



Covestro Inclusive Business ASEAN

3rd Inclusive Business Summit

29th September 2020



Covestro is a **world-leading supplier of high-tech polymer** materials. we want to make the world a brighter place by inspiring innovation and technologies that benefit society and reduce the impact on the environment.

Non- financial goal is “Ten million people in underserved markets to benefit by our business solutions”.

In order to reach that goal- Covestro has set up the Inclusive Business to tackle some of the social issues.

I am Ada Hua, Head of Inclusive Business for ASEAN Region.



2 Challenges:

1. 14% food loss before retail when they move along the value chain due to poor post harvest management; especially during COVID
2. Majority of agriculture communities in the region belong to low income group because of the low efficiency, inconsistent quality and/or low value add to their fresh produce

Business model target: Increase farmers income through better post-harvest management.

We go beyond traditional corporate CSR. We promote business models for all parties involved.

our materials can be used in **innovative solutions in the agriculture sector**. So we bring in our material expertise and work with universities and research institutes to come up with an innovative drying solution- solar dryer dome to dry perishable produces for further process and value add. And we teach local small businesses and communities to build these dryers in the rural areas. – Hardware

We then **invest heavily in post-harvest drying knowledge** and work with Governments and organizations to build capacities into the communities. Teach them how our solution can improve their drying efficiency, and product quality so their dried goods can be sold at much higher prices.



Coffee innovation fund with GIZ: traditional drying loss is 30-50%

The domes allow a high degree of control of the drying process and result in higher and consistent quality in coffee.

Train farmers on how to use the dome for better temperature and humidity control so the coffee quality can significantly improve. How important hygienic drying will reduce loss and further improve final quality. Coffee farmers are able to sell coffee at 4 times higher price **(from USD 0.78 to USD 3.1) and access to high end market.**

Not aware of the potential funding available to them, so we also assist them on applying in PPPs/ funding or connect them with potential investors.

Regional capacity: active in 7 countries, exchange knowledge and business models with other partners.

We enable smallerholder farmers and especially women who play crucial roles in post-harvest processes with more employment opportunities and higher incomes.

We inspire young farmers to not only think farming but also find business opportunities along the value chain so that they are willing to stay and develop in rural areas.

Software of the model

