

Business and the Millennium Development Goals: The Business Challenge Africa

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Siwa's Sustainable Development Initiative in Egypt directs private investment into commercial ventures for sustainable development. It started by building a niche tourism sector, and in so doing revived dormant craft skills and techniques in the local community. Now, together with more recent activities, it reflects an integrated plan that aims to establish a sustainable private sector led development model, which is socially and environmentally responsible.

The centrepiece of the initiative is an ecolodge, Adrère Amellal, a low-impact structure causing minimal impact on the natural landscape. This was key in gaining recognition for the initiative as a

whole, enabling a connection to the international market. Built from rock salt and mud, it engaged master builders who use local materials and revived the traditional techniques applied in the oasis some 2,500 years ago. Development of this and Shali Lodge in the village itself has benefited around 600 families through permanent jobs and the creation of income-generating opportunities in the supply of raw materials, production of furniture and handicrafts, transportation and tour operation.

EQI, the original financier and catalyst in this, has partnered with the local community and local authorities over the last 10 years, learning from their knowledge of the environment and cultural heri-

tage as well as building political support. Dr Mounir Neamatalla, President of EQI, considers Siwa was the perfect place for them to show how sustainability could be the driving force of a local economy. EQI brought technical expertise whilst ensuring economic development has respected the rich natural assets of Siwa, an oasis in Egypt's remote Western Desert and revitalised its unique cultural heritage.

EQI last year embarked on a new stage of development expanding its activities with the Siwan community through a partnership with the IFC, a combined investment of over US\$ 1.9 million, as more investors and players move into the area in other sectors such as health and the environment.

As a result, work is nearly complete for example on the perimeter of the Fortress of Shali, where another village lodge is being built using dilapidated houses that have been restored and extended to open October 2006. This next phase provides employment for an additional 22 community members, bringing the total employed to around 200. More than 45 families are employed in construction, earning income whilst acquiring traditional construction skills and techniques. 85 per cent of the development's employees are Siwan, including the vast majority of the managerial positions, and despite external influences, the local language is thriving.

One key success though has been the resurrection of a now thriving cottage artisan industry engaging women in the community and revitalising Siwa's traditional embroidery techniques. EQI reached a stage when despite employing large numbers of Siwan locals, none were women, due to their mar-

ginalized position in this society. To redress this imbalance, they looked for a new direction and found a business opportunity in reviving traditional Siwan embroidery for designer clothing and related lines for export. The initiative has provided income-generating opportunities to women by enhancing their skills and marketing the products as high value quality items. Over 300 women have already been trained and are able to earn an income. The latest expansion with new designers coming on board will create up to 300 more jobs for the women in the next 2 years. The result? - Siwan women can now have a steady income comparable to the average earnings of men, and a more visible presence in their community.

Also, at an earlier stage of development but evolving, are the plans to brand Siwa as a unique organic environment for sustainable agriculture. Agriculture here is mostly chemical free, which offers an excellent opportunity to grow organic products for international markets. As Siwans are essentially farmers, this is expected to have far reaching effect, benefiting 300-450 farmers and 50 off-farm workers. Instead of depleting the scarce natural water resource, farmers are being encouraged to improve the quality of what the natural springs can irrigate and conserve the resource. EQI is to provide capacity building for the farmers. The agriculture plans will change an existing situation where lack of attention to harvesting, recent use of chemical fertilisers and poor packaging has led to produce being sold at low prices to unappreciative consumers. Instead EQI will serve as a linkage to international markets.

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Section 2: Case Studies

Of course there have been negative issues as a result of this success too, as the presence of EQI and its development attracted the eyes of the wider world. Major land reclamation companies began to move in and damaged precious deep aquifers before the government intervened. As the local economy prospered, so consumers began to use more energy and the government rushed to keep up with demand, expanding supply in ways that may not have been conducive to the evolution of power supply in an oasis. But the new stronger civil society is now beginning to rethink all these approaches to enable Siwa to continue to thrive.

But EQI as a partner reached a turning point in 2005 when they took the decision to be less engaged in advocacy and more in setting examples of

sustainable development. "It reached the point that it was ineffective for us as a private entity to be the principle advocates of community interests a role more efficiently rendered by civil society. Our role is to realise our business and social objectives and hope to inspire other businesses to do the same, in their own way."

Dr Neamatalla of EQI concludes: "The whole idea is for Siwa to be perceived in the minds of consumers as a place that can provide goods and services that share a common high quality, the label of this community will reflect quality products, the importance of heritage in a pristine place. Siwa is a web of enterprise developing links to consumers and markets moving its community from abject poverty to a cycle of prosperity."

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