

Sustainable commitment – for the people, for the region

How Kaweri contributes to development in Mubende

The Kaweri project was initiated in 2001 as a model farm for sustainable coffee cultivation. Very much in accordance with the three-fold principle of sustainability, Neumann Gruppe GmbH (NG) upon initiation did not focus on economic success of the project alone, but rather put as much effort into ensuring a positive ecological and social impact for the entire region. To lastingly and substantially improve the living conditions of the local people in one of the world's poorest countries is as much a measure of the project's success as the medium-term profitability of the plantation.

To achieve these goals, Kaweri Coffee Plantation Ltd. (Kaweri) has involved the local people in the project from the outset – on a political level as well as on a human, interpersonal level. Regular meetings between the village leaders and Kaweri representatives foster dialogue. Much has been achieved over the course of the twelve years since the farm was set up and became operative.

For a safe future - education and jobs

Today Kaweri employs 250 local people full-time, almost 50 percent of which are women. There are 400 – 800 employees who carry out various jobs on the farm on a daily basis (or under the task system). Kaweri has thus created an average of around 800 permanent jobs. During harvest up to 2,500 coffee pickers are employed. These jobs reduce poverty in the region. The agreed minimum wage for the people on Kaweri was UGX 4,065 during 2016, which was increased from 23rd Dec '16 to UGX 4,268 for a defined "task" and is generally earned in 4-5 hours; it is up to the employees whether they want to carry out another half or full task and thereby increase their daily wage significantly. This wage is clearly above that for similar work on Ugandan tea and sugar plantations; there are no other large coffee

Neumann Gruppe GmbH Coffee Plaza · Am Sandtorpark 4 20457 Hamburg · Germany Tel. +49 40 36123-0 · Fax +49 40 36123-400 board.ng@nkg.coffee · www.nkg.net

Geschäftsführung: David M. Neumann · Pablo Garcia C. Justin Schulze-Smidt · Jörn Severloh Amtsgericht Hamburg · HRB 66888

Neumann Gruppe



plantations in Uganda for comparisons sake.

The plantation pays the statutory social security contributions for its workers. Furthermore, employees have the option of freely joining the trade union *National Union of Plantation and Agricultural Workers*, which also represents their interests. Numerous training courses that are held over the course of a year ensure that the people in Kaweri can educate themselves – they are taught occupational safety, hygiene and computer skills.

Education is the key to a better future, which is why Kaweri has financed two new schools in 2001 and 2002. One of those schools was put up for pupils from the families of the former army camp which was located on the land previously, while the other is intended for pupils from the neighbouring village of Kitemba. The latter receives permanent support from the plantation. Since 2005 the old classrooms and sanitary areas have been renovated, accommodation for teachers was completed and the kitchen area was fitted with a new roof. The school was also given 25 tables for the pupils as well as other materials. Furthermore, a school in another near village Kilawula was given a water tank that supplies the schoolchildren with clean drinking water, and one of the classrooms was renovated. Accommodation for teachers in yet another school in Bulyana will soon be completed with support from Kaweri.

For a better quality of life – improved infrastructure

Access to medical care and clean drinking water quite specifically increases the quality of life of the local people. Kaweri has passed water pipes to the neighbouring villages of Kyamutuma, Luwunga, Kifufu, Kyengeza and Katabalanga and supplies the people there with fresh, free drinking water from the plantation. In addition, six freely accessible drinking water fountains in Nonve, Kirawula, Luwunga, Kitagweta and Kiryamakobe were drilled to supply even more people with drinking water. Waterborne disease outbreaks, locals confirm again and again, have significantly declined as a result.

The farm has also set up a health centre where employees and their families as well as other local people are given free medical care and medicines. Kaweri also

Neumann Gruppe



ensured that the main local roads linking the surrounding villages with the plantation were extended or repaired.

For changes throughout the region – knowledge transfer to small farmers

In order to promote sustainable cultivation of coffee in the region as a whole and to teach people necessary skills to achieve that goal, active knowledge transfer is undertaken with the independent and not-for-profit German Foundation, Hanns R. Neumann Stiftung. This Foundation conducts in the vicinity of the plantation as part of the "Building Coffee Farmer's Alliances in Uganda" project and in collaboration with donor organisations such as the EU and USAID a development programme servicing up to 53,000 small farmers. Students from the universities at Makerere and Kyambogo also benefit from the agricultural and agricultural engineering knowledge gathered on the plantation.

For flora and fauna - maintaining biodiversity

When Kaweri first set up, much attention was paid to maintaining the enclosed 550hectare highland rainforest with its unique diversity of species. Corridors were built for migrating animals across the terrain. Since the area around the farm has been largely deforested, many animals - including monkeys, wild cats and antelopes have moved to Kaweri. The farm is an important sanctuary for them; around one quarter of the total area of Kaweri is protected in this way. In collaboration with the Ghana Butterfly Society more than 360 species of butterflies have been identified in the forests on the farm. In line with the sustainability principles of the plantation chemical fertilisers and pesticides are used sparingly in the cultivation of coffee and only in line with "integrated" production.

Although Kaweri has yet to become profitable, Neumann Gruppe GmbH remains committed to Uganda. "We firmly believe that our sustainable approach on our coffee plantations will pay off in the medium term. This is why we believe in the Kaweri project, even though circumstances have not always been easy. Once you start such a project you have a responsibility to the local population – we are aware

Neumann Gruppe



of that and we see it as an incentive to continue our work in Uganda", says Michael R. Neumann, Chairman of the Supervisory Board of Neumann Gruppe GmbH.

4