



SEKEM *Insight*

Nr. 52 October 2006

Dear Reader,

the European Union is the largest buyer of agricultural products not only from Egypt but the entire Mediterranean region. 46% of all exports go the European Union. The imports of the Union of fresh fruits and vegetables and their processed products alone equals almost 1.5 billion Euro. Vice versa, the Union is also a valued partner of the Mediterranean countries. 37% of the agricultural imports come from member states equaling 3 to 4 billion Euro.

Nevertheless, restrictions of exports for countries like Egypt are still strict. Whereas raw products can be exported relatively easily, processed products are much more regulated to varying degrees depending on the number of intermediate steps in production. In the framework of the Euro-Mediterranean Partnership, the European Union had already in the 90ies agreed to set up a free trade zone across the Mediterranean by 2010.

On 28 September, the 2nd conference on a Euro-Mediterranean Agricultural Policy took place in Strassburg. On the agenda was the issue of how it can be made easier for Mediterranean stakeholders including SEKEM to export to the European Union. But, while many less developed countries have started to raise their voices after the closure of the Doha Round, it seems as if not much is going to happen beyond lip service.

SEKEM Insight will more often report more often on developments like this relevant to SEKEM's work.

Your Editorial Team

News

University Library
Founded

Projects

SEKEM, EU Help
13 Villages

Businesses

Worldbank Audits
SEKEM's Production

SEKEM Rated „Excellent“

Audit Confirms SEKEM's Success in Environmental, Social Development



SEKEMs production facilities: leading in environmental protection...

In June 2006 the IEG, an external auditing firm with the International Finance Corporation (World Bank), has conducted a comprehensive assessment of the SEKEM initiative's activities in environmental protection and social development as they are related to industrial production in SEKEM's firms. The initiative has been supported by the World Bank for several years and receives funding at preferred rates for infrastructural and human development in Egypt. The IFC regularly puts external auditors in charge of verifying the compliance of its creditors with official standards like environmental or social protection. In this year's report, SEKEM's per-

formance in some of these fields has been rated "excellent".

The auditors underline that such a high rating is only issued in rare cases. "The report is of great importance to us", Christophe Floride, factory manager in SEKEM, confirms. "It is often difficult for enterprises from less developed countries to compete in the highly competitive markets of highly developed parts of the world. Now we can demonstrate that we withstand even the closest scrutiny, particularly with regards to the social and environmental effects of production." By issuing their new report the Independent Evaluation Group (IEG) has confirmed the positive

Continued on page 2



ratings of earlier audits. Already in the past years other audits concerning different industrial standards have shown SEKEM's compliance, for instance in Good Management Practice (GMP) or HACCP (Hazard Critical Contact Points).

The report specifically highlights SEKEM's good internal policies for protecting its employees, its goods produced and facilities throughout the entire chain of production, for example concerning the social protection of workers, protection of employees from harm in the workplace, or the disposal or recycling of waste. It emphasizes that SEKEM with its social institutions "goes an extra mile" specifically contributing to the excellent rating. It is justified also by SEKEM complying with the IFC's demands in an exemplary way and contributing significantly to local environmental development through its organic methods of cultivation. Having scrutinized also the treatment of waste water and the avoidance of air pollution the reports names SEKEM an exemplary Egyptian enterprise.

In its almost 30 years of corporate history SEKEM has always taken industrial standards very seriously.



...and social development, for example in child care and -education

Compliance with international regulation in production, the protection of workers, or the transfer of goods are considered important prerequisites for equal treatment in business by global partners. The initiative also aims at catching up with (mostly) Western standards to also aid other partners and competitors alike in Egypt. Compliance with standards offers more entrepreneurial room for cooperation also to other firms because the general esteem of business actors from Third-World coun-

tries is raised by improving the quality of their products and working procedures. By boosting a country's compliance with global requirements, development is furthered on a much broader basis than just for a single firm. Only recently, the German TÜV had renewed its earlier successful certification of SEKEM's production methods. Another successful step on the way, also in this regard.

Bijan Kafi

Against Poverty and Powerlessness - Comprehensively

EU-Funding Enables SEKEM to Fight Deprivation Through Education and Health Services

Success is team work. SEKEM has learned this lesson throughout its almost 30 years of development work. Only through the combination of capacities can synergies arise and disadvantages of Third-World-actors be alleviated. Without its friends, experts, donors and business partners, SEKEM would not have been able to build its institutions and conduct its development work.

There are not many challenges that can be tackled alone and only very few problems have only one cause. SEKEM's success is a comprehensive one also because it became clear early on that the complex pro-

blems of human development in rural Egypt need complex approaches to their resolution. Poverty, for instance, is often caused by lack of education, furthered by missing development opportunities for young adults and worsened by bad sanitary conditions. It cannot be tackled with financial aid alone but has to go hand in hand with sustainable human development.

To overcome poverty and illness it is necessary to improve health protection just as it is indispensable to invest in education and help people help themselves through individual support. SEKEM has recently received € 550.000,- for such a concept of com-

prehensive poverty alleviation from the European Union after submission of an application created with the help of its German support association. The "13-villages-project" offers a strategy for fighting poverty and its causes in the whole of governorate Sharkeya, the part of Egypt where SEKEM's parent farm is situated. It combines actions in the fields of health protection, awareness raising on sanitary conditions and their preservation, waste removal and recycling, and vocational training. Additionally, the strategy develops a system to aid individual entrepreneurship through micro credit schemes.



„The team from the medical center visits villages once a month to conduct a special basic medical examination programme particularly targeted at children.“

For instance, in Gelfina, one of the villages surrounding SEKEM, the “13-villages-project” organizes regular group councils under the auspices of the initiative to train rural elders and leaders in issues of general concern in communal development, for example how to sustainably improve public health. Included in the measure are councils on personal hygiene and sanitary installations, the reasonable treatment of domestic animals, or the disposal of waste. The local mosque, community room or other public facilities like schools are used for these activities. Particular attention is paid to awareness raising on matters of grave public concern, such as female genital mutilation (GFM), a custom still prevalent also in rural Egypt. The medical “outreach team” visits several villages in this manner to conduct trainings and also prepares information material.

Direct medical care is also provided on a regular basis. The team from the medical center visits villages once a month to conduct a special basic medical examination programme particularly targeted at children. At the same time, 25 social

workers are being trained to provide these examinations in the long-term future.

SEKEM has substantial experience in providing aid like this to children in the countryside of Egypt where there is still widespread child labour. Because of this, SEKEM also conducts a special awareness raising campaign that is supplemented by activities in education. Those families who still have to improve their income through the work of their children are in the focus of the programme. The “Chamomile Children Project” SEKEM has initiated in the past years has shown that such a concept can work effectively. Targeted are children between the ages of 12 and 14 who cannot go to school as they have to complement their families’ incomes by sometimes as much as one third. The programme offers them a financial compensation and at the same time reduces their workload to provide them with half-day schooling in reading, writing, basic algebra and Quran studies.

Klaus Merckens, long-standing partner of SEKEM and currently advisor of the German support association of SEKEM explains this component of the programme: *“All participating children will get intensive skills training and upgrading program. The skills training program will include handicrafts, woodworking, knitting, weaving, movement, arts, music, etc. Specialized trainers will work with small groups to make sure that every child gets appropriate training at every point in the program.”* Moreover, all children get the chance



Many children in the villages surrounding SEKEM suffer from pollution and poverty

to participate in a preventive health care programme delivered every 3 months by teams from the Medical Centre.

As reported earlier, SEKEM also had the chance to introduce two new vocational training courses in the course of the “13-villages-project”. These two courses are now delivered to the young Egyptians of SEKEM’s surrounding villages. In the first year, 20 young adults have been admitted to the new training programmes computer maintenance and repair, and plumbing. Additional students will be admitted in the following years.

Education in SEKEM is based on learning-by-doing and practical experience in the workplace. Students shall be empowered to develop curiosity and the abilities to find solutions for problems proactively. The project also has initiated additional studies to develop concepts on how this can be achieved through individual micro-credit financing schemes. The concept that is being developed by the former manager of Egypt’s Social



Mrs. Marienfeld, nurse at the Medical Center, treats a patient from one of the surrounding villages

“All participating children will receive intensive education. An additional skills training program includes handicrafts, woodworking, knitting, weaving, movement, arts, and music education.“



Development Fund, a leading local development organization, is meant to contribute to helping small and medium-sized enterprises develop and increase entrepreneurs' enthusiasm in investing in the local economy.

In almost 30 years, SEKEM has made the experience that complex problems require advanced approaches to their solution. It is predominantly important to give the work of young Egyptian adults back its sense through a strengthening of individual self-esteem. Young people must be empowered to realize that their work is of material and immaterial value to themselves and the social cohesion of the greater public. However, mental assistance and supporting personal development are not enough. Help also has to be delivered through concrete measures that include tangible benefits, for instance through training and financial investment. The European Union has often supported SEKEM in its work to develop a humane way of intervention and aid in Egypt that is based on a democratic and individual understanding of cooperation. The fact that the institutions of the Union keep honoring the activities of the initiative through financial support also shows that the reasonableness of the approaches SEKEM still applies and is valued by foreign partners and donors alike.

Bijan Kafi



SEKEM helps support small and medium enterprises

SEKEM Receives Book Donation

Goethe Institute and Estate of Jusuf Gohar Contribute to SEKEM University



Jasmin Kamal (re.) submits the donation of the Goethe-Institute to Hesham El-Askary and Cherine Ossama of SEKEM

The preparations for the foundation of SEKEM University are gathering pace. This is not only reflected in the construction work and the buildings that have appeared in Hykestep (Heliopolis), but also the awareness that is steadily increasing.

For some time now, SEKEM has had contacts to the Goethe Institute and thought about various

ways to cooperate. This became particularly relevant in the course of development of the university and the plans to offer German language classes in the institution. SEKEM is therefore grateful to Mrs. Pyroth and Mrs. Kamal from the Goethe Institute Cairo, who made it possible for us to receive a book donation of over 100 phytopharmacy and complementary medicine related titles. The books are

from their own stock, and the international book fair that was held in February 2006.

A generous gift was also made by the wife of the thinker and writer, the late Jusuf Gohar, who provided us

with over 400 books from his estate. These books, together with the SEKEM Academy Library will form the basis

on which the new SEKEM University library will be built on in the future.

The picture shows Jasmin Kamal (Assistant Director of the Goethe Institut Library, right) handing over the books to Hesham El Askary (Professor of Pharmacognosy, SEKEM University, left) and Cherine Ossama (Pharmacist and EU-Project Officer at SEKEM, middle).

Sigward von Laue





Impressions from SEKEM



Egyptian Sunset

The Egyptian sun is setting on one rare cloudy day in Lower Egypt over the plantations of the SEKEM farm.

In Egypt, the sun sets more quickly due to the curvature of the earth. While in European countries it can last significantly longer for the sun to set at the height of the summer, in Egypt due to the steeper angle of the sun in relation to the onlooker, the entire process of the usually blood red sun to set over the desert takes only a few minutes.

Europe and its Neighbors

A Eurobarometer Special Report on the European Neighbourhood Policy shows that Europeans believe that encouraging and supporting reforms in neighbouring countries will bring benefits for the EU's neighbours in terms of economic and social development as well as good governance. They also expect that promoting stability and a favourable economic environment, as well as the mutual opening of markets, will contribute to prosperity within the EU. They see overall benefits to cooperation with neighbours, particularly working together to tackle mutual challenges such as security (tackling terrorism and organised crime), environmental protection, energy and migration.

EU citizens tend to have a positive perception of relations with neighbouring countries (68%) and to believe that cooperation with these countries will bring mutual benefits. EU citizens consider cooperation with neighbouring countries important: in fighting organised crime (90%) and terrorism (90%), in economic development (88%), energy matters (87%), environment

(87%), democracy (87%), education and training (83%), research and innovation (78%) and immigration (77%). On the highly topical issue of migration, nearly two thirds of respondents (64%) believe that close cooperation with neighbouring countries will reduce illegal immigration into the EU.

The vast majority consider that EU assistance to neighbouring countries can help to extend peace (70%) and democracy (77%) beyond the borders of the Union. There are, however, concerns (45%) that their own country's peace and stability could be endangered by promoting reforms in neighbouring countries. A majority of those questioned felt that economic cooperation with the neighbours would increase mutual prosperity (61%) and open new markets for both parties (75% for the EU and 64% for neighbouring countries). This is in spite of the fact that many (81%) had concerns about the potential financial costs of supporting reforms in Europe's neighbourhood.

Most respondents (52%) feel that countries are willing to cooperate to reform, though a majority (64%) also feels that the EU should reduce its relations with a country if it shows no willingness to make progress on reforms.

For more information on the EU's Neighbourhood Policy see:

<http://ec.europa.eu/world/enp/>.



Imprint:

Publisher: SEKEM, Egypt

The editorial team of SEKEM Insight would like to thank all correspondents who have contributed to this edition.

Editors:
Christina Boecker
Bijan Kafi
Natascha Floride

Contact:
SEKEM-Insight
c/o Sekem Holding
P.O.Box 2834
El Horreya, Heliopolis,
Cairo, Egypt