

# **FACTSHEET**

# **Egypt** — SEKEM Initiative (1977)

#### **IN BRIEF**

The SEKEM Initiative uses biodynamic agricultural methods to revitalize desert land and develop agricultural business in Egypt. The SEKEM mission entails a holistic approach focusing on agricultural production on farms, sustainable ecological management, and enabling knowledge transfer, education and conscious consumption. Approximately 684 hectares of desert land have been reclaimed, of which 100% is operated by biodynamic agriculture methods; 477 farmers have been trained on biodynamic agriculture methods and registered under the Egyptian Biodynamic Association (EBDA). Today SEKEM is a leading social business worldwide overarching a group of companies and NGOs. The practice is transferable and since 2007, SEKEM has been working to create three new farms, with all infrastructure for sustainable development as in Belbeis.

#### ABOUT THE PRACTICE AT A GLANCE

**Organisation:** SEKEM Group (Company) **Implemented in:** Belbeis, Sharkeya (Egypt)

**year:** 19//

**Beneficiaries:** EKEM employees, small farmers working under the supervision of SEKEM, people living in surrounding villages benefiting from SEKEM schools, medical

center, and vocational training center

**Topic(s):** Production, processing, distribution, consumption, organic

### PROBLEMS TARGETED / CONTEXT

The SEKEM Initiative was founded to realize the vision of sustainable human development and to tackle poverty, unemployment, food security, water and energy challenges, and gender inequality in Egypt. In Egypt agriculture involves 40% of the workforce and remains the least developed sector of the Egyptian economy. Cost of agricultural



production has increased while the resource base has shrunk. Today, Egypt has become one of the world's largest importers of food. Farmers in Egypt face a plethora of problems, such as water-scarcity, over-reliance on chemical inputs and low productivity. Indeed, Dr. Ibrahim Abouleish (1937-2017) founded SEKEM in 1977 as a comprehensive development initiative to address some of the most pressing issues affecting Egypt. SEKEM started on a 70-hectare plot of desert land situated 60 km northeast of Cairo city. It became the first entity to develop biodynamic farming methods in Egypt. By using biodynamic agricultural methods, it revitalised the land and then developed a striving agricultural business. Over the years, SEKEM has broadened its scope and became the umbrella of a multifaceted agro-industrial group of companies and NGOs. Today, SEKEM is regarded as a leading social business worldwide.

#### **KEY FEATURES OF THE SOLUTION**

SEKEM's main objective is the development of the individual, society and environment through a holistic concept, which integrates economic, societal and cultural life. Its mission, as per biodynamic agriculture, is to apply a holistic understanding of life processes. SEKEM is formed by three closely interrelated entities: The SEKEM Holding Company comprising eight companies and multiple project-based initiatives, each responsible for an aspect of SEKEM's business value proposition, the Egyptian SEKEM Development Foundation (SDF), responsible for all cultural aspects, and the Cooperative of SEKEM Employees (CSE), responsible for human resource development. Working together, they have created a modern corporation based on innovative agricultural products and a responsibility towards society and environmental sustainability.

Today the SEKEM "mother farm" and processing facilities are located near the town of Belbeis, 60 km away from Cairo. SEKEM operates 684ha of desert land according to the principles of biodynamic agriculture, employing farmers and staff to work there and produce organic food. Compost is used extensively (produced with own livestock), as well as climate resilient crops, crop rotation, natural pest management systems, agroforestry, water conservation and biodiversity reinforcement, all within a closed nutrient cycle. This removes the need for chemical inputs and increases soil fertility and crop productivity. An astrological cultivation calendar is used to set the correct time for agricultural work. For farmers wishing to make the transition to organic agriculture and work with SEKEM, training in biodynamic methods is free.

SEKEM's produce is then sold nationally and internationally in supermarkets, through their subsidiary companies: iSiS Organic food (e.g. vegetables, honey, dates, oils, beverages), Lotus Organic Herbs & Spices, NatureTex Organic Textiles (baby & kids wear, dolls, toys, home textiles and assorted adult items using organic cotton) & PharmaAtos (Pharmaceutical company, which researches and sells new remedial products from natural sources). In total, there are ten companies, which together produce 150 different types of organic products, spanning from food, herbal teas, medicines to cotton products. These firms operate under the SEKEM Holding, which was established in order to supervise, evaluate and support all subsidiary ventures. The SEKEM Holding works closely with international institutions such as the Deutsche Entwicklungsgesellschaft GmbH (DEG) and the International Finance Corporation (IFC).

Through biodynamic agricultural principles, quality standards and efficiency improvements, the application of new technologies and education of all stakeholders, SEKEM seeks to achieve "eco-literacy", assuring knowledge on the limits of the environment are understood and respected by all. To assure this, SEKEM's agricultural activities have all been aligned with the ISO 14001 standard and supervises all environmental protection under the General Compliance Manager. All of this helps SEKEM to reduce CO<sup>2</sup> emissions and water consumption, as well as protecting biodiversity and soil health.

Equally as notable as its commitment to biodynamic agriculture – the top end of organic agricultural methods – is its commitment to integrate economic, social and cultural spheres of their work. As such, the SEKEM Development Foundation operates several schools (from kindergarten through to vocational training), a medical centre, and a variety of social impact projects. An Illiterate Children's Programme provides literacy classes for children 10-14 and a Handicapped Children's Programme works with children of all types of disabilities to help ensure their integration into society. SEKEM also established the Heliopolis University (HU) for Sustainable Development. The degree programmes offered at the HU strive for conscious sustainable development, economic solidarity, social responsibility and environmental balance through a multi-disciplinary holistic approach which intertwines theory and business needs. The campus practices increased solar power usage, waste water treatment for irrigation and conscious waste management and recycling. In addition, SEKEM undertakes many scientific research projects, such as the Hand in Hand (HIH) research programme into the conservation of endangered Egyptian Bees. Common to all these activity areas is the drive to improve the lives of Egyptians by investing in individual education and sustainable livelihoods, conserving the environment and giving back to the community.

#### **INNOVATIVE ASPECTS**

- Approach of holistic development, promoting sustainable development with its four dimensions: economic, societal, cultural and ecological.
- Transforms degraded land (desert) into fertile soil based on organic agriculture, producing healthy nutritious food for the local market.
- Striving to grow the sustainable agricultural sector and support farmers in transitioning to biodynamic agricultural practices.
- Utilizing economic success to fund social and cultural projects.
- Provides ongoing training and knowledge transfer for farmers, employees, and community members on sustainable development, culture and the arts, and encourages communities, retailers, and customers to engage in responsible consumption and waste management.
- Values include equal treatment, diversity, literacy, and human rights.

#### **FACTS & FIGURES**

• 1,628 feddan (approx. 684 ha) of desert land reclaimed; 100% operated by biodynamic agriculture methods.

- 477 farmers trained on biodynamic agriculture methods and registered under the Egyptian Biodynamic Association (EBDA); these methods are currently applied on 4,441 feddan (approx. 1,865 ha).
- SEKEM created jobs and employs today 2,000 people. Furthermore, it has a network of more than 3,000 farmers who produce for the SEKEM group.
- 978 students have graduated from SEKEM's Vocational Training Centre since 2000.
- 10% of profits from SEKEM companies go towards Sekem Development Foundation (SDF) which has launched many community development projects.
- Its biodynamic, fair-trade and organic products, textiles and phyto-pharmaceuticals are all oriented towards the highest possible ethical, ecological and social standards.
- Besides many other awards, SEKEM and its founder Dr. Ibrahim Abouleish won the Right Livelihood Award (Alternative Nobel Prize) in 2003 "for a 21st century business model which combines commercial success with social and cultural development".

# **OUTCOME, IMPACT & EFFECTIVENESS**

- More than 70% of SEKEM's reclaimed land produces food and raw materials for the local market.
- Farmers working with SEKEM are paid fair salaries the minimum salary was updated in 2016. For lower salaried workers, a special bonus and social fund (in case of illness, loss of lives, marriages or births) are available.
- Free courses for illiterate employees.
- Employees can also access treatment in health centres and reduced fees on children's education at SEKEM schools.
- SEKEM contributed considerably to the huge reduction in artificial fertiliser and pesticide use in Egypt's cotton industry, while boosting yields by up to 30%. This led to a reduction in the use of synthetic pesticides sprayed by aeroplane by 90% over 35,000 tons per year.
- SEKEM planted 600,000 trees and sequestered 0.5 Gt of CO2 (=500,000,000 tonnes) through these trees and soil enhancement.
- Total accumulated investment of the SEKEM Initiative adds up to 112 million Euros, averaging to a total accumulated investment per community member of 13,998 Euros.

## OUTLOOK, TRANSFERABILITY, SCALABILITY & COST-EFFICIENCY

Besides its own income from the sale of products, the SEKEM Initiative receives financial support through different channels. Thanks to long-term relationships with the SEKEM Friends Associations and ethically sound banks SEKEM can realize essential parts of its sustainable development vision. But additional public funds are needed to help realize extensive scientific research and numerous educational projects.

The practice is transferable. In the years 2007 to 2009 SEKEM acquired three new plots of desert land (total area of 6,000 Feddan), to establish model farms like the SEKEM farm in Belbeis. Today, about 1,600 Feddan have been reclaimed and developed, including all necessary infrastructure and community centres for sustainable development on all three farms. However, it takes several years to establish a similar community like in Belbeis. During the coming years, SEKEM will also work to increase the number of

small farmers willing to transform their lands from conventional to biodynamic agriculture.

Specifically, financial and technical support to facilitate knowledge transfer and training are required in order to scale up this practice, particularly new technologies in the field of irrigation and renewable energy production, like efficient irrigation systems, soil sensors, solar pumping.

#### **INTERVIEWEE FEEDBACK**

# Number of points: 23 out of 23

Summary: The interviewee provided much information on the specific implementation of SEKEM in the Egyptian context. Results have been very impressive and all questions were answered well and the practice scored excellently across all 7 Future Justice Principles

- **1 (Sustainable use of resources) 6/6 –** Optimizes many aspects of natural systems, including soil conditions and fertility and, water cycles and plant diversity. Biodynamic techniques implemented in very progressive, holistic manner. Analysis carried out on plants to test for chemicals, try to fully eliminate chemical substances. Self-financing project supported also by some donors. Mutual funding for certain projects e.g. irrigation (50/50). More than 70% of reclaimed land produces food and raw materials for local market.
- **2 (Equity and eradication of poverty) 4/4** Support small farms and rural poor. Creates jobs and education opportunities for local people. Part of Global Compact in Egypt, no discrimination based on religion/ethnicity. Medical centre provides medical services at very reasonable price.
- **3 (Precautionary approach to human health, natural resources and ecosystems) 2 / 2** No use of chemical inputs. Spreads the idea of biodynamic agriculture through trainings and operations.
- **4 (Public participation and access to information) 3/3 –** Through initiatives seek to make partnerships and spread information and co-operation. Exchanges between groups is fundamental to biodynamic agriculture. Provides access to knowledge for farmers on how eliminate pesticides. Co-creation in work with green entrepreneurs partnerships with many organisations.
- **5 (Governance and human security) 3/3 –** Code of conduct. All issues reported annually, e.g. discrimination. Online publication and articles confirm formal adherence to principles. Seedbanks and knowledge co-creation help small farmers to improve their cooperatives and learn new methods.
- **6** (Integration, interrelationship- human rights, social, economic and environmental objectives) 3/3 Social justice and environmental protection fully integrated throughout. Community presence to spread this and re-educate. Activities in local marketplace, job creation and education to improve livelihoods. 20,000 go to medical centre annually. Promotes healthy, organic food and promotes this in all activities.
- 7 (Common but differentiated obligations) 2/2 No inappropriate burdens and earn money

through work. Farmers interested in transition do not pay. Trainings are free.

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#### LINKS AND FURTHER READING

SEKEM Initiative, Company Profile, available at: https://www.sekem.com/wp-content/uploads/2017/05/SEKEM-Company-Profile-2017.pdf

SEKEM Sustainability Report 2017, available at: https://www.sekem.com/en/ab-out/sustainability/sustainability-report-2017/?utm\_source=mailpoet&utm\_medium=email&utm\_campaign=SusRep17

SEKEM Sustainability Report 2016 – Ecology:

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Scialabba, N., & Hattam, C. (Eds.) (2002), Organic agriculture, environment and food security (No. 4), Food & Agriculture Org.: https://bit.ly/2S5nymV

SciDev (2014), Linking research and local people through organic agriculture:

https://www.scidev.net/global/agriculture/feature/linking-research-and-local-people-through-organic-agriculture.html