



Growing Inclusive Markets

Business Works for Development • Development Works for Business

CASE STUDY

Arab States • Egypt

Siwa Sustainable Development Initiative

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Sector • Ecotourism

Enterprise Class • Local SME



Summary

“A place born of nature, springing from the earth, where all can experience well-being, happiness and joy. This was my dream... and became the expression of my deepest desire to put into practice the principles to which we at EQI have always been committed...”

Mounir S. Neamatalla, EQI President

Environmental Quality International (EQI), a Cairo-based consulting company, was founded in 1981 as a private firm providing services in environmental and natural resources, governance and enterprise development.

EQI started investing in the area of Siwa Oasis in 1998 through implementing the Siwa Sustainable Development Initiative. EQI has a portfolio of enterprises and projects including three lodges, a women’s artisanship development initiative, organic farming and production programmes, and community art projects. EQI is also implementing a renewable energy initiative that uses bio-gas digesters to produce bio-fuel for lighting and cooking, as well as producing high-quality organic fertilizer to be used for organic farming.

These initiatives have created many related employment and income-generating opportunities. Currently, 75 Siwans are employed in EQI’s Siwa enterprises and an average of an additional 300 to 320 Siwans are provided with income-generating opportunities each month. These opportunities are primarily in the fields of the supply of raw materials, production of furniture and handicrafts, organic agriculture and traditional Siwan building trades.

The Initiative has received many awards, including an award from the United Nations Centre for Human Settlements (UNCHS), at the Johannesburg World Summit for Sustainable Development in 2002, for applying best practices to benefit the local community, revitalize cultural heritage and create employment and income-generating opportunities (see Appendix A).

This case investigates EQI’s Sustainable Development Initiative and highlights different challenges and opportunities of providing a spectrum of operations to alleviate poverty, improve living conditions, and promote sustainable social and economic development towards achieving the United Nations Millennium Development Goals.

Introduction

Siwa Oasis is in the western desert of Egypt that is blessed with a dense landscape of olive and palm trees, numerous natural springs and salt lakes. Historically, Siwa was an important transit route for trade caravans that wove their way through the desert from the Nile Valley in the east to the Mediterranean port of Cyrene (now in Libya) in the West. Siwa was also home



to the Oracle of Amun, which led to its being a religious center for many rulers who flocked to Siwa to consult the Oracle. One renowned visitor was Alexander the Great. In 331 B.C., he visited Siwa, tempted by the fame of the Oracle. One of the mountains near Siwa, known as “Gebel Sekundre,” or “Alexander’s Mountain,” was named after Alexander the Great. Belief has it that, from this mountain, Alexander observed the ravens that guided him to the temple.

Owing to its geographical isolation, approximately 560 kilometres from Cairo and 70 kilometres from the Libyan border (see maps in Appendix B), Siwans adopted a unique tribal system that allowed leaders to rule Siwa as an independent territory. It was only in 1977 that Egyptian President Anwar El Sadat built several roads that allowed access from Siwa to other parts of Egypt, in an effort to open up the Oasis to the rest of the World.

Figure 1: Siwa Oasis and Example of Traditional Siwan Architecture



Photos by Richard Duebel

Beginnings and Components of Sustainable Development Initiative

In 1996, Mounir Neamatalla, president of Environmental Quality International (EQI), an environmental consulting company based in Egypt, was visiting Siwa for the first time and was so inspired and fascinated by its beauty that he decided to put Siwa on the map by developing several sustainable development projects there. Neamatalla says he “*thought of finding and investing in a place that could conserve and respect natural heritage, a place that is linked to progress, and that could reduce poverty by providing a better quality of life.*” He had a vision to make Siwa Oasis a natural heritage site.

After several consultations with the Canadian International Development Agency (CIDA), it was concluded that with a population of only 20,000, Siwa would be a suitable place to start a sustainable development project. According to Nayla Refaat, Senior Civil Society/Governance Expert in CIDA's Program Support Unit, and former consultant of Canada Fund for Local Initiative, “*CIDA's earlier projects in Siwa, such as Canada Fund for Local*



Initiatives and Women's Handicraft, enhanced its understanding of both the environmental and business context of the Oasis, and we willingly shared this experience as well as our network of contacts with Neamatalla."

Consequently, in 1998, EQI began the Siwa Sustainable Development Initiative to preserve Siwa's wealth of natural assets and its cultural heritage. As Neamatalla explains, "*A place born of nature, springing from the earth, where all can experience well-being, happiness and joy. This was my dream.*" The principal objective of the Initiative was to bring social and economic advantages through empowering the local community, as well as promoting entrepreneurship while conserving the environmental and cultural stability of the Siwa Oasis and its people.

As part of its US\$20 million, six-year (2004 to 2010) Business Development Services Support Project (BDSSP), CIDA is providing support for small and medium-sized enterprise developments in Egypt, including realizing an integrated management arrangement in Siwa. The project's objective, in the long-term, is to encourage improved employment opportunities with a particular weight offered to women and youth. The BDSSP programme works through partners such as the Siwa Community Development and the Environment Protection Association.

In 2005, EQI partnered with the International Finance Corporation (IFC) to provide financial assistance through an US\$880,000 loan, and US\$468,000 technical support endowment to fund EQI's expansions under the Siwa Initiative in four core areas, namely eco-tourism (Shali Lodge and its extension Al Baben Shali), Siwan artisanship, sustainable agriculture and renewable energy. The agreement between IFC and EQI entailed that the latter matches funds provided by the former with an investment of a further amount of US\$573,000 for the four core project areas. IFC's loan interest is at market rates, with a promise to give a rebate if EQI's targets are achieved. Rachel Kyte, IFC's Director of Environment and Social Development, affirms, "*The Siwa Initiative is important, as it enables the local people to create economic opportunities for themselves while restoring the physical environment, promoting gender equity, marketing local products to the international market, and helping position Siwa on the global stage.*"¹

Siwa's Sustainable Development Initiative Projects

Siwa's Sustainable Development Initiative includes several projects: Adrere Amellal, Shali Lodge, Siwa Women's Artisanship Initiative, Sustainable Agriculture, Cattle Initiative, Renewable Energy and other community development projects. These activities have created income-generating opportunities for Siwan families who work on various aspects of the different projects such as farming, artisan crafts, furniture production and building work. In

¹ Pasco, Ann. IFC Supports Sustainable Development of the Siwa Oasis in Egypt.



2002, the Initiative was recognized by an award from the United Nations Centre for Human Settlements (UNCHS) for applying best practices to benefit the local community, revitalize cultural heritage, create employment and create income-generating opportunities. Each component of the Sustainable Development Initiative is described below in further detail.

ADRÈRE AMELLAL

Adrère Amellal, the renowned eco-lodge, lies 17 kilometres from Siwa City, at the foot of the White Mountain that overlooks the large Salt Lake of Siwa (see Figure 2), adjacent to a dense cluster of palm trees. The name of eco-lodge means, in Siwan language (one of the Berber dialects), the “White Mountain.” Adrère Amellal is constructed with natural materials using traditional Siwan building methods and techniques that have a negligible effect on the environment. Long-established Siwan dwellings are renovated to put forward a real “desert-fashion” comfort. The walls of the eco-lodge were built using kershef², which helps in maintaining a moderate internal temperature throughout the day and which merges well with the socio-cultural and environmental context of Siwa. In building the eco-lodge out of kershef and demonstrating its subsequent popularity with sophisticated and worldly guests, the Siwans came to appreciate their traditional ways of building that they had previously thought were outdated and unnecessarily expensive. As a result, Siwans now proudly use more kershef than concrete in their buildings. As Neamatalla points out, “*it is also a way towards producing more natural industrial materials that can be used in building and thus help alleviate global warming.*”³

Figure 2: Adrere Amellal at the Foot of the White Mountain



Photo by Richard Duebel

Adrere Amellal provides its tourists with a return-to-nature experience in an ecological and cultural context that maintains the Oasis lifestyle. Ceilings are made of palm beams, while entrances, windows and fixtures are made of olive wood. The furniture is handmade, with traditional Siwan designs, from natural materials. There is no electricity in the eco-lodge; beeswax candles are used at night for lighting. The hotel staff runs the lodge with a

² Kershef means a mixture of rock salt and mud in the Siwan language

³ The manufacturing of cement produces greenhouse gasses



traditionally peaceful Siwan atmosphere. As Neamatalla points out, the staff is not “*told what to do,*” but, instead, they “*have their own way of doing things that we cannot change; they have their own rhythm that we don’t want to change.*”

The eco-lodge is the centerpiece of the investments of the Sustainable Development Initiative and took three and a half years to build. Initially, with only eight rooms, Neamatalla played host mostly to his friends. But as word of mouth, travel publications and eco-travel awards spread, the lodge was expanded to 39 rooms. The lodge now hosts guests from all over the world, including royalty such as Prince Charles and Lady Camilla, as well as the Queen of Belgium. As the BBC in London commented during the visit of Prince Charles: “*The luxurious hotel in Siwa is made of traditional houses built of mud and salt serving organic food, fit for a prince who champions natural farming methods.*”

The eco-lodge has been classified as second on Condé Nast Traveler's Green List of Best Resorts for 2005 and was awarded the 2006 Global Vision Award, 2005 Talents du Lux, 2004 Egyptian Ministry of Tourism, and 1999 British Airways awards in recognition of its activities in defending the cultural, ecological and historical treasures of the traveler’s world (see Appendix A for a list of awards). Adrère Amellal employs about 45 community members in servicing its guests. EQI regularly guides the staff with regards to environmental conservation and educates them about relevant concepts and actions. Employees are provided with social insurance, annual and sick leaves, and on-the-job training is offered to teach staff how to provide better guest services. Any medical issues that arise are taken care of by EQI in proper health care facilities in Cairo or Matrouh. Adrère Amellal also provides approximately 85 Siwans with income-generating opportunities each month in fields such as construction, maintenance, transportation, and other tourism-related roles. In addition, renewed interest in building in the Siwan tradition provides job opportunities for craftsmen.

SHALI LODGE

This lodge is situated in the middle of numerous palm trees a few meters from the Village in Siwa (see Figure 3). Like the eco-lodge, it maintains the Siwan tradition of construction of building with kershef, but unlike the eco-lodge it does have electricity in its eight rooms. It is popular with guests who have a moderate budget as well as those who prefer lodging in the center of town.

Shali Lodge employs approximately 20 people from the Siwan community and creates the same spin-off benefits as the eco-lodge. The future extension of Shali Lodge will offer employment opportunities for another 15 Siwan people. It is estimated that more than 50 Siwans will be working in the building, earning wages while gaining the abilities and techniques of long-established building systems.



Figure 3: Shali Lodge



Photos by Richard Duebel

SIWA WOMEN'S ARTISANSHIP DEVELOPMENT INITIATIVE

In 2001, in an effort to include the women of Siwa and to revive Siwa's traditional embroidery techniques, EQI established an artisan industry with the help of Neamatalla's sister, Laila Neamatalla. As the Siwan culture divides women from men, Laila was most suitable to manage this project. Being a creative jeweler designer for over 20 years, Laila soon realized that Siwan women possessed unique skills when it came to embroidery. Laila subsequently trained Siwan women and encouraged them to work on these skills and create embroidered products. The project has provided both workshop and home-based business prospects for more than 350 Siwan women entrepreneurs who apply their needlework skills to a line of attires, accessories, and household items. Initially, ten older women were employed to train ten younger women for a period of six months with a daily salary of 10 Egyptian pounds (US\$1.75) per day plus travel expenses. Within one year, the number of women contributing to the project increased to 300. Girls work at the workshop until they get married, then they work from their homes and send their finished products to the workshop with family members. Laila buys the basic fabrics, such as silk and linen, and gives it to the women to embroider. The embroidery process allows the average woman to earn 400 or more Egyptian pounds (US\$70) per month, a salary that often exceeds that of many Siwan men.

Like all of EQI's activities under the Siwa Initiative, the Women's Artisanship Initiative is 100 percent owned and managed by EQI. Also, other organizations have come together to collaborate with the local community in efforts to boost development. An endowment from the British Embassy, for example, was committed towards technically supporting the project through improving the embroidery abilities of 50 Siwan women in order to guarantee high-quality finished products. Moreover, IFC provided technical assistance to train girls in embroidery skills through its technical assistance facility in the Middle East and North Africa, Private Enterprise Partnership for the Middle East and North Africa "PEP-MENA⁴." IFC

⁴ IFC's PEP-MENA is a multi-donor consortium for technical support provided to promote private sector growth in the MENA region. It was founded in October 2004, elicited by commendations of the G8 conference at Sea Island in June 2004. PEP-MENA's actions are mutually financed by the IFC, which donated US\$20 million of its own funds, as well as by the following contributors: Canada, France,



provided training locations, working materials, trainers' salaries, as well as daily stipends for girls participating in training sessions.

There are two main production lines that are included in the traditional embroidery of Siwan women. The first is the production of blouses, knitwear, abayas and galabeyas, shawls and sarongs, towels, bed linens and tablecloths. The second main production line is jewelry that is made of a variety of components including buttons, silver and embroidered leather (see Figure 4). These products are promoted and displayed in the Adrère Amellal boutique in Siwa, as well as in high-end boutiques and department stores in several European countries, such as Italy, France, and England.

Figure 4: Siwa Women's Artisanship



Photos Richard Duebel

In 2001, Toni Scervino, a renowned Italian designer and co-founder of the Florentine haute couture enterprise in Italy, made an agreement with EQI to integrate the artistic stitch-work of the Siwan artisans into the Ermanno Scervino collection after seeing the beautiful embroidered galabayas they had made. Different parts of the garments are delivered to Cairo and from there to Siwa, where they are embroidered by Siwan women and then returned to be sewn together in Italy. The Siwan garments were modeled in Milan Fashion week and received much acclaim. By 2003, Siwa's products were selling in Milan and shown in several popular fashion magazines in Italy. In Egypt, the garments are displayed in a showroom in Zamalek, an affluent residential district in Cairo.

RENEWABLE ENERGY

In partnership with the International Finance Corporation (IFC), EQI initiated a bio-energy pilot project to promote awareness of reducing energy consumption and to promote the adoption of organic agriculture through the use of organic fertilizer produced by the biodigester.

Islamic Development Bank, Japan, Kuwait, the Netherlands, United Kingdom and the United States (IFC World Bank Group).



The goal of EQI's Renewable Energy Initiative was to provide bio-gas technology in selected villages throughout the Oasis. Organic raw elements such as animal waste are treated to produce bio-gas, as well as organic fertilizers. The Initiative's aim is the replacement of butane fuel that is imported from Marsa Matrouh, a town that is a three-hour drive away from Siwa. To achieve this, 25 biodigesters will be installed. High-quality organic fertilizer is produced as a byproduct of this process, which further contributes to increasing household incomes.

ORGANIC AGRICULTURE AND AGRO-CULINARY PRODUCTION

After the eco-lodge was built, it became of paramount importance to involve the entire community, including farmers, in the sustainable development project. In partnership with the IFC, EQI then initiated the organic agricultural Initiative (see Figure 5). The idea was to improve the Siwan farming techniques, develop post-harvesting processes and deliver a "product of excellence" under the Siwa brand name, to be sold in Egypt and abroad. Ultimately, the Initiative aimed at promoting organic farming and discouraging the use of chemicals and pesticides. The project presently provides seasonal jobs to about 30 Siwan women and men in its harvest center and benefits around 70 Siwan farmers. Several components are offered to Siwan farmers, including crop pre-financing schemes, cattle financing schemes and renewable energy initiatives that produce organic fertilizer.

Figure 5: Organic Agriculture Production



Photos by Richard Duebel

EQI, in cooperation with IFC, supports Siwan farmers through capacity building programmes on methods to grow products organically and certifying their products as organic. This allows farmers the opportunity to receive a higher-value price for their products instead of lower unfair prices that they are typically forced to accept from traders who take advantage of the farmers' need for cash. Siwan organic agricultural products are now branded and sold to the local Egyptian market, as well as to the international export markets. EQI's packaging warehouse activity benefits Siwan farmers and provides job opportunities for women in the Oasis who are trained to carry out post-harvesting activities in accordance with organic



certification requirements. At the same time, to increase Siwa's cattle wealth, EQI's Cattle-Financing Initiative will introduce 200 cows into Siwa in seven years, providing farmers with organic fertilizers and milk.

ART PROJECTS: MAN, EAGLE AND EYE IN THE SKY

In November 2003, EQI, and a London art dealer, Michael Hue Williams, who has visited Siwa and the eco-lodge numerous times, organized a five-day art event in Siwa which allowed school children to take part in artistic self-expression and helped them to learn from the outside world as part of the integrated aspect of the Initiative. The art projects were financed by an international group of art advocates, in addition to the Prince Klaus Foundation. The event also allowed world travelers to observe and contribute to the unique cultural heritage of the Siwan community. *"We aim to have art events every two years,"* states Neamatalla.

The first art event in Siwa was in 2003 and included Cai Guo Qiang, an internationally celebrated artist, famous for his creative blend of culture and art, in addition to his remarkable use of gunpowder in art (see Figure 6). Over 350 school children participated in the first art project, painting and decorating 600 silk kites in the shapes of eyes, eagles, and men. Observed by several art advocates, artists and international journalists, forty of the children then flew the painted silk kites over places of historical and cultural value in Siwa. In 2005, the second art event was organized with the famous Russian artist Ilya Kabakov and his wife designing the project. The project brought students from Manchester, journalists and art reviewers from all over the world and integrated them with the Siwan children in a unified art project. The outcome of this project was a boat built by the students from Manchester, with paintings by the Siwan children, the latter of which are still being shown around the world by Kabakov.

Figure 6: Cai Guo Qiang's Kite-Flying Activity over Town



Photos by Richard Duebel



Challenges

Over the years, the implementation of EQI's investments and initiatives in Siwa faced several financial, socio-cultural, technological and legal hurdles:

Financial challenges were encountered, because various costs were unpredictably high due to the isolation and inaccessibility of the Oasis. Some of the financial constraints were addressed when the IFC offered EQI a credit line of US\$880,000 plus US\$468,000 worth of technical support in 2005. EQI themselves are required to match this with an additional fund of a minimum of US\$573,000.

Several socio-cultural challenges were also faced during the project's development. *"It was difficult for Neamatalla to preserve Siwa's cultural heritage [and] to attract tourists from different parts of the world,"* declared Mr. Mahdi Meshri, Head of Local Community Council. Nour Abou Adel, Marketing Coordinator of the Siwa Initiative, stated, *"the greatest challenges were to deal with different groups, including the local community who have common values but different cultures, and traditions, the local authorities, the government, and the NGOs, all of whom we needed to coordinate with. There was also a lack of trust that was a barrier, and that needed to be overcome."*

Opposing views of some people from the local community were also a challenge: *"Greed for water started as people planted up to 12,000 feddans. They started digging wells, thereby threatening water resources. Unfortunately, the abuse of water contributes to the disappearance of the "Eco" principle that we aim to adopt,"* said Neamatalla.

Another problem faced by Neamatalla was Siwa's distance from Egypt's central government. However, Neamatalla managed to gain the support of various local community associations such as the Society Development Association, Siwa Development Association and the Association of Cultural Preservation. All groups helped in liaising between the Egyptian government and the Siwan leaders.

Reviving the kershef building trade was also problematic as not many Siwans were skilled for the task and Neamatalla had to establish a contracting company to carry out the building work. However, after a time, further demand was created and local capacity in kershef building techniques increased. The head of local workers, Ahmed Mohamed Khalifa, known as Haboub, believes the Initiative has not only created more job opportunities for many Siwans, but it has also increased the number of workers who obtained training in building through kershef.

Successes and Innovations

Understanding how and why the Siwa Sustainable Development initiatives have been such a success involves a number of factors including the engagement of the local communities in



enterprises, the protection of natural assets and culture, and connecting with a larger global audience in the process.

In promoting and implementing economic development in Siwa and revitalizing its unique cultural heritage, Neamatalla's approach combined the traditional talents and creativity of the Siwan people with the modern expertise to develop the Oasis into an exemplary model of sustainable development. Neamatalla's vision for Siwa's development drove him to persist on preserving the Oasis' cultural heritage and natural resources: *"My aim was recreating a whole earth city as a means of improving the quality of life, and creating a market for it in Siwa. In other words, Siwa should be both a product and a destination."* Siwa is an example of a community that has maintained its traditional character while simultaneously opening to the world.

According to Abou Adel, *"The Initiative is centered on the local community and the poor, and has respected Siwa's culture, norms, and nature. Moreover, it used modern technology to enhance the past. The idea of not using electricity, for example, was done intentionally to make travelers experience nighttime and daytime to allow them to go back to the natural rhythm of life, and feel harmony with nature. It is how you valorize the importance of connecting with the past, coming close to nature, and living in accordance with most important quality of life (simple, clean, good food, and fusion of state of being) that makes our Siwa enterprise rather unique."*

EQI is acknowledged within the Siwan community as being willing to help and support inhabitants who are in need. Siwans feel comfortable about coming to EQI for economic assistance in cases of health troubles or loan obligations. EQI works with the people in a participatory approach to build up the region as a unique destination for tourists and, in particular, to draw environmentally responsive tourists that pass added value to the society and nation.

Neamatalla realized that the role of communities should be collaborative to create a "web of relationships." Neamatalla believed that everyone in Siwa's community, and every tribe, is a partner in the Initiative in a certain way: *"This provides a high level of commitment. It is the art of collaboration, and getting others involved that makes you overcome challenges."* For example, Abdallah Baghi, from the local community, has been one of six people worldwide to be granted the 1999 United Nations Race Against Poverty Award for his efforts to better his community and help Siwans to overcome various challenges. According to Neamatalla, *"Baghi can talk to the community informally and let them see the bigger picture."* Baghi, Head of Siwa's Education Department since 1999, is responsible for managing the Oasis' school curriculum under the auspices of the Egyptian government. He is also the local leader to whom Siwans respect and from whom they obtain advice about a variety of issues such as organic production, land sales, tourism and cultural heritage. He is well aware, for example, that one of Siwa's attractive traits is growing organic, pesticide-free agricultural produce, preserving its unique architectural designs and traditional salt-mud type of construction. In 1989, Baghi helped organize the Siwa Heritage Committee to preserve Siwa's past by



conservation of traditional dress, silver jewelry and basketry, as well as other artistic stitch-work and antiques. The community museum, Siwa House, was thus established to display the Oasis' unique heritage and has become part of the network of small museums of Egypt.

Development Impact

BENEFITS FOR THE POOR

Neamatalla, the Oasis' leading environmentalist, believed that not only will the Initiative nourish tourism, but it will also enhance the Siwan peoples' living standards. "*Siwa was at the bottom of the poverty scale; there were lots of poor places and people with no work,*" stated Neamatalla. According to Abou Adel, Marketing Coordinator of the Siwa Initiative, "*Siwa was one of the poorest communities in Egypt where over 90 percent of its people were involved in agriculture, and the rest in tourism.*" As the growing season for the main agricultural products of dates and olives lasted only three months of the year, the people of Siwa were jobless for the remainder of the year. The introduction of the eco-lodge allowed the Siwans to capitalize on tourism, which exists throughout the year. The Initiative also aims at improving quality of life through an energy conservation and generation strategy. Such activities catalyzed people and attracted other initiatives. At the same time, Siwan women were given opportunities to gain employment, a prospect that was previously unheard of in the male-dominated society.

In support of the poor, EQI helped bring the first bank to Siwa and also built two buildings that include craft stores, a restaurant, as well as a cinema and library. The proceeds of the complex are invested into ecological management projects in Siwa. Throughout the month of Ramadan it established a space where it served meals for the local community.

EQI has also worked to establish an endowment, targeting the poor with the objective of fighting poverty in the Siwa Oasis by supporting the development of small and micro-enterprises and the conception of more employment opportunities, accordingly. Financed by the Canadian International Development Agency (CIDA), The Siwa Poverty Reduction & Enterprise Development Fund depends on pioneering financing methods founded on customary relaxed investment strategies, such as cost distribution. The Fund further provides Siwans with training and provides them with the chance to possess and run businesses that add to their knowledge and capabilities in efforts to improve their living conditions.

SOCIAL AND ENVIRONMENTAL SERVICES

Aiding in the Initiative's success was Neamatalla's belief that the Initiative should evolve in accordance with Siwan principles and that Siwa should be branded as a "Quality Hub." In growing the business and significantly increasing positive impacts on the poor, Neamatalla's goals were to provide other services to the poor. Examples of such services include providing credit programmes and supporting some developments in various aspects of Siwan's lives such as health and agriculture. Health awareness services that are provided to Siwans include



programmes focusing on personal hygiene and cleanliness. In collaboration with the “Friends of Siwa Association,” Neamatalla invited HOPE health programme, a comprehensive wellness programme that is registered with the USAID, and introduced it to the local community in order to provide medical support for Siwans.

EMPLOYMENT

EQI employs 45 people from the local community to run the eco-lodge, which accounts for about 80 percent of the total staff. The uppermost position held by a local community member is Hotel Manager. Employees are provided social insurance, annual and sick leaves, and on-the-job training is offered to teach staff how to provide better guests services. EQI also employs an additional 30 Siwans in Shali Lodge and Olive Harvest Center.

INCOME-GENERATING ACTIVITIES

Adrère Amellal also helps about 85 Siwan families, by providing direct income-generating opportunities each month in fields such as construction, maintenance, transportation, and other tourism functions. Shali Lodge provides additional opportunities in artisanship and agriculture to roughly 220 families. The extension of Shali Lodge will give permanent job opportunities for another 15 Siwan people. In addition, renewed interest in building in the Siwan tradition provides job opportunities for a new group of craftsmen.

ARCHITECTURAL HERITAGE PRESERVATION

The selected place was at one point populated and later on deserted. EQI’s aim was to re-establish and restructure these abandoned houses employing the same kind of traditional construction techniques and resources with which they were initially built. These methods were applied in building Adrère Amellal, Shali Lodge, the Olive Center, the Barn, as well as the women’s artisanship workshops, in order to reduce any harmful effect on the environment and to preserve the historical feel of Siwa Oasis. Certain arrangement of doors and windows were used, thereby abolishing the need for air conditioning, and natural airing methods are used. The number of accommodations established was made suitable to the quantity of water obtainable from the natural spring placed on location, which could provide for the needs of the resorts. Adrère Amellal was built at the foot of the mountain in order to build on non-arable ground and to appropriately coat the arrangements in a manner that permits them to merge with the mountain rather than take away from the gorgeousness of the site.

ENVIRONMENTAL SUSTAINABILITY

EQI has worked closely with the Friends of Siwa Association and the local authorities to raise awareness of the importance of protecting the non-renewable groundwater resources of the Oasis. As a result, land reclamation was limited from 250,000 feddans to only 25,000. Siwa offers a good case study for soil salinity, where salts form an especially dry coat on the earth’s surface. The Initiative thereby contributed to prevention of water depletion and further deterioration of soil resources and towards preservation and proper management of Siwa’s



existing natural resources, namely water and soil⁵. In addition, the all crops growing on the land are organic and pesticide-free. EQI regularly advises the staff at both hotels about environmental conservation, explaining to staff members what actions benefit the earth compared to what may be damaging to the environment.

REPLICABILITY AND SCALING UP

In further promoting economic development in Siwa, revitalizing its unique cultural heritage, inviting more tourists from different parts of the world and creating employment and income-generating opportunities for its people, EQI decided to expand its Shali Lodge by establishing its new extension "Al Baben Shali." The first phase calls for the restoration of ten to twelve houses as extensions to Shali Lodge. Under the eco-tourism component, EQI is introducing the concept of restoration and commercial utilization of dilapidated and abandoned properties surrounding the historic center of the town near Shali Lodge.

Moreover, EQI is on its way to inaugurate several other projects similar to the Siwa Sustainable Development Initiative in Egypt and the region, which are planned to achieve the Initiative's objectives with regards to eco-tourism, preserving the environment, as well as conserving the heritage of both locations. As Neamatalla points out, *"the Initiative can be adapted to other arid zones and be a source of inspiration for others; to give confidence for others to have the interest to replicate such a business model."*

Conclusion

The Siwan Initiative has used traditional skills and the creativity of the local community in combination with modern know-how to develop the Siwa Oasis into a new comprehensive business model of sustainable development that could inspire other communities around the world.

Key points for success of this Initiative include local community engagement in enterprises, the use and respect for natural assets and culture and connectivity with a world-wide audience that can appreciate and engage in the Initiative. As Kofi Annan, the former United Nations Secretary General has stated, *"we cannot reach Millennium Development Goals without support from the private sector. Most of all, we cannot reach them without a strong private sector in the developing countries themselves, to create jobs and build prosperity..."* The Siwan Sustainable Development Initiative seems to be one example that Kofi Annan and the rest of the world can be proud of.

⁵ Water salinity in Siwa ranges on an average between 1,500 and 4,000 mg/L. Water supply for plot irrigation is principally represented by the thin aquifer. Hence, 84 percent of the plots are watered from the shallow wells, which hold salinities of about 1,500 to 4,000 mg/L, whereas 13 percent of all plots are irrigated by freshwater extracted from deep wells. A typical spring provides water for only four plots, while re-utilization of drainage water, holding an average salinity of 5,000 mg/L, provides water for two plots. Egyptian-Italian Environmental Cooperation Program.



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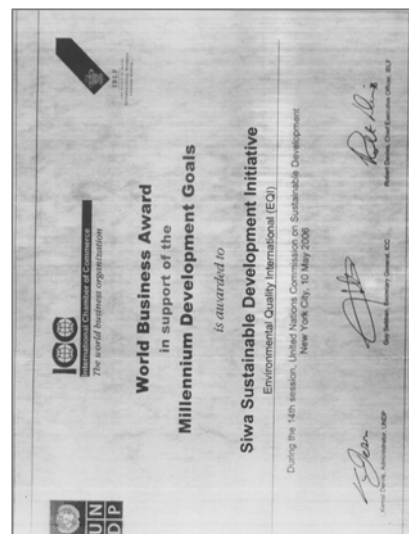
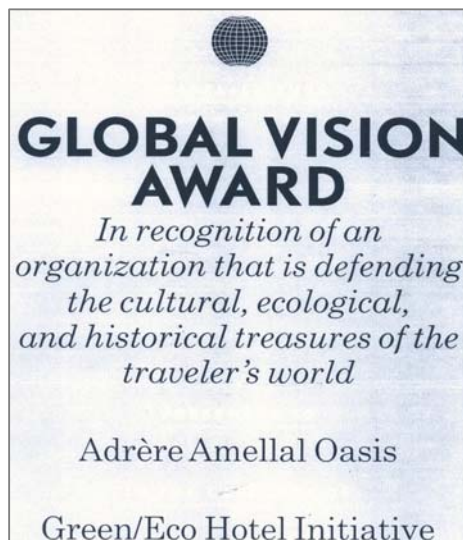
Neamatalla, Mounir. President, Environmental Quality International (EQI).

Refaat, Nayla. Senior Civil Society/Governance Expert, CIDA Program Support Unit.



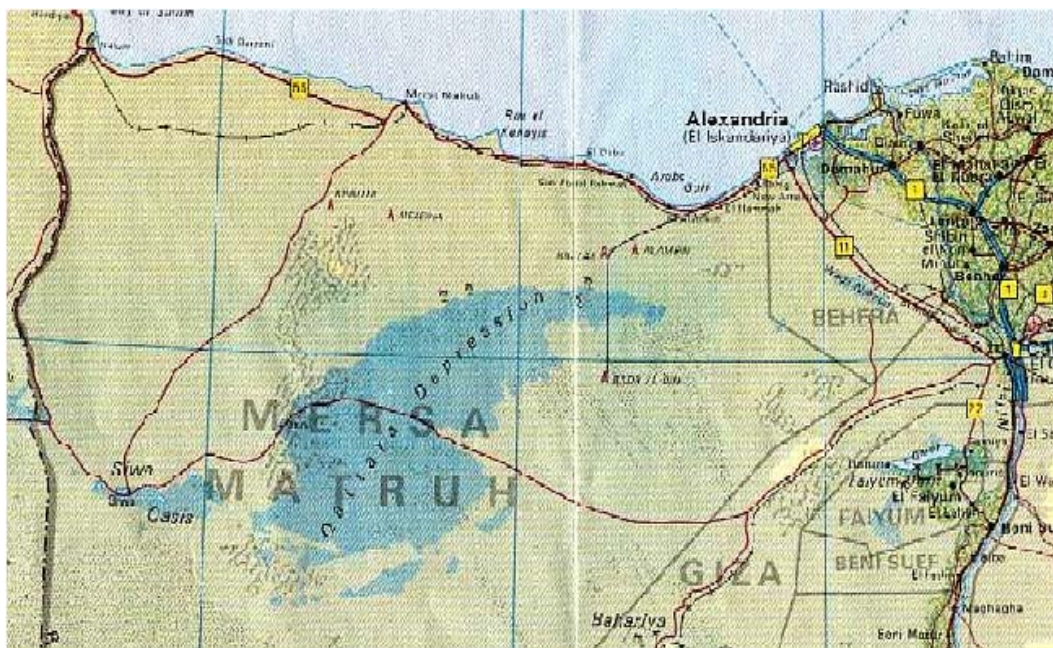
Appendix A: List of Awards for Siwa Initiative/EQI

- Global Vision Award. Travel and Leisure Magazine 2006. Presented to Adrère Amellal in the category of Green/Eco Hotel Initiative.
- World Business Award. International Chamber of Commerce and United Nations Development Programme May 2006. Awarded to EQI for the Siwa Sustainable Development Initiative and its promotion of the UN Millennium Development Goals.
- The Green List: Top 5 Lodges and Resorts. Condé Naste, September 2005. Awarded to Adrère Amellal.
- Herbert Ypma: Top 20. Hip Hotels Orient 2005. Adrère Amellal selected as top 20 in the reputable Hip Hotels.
- Talents du Lux. The world summit of luxury Paris, France. EQI received the award for “Well-Being” for Adrère Amellal. The award ceremony took place on November 14th 2005 at the Westin Paris Hotel, where the winners received the trophy «Meditation» created by Tetsuo Harada for Daum.
- Egyptian Ministry of Tourism. Adrère Amellal received a Certificate of Appreciation for “a remarkable effort in promoting tourism to Egypt” on the occasion of World Tourism Day, 27 September 2004.
- 57 Top New Hotels Hot List. Condé Nast Traveler, May 2001, Adrère Amellal received the award.
- British Airways. Tourism for Tomorrow Award for 1999. Adrère Amellal was among 16 global and 3 regional tourism projects to receive this award.





Appendix B: Maps of Egypt Showing Siwa





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The information presented in this case study has been reviewed and signed-off by the company to ensure its accuracy. The views expressed in the case study are the ones of the author and do not necessarily reflect those of the UN, UNDP or their Member States.

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