



COLOMBIA, EGYPT, INDIA, MEXICO:

Tea, coffee, spices: Organic producer committed to sustainable supply chains

Aligning supply chains for the benefit of people and nature is one of the central tasks that companies must master in order to address the issue of sustainability holistically. Ulrich Walter GmbH, a company that produces organic tea, coffee and spices under the "Lebensbaum" brand, is committed to comprehensive sustainability management among its cultivation partners. As part of a joint project with DEG - Deutsche Investitions- und Entwicklungsgesellschaft mbh, it was possible to strengthen productivity and improve the living conditions of employees at four of the company's main suppliers. The project was implemented within the framework of the develoPPP programme funded by the German Federal Ministry for Economic Cooperation and Development (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung, BMZ).

THE CHALLENGE

The demands for sustainability on the part of buyers are increasing, but in many parts of the world there is an increased risk of violations of environmental and social standards - including in organic agriculture. Inadequate local working conditions often lead to high turnover and poor employee loyalty to suppliers. In addition, resource-efficient production of raw materials and effective land management are posing increasing challenges.

Careful sustainability management along the supply chain is therefore not only ecologically sensible but is also in the interest of organic producers such as Lebensbaum as it offers companies long term pay off. Through soil improvement measures, they benefit from greater reliability and ultimately higher product quality. Higher social standards lead to greater satisfaction among employees and stabilise the cooperation between cultivation partners and buyers in the long term.

PROJECT APPROACH

The develoPPP project, with a total budget of around 330,000 euros, aimed to (further) develop transparent and effective sustainability management along the value chain. Between 2016 and 2019, differentiated measures were implemented together with local producers for tea (Ambootia, India), coffee (Finca Irlanda, Mexico; Hacienda Cincinati, Colombia) and spices (Sekem, Egypt), depending on the initial situation, including:

- On-site visits to suppliers and exchange of experiences.
- Improvement of agricultural practices, including composting, soil management, disease and pest control.
- IT-based risk scoring system for crop control.
- Social programmes for staff retention and health promotion.
- Establishment of a training centre for soil building.

Ulrich Walter GmbH and project partner Soil & More Impacts contributed their expertise on sustainable supply chains in agriculture as consultants. DEG financed the measure using develoPPP funds.

"Establishing environmental and social standards throughout the supply chain not only strengthens relationships with suppliers, but also ensures the quality of our products."

Henning Osmers-Rentzsch, Sustainability Officer
at Ulrich Walter GmbH



RESULTS

Depending on the needs of the partner farms, sustainability management measures were newly developed or further improved. For example, optimised farming practices led to soil improvement and ensured quality standards (India, Colombia, Mexico). An IT-based risk scoring system for cultivation control was evaluated and tested at the experienced spice producer Sekem (Egypt). Social measures such as cultural and sports activities (Colombia) or health protection (India) led to lower staff turnover and absenteeism. Overall, the measures strengthened local productivity and long-term trade relations with the partner farms.



Improvement of
agricultural practices



Intensification of partners-
hips with suppliers



Improved health
protection

PROJECT PARTNERS

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QUESTIONS ABOUT DEVELOPPP?

develoPPP is aimed at companies that want to invest sustainably in a developing and emerging country and become operational. Suitable projects can receive technical and financial support of up to 2 million euros. The basic requirement is a long-term business interest in the country that goes hand in hand with a sustainable developmental benefit for the local people. Are you planning to train local professionals or sustainably expand an existing supply chain? Do you have an

innovative business idea that can be expected to have a positive development effect? Then learn more now and become part of the develoPPP success story! Further details on the programme, current project examples and the right contact for your questions can be found at: www.develoPPP.de.

Information on further BMZ funding opportunities for companies can be found at: www.wirtschaft-entwicklung.de.

LEGAL NOTICE

Publisher: Agentur für Wirtschaft & Entwicklung (Agency for Business and Economic Development), Berlin, a project of DEG - Deutsche Investitions- und Entwicklungsgesellschaft mbH, Cologne, and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, Bonn and Eschborn **Design concept and layout:** incorporate berlin, Berlin **Use and copyright:** Agentur für Wirtschaft & Entwicklung, Berlin **Photos:** © Lebensbaum **Last revised:** June 2021

On behalf of



Federal Ministry
for Economic Cooperation
and Development

In cooperation with



Funding programme

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Implemented by

KFW DEG