

# Green Entrepreneurship

Successful business cases of Green Entrepreneurs in the Mediterranean



## SEKEM: Organic and biodynamic food, cosmetics and medicine in Egypt

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<b>Project Name:</b>	SEKEM Group
<b>City, country:</b>	Cairo, Egypt
<b>Name of entrepreneur/ founder:</b>	Dr. Ibrahim Abouleish

<b>Description:</b>	A consortium of companies producing and distributing sustainable food, textile and pharmaceutical products produced in recuperated desert land in Egypt with complementary activities including schools, medical centre, vocational training centres, University, laboratories and programmes for socially disadvantaged children organized by the SEKEM Development Foundation (SDF).
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<b>Investment:</b>	The initiative started with private investment, followed by loans from development banks to scale up the initiative. In recent years, sustainable investors, particularly the banks Triodos and GLS, bought shares and thereby provided SEKEM with a substantial financial foundation. SDF is further supported by individual donations and each year a fix share of the profits goes into the SDF to support its education and health activities. Revenue (2009): 193.463.325 EGP; Gross Profit (2009): 71.568.677 EGP
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<b>Stakeholders:</b>	Family, friends, colleagues, local community, customers
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<b>Employment generation:</b>	In 2009: 1549 employees full time at companies, 263 professionals employed by SDF (teachers, doctors etc.) and hundreds of seasonal workers.
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<b>Timeline:</b>	<p>1977 – SEKEM founded and biodynamic cultivation of the land started.</p> <p>1981 – SEKEM sent first shipment to the USA and in 1983 foodstuff introduced to local market</p> <p>1984 – Egyptian Society for Cultural Development (SCD) started activity.</p> <p>1985 – 1989 New brands/companies launched, new business partnerships with Germany/Holland, exports increase SCD establishes adult training, kindergarten and school</p> <p>1990 – SEKEM pioneers cultivation of organic cotton on 15 hectares.</p> <p>1996 – International Association of Partnership (IAP) established between SEKEM and partners.</p> <p>1997 – SEKEM ISO 9001 certified. SCD expands activities to art, literacy and vocational training.</p> <p>1999 – SCD partner organization Vriendenkring SEKEM established in Holland.</p> <p>2000 – SEKEM Academy for Applied Arts and Science and Cooperative of SEKEM Employees founded.</p> <p>2001 – SEKEM Holding established, new long-term business plans developed for companies.</p> <p>2002 – SEKEM Academy for Applied Arts and Science built pharmaceutical and soil fertility laboratories.</p> <p>2003 – SEKEM received the Right Livelihood Award. Founder recognised by Schwab Foundation. Society of SEKEM's Friends in Switzerland founded. SEKEM ACADEMY starts training courses.</p> <p>2004 - SEKEM and Acumen Fund finance a project to increase organic cultivation. SCD with various universities begin EU funded project to develop a phyto-pharmacy curriculum.</p> <p>2005 - Establishment of SEKEM Europe, SEKEM Museum opens for visitors.</p> <p>2007- Foundation of new companies for drying herbs (LOTUS) and environmental services (EcoTec). Heliopolis Academy opened Water Research Department, SEKEM Environmental Science Center founded to cooperate with schools.</p> <p>2008 - Establishment of SEKEM for land reclamation. Heliopolis Academy Innovation Center established and the Sustainable Entrepreneurship Center founded.</p>
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<b>Timeline:</b>	<p>2009 –Heliopolis Academy established Biotech-Lab, Heliopolis University for Sustainable Development receives official acknowledgement.</p> <p>2010 - SEKEM companies achieved 98% in Promoting Gender Equity and Productivity in cooperation with the UNIFEM, World Bank and the Ministry of Investment.</p>
<b>Feasibility study:</b>	There have been feasibility studies for specific ventures projects.
<b>Geo-social-economic setting:</b>	An annual population growth of 2%, increasing urbanization, arable land and water scarcity, climate change, a high inflation rate and rising food prices.
<b>Key features:</b>	Sustainable agriculture, biodynamic agriculture, innovation, training, natural pharmaceutical products, gender equality, children's rights, employment generation, research and development
<b>Overall rationale and motivation:</b>	Sustainable development towards a future where every human being can unfold his or her individual potential; where mankind is living in social forms reflecting human dignity; and where all economic activity is conducted in accordance with ecological and ethical principles. ( <i>SEKEM Vision</i> ) Inspired by ecological principles, SEKEM continuously strives to further develop the earth's environment while preserving its natural resources through a closed nutrient cycle, tackling climate change, environmental degradation, and water scarcity in Egypt. SEKEM's vision also aims at human development, securing livelihoods, food and water security, ensuring availability and access to healthy food in Egypt, and finally aims to develop and scale up sustainable approaches of agricultural production, to create jobs and to stop unsustainable agricultural common practices.
<b>Strengths:</b>	Holistic approach; applied research for own companies by SEKEM owned facilities; one of few organic food companies in Egypt; best practice approach; strong employee-employer community; well-connected with other social entrepreneurs, national ministries and international organizations with respect to agriculture and economic development.
<b>Challenges and constraints:</b>	Financing activity; governmental restrictions (construction permits, acquisition of land); water scarcity; strong lobby of multinational agricultural companies.
<b>Direct activities and impacts:</b>	<p><i>Social:</i> Rural employment: 1500 fulltime employees in companies, hundreds of seasonal workers, over 250 employees in the SEKEM Development Foundation. Health: catchment area of medical center for 40.000 people; Education: 650 children educated in kindergarten, schools, and the vocational training centre.</p> <p><i>Environmental:</i> Almost 17.000 acres of agricultural land area organically or biodynamically cultivated through SEKEM farms and farmers of the supply chain. At SEKEM there are more than 60 bird species, over 90 varieties of trees and shrubs and a broad range of small animals like hedgehogs, lizards, snakes, mongoose and foxes.</p> <p><i>Economic:</i> Revenue (2009): 193.463.325 EGP; Gross Profit (2009): 71.568.677 EGP</p> <p>Public advocacy of sustainable agriculture in numerous national and international organizations through board memberships (World Economic Forum, UN Global Compact, Schwab Foundation, UNFCCC annual COP, Egyptian Competitiveness Council...)</p>
<b>Use of innovative technologies:</b>	Research and development for local adaptation of renewable energies, phyto pharmacy, water technologies and social entrepreneurship.
<b>Evidence of a holistic approach/world view:</b>	Business model is based on a holistic approach and biodynamic principles.
<b>Policies, incentives and regulations needed</b>	Practices that foster energy efficiency, water efficiency and that stop/reverse environmental degradation should not have a disadvantage through governmental policies such as energy and water subsidies.
<b>Lessons and recommendations:</b>	After more than 30 years of experience, it has been proven on numerous accounts that a holistic and sustainable business approach is the only solution for the challenges of the future. Good relations with local community is vital; have a vision and mission and discuss and talk about the vision with as many people as possible as often as possible.
<b>References:</b>	<a href="http://www.sekem.com">www.sekem.com</a>