

THE SEKEM STORY:

ECONOMICS OF LOVE

SEKEM was founded in 1977 by the Egyptian pharmacologist and social entrepreneur Dr Ibrahim Abouleish. The name SEKEM is the transliteration of a hieroglyph, meaning “vitality”. SEKEM’s goals are to “restore and maintain the vitality of the soil and food as well as the biodiversity of nature” through sustainable, organic agriculture and to support social and cultural development in Egypt. Through its diverse community of businesses and organisations SEKEM has been able to demonstrate that organic farming practices can be undertaken on a commercial scale and that improving the local environment can be done at the same time as opening up lucrative export markets for local farmers and their families.

SEKEM was founded in Egypt in 1977 by Egyptian pharmacologist and social entrepreneur Dr Ibrahim Abouleish to realise his vision of sustainable human development. The company was founded in the desert near Belbeis, 60 km north east of Cairo and started by planting trees, and bringing life back to the desert using natural biodynamic organic fertilizers. By 1983 the first crops of organic produce were exported. Since then SEKEM has grown into a rich community of businesses, schools and non profit societies. SEKEM Holding operates several businesses

and the SEKEM Development Foundation is responsible for social, cultural and health initiatives. SEKEM has also established the Centre for Organic Agriculture in Egypt, and the Egyptian BioDynamic Association (EBDA). Each company in the SEKEM group works for sustainable development through institutions in economics, organic agriculture, research and development, education and health care. Much of their focus is on biodynamic farming, a method that seeks to restore and maintain the soil as well as the biodiversity of nature.



Fact File:

- Sekem founded the Egyptian Biodynamic Association (EBDA), an NGO providing biodynamic research and training to farmers across Egypt.
- For many years SEKEM has been making about 60% of their overall turnover in Egypt.
- The Sekem community of businesses, schools and not for profit societies employ almost 2,000 people.
- Companies operated by Sekem include: Lotus (a processing company), Libra (an organic farming company), Naturetex (textile and garment production), Hator (fruit and vegetable production and packing), Isis (organic food products and groceries).
- As part of SEKEM's holistic approach is a strong

commitment to aesthetics and beauty. The farm houses and other buildings are painted in warm colours and pathways are lined with flowers and trees.

- Ibrahim Abouleish was awarded 'The Right Livelihood Award' in 2003. This award has been dubbed 'the alternative Nobel prize' and was awarded in recognition for "establishing a business model for the 21st century in which commercial success is integrated with and promotes the social and cultural development of society through economics of love."
- In June 2010 SEKEM's organic supermarket chain 'Organic & More' opened its first flagship store in Cairo. The 100 m² offers more than 500 organic products most of which originate in SEKEM's own farms alongside others from local certified suppliers as well as imported goods.

Success Factors:

- **Biological pest control** – practical action leading to policy change - Working in collaboration with Egypt's Ministry of Agriculture, SEKEM researched and then introduced the use of biological pheromones to control cotton insects, which led to a ban on crop dusting throughout Egypt.
- **Co2 Neutral** - Naturetex can offer its textiles as Co2 neutral. This means that the carbon emissions of the total process can be measured and that emissions can be off-set with certificates gained in SEKEM's own production of compost. The Co2 Neutral process is certified by Soil & More.
- **Soon to be opened university** - providing teaching and knowledge exchange to advance sustainable agriculture.

Farmer benefits

Holistic approach to social responsibility
SEKEM's has a social policy with a wider reach than fairtrade criteria. Activities supported through this policy includes a holistic education system through the SEKEM Kindergarten, School and Vocational Training Centre, community services such as development projects in neighbouring villages, support for individual development and a long term commitment with farmers. The SEKEM Development Foundation (SDF) works to improve the quality of people's lives by creating awareness and raising consciousness as well as improving living conditions.

Seasonal contracts SEKEM has ongoing long term relationships with farmers, which is an important factor in Egyptian society to create trust between the people. Formal written contracts are made at the beginning of the season. In the past, farmers have been offered longer written contracts but chose not to take them, instead trusting the

informal relationship which reflects the mentality and flexibility of relations in Egyptian communities

Pricing policy – organic premium SEKEM pays farmers a premium on top of the Egyptian market price for organic in recognition that it is a better product deserving of a better price and to invest in the farmers growing it.

"It was my wish for this initiative to embody itself as a community in which people from all walks of life, from all nations and cultures, from all vocations and age groups, could work together, learning from one another and helping each other, sounding as one in a symphony of harmony and peace."

THE RIGHT LIVELIHOOD AWARDS 2003, Acceptance Speech by Dr. Ibrahim Abouleish, December 8th, 2003

The Cooperative of SEKEM Employees

The Cooperative of SEKEM Employees works to ensure that workplace issues are looked after and ensures that the democratic rights and values of workers are respected. Each SEKEM holding company has an administrator who is responsible for staff wellbeing, the work environment, training, development and staff healthcare. An innovative approach to nurturing the employee community has been developed where

each morning, the employees of all the companies meet in a circle. Each person reports briefly on their activities of the previous day and their intentions for the coming day.

Continuous Quality Control from cultivation to the finished product

All SEKEM's organic cotton is GOTS certified and Fairtrade certification is also available to customers requesting it. Also in place is quality management system certification, ISO 9001:2000 & HACCP, health and safety management system certification, OHSAS 18001:1999 and environmental management system certification ISO 14000:2004.

"The premium also helps to convince farmers to convert to organic. If we talk about Egypt most people have a living but not always a good living – not many of them are going to get into organic to help save the world – they want to feed their children, send them to school – they are looking for the best deal for their families – so we need to convince them that growing organic is economically better. .. and not just better in 100 years for the whole country - but actually for them next week!"

Christina Boecker, SEKEM

Sustainability reporting

The SEKEM group produces an annual report of news and achievements relating to all dimensions of sustainable development. The report follows international Global Reporting Initiative guidelines and is structured in accordance with the 'Sustainability Flower' which is used to symbolise four dimensions: cultural life, social life, economic life and ecology.

Economics of Love

Ibrahim Abouleish has referred to SEKEM's approach as 'Economics of Love' which is a fitting description for an innovative approach that begins at a practical level using biodynamic farming methods to heal the soil and is followed by the application of high quality and social standards through the value chain.

Through its diverse community of businesses and organisations SEKEM has been able to demonstrate that organic farming practices can be undertaken on a commercial scale and that improving the local environment can be done at the same time as opening up lucrative export markets for local farmers and their families.

For more information please visit: www.sekem.com



fine Egyptian organic cotton



Work model that respects humankind



Biodynamic farming field technician



Textile Products



A Unique Focus on the Entire Value Chain - Improving the Lives of Over One Million People

Through the work of Textile Exchange, and funding from our key partner ICCO, we now positively affect the lives of over 220,000 organic cotton farmers worldwide. Conservative estimates show that each farmer in the Global South has responsibility for a household of five people. This means that Textile Exchange programs have directly and positively impacted the lives of over 1,110,000 people in developing countries.

Textile Exchange's methodology is unique and innovative in many respects, including:

- Textile Exchange takes a global approach to developing markets. This is particularly effective given the global nature of cotton production and consumption.
- We build demand and supply simultaneously. Engaging with farmers through to brand and retailers to help increase fiber production and enables suppliers to create short- and long-term production schedules. Our efforts culminate in consumer education, highlighting farmers and farming innovations, beautiful yarns and fabrics, and highly desirable products.
- Textile Exchange is unique in that we focus on the entire value chain, from seed procurement through to retail. We provide models and tools for collaborative planning, problem solving, product development, and point of purchase materials.



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