>

assisted by Government policy, even if the Government itself is limited in terms of the resources that it can provide (Ty & Anurit 2009).

3.3. Non-profit cooperatives

The presence of NPCs in Cambodia is limited; however, the success of CEDAC Shakreas, Artisans D'Angkor and the Rattan Association of Cambodia (which have held a contract with the Swedish multinational furniture retailer IKEA since 2010) provide cause for optimism. These organizations are being institutionalized primarily through support from well-resourced European civil society actors, including the German Development Agency GIZ, the Dutch Development Agencies SNV international and ICCO Cooperation, along with the World Wildlife Fund and programs funded by the European Union. Moreover, the potential for NPCs to become more widely institutionalized is significant, because cooperatives are one area where the RGC has significant capacity and interest, having passed the 1998 Decree and subsequent Sub-decree on Agricultural Cooperatives (ACs). RGC's interest in ACs is largely instrumental—2013 legislation was targeted at increasing rice exports⁶—but there is also an intent, which should be acknowledged, to help farmers gain a greater share of the post-harvest addition of value to their crops (de Silva et al. 2014). The RGC, to its credit, has also been open to the co-production of the regulatory framework for ACs, through engagement with CEDAC and the NGO Buddhism for Development (BfD)⁷, which provides capacity-building support to more than 30% of registered ACs in Cambodia and is in turn supported by the German Cooperative and Raiffeisen Confederation (DGRV), which promotes cooperative development internationally.

Further opportunity for the institutionalization of the NPC is also provided by the recent RGC decision to adopt the “Saemaeul Undong” (New Community Movement) framework for rural community development. This framework was popularized in South Korea in the 1970s (Shin 2014). In accordance with the new laws on ACs, RGC positions Saemaeul Undong as part of its rice export strategy; however this movement has historically facilitated social innovation and roles for social entrepreneurs in South Korean rural development through the promotion of mutual self-help and cooperation (Lew 2012). It has also been revised to more explicitly service the “social economy” in South Korea, since then gaining more widespread attention (Peng 2012). Capacity building based on this model could be very promising indeed if it is well coordinated with the work that RGC has, to its credit, already undertaken on ACs with civil society actors.

3.4. Non-profit-for-profit partnerships

While non-profit-for-profit partnerships are not numerically prominent in the dataset, it should be considered that they can gain significant institutional influence very quickly if they are well financed from the outset or if they attract well-resourced actors, like the Skoll and Schwab foundations. Moreover, these are the SEs that are most likely to attract equity investment in Cambodia, considering that NGOs are not allowed to make profits for private investors. All of this applies to the Hagar Social Enterprise Group (HSEG), which not only gets support from Skoll and Schwab but also delivers returns on private financial investment back to IFC. This is in summary the type of SE that the “impact investment” platforms in Cambodia are really

⁶ 2013 Royal Decree on Establishment and Functioning of Agricultural Cooperatives: information available at <http://www.fao.org/docrep/field/009/i3761e/i3761e.pdf>

⁷ More information viewable at: <http://www.bfdkhmer.org/>

interested in. Insitor management, for example, also invests alongside HSEG in the JOMA bakery chain. It is the model which the Impact Investment Stock Exchange, founded in Singapore with the support of the Asia Development Bank, is also promoting in Cambodia (having had more success in other countries). The only exception in all of this is the equity investment that Arun Capital LLC now has in CEDAC Shakreas, showing that impact investing needs not lean necessarily towards individualistic organizations (even if it does so overwhelmingly). The “trading non-profit” and the “non-profit-for-profit partnership” can both be considered as belonging to the “earned income” school of thought, which is thus the prevalent *modus operandi* in Cambodia. It also indicates that advanced notions of SE have been operative for some time in the terms described by Defourny and Nyssens (2010, p. 41)—i.e. Cambodia now embraces all business models under the generalized notion of “mission-driven business”.

3.5. Community development enterprises

While CDEs, like non-profit-for-profit partnerships, are not the dominant SE model in terms of numbers, they are sometimes capable of going to scale in a way which many SEs cannot. This is the case especially when CDEs lean towards social innovation and franchising, which in turn can catch the attention of well-resourced foundations, international development agencies and private sector actors. Examples include Teuk Saat 1001 and Ibis Rice, which is supported by USAID and the Wildlife Conservation Society. Large-scale CDEs are also sometimes initiated by well-resourced organizations at the outset and command a significant international support network. For instance Lors Thmey is a farm business advisory service (also retailing agricultural equipment) operating across Cambodia as a non-profit business franchise. This was established by International Development Enterprises which is historically supported by several international donor institutions. In addition this particular business has leveraged private sector support from Nestlé and Du Pont,⁸ adding into the mix the advanced notion of CSR-SE partnerships, which can be conducive to corporate business at the bottom of the pyramid (Cornelius et al. 2008).

4. POSITIONING SE IN CAMBODIA

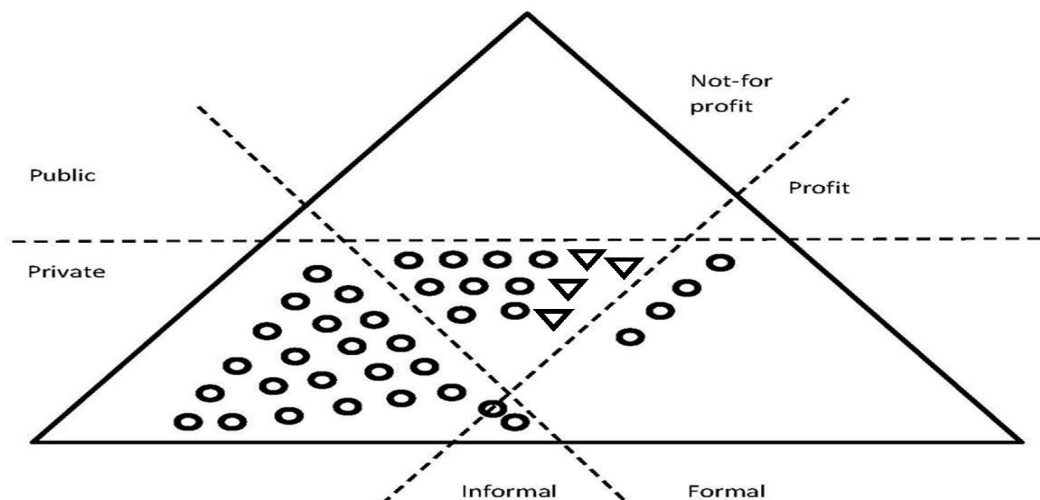
Giving consideration to the most prominent type of SE, trading NPOs, we first have to deal with the matter of their formality. Although all NGOs must be registered with the Ministry of Interior, we do not sense this puts their SEs in the category of “formal business”. Fundamentally we make this assertion because, thanks to their specific status, these enterprises avoid paying taxes. It could be argued that the lack of RGC policy on NGOs operating SEs creates this situation, i.e. ambiguity is an opportunity. But it could also be the case that corruption deters NGOs from registering their business interests, just like corruption might deter any other small business from getting registered. One measure that might help is the plan to move business applications online, cutting out direct contact between business license applicants and civil servants (Mosettig 2015), although this does not deal with ongoing routine problems like tax collection.

In any instance, the number of NGOs operating businesses which are technically informal is an anomalous state of affairs that gives a very different representation of SEs to that which would be anticipated in more economically advanced or more coherently regulated countries. This is borne out when we apply the Welfare Triangle developed by Defourny & Pestoff (2008

⁸ The list of institutional supporters for International Development Enterprises is viewable on the “Programs” page at: <http://www.ide-cambodia.org/>

see figure 5). SEs on the formal side of the divide in the Triangle are mainly non-profits operating subsidiary SEs which are registered as businesses with MoC (generally to subsidize their NGO programs). However, in some instances, SEs do stand alone as registered companies which are both non-profit and trade to achieve an explicit social goal (i.e. they are “mission centric”). These are signified by a triangle in the figure and include non-profit cooperatives such as CEDAC Shakreas and registered business interests like Hagar Social Enterprise Group. On the for-profit side, we place four enterprises which can be considered as “non-profit-for-profit partnerships”; they all return profits to investors. We have also considered the activities of a small group of Cambodian entrepreneurs who operate for-profit community-based tourism ventures on an informal/semi-formal basis.

Figure 5: The Welfare Triangle: The logic of SE in Cambodia



Source: Author's analysis based on data from Khieng (2014).

CONCLUSIONS

In summary, the main factors impacting on the emergence of SEs and their subsequent *raison d'être* have been set in motion by the international donor community, which directly induced the proliferation of local NGOs and subsequently changed its approach in a manner that has compelled every one in five of these organizations to seek earned income as an alternative to grants (Khieng 2013, p. 1). The rise of trading non-profit NGOs in Cambodia in response to changes in the nature of 'aid' also resembles somewhat the rise of 'enterprising non-profits' in the US. The commercial turn is problematic in terms of possible goal displacement or mission-drift, but it does have positive effects on accountability and can also induce a more direct focus on the needs of stakeholders rather than the priorities of donors, ultimately making possible more "locally owned" processes of development (Khieng & Dahles 2014a).

It is also evident that the least prominent categories of SEs in Cambodia, using the East Asian typology (Defourny & Kim 2011), namely non-profit-for-profit partnerships and community development enterprises, are the two models which have more traction among international supporters. In this regard two different logics underpin the thinking of international actors. Non-profit-for-profit partnerships, especially through impact investing, are viewed as the best way of going to scale with a promising business venture. This follows from the observation that

in LDCs impact investors can fill the gap in capital resources “by selectively investing in profit-seeking businesses that have significant potential to increase economic participation of the poor” (Dees 2008, p. 8). But the same international institutions wear a different hat when it comes to community development enterprises, providing philanthropic capital or seed grants to induce social innovations that create new markets and help to transform society from the ground upwards. In these circumstances, from the social innovation point of view *“social entrepreneurship can (...) be a question of outcomes and social impact rather than a question of incomes”* (Defourny & Nyssens 2010, p. 42). However one thing which unites both points of view is that entrepreneurial “change-agents” are the most appropriate focus for capacity building, typifying the cultural notion of social entrepreneurship that comes from the US (Nicholls 2010b).

The institutional framework for supporting non-profit-for-profit partnerships and social innovation through community development enterprises has emerged in complete separation from the RGC. But since the dominant “paradigm-building actors”, who shape how social entrepreneurship is understood (including Skoll, Schwab and Ashoka and sometimes in the Western context governmental agencies and universities), are invariably those with the most resources to invest (see Hervieux et al. 2010; Nicholls 2010b, 2014), it is worth recalling that RGC still depends on international aid for half of its public budget (Khieng 2013, p. 4). RGC cannot be considered a well-resourced actor and consequently, it does not have a strong influence on SE tendencies. But beyond this, there is a need for a stronger grasp of institutional realities in Cambodia. The RGC Rectangular Strategy-Phase III for national economic development emphasizes the need for equitable economic growth and partnerships with civil society (RGC 2013) but there is no provision yet for the social economy as a mechanism to achieve these objectives. However, this does not imply that the RGCs explicitly lacks interest in SE, but rather that it has not readily absorbed a hitherto western-centric construct (Hackett 2010).

It is necessary then to refocus on where the RGC does implicitly influence the emerging social economy through approaches to cooperatives. A further note of optimism is that although ACs are the only legally constituted cooperative model in Cambodia, the MoC also works closely with artisanal organizations, which are, regardless of their legal statutes, cooperatively managed. These organizations are also supported by well-resourced organizations which focus on communities more than entrepreneurial individuals. It is no coincidence that these supporting organizations originate from Europe, where the cooperative foundations of SEs stand in contrast to the cultural individualism of the US approaches (Defourny & Nyssens 2010); in this influence lies the potential for the emergence of a counterbalancing force for the institutionalization of SE. It is noted for instance that the Memot Pepper Cooperative, situated near the Vietnamese border, in Tbong Khmum Province, is supported by the German Cooperative and Raiffeisen Confederation; this cooperative now has the largest membership among Cambodian ACs and is cited as a good example of the emerging “social solidarity economy” in the Mekong Sub-Region (Thiel 2011).

In summary, the emergence of the “enterprising non-profit” in response to the changing nature of aid suggests that the US-originated “enterprising non-profit” school has considerable influence on the majority of SEs that have emerged out of NGOs. But the European social solidarity economy tradition also has some influence in the countryside, where ACs attract significant attention. Much of the capacity-building of these organizations is being supported directly and indirectly by European development actors. It also remains to be seen in the future if this typology will be supported by Korean agencies through the development of the Saemaeul Undong model.

REFERENCES

- Alter, K 2006, 'Social Enterprise Models and Their Mission and Money Relationships.', in A Nicholls (ed.), *Social Entrepreneurship: New models of sustainable social change*, Oxford University Press, New York.
- Amin, A 2009, 'Locating the Social Economy', in A Amin (ed.), *The Social Economy: International Perspectives on Economic Solidarity*, Zed Books, London, pp. 3-21.
- Arnold, D 2008, 'Street Vendors, Factories and Family Workers: Informalizing Labour in Cambodia', in D Lee, A Leong, R Ofreño & A Sukumaran (eds), *Asian Labour Law Review 2008: Rights for Two-thirds of Asia*, Asia Monitor Resource Centre, Hong Kong, pp. 107-124.
- Bateman, M 2014, *The rise and fall of Muhammad Yunus and the microcredit model*, IDS Working Paper #001 - January 2014, St Mary's University, Halifax, Canada, viewed 5th February 2015, <http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2385190>.
- Bornstein, D 2007, *How to Change the World: Social Entrepreneurs and the Power of New Ideas*, 2nd edn, Oxford University Press, New York.
- Brown, MD 2013, 'Levels of NGO cooperation and their empirical importance', *Development Bulletin*, vol. 75, pp. 102-105
- Chan, SH 2013, *Binding Constraints on Economic Growth in Cambodia: A Growth Diagnostic Approach*, CDRI Working Paper Series No. 80, Cambodia Development Resource Institute, Phnom Penh, viewed 25th May 2014, <<http://www.cdri.org.kh/webdata/download/wp/wp80e.pdf>>.
- Chea, L & Huijsmans, R 2014, 'Rural internal migrants navigating apprenticeships and vocational training: insights from Cambodia and Laos', paper presented to Youthful Futures? Aspirations, Education and Employment in Asia, National University of Singapore, 5-6th May 2014, <<http://repub.eur.nl/pub/51283/>>.
- Chongvilaivan, A 2013, 'Taking the Income Gap in Southeast Asia Seriously', in OK Beng (ed.), *ISEAS Perspective: Selctions 2012-2013*, Institute of Southeast Asian Studies, Singapore.
- Cornelius, N, Todres, M, Janjuha-Jivraj, S, Woods, A & Wallace, J 2008, 'Corporate Social Responsibility and the Social Enterprise', *Journal of Business Ethics*, vol. 81, no. 2, pp. 355-370
- Croissant, A & Haynes, J 2014, 'Thematic section "Inequalities and democracy in Southeast Asia"', *Democratization*, vol. 21, no. 5, pp. 775-779.
- Dacanay, ML 2009, 'Social Entrepreneurship: An Asian Perspective', in JA Robinson, J Mair & K Hockerts (eds), *International Perspectives on Social Entrepreneurship*, Plaggrave Macmillan, Basingstoke, pp. 163-182.
- Dawson, WP 2009, '"Tricks of the Teacher": Teacher Corruption and Shadow Education in Cambodia', in S Heyneman (ed.), *Education and Corruption*, Sense Publishers, Rotterdam, pp. 51-74.
- de Silva, S, Johnston, R & Sellamuttu, S 2014, *Agriculture, irrigation and poverty reduction in Cambodia: Policy narratives and ground realities compared*, Australian Centre for International Agricultural Research, Canberra, viewed 10th February, 2015, <<http://publications.iwmi.org/pdf/H046294.pdf>>.
- Dees, JG 1998, 'Enterprising Nonprofits', *Harvard Business Review*, vol. 76, no. 1, pp. 54-67.
- 2008, 'Philanthropy and Enterprise: Harnessing the Power of Business and Social Entrepreneurship for Development', *Innovations: Technology, Governance, Globalization*, vol. 3, no. 3, pp. 119-132.

- Defourny, J & Kim, S-Y 2011, 'Emerging models of social enterprise in Eastern Asia: a cross-country analysis', *Social Enterprise Journal*, vol. 7, no. 1, pp. 86-111.
- Defourny, J & Nyssens, M 2006, 'Defining social enterprise', in M Nyssens, S Adam & T Johnson (eds), *Social Enterprise: At the Crossroads of Market, Public Policies and Civil Society*, Routledge, London.
- 2010, 'Conceptions of Social Enterprise and Social Entrepreneurship in Europe and the United States: Convergences and Divergences', *Journal of Social Entrepreneurship*, vol. 1, no. 1, pp. 32-53.
- Defourny, J & Pestoff, V 2008, *Images and concepts of the third sector in Europe*, EMES European Research Network, Liege, viewed 8th February, 2015, <<http://staging.community-wealth.org/sites/clone.community-wealth.org/files/downloads/paper-defourny-pestoff.pdf>>.
- Dey, P & Steyaert, C 2012, 'Social entrepreneurship: critique and the radical enactment of the social', *Social Enterprise Journal*, vol. 8, no. 2, pp. 90-107.
- Downie, S & Kingsbury, D 2001, 'Political development and the re-emergence of civil society in Cambodia', *Contemporary Southeast Asia*, vol. 23, no. 1, pp. 43-64.
- Frewer, T 2013, 'Doing NGO Work: the politics of being 'civil society' and promoting 'good governance' in Cambodia', *Australian Geographer*, vol. 44, no. 1, pp. 97-114.
- Global Witness 2007, *Cambodia's Family Trees: Illegal Logging and the Stripping of Public Assets by Cambodia's Elite: A Report by Global Witness, June 2007.*, Global Witness Publishing Inc., Washington.
- Grassroots Business Fund 2010, *Annual Report*, Grassroots Business Fund, Washington, viewed 19th November 2012, <<http://www.gbffund.org/sites/default/files/GBF%20Annual%20Report%202010.pdf>>.
- Hackett, MT 2010, 'Challenging social enterprise debates in Bangladesh', *Social Enterprise Journal*, vol. 6, no. 3, pp. 210-224.
- Henderson, JC 2007, 'Communism, Heritage and Tourism in East Asia', *International Journal of Heritage Studies*, vol. 13, no. 3, pp. 240-254.
- Hervieux, C, Gedajlovic, E & Turcotte, M-F, B. 2010, 'The legitimization of social entrepreneurship', *Journal of Enterprising Communities: People and Places in the Global Economy*, vol. 4, no. 1, pp. 37-67.
- Heuveline, P 1998, 'Between One and Three Million: Towards the Demographic Reconstruction of a Decade of Cambodian History (1970-79)', *Population Studies*, vol. 52, no. 1, pp. 49-65.
- Hughes, C 2009, *Dependent communities: aid and politics in Cambodia and East Timor*, Cornell University Southeast Asia Program, New York.
- Hughes, C & Pupavac, V 2005, 'Framing Post-conflict Societies: international pathologisation of Cambodia and the post-Yugoslav states', *Third World Quarterly*, vol. 26, no. 6, pp. 873-889.
- Hutchinson, K 2007, 'Mapping the dynamics of social enterprises and ICTD in Cambodia', Masters thesis, RMIT.
- Ikeda, N, Irie, Y & Shibuya, K 2013, 'Determinants of reduced child stunting in Cambodia: analysis of pooled data from three Demographic and Health Surveys', *Bulletin of the World Health Organization*, pp. 341-349.
- Jalilian, H & Reyes, G 2014, 'Triple Crises in the Post-conflict Milieu', in H Jalilian, S Kem, G Reyes & K Tong (eds), *Surviving the Global Financial and Economic Downturn: The Cambodian Experience*, Institute of Southeast Asian Studies, Singapore.
- Kerlin, JA 2006, 'Social Enterprise in the United States and Europe: Understanding and Learning from the Differences', *VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations*, vol. 17, no. 3, pp. 246-262.

- Khieng, S 2013, 'Funding Mobilization Strategies of Nongovernmental Organizations in Cambodia', *VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations*, pp. 1-24.
- 2014, 'The Dawn of Social Enterprise? NGOs balancing between social value creation and profit-making in Cambodia', PhD thesis, VU University Amsterdam.
- Khieng, S & Dahles, H 2014a, 'Commercialization in the Non-Profit Sector: The Emergence of Social Enterprise in Cambodia', *Journal of Social Entrepreneurship*, pp. 1-26.
- 2014b, 'Resource Dependence and Effects of Funding Diversification Strategies Among NGOs in Cambodia', *VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations*, pp. 1-26.
- Kim, J 2004, 'Accountability, Governance, and Non-governmental Organizations: A Comparative Study of Twelve Asia-Pacific Nations', paper presented to International Society for Third-Sector Research (ISTR), Contesting Citizenship and Civil Society in a Divided World, Ryerson University and York University, Toronto, Canada.
- Krishnamurthy, V 1999, *The Impact of Armed Conflict on Social Capital, a Study of Two Villages in Cambodia*, Social Services of Cambodia, Phnom Penh.
- Lepoutre, J, Justo, R, Terjesen, S & Bosma, N 2013, 'Designing a global standardized methodology for measuring social entrepreneurship activity: the Global Entrepreneurship Monitor social entrepreneurship study', *Small Business Economics*, vol. 40, no. 3, pp. 693-714.
- Lew, S 2012, 'The Wikinomics of Saemaul Undong', *Journal of Social Entrepreneurship*, vol. 3, no. 1, pp. 50-73.
- Lischer, SK 2006, *Dangerous sanctuaries: refugee camps, civil war, and the dilemmas of humanitarian aid*, Cornell University Press, New York.
- Lyne, I 2008, 'How can social enterprise really tackle social exclusion? A comparative study of children's welfare in the United Kingdom and Cambodia', *Education, Knowledge & Economy*, vol. 2, no. 3, pp. 175-190.
- 2012, 'Social Enterprise and Social Entrepreneurship as Models of Sustainability for Local NGO's: Learning from Cambodia', *International Journal for Management Research*, vol. 2, no. 1, pp. 1-6.
- Lyons, M & Nivison-Smith, I 2008, 'Three Models of Organisational Governance in Asia's Third Sector Comparative Third Sector Governance in Asia', in S Hasan & J Onyx (eds), *Governance Approach in Asia's Third Sector: Adapted Western or Modified Asian?*, Springer New York, pp. 151-173.
- Mair, J & Martí, I 2006, 'Social entrepreneurship research: A source of explanation, prediction, and delight', *Journal of World Business*, vol. 41, no. 1, pp. 36-44.
- Mandinyanya, I & Douglas, H 2011, 'Starting new social enterprises: preliminary findings of a study in Cambodia', in Ad Bruin & LM Stangl (eds), *Social Innovation and Entrepreneurship Research Conference: Extending Theory, Integrating Practice*, Massey University, Auckland, New Zealand, 1-3 December, 2011, pp. 140-154.
- McKinnon, J 2012, 'Social Enterprise as a Poverty Reduction Tool', PhD thesis, University of New England.
- Meas, N 1995, *Towards Restoring Life: Cambodian Villages*, 3rd edn, JSRC, Phnom Penh.
- Mendizabal, V, Vuthy, T, Kimsun, T & Dorina, P 2012, 'Crisis Monitoring among Low-Income Workers in Cambodia: Monitoring Vulnerabilities and Discovering Resilience', in R Heltberg, N Hossain & A Reva (eds), *Living Through Crises: How the food, fuel, and financial shocks affect the poor* The World Bank, Washington, pp. 91-116.
- MoP & UNDP 2007, *Expanding Choices for Rural People. Cambodia Human Development Report 2007*, Ministry of Planning, Royal Government of Cambodia; United Nations Development Programme Cambodia Country Office, Phnom Penh, viewed 10th February 2015, <http://hdr.undp.org/sites/default/files/cambodia_hdr_2007.pdf>.

- Mosettig, D 2015, *Past and present collide in Cambodia*, viewed 11th February 2015, <<http://www.pbs.org/newshour/rundown/pastpresentcollidecambodia/>>.
- Nicholls, A 2010a, 'Editorial: Turn! Turn! Turn!', *Journal of Social Entrepreneurship*, vol. 1, no. 2, pp. 171-173.
- 2010b, 'The legitimacy of social entrepreneurship: Reflexive isomorphism in a pre-paradigmatic field', *Entrepreneurship: Theory and Practice*, vol. 34, no. 4, pp. 611-633.
- 2014, 'The paradigm paradox in social entrepreneurship', in H Douglas & S Grant (eds), *Social Entrepreneurship and Enterprise: Concepts in Context*, Tilde University Press, Prahan, VIC, pp. 363-369.
- Nunberg, B & Taliercio, RR 2012, 'Sabotaging Civil Service Reform in Aid-Dependent Countries: Are Donors to Blame?', *World Development*, vol. 40, no. 10, pp. 1970-1981.
- OECD 2013, *Structural Policy Country Notes Cambodia*, Organization for Economic Cooperation and Development, viewed 7th June 2014, <<http://www.oecd.org/site/seao/Cambodia.pdf>>.
- Peng, I 2012, 'The Boss, his Wife, the Work and No Babies; South Korean Political and Social Economy of Care in a Context of Institutional Rigidities', in S Razavi & S Staab (eds), *Global variations in the political and social economy of care : worlds apart*, Routledge, New York, pp. 80-101.
- Peredo, AM & McLean, M 2006, 'Social entrepreneurship: A critical review of the concept', *Journal of World Business*, vol. 41, no. 1, pp. 56-65.
- Prasso, ST 2001, 'The real value of money : how the world's only attempt to abolish money has hindered Cambodia's economic development ', *AsiaPacific issues*, no. 49, pp. 1-8.
- Pye, D 2013, 'Chainsaws stayed busy in past year', *Phnom Penh Post*, 26th December 2013.
- RGC 2013, "Rectangular Strategy" for Growth, Employment, Equity and Efficiency Phase III Royal Government of Cambodia of the Fifth Legislature of the National Assembly Phnom Penh, viewed 10th February, 2015, <http://cnv.org.kh/wp-content/uploads/2013/10/26sep13_rectangular-strategy_phaseIII.pdf>.
- Santos, J, Macatangay, L, Capistrano, MA & Burns, C 2009, 'Southeast Asia', in JA Kerlin (ed.), *Social Enterprise a Global Comparison*, Tufts University Press, Lebanon, pp. 64-87.
- Shaw, E & Carter, S 2007, 'Social entrepreneurship: Theoretical antecedents and empirical analysis of entrepreneurial processes and outcomes', *Journal of Small Business and Enterprise Development*, vol. 14, no. 3, pp. 418-434.
- Shin, H-h 2014, 'Cambodia bets on Saemaeul movement to spur rural reform', *The Korea Herald*, 9th November, 2014.
- Smillie, I & Hailey, JM 2001, *Managing for Change: Leadership, Strategy, and Management in Asian NGOs*, Earthscan, London.
- Thiel, F 2011, 'The Social Economy-Key Element of Sustainable Environmental and Societal Development in Asia', *International Journal of Environmental and Rural Development*, vol. 2, no. 1, pp. 31-36.
- Ty, M & Anurit, P 2009, 'Impacts of Training and Development on Social Enterprises in Cambodia', *NIDA Development Journal*, vol. 49, no. 2, pp. 23-49.
- Un, K 2006, 'State, Society and Democratic Consolidation: The Case of Cambodia', *Pacific Affairs*, vol. 79, no. 2, pp. 225-245.
- Vu, AD 2014, *Evaluating Financial Capability of Social Enterprises in Vietnam*, Center for Economic Development Studies, University of Economics and Business, Vietnam National University, Ha Noi.

- Watts, HG 2009, 'The consequences for children of explosive remnants of war: Land mines, unexploded ordnance, improvised explosive devices, and cluster bombs', *Journal of Pediatric Rehabilitation Medicine*, vol. 2, no. 3, pp. 217-227.
- World Bank 2014, *GDP Growth (annual %): Cambodia*, viewed 9th February 2015, <<http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG/countries/KH?display=graph>>.

Appendix 1: Key indicators based typology (source: Khieng 2014)

NGOs	Commercial activities	Motives		Methods				Income Distribution			Accountability		
		Good will	Self-interest	Mixed	Mission	Market	Mixed	Social or operational costs	Stakeholders & owners	Mixed	Stakeholder	Shareholder	Mixed
SE0	Marketing services, handicraft shops	X					X	X			X		
SE1	Micro-credit and saving groups	X			X			X			X		
SE2	Producing wheel-chairs and spare parts	X					X	X			X		
SE3	Restaurants, handicraft and souvenir shop, English & computer schools	X					X			X	X		
SE4	Well and toilet construction and maintenance services			X		X				X			X
SE5	IEC including radio spots, TV spots, TV and radio shows, events	X					X	X			X		
SE6	Rice mills, farmer cooperative, microcredit	X					X			X			X
SE7	Classical dance and music band, tailor shop, handicraft shop	X					X	X			X		
SE8	Legal services	X					X	X			X		
SE9	Short course vocational training	X					X	X			X		
SE10	Microcredit, pig farm, fish and chilli sauce factory			X		X				X			X
SE11	Soft-skills training	X			X			X			X		
SE12	Second-hand furniture and clothe shops	X					X	X			X		
SE13	Survey processing, digitization and related IT services	X					X	X			X		
SE14	Rice and vegetable farms, livestock farms, agricultural machinery rental			X			X			X			X
SE15	Handicraft shops, traditional dance and music band services	X			X			X			X		
SE16	Tailoring, handicrafts, drama and musical performances, IT services	X					X	X			X		
SE17	Consultancy and training services	X			X			X			X		
SE18	General education, agriculture farms rental	X					X	X			X		
SE19	English and computer training	X			X			X			X		
SE20	Home tutoring, translation services, English and computer classes...			X		X				X			X
SE21	Classical dance performance and tours, sales of media and books	X					X	X			X		
SE22	Handicraft, rice paddies, office and equipment rental	X					X	X			X		
SE23	Electrical repairing, rural electricity service provider, electrician training			X	X					X			X
SE24	Handicraft shops	X					X			X	X		
SE25	Restaurants, constructions, electrical repairing	X					X	X			X		
SE26	Training and consultancy service			X		X				X			X
SE27	Tourism, medical clinics, livestock raising, fish ponds, VCDs, t-shirts	X			X			X			X		
SE28	Shop, restaurant, hotel, and tourism and training school	X			X			X			X		
SE29	Handicraft shops, restaurant and guesthouse	X					X	X			X		
SE30	Dental and medical services, guesthouse, transport service	X			X			X			X		
SE31	Agriculture related services and training		X			X			X			X	
SE32	Circus, production, graphic design & animation studio, art galleries	X					X			X			X
SE33	Sales of print media	X					X	X			X		
SE34	Training services and sales of publications	X			X			X			X		
SE35	Guesthouse, schools, and mini-bar	X					X			X	X		
SE36	Microcredit, rice banks, saving groups	X					X	X			X		
SE37	Volunteer placement services	X			X			X			X		
SE38	Well construction and maintenance services	X					X			X			X
SE39	Classical music performances	X			X			X			X		
SE40	Restaurant, handicraft and boutique shop	X					X	X			X		
SE41	Radio spots and media-related services	X					X	X			X		
SE42	Livestock farm, rice paddies, handicraft shop	X					X	X			X		

Appendix 2: Abbreviated SEs in the Southeast Asian Typology			
	NGO Name	Acronym	Province
1	The Cambodian Center for Study and Development in Agriculture	CEDAC	Countrywide
2	Buddhism and Society Development Association	BSDA	Kampong Cham
3	Cambodia Health Education Media Service	CHEMS	Phnom Penh
4	Cambodia Volunteers for Community Development	CVCD	Phnom Penh
5	Cambodian Children Trust	CCT	Battambang
6	Community Support Improve Development	CSID	Battambang
7	Creative Holistic Recovery through Self Analysis Learning and Improvising	CHRYSLIS	Phnom Penh
8	Dan Mission	DM	Phnom Penh
9	Family Agriculture Development Community	FADC	Kandal
10	Fine Arts Association	FAA	Phnom Penh
11	Future Of Khmer Children Organization	FKC	Siem Reap
12	Gender And Development For Cambodia	GADC	Phnom Penh
13	Generation Hope	GH	Kampong Cham
14	Health Education And Development Organization	HEADO	Phnom Penh
15	Khmer Arts Academy	KAA	Kandal
16	Komar Rikreay Association	KMR	Battambang
17	Kram Ngoy Center	KNC	Phnom Penh
18	Mekong Plus	MKP	Phnom Penh
19	Mith Samlanh	Mith Samlanh	Phnom Penh
20	Nyemo	NYEMO	Phnom Penh
21	One-2-One Cambodia	O2O-Ccambodia	Phnom Penh
22	Phare Ponleu Selpak	PPS	Battambang
23	Punleu Sokhapheap	PSP	Phnom Penh
24	Save Cambodia Wildlife	SCW	Phnom Penh
25	Seametrey	Seametrey	Phnom Penh
26	Star Kampuchea	STAR	Phnom Penh
27	Teuk Saat 1001	TS 1001	Battambang
28	The Future For Cambodia Children	FCC	Siem Reap
29	The Global Child	TGC	Siem Reap
30	Women's Media Center of Cambodia	WMC	Phnom Penh
31	Youth With Disabilities Foundation for Education and Employment	YODIFEE	Kandal

ICSEM WORKING PAPERS SERIES

Grant, S. (2015) **"Social Enterprise in New Zealand: An Overview"**, *ICSEM Working Papers*, No. 01, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Littlewood, D. and Holt, D. (2015) **"Social Enterprise in South Africa"**, *ICSEM Working Papers*, No. 02, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Gonin, M. and Gachet, N. (2015) **"Social Enterprise in Switzerland: An Overview of Existing Streams, Practices and Institutional Structures"**, *ICSEM Working Papers*, No. 03, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

McMurtry, J. J., Brouard, F., Elson, P., Hall, P., Lionais, D. and Vieta, M. (2015) **"Social Enterprise in Canada: Context, Models and Institutions"**, *ICSEM Working Papers*, No. 04, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Lyne, I., Khieng, S. and Ngin, C. (2015) **"Social Enterprise in Cambodia: An Overview"**, *ICSEM Working Papers*, No. 05, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Bidet, E. and Eum, H. (2015) **"Social Enterprise in South Korea: General Presentation of the Phenomenon"**, *ICSEM Working Papers*, No. 06, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Kurimoto, A. (2015) **"Social Enterprise in Japan: The Field of Health and Social Services"**, *ICSEM Working Papers*, No. 07, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Gawell, M. (2015) **"Social Enterprise in Sweden: Intertextual Consensus and Hidden Paradoxes"**, *ICSEM Working Papers*, No. 08, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Cooney, K. (2015) **"Social Enterprise in the United States: WISEs and Other Worker-Focused Models"**, *ICSEM Working Papers*, No. 09, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Gaiger, L. I., Ferrarini, A. and Veronese, M. (2015) **"Social Enterprise in Brazil: An Overview of Solidarity Economy Enterprises"**, *ICSEM Working Papers*, No. 10, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Ciepielewska-Kowalik, A., Pielński, B., Starnawska, M. and Szymańska, A. (2015) **"Social Enterprise in Poland: Institutional and Historical Context"**, *ICSEM Working Papers*, No. 11, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Bibikova, V. (2015) **"Social Enterprise in Ukraine"**, *ICSEM Working Papers*, No. 12, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Kuan, Y.-Y. and Wang, S.-T. (2015) **"Social Enterprise in Taiwan"**, *ICSEM Working Papers*, No. 13, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Birkhölzer, K., Göler von Ravensburg, N., Glänzel, G., Lautermann, C. and Mildenerger, G. (2015) **"Social Enterprise in Germany: Understanding Concepts and Context"**, *ICSEM Working Papers*, No. 14, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Birkhölzer, K. (2015) **"Social Enterprise in Germany: A Typology of Models"**, *ICSEM Working Papers*, No. 15, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Thiru, Y. (2015) **"Social Enterprise in the United States: Some Distinguishing Characteristics"**, *ICSEM Working Papers*, No. 16, Liege: The International Comparative Social Enterprise Models (ICSEM) Project (*forthcoming*).

Nakagawa, S. & Laratta, R. (2015) **"Social Enterprise in Japan: Notions, Typologies, and Institutionalization Processes through Work Integration Studies"**, *ICSEM Working Papers*, No. 17, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Gordon, M. (2015) **"A Typology of Social Enterprise 'Traditions'"**, *ICSEM Working Papers*, No. 18, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Adam, S., Amstutz, J., Avilés, G., Caimi, M., Crivelli, L., Ferrari, D., Pozzi, D., Schmitz, D., Wüthrich, B. and Zöbeli, D. (2015) **"Social Enterprise in Switzerland: The Field of Work Integration"**, *ICSEM Working Papers*, No. 19, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Gidron, B., Abbou, I., Buber-Ben David, N., Navon, A. and Greenberg, Y. (2015) **"Social Enterprise in Israel: The Swinging Pendulum between Collectivism and Individualism"**, *ICSEM Working Papers*, No. 20, Liege: The International Comparative Social Enterprise Models (ICSEM) Project.

Supporting Partners of the ICSEM Project:



INSTITUT CDC
POUR LA RECHERCHE



ICSEM Project c/o Centre d'Economie Sociale HEC Management School, University of Liege
Sart-Tilman, building B33, box 4 B-4000 Liege BELGIUM

Website: <http://www.iap-socent.be/icsem-project> e-mail: icsem-socent@emes.net