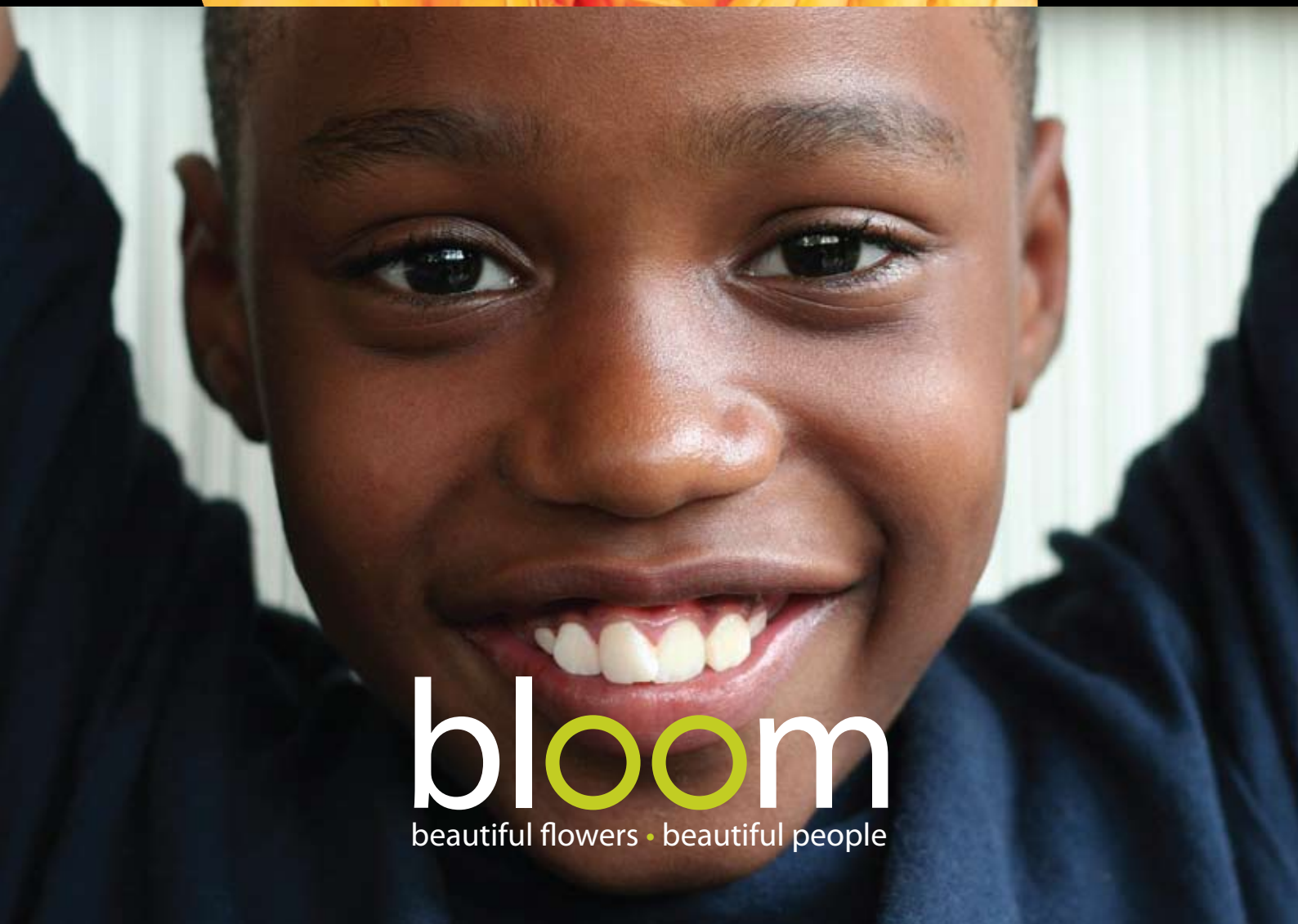


Annual Social Report 2007

Update on ethical standards on
Bloom supplier farms



bloom
beautiful flowers • beautiful people

Introduction

Our Social Year Report 2007 provides a comprehensive picture of the improving social and ethical situation at (our) African growers in Kenya, Zambia, Tanzania and Zimbabwe.

It shows how social conditions are changing and how differently certain communities are faring, due to the intense efforts of many involved.

Last year we were proud to include more African growers into our suppliers group. Since the first social year report was published in 2007, the number of core growers joining us has been expanding rapidly. Some of these growers are now in the final phase of being certified as Fairtrade producers. Success and positive market interest made the quest for gradual growth of the number of Fairtrade certified growers essential. This development means good progress for all those involved.

Apart from our active contribution to social wellbeing, we are continuously participating in environment improvement projects such as IPM (Integrated Pest Management); an important focus for implementing the reduction of chemicals. Clean energy initiatives, like geothermal projects, are helping to preserve the environment for future generations.

This report contains a review of existing and new data, a survey of standard information on growers, and a preview of planned developments that are a result of ongoing endeavours. As such, the report can serve as a tool for dialogue, a reference for researchers, a guide for policymakers, and a source of ideas.

As a follow up for the Social Year Report 2007 a quarterly update over 2008 will be provided via email, highlighting the latest projects and developments.

We are sure that, as with previous edition, the Social Report 2007 will be of great interest to all those who are interested in social and environmental welfare.

Enjoy the read!

*Tom Vermeer
Managing Director
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April 2008*

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1. Highlights of Major Projects across all farms in 2007

Oserian | Kenya

- Construction of a modern training centre, school laboratories and an administration block is on-going with Ksh. 9,293,623.45 spent as of Dec 2007.
- Full secondary scholarships to 14 students, secondary school bursaries to approx 300 including special cases such as deaf students and higher education bursaries to 451 beneficiaries worth Ksh. 5,128,900.00 were awarded this year.
- A total cost of Ksh. 4,471,300 has been spent on Fairtrade awareness campaigns.
- A staff welfare bus to facilitate staff activities such as exchange learning visits with other farms was purchased at a cost of Ksh. 3,382,000.00
- Running costs for the training centre and JB expenditure amounted to Ksh. 1,905,305.00
- The HIV/AIDS awareness programme which cumulated in to the World AIDS Day celebration on 1st December 2007 had Ksh. 1,000,000.00 spent on all activities.
- Purchase of computer equipment for the training centre, JB administrative staff and accessories at a cost of Ksh. 907,600.00
- With a view to reduce the use of Kerosene and charcoal use a gas cooker project was initiated to assist employees purchase the cookers at Ksh. 524.360.00

Ravine Roses | Kenya

- Renovation and equipping of a nearby secondary school laboratory at Ksh. 977,836.00
- Provision of sports uniforms and associated items for both the men' and women's volleyball and soccer teams at a cost of Ksh. 406,170.00
- Community shop - purchase of roofing materials, household items and solar panels on hire purchase terms at a cost of Ksh. 3,998,457.00
- Education credit scheme – provision of interest free loans for educational purposes amounting to Ksh. 770,750.00

Liki River Farm | Kenya

- Official hand over of Liki Kindergarten classrooms that were constructed at a cost of Ksh. 3,448,737.00
- Completion of 2 classrooms at CCM Nanyuki primary school which cost Ksh. 1,430,186.00
- Ongoing construction of 5 CCM Kindergarten classrooms which have so far amounted to Ksh. 868,000.00
- Award of bursaries to deserving students worth Ksh. 746,900.00
- A revolving fund to assist employees purchase household items with Ksh. 1,330,000.00 disbursed.

Longonot Horticulture | Kenya

- Purchase of electronics, bicycles, gas cookers, sewing machines for employees with 25% less of the cost price

catered for by FLO premium at a cost of Ksh. 4,123,796.00

- Drilling of a borehole to curb water shortage experienced at two nearby schools, the chief's camp and the dispensary at a cost of Ksh. 1,326,400.00
- A community shop project where the workers are able to obtain food stuff free of charge amounting to Ksh. 844,730.00
- Workers' training; capacity building for workers by offering computer, tailoring and driving courses at Ksh. 644,500.00
- Disbursement of bursaries to needy students amounting to Ksh. 200,000.00

Nini | Kenya

- Recycling of all Nini plastic into plastic posts towards the building and maintaining of an electric fence around the Aberdare's; a crucial wildlife and forest area.
- Workers were facilitated to join M-Pesa, a money transfer product; to enable them to send money, safely, efficiently and cheaply to their families back home.
- The second phase of provision of loans to the worker's SACCO to purchase gas cookers in order to reduce independence on wood fuel was implemented.
- Purchase of 257 mosquito nets for workers to buy at cost price.
- Free transport for burial provided for workers who lost relatives.

Waridi | Kenya

- An ongoing capacity building project is in place in computer literacy, dress making and driving classes.
- Workers have been facilitated to purchase items like solar panels, generators, pumps, battery chargers and salon equipment in order to enable them initiate small scale income earning projects.
- Completion of a classroom at the neighbouring Ngelani School.
- Provision of drip line to local vegetable growers at low cost or free of charge.
- Workers have been vaccinated against typhoid

Fontana | Kenya

- The farm has a very active IPM programme with more than half of the greenhouses are in the IPM programme – using Phytoseiulus, obtained from DUDU tech and also largely produced on the farm for control of Red spider mites.
- Two additional dams were built on the farm to collect rain water and run off water, assisting supplement the water needs of the farm. This is enough for irrigation requirements.
- Entire production area is under hydroponics, economizing the use of water and fertiliser. The drainage water is recycled, saving water and fertiliser even further.

Khal Amazi | Zambia

- Continuous training programme are undertaken in monitoring, inspection and accident analysis by the Health and Safety committee.

- An occupational health and safety classroom was constructed with the result that a full time team will be dedicated to training, induction, health and safety.
- The crop protection department has received four visits from Perma-net clinics and the rest of the farm two visits from Warudo Clinic with an aim to distribute mosquito nets during the anti-malaria campaign.

Kiliflora | Tanzania

- Renovation of the female ward at Tengeru hospital.
- Construction of Chekereni Nursery School with an expected capacity of 160 children.
- Donation of Braille equipment worth USD 1,595 to a impaired person in the community to assist in his studies.
- Facilitation of an HIV/AIDS training for persons with hearing impairments in the community at a cost of Tsh. 2,298,000.00

JB Roses | Zimbabwe

- The farm was availed as a centre for the administration of the poliomyelitis vaccine as well as vitamin A targeted at all children on the farm and the neighbouring community during the Child Health Days Programme under the ministry of health.
- The farm joined the District Aids Action Committee (D.A.A.C.) with 3 councillors appointed to coordinate activities.
- Cholinesterase testing is conducted for all sprayers and handlers of chemicals twice in a year to check their level of tolerance to chemicals.

Lospen Farming | Zimbabwe

- The farm has a clinic available to provide health care to all employees and their children.
- The clinic is run by a resident state registered nurse.
- The farm medical officer has conducted awareness training sessions tackling issues such as sexually transmitted diseases and HIV/AIDS.

Hidden Valley Horticulture | Zimbabwe

- A housing project is underway to double the number of workers living on the farm from 40% to 80%. Further supplies of building materials for these new houses have been ordered and the farm awaits delivery.
- A canteen for the employees was constructed during the year.
- Cholinesterase tests were carried out in December 2007 and all employees were within safe limits.
- Basic medical supplies are available on the farm. Transport and monetary assistance is provided to assist in more serious issues.



Chrèche - Oserian

2. Oserian Kenya

General

- A second geothermal power plant was commissioned in Oserian in this last quarter, making Oserian self sufficient in green renewable power energy for use on the farms and staff estates.
- 38 ha of flower production is now carried out under IPM thus reducing the use of agrochemicals in crop protection.
- An intensive and successful waste awareness week for over 6,000 personnel was carried out across the whole farm and staff quarters in the 4th quarter to promote a clean environment, waste segregation and handling.
- A new CBA was signed effecting wages and allowance increments as well as increases in the number of leave days.

Labour

- The number of permanent employees is 5,077 to 967 seasonal/casual employees, a ratio of 6:1.
- Of the total 5,728 employees 3,874 are male and 1,854 are female a ratio of 2: 1
- The farm signed a second CBA covering 2006 to 2008 with a general wage increase of 16%.
- The annual leave benefit was reviewed with an increase of between one to four working days depending on the number of years worked.
- The sick leave has been reviewed from 85 days to 95 days per annum in the new CBA.
- A 20% adjustment on House Allowance has been awarded in the new CBA.

Freedom of association

- Monthly meetings between shop stewards and management continue to take place, are documented and action is taken on issues raised. Special emphasis is made for both teams to encourage unionisable employees to join the union and participate in its activities.
- Various meetings were held between union officials and senior management in the lead up to the signing of the CBA.
- Management and union officials/shop stewards teamed up to communicate and educate all employees on the new CBA during a day long event across the farm.
- Union membership increased from 1,748 members in July to 1,776 members in December.

Education

- A science laboratory and administration office block for the Oserian high school is currently under construction.
- Additional teachers have been employed for the Kindergarten and the secondary schools in order to match the increase in enrolment.

Occupational Health and Safety

- Implementation of the new Occupational Health and Safety Act gazetted in Kenya in October 2007 is currently being carried out in all areas across the farm.

- A system of First Aid analysis was instigated across the farm the 3rd quarter. Findings are reported in H&S Committee meetings and proposals/recommendations are then forwarded to management for action.
- Monthly Risk Assessments are carried out in each section. Fire drills have also been initiated and carried out in every section. Impromptu drills are conducted bi-annually.
- The H&S policy and procedures have been modified, approved by the board and disseminated to all employees.
- All actions raised in the external H&S audit have been completed.
- The new evening spray programme continues to flourish and as such all re-entry levels are automatically observed.
- All cholinesterase tests were carried out and completed as required with no issues to report.
- A complete service of all fire extinguishers and equipment was conducted and replacements made where necessary.
- The H&S Committee underwent its annual training which has now been advanced and improved so as to facilitate tackling of environmental management.
- Safe Use of chemicals training has been conducted twice in this period.
- Full farm wide trainings were conducted in OHS.

Environment

- A successful waste awareness week was undertaken in November 2007 on the importance of a clean environment, waste segregation and handling.
- Oserian won a Silver award in the prestigious Total Eco-Challenge award scheme in the 4th quarter towards its tree planting and conservation efforts. In the last year, Oserian won a Bronze award.
- Representatives from the Environment, H&S Committee have been trained to enable them address environmental issues.
- A voluntary bird watching club has been initiated.
- The tree planting programme with the surrounding communities continues with additional gardening and landscaping on the farm. Over six million trees have been planted.
- Construction and maintenance of the main drain has been carried out to provide better environmental focus.
- Analysis on water qualities should be conducted every three months as required by law; however, Oserian has gone further to conduct these tests every month.
- Applications as required by Legal Notices 120 and 121 on Water and Waste for National Environmental Management Authority have been submitted and accepted. The license is being processed by NEMA.
- NEMA self-audit began in this quarter and it will be completed by early 2008.
- Use of Phytoseiulus persimilis in roses as biological control agents for spider mites on commercial scale has expanded to 37 ha. An additional commercial trial of 1 ha on carnations has brought the total area under IPM to 38 ha as at end of December 2007.
- Registration trials with Eco-77 (Trichoderma harzianum) against Botrytis in roses continued though the diseases pressure was

very low.

- Trials with compost for use in planting were initiated with aim of complementing inorganic fertilisers i.e. to reduce usage of Nitrogen fertilisers.
- The following products have been in use on commercial scale in the farm
 - **Nimbecidine** (Neem extract) – was introduced under commercial scale for use as an insecticide (insect growth regulator) and as a repellent against nematodes. Phytonic, Agricure for powdery mildew control. Biocure for mites and mealy bugs control.
 - **Vitazyme** (Mycorrhizae), Twin N (Nitrogen fixing organisms) – were introduced as soil amendments.
- ODC expanded insect pests (thrips, whiteflies, aphids and Lepidoptera) monitoring traps programme with use of;
 - Impaction (colour and light) traps
 - Pheromone traps
- Introduced the use of Cryptolaemus montrozeuri as a biological control agent for mealy bugs on a commercial trial in 1 ha roses.

Corporate Social Responsibility

- The farm is carrying out affirmative action in recruitment as regards to the local Maasai community.
- Recruitment of teachers for the Inkoriento primary school is also from the pool of teachers in this Maasai community.
- The farm is an active member and major stake holder of the ongoing community policing programme (NCP) where it regularly avails its blood hounds for crime investigation. The farm also provides both financial and material support to the nearby Kongoni police post, constructed on farm land. This includes maintenance of police vehicles free of charge at the farm's workshop in order to ensure the police are always mobile.
- Refurbishment of the Officer commanding station house earlier in the year was carried out at the farm's own cost: Ksh. 150,000.00

FLO PREMIUMS

- **FLO premium received in 2007 was £ 139,782.55 equivalent to Ksh. 18,907,819.05**
- **Additional premium received from FLO was for Fairtrade lines into mainland Europe of € 277,380.50 equivalent to Ksh. 28,844,798.20**

FLO Projects undertaken in 2007

- Ongoing construction of a Training Centre, School laboratories and administration block with Ksh. 9,293,623.45 spent so far.
- Running costs for the training centre and JB expenditure amounting to Ksh. 1,905,305.00
- Running costs for courses conducted at the training centre at Ksh. 219,316.65
- 5% Retention fee for Architect and Contractors costing Ksh. 932,772.00
- Higher education and secondary school bursaries and scholarships worth Ksh. 4,855,850.00

- Fairtrade awareness day at a cost of Ksh. 4,471,300.00
- Purchase of welfare bus at Ksh. 3,382,000.00
- Running costs for welfare bus amounting to Ksh. 51,263.00
- HIV/AIDS awareness and World AIDS Day activities at Ksh. 1,000,000.00
- Purchase of computers for the Training Centre, JB administrative staff and accessories at a cost of Ksh. 907,600.00
- Running of a gas cooker project by assisting employees purchase the cookers at Ksh. 524,360.00
- Service to the community through Rubiri water project costing Ksh. 300,000.00
- JB training on leadership and management at a cost of Ksh. 338,000.00
- Capacity building training in financial management at a cost of Ksh. 302,100.00
- Exchange visit for JB to Finlay at a cost of Ksh. 28,100.00
- Capacity building visit to Comboni Polytechnic at Ksh. 5,000.00
- JB running costs such as postage and communication at Ksh. 178,935.50
- Gender representatives training at Ksh. 159,230.00
- Family life seminar for all Oserian workers at a cost of Ksh. 80,000.00
- School building inspection at Ksh. 48,960.00
- Youth training at Ksh. 28,000.00

Planned Projects

- Purchase of Land for and construction of Early Childhood Development centre at Kamere with an allocation of Ksh. 7,500,000.00
- ODC estate electrification budgeted at Ksh. 5,000,000.00
- Sewing machine project expected to cost Ksh. 4,800,000.00
- Support to Workers income generating projects budgeted at Ksh. 2,500,000.00
- Provision of facilities for 3 Oserian ECDs centers at Ksh. 1,100,000.00
- Set up of a carpentry school at Ksh. 1,500,000.00
- Set up of a driving school at Ksh. 500,000.00
- Set up of a catering school at Ksh. 200,000.00
- Purchase of 3 TV's for Msambweni , Kisumu Ndogo & Kongoni halls at Ksh. 600,000.00
- Shop Stewards training budgeted at Ksh. 350,000.00
- Capacity building in entrepreneurship for worker groups at a cost of Ksh. 250,000.00
- Delegates training expected to cost Ksh. 150,000.00
- JB chairpersons & secretaries training with an allocation of Ksh. 230,000.00
- Service to the community through Inkorianto water project at a cost of Ksh. 300,000.00
- Tree nursery budgeted at Ksh. 100,000.00
- Curriculum Development & Training Needs Assessment with an allocation of Ksh. 100,000.00

- Visits to Penta, Panda and Waridi JB's expected to cost Ksh. 42,300.00

Certification Status

- BOPP Packhouse – Audited 25th May 2007, certificate valid up to 24th May 2008.
- MPS A – Certificate valid up to 18th February 2008.
- LEAF Marque – Audited 4th December 2007, audit passed, certificate valid up to 3rd December 2008.
- MPS GAP - Audited 5th to 7th November 2007, audit passed, certificate valid up to 18th January 2009.
- KFC Silver – Audited 30th and 31st October 2007, corrective actions fulfilled, certificate valid up to 18th January 2009.
- MPS SQ – Audited 5th to 7th November 2007, passed audit, certificate valid up to 18th January 2009.
- FLO – Audited 28th November 2007 (follow up), certificate valid up to 11th July 2008.
- ETI assessed.





Speech by JB

3. Ravine Roses Kenya

General

- Three early childhood education classrooms at Simotwet Primary School completed earlier in the year were officially opened in a ceremony graced by the local community and dignitaries.
- Renovation and equipping of a laboratory in a neighbouring secondary school. This laboratory was officially opened by Ian Finlayson, the Technical Director of WF UK.

Labour

- The last part of the increment for all unionizable employees was effected this year. Negotiations are currently going to have a new CBA in place. Once this is in place all increments will be backdated to August 2007.
- This year the farm implemented a period of two months and three weeks maternity leave.
- Permanent employees comprise 86% of the work force with 777 permanent employees and 120 seasonal. Of these 490 are male and 407 are female; a ratio that is nearing 1:1

Education

- The construction of nursery school classrooms in a neighbouring primary school begun this year with completion expected by first quarter of next year.
- Refurbishment and equipping of a laboratory in a neighbouring school was completed and officially opened.
- Many employees and their families have obtained computer or driving training through the education credit facility. This facility has also assisted secondary school children with access to fees.

Freedom of association

- Representatives and workers have scheduled monthly meetings where they come up with agendas that are then tabled during the joint welfare committee meetings attended by management.
- Workers are free to join the union and are aware of this; the current membership is 138 workers.
- Training of union members has been carried out in areas of communication, industrial relations, labour laws, roles of trade unions and collective bargaining.

Medical

- The community, together with the workers have been able to obtain voluntary counselling and testing on HIV/AIDS, immunization for their babies, free family planning lessons and contraceptives amongst other benefits under a joint body funded outreach project which is being cost shared with the government
- Improved medical services continue to be provided at no cost to workers at the company clinic. This is implemented by a full time clinical officer and a part time medical doctor.



Refurbished Laboratory and items donated to Secondary schools

Occupational Health and safety

- The worker PPE register shows that all worn out PPE has been replaced in the last quarter.
- A risk assessment that is carried out quarterly with respect to findings of the H&S committee's inspections and meetings has led to a revision and release of a revised Health and Safety policy.

Environment

- Through the ongoing biodiversity programme a further 3,750 trees have been planted in this year bringing the total to over 15,000 trees since the programme begun. This is carried out with consideration of which species are suitable for the area.

Corporate Social Responsibility: Support to community:

- Repair and maintenance of all access roads which are periodically washed off by rains has been undertaken repeatedly this year.
- The immediate community continues to benefit from the supply of piped water from the farm's boreholes at no cost.
- The farm maintains a programme on sensitizing the pupils to the horticultural industry through permitted educational trips to the farm.

FLO PREMIUMS RECEIVED

- FLO premium received in 2007 was £ 23,776.73 an equivalent of Ksh. 3,147,234.35
- FLO premiums from supply to mainland Europe received amounted to € 36,906.14 equivalent to Ksh. 3,838,238.56

FLO Projects undertaken in 2007

- Equipping and renovation of a laboratory at a local school at a cost of Ksh. 977,836.00
- Community shop: purchase of various items such as TV's, radios, gas cookers, solar panels, sewing machines, bicycles and roofing materials / iron sheets and television sets for employees on hire purchase amounting to Ksh. 3,998,457.00

- Education credit scheme –interest free loans for employees' children in primary and secondary school at Ksh. 212,700.00
- Education credit scheme – interest free loans for employees and their dependants to access tertiary education at Ksh. 397,350.00
- Education credit scheme –interest free loans for employees to attend driving school at Ksh. 29,200.00
- Education credit scheme –interest free loans for employees to attend computer courses at Ksh. 131,500.00
- Facilitation of both the men's and women's volleyball team at Ksh. 406,170.00
- Medical outreach and sponsorship within the community at a cost of Ksh. 238,200.00

JB Planned Projects

- Construction of Early Childhood Development classrooms at Kamelilo primary school.
- Community shop: purchase of various items such as TV's, radios, gas cookers, solar panels, sewing machines, bicycles and roofing materials/iron sheets and television sets for employees on hire purchase.
- Education credit scheme –interest free loans for employees' children in primary and secondary school and for employees to attend driving schools and computer courses.
- Facilitation of both men's and women's sports teams.

Certification Status

- BOPP Packhouse – Audited 23rd May 2007, certificate valid up to 22nd May 2008.
- MPS A – Certificate valid up to 16th June 2008.
- MPS GAP – Audited 21st and 22nd May 2007, certificate valid up to 7th August 2008.
- MPS Social – Audited 21st and 22nd May 2007, certificate valid up to 8th July 2008.
- SA 8,000 – Audited 12th January 2007. Awaiting new audit for year 2008.
- FLO – Audited 19th – 23rd March 2007, certificate valid up to 31st May 2008.
- ETI assessed.



Ian Finlayson opening laboratory



4. Liki River Farm Kenya

General

- Two classrooms at CCM Nanyuki Primary School were completed this year.
- The Liki Kindergarten also completed.
- The JB officially handed over 5 classrooms at Liki Kindergarten.

Labour

- A new CBA is planned to be negotiated.
- Permanent workers now comprise 94% of the workforce with 568 permanent employees and 37 temporary employees.
- The ratio of men to women is nearly 1:1 with 293 male and 275 female.
- This year saw the period of maternity leave increased to 84 days.

Health & Safety

- A new team of committee members was elected into the occupational, health and safety committee.
- Regular risk assessments are carried out each quarter, in order to identify any sources of potential risks.
- Health and safety training was carried out earlier in the year with emphasis on general hygiene, family planning and fire fighting.

Medical

- The farm was paid a visit by an external medical doctor in order to provide an independent assessment of the work forces' health status.
- At least 10% of the total workforce was physically examined this quarter during regular medical checkups.

Education

- The construction of two classrooms at a neighbouring primary school and 5 classrooms at the nursery school will contribute greatly to the provision of quality education in the surrounding community.
- Bursaries have been awarded to deserving students throughout the year.
- Desks continue to be supplied to the local primary school on a regular basis.

Freedom of Association

- Union membership stands at 76.5% of all unionisable workers.
- Regular quarterly meetings are held by union members to discuss relevant issues.

Environment

- Construction of a wetland was completed during the year and it is now in use. This has greatly assisted the farm's ability to release environmentally friendly liquid waste.

- Distribution of most of the 3,500 seedlings initiated in 2006 was undertaken through the year.
- A total of 6.215 ha is now under hydroponics as at the end of 2007.

Corporate Social Responsibility

- Five classrooms at the Liki Kindergarten were fully furnished by the Liki farm management.
- The company provided furniture to Liki Kindergarten comprising of 48 baby cots, 135 chairs and 25 tables.
- A project to provide lockers for the workers was completed this year.

FLO PREMIUMS – 2007

- € 28,432.08 received in 2007 equivalent to Ksh. 2,544,928.05
- £ 65,669.21 also received in 2007 equivalent to Ksh. 8,857,167.75

FLO Projects undertaken in 2007

- Construction and handing over of 5 classrooms at Liki Kindergarten, amounting to Ksh. 3,448,737.00
- Construction of a toilet at the same Kindergarten costing Ksh. 227,590.00.
- Construction of two primary school classrooms at CCM Primary School at a cost of Ksh. 1,430,000.00
- Ongoing building of 5 classrooms at CCM Primary school which has amounted to Ksh. 868,000.00 so far.
- Awarding of bursaries to needy children at a cost of Ksh. 746,900.00
- A revolving fund set up at Ksh. 1,330,000.00
- Disbursing of bursaries worth Ksh. 746,900.00
- Purchase of desks for schools at Ksh. 402,500.00
- Payment for worker's training courses at a cost of Ksh. 103,760.00



Toilets at Liki Kindergarten

Projects planned

- Ongoing construction of 5 classrooms at CCM Kindergarten.
- Ongoing purchase and distribution of desks for two local primary schools – Bungoma Primary School and CCM Primary School.

NB – Please note that Liki Kindergarten and CCM Kindergarten are two different schools.

Certification Status

- BOPP Packhouse – Audited 28th May 2007, certificate valid up to 27th May 2008.
- KFC Silver – Audited 8th August 2007, certificate valid up to 4th October 2008.
- MPS A – Certificate valid until 18th June 2008.
- MPS GAP – Audited 23rd and 24th August 2007, certificate valid up to 20th October 2008.
- MPS Social – Audited 23rd and 24th August 2007, certificate valid up to 17th January 2009.
- SA 8,000 – Audited 13th December 2007. Passed audit with corrective actions, awaiting feedback from Bureau Veritas.
- FLO – Audited 19th – 23rd March 2007, certificate valid up to 6th July 2008.
- ETI assessed.



Garbage Collection

5. Longonot Horticulture Kenya

General

- The first phase of a bursary scheme for secondary and college students was implemented during the year with an initial 9 children benefiting.
- Employees were issued with Fairtrade T-shirts with the aim of promoting and sensitise workers to the Fairtrade message.
- Tremendous growth and development has been witnessed in IPM especially beneficial with Phytoseilus and Diglyphus.
- A substantial increase in the number of employees joining the union has been seen during the year.
- A food canteen was opened on the upper side of the farm for workers.

Labour

- Permanent employees comprise 68% of the workforce with 848 permanent and 382 seasonal.
- The gender ratio is 48% female and 52% male.
- Security officers are now entitled to two rest days per week up from one day effective January 26th 2007.
- With the implementation of Gemba kaizen work methods, the initiative of employees has been enhanced and organizational efficiency and effectiveness has increased tremendously this year with the result of less fatigue and greater work satisfaction.

Freedom of association

- The shop stewards attended training on capacity building.
- Union representatives visited the farm earlier this year with a resultant significant increase in percentage of union members.
- Over 290 employees joined the union increasing membership to the current 552 union members which translates to 46%.
- Elections for shop stewards were held earlier in the year.

Housing

- Renovation of junior staff houses residing at the farm was completed this year.

Education

- Longonot is now paying for the salaries of four teachers at a neighbouring primary school up from three.

Occupational Health & Safety

- First aid training for 20 workers was conducted at the farm in October by Avenue Rescue Services.
- A health and safety training was conducted at the farm in October the Directorate of Occupational Health and Services.
- An HIV/AIDS awareness football match was played at the Karagita stadium on 1st December.
- The HIV/AIDS post test club created awareness through theatre and poems on World AIDS day.
- The farm's annual refresher and AAK training was successfully held in September.

- A health and safety audit was carried out by the Occupational Health and Safety (OHS) officer earlier in the year.
- A farm risk assessment was conducted and discussed by the Health and Safety committee members and the report submitted to the Directorate of Occupational Health and Safety.

Medical

- The Assistant OHS Officer and a Post Test Club (PTC) member attended a three day HIV/AIDS peer education earlier in the year.
- Routine medical tests such as cholinesterase continue to be undertaken according to regular schedule.

Corporate Social Responsibility

- The farm distributes vegetables to the needy as well as to the surrounding community.
- Interested university students have obtained attachment opportunities on the farm.
- The farm continues to support Naivasha area community policing activities.
- Over 3,500 tree seedlings of Jatropha trees have been planted in and around the farm to provide windbreaks and ameliorate the environment.



Environment

- The expansion of the wormery for processing of compost manure to earthworm compost has now been completed.
- The farm is now producing 5,000 litres of earthworm compost each week with a view to reduce chemical use.
- Water conservation is carried out through recycling hydroponics water back to other crops. This ensures conservation of water and avoids pollution of the lake.
- The IPM area has increased to 9.5 ha up from 6.5 ha.
- The farm produces 2 million Phytoseilus each week and has a potential to produce 5 million when it is fully operational. The aim is to control red spider mites as an alternative to chemical use.
- 25,000 units of a novel beneficial, Diglyphus are being produced on the farm to substitute chemical use in the control of leaf miner.
- The intense planting of Jatropha trees continues to be carried out for these trees to later serve as wind breaks and their seeds to be used for bio-diesel extraction.
- Maintenance of beetle banks continues for the conservation of flora and fauna.

FLO PREMIUMS

- FLO premium received in 2007 was £ 21,261.53 equivalent to Ksh. 2,796,580.45
- Additional premium received from FLO was for Fairtrade lines into mainland Europe of € 26,379.95 equivalent to Ksh.2,743,514.80

FLO Projects undertaken in 2007

- Purchase of electronics, bicycles, gas cookers, sewing machines for employees with 25% less of the cost price catered for by FLO premium at a cost of Ksh. 4,123,796.00
- Creation of Fairtrade awareness through the issue of FLO branded T-shirts costing Ksh. 314,000.00
- Drilling of a borehole to curb water shortage experienced at two nearby schools, the chief's camp and the dispensary at a cost of Ksh. 1,3206,400.00
- Community shop project where the workers are able to obtain food stuffs free of charge amounting to Ksh. 844,730.00
- Workers' training; capacity building for workers through computer, tailoring and driving courses at Ksh. 644,500.00
- Training of the JB: capacity building to enable the representatives to handle FLO responsibilities effectively.
- Disbursement of bursaries to needy students amounting to Ksh. 200,000.00
- Purchase of a computer for the FLO office to enable more efficient storage of JB documents at a cost of Ksh. 62,004.00
- Distribution of mosquito nets to workers' children less than five years old and expectant women on the farm and in the neighbouring Karagita centre worth Ksh. 156,000.00
- Garbage collection from the nearby Karagita centre at Ksh. 156,000.00

Planned Projects

- Investment on land for a future project which is to build a day care centre for use by employees and the immediate community budgeted at Ksh. 1,000,000.00
- Construction of a bus shelter estimated at Ksh. 300,000.00
- Monthly community clean up at Ksh. 200,000.00.

Certification Status

- BOPP Packhouse – Audited 24th May 2007, certificate valid up to 23rd May 2008.
- KFC Silver – Audited 17th and 18th September 2007, certificate valid up to 5th November 2008.
- MPS A – Certificate valid up to 18th February 2008.
- MPS GAP – Audited 10th and 11th September 2007, passed audit, awaiting certificate.
- MPS Social – Audited 10th and 11th September 2007, passed audit, awaiting certificate.
- SA 8,000 – Audited 15th December 2007, passed audit, awaiting certificate.
- FLO – Audited 19th – 22nd November 2007, certificate valid up to 30th April 2008.
- ETI assessed.



6. Nini Kenya

General

- All of Nini's plastic is recycled into plastic posts towards the building and maintaining of an electric fence around the Aberdare's; a crucial wildlife and forest area. This prevents human wildlife conflict and protects valuable forests from destruction.
- An invitation to visit the farm was extended to the union and resulted in some farm members joining the union.
- The farm's support for HIV/AIDS programmes is tremendous and is undertaken on various fronts.

Labour

- There has been a wage increment in the fourth quarter in addition to an end of year bonus.
- Working hours for security staff have been adjusted downwards from 60 to 48 hours with 12 hours overtime. Working hours for general workers remain at 46 hours.
- Maternity leave is set to be revised from two to three months in line with the new labour laws.
- Permanent employees comprise 94% of the workforce. Women form 76% of the workforce and men 24%.
- Staffs continue to be paid through an ATM on the company premises as a safety measure as well as to foster a saving culture for those who wish to do so.
- Nini continues to provide meals at a very subsidized cost to all employees – Ksh.5 at their canteen.
- All staff are transported to and from work.

Freedom of Association

- The farm management met union officials and extended an invite to recruit at the farm. The union addressed a recruitment meeting on the company premises and succeeded in having members of staff join. However, membership remains low with workers preferring the representation of the welfare committee.

Education

- Practical skills acquisition facilitation; University students studying horticulture are granted attachment to assist them acquire practical skills in horticulture with the farm paying the students monthly allowances.
- The company directors continue to support Mirera Secondary School through rehabilitation of facilities and paying of salaries for several teachers. In addition, the best student in previous year's exam has been granted a contract to earn an income at the farm as he waits to join college.

Occupational Health and Safety

- PPE replacement continues, with workers now having two dust coats and new sets of safety shoes.
- Workers were trained on Health and Safety relevant to their duties as contained in the job descriptions.

- The Health and Safety committee was trained on TB and HIV AIDS causes and control methods.
- Sprayers were trained on safe handling of chemicals.
- First Aiders and the Health and Safety Committees received relevant trainings to each committee.

Medical

- The company clinic continues to provide free medical aid to sick staff and serious cases are referred to Kijabe AIC hospital.
- Kijani dispensary, constructed by the farm is available for the local community to access quality medical care. Moreover, it has entered an agreement with Kijabe AIC hospital for the provision of ARV's for HIV/AIDS patients.
- Family planning services are provided through Marie Stopes. Workers have been trained on family planning undertaken by Marie Stopes as well as in hygiene carried out by the company's nurses.
- The farm availed its finance controller to audit the dispensary and help streamline its finance management systems.
- HIV/AIDS post test club members were facilitated to attend training on peer counselling and HIV/AIDS advocacy as well as training on counselling skills.
- The Naivasha community HIV/AIDS group (NACOHAG) counsellors undertook visits to the farm three days of every month to provide counselling and testing services.

Corporate Social Responsibility: Community involvement

- The chairman and general manager are actively involved in the running of the Coulson School for girls which was initiated to provide students in the immediate community access to secondary school education.
- The managing director delivers water by bowser twice a week to Mirera School and Kijani Clinic.
- The farm supports Naivasha Hortifair, Naivasha Crafty Fair, United Disabled People's Marathon, the Mayor's Christmas tree fund and Lake Naivasha Grower's Group amongst a host of other groups it works with.
- The farm's Production and Sales Managers sit on several committees such as Lake Naivasha Grower's group, Naivasha Hortifair, Naivasha community project and the Naivasha Community HIV Group in addition to a number of other committees.
- The assistant grower manager is a past Rotarian president and is actively involved with the Safe House for abused children in Naivasha, the Water for schools project and books for schools project.
- The farm has facilitated the volleyball and men's and women's football teams with the women's football team winning an HIV/AIDS sensitization tournament organized by Naivasha Community HIV/AIDS group.
- Free transport is provided by the company for bereaved workers to transport the bodies for burial within Naivasha environs as well as the provision of coffins in some cases.

Environmental

- All of Nini's plastic is recycled into plastic posts towards the building and maintaining of an electric fence around the Aberdare's; a crucial wildlife and forest area. This prevents human wildlife conflict and protects valuable forests from destruction.
- The farm has availed its own security guards to protect the important woodland and papyrus zone around the lake in the riparian belt. Arrests of wood cutters have been made and culprits have been handed over to the police for prosecution.
- The company Director and Manager are very active in the Rhino charge – a rally aimed at raising money for protection of rhinos – raising millions of shillings for the Rhino Ark Trust.
- Close to 200 trees have been planted this year.
- Old rose bushes have been put to use in the making of charcoal, hence saving the trees that could have potentially been cut down for charcoal.

Certification

- BOPP Packhouse – Audited 26th May 2007, certificate valid up to 25th May 2008.
- MPS A – Certificate valid up to 18th February 2008.
- KFC Silver – Audited 2nd February 2007, certificate valid up to 1st February 2008.
- MPS Social – Audited 26th June 2007, certificate valid up to 29th July 2008.
- MPS GAP – Audited 22nd March 2007, certificate valid up to 21st March 2008.
- ETI assessed.



Computer course for Waridi employees

7. Waridi Kenya

General

- Construction of a classroom at the neighbouring Ngeleni School is now complete.
- Free food is provided to all the employees.
- The farm has set up a plant nursery comprising of indigenous plants with the help of the Fairtrade scheme and distribution of these seedlings to the neighbouring community at no cost.

Labour

- Maternity leave has been increased from 10 weeks to 11 weeks in 2007. This leaves pending an increase of another one week to be implemented in 2008 in order to meet FLO requirements.
- The farm provides free nutritious food to all employees with vegetable gardens maintained to assist in this.

Freedom of Association

- A new awareness programme for the workers on the employment regulations was carried out earlier in the year.
- A new CBA is negotiated every 2 years.

Housing

- Flushing toilets have now been provided.
- Yearly maintenance for all housing is now being undertaken with increased regularity.

Occupational Health and Safety

- All staff are provided with the appropriate PPE and trained in their correct use.
- Regular risk assessments are carried out on the farm and issues that are identified as potential risks are addressed by the environmental health and safety committee. A comprehensive health and safety policy is in place and known to workers.
- Employees are well trained on emergency evacuation procedures.
- Facilities such as changing rooms, lockers and hygienically maintained toilets and showers are provided for all employees.

Medical

- A team of trained First Aiders is in place.
- The farm has a dispensary which is staffed by a qualified company doctor and other health professionals to provide free medical care to employees.
- Workers have been made aware through regular training programmes about HIV/AIDS and preventive measures. Voluntary testing is encouraged at company cost and confidentiality is maintained. Regular counselling is carried out for patients for family planning and HIV/AIDS related issues.
- Typhoid vaccination was carried out for all the workers.



Skills training project for workers

Environment

- The farm has been recycling water drained from fertigation substrate in green houses back into the flowers.
- A UV machine has been installed to ensure maximum utilization of drain fertiliser water from substrate. This has also assisted in reduction of water borne nematodes and bacterial diseases hence a decrease in usage of chemicals.
- All waste water is directed into wet lands where it is purified by natural means through a series of ponds. An expedition has been undertaken to elongate the flow and ensure more efficient purification.
- A production unit of the predatory *Phytoseilus* spp. has been set up with the aim of controlling spider mites resulting in a decrease in usage of miticides. Environmentally friendly organic fertilisers and biological pesticides are used as much as possible where they are suitable.
- Waste is disposed of in an environmentally friendly manner with importance being given to segregation and recycling.

Corporate Social Responsibility

- Rehabilitation of the access road.
- Provision of security through the company vigilance security unit.
- Distribution of drip lines to local vegetable growers at low cost or free of charge.
- Provision of games fields for volley ball and football with an aim of encouraging health and fitness.
- Television and video facilities are provided in the canteen for recreation purposes during non-working hours.

FLO Projects undertaken in 2007

- Construction of a classroom at the nearby Ngeleni Primary School was completed in 2007.
- An ongoing capacity building project is in place with computer literacy, dress making and driving classes taking place.
- Workers have been facilitated to purchase items such as solar panels, generators, pumps, battery chargers and salon equipment in order to enable them initiate small scale income earning projects.

- The farm has made efforts at reforestation by distributing free tree seedlings; the community has also been trained on planting and caring for trees.
- Typhoid injection
- Sports Activities

Certification

- MPS B – Certificate valid up to 18th February 2008.
- MPS GAP – Audited 22nd February 2007, certificate valid until 23rd March 2008.
- FLO – Audited 22nd March 2007 with corrective actions, certificate valid up to 22nd June 2008.
- KFC Silver – Audited 11th July 2007, certificate valid up to 5th November 2008.



Waridi sports projects



Maria Gorret nursery

8. Fontana Kenya

General

- A Fairtrade officer and a H&S officer have been appointed in preparation of acquiring FLO accreditation.
- Various policies such as sexual harassment and grievance policies have been drafted as required by the FLO standard.
- A meeting room with adequate facilities and space has been provided for worker's representatives to have monthly meetings.

Labour

- The minimum wage is above the government requirements, and has seen an increase in this year to the amount negotiated in the CBA.
- Maternity leave is set to be revised to three months exclusive of annual leave as per the new labour laws.
- All employees are entitled to 1.83 leave days per month, which translates to 22 working days in a year. Working hours are 46 per week, with one off day within the week.

Freedom of Association

- Fontana does not discriminate or refuse any workers to join the existing trade union. In addition, a democratically elected worker's committee is in place to deal with problems on behalf of the employees.
- The worker's committee meets once a month and issues raised are then discussed with management in a monthly follow up meeting.

Occupational Health and Safety

- Three fire assembly points have been designated with two more to follow.
- Easily identifiable First Aiders have been trained and strategic points on the farm equipped with First Aid boxes.
- A Health and Safety committee is in place and meets once a month.
- Annual trainings on Health and Safety at the workplace and First Aid are provided by Universal Work, Health and Safety Consultants. A total of 60 employees have been trained from different departments.

Medical

- Cholinesterase testing is conducted for all sprayers and handlers of chemicals every 3 months to check their level of tolerance to chemicals.
- The company has a clinic on site run by a qualified nurse who takes care of any minor injuries and illnesses on site. After work hours, the nurse is housed on site and is on call in case of emergencies.
- HIV/AIDS awareness training is carried out regularly in conjunction with the Nakuru Voluntary Counselling & Testing centre where testing is carried out free of charge. Personal consultation and counselling is also provided.
- Condom dispensers have been set up in all rest rooms and at the clinic on the farm.



Medical health care

Certification

- MPS A – certified until 18th February 2008.
- The farm has registered membership with FLO/Fairtrade and is waiting confirmation which should be received in about a month.

Community involvement: Corporate Social Responsibility

- The farm was actively involved in installing culverts for the access roads in the neighbourhood.
- Fontana facilitated a monthly HIV/AIDS awareness programme with assistance of free ARV's on the farm.
- A clinic was held on the farm this quarter whose objective was to provide typhoid shots for the workers on the farm.
- Discussions are being held with the local hospital with a view to build a Maternity wing.
- The farm continues to maintain the main road to the farm (3 km stretch) which is used by nearby schools and Matweku village as well.
- Trees from the farm's tree nursery are donated to nearby municipal schools for their use.
- Borehole water is provided to the neighbours and the Nursery school, neighbouring the farm fence – St Lucia, at no cost.
- A donation of 50 pcs of ½ inch Class C pipes and 20 pcs of 1 inch pipes to Kapkures Water project in Boror farm was made to aid in supply of water to approximately 50 families.

Environmental development

- The farm has a very active IPM programme with more than half of the greenhouses are under the IPM programme – using Phytoseiulus largely produced on the farm for control of red spider mites.
- Fontana promotes the planting of indigenous tree species in the tree nursery, which is currently supplying neighbouring municipal schools and neighbouring households.
- All wasteland fences at the edges of the road are being planted with trees.
- Two additional dams were built on the farm to collect rain water and run off water, assisting supplement the water needs of the farm. This is enough for irrigation requirements.
- All production area is under hydroponics, economizing the use of water and fertiliser. The drainage water is recycled, saving water and fertiliser even further.



Bore hole Chalimbana Police

9. Khal Amazi Zambia

General

- A new CBA was signed this year.
- The farm has been instrumental in building and funding a Police Post as well as personnel for the local community.
- A bore hole for the local police station has been drilled.
- The worker's forum elected a new chairperson.
- On Workers Day a presentation of blankets and bicycles is made to employees with exceptional performance.

Labour

- All employees work for a maximum of 48 hours every week.
- Minimum annual leave is 24 days.
- The maximum length for temporary and seasonal contracts is 6 months.
- Sick leave per employee is 120 days.
- 12% of the employees are housed in company housing.
- An additional block containing 10 accommodation rooms was constructed for the workers and is already in use. In addition five new management houses have also been completed.

Freedom of Association

- A CBA has been signed between NUPAW (National Union Plantation Agriculture Workers), ZFEA (Zambia Farmers Employers Association), ZEGA (Zambia Export Growers Association) and ZNFU (Zambia National Farmer's Union). CBA is used for all negotiations, labour laws and contracts.
- A new chairperson for the worker's forum was elected following resignation by the previous chair.

Education

- The farm supplies stationery, books and support in other areas such as transport, for children at the local school.
- The farm manager completed a HACCP training course.

Occupational Health and Safety:

- Continuous training programmes are undertaken in monitoring, inspection and accident analysis by the Health and Safety committee.
- An occupational health and safety classroom was constructed with the result that a fulltime team will be dedicated to training, induction, health and safety.
- Extensive training was carried out in First Aid, HIV/AIDS sensitisation, personal hygiene and fire emergency procedures.
- With regard to individual job descriptions training has been carried out in supervision of safe and effective spraying, pest and disease scouting & identification, pesticide store keeping, post harvest solution preparation, quality control and safe working practices.
- Training for use of chemicals was carried out by NRDC/ZEGA training trust.

Medical

- Regular cholinesterase tests carried out with no major issues reported.
- The crop protection department has received four visits from Perma-net clinics and the rest of the farm two visits from Warudo clinic with an aim to distribute mosquito nets during the anti-malaria campaign.



World Aids Day

Community involvement

- A host of HIV/AIDS activities were undertaken at the farm with the support of USAID. These activities included training carried out by the farm and the effectiveness of the training being assessed by USAID.
- These activities culminated in a get together on 1st December with greater awareness being created, in addition to having a day that the employees could come together.
- HIV/AIDS training and peer development continue to be carried out.
- USAID is currently making a final assessment on the effectiveness of HIV/AIDS training carried out by the farm.
- Further HIV/AIDS training and peer development is currently ongoing.
- The company holds football tournaments where transport is provided and prize money is won at the end of the competition. This is for workers and the immediate community.
- Khal Amazi provides free transport for employees to medical facilities and for the children to schools daily, which includes kindergartens.
- Every employee is also provided with an energy drink or supplement on the company's cost every day.

Environmental:

- The farm has carried out successful trials in the use of Phytoseiulus persimilis for spider mites, Chrysoperla carnea for mealy bugs, and Amblyseius cucumeris for spider mites and thrips.
- Work is in progress on the wetland catchments pond as well as on a new set of ponds started to increase efficiency.

- An insect project (insectory) has been initiated to assist in production of biological pesticides that will aid in IPM.

Certification

- BOPP Packhouse – Audited 7th December 2007, passed audit, awaiting certificate.
- MPS A – Certificate valid until February 18th February 2008.
- MPS GAP: Certificate valid until March 2008 – passed audit, awaiting certificate.
- Progress ongoing for registration of Fairtrade.
- ETI assessed.



10. Kiliflora Tanzania

New students of Leganga school

General

- The CBA was amended earlier in the year with increments in salaries and allowances.
- Kiliflora provides free food to all employees at the company canteen facilities
- The farm made a donation of Braille equipment worth USD 1,595 to a impaired person in the community to assist in his studies.

Labour

- The CBA was amended in March 2007 which saw an increase in salary, house, leave and transport allowances.
- The benefits of both contract and probation workers were equated such that the salary is now the same; rest days are given and pro-rata leave is paid.
- Permanent workers comprise of 92% on both farms combined and the percentage of women is 59% to 41% of men.

Freedom of Association

- All the farm's workers are unionized.
- The Worker's Union (TPAWU) Zonal chairperson and secretary have made regular visits to the farm to train and discuss issues with workers.

Housing

- Workers' quarters have been refurbished with all the houses painted during the year.
- In addition, all roofs that were in poor condition have been repaired together with any electrical disorders being rectified.
- Supply of clean water has been initiated into the living quarters.

Occupational Health and Safety

- There has been increased worker representation and intense training in the Environment, and Health & Safety (H&S) Committees with the basis formed on FLO Standards.
- Refresher training has been carried out for all First Aiders and three new First Aid workers have undertaken initial training.
- The fire fighting team has been trained in addition to a training being undertaken in evacuation for all the workers.
- The H&S committee have begun to carry out collective risk assessments on both farms. Any risk issues identified are brought up in meetings and resolved.

Medical

- The farm clinic is open from 7.15 a.m. to 5 p.m.
- The clinic is staffed by a clinical officer and a nurse. A doctor from a nearby hospital visits the employees at the farm twice a week to assess the health situation of the workers.
- This new system of treatment with two health care professionals instead of one has greatly increased efficiency.

- The company has a joint venture with Marie stopes clinic to provide counselling and treatment as well as family planning advice. Facilities are provided free of charge.

Corporate Social Responsibility:

- The farm provides free fuel to nearby police security vehicles for patrolling the community to reduce crime.
- Drip lines are provided to local vegetable growers at low cost or free of charge.
- Transport assistance to hospitals is also provided to seriously ill patients or accident victims in nearby villages.
- Construction of police post in Nduruma farm is nearing completion. This will improve security in the area.

Additional community assistance funded by Fairtrade premium

- The female ward at Tengeru hospital which was previously in a dilapidated condition has now been renovated and provision of health care in the community has greatly improved.
- School sponsorship is an ongoing project initiated in 2005. Workers' children are sponsored for secondary education, with 29 children benefiting from the project this year.
- The nursery school at the nearby Leganga village at Usa has enrolled 15 students from the community. The school opened its doors in January 2008 and the Joint Body has planned to sponsor 35 students. The school has been subcontracted to nearby renowned school of St. Thomas.

Environmental

- In order to reduce the use of nematicides and at the same time succeed in reducing microbial infestation in the crop, the farm has installed a system known as Bactokill in Nduruma farm. This has also assisted to recycle all the fertigation solution hence a reduction in fertiliser usage as well.
- Clean water is being tapped from fresh springs in the upper hills. This ensures pest free water for use in the farm, which also assists in reduction of chemical use.
- Kiliflora has taken the initiative for tree planting by creating a demonstration plot for the villagers, teaching them how to plant and take care of the trees as well as highlighting the benefits of tree plantation. A plant nursery exists comprising of indigenous trees available to the workers and the immediate community at no charge. Tree nursery campaigns were conducted through the year with close to 32,300 seedlings of both indigenous and exotic species distributed to workers, schools and the immediate community. Indigenous trees native to this area include Acacia, Codia africana and Raufolia Cafra. Grevillea and Cassuarina comprise the exotic varieties.
- The wetland at Loliondo farm has been expanded and lined with a new dam liner. Aquatic plants have been planted in the wetlands to help oxidation of the waste water.

- Kiliflora has invested around Tsh. 8 million to help create a police post near its farm in Nduruma. This is a joint project with other flower farms in the area for improved security for flower farms and community in the area.

FLO Projects undertaken in 2007

- Ngarasewo water project is a joint project between the farm and the Joint Body. Water from the upper hills of Kibola has already been piped down to the company premises at company cost and the Joint Body has invested in infrastructure to pipe the water to Ngarasewo village to facilitate supply of clean water to the villagers.
- Construction of Chekereni Nursery School was started in April 2007 and is expected to be completed in April 2008. This school will be similar to the one in Leganga and is expected to help in educating 160 students.
- Usa River Library Project was started in October 2007. The library will be run by Muungano secondary school and will be open to the public. This library was initiated to promote reading habits within the community.
- Facilitation of HIV/AIDS training for persons with hearing impairments in the community was carried out.
- Construction of a hostel at Mlangarini village was begun and completed.
- The library at Olomitu was also completed.



Renovated Tengeru hospital female ward

Certification

- MPS B – Certificate valid from 18th February 2008 to 16th June 2008.
- MPS GAP – Audited 18th October 2007, passed audit, awaiting certificate.
- MPS Socially Qualified – Audited 18th October 2007, passed audit, Certificate valid from October 19th 2007 to October 18th 2008
- FLO – Audited 9th – 12th October 2007 with corrective actions. Corrective actions forwarded to FLO-Cert awaiting extension of certificate which was valid until 15th November 2007.





11. JB Roses Zimbabwe

The Greenhouse

General

- A Health and Safety officer was appointed during the year.
- A loan facility was set up of to assist employees during financial emergencies.
- Renovation of the chemical store was undertaken to ensure adherence to international standards.

Labour

- In addition to a 760% increase in the minimum wage just recently, a further increase of 450% has been effected in 4th quarter 2007
- A large well balanced food package is provided to all employees each month.
- Approximately 34% of employees are members of the industry trade union. The union has an open invitation to the farm and free access to all employees.
- Food assistance – every month, employees are issued with a balanced food supplies to help subsidize their living and ensure that they are eating well. There is no charge for this.

Housing

- The farm provides housing for all of its employees.
- This year saw the manager's house refurbished.
- Two new toilets were constructed with additional facilities in the pipeline.

Occupational Health and Safety

- Chemical spray lines and water lines were colour coded for safety purposes.
- A Health and Safety officer was appointed and an accident register opened.
- A regular risk assessment exercise was also initiated.
- Training was conducted on safe use and disposal of chemicals and certificates issued.
- Full PPE was issued during the year and a comprehensive policy on replacement of PPE put in place.
- The chemical store was renovated to ensure safe storage in accordance with accepted recommendations.

Education

- There is a crèche and a pre school on the farm with resident child minders and teachers.
- Worker's children attend one of two local schools within close vicinity of the farm.
- Both Primary and Secondary schools are available, with fees for the children being subsidized by the farm. In some cases assistance with uniform is also given.
- For special cases where there are orphans (employees have died) there is educational support for children who live on the farm.



Medical health care

Medical

- The farm was availed as a centre for the administration of the poliomyelitis vaccine as well as vitamin A targeted at all children on the farm and the neighbouring community during the Child Health Days Programme under the ministry of health.
- The farm sponsored clinic staff at workshops and carried out updates on self help for HIV/AIDS patients.
- The farm joined the District Aids Action Committee (D.A.A.C.) with 3 councillors appointed to coordinate activities.
- Cholinesterase testing is conducted for all sprayers and handlers of chemicals twice in a year to check their level of tolerance to chemicals.
- JB roses has a well stocked and staffed clinic run by a state registered nurse who is also qualified in intensive care and trauma treatment. A local doctor attends to the clinic monthly.
- The clinic runs an HIV/AIDS testing, counselling and education programme, along with a Polio vaccination programme. A baby weighing and health check exercise is carried out once a month with the participation of the Child Welfare Council.

Community involvement: Corporate Social Responsibility

- There are three fully sponsored football teams comprising of the workforce of JB roses and the immediate community who participate in sporting events. An athletics meet is held once a year. Netball is another popular sport.
- The farm has a community hall that hosts weekly film shows, dramatic performances, popular music bands and inter denominational church meetings all of which are open to the immediate community.
- The District Aids Action Committee was initiated to empower the community reduce HIV/AIDS transmissions with a view to minimize the impact on families and society. The committee has put into practice measures such as: prevention of mother to child transmission of HIV/AIDS, promotion and distribution of condom use, encouragement of voluntary counselling and testing through mobile,

- outreach programme units and formation of school groups & friendly corners for persons living with HIV/AIDS.
- In addition, special care of orphans and vulnerable children up to the age of 18 years and special care of child headed families has also been put in place.
- For PLWHA (People Living with HIV/AIDS) individual support through food distribution and technical survival skills has been initiated. Home based care for the sick including supplementary feeding and provision of drugs is also being carried out. Coordination of a community programme to initiate herbal gardens and identify prospective beneficiaries as well as investigate the degree of need in order to develop priority needs lists and budgets has also been undertaken.
- A loan facility has been set up to assist employees when they require extra finances in difficult times. This finance is available for confirmed problems such as funerals, hospital visits, costs for medication and various family problems.
- A transport facility to assist with transport problems in the case of funerals, emergency hospital visits and emergency family problems is also catered for.
- A community clinic is at hand in addition to provision of transport for medical purposes.

Environment

- There is a large game conservation area on the farm which provides a habitat for indigenous flora and fauna.
- Several wood lots on the farm are used for fuel and construction in order to protect indigenous trees.
- The farm's environmental policy is aimed at reducing chemical usage and the introduction of Bio control agents wherever possible is undertaken.

Certification

- MPS D: Participant - continuing to record and report data waiting for the first audit. MPS is waiting for the security situation to improve before carrying out the audit which is now overdue.
- The farm has registered membership with FLO/Fairtrade and is waiting confirmation which should be received in about a month.
- ETI assessed.



The blossom test



Education stationery

General

- The farm has been a certified Fairtrade supplier of fresh, cut roses since April 2007.
- The joint body received the initial Fairtrade premium monies this year and with this has contributed to stationery for the school children, in form of furniture, toys for the crèche as well as equipment for the clinic.

Labour

- An increase of 414% has been effected in 4th quarter 2007.
- Approximately 90% of the employees live on the farm.
- Food for each employee is provided monthly. Meat is also provided for employees from the farm's piggery.

Freedom of Association

- Lospen farm welcomes staff membership to industry trade unions and the union representatives have free access to all staff at any time.
- GAPWUZ (the local agricultural trade union) is very active within the farm.
- The workers' committee is representative of the employees employed by Lospen Farming and have a terms of reference to assist them in their structure, duties, elections and terms of office.

Occupational Health and Safety

- GAPWUZ union was called in by management to conduct Health & Safety (H&S) awareness training for the H&S Committee on hazard identification, control of hazards, accident investigation, compensation, H&S laws, workplace survey and functions of H&S Committees.

Education

- With FLO premiums, the joint body made purchases of stationery – pens, pencils, rulers and exercise books for the worker's children in primary school.
- The farm has a crèche with resident child minders (caretakers). Children of school going age attend a nearby school within walking distance of the farm.
- Both primary and secondary schools are available, with fees for the children being paid for by the farm.

Medical

- The farm has a clinic available to provide health care to all employees and their children.
- The clinic is run by a resident state registered nurse.
- The farm medical officer has conducted awareness training sessions tackling issues such as sexually transmitted diseases and HIV/AIDS.

Community involvement: Corporate Social Responsibility

- Employees are actively involved in farm sponsored community and education programmes.

- GAPWUZ union issued its female members at Lospen with sanitary pads.
- The farm has netball and football teams which compete with other local teams.
- Two members of the farm workers committee were nominated to sit as representatives for the Mount Hampden area on the GAPWUZ Harare Branch.

Environmental development:

- An Environmental Impact Assessment (EIA) was conducted and inspected by FLO earlier in the year. All recommendations were looked into.
- Management has made efforts to ensure that ground water, vegetation and wildlife is not compromised in areas identified as environmentally sensitive during the EIA.

FLO Projects undertaken in 2007

- The premiums were spent on furniture for the crèche, furniture for the clinic, stationery and uniforms for the employees' children attending primary school.

Planned Projects

- Purchase of specialized equipment for the clinic.
- Continuation of the project of purchasing stationery and uniforms for employees' children.

Certification

- MPS D: Participant - continuing to record and report data.
- FLO – Audited 19th – 23rd March 2007, certificate valid up to 21st March 2008.
- ETI assessed.

12. Lospen Farming Zimbabwe



The employees

13. Hidden Valley Horticulture Zimbabwe

General

- This year saw an increase in permanent workers from 30% to over 70% of the work force.
- Each staff member continues to receive adequate and well balanced food packages worth \$ 5 each month as a counter-measure against hyper inflation.

Labour

- In addition to a 760% increase in the minimum wage in the recent past, a further increase of 450% has been effected in 4th quarter 2007.
- Over 70% of the farm's employees are permanent.
- Women form 60% of the workforce.
- About 40% of the employees are housed on the farm.
- Food for each employee is provided twice a month for all staff.

Freedom of Association

- The farm welcomes staff membership to industry trade unions and the agricultural union representatives have free access to all staff at all times.
- Membership into GAPWUZ the national agricultural union has been rising steadily through the year with a current membership of 50%. The last visit to the farm by the union was in December.
- The farm has a fully functioning worker's committee.

Occupational Health and Safety

- Construction of a canteen was initiated during the year.
- A new chemical store adhering to recognized safety standards was constructed.
- PPE is re-issued to all employees twice a year.
- Health and Safety training was conducted in June by a local company, the focus being safe use and handling of chemicals
- A H&S officer has been appointed and has carried out a full risk assessment on the farm.

Housing

- A housing project is underway to double the number of workers living on the farm from 40% to 80%. Further supplies of building materials for these new houses have been ordered and the farm awaits delivery.
- A canteen for the employees was constructed during the year.

Education

- The farm continues to pay school fees for all employees' children from primary school up to completion of 'O' levels. School fees for the coming term have just been paid for by the farm.
- Both primary and secondary schools are available, and within close proximity to the farm.

Community involvement: Corporate Social Responsibility

- Construction of a new crèche has been completed.
- Maize meal is supplied once a month to all workers to supplement meagre food supply.
- All workers are supplied with maize seed and fertiliser at the start of the planting season. Land is allocated and ploughed for planting for the foremen.
- All employees are provided with an energy drink during the summer months.
- Assistance is provided to employees for funeral arrangements, costs and transport arrangements.
- There is loan's fund in place for all staff, fully administered by the staff themselves.
- The farm supports the local school with supplies of building material such as cement, tractors and transport.
- The farm's football team is fully supported and facilitated by management through provision of uniforms, equipment, transport and affiliation fees.



The employees

Medical

- Cholinesterase tests were carried out in December and all employees were within safe limits.
- Basic medical supplies are available on the farm. Transport and monetary assistance is provided to assist in more serious issues.
- A government medical centre and clinic is stationed within 10 km of the farm.

Environmental development

- 65% of the project is under hydroponic cultivation in an effort to reduce chemical and fertiliser use and leaching of salts in the soil.

Certification

- MPS D: Participant - continuing to record and report data waiting for the first audit. MPS is waiting for the security situation to improve before carrying out the audit which is now overdue.

- The farm has registered membership with FLO/Fairtrade and is waiting confirmation which should be received in about a month.
- ETI assessed.



Visit MP Roses Greenhouse

- An annual MPS meeting was held in March in Nairobi. Issues on certification were discussed in addition to ironing out data entry problems.
- A meeting was held by Fairtrade producers early in 2007 to discuss feasibility of the requirements of the latest Fairtrade Standards.
- Nadia Hoarau – Mwaura who is the regional coordinator for flowers in East Africa (FLO International - PBU) visited Kenya in February 2007 to call on Fairtrade certified producers.
- Africa Fairtrade network had a meeting in Addis Ababa in week 29 to discuss various issues raised on the Fairtrade standard.
- Zachary Kiarie, who has an extensive background in Fairtrade has been appointed the new Liaison officer to provide support to already existing and potential Fairtrade farms. 19th November 2007.
- In December, Carol Nkirote who has a wealth of experience in the Kenyan flower sector in certification and auditing of different schemes has been appointed a new member for the Africa Fairtrade Network.

14. General events, visits and highlights for 2007



Financial information: FLO premiums

The following amounts are invested in
several developments at the various farms.



OSERIAN

SUMMARY OF FLO PREMIUMS FOR 2007

FARM	PREMIUM MONIES RECEIVED	PROJECTS IMPLEMENTED	AMOUNT
OSERIAN	MONIES RECEIVED IN 2007 £ 139,782.55 = Ksh. 18,907,819.05 € 277,380.50 = Ksh. 28,844,798.20 A total of Ksh. 47,752,617.25	Full Secondary Scholarships	Ksh. 413,050.00
		Secondary Bursaries	Ksh. 1,770,300.00
		Higher Education Bursaries	Ksh. 2,672,500.00
		Family Life Seminar for all Oserian workers	Ksh. 80,000.00
		School Building Inspection	Ksh. 48,960.00
		Training Center courses Running Costs	Ksh. 219,316.65
		Gas Cooker Project	Ksh. 524,360.00
		Support to PLWHAS	Ksh. 313,800.00
		5 day Capacity Building Training in Financial Management	Ksh. 302,100.00
		Gender Representatives Training	Ksh. 159,230.00
		FLO Accounts Audit Auditor's Disbursements	Ksh. 42,050.00
		Youth Training	Ksh. 28,000.00
		Retention Fee for Architect & Contractors	Ksh.
		(Runji & Partners, Fascom & Rutino)	Ksh. 932,772.00
		Training Center Running Costs & JB Expenditure	Ksh. 1,905,305.00
		Training Center & School Labs & Administration Block Construction (on going)	Ksh. 9,293,623.45
		Fairtrade Awareness Celebrations	Ksh. 3,471,300.00
		Capacity Building Visit to Comboni Polytechnic	Ksh. 5,000.00
		Purchase of computers for the Training center, JB Administrator's & Accessories	Ksh. 907,600.00
		Exchange Visit to Finlay	Ksh. 28,100.00
		Service to the community(Rubiri)	Ksh. 300,000.00
		JB Training on Leadership & Project Management	Ksh. 338,820.00
		HIV/ AIDS Awareness & World AIDS Day	Ksh. 1,000,000.00
		Purchase of Welfare Bus	Ksh. 3,382,000.00
		JB Running Costs (Postage & Communications)	Ksh. 178,935.50
		Welfare Bus running costs	Ksh. 51,263.00
TOTAL	Ksh. 28,368,385.60		

OSERIAN DEVELOPMENT CO. LTD

PROJECTS PLANNED

1. Tree Nursery	Ksh. 100,000.00
2. JB Chairpersons & Secretaries Training	Ksh. 230,000.00
3. Delegates Training	Ksh. 150,000.00
4. Visit to Penta	Ksh. 14,100.00
5. Visit to Panda	Ksh. 14,100.00
6. Kamere Land purchase & ECD construction	Ksh. 7,500,000.00
7. Sewing Machine Project	Ksh. 4,800,000.00
8. Support to Workers income workers income generating projects	Ksh. 2,500,000.00
9. Shop Stewards training	Ksh. 350,000.00
10. ODC estate electrification	Ksh. 5,000,000.00
11. Capacity building in entrepreneurship for Worker groups	Ksh. 250,000.00
12. Service to the community (Inkorianito)	Ksh. 300,000.00
13. Driving School set up	Ksh. 500,000.00
14. Carpentry School set up	Ksh. 1,500,000.00
15. Catering School set up	Ksh. 200,000.00
16. Purchase of 3 TVs for Msambweni , Kisumu Ndogo & Kongoni halls	Ksh. 600,000.00
17. Provision of facilities for 3 Oserian ECDs centers	Ksh. 1,100,000.00
18. Curriculum Development & Training Needs Assessment	Ksh. 100,000.00
19. Visit to Waridi	Ksh. 14,100.00
TOTAL:	Ksh. 25,222,300.00

LIKI RIVER FARM

FLO PROJECTS 2007			
FARM	PREMIUM MONIES RECEIVED	PROJECTS IMPLEMENTED	AMOUNT
LIKI RIVER FARM	MONIES RECEIVED IN 2007 £ 65,669.21 = Ksh. 8,857,167.75 € 28,432.08 = Ksh. 2,544,928.15 A total of Ksh. 11,402,095.90	Liki Kindergarten classrooms	Ksh. 3,448,737.00
		Revolving fund	Ksh. 1,330,000.00
		CCM primary school two classrooms	Ksh. 1,430,186.00
		CCM kindergarten 5 classrooms	Ksh. 868,000.00
		Bursaries	Ksh. 746,900.00
		Liki kindergarten toilet	Ksh. 227,590.00
		Desks for schools	Ksh. 402,500.00
		Miscellaneous expenses	Ksh. 115,939.00
		Educational courses for workers	Ksh. 103,760.00
		Tree planting and HIV/AIDS awareness	Ksh. 101,800.00
		Joint Body Tour	Ksh. 50,000.00
		Funeral assistance	Ksh. 30,000.00
		Audit fee	Ksh. 25,000.00
		TOTAL:	Ksh. 8,880,412.00

PROJECTS PLANNED / ONGOING

- Construction of 5 classrooms at CCM Kindergarten
- Ongoing purchase of desks for the local primary schools – Bungoma primary and CCM primary

LIKI RIVER FARM

PROJECTS PLANNED / ONGOING		
Tree planting	Ksh.	30,000.00
Garbage collection	Ksh.	78,400.00
Personal hygiene	Ksh.	65,000.00
HIV/AIDS	Ksh.	70,000.00
Joint Body Tour	Ksh.	80,000.00
Bursaries	Ksh.	1,000,000.00
Courses for workers	Ksh.	300,000.00
Payment for teachers at the crèche	Ksh.	108,000.00
Food for the crèche	Ksh.	250,000.00
Mattresses for the crèche	Ksh.	28,800.00
Computer literacy classes	Ksh.	200,000.00
Adult literacy	Ksh.	50,000.00
Capacity building – JB, female members and minorities	Ksh.	300,000.00
Three classrooms at Ngando primary school	Ksh.	1,900,000.00
Kitchen block (Liki special unit)	Ksh.	1,500,000.00
Desks for Nanyuki Children's home	Ksh.	300,000.00
Administration block for Mukima primary school	Ksh.	1,500,000.00
Roof repair for Muslim primary school	Ksh.	1,000,000.00
Three toilets for Guthera nursery	Ksh.	200,000.00
Support for the showroom (Mugasta HIV 'UWEZO' SHG)	Ksh.	1,500,000.00
Micro credit to workers for purchase of bike and land purchase	Ksh.	6,200,000.00
Fund purchase of co-operative shares	Ksh.	1,000,000.00
Posho mill for the farm	Ksh.	1,500,000.00
Tournament activities	Ksh.	700,000.00
Funeral assistance	Ksh.	80,000.00
Operational costs	Ksh.	218,521.00
TOTAL:	Ksh.	20,158,721.00

RAVINE ROSES

FLO PROJECTS 2007			
FARM	PREMIUM MONIES RECEIVED	PROJECTS IMPLEMENTED	AMOUNT
RAVINE ROSES	MONIES RECEIVED 2007 £ 23,776.73 = Ksh. 3,147,234.35 € 36,906.14 = Ksh. 3,838,238.56 A total of Ksh. 6,985,472.91	Education Credit Scheme – Interest free loans for employee’s children in secondary school.	Ksh. 212,700.00
		Education Credit Scheme – Interest free loans for tertiary education.	Ksh. 397,350.00
		Education Credit Scheme – Interest free loans for employees to attend computer courses.	Ksh. 131,500.00
		Education Credit Scheme – Interest free loans for employees to attend driving school.	Ksh. 29,200.00
		Facilitation of the men and women’s football teams and the volleyball team	Ksh. 406,170.00
		Laboratory equipping and renovation (ongoing) at a local school	Ksh. 977,836.00
		Medical outreach sponsorship within and without the community	Ksh. 238,200.00
		Community shop items – interest free hire purchase shop for the workers to purchase radios, televisions, gas cookers and solar panels	Ksh. 3,998,457.00
		TOTAL:	Ksh. 6,391,413.00
			PROJECTS PLANNED <ul style="list-style-type: none"> • Construction of Early Childhood Development classroom at Kamelilo primary school • Community shop: Purchase of various items such as tv’s, radios, gas cookers, solar panels, sewing machines, bicycles and roofing materials / iron sheets and television sets for employees on hire purchase terms • Education credit scheme –interest free loans for employees’ children in primary and secondary school • Education credit scheme –interest free loans for employees to attend driving school • Education credit scheme –interest free loans for employees to attend computer courses • Facilitation of both the men’s and women’s sports teams

LONGONOT HORTICULTURE

FLO PROJECTS 2007					
FARM	PREMIUM MONIES RECEIVED IN Q3 '06	PROJECTS IMPLEMENTED / PLANNED	AMOUNT		
LONGONOT	MONIES RECEIVED IN 2007 £ 21,261.53 = Ksh. 2,796,580.45 € 26,379.95 = Ksh. 2,743,514.80 A total of Ksh. 5,540,095.25	Fair -Trade awareness creation to the workers through issuing of T-shirts branded with FLO logo	Ksh. 314,000.00		
		Household items project phase 2 and phase 3: Purchasing electronics, bicycles, gas cookers & sewing machines to willing employees.	Ksh. 4,123,796.00		
		JB Training: Capacity building to workers representatives to enable them handle FLO responsibilities effectively.	Ksh. 189,500.00		
		Community shop project: The workers are supplied with foodstuffs of which 100% of the expense is recovered.	Ksh. 844,730.00		
		FLO office computer: To enable accurate fast & safe saving of the JB projects records and documents.	Ksh. 62,004.00		
		Award of bursaries to both secondary & primary schools to bright needy students.	Ksh. 200,000.00		
		Workers Training: Capacity building to workers by offering courses as computer, tailoring & driving.	Ksh. 644,500.00		
		Garbage collection: Bi-monthly cleaning up of the nearest shopping center market.	Ksh. 51,545.00		
		Borehole: Drilling up of a borehole to curb water shortage to both Mirera primary & secondary schools, chief’s camp & Kijani dispensary.	Ksh. 1,326,400.00		
		Mosquito nets: An effort to fight against malaria disease to worker’s children who are less than five years, expectant mothers at the farm and the community.	Ksh. 156,000.00		
		TOTAL	Ksh. 7,912,475.00		
				PROJECTS PLANNED <ul style="list-style-type: none"> • Investment on land for future projects e.g. to build a day care centre - employees and community • Bus shelter • Monthly community clean up 	Ksh. 1,000,000.00 Ksh. 300,000.00 Ksh. 50,000.00
		TOTAL	Ksh. 1,350,000.00		

bloom
beautiful flowers • beautiful people