## Olam – Tanzania



# Responsible water stewardship in the Upper Ruvuma River Basin

Agricultural lands occupy almost half of the world's land surface and a further expansion is projected to feed a global population expected to reach 9 billion by 2050. The social and economic contribution that agriculture makes at both the macro and micro levels is also well documented: agriculture contributes 30% of the GDP in many low-income countries and employs more than 2 billion people globally. Over 75% of people living in poverty depend on agriculture for their livelihoods. Agri-business firms—local, national and international—play major roles in agricultural production and services.

As a significant land user, agri-business also has a critical role to play in holistic sustainable land management that protects and maintains essential ecosystem services and builds rural community resilience. GAA and **EcoAgriculture Partners are working** together to identify and learn from a selection of innovative regenerative and restorative landscape partnerships in which agri-business companies are actively involved. These case studies will support us in our shared ambition to better understand the agri-business perspective-their business rationale for landscape partnerships, institutional models, business and landscape benefits, and how to bring success to scale. We welcome your input and feedback.

Case studies are available at globalagribusinessalliance.com

Independent authors





Aviv coffee plantation, integrated in a typical Sub-Sahara Miombo landscape in rural Southwest Tanzania

## Rationale

Aviv Tanzania Limited, a subsidiary of Olam International, has operated a 1,012 hectare plantation of irrigated Arabica coffee in the Upper Ruvuma River basin in Songea since July 2011. This is part of a 2,000 hectare title deed: in line with Olam's commitment to living landscapes, more than 50% of the remaining 988 hectares is set aside for conservation purposes. Geographically situated in a typical Miombo landscape converted extensively over the past centuries by local communities for subsistence agriculture, Aviv Tanzania's business relies heavily on water for agricultural irrigation and processing. To ensure sufficient water supply for Aviv's processing mill and irrigated plantations without jeopardizing this shared resource for other users, and to mitigate the risks of climate change variability and inconsistent rainfall, Olam initiated a water stewardship program.

## Olam's role in landscape partnerships

Through a scenario planning approach using data-sets from and Olam and the Ministry of Water as well as data supplied from other key users, Olam identified two priority action areas 1) to create an independent water reservoir to minimize abstractions from the river during lower flow periods and 2) to work in an integrated way, through a multi-stakeholder partnership with other actors in the catchment on water risk management and create an integrated water resource management plan (IWRM).

The construction of a 1,500,000 m<sup>3</sup> off-river water storage unit helps mitigate the business risks associated with intermittent droughts and flooding as well as maintain better flow to downstream users including a hydropower plant, a small irrigation association, and communities.

By implementing requirements set by the Alliance for Water Stewardship (AWS) standards tackling identified share water-related challenges in the catchment, for quality control and availability of key water resources in the catchment, Aviv have moved towards delivering positive water stewardship outcomes: a good water balance, good water quality standards, ethical and safe use of water, good water governance, and protection of water-related habitats.

## Actions and investments for landscape sustainability

Through establishing a multistakeholder partnership for water stewardship, Aviv and other partners were able to share information between the different water users, improve monitoring of water use, and control pollution through improved water management. By implementing WHO and WASH guidelines, and monitoring water use efficiency, Olam was able to limit water scarcity issues, promote cleanliness, improve working conditions and provide ethically-based assessments. Collaborating with other water users on governance, enabled a shared approach to analyzing use and managing shared risks.

### **Benefits and successes**

Stronger governance and management including increased investment in monitoring has resulted in improving the water balance in the catchment, reducing operational costs, mitigating land erosion and more effective pollution control. An estimated 160,000 people across the Basin have benefited from these coordinated efforts and shared resources, including better water security for several thousand smallholder farmers.

## Lessons learned and future directions

Being a catalyst in the creation of this multi-stakeholder partnership has strengthened Aviv's social license to operate in the landscape with communities and public administration bodies. Optics and a lack of trust in private sector companies meant that Aviv recognized the need to step back from actively leading the multi-stakeholder platform. The leadership-void that this left. exacerbated by limited resources and engagement from governments, presence of international bodies and NGOs, has led to challenges including those around acquiring consistent sources of funding.

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#### Olam

For more details please contact Jeremy Dufour, Regional Sustainability Manager at jeremy.dufour@olamnet.com

#### The Global Agri-business Alliance

The only multi-commodity, multi-geography, CEO-led platform for supply-side sector engagement and collective action: growers, processor, traders, providers of finance and inputs. Member companies have come together to strengthen their contribution to building sustainable landscapes and livelihoods. A time-bound initiative, GAA has its sights set firmly on 2030 and on making an additional contribution to the SDGs. The GAA does this by providing a platform for engagement and collaborative action that 1) scales best practice through peer learning 2) contributes to thought-leadership and 3) informs and influences emerging policies.

#### Contact

Global Agri-business Alliance, World Business Council for Sustainable Development Maison de la Paix Chemin Eugaène-Rigot 1202 Genève Switzerland

+41 22 839 31 00 info@globalagribusinessalliance.com globalagribusinessalliance.com



Manual coffee harvesting on the Aviv coffee plantation