

# SUSTAINABILITY REPORT 2019



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#### MESSAGE FROM THE GENERAL MANAGER

Bee Natural Uganda Limited is at the heart of the apiculture industry in Uganda. Being the leading processor and distributor of Natural Honey and other bee products we have ensured we create an impact in the society that we serve; both the farmers who work tirelessly to ensure we have sufficient products and our esteemed customers who have kept the business running. Sustainable development and poverty eradication lie at the core of our business. As we work with farmers to grow their businesses and sustain their families we grow our business as well.

Quality is what drives our business. We have consistently maintained our product quality for the past 12 years. We work with qualified and dedicated staff to ensure our customers receive the best product at any given time. This dedication has seen our business grow not only in the turnover but also in customer numbers.

The West Nile is best known for being the highest honey-producing region in the country and the presence of Bee Natural Uganda Limited has given the farmers the assurance of a ready market for their produce; hence the increase in production over the past years. Because bee keeping is an activity which is not labour-intensive the farmers can engage in all their other economic activities and do beekeeping at their free time. Hence beekeeping has been taken up by the old community members, the jobless youth and the disabled to contribute to the UN Sustainable Development Goals [SDGs].

The company is an equal opportunity employer and we strive to continually empower our employees in order to see them grow. The quality of our human resources directly impacts our growth and, as such, we provide opportunities for training, mentorship, further studies and promotion of qualified and well deserving staff. In that spirit the company has had a low staff turnover even as we maintain and improve their efficiency in producing products that suit the needs of our customers and we will continue to practice this trend as the business grows.

It is a great pleasure to be one of the first companies in Uganda to take part in the sustainability reporting activity.

Martabell Akoth 1 March 2020 OVERVIEW OF OUR COMPANY



Bee Natural Uganda Limited started business in April 2008 after an investment buyout of the previous company Bee Natural Products Limited. Our main area of operation is the West Nile region which includes the districts of Arua, Nebbi, Yumbe, Moyo, Koboko and Adjumani. The business concept was to fully engage in the apiculture industry to capture the local, regional and international markets and, in doing this, Bee Natural Uganda Limited has transformed the face of beekeeping from a rural-based subsistence activity to a viable commercial business.

## MISSION

To reconcile profitability with sustainable development by promoting and developing the beekeeping industry in Uganda and contribute to poverty eradication in rural communities.

## VISION

To be a world class producer of 100% natural honey and other bee products.

## Our VALUES

To empower the farmers economically through training and by providing ready markets for the bee products.

- To provide and supply consistent quality products and services to national, regional and international markets.

- To strive to excel by learning from good past experiences and practices.

- By staying in touch with our consumers' needs, wants and desires in the product and services, we deliver to them what they need.

- In all we do, conservation of the environment is core in our business as we face the fast declining forest cover.

# **OUR PRODUCTS**

We have the following products:

• Bee Natural Honey

This honey is composed of mainly carbohydrates and lesser amounts of water with a number of minor ingredients. It is packaged in various sizes as shown below.



The different sizes and shapes our honey is packed in

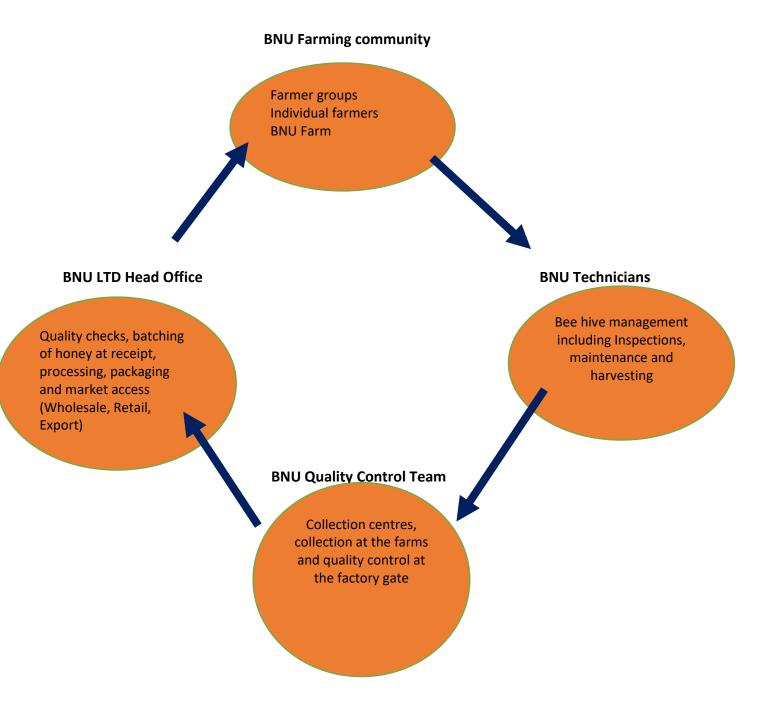
• Bee Natural Wax

This is available in wax blocks and wax sheets for baiting hives.



Wax blocks

# Product traceability value chain



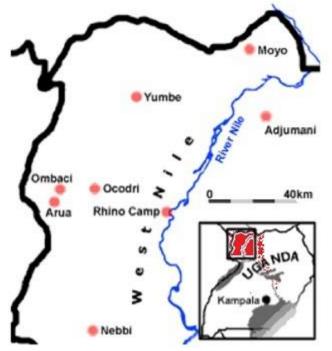
## LOCATION OF OUR HEADQUARTERS

Our head offices are at Kimathi Avenue, Pan Africa House, 5<sup>th</sup> floor, suite 513, Kampala, Uganda.

P.O Box 518

# THE SOURCE OF OUR PRODUCTS

The districts of the West Nile and the rest of Uganda where we source our Bee Natural Honey



## OWNERSHIP AND LEGAL FORM

Bee Natural is a private limited liability company.

#### **MARKETS SERVED**

We sell our products both locally and internationally. Our core market is the local market and our honey is distributed countrywide. You can always find Bee Natural Honey in all the supermarkets across the country.



Beeswax loading for exportation

## **INFORMATION ON WORKERS (OUR TEAM)**

We are a team of sincerely dedicated staff with a straightforward vision. Our human resources come from diverse backgrounds including different regions of the country and with different academic credentials. We have both casual staff and permanent staff. We believe there is so much to learn and to achieve on a day-to-day basis by working together as a unit in the fast-growing bee products industry. With the increase in health awareness amongst our citizens, consumers are choosing to purchase more and more honey from the retail stores and our team is fully up to the task to meet their demands.

We work tirelessly and seamlessly from the farm to production and from production to the markets to ensure the best product reaches our customers in a timely and consistent manner. We are dedicated to producing the best quality products trusted by our consumers.

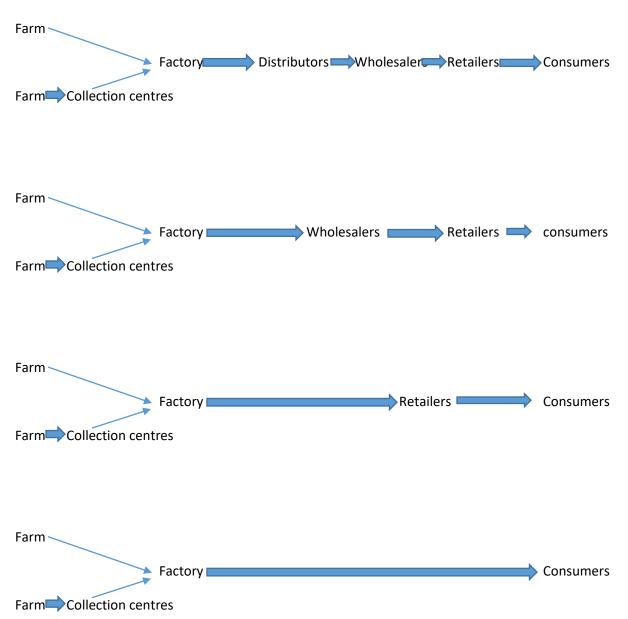
## What we bring to the table

We have an amazing team from a diverse background where we all complement each other's weaknesses and strengths. We have highly qualified staff, skilled staff and semi-skilled staff all working seamlessly, understanding their roles perfectly, and knowing their value in the company. Because of our team work Bee Natural Uganda Limited has maintained its position amongst the TOP 100 MID SIZED Companies in Uganda amongst other awards.



Some of our staff members as they received our 2019 Uganda's top 100 mid-sized company award

#### THE SUPPLY CHAIN



#### **GOVERNANCE STRUCTURE**

At Bee Natural Uganda Limited we believe in creating systems such that the operations do not have to depend on individuals. Our structure includes a strong board of directors of eight qualified members and our Chief Executive Officer as the Executive Director, and this ensures seamless operations between the board and the staff. The company has several departments running independently although fitting into each other's operations and objectives. The Operations Department is based at the factory and spearheads activities both at the farms and at the factory to ensure we supply the best product to our customers. The Sales and Marketing Department ensures the products are distributed to our customers in a timely and efficient manner and that collections are done for smooth company operations. The Human Resource Department ensures that staff welfare is given consideration at every level of operations as our staff are the greatest asset to the business.

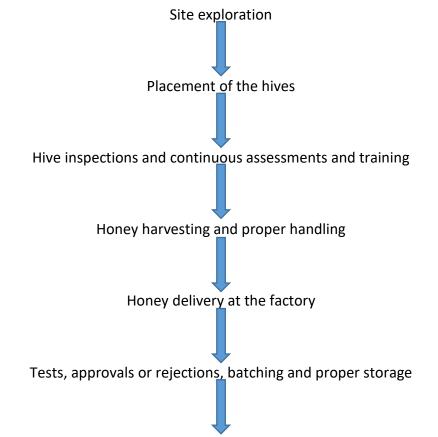
# MEMBERSHIP OF ASSOCIATIONS AND EXTERNAL INITIATIVES



### **PRECAUTIONARY APPROACH**

Since we produce an edible product, taking every precaution can never be overlooked. This is an aspect of trade that we take very seriously as the end product directly affects the health of our consumers. In this we work with farmers and farmer groups that we know. Our farmers are registered and have both on-the-field and off-the-field training by our field officers. New members are recruited and trained on the economic aspects of beekeeping, the environmental benefits of beekeeping and the benefits of joining the Beekeepers' Association. Once members are recruited and have acquired new beehives then the process of continuous training and assessment of their activities is done until the time of harvesting.

The process is explained and illustrated below.



All quality control procedures followed in processing storage and distribution

- **Site exploration** is done to ensure the hives are located in place with the right vegetation and sufficient amount of water.
- Placement of the hives is to ascertain hives are placed correctly at the given site to ensure no attack from animals or pests and that they are not in the human's way.
- Hive inspections and continuous assessments and training are carried out to check whether the hives are colonised. If not then the hives may have to be baited once again

or placed differently, or other measures may have to be taken that would improve colonisation of the hives.

- Proper handling is ensured at harvest so that we have a quality product for our consumers devoid of smoke or any other form of dirt.
- Honey delivery is monitored to ensure honey is brought in the right containers to prevent any form of contamination in the process.
- Tests are done on all products arriving at the factory to ascertain whether they meet all the expected parameters. Approvals or rejections depend on the findings of the tests. Batching is done for proper traceability then the products are moved to the designated storage.
- Finally, all quality control procedures are followed in processing, storage and distribution to ensure the quality of our product is unmatched hence retaining the trust our customers have gained in using our products over the years.

# SIGNIFICANT CHANGES IN THE ORGANISATION

2019 was a good year as we saw a growth in turnover despite several constraints. We trained farmers in Yumbe district in collaboration with our Swiss contact whereby eight beekeeping groups (six in Kei sub-county and two in Kerwa sub-county) were trained on cost benefit analysis, apiary setting, maintaining apiary hygiene, colonisation, pest and disease control, feeding bees, honey harvesting and post-harvest handling.

In 2019 Bee Natural Uganda Limited was once again listed in the TOP 100 mid-sized companies in Uganda and we are working to get into the 101 Club.

# STAKEHOLDER ENGAGEMENT

Our stakeholders are those who hold the business together. They have ensured that we have sufficient products and continue to improve our capacity and efficiency, and also ensure ready markets for our products. Our stakeholders are the reason we strive every single day. All our stakeholders fit into specific parts of our puzzle and they include:

# • Equipment suppliers

Being a company located within the community and working closely with the members of the community around us, most of our equipment is made by local farmers. These include beekeeping equipment.

# NGOS

In the past years we have partnered with several non-governmental organisations to provide both training and equipment to farmers. This in turn offers a source of livelihood to the jobless youth, people living with disabilities, women, men and the elderly.

# • Financial institutions

We have worked with banks to advance loans to our registered farmers; these loans are payable when honey is delivered to the factory. This has helped both the company and farmers build more trust and loyalty, and resulted in an increase in production.

# • Retail outlets, hotels and restaurants

These are the customers we depend on to help the products reach the consumers. As our production levels increase so do our customer numbers. We are grateful for their continued support.

# • Our employees

We have a dedicated and selfless team working seamlessly to ensure we have a quality product in the market. Our human resources are our biggest capital.

# • Service providers

Our service providers have ensured smooth running of operations despite the remote location of our factory.

# • Farmers

We work with farmers in the West Nile region of the country. We have smallholder farmers, large-scale farmers and farmer groups. We provide extension services as well as a ready and guaranteed market for their produce.



A farmer delivering honey to our plant

## **REPORTING PRACTICES**

#### Entities included in consolidated financial statement

Bee Natural Uganda Limited is the only entity included in our financial statements.

### Defining report content and topic boundary

As Bee Natural Uganda Limited, we decided to make our first sustainability report because of its related advantages that in turn contribute to the development of our company. In this report we included different information about our company – i.e. our products, location, information on our employees, supply chain, our stakeholders, precautionary approach and governance structure – and also discussed the product traceability value chain. We included two material topics; *environmental compliance* because beekeeping supports the need to protect local forests as they serve as shelter for the bees in their hives and also *training and education* since, at Bee Natural Uganda Ltd, we carry out many training sessions for both or farmers and also staff members. This helps them attain different apiculture-related skills like apiary management practices, honey harvesting skills, and apiary hygiene, among others.

#### List of material topics

The following are the material topics we have included in our report; environmental compliance and training and education.

**Restatements of information** 

Not applicable.

## **Changes in reporting**

This is our first sustainability report.

## Reporting period

1 January 2019 to 31 December 2019.

#### Date of most recent report

This is our first sustainability report.

## Reporting cycle

Annually

#### Claims of reporting in accordance with GRI Standards

This report has been prepared in accordance with the GRI Standards: Core Options.

#### External assurance

This report has not been externally verified. However, the following aspects are externally audited: Environmental Management and Occupational Health and Safety Management System.

#### **MATERIAL TOPICS**

#### **GRI 300 ENVIRONMENTAL IMPACTS**

#### MANAGEMENT APPROACH [GRI 103] 2016

Bees are some of nature's most interesting creatures. They are equally very valuable to the environment. Their interdependent relationship with plants makes bees a key component of successful ecosystems the world over and this is why we decided to report about environment compliance as our material topic.

Our management approach to environment compliance is through protecting and supporting plant life since these plants form the basis of the food chain for all living creatures and also provide shelter, protection and nesting sites. Human beings use plant-based natural resources for food, fuel, shelter, useful materials and commercial gain. Plants maintain watersheds, prevent soil erosion and are a factor in climatic stability. In agriculture, pollination cannot be overlooked. Management of the environment and a variety of pollinators are required to maintain reproduction across a wide range of flowering plant species. In their turn the pollinators require protection of the plants on which their lives depend and the habitats within which these plants grow. The greatest threat to pollinators is unrestrained habitat destruction, degradation or pollution.

#### **GRI 307: ENVIROMENTAL COMPLIANCE**

We have never been fined by the courts of law for non-compliance with environmental laws and this is so because beekeeping plays a key role in the conservation of forests and natural systems. The flowers of forest trees are the primary food of honey bees in their natural habitat. For example, Laura Forest in Arua supports many bee colonies and equally traditional beekeeping is widespread and successful throughout the Olepi sub-county even though all the forests in the West Nile face threat from the ever-growing charcoal industry and deforestation is equally on the increase. Beekeeping in the West Nile is providing the local communities with an economic incentive to protect the forests and, where they have the opportunity to do so, we encourage the local people to engage in conservation activities.

When beekeepers preserve or protect local forests they also preserve fragile soils from erosion and possible landslides or mudslides, they support natural watershed management and become a factor in the protection of forest biodiversity. Indigenous tree planting or agroforestry techniques designed to maximise a honey crop can also aid in the establishment of new forest areas or encourage the uptake of environmentally sensitive methods of multipurpose agroforestry or farming. Our beekeeping projects often link beekeeping training with environmental training and tree planting.



Bee hives in the local forests that are protected

At our company we create awareness about bees being under threat and the need to ensure their conservation. They are also threatened by habitat destruction and killed by environmental pollution, pesticides in particular. In some parts of the world indigenous bee species no longer exist unlike the case in Uganda where we still have the indigenous African bees. For forests to be seen and meaningful for the local people it is important they gain from them economically i.e. through beekeeping and successful honey harvesting. Successful, non-destructive use of the environment leads to producers gaining a voice in the protection of their local natural resources. Equally important is having a say in the development of government policy which has to balance the needs of the locals versus conservation efforts by the government.

Bee Natural Uganda Limited continues to work closely with beekeepers to ensure that the environment in the West Nile area keeps providing not only the highest quality honey in Uganda but also one of the best in the world. Our honey is dark and very rich with great properties coming out of the indigenous forests making it not only sweet but also medicinal – i.e. when it comes to boosting immunity or as a dressing for burns or cuts.

#### **GRI 400 SOCIAL IMPACTS**

#### MANAGEMENT APPROACH [GRI 103] 2016

In Uganda very many people are unaware about the fact that beekeeping is an economic activity. Therefore we try our best to bridge this gap through carrying out different training activities so as to equip Ugandan nationals with the skills to carry out beekeeping and make it their source of income and, because of this, we decided to report about training and education as our material topic. Our management approach towards training and education involves training both local farmers and our workers/employees, as explained below.

## Training and empowering of farmers at the site

Practical training of farmers is done at the farm as this accords the farmers the practical lessons which they can then replicate in their own hives. This has proved to be effective as it is all hands-on, unlike other training and workshops, and hence results are delivered. The training is

inclusive of the youth, women and the old, and covers all members of the society proving that beekeeping is an economic activity for everyone. It attracts farmers with traditional hives, one hive, or large-scale beekeepers with hundreds of hives as there is always something new to learn from the training team.

## Staff training

Apart from academic qualifications our staff undergo training at different times in relevant areas. All our factory staff are trained in best food handling procedures and we follow the HACCP process. We organise workshops, as well as internal and external training sessions. The company offers advances to staff so they can further their studies where necessary. We also sponsor training in various fields so as to harness their skills as may be necessary for the growth of the organisation. Our training sessions are held in a fair and transparent manner so as to cover all employees and enhance teamwork in our organisation.



Farmers being trained at our site

# **GRI 404: TRAINING AND EDUCATION**

At Bee Natural Uganda Limited we train both our staff members and farmers. Through this, they gain different skills in relation to beekeeping. For example, they learn how to feed bees during times of food scarcity; they also attain best apiary management practices, honey harvesting skills, and apiary hygiene among others. The following are our objectives that we strive to achieve during our trainings;

- To equip beekeepers with skills and knowledge of simple book-keeping as entry to commercial beekeeping.
- To engage beekeepers in best apiary management practices.
- To enable beekeepers apply different methods of hive colonisation to ensure 100% occupation of hives by bees.
- To ensure beekeepers are capable of feeding bees during scarcity.

- To identify inputs required for harvesting and to be able to harvest and grade quality honey.
- To be able to add value by processing honey and to diversify the product by rendering bee wax with full observation of quality control techniques.

At the end of all our training sessions we are able to reach most of those goals discussed above. We mainly train employees in the middle management section. The average hours of training per employee are five hours per day for both male and female employees. The ratio of female to male employees that are trained is 6:2 respectively – i.e. the total number of female employees that are trained is 12 and that of the male employees is four. We employ more females than males because, as a company, we mainly focus on the women. This is because they are regarded as less privileged compared to the men; we train them so that they can attain bee-keeping skills, start their own businesses and become self-sufficient, so that they do not only depend on their husbands for money.



Our model site from which we train both our staff and farmers

# UN SUSTAINABLE DEVELOPMENT GOALS [SDGs]

At Bee Natural Uganda Limited, we have joined with the global community to help Uganda achieve the UN Sustainable Development Goals. We have been able to help Uganda achieve the following UN SDGs.

Through our environmental compliance, we are helping Uganda achieve the 15<sup>th</sup> SDG of 'Life on Land' since beekeeping in the West Nile area enables the local people there to develop a sense of protecting forests since their flowers are the primary food of honey bees in their natural

habitat. These forests directly contribute to the protection of soils from erosion and mudslides thus protecting life on land. These local forests influence climate change and contribute to rain formation hence contributing to Uganda's achievement of the 13<sup>th</sup> Goal of 'Climate Action'.



Through our training and education, we are helping Uganda achieve the 8<sup>th</sup> SDG of 'Good Jobs and Economic Growth' since we are training local people in the West Nile are on how to carry out beekeeping as an economic activity. As they do this they are increasing the production of goods and services in Uganda and thus increasing national income and economic growth. As people start up their own beekeeping business we are also contributing to Uganda's achievement of the 1<sup>st</sup> SDG of 'No Poverty' in the long run because these local people are able to get sources of income which reduces on the number of people below the poverty line.



# ACKNOWLEDGEMENTS

Special thanks go to all our colleagues, suppliers and customers for their support in providing the information required for completion of this report. In particular, we are grateful for the assistance provided by Ms. Nambi Grace Linda, the Research Assistant, in drafting this report and Professor Ven Tauringana of the University of Southampton, the UK for providing the technical expertise. Finally, we acknowledge the funding from the Southampton Business School Small Research Grants which made the preparation of this report possible.

# FURTHER INFORMATION

Further information about Bee Natural Uganda Limited's Sustainability report can be found at our website <u>https://www.beenaturalproducts.com/about/</u>

CONTACT US If you have any comments regarding this report, please contact: Martabell Akoth +256772025939 martabell@beenaturalproducts.com **GRI CONTENT INDEX** 

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