

# **News Release**

## COFFEE PLANTATION IN TANZANIA SERVES UP WATER STEWARDSHIP STANDARD

# Olam is first agri-business globally and first business in Africa to have a site achieve the Alliance for Water Stewardship Standard for its Aviv Coffee Plantation in Tanzania

**London, August 25, 2016 -** Olam International ("Olam") has advanced its approach to water stewardship by becoming the first agri-business globally to achieve the AWS certification for its Aviv Coffee Plantation in Southern Tanzania. This means it conforms to the AWS International Water Stewardship Standard - global best practice in collaborative water management.

In doing so, it is helping to build the collaborative partnerships and tackle the challenges needed to ensure water security for the 300,000 people living in the surrounding Ruvuma River Basin.

With 1,025 hectares of Arabica coffee in the Songea Rural District, Aviv also becomes the first business in Africa to achieve the Standard which guides, recognises and verifies responsible water use by private sector users. Under its continuous improvement methodology Olam has achieved the Core level, with ambitions to progress to Gold and Platinum.

"The Ruvuma River is the lifeblood of the whole region, so in developing the plantation we take care to ensure that our irrigation needs do not impact adversely on its eco-system and the other water users, such as local communities and the local hydro-electric plant," said Jeremy Dufour, Olam's Environmental & Social Manager, Plantations & Farming, South & East Africa.

"But with climate change an increasing threat, we must ensure that our usage in years to come does not upset the balance.

"The Standard brought 3 major benefits: for communities beyond our boundaries, the best practice guidance helped us to convene the different river users to address shared challenges and scenario plan, particularly for extreme events such as droughts.

"For our workforce, the Standard has further strengthened our provision of Water, Hygiene and Sanitation (WASH) facilities. For our customers, the transparent verification process provides thirdparty reassurance for their own product quality controls and water foot-printing."

AWS Chief Executive Adrian Sym said, "Committed to growing responsibly, Olam was already addressing water risks. Implementing the AWS Standard in Tanzania has strengthened that effort and advanced collaboration in pursuit of long-term water security in the region. The example of Olam's implementation of the Standard will be a springboard for rolling out AWS across Africa, as well as providing critical learning for the global AWS network".

Aviv was supported in the process by Water Witness International, the International Water Stewardship Programme (IWaSP); GIZ and SGS.

# Applying the AWS Standard beyond Tanzania

The highlands of southern Tanzania and California's Central Valley could not be more different, but

Olam's Spices and Vegetable Ingredients team is the first US food producer to pilot the Standard at their onion drying plant in Firebaugh, California with WWF and Ecolab.

The team is now exploring rolling out the AWS Standard across other processing facilities and applying learnings to the water stewardship work they already do with its large-scale onion and tomato farmer suppliers.

Chris Brown, Head of Environment for Olam, explains why the company is trialling the AWS Standard beyond the Tanzania plantation.

"California is into its 5<sup>th</sup> year of drought and, in 2015, according to the World Economic Forum, water crises became the primary risk to the global economy in terms of impact.

"With around 1.2 billion people - almost one-fifth of the world's population - living in areas of water scarcity, and 500 million people approaching this situation, the social risks are also vast.

"Olam has operations in 70 countries, so we have a responsibility to focus on improved water efficiency. "We are pleased that we have already met our 2020 target to reduce water use by 10% per tonne of product in our farms and plantations (publicly reported under the UN CEO Water Mandate) but we recognise we have further to go across our processing.

"We are therefore looking at how we can take the AWS Standard, and its learnings, across multiple operations."

Watch an interview with an SVI onion grower on trialling the AWS Standard here.

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#### **Notes to Editors**

\* The AWS International Water Stewardship Standard (AWS Standard) defines a set of water stewardship criteria and indicators for how water should be stewarded at a site and catchment level in a way that is environmentally, socially, and economically beneficial. The Standard provides water stewards with a six-step continual improvement framework that enables sites to commit to, understand, plan, implement, evaluate and communicate water stewardship actions.

#### **About Olam International Limited**

Olam International is a leading agri-business operating across the value chain in 70 countries, supplying various products across 16 platforms to over 16,200 customers worldwide. From a direct sourcing and processing presence in most major producing countries, Olam has built a global leadership position in many of its businesses. Headquartered in Singapore and listed on the SGX-ST on February 11, 2005, Olam currently ranks among the top 50 largest listed companies in Singapore in terms of market capitalisation and is a component stock in the S&P Agribusiness Index and the DAXglobal Agribusiness Index. In 2016 Fortune recognised Olam at #23 in its 'Change the World' list. More information on Olam can be found at <u>www.olamgroup.com</u>. Olam is located at 9 Temasek Boulevard #11-02 Suntec Tower Two Singapore 038989 Telephone: +65 63394100, Facsimile: +65 63399755.